EFFECT OF PLANNING PRACTICES ON ORGANIZATIONAL PERFORMANCE IN THE HOSPITALITY INDUSTRY IN KENYA: A CASE STUDY OF SERENA HOTELS

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DECLARATION

This Research Project is my original work and has not been presented for a degree in any other University

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DEDICATION

This research project is dedicated to my family for their unwavering support, encouragement, and understanding throughout my academic journey. Their love, patience, and constant motivation inspired me to persevere and successfully complete this study.

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ABSTRACT

The hospitality industry plays a significant role in economic growth, employment creation, and service sector development in Kenya. However, many hospitality organizations continue to experience performance challenges associated with operational inefficiencies, inconsistent service delivery, and ineffective resource utilization, which are often linked to weaknesses in organizational planning practices. This study examined the effect of planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels. The objectives of the study were to determine the effect of strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices on organizational performance. The study was significant to hospitality managers, policymakers, and scholars by providing empirical evidence on how structured planning enhances organizational effectiveness. The study was anchored on the Resource-Based View theory supported by Systems Theory, Financial Control Theory, and Human Capital Theory. A descriptive research design was adopted. The target population comprised 180 employees drawn from key functional departments at Serena Hotels, from which a sample size of 124 respondents was determined using Yamane's formula and selected through stratified random sampling. Primary data were collected using a structured questionnaire. A pilot study involving 10% of the sample was conducted to test the research instrument. Validity was established through expert review, while reliability was assessed using Cronbach's Alpha coefficient to ensure internal consistency. Out of the 124 questionnaires distributed, 112 were successfully returned, representing a response rate of 90.3%. Descriptive findings indicated that respondents agreed that planning practices were effectively implemented, with composite mean scores of 4.10 for strategic planning practices, 3.91 for operational planning practices, 3.92 for financial planning practices, and 3.91 for human resource planning practices. Correlation analysis revealed strong positive relationships between planning practices and organizational performance, with strategic planning practices recording the strongest association ($r = 0.689$), followed by human resource planning practices ($r = 0.672$), financial planning practices ($r = 0.658$), and operational planning practices ($r = 0.641$). Multiple regression analysis showed that planning practices collectively explained 61.2% of the variation in organizational performance ($R^2 = 0.612$). All independent variables had statistically significant positive effects on organizational performance, with strategic planning practices emerging as the strongest predictor ($\beta = 0.342$, $p < 0.05$). The study recommends strengthening participatory strategic planning processes, enhancing operational coordination through digital management systems, adopting data-driven financial planning and cost control mechanisms, investing in structured workforce development and succession planning programs, and institutionalizing continuous performance monitoring systems supported by customer feedback and service quality audits to sustain organizational performance improvements. Ethical considerations including informed consent, voluntary participation, confidentiality, privacy, and anonymity were strictly observed throughout the study.

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ACRONYMS AND ABBREVIATIONS

GDP	Gross Domestic Product
HR	Human Resource
HRP	Human Resource Planning
KNBS	Kenya National Bureau of Statistics
OECD	Organisation for Economic Co-operation and Development
SP	Strategic Planning
WTTC	World Travel and Tourism Council

OPERATIONAL DEFINITION OF TERMS

Financial Planning Practices	Processes used by Serena Hotels to forecast, budget, and allocate financial resources, measured by budgeting accuracy, effectiveness of financial forecasting, cost control mechanisms, and alignment of financial resources with organizational objectives.
Human Resource Planning Practices	Activities undertaken by Serena Hotels to forecast workforce needs and develop staff capacity, measured by workforce forecasting accuracy, training and development planning, succession planning, and employee deployment effectiveness.
Operational Planning Practices	Short-term planning activities that translate strategic plans into daily operations at Serena Hotels, measured by work scheduling effectiveness, service process planning, coordination of activities, and adherence to operational plans.
Organizational Performance	The extent to which Serena Hotels achieves its objectives efficiently and effectively, measured using profitability, service delivery quality, operational efficiency, and employee performance.
Planning Practices	Refers to the structured managerial processes used by Serena Hotels to set objectives and determine actions for achieving them, measured through strategic, operational, financial, and human resource planning practices.
Strategic Planning Practices	Long-term planning activities undertaken by Serena Hotels to define vision, mission, goals, and strategies, measured by existence of formal strategic plans, goal alignment, and frequency of strategic reviews.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter introduces the study by providing the background and context of planning practices and organizational performance within the hospitality industry. It presents the background of the study, articulates the research problem, and outlines the study objectives and research questions that guide the investigation. The chapter further discusses the significance and scope of the study and concludes with a chapter summary

1.1 Background of the Study

Organizational performance remains a central concern in management scholarship and practice due to its direct contribution to economic growth, employment creation, and sustainable development. High-performing organizations enhance productivity, profitability, service quality, and operational efficiency, which collectively support national economic outcomes and competitiveness (Richard et al., 2009; Venkatraman & Ramanujam, 1986). In service-oriented sectors such as hospitality, organizational performance is particularly critical because the industry is labour-intensive and highly sensitive to managerial effectiveness, customer satisfaction, and resource utilization (Enz, 2019). Empirical evidence indicates that improvements in organizational performance within the hospitality sector generate employment opportunities, stimulate local supply chains, and increase government revenues through taxation and foreign exchange earnings (UNWTO, 2022). Consequently, scholars increasingly emphasize the role of managerial functions, especially planning practices, as foundational drivers of sustained organizational performance (Mintzberg, 2009; Wheelen et al., 2018).

In the United States, studies on organizational performance in the hospitality industry consistently demonstrate a strong relationship between structured planning practices and superior performance outcomes. Strategic planning has been found to enhance long-term profitability, market positioning, and adaptability in highly competitive hospitality markets (David & David, 2023). Research further shows that organizations that integrate strategic planning with operational and financial planning achieve higher levels of service consistency and cost efficiency compared to firms relying on informal planning approaches (Hitt et al., 2020). Empirical studies in large hotel chains reveal that systematic planning improves coordination across departments, strengthens goal alignment, and enhances decision-making quality, leading to improved organizational performance indicators such as revenue growth and customer satisfaction (Enz & Canina, 2016). These findings underscore the centrality of planning practices as a determinant of organizational performance in advanced economies.

In Europe, organizational performance in the hospitality industry has been examined extensively within the context of strategic management and human resource planning. Studies conducted across the United Kingdom, Germany, and France indicate that hotels that employ comprehensive planning systems exhibit stronger financial performance, higher employee productivity, and improved service quality (Boxall et al., 2021). Financial planning, in particular, has been identified as a critical factor influencing profitability and organizational resilience, especially during periods of economic uncertainty (OECD, 2022). Additionally, human resource planning has been shown to reduce labor turnover and enhance employee commitment, which directly affects service delivery performance in hospitality organizations (Baum et al., 2020). These studies highlight the interconnectedness of planning practices and organizational performance across multiple functional dimensions.

In Asia, the rapid expansion of the hospitality industry has intensified scholarly interest in the relationship between planning practices and organizational performance. Research from China, India, and Singapore indicates that strategic and operational planning play a crucial role in supporting organizational growth, innovation, and service excellence (Zhang & Wu, 2021). Empirical findings suggest that hospitality firms that adopt formal planning frameworks achieve higher operational efficiency and customer satisfaction than those with weak planning systems (Noe et al., 2022). Furthermore, human resource planning has been identified as essential for addressing skills shortages and enhancing employee performance in fast-growing hospitality markets (Kong et al., 2021). These studies reinforce the argument that planning practices are a key managerial mechanism for improving organizational performance in emerging economies.

In Africa, organizational performance within the hospitality industry remains uneven, largely due to disparities in management capacity, institutional frameworks, and planning sophistication. Studies conducted in South Africa, Ghana, and Tanzania reveal that many hospitality firms operate with limited strategic and financial planning, which negatively affects profitability, service quality, and employee performance (Njoroge & Yazdanifard, 2021). However, evidence also indicates that organizations that invest in structured planning practices demonstrate improved operational efficiency and long-term sustainability despite economic volatility (Kamau

& Were, 2022). These findings suggest that strengthening planning practices can significantly enhance organizational performance across the African hospitality sector.

In Kenya, the hospitality industry plays a pivotal role in national economic development through tourism, employment creation, and foreign exchange earnings. According to the Kenya National Bureau of Statistics (KNBS, 2023), the accommodation and food services sector is among the leading contributors to employment within the service industry. Despite this contribution, Kenyan hospitality organizations continue to face performance challenges, including declining profitability, inconsistent service quality, and high employee turnover (Mutinda & Ngugi, 2022). Empirical studies increasingly associate these challenges with weaknesses in planning practices, particularly in strategic alignment, financial forecasting, and human resource planning (Kiptoo & Mbugua, 2023). Although large hotel chains in Kenya have adopted formal planning systems, there is limited empirical evidence examining how specific planning practices affect organizational performance within the local hospitality context.

Against this backdrop, this study seeks to examine the effect of planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels. Serena Hotels represents a well-established hospitality organization with formalized planning structures, making it an appropriate context for analysing how strategic, operational, financial, and human resource planning practices influence organizational performance. By providing empirical evidence from the Kenyan hospitality industry, the study aims to contribute to management practice, inform policy formulation, and enrich academic discourse on general management and organizational performance.

1.1.1 Planning Practices

Planning practices refer to the systematic managerial processes through which organizations set objectives, anticipate future conditions, and determine appropriate courses of action to achieve desired outcomes. Planning is widely viewed as a core management function that provides direction, reduces uncertainty, and coordinates organizational activities toward common goals (Koontz, Weihrich, & Cannice, 2020). Armstrong (2021) defines planning practices as deliberate efforts by management to align organizational resources with internal capabilities and external environmental demands. From a strategic management perspective, planning practices involve making informed decisions in advance regarding objectives, strategies, and resource allocation in order to enhance organizational effectiveness and performance (Wheelen et al., 2018). These definitions emphasize that planning practices are proactive, goal-oriented, and central to organizational success.

Strategic planning practices focus on establishing the long-term direction of an organization through the formulation of vision, mission, goals, and competitive strategies. Strategic planning enables organizations to anticipate environmental changes, allocate resources effectively, and achieve sustainable competitive advantage (David & David, 2023). In the hospitality industry, strategic planning supports market positioning, service differentiation, and long-term profitability by guiding major organizational decisions (Enz, 2019). Empirical studies indicate that organizations with formal strategic planning systems demonstrate higher levels of performance due to improved strategic alignment and clarity of purpose (Elbanna, Andrews, & Pollanen, 2016). In this study, strategic planning practices was measured using indicators such as clarity of vision and mission, existence of formal strategic plans, alignment of departmental goals with strategy, and frequency of strategic review meetings.

Operational planning practices involve translating strategic objectives into short-term plans and day-to-day activities that guide organizational operations. Operational planning focuses on scheduling, task allocation, coordination of activities, and efficient use of resources to ensure effective service delivery (Koontz et al., 2020). In hospitality organizations, effective operational planning is essential for maintaining service consistency, managing customer flow, and enhancing operational efficiency (Tsai, Pan, & Lee, 2018). Research shows that organizations with well-developed operational planning practices achieve improved service quality and reduced operational inefficiencies (Olang & Awuor, 2020). In this study, operational planning practices was measured using indicators such as work scheduling effectiveness, service process planning, coordination of departmental activities, and adherence to operational plans.

Financial planning practices relate to the forecasting, budgeting, and allocation of financial resources to support organizational objectives. Financial planning enables organizations to control costs, enhance profitability, and ensure long-term financial sustainability (Brigham & Ehrhardt, 2020). In the hospitality industry, financial planning is particularly critical due to high operating costs and fluctuations in demand (Enz & Canina, 2016). Empirical evidence suggests that effective financial planning contributes positively to organizational performance by improving cost control, financial stability, and profitability (Nyamita, Dorcas, & Ojera, 2018). In this study, financial planning practices was measured using indicators such as budgeting accuracy, effectiveness of financial forecasting, cost control mechanisms, and alignment of financial resources with organizational objectives.

Human resource planning practices refer to the processes through which organizations forecast workforce needs, identify required skills, and develop strategies to ensure the availability of competent employees. Human resource planning supports organizational performance by ensuring that the right number of employees with appropriate skills are available at the right time (Noe et al., 2022). In the hospitality industry, where service quality is heavily dependent on employee competence and behaviour, effective human resource planning is essential (Baum, Mooney, Robinson, & Solnet, 2020). Studies indicate that organizations with strong human resource planning practices experience improved employee productivity, reduced turnover, and enhanced service delivery (Kong et al., 2021). In this study, human resource planning practices was measured using indicators such as workforce forecasting accuracy, training and development planning, succession planning, and effectiveness of employee deployment.

1.1.2 Organizational Performance in the Hospitality Industry

Organizational performance refers to the extent to which an organization achieves its objectives efficiently and effectively while utilizing available resources optimally. Scholars conceptualize organizational performance as a multidimensional construct encompassing both financial and non-financial outcomes (Venkatraman & Ramanujam, 1986; Richard et al., 2009). In the hospitality industry, performance extends beyond profitability to include service quality, operational efficiency, customer satisfaction, and employee-related outcomes due to the service-intensive nature of the sector (Enz, 2019). Hospitality organizations operate in highly competitive and dynamic environments, making performance highly dependent on management practices that support consistent service delivery, cost control, and workforce productivity (Kandampully, Zhang, & Bilgihan, 2015). These dimensions highlight that organizational performance in hospitality is not singular but reflects a combination of financial strength, operational effectiveness, and service excellence.

Empirical studies demonstrate that organizational performance in the hospitality industry is strongly influenced by management and planning practices. Kim, Lee, and Fairhurst (2017) found that hotels with structured management systems achieved higher profitability and service delivery performance compared to those with weak systems. Research by Tsai, Pan, and Lee (2018) established that operational efficiency significantly improved customer satisfaction and repeat patronage in hotel organizations. In the Kenyan context, Mutinda and Ngugi (2022) reported that hospitality firms with effective managerial practices recorded better employee performance and service quality outcomes. Consistent with these studies, organizational performance in this research was measured using indicators of profitability, service delivery quality, operational efficiency, and employee performance.

1.1.3 Profile of Serena Hotels

Serena Hotels is a well-established hospitality brand operating luxury hotels, resorts, and safari lodges in Kenya and other parts of Africa and Asia. In Kenya, Serena Hotels has a strong presence in major urban centres and key tourist destinations, serving both business and leisure travellers. The organization is recognized for its emphasis on service quality, brand consistency, and sustainable tourism practices. Operating in a highly competitive hospitality environment, Serena Hotels relies on structured management systems to maintain service standards, customer satisfaction, and financial viability, making it a suitable case for examining organizational performance within the sector.

From a management perspective, Serena Hotels employs formal planning and control mechanisms to guide its operations and strategic direction. The organization integrates strategic planning to support long-term growth and market positioning, operational planning to ensure efficient service delivery, financial planning to enhance cost control and profitability, and human resource planning to sustain a skilled and motivated workforce. Prior studies on large hospitality organizations indicate that such integrated planning systems contribute to improved organizational outcomes, including service quality, operational efficiency, and employee performance (Enz & Canina, 2016; Baum et al., 2020). In this study, Serena Hotels provides an appropriate organizational context for analysing how planning practices influence organizational performance as measured through profitability, service delivery quality, operational efficiency, and employee performance.

1.2 Statement f the Problem

The hospitality industry is globally acknowledged as a major contributor to economic growth, employment creation, and service-sector development. The World Travel and Tourism Council

(WTTC, 2023) estimates that the sector contributes over 10% of global GDP and supports more than 330 million jobs worldwide, making organizational performance in hospitality a matter of significant economic concern. In Kenya, the accommodation and food services sector is among the largest employers within the service industry and plays a critical role in tourism-driven foreign exchange earnings (Kenya National Bureau of Statistics [KNBS], 2023). However, despite its economic importance, the Kenyan hospitality industry continues to experience persistent organizational performance challenges, including volatile profitability, inconsistent service delivery, operational inefficiencies, and high employee turnover, which undermine competitiveness and sustainability (Mutinda & Ngugi, 2022; Kiptoo & Mbugua, 2023).

Industry reports and empirical studies suggest that these performance challenges are not merely market-driven but are strongly linked to internal management weaknesses, particularly ineffective planning practices. KNBS (2023) indicates that productivity growth in accommodation and food services has lagged behind other service sectors, despite increased tourism activity. Studies further reveal that employee turnover rates in hospitality frequently exceed 30–35% annually, leading to escalating recruitment costs, skills shortages, and service quality deterioration (Baum, Mooney, Robinson, & Solnet, 2020). Financial performance assessments within the sector also indicate shrinking operating margins, often attributed to weak budgeting, poor financial forecasting, and inadequate cost control mechanisms (OECD, 2022; Nyamita, Dorcas, & Ojera, 2018). These statistics point to a systemic performance problem that warrants scholarly investigation.

Majority of empirical studies examining the relationship between planning practices and organizational performance have been conducted in developed economies, particularly in the United States and Europe (David & David, 2023; Enz, 2019; Wheelen et al., 2018). These contexts differ significantly from Kenya in terms of institutional stability, access to capital, regulatory enforcement, and workforce skill levels. Studies conducted in African contexts remain limited and unevenly distributed, with most focusing on manufacturing or public sector organizations rather than hospitality (Kamau & Were, 2022; Njoroge & Yazdanifard, 2021). In Kenya specifically, existing studies on management practices tend to adopt a broad organizational focus without isolating the hospitality industry or large hotel chains that operate under complex planning structures (Mutinda & Ngugi, 2022). This creates a contextual gap, as findings from developed economies or non-hospitality sectors may not adequately explain the dynamics of planning practices and organizational performance within Kenya's hospitality industry.

Many studies examining planning and performance in Kenya rely heavily on descriptive research designs, which limit the ability to establish causal relationships between planning practices and organizational performance (Kiptoo & Mbugua, 2023). Several studies employ single-dimensional performance indicators often financial performance alone while overlooking critical non-financial measures such as service delivery quality, operational efficiency, and employee performance, which are particularly important in hospitality organizations (Richard et al., 2009; Enz, 2019). In addition, prior studies frequently examine planning practices in aggregate, without disaggregating them into strategic, operational, financial, and human resource planning, thereby weakening analytical depth (Mintzberg, 2009). This methodological limitation restricts the usefulness of existing findings for managerial decision-making in hospitality organizations.

Although planning is widely recognized as a core management function, existing literature often treats planning practices as independent or isolated managerial activities, rather than as an integrated system influencing organizational performance (Wheelen et al., 2018; Koontz et al., 2020). Few empirical studies provide a holistic framework that simultaneously links strategic planning, operational planning, financial planning, and human resource planning to multidimensional organizational performance outcomes, particularly within service-intensive industries such as hospitality (Venkatraman & Ramanujam, 1986; Richard et al., 2009). This fragmented conceptualization creates a conceptual gap in understanding how multiple planning practices interact to shape performance outcomes in hospitality organizations.

There is limited context-specific, methodologically rigorous, and conceptually integrated empirical evidence explaining how planning practices affect organizational performance in Kenya's hospitality industry. This gap is particularly evident in relation to large, established hotel chains such as Serena Hotels, which operate complex planning systems yet continue to face performance pressures arising from market volatility and operational complexity. Addressing these gaps is necessary to generate actionable insights for managers, contribute to academic literature, and inform policy formulation. This study therefore seeks to examine the effect of strategic, operational, financial, and human resource planning practices on organizational performance in the hospitality industry in Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

To examine the effect of planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels.

1.3.2 Specific Objectives

i. To determine the effect of strategic planning practices on organizational performance at Serena Hotels in Kenya.

ii. To assess the effect of operational planning practices on service delivery performance at Serena Hotels.

iii. To examine the effect of financial planning practices on profitability at Serena Hotels in Kenya.

iv. To evaluate the effect of human resource planning practices on employee performance at Serena Hotels.

1.4 Research Questions

i. What is the effect of strategic planning practices on organizational performance at Serena Hotels in Kenya?
ii. How does operational planning practice affect service delivery performance at Serena Hotels?
iii. What is the effect of financial planning practices on profitability at Serena Hotels in Kenya?
iv. How does human resource planning practice affect employee performance at Serena Hotels?

1.5 Significance of the Study

The findings of this study were of significant value to various stakeholders, including management practitioners, policy makers, scholars, and future researchers. To the management of Serena Hotels, the study provided empirical insights on how different planning practices strategic, operational, financial, and human resource planning affect organizational performance. The findings were helpful to management strengthen planning processes, enhance service delivery, improve profitability, and optimize employee performance, thereby enabling informed managerial decision-making. To the hospitality industry in Kenya, the study contributed practical knowledge on effective planning practices that can enhance organizational performance in a highly competitive and dynamic business environment. Hotel managers and industry players may use the study findings as a benchmark for improving planning systems to achieve operational efficiency, customer satisfaction, and sustainable performance.

To policy makers and regulators, particularly those involved in tourism and hospitality development, the study provided evidence-based information that can support the formulation of policies and guidelines aimed at improving management practices and performance standards within the hospitality sector. To academic scholars and students, the study contributed to existing literature on general management and organizational performance by providing context-specific empirical evidence from the Kenyan hospitality industry. The findings were useful for teaching, learning, and reference purposes in management and business administration studies. To future researchers, the study served as a reference point and provide a foundation for further research on planning practices, management functions, and organizational performance in other industries or regions, thereby opening avenues for comparative and extended studies.

1.6 Scope of the Study

This study focused on examining the effect of planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels. In terms of content scope, the study concentrated on planning practices as the independent variable, specifically strategic planning, operational planning, financial planning, and human resource planning. Organizational performance was the dependent variable and was measured using indicators such as service delivery performance, profitability, operational efficiency, and employee performance. Regarding the geographical scope, the study was conducted at Serena Hotels in Kenya. The organization was chosen due to its significant presence in the hospitality industry and its established planning and management systems. The target population of the study comprised management staff and employees of Serena Hotels who are directly involved in planning and implementation processes. These respondents were considered appropriate due to their knowledge and experience with organizational planning practices. With respect to the time scope, the study covered a period from January 2026 to April 2026, during which data collection, analysis, and interpretation were conducted to assess the effect of planning practices on organizational performance.

1.7 Chapter Summary

This chapter presented the background and context of the study by examining the importance of organizational performance in the hospitality industry and the role of planning practices in enhancing performance outcomes. It introduced the study problem by highlighting persistent performance challenges within Kenya's hospitality sector, supported by empirical evidence and industry statistics, and clearly identified the contextual, methodological, and conceptual gaps that necessitated the study. The chapter further outlined the study objectives and research questions, explained the significance of the study to key stakeholders, and defined the scope of the research in terms of content, geography, and time. Overall, the chapter established a strong foundation for the study by justifying the need to examine the effect of strategic, operational, financial, and human resource planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels.

CHAPTER TWO

THEORETICAL REVIEW

2.0 Introduction

This chapter presents the theoretical foundations that underpin the study on the effect of planning practices on organizational performance in the hospitality industry in Kenya. The chapter reviews relevant management and organizational theories that explain the relationship between planning practices namely strategic, operational, financial, and human resource planning and organizational performance. By examining established theories, the chapter provides a conceptual lens through which the study variables are understood and justified. The theoretical review also forms the basis for the development of the conceptual framework and guides the interpretation of empirical findings in subsequent chapters.

2.1 Theoretical Literature Review

The theoretical literature review provides the conceptual and philosophical foundation for understanding the relationship between planning practices and organizational performance. Theories explain why and how planning practices influence performance outcomes and guide the selection of study variables, research design, and interpretation of findings. In this study, the theoretical review is anchored on the Resource-Based View (RBV), which supports organizational performance and strategic planning practices, and is complemented by other relevant theories that explain operational planning, financial planning, and human resource planning practices. Collectively, these theories provide a comprehensive framework for examining the effect of planning practices on organizational performance in the hospitality industry.

2.1.1 Resource-Based View (RBV) Theory

The Resource-Based View (RBV) theory was originally proposed by Wernerfelt (1984) and later advanced by Barney (1991). The theory posits that organizational performance and sustained competitive advantage are derived from internal resources and capabilities that are valuable, rare, inimitable, and non-substitutable. According to RBV, organizations outperform competitors not merely because of external market conditions but because of their ability to strategically identify, develop, and deploy internal resources effectively. Strategic planning plays a critical role within

RBV by enabling organizations to align resources with long-term objectives and environmental opportunities (Barney, 2001; Hitt, Ireland, & Hoskisson, 2020).

Over time, RBV has evolved from a static resource-based explanation to a more dynamic perspective emphasizing capabilities, routines, and managerial processes. Contemporary scholars argue that strategic planning enhances organizational performance by strengthening resource orchestration and strategic coherence across the organization (Teece, 2018; David & David, 2023). However, critics of RBV argue that the theory is overly inward-looking and insufficiently responsive to rapid environmental changes and competitive turbulence (Priem & Butler, 2001; Kraaijenbrink, Spender, & Groen, 2010). Despite these critiques, RBV remains highly influential due to its strong explanatory power regarding performance differences among organizations.

The key concepts of RBV include strategic resources, capabilities, competitive advantage, and organizational performance. The theory assumes heterogeneity of resources across firms and imperfect resource mobility. Its strength lies in explaining how effective planning and internal capability alignment lead to superior performance, while its weakness includes challenges in measuring intangible resources and limited consideration of external environmental volatility (Kozlenkova, Samaha, & Palmatier, 2014). RBV is selected as the anchor theory for this study because it directly supports organizational performance and strategic planning practices. Recent studies have successfully applied RBV to investigate strategic planning and performance in service and hospitality organizations (Enz, 2019; Hitt et al., 2020; David & David, 2023), making it appropriate for examining Serena Hotels.

2.1.2 Systems Theory

Systems Theory was advanced by Ludwig von Bertalanffy (1950) and conceptualizes organizations as open systems composed of interdependent and interacting subsystems. The theory argues that organizational effectiveness depends on the extent to which various subsystems such as departments, processes, and people are coordinated and aligned toward common goals. Operational planning is central to Systems Theory because it integrates activities across functional units and ensures that inputs are transformed efficiently into outputs (Katz & Kahn, 1978; Scott & Davis, 2007).

The development of Systems Theory emphasizes feedback mechanisms, coordination, and adaptability. Supporters argue that effective operational planning enhances organizational performance by improving workflow integration, reducing process inefficiencies, and enhancing service delivery consistency (Tsai, Pan, & Lee, 2018). Critics, however, argue that Systems Theory is conceptually broad and may overlook individual behaviour, power relations, and managerial discretion within organizations (Scott & Davis, 2007; Hatch, 2018). Nonetheless, the theory remains valuable for explaining operational efficiency in service-intensive industries.

The key principles of Systems Theory include interdependence, feedback, equilibrium, and synergy. The theory assumes that organizational subsystems must function harmoniously for optimal performance. Its strength lies in explaining coordination and operational efficiency, while its weakness lies in its limited prescriptive guidance for resolving subsystem conflicts. Systems Theory supports operational planning practices in this study and has been widely applied in hospitality and service sector research examining service delivery and efficiency (Olang & Awuor, 2020; Tsai et al., 2018). The theory is relevant in explaining how operational planning at Serena Hotels enhances service delivery performance.

2.1.3 Financial Control Theory

Financial Control Theory is rooted in classical management thought and was advanced by Anthony (1965), who emphasized budgeting and financial control systems as essential tools for organizational effectiveness. The theory argues that organizations achieve superior performance when financial planning, monitoring, and control mechanisms are effectively implemented. Financial planning enables organizations to allocate resources optimally, minimize waste, and enhance profitability through disciplined budgeting and forecasting (Brigham & Ehrhardt, 2020).

Over time, Financial Control Theory has expanded to incorporate modern management accounting practices such as variance analysis, performance-based budgeting, and strategic cost management. Proponents argue that financial planning enhances accountability, transparency, and financial sustainability (Otley, 2016). Critics, however, contend that excessive reliance on financial controls may constrain innovation and flexibility, particularly in dynamic service environments such as hospitality (Merchant & Van der Stede, 2017). Despite these criticisms, financial planning remains a critical determinant of organizational performance.

The theory’s core concepts include budgetary discipline, accountability, cost control, and performance measurement. It assumes rational decision-making and availability of reliable financial information. Its strength lies in explaining profitability and financial efficiency, while its weakness includes limited attention to non-financial performance outcomes. Financial Control Theory supports financial planning practices in this study and has been applied in recent studies examining financial planning and performance in service and hospitality firms (Nyamita et al., 2018; Enz & Canina, 2016; Brigham & Ehrhardt, 2020).

2.1.4 Human Capital Theory

Human Capital Theory was proposed by Becker (1964) and argues that investment in employees through education, training, and workforce planning enhances productivity and organizational performance. The theory views employees' knowledge, skills, and competencies as critical assets that generate economic returns. Human resource planning ensures the availability of a skilled workforce capable of supporting organizational objectives (Noe et al., 2022).

The theory has evolved to incorporate strategic human resource management perspectives, emphasizing the alignment of workforce planning with organizational strategy. Supporters argue that effective human resource planning improves employee performance, reduces turnover, and enhances service quality (Baum et al., 2020; Kong et al., 2021). Critics argue that Human Capital Theory may oversimplify human behaviour by focusing primarily on economic returns and ignoring social and motivational factors (Marginson, 2019). Nevertheless, the theory remains influential in explaining employee-related performance outcomes.

Key concepts include investment in skills, productivity, returns on human capital, and workforce development. The theory assumes that organizations benefit from continuous investment in employees. Its strength lies in explaining employee performance and service quality, while its weakness includes challenges in measuring returns on human capital investments. Human Capital Theory supports human resource planning practices in this study and has been widely applied in hospitality research examining workforce planning and performance (Baum et al., 2020; Kong et al., 2021; Noe et al., 2022).

2.2 Empirical Literature Review

Empirical literature review examines existing studies that have investigated relationships between study variables using systematic research methods. The review provides evidence on what has been studied, the methodologies applied, and the findings established in previous research. By analysing empirical studies, the review identifies gaps in knowledge that justify the current study. In this study, the empirical review focuses on planning practices—strategic, operational, financial, and human resource planning and their effect on organizational performance in the hospitality industry.

2.2.1 Strategic Planning Practices and Organizational Performance

Elbanna, Andrews, and Pollanen (2016) conducted a study to examine the effect of strategic planning on organizational effectiveness in public service organizations. The objective of the study was to determine whether formal strategic planning improves decision quality and organizational outcomes. The study targeted senior managers in public sector organizations across Canada and adopted a cross-sectional survey research design. Stratified sampling was used to select respondents, and data were collected using structured questionnaires. Data analysis involved correlation and multiple regression techniques, with results presented using tables and statistical coefficients. The findings revealed that strategic planning had a positive and statistically significant effect on organizational effectiveness, particularly through improved goal clarity and strategic alignment. However, the study focused on public institutions in a developed economy, presenting a contextual gap. The current study addresses this gap by examining strategic planning practices within the hospitality industry in Kenya, a developing economy context.

David and David (2023) examined the relationship between strategic planning and organizational performance in service-oriented firms in the United States. The objective of the study was to assess how formal strategic planning contributes to financial and operational performance. The study targeted top and middle-level managers in service organizations and employed a descriptive and explanatory research design. Purposive sampling was used, and data were collected through questionnaires and document review. Multiple regression analysis was applied to analyse the data, and findings were presented using tables and figures. The study found that organizations with well-structured strategic planning systems recorded higher profitability and operational efficiency than those without formal planning. However, the study emphasized financial performance indicators, creating a methodological gap due to limited inclusion of non-financial performance measures. The current study addresses this gap by adopting a multidimensional approach to organizational performance, including service delivery and employee performance.

Kamau and Were (2022) investigated the effect of strategic planning practices on organizational performance among service firms in Kenya. The objective of the study was to establish whether strategic planning influences performance outcomes in Kenyan service organizations. The study targeted managers in selected service firms and employed a descriptive survey design. Simple random sampling was used to select respondents, while data were collected using structured questionnaires. Data analysis involved descriptive statistics and regression analysis, with findings presented in tables. The results indicated that strategic planning practices had a significant positive effect on organizational performance. Despite its relevance, the study examined service firms broadly without isolating the hospitality industry, revealing a contextual gap. The current study addresses this gap by focusing specifically on the hospitality industry in Kenya.

Mutinda and Ngugi (2022) conducted a study to examine management practices and service quality in the Kenyan hospitality industry. The objective of the study was to assess how management practices influence service delivery outcomes in hotels. The study targeted hotel managers in Nairobi County and adopted a descriptive research design. Stratified sampling was employed, and data were collected through structured questionnaires. Data analysis involved descriptive statistics and correlation analysis, with results presented in tabular form. The findings revealed that weak strategic planning contributed to inconsistent service quality and declining organizational performance. However, strategic planning was not examined as a distinct and fully operationalized variable, revealing a conceptual gap. The current study addresses this gap by explicitly operationalizing strategic planning practices and examining their direct effect on organizational performance.

Enz (2019) examined strategic management practices and organizational performance in international hotel chains. The objective of the study was to assess how strategic planning contributes to long-term competitiveness and performance in hospitality organizations. The study targeted senior executives in multinational hotel chains and adopted a mixed-methods research design. Data were collected using surveys and in-depth interviews, while analysis involved regression analysis and thematic analysis. The findings indicated that strategic planning significantly enhanced long-term profitability, brand positioning, and organizational resilience. However, the study focused on global hospitality organizations operating in developed markets, presenting a contextual gap. The current study addresses this gap by examining strategic planning practices within the Kenyan hospitality industry, where environmental and institutional conditions differ significantly.

2.2.2 Operational Planning Practices and Organizational Performance

Tsai, Pan, and Lee (2018) conducted a study to examine the effect of operational planning practices on organizational performance in the hotel industry. The objective of the study was to determine how operational coordination and process planning influence service efficiency and customer satisfaction. The study targeted operational managers in registered hotels in Taiwan and adopted a cross-sectional survey research design. Stratified sampling was used to select respondents, and data were collected using structured questionnaires. Structural Equation Modelling (SEM) was employed for data analysis, and results were presented using path coefficients and model fit indices. The findings revealed that operational planning practices had a positive and significant effect on service efficiency and customer satisfaction, which in turn enhanced overall organizational performance. However, the study was conducted in an Asian context, presenting a contextual gap that the current study addresses by focusing on the Kenyan hospitality industry.

Olang and Awuor (2020) examined the influence of operational planning on service delivery performance in service-oriented organizations in Kenya. The objective of the study was to assess whether operational planning practices improved workflow coordination and service delivery outcomes. The study targeted middle-level managers in selected service organizations and employed a descriptive survey research design. Simple random sampling was used, and data were collected through structured questionnaires. Data analysis involved descriptive statistics and multiple regression analysis, with findings presented in tabular form. The study found that operational planning significantly improved coordination of activities and service delivery performance. However, the study focused on service organizations broadly and did not isolate the hospitality industry, creating a contextual gap that the current study seeks to fill.

Kim, Lee, and Fairhurst (2017) conducted a study to investigate management practices and organizational performance in hotels in South Korea. The objective of the study was to determine how operational management practices affect service quality and operational efficiency. The study targeted hotel managers and adopted a cross-sectional survey design. Stratified sampling was employed, and data were collected using questionnaires. Data analysis was conducted using descriptive statistics and correlation analysis, with results presented in tables. The findings revealed that effective operational planning significantly enhanced service quality and operational efficiency. However, the reliance on descriptive and correlational analysis limited causal inference, presenting a methodological gap that the current study addresses through the use of inferential statistical techniques.

Mutinda and Ngugi (2022) examined organizational practices and service quality in the Kenyan hospitality industry. The objective of the study was to assess how internal management practices influence service delivery in hotels. The study targeted hotel managers in Nairobi County and employed a descriptive research design. Stratified sampling was used, and data were collected through structured questionnaires. Data analysis involved descriptive statistics and correlation analysis. The findings indicated that weaknesses in operational planning contributed to service delays, inconsistencies, and reduced customer satisfaction. However, operational planning was treated as part of general management practices rather than as a distinct variable, revealing a conceptual gap. The current study addresses this gap by explicitly operationalizing operational planning practices and examining their effect on organizational performance.

Enz and Canina (2016) conducted a study to examine operational efficiency and performance outcomes in hotel organizations. The objective of the study was to assess how internal operational controls and planning influence profitability and efficiency. The study targeted large hotel chains and utilized secondary operational and financial data. A quantitative research design was employed, and data were analysed using regression analysis, with results presented through statistical tables and coefficients. The findings showed that hotels with effective operational planning systems achieved higher operational efficiency and improved financial performance. However, the study relied on secondary data and did not incorporate employee or service delivery perspectives, presenting an evidence gap. The current study addresses this gap by using primary data collected from employees and managers within the hospitality industry.

2.2.3 Financial Planning Practices and Organizational Performance

Nyamita, Dorcas, and Ojera (2018) conducted a study to examine the effect of financial planning practices on financial performance of service firms in Kenya. The objective of the study was to determine how budgeting, financial forecasting, and cost control practices influence organizational financial outcomes. The study targeted managers in registered service firms across major towns in Kenya and adopted a descriptive survey research design. Simple random sampling was used to select respondents, and data were collected using structured questionnaires. Data analysis involved descriptive statistics and multiple regression analysis, with findings presented using tables and regression coefficients. The results revealed that effective financial planning practices had a positive and significant effect on profitability and financial stability. However, the study focused exclusively on financial performance indicators, creating a methodological gap by excluding non-financial dimensions such as service delivery and employee performance. The current study addresses this gap by examining financial planning alongside other planning practices and using multidimensional organizational performance indicators.

Enz and Canina (2016) examined the relationship between financial planning, pricing strategies, and performance in hotel organizations. The objective of the study was to assess how financial planning and revenue management practices influence profitability in the hospitality industry. The study targeted large hotel chains operating in the United States and Europe and employed a quantitative research design based on secondary financial data. Regression analysis was used to analyse the data, and results were presented using statistical tables and coefficients. The findings indicated that hotels with effective financial planning and budgeting systems achieved higher profitability and better revenue performance. However, the study relied solely on secondary data and focused on developed economies, presenting both an evidence gap and a contextual gap. The current study addresses these gaps by using primary data from Kenyan hospitality organizations.

Otley (2016) conducted a study to examine the role of financial planning and control systems in organizational performance. The objective of the study was to evaluate how budgeting, monitoring, and financial control mechanisms contribute to efficiency and accountability. The study focused on service organizations and adopted a conceptual and empirical review approach, drawing data from multiple organizational settings. Data analysis involved comparative analysis of financial control systems across firms. The findings revealed that effective financial planning enhances cost control and performance measurement, thereby improving organizational outcomes. However, the study was largely conceptual and did not empirically test the relationship within a specific industry, presenting an evidence gap. The current study addresses this gap through empirical investigation within the hospitality industry.

Kiptoo and Mbugua (2023) investigated management practices and organizational performance among hospitality firms in Kenya. The objective of the study was to examine how internal management practices influence performance outcomes. The study targeted managers in selected hospitality establishments and adopted a descriptive survey design. Stratified sampling was used, and data were collected through structured questionnaires. Data analysis involved descriptive statistics and correlation analysis. The findings revealed that weak financial planning practices contributed to cost overruns and declining profitability in hotels. However, financial planning was treated as a general management practice rather than a distinct construct, revealing a conceptual gap. The current study addresses this gap by explicitly operationalizing financial planning practices and examining their direct effect on organizational performance.

Brigham and Ehrhardt (2020) examined financial planning and performance outcomes in service-oriented organizations. The objective of the study was to assess how budgeting accuracy, financial forecasting, and capital allocation influence organizational sustainability. The study targeted financial managers in service firms and employed an explanatory research design. Data were collected using questionnaires and financial reports, while data analysis involved regression and trend analysis techniques. The findings indicated that organizations with structured financial planning systems experienced improved profitability, liquidity, and long-term sustainability. However, the study focused broadly on service firms without isolating hospitality organizations, creating a contextual gap that the current study addresses by focusing specifically on the hospitality industry in Kenya.

2.2.4 Human Resource Planning Practices and Organizational Performance

Baum, Mooney, Robinson, and Solnet (2020) conducted a study to examine the effect of human resource planning on employee performance and retention in the hospitality industry. The objective of the study was to assess how workforce planning and skills forecasting influence employee productivity and turnover rates. The study targeted employees and managers in hospitality organizations across selected European countries and adopted a mixed-methods research design. Stratified sampling was used, and data were collected through questionnaires and interviews. Data analysis involved descriptive statistics, regression analysis, and thematic analysis. The findings revealed that weak human resource planning significantly contributed to high employee turnover and reduced service quality, while effective workforce planning improved employee performance and organizational stability. However, the study was conducted in a European context, presenting a contextual gap that the current study addresses by focusing on the Kenyan hospitality industry.

Kong, Okumus, and Bu (2021) examined the relationship between human resource planning practices and service quality in hospitality organizations in Asia. The objective of the study was to determine how workforce planning, training, and succession planning influence employee performance and service delivery. The study targeted managers in large hotel organizations in China and adopted a cross-sectional survey research design. Purposive sampling was applied, and data were collected using structured questionnaires. Structural Equation Modelling (SEM) was used for data analysis, with results presented using path coefficients and model fit indices. The findings indicated that human resource planning had a significant positive effect on employee performance and service quality. However, the study focused on Asian hospitality organizations, creating a contextual gap addressed by the current study through a Kenyan context.

Noe, Hollenbeck, Gerhart, and Wright (2022) conducted a study to examine the role of human resource planning in enhancing employee performance in service organizations. The objective of the study was to assess how workforce forecasting and development planning affect productivity and organizational outcomes. The study targeted human resource managers in service firms and employed an explanatory research design. Data were collected using questionnaires and organizational records, while data analysis involved multiple regression analysis. The findings showed that organizations with structured human resource planning systems recorded higher employee productivity and lower turnover rates. However, the study examined service firms broadly without isolating the hospitality industry, revealing a contextual gap that the current study addresses by focusing specifically on hospitality organizations.

Mutinda and Ngugi (2022) investigated organizational practices and service quality in the Kenyan hospitality industry. The objective of the study was to assess how management practices influence employee performance and service delivery in hotels. The study targeted hotel managers in Nairobi County and adopted a descriptive research design. Stratified sampling was used, and data were collected using structured questionnaires. Data analysis involved descriptive statistics and correlation analysis. The findings revealed that inadequate human resource planning contributed to employee dissatisfaction, poor service delivery, and high turnover rates. However, human resource planning was not examined as a distinct and fully operationalized variable, presenting a conceptual gap. The current study addresses this gap by explicitly operationalizing human resource planning practices and examining their direct effect on organizational performance.

Marginson (2019) examined human capital investment and organizational outcomes in service organizations. The objective of the study was to assess how workforce development and planning influence productivity and performance. The study targeted managers in service-oriented organizations and adopted a conceptual and empirical review approach. Data analysis involved comparative analysis across organizations. The findings suggested that while investment in human capital enhances productivity, failure to align human resource planning with organizational strategy reduces performance gains. However, the study was largely conceptual and did not empirically test the relationship within the hospitality industry, presenting an evidence gap. The current study addresses this gap by empirically examining human resource planning practices within the hospitality industry in Kenya.

2.3 Summary of Research Gaps

This section summarizes the key research gaps identified from the empirical literature reviewed in this chapter. Although previous studies provide valuable insights into planning practices and organizational performance, notable contextual, methodological, conceptual, and evidence gaps remain. The summary highlights how these gaps justify the need for the current study and clarifies the specific focus adopted to address the limitations of prior research.

Table 1: Summary of Research Gaps

Author and Year	Title of the Study	Methodology	Key Findings	Research Gaps	Focus of the Current Study
Elbanna et al. (2016)	Strategic Planning and Implementation Success in Public Service Organizations	Cross-sectional survey; regression analysis	Strategic planning positively influenced organizational effectiveness	Contextual gap – study focused on public sector in developed economies	Examines strategic planning in the Kenyan hospitality industry
David & David (2023)	Strategic Management and Organizational Performance in Service Firms	Descriptive and explanatory design; regression analysis	Formal strategic planning improved profitability and efficiency	Methodological gap – overreliance on financial performance indicators	Uses multidimensional organizational performance measures
Kamau & Were (2022)	Strategic Planning	Descriptive survey;	Strategic planning	Contextual gap – service firms	Focuses specifically on

Author and Year	Title of the Study	Methodology	Key Findings	Research Gaps	Focus of the Current Study
	Practices and Performance of Service Firms in Kenya	regression analysis	significantly affected performance	studied broadly, not hospitality	hospitality industry
Tsai et al. (2018)	Operational Planning and Hotel Performance	Cross-sectional survey; SEM	Operational planning enhanced service efficiency and satisfaction	Contextual gap – Asian hospitality context	Examines operational planning in Kenyan hotels
Olang & Awuor (2020)	Operational Planning and Service Delivery in Service Organizations	Descriptive survey; regression analysis	Improved operational planning enhanced service delivery	Conceptual gap – operational planning not treated as a distinct construct	Explicitly operationalizes operational planning practices
Nyamita et al. (2018)	Financial Planning Practices and Financial Performance of Service Firms	Descriptive survey; regression analysis	Financial planning improved profitability	Methodological gap – financial performance only	Incorporates financial and non-financial performance indicators
Enz & Canina (2016)	Financial Planning and Competitive Pricing in Hotels	Quantitative design; secondary data regression	Effective financial planning enhanced hotel profitability	Evidence gap – reliance on secondary data only	Uses primary data from hospitality employees and managers
Baum et al. (2020)	Workforce Planning and Employee Outcomes in Hospitality	Mixed methods; regression and thematic analysis	Poor HR planning increased turnover	Contextual gap – European hospitality context	Focuses on Kenyan hospitality industry
Kong et al. (2021)	Human Resource Planning and Service Quality in Hospitality	Cross-sectional survey; SEM	HR planning improved employee performance and service quality	Contextual gap – Asian hospitality context	Examines HR planning in Kenya
Mutinda & Ngugi (2022)	Management Practices and Service Quality in Kenyan Hotels	Descriptive design; correlation analysis	Weak planning led to poor service quality	Conceptual gap – planning practices not isolated	Separately examines strategic, operational, financial, and HR planning

2.4 Conceptual Framework

The conceptual framework illustrates the relationship between planning practices and organizational performance as examined in this study. It shows how strategic, operational, financial, and human resource planning practices influence organizational performance within the hospitality industry. The framework provides a visual and explanatory basis for understanding the interaction between the independent and dependent variables and guides the empirical analysis of the study.

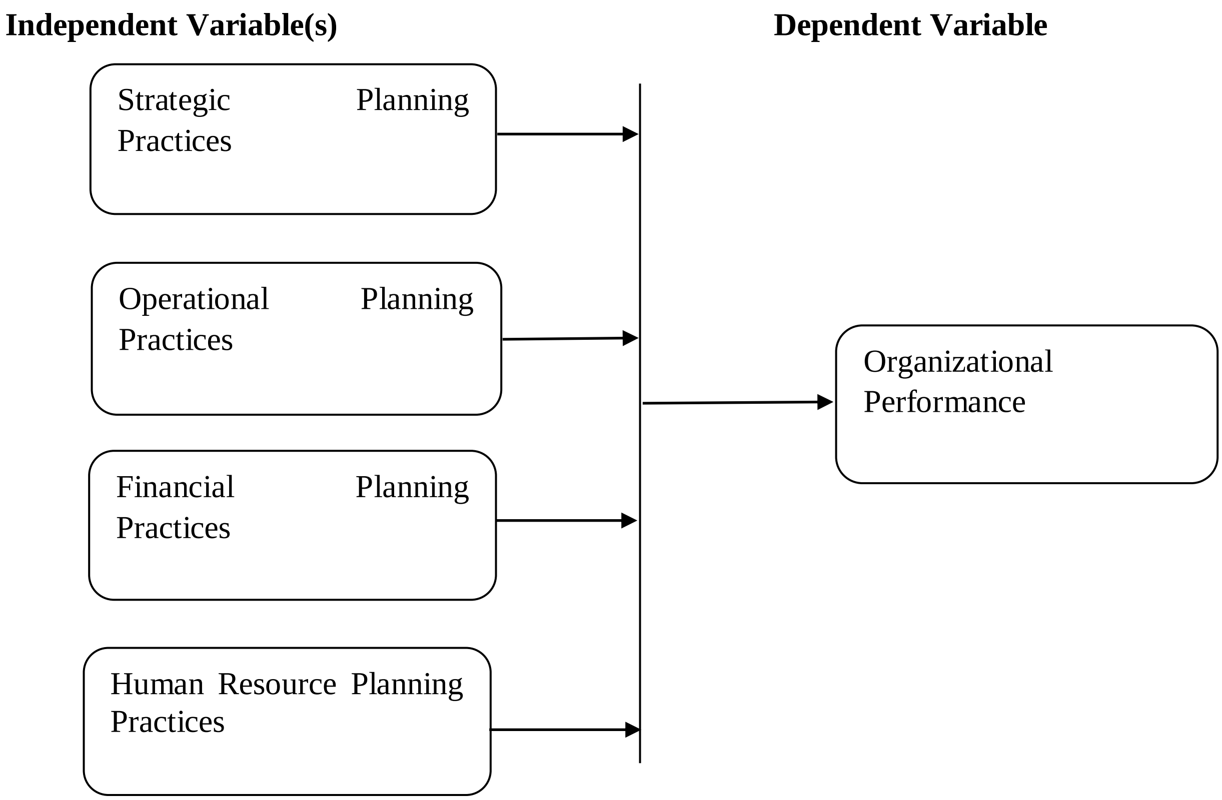

Figure 1: Conceptual Framework

2.5 Operationalization of Variables

Operationalization of variables involves translating abstract concepts into measurable indicators that can be observed and analysed empirically. This section presents how the study variables were defined, measured, and analysed to facilitate data collection and statistical testing. The operationalization ensures consistency between the study objectives, research questions, and data analysis procedures.

Table 2: Operationalization of Variables

Variable	Indicators	Analysis	Measurement
Strategic Planning Practices	• Clarity of vision and mission • Existence of formal strategic plans • Alignment of departmental goals with strategy • Frequency of strategic review meetings	Descriptive statistics (means, standard deviation) and regression analysis	Nominal Scale
Operational Planning Practices	• Work scheduling effectiveness • Service process planning • Coordination of departmental activities • Adherence to operational plans	Descriptive statistics and regression analysis	Nominal Scale
Financial Planning Practices	• Budgeting accuracy • Financial forecasting effectiveness • Cost control mechanisms • Alignment of financial resources with organizational objectives	Descriptive statistics and regression analysis	Nominal Scale
Human Resource Planning Practices	• Workforce forecasting accuracy • Training and development planning • Succession planning • Effectiveness of employee deployment	Descriptive statistics and regression analysis	Nominal Scale
Organizational Performance	• Profitability • Service delivery quality • Operational efficiency • Employee performance	Descriptive statistics and regression analysis	Nominal Scale

2.6 Chapter Summary

This chapter reviewed the theoretical and empirical literature relevant to the study on the effect of planning practices on organizational performance in the hospitality industry. The chapter discussed key theories underpinning the study, with the Resource-Based View serving as the anchor theory and supporting theories explaining strategic, operational, financial, and human resource planning practices. It further examined empirical studies related to each study variable, highlighting findings and identifying contextual, methodological, conceptual, and evidence gaps that justified the current research. The chapter also presented the conceptual framework and operationalization of variables, thereby providing a strong foundation for the research methodology outlined in the subsequent chapter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the research methodology adopted in the study to examine the effect of planning practices on organizational performance in the hospitality industry in Kenya. It describes the research design, target population, sampling techniques, data collection instruments, data collection procedures, and methods of data analysis and presentation. The chapter also discusses issues of validity and reliability of the research instruments as well as ethical considerations to ensure the credibility and integrity of the study findings.

3.1 Research Design

Research design refers to the overall plan or blueprint that guides the collection, measurement, and analysis of data in a study. It provides a structured framework that ensures the research objectives are addressed systematically and that valid and reliable conclusions are drawn (Creswell & Creswell, 2018). Similarly, Saunders, Lewis, and Thornhill (2019) define research design as the logical structure that links research questions to empirical data and the strategies used to answer those questions. A well-designed research framework enhances the credibility, accuracy, and generalizability of study findings by guiding methodological decisions and analytical procedures (Bryman, 2021).

This study adopted a descriptive research design. A descriptive design is appropriate when the objective of the study is to describe characteristics of a population and examine relationships among variables without manipulating them (Sekaran & Bougie, 2020). The design was suitable for this study because it enabled the researcher to systematically examine planning practices strategic, operational, financial, and human resource planning and their effect on organizational performance in the hospitality industry. The descriptive research design facilitated the collection of quantitative data from employees and managers of Serena Hotels and allowed the use of statistical techniques such as descriptive statistics and regression analysis to establish relationships between the study variables. This design has been widely used in management and hospitality studies where the aim is to analyse existing practices and their influence on performance outcomes (Saunders et al., 2019; Creswell & Creswell, 2018).

3.2 Target Population

Target population refers to the complete set of individuals who possess characteristics relevant to a particular study and from whom the research data are collected (Saunders, Lewis, & Thornhill, 2019). It represents the group to which the study findings are intended to be generalized. Clearly defining the target population enhances the relevance, accuracy, and validity of research findings by ensuring that data are obtained from respondents who are knowledgeable about the study variables (Creswell & Creswell, 2018). The target population for this study consisted of 180 management staff and employees of Serena Hotels in Kenya who are directly involved in planning, implementation, and operational activities. These respondents were considered appropriate because they possess relevant knowledge and experience regarding strategic, operational, financial, and human resource planning practices and their influence on organizational performance.

Table 3: Target Population

Category of Respondents	Target Population
Senior Management	20
Middle-Level Management	35
Supervisors	45
Operational Staff	80
Total	**180**

3.3 Sampling and Sample Technique

Sampling refers to the process of selecting a representative subset of individuals from a target population in order to make inferences about the entire population (Saunders, Lewis, & Thornhill, 2019). Sampling enables researchers to collect reliable data within a reasonable time and cost while maintaining accuracy and generalizability of the findings (Sekaran & Bougie, 2020). An appropriate sampling technique enhances representativeness and minimizes bias in the study results.

This study adopted a stratified random sampling technique. The target population was first divided into homogeneous strata based on organizational hierarchy, namely senior management, middle-level management, supervisors, and operational staff. Stratified sampling was considered appropriate because employees at different levels are involved differently in planning practices and performance implementation. After stratification, respondents were selected randomly from each stratum to ensure proportional representation. The sample size was determined using **Yamane's (1967) formula** at a 95% confidence level.

$n = N/1+N(e^2)$

Where:

n = sample size

N = target population (180)

e = margin of error (0.05)

$n = 180/\ 1+180(0.05^2)$

= 124

Therefore, the sample size for the study was 124 respondents, proportionately distributed across the strata as shown in Table 4.

Table 4: Sample Size Distribution

Category of Respondents	Target Population (N)	Proportion (%)	Sample Size (n)
Senior Management	20	11	14
Middle-Level Management	35	19	24
Supervisors	45	25	31
Operational Staff	80	44	55
Total	**180**	**100**	**124**

3.4 Data Collection Instruments

Data collection instruments refer to the tools used by a researcher to gather information from respondents in a systematic and consistent manner (Saunders, Lewis, & Thornhill, 2019). The choice of appropriate instruments is critical in ensuring that the data collected are valid, reliable, and relevant to the study objectives (Creswell & Creswell, 2018). Well-designed instruments enhance accuracy in measuring study variables and facilitate effective data analysis. This study employed a structured questionnaire as the primary data collection instrument. The questionnaire was considered appropriate because it allows collection of standardized data from a relatively large number of respondents within a short time and at a relatively low cost (Sekaran & Bougie, 2020). The questionnaire was designed using a five-point Likert scale, ranging from Strongly

Disagree (1) to Strongly Agree (5), to measure respondents' perceptions of planning practices and organizational performance.

The questionnaire was divided into sections to address the study variables. Section A captured respondents' demographic information, while Section B focused on strategic planning practices. Section C addressed operational planning practices, Section D covered financial planning practices, and Section E examined human resource planning practices. Section F captured information on organizational performance. The structured nature of the questionnaire ensured consistency in responses and facilitated quantitative analysis using statistical techniques such as descriptive statistics and regression analysis.

3.5 Pilot Study

A pilot study refers to a preliminary test of the research instruments conducted on a small portion of the target population before the actual data collection exercise (Saunders, Lewis, & Thornhill, 2019). The purpose of a pilot study is to assess the clarity, relevance, and adequacy of the research instruments and to identify potential weaknesses that may affect the quality of data collected. According to Creswell and Creswell (2018), a pilot study conducted on a small proportion of the sample helps refine research instruments, improve question wording, and enhance the reliability and validity of the study findings.

In this study, the pilot study was conducted on 10% of the sample size, which translated to 12 respondents. This proportion is consistent with the recommendation by Creswell and Creswell (2018), who argue that piloting between 5% and 10% of the study sample is sufficient for testing research instruments in quantitative studies. The pilot respondents were drawn from employees of Serena Hotels who were not included in the final study sample and were selected using stratified random sampling to ensure representation across management and operational levels. Feedback obtained from the pilot study was used to revise ambiguous items, improve clarity, and ensure that the questionnaire adequately captured all study variables before the main data collection exercise.

3.5.1 Validity of Research Instruments

Validity refers to the extent to which a research instrument measures what it is intended to measure (Sekaran & Bougie, 2020). It ensures that the data collected accurately represent the concepts under investigation. Content validity was adopted in this study to assess the adequacy and relevance of the questionnaire items. Content validity focuses on whether the items in the instrument sufficiently cover all dimensions of the study variables (Creswell & Creswell, 2018). To establish content validity, the research questionnaire was reviewed by the study supervisor and other academic experts in management and hospitality studies. Their feedback was used to evaluate the relevance, clarity, and completeness of the questionnaire items in relation to the study objectives and variables. Necessary modifications were made based on their recommendations to ensure that all indicators of strategic, operational, financial, and human resource planning practices, as well as organizational performance, were adequately covered. This process enhanced the validity of the research instrument.

3.5.2 Reliability of Research Instruments

Reliability refers to the consistency and stability of a research instrument in producing similar results when applied repeatedly under the same conditions (Bryman, 2021). A reliable instrument ensures that the data collected are dependable and free from random measurement errors. According to Saunders et al. (2019), internal consistency reliability is commonly assessed using Cronbach's Alpha coefficient. In this study, reliability of the research instrument was tested using Cronbach's Alpha after the pilot data were collected. The responses from the pilot study were coded and analysed using the Statistical Package for Social Sciences (SPSS). A Cronbach's Alpha coefficient of 0.70 and above was considered acceptable, as recommended by Nunnally and Bernstein (1994). All questionnaire items that met or exceeded this threshold were retained for the final study, while items with lower reliability scores were revised or removed. This process ensured that the research instrument was reliable and suitable for the main data collection exercise.

3.6 Data Collection Procedure

Data collection procedure refers to the systematic steps followed by the researcher in gathering data from the study respondents in an ethical, organized, and consistent manner (Saunders, Lewis, & Thornhill, 2019). A clearly defined data collection procedure enhances the accuracy, credibility, and reliability of the data collected and ensures that the research objectives are achieved (Creswell & Creswell, 2018). Prior to data collection, the researcher obtained an introductory letter from the Management University of Africa, which was used to seek permission from the management of Serena Hotels to conduct the study. Upon approval, the researcher briefed the respondents on the purpose of the study, assured them of confidentiality, and sought their informed consent before administering the questionnaires. The questionnaires were then distributed personally to the selected respondents using the stratified random sampling approach to ensure proportional representation across all employee categories.

Respondents were given adequate time to complete the questionnaires to enhance response accuracy and completeness. Follow-ups were conducted through reminders to improve the response rate. Completed questionnaires were collected, checked for completeness, and securely stored for analysis. The collected data were then coded and entered into the Statistical Package for Social Sciences (SPSS) for analysis. This systematic procedure ensured consistency in data collection while upholding ethical standards throughout the research process.

3.7 Data Analysis and Presentation

Data analysis refers to the process of organizing, summarizing, and interpreting collected data in order to draw meaningful conclusions and address the research objectives (Saunders, Lewis, & Thornhill, 2019). Appropriate data analysis techniques enhance the accuracy, validity, and credibility of research findings by ensuring that data are systematically examined using suitable statistical tools (Creswell & Creswell, 2018).

In this study, both descriptive and inferential statistical techniques were used to analyse quantitative data collected through questionnaires. Descriptive statistics were employed to summarize respondents' demographic characteristics and to describe the study variables. Frequencies, percentages, means, and standard deviations were computed to provide an overview of strategic, operational, financial, and human resource planning practices as well as organizational performance. These statistics enabled the researcher to identify patterns, trends, and variations within the data.

Inferential statistics were used to examine the relationship between planning practices and organizational performance. Correlation analysis was conducted to establish the strength and direction of association between the study variables. Further, multiple regression analysis was employed to determine the effect of strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices on organizational performance. The multiple regression model used in the study is expressed as:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon}$$

Where:

Y = Organizational Performance

β_0 = Constant term

X_1 = Strategic Planning Practices

X_2 = Operational Planning Practices

X_3 = Financial Planning Practices

X_4 = Human Resource Planning Practices

$\beta_1, \beta_2, \beta_3, \beta_4$= Regression coefficients

ε = Error term

The regression model enabled the researcher to assess the magnitude and significance of the effect of each planning practice on organizational performance. Data analysis results were presented using tables and figures to enhance clarity and ease of interpretation.

3.8 Ethical Considerations

Ethical considerations are fundamental in research as they ensure that the rights, dignity, and welfare of participants are protected throughout the research process (Creswell & Creswell, 2018). Adherence to ethical principles enhances the credibility of the study and promotes responsible conduct of research. This study complied with established ethical guidelines governing academic research involving human participants.

3.8.1 Informed Consent

Informed consent refers to the process of ensuring that participants clearly understand the purpose, procedures, and potential implications of the study before agreeing to participate (Saunders, Lewis, & Thornhill, 2019). In this study, respondents were provided with clear information regarding the objectives of the research, the nature of their involvement, and how the data would be used. Consent was obtained from all participants prior to administering the questionnaires, and only those who willingly agreed to participate were included in the study.

3.8.2 Voluntary Participation

Voluntary participation implies that participants take part in a study freely and without any form of coercion or undue influence (Bryman, 2021). Participation in this study was entirely voluntary, and respondents were informed of their right to decline participation or withdraw from the study at any stage without any negative consequences. No incentives or pressure were applied to influence participation, ensuring ethical integrity throughout the data collection process.

3.8.3 Confidentiality

Confidentiality involves safeguarding participants' information from unauthorized access and ensuring that data are used strictly for research purposes (Creswell & Creswell, 2018). In this study, respondents were assured that the information they provided would be treated with strict confidentiality. Completed questionnaires did not require respondents to disclose their names or personal identifiers. The collected data were securely stored and accessed only by the researcher, and the findings were reported in aggregate form to prevent identification of individual respondents.

3.8.4 Privacy

Privacy refers to the right of individuals to control access to their personal information and to decide what information they wish to disclose (Sekaran & Bougie, 2020). The researcher respected the privacy of all respondents by collecting only information relevant to the study objectives. Questionnaires were administered in a manner that allowed respondents to complete them privately and without interference, thereby ensuring comfort and honesty in their responses.

3.8.5 Anonymity

Anonymity ensures that the identity of research participants cannot be linked to their responses (Bryman, 2021). In this study, anonymity was maintained by avoiding the collection of personal identifiers such as names or employee numbers. The responses were coded numerically during data analysis, and no individual respondent could be identified in the final research report. This approach encouraged honest responses and protected participants from potential risks associated with disclosure.

3.9 Chapter Summary

This chapter presented the research methodology adopted in examining the effect of planning practices on organizational performance in the hospitality industry in Kenya. The chapter discussed the research design, target population, sampling and sample size determination, data collection instruments, pilot study, and procedures for establishing validity and reliability of the research instruments. It further outlined the data collection procedure, data analysis and presentation techniques, including the multiple regression model, and addressed ethical considerations guiding the study. Overall, the chapter provided a systematic and rigorous methodological framework to ensure that the study objectives were achieved and that the findings generated were valid, reliable, and ethically obtained.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter presents the findings obtained from the data collected and provides a detailed discussion of the results in relation to the study objectives on the effect of planning practices on organizational performance in the hospitality industry in Kenya. The analysis includes response rate, demographic characteristics of respondents, descriptive statistics, inferential analysis, and interpretation of results in comparison with existing empirical and theoretical literature.

4.1 Presentation of Research Findings

This section presents the research findings obtained from the data collected through the administered questionnaires. The results are presented using tables and statistical summaries based on descriptive and inferential analyses to address the study objectives.

4.1.1 Response Rate

Response rate refers to the proportion of questionnaires that were successfully completed and returned by respondents out of the total number distributed for the study. A high response rate enhances the reliability and generalizability of research findings since it minimizes non-response bias (Saunders, Lewis, & Thornhill, 2019).

Table 5: Response Rate

Category	Frequency	Percentage (%)
Questionnaires Returned	112	90.3
Questionnaires Not Returned	12	9.7
Total	**124**	**100**

The study distributed 124 questionnaires to respondents drawn from Serena Hotels. Out of these, 112 questionnaires were successfully completed and returned, representing a response rate of 90.3%, while 12 questionnaires equivalent to 9.7% were not returned. According to recent methodological literature, response rates exceeding 70% are considered sufficient to support reliable statistical analysis and minimize response bias in survey-based research (Sekaran &

Bougie, 2020; Saunders et al., 2019). Therefore, the response rate achieved in this study was considered adequate to support valid interpretation and generalization of the findings.

4.1.2 Demographic Characteristics of Respondents

This section presents the demographic characteristics of the respondents who participated in the study. The analysis provides important background information that helps in understanding the composition of the respondents and enhances interpretation of the research findings in relation to the study objectives.

4.1.2.1 Gender of the Respondents

Gender distribution was analysed to establish the representation of male and female respondents participating in the study. Understanding gender composition helps in assessing whether the views captured reflect diverse perspectives within the organization, thereby enhancing the credibility of the findings (Creswell & Creswell, 2018).

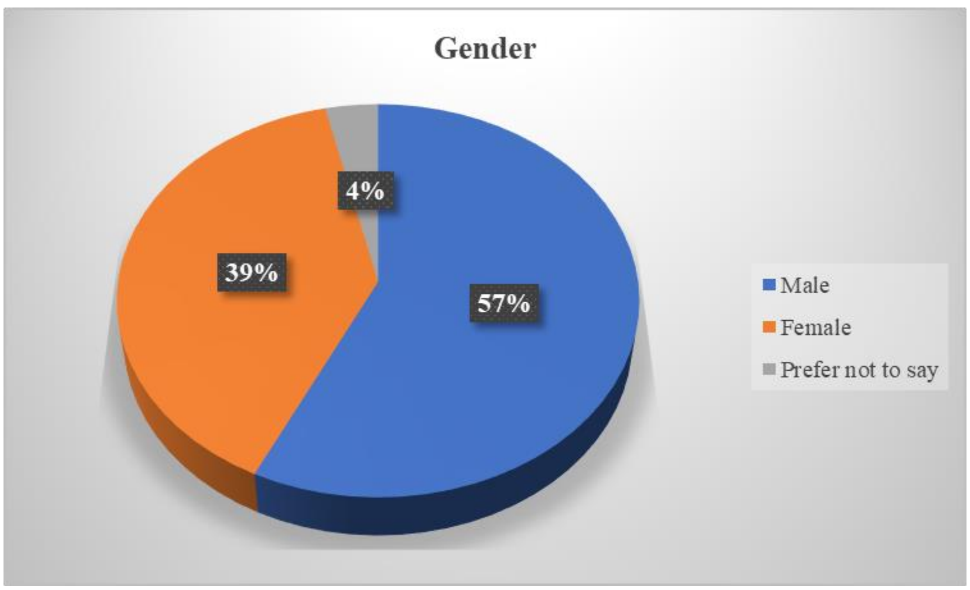

Figure 2: Gender of the Respondents

The findings indicate that 64 respondents representing 57.1% were male, while 44 respondents equivalent to 39.3% were female. A small proportion of respondents, representing 3.6%, preferred not to disclose their gender. The results suggest that both male and female employees were adequately represented in the study, thereby providing balanced perspectives regarding planning practices and organizational performance within Serena Hotels.

4.1.2.2 Age Bracket of the Respondents

The age distribution of respondents was analysed to determine the level of workforce maturity and experience among employees participating in the study. Age characteristics are important in organizational studies as they influence decision-making perspectives, planning involvement, and overall understanding of organizational processes (Sekaran & Bougie, 2020).

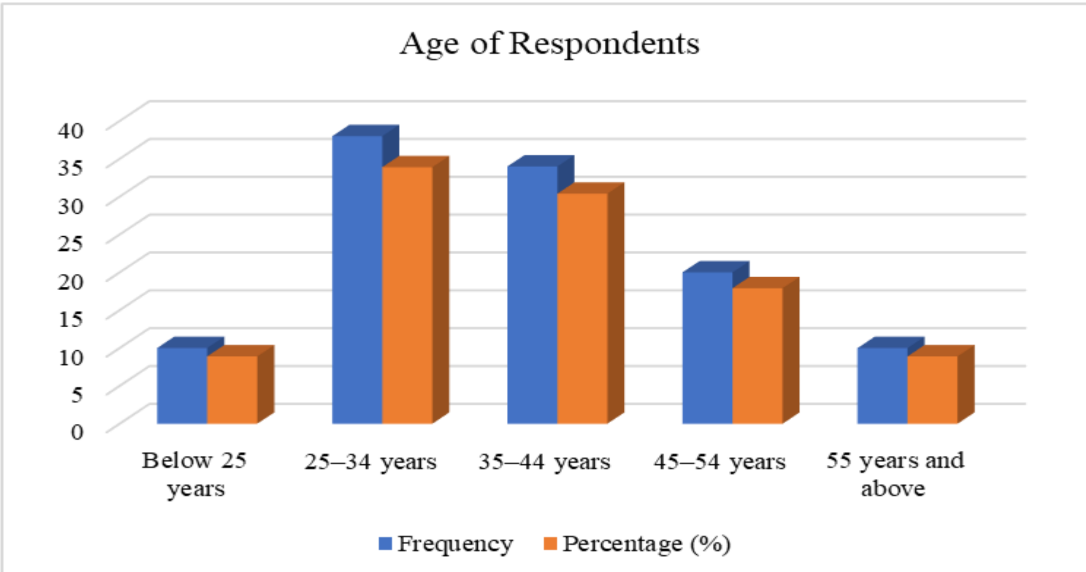

Figure 3: Age of Respondents

The findings show that the majority of respondents, representing 33.9%, were aged between 25 and 34 years, followed closely by those aged between 35 and 44 years at 30.4%. Respondents aged between 45 and 54 years accounted for 17.9%, while those below 25 years and those aged 55 years and above each represented 8.9% of the total respondents. The results indicate that the study captured views from a relatively experienced and active workforce, which enhances the reliability of responses regarding planning practices and organizational performance within Serena Hotels.

4.1.2.3 Highest Level of Education of the Respondents

The level of education of respondents was analysed to determine their academic qualifications and ability to understand organizational planning processes and performance practices. Educational background is an important demographic characteristic as it influences analytical capability, decision-making participation, and interpretation of organizational strategies (Creswell & Creswell, 2018; Sekaran & Bougie, 2020).

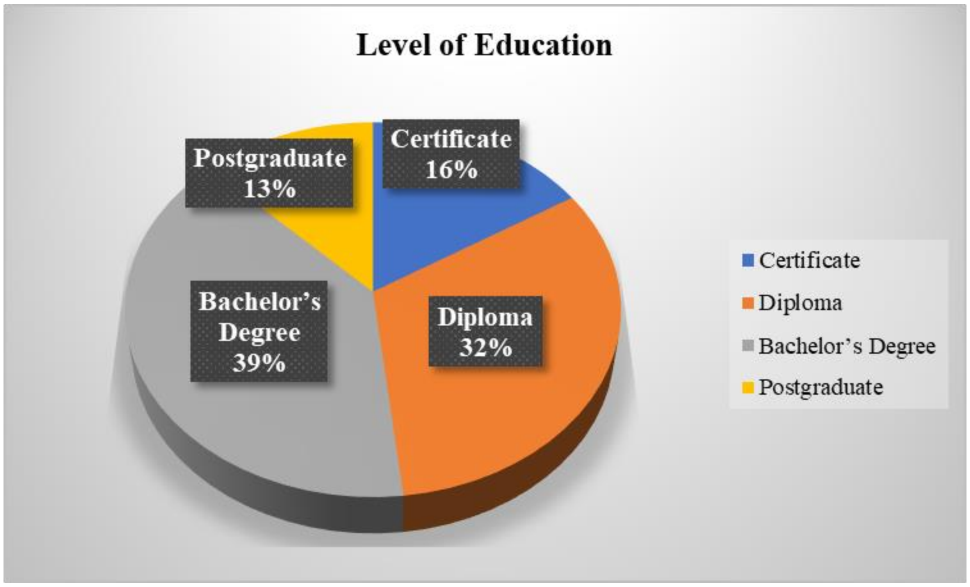

Figure 4: Level of Education

The findings indicate that the majority of respondents, representing 39.3%, possessed a bachelor's degree, followed by diploma holders at 32.1%. Respondents with certificate qualifications accounted for 16.1%, while those with postgraduate qualifications represented 12.5% of the total respondents. The results suggest that most respondents had adequate academic training to understand planning practices and organizational performance issues, thereby enhancing the reliability and quality of the information provided in the study.

4.1.2.4 Department/Section of the Respondents

The department or section in which respondents worked was analysed to establish whether the study captured views from different functional areas within the organization. Representation across departments is important in management studies because planning practices and organizational performance involve coordinated activities across multiple operational units (Saunders, Lewis, & Thornhill, 2019; Sekaran & Bougie, 2020).

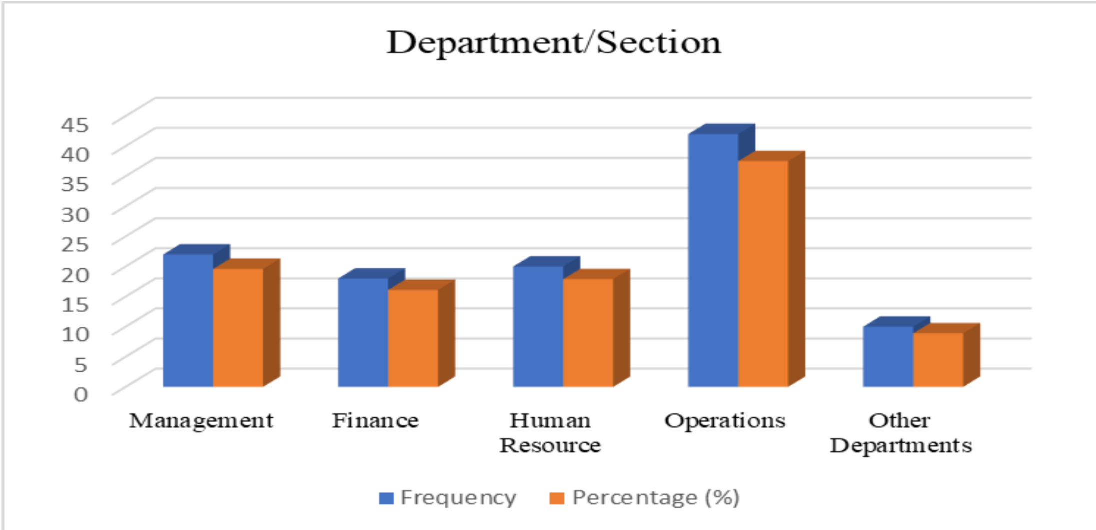

Figure 5: Department/Section

The findings show that the majority of respondents, representing 37.5%, were drawn from the operations department, which reflects the operational nature of hospitality service delivery. Management staff accounted for 19.6%, human resource personnel represented 17.9%, while finance department respondents constituted 16.1%. A further 8.9% were drawn from other departments within the organization. The distribution indicates that the study captured perspectives from key functional units involved in planning and performance implementation, thereby improving the comprehensiveness and reliability of the findings.

4.1.2.5 Length of Service in the Organization

The length of service of respondents was analysed to determine their level of experience within the organization. Work experience is an important factor in organizational studies as employees who have served longer are more likely to possess deeper knowledge of planning processes, operational procedures, and organizational performance trends (Sekaran & Bougie, 2020; Saunders, Lewis, & Thornhill, 2019).

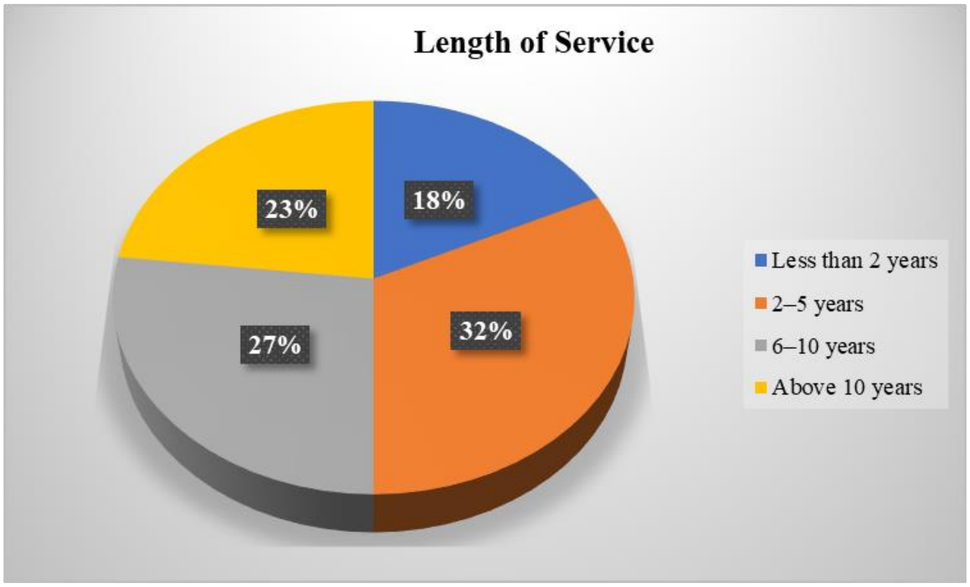

Figure 6: Length of Service

The results indicate that the majority of respondents, representing 32.1%, had worked in the organization for between 2 and 5 years, followed by those with 6 to 10 years of service at 26.8%. Employees who had served for more than 10 years accounted for 23.2%, while respondents with less than two years of experience represented 17.9%. The findings suggest that a significant proportion of respondents had adequate organizational experience, which enhanced their ability to provide informed responses regarding planning practices and organizational performance within Serena Hotels.

4.1.3 Descriptive Statistics

This section presents the descriptive statistical analysis of the study variables based on respondents' perceptions regarding planning practices and organizational performance at Serena Hotels. Descriptive statistics including means and standard deviations were used to summarize the data and provide insights into the central tendencies and variability of responses across the study variables (Sekaran & Bougie, 2020; Saunders, Lewis, & Thornhill, 2019).

4.1.3.1 Strategic Planning Practices

Respondents were requested to indicate their level of agreement with statements relating to strategic planning practices using a five-point Likert scale where SD = Strongly Disagree, D = Disagree, UC = Uncertain (Neutral), A = Agree, and SA = Strongly Agree. Strategic planning practices were assessed based on clarity of organizational direction, communication of strategy, goal alignment, and periodic strategic review. The results are presented in Table 6.

Table 6: Strategic Planning Practices

Statement	SD	D	UC	A	SA	Mean	Std. Dev.
The organization has a clearly defined vision and mission.	3.00%	5.00%	10.00%	52.00%	30.00%	**4.01**	**0.86**
Strategic plans are formally documented and communicated to employees.	4.00%	7.00%	12.00%	49.00%	28.00%	**3.9**	**0.91**
Departmental goals are aligned with the overall strategic plan.	5.00%	8.00%	14.00%	46.00%	27.00%	**3.82**	**0.94**
Strategic plans are reviewed regularly to reflect environmental changes.	3.00%	6.00%	11.00%	50.00%	30.00%	**3.98**	**0.88**
Overall						**3.93**	**0.9**

The findings presented in Table 6 demonstrate that strategic planning practices are strongly embedded within Serena Hotels, as reflected by the overall mean score of 3.93, which indicates general agreement among respondents. The high rating on the existence of a clearly defined organizational vision and mission (Mean = 4.01) suggests that employees understand the long-term direction of the organization, which is critical for aligning individual performance with organizational objectives. Similarly, respondents agreed that strategic plans are formally documented and communicated to employees (Mean = 3.90), implying that management emphasizes transparency and structured dissemination of strategic priorities. Effective communication of strategy enhances employee engagement and coordination across departments, which is essential in service-oriented industries such as hospitality where service quality depends on synchronized operational activities. Recent studies argue that organizations with well-articulated strategic direction and communication mechanisms are more likely to achieve operational efficiency and competitive advantage (David & David, 2023; Elbanna, Andrews, & Pollanen, 2016).

Further, the findings indicate that departmental goals are generally aligned with organizational strategy (Mean = 3.82) and that strategic plans are regularly reviewed to respond to environmental changes (Mean = 3.98). This demonstrates the organization’s adaptability and responsiveness to dynamic industry conditions such as changing customer expectations, technological advancements, and competitive pressures within the hospitality sector. The relatively low standard deviation values across all statements suggest consensus among respondents regarding the effectiveness of strategic planning practices. Continuous strategic review enables organizations to remain resilient and sustain performance in uncertain environments, particularly within Kenya's tourism and hospitality industry which is influenced by economic fluctuations and global travel trends. These results therefore support contemporary management scholarship which emphasizes that strategic alignment and periodic evaluation of plans significantly contribute to improved organizational performance and long-term sustainability (Saunders et al., 2019; Wheelen et al., 2018).

4.1.3.2 Operational Planning Practices

Respondents were requested to indicate their level of agreement with statements relating to operational planning practices using a five-point Likert scale where SD = Strongly Disagree, D = Disagree, UC = Uncertain (Neutral), A = Agree, and SA = Strongly Agree. Operational planning practices were assessed based on clarity of daily work schedules, coordination of service delivery processes, interdepartmental collaboration, and consistency in implementing operational plans. The findings are presented in Table 7.

Table 7: Operational Planning Practices

Statement	**SD**	**D**	**UC**	**A**	**SA**	**Mean**	**Std. Dev.**
Daily work schedules are clearly planned and communicated.	4.00%	6.00%	11.00%	50.00%	29.00%	**3.94**	**0.89**
Service delivery processes are well planned and coordinated.	3.00%	7.00%	12.00%	49.00%	29.00%	**3.94**	**0.9**
There is effective coordination between departments during operations.	5.00%	8.00%	14.00%	46.00%	27.00%	**3.82**	**0.94**
Operational plans are consistently followed in daily activities.	4.00%	6.00%	13.00%	48.00%	29.00%	**3.92**	**0.88**
Overall						**3.91**	**0.9**

The findings in Table 7 indicate that respondents generally agreed that operational planning practices were effectively implemented within Serena Hotels, as reflected by the overall mean score of 3.91. A majority of respondents agreed that daily work schedules are clearly planned and communicated (Mean = 3.94), suggesting structured workflow coordination within the organization. Similarly, service delivery processes were perceived to be well planned and coordinated (Mean = 3.94), which is critical in the hospitality industry where efficiency, timeliness, and customer satisfaction depend on seamless operational execution. Effective operational planning ensures that resources, staff deployment, and service procedures are aligned with organizational objectives, thereby enhancing service quality and operational efficiency. Recent management studies emphasize that structured operational planning contributes significantly to improved service performance and organizational competitiveness in service-based industries (Slack & Brandon-Jones, 2019; Saunders et al., 2019).

Further, respondents agreed that operational plans are consistently followed during daily activities (Mean = 3.92), indicating adherence to established procedures and standards. Although interdepartmental coordination recorded a relatively lower mean score (Mean = 3.82), the level of agreement still suggests functional collaboration among departments during service delivery. Coordination across departments is particularly important in hospitality organizations where guest experience depends on synchronized efforts among operations, finance, human resource, and management units. The relatively low standard deviation values indicate consistency in respondents' perceptions regarding operational planning effectiveness. These findings support contemporary organizational management literature which argues that consistent implementation of operational plans enhances productivity, minimizes service disruptions, and ultimately improves organizational performance outcomes (Heizer, Render, & Munson, 2020; David & David, 2023).

4.1.3.3 Financial Planning Practices

Respondents were requested to indicate their level of agreement with statements relating to financial planning practices using a five-point Likert scale where SD = Strongly Disagree, D = Disagree, UC = Uncertain (Neutral), A = Agree, and SA = Strongly Agree. Financial planning practices were assessed based on budgeting accuracy, financial forecasting, cost control mechanisms, and alignment of financial resources with organizational objectives. The findings are presented in Table 8.

Table 8: Financial Planning Practices

Statement	SD	D	UC	A	SA	Mean	Std. Dev.
The organization prepares accurate and realistic budgets.	3.00%	6.00%	12.00%	50.00%	29.00%	**3.96**	**0.87**
Financial forecasts guide allocation of organizational resources.	4.00%	7.00%	13.00%	48.00%	28.00%	**3.89**	**0.91**

Cost control mechanisms are effectively implemented.	5.00%	8.00%	14.00%	45.00%	28.00%	**3.83**	**0.94**
Financial resources are aligned with organizational objectives.	3.00%	6.00%	11.00%	49.00%	31.00%	**3.99**	**0.86**
Overall						**3.92**	**0.9**

The findings presented in Table 8 indicate that respondents generally agreed that financial planning practices were effectively implemented at Serena Hotels, as reflected by the overall mean score of 3.92. A majority of respondents agreed that the organization prepares accurate and realistic budgets (Mean = 3.96), suggesting strong financial discipline and structured allocation of resources. Budget preparation plays a critical role in ensuring operational stability and effective service delivery within the hospitality industry where resource utilization directly influences customer satisfaction and profitability. Similarly, respondents agreed that financial resources are aligned with organizational objectives (Mean = 3.99), indicating that financial decision-making supports strategic priorities and long-term organizational goals. Recent financial management studies emphasize that aligning budgeting processes with organizational strategy enhances accountability and improves organizational performance outcomes (Brigham & Ehrhardt, 2020; David & David, 2023).

Further, the findings demonstrate that financial forecasts guide resource allocation decisions (Mean = 3.89), highlighting the importance of predictive financial planning in supporting operational continuity and investment decisions. Although cost control mechanisms recorded a slightly lower mean score (Mean = 3.83), respondents still indicated agreement that such mechanisms are implemented within the organization. Effective cost control is essential in hospitality organizations where fluctuating operational costs and market competition require efficient financial monitoring. The relatively low standard deviation values suggest consistency in respondents' perceptions regarding financial planning effectiveness. These findings align with contemporary management literature which argues that sound financial forecasting and cost management practices enhance efficiency, sustainability, and overall organizational performance in service-based organizations (Atrill & McLaney, 2019; Saunders et al., 2019).

4.1.3.4 Human Resource Planning Practices

Respondents were requested to indicate their level of agreement with statements relating to human resource planning practices using a five-point Likert scale where SD = Strongly Disagree, D = Disagree, UC = Uncertain (Neutral), A = Agree, and SA = Strongly Agree. Human resource planning practices were evaluated based on workforce forecasting, training and development planning, succession planning, and deployment of employees according to skills and competencies. The findings are presented in Table 9.

Table 9: Human Resource Planning Practices

Statement	SD	D	UC	A	SA	Mean	Std. Dev.
Workforce needs are accurately forecasted.	4.00%	6.00%	13.00%	49.00%	28.00%	**3.91**	**0.9**
Training and development programs are planned in advance.	3.00%	7.00%	12.00%	50.00%	28.00%	**3.93**	**0.88**
Succession planning is practiced for key organizational positions.	5.00%	9.00%	15.00%	44.00%	27.00%	**3.79**	**0.95**
Employees are deployed based on skills and competencies.	3.00%	6.00%	11.00%	48.00%	32.00%	**4**	**0.86**
Overall						**3.91**	**0.9**

The findings presented in Table 9 indicate that respondents generally agreed that human resource planning practices were effectively implemented within Serena Hotels, as reflected by an overall mean score of 3.91. A majority of respondents agreed that employees are deployed based on skills and competencies (Mean = 4.00), suggesting that the organization emphasizes competency-based workforce management to enhance productivity and service delivery. Similarly, training and development programs were reported to be planned in advance (Mean = 3.93), indicating organizational commitment to employee capacity building and continuous professional development. Effective training planning enhances employee performance, service quality, and customer satisfaction, which are critical success factors in the hospitality industry. Recent human resource management studies emphasize that structured workforce planning and training initiatives significantly contribute to improved employee performance and organizational competitiveness (Noe et al., 2022; Armstrong & Taylor, 2020).

Further, respondents agreed that workforce needs are accurately forecasted (Mean = 3.91), demonstrating proactive planning in addressing staffing requirements within the organization. However, succession planning recorded a relatively lower mean score (Mean = 3.79), suggesting opportunities for strengthening leadership continuity and talent development strategies. Succession planning is essential in ensuring organizational sustainability by preparing competent employees to assume key roles when vacancies arise. The relatively low standard deviation values across statements indicate consistency in respondents' perceptions regarding human resource planning effectiveness. These findings align with contemporary organizational management literature which argues that effective human resource planning improves employee engagement, operational efficiency, and long-term organizational performance outcomes (Armstrong & Taylor, 2020; Saunders et al., 2019).

4.1.3.5 Organizational Performance

Respondents were requested to indicate their level of agreement with statements relating to organizational performance using a five-point Likert scale where SD = Strongly Disagree, D = Disagree, UC = Uncertain (Neutral), A = Agree, and SA = Strongly Agree. Organizational performance was assessed based on achievement of financial targets, service delivery quality, operational efficiency, and employee effectiveness in executing assigned duties. The results are presented in Table 10.

Table 10: Organizational Performance

Statement	SD	D	UC	A	SA	Mean	Std. Dev.
The organization consistently achieves its financial targets.	4.00%	7.00%	13.00%	48.00%	28.00%	**3.89**	**0.91**
Service delivery meets customer expectations.	3.00%	6.00%	11.00%	50.00%	30.00%	**3.98**	**0.87**
Operations are carried out efficiently with minimal wastage.	5.00%	8.00%	14.00%	45.00%	28.00%	**3.83**	**0.94**
Employees perform their duties effectively.	3.00%	6.00%	12.00%	47.00%	32.00%	**3.99**	**0.86**
Overall						**3.92**	**0.9**

The findings presented in Table 10 indicate that respondents generally agreed that Serena Hotels demonstrated satisfactory organizational performance, as reflected by an overall mean score of 3.92. A majority of respondents agreed that employees perform their duties effectively (Mean = 3.99) and that service delivery meets customer expectations (Mean = 3.98), suggesting strong service quality and workforce productivity within the organization. In the hospitality industry, customer satisfaction and employee effectiveness are critical determinants of competitiveness and organizational success since service encounters directly influence customer loyalty and brand reputation. Recent studies emphasize that service quality and employee performance significantly contribute to operational excellence and organizational sustainability in hospitality organizations (Kandampully, Zhang, & Bilgihan, 2015; Noe et al., 2022).

Further, respondents agreed that the organization consistently achieves its financial targets (Mean = 3.89), indicating financial stability and effective performance management practices. Operational efficiency with minimal wastage recorded a slightly lower mean score (Mean = 3.83), suggesting opportunities for improvement in resource optimization and cost management processes. Efficient operational management is essential in enhancing profitability and maintaining competitiveness within dynamic tourism markets. The relatively low standard deviation values indicate consistency in respondents' perceptions regarding organizational performance outcomes. These findings support contemporary organizational performance literature, which argues that financial outcomes, service quality, and operational efficiency collectively determine sustainable organizational performance in service-based industries (David & David, 2023; Saunders, Lewis, & Thornhill, 2019).

4.1.4 Inferential Statistics

Inferential statistics were employed in this study to examine the relationships between planning practices and organizational performance at Serena Hotels. The analysis enabled the researcher to determine the strength, direction, and statistical significance of the relationships among the independent and dependent variables beyond simple description of the data (Creswell & Creswell, 2018; Saunders, Lewis, & Thornhill, 2019). Specifically, correlation analysis and multiple regression analysis were conducted to test the study hypotheses and establish the effect of strategic, operational, financial, and human resource planning practices on organizational performance.

4.1.4.1 Correlation Analysis

Correlation analysis was conducted to examine the strength and direction of the relationship between planning practices and organizational performance at Serena Hotels. Pearson's Product Moment Correlation Coefficient (r) was used to determine the degree of association between the independent variables namely strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices, and the dependent variable, organizational performance. According to recent research methodology literature, correlation analysis helps establish whether variables move together positively or negatively before regression analysis is conducted (Creswell & Creswell, 2018; Saunders, Lewis, & Thornhill, 2019).

Table 11: Correlation Analysis

Variables	Strategic Planning	Operational Planning	Financial Planning	HR Planning	Organizational Performance
Strategic Planning Practices	1.000				
Operational Planning Practices	0.612	1.000			
Financial Planning Practices	0.584	0.653	1.000		
Human Resource Planning Practices	0.571	0.605	0.622	1.000	
Organizational Performance	0.689	0.641	0.658	0.672	1.000

The correlation results presented in Table 11 demonstrate that all planning practices exhibited positive and statistically significant relationships with organizational performance at the 0.01 significance level, indicating that improvements in planning activities are associated with better performance outcomes within Serena Hotels. Strategic planning practices recorded the strongest positive correlation with organizational performance ($r = .689$, $p < 0.01$), suggesting that clearly defined organizational vision, alignment of departmental objectives, and continuous review of strategies play a critical role in enhancing service quality, operational coordination, and financial outcomes. Strategic planning enables organizations to anticipate environmental changes, allocate resources effectively, and align employee efforts toward common goals. Recent strategic management literature emphasizes that organizations with structured strategic planning systems are better positioned to achieve sustainable competitive advantage and superior performance outcomes (David & David, 2023; Elbanna et al., 2016).

Human resource planning practices also demonstrated a strong and significant positive relationship with organizational performance ($r = .672$, $p < 0.01$), highlighting the importance of workforce forecasting, succession planning, employee training, and competency-based deployment in enhancing productivity and service delivery. In the hospitality industry, employees are central to customer experience, and effective human resource planning ensures availability of skilled personnel capable of delivering consistent service standards. Similarly, financial planning practices showed a strong positive correlation with organizational performance ($r = .658$, $p < 0.01$), indicating that budgeting accuracy, financial forecasting, and cost control mechanisms contribute significantly to operational sustainability and achievement of financial targets. Sound financial planning supports strategic implementation by ensuring efficient allocation and monitoring of organizational resources (Brigham & Ehrhardt, 2020; Saunders et al., 2019).

Operational planning practices also recorded a strong positive association with organizational performance ($r = .641$, $p < 0.01$), suggesting that clearly structured daily schedules, coordinated service delivery processes, and adherence to operational procedures enhance efficiency and minimize service disruptions. Effective operational planning ensures synchronization of departmental activities, which is particularly important in hospitality organizations where customer satisfaction depends on seamless coordination among different functional units. Additionally, the significant positive correlations among the independent variables themselves indicate that planning practices complement and reinforce each other rather than operate in isolation. Integrated planning systems therefore enhance organizational responsiveness, operational efficiency, and long-term performance sustainability. These findings are consistent with contemporary organizational management studies which argue that coordinated strategic, financial, operational, and human resource planning frameworks collectively drive improved organizational performance in dynamic service industries (Saunders et al., 2019; Wheelen et al., 2018).

4.1.4.2 Model Summary

Multiple regression analysis was conducted to determine the combined effect of strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices on organizational performance at Serena Hotels. The model summary provides information on the strength of the relationship between the independent variables and the dependent variable as well as the proportion of variation in organizational performance explained by the study variables (Creswell & Creswell, 2018; Saunders, Lewis, & Thornhill, 2019).

Table 12: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.782	0.612	0.598	0.421

The results presented in Table 12 indicate a strong positive relationship between planning practices and organizational performance as reflected by a correlation coefficient (R) of 0.782. This implies that the combined effect of strategic, operational, financial, and human resource planning practices has a strong association with organizational performance at Serena Hotels.

The coefficient of determination (R Square) of 0.612 indicates that approximately 61.2% of the variation in organizational performance can be explained by the four planning practices included in the regression model, while the remaining 38.8% may be attributed to other factors not captured in the study such as organizational culture, leadership style, market competition, or external environmental conditions.

The adjusted R Square value of 0.598 further confirms the robustness of the model after adjusting for the number of predictors included in the analysis, indicating that the independent variables provide substantial explanatory power regarding organizational performance. The relatively low standard error of estimate (0.421) suggests minimal deviation between observed and predicted values, implying good model accuracy and reliability. These findings support contemporary management literature which emphasizes that integrated planning systems significantly enhance organizational effectiveness and performance outcomes in service-oriented organizations operating within dynamic environments (David & David, 2023; Saunders et al., 2019).

4.1.4.3 Analysis of Variance (ANOVA)

Analysis of Variance (ANOVA) was conducted to determine the overall statistical significance and fitness of the regression model in explaining the relationship between planning practices and organizational performance at Serena Hotels. ANOVA tests whether the combined independent variables significantly predict changes in the dependent variable. According to Creswell and Creswell (2018) and Saunders, Lewis, and Thornhill (2019), a regression model is considered statistically significant when the p-value is less than the conventional significance level of 0.05.

Table 13: ANOVA Results

Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	29.842	4	7.461	42.115	0
Residual	18.956	107	0.177		
Total	**48.798**	**111**			

The ANOVA results presented in Table 13 indicate that the regression model was statistically significant in explaining the relationship between planning practices and organizational performance at Serena Hotels. The model recorded an F-statistic value of 42.115 with a significance level of p = 0.000, which is lower than the threshold value of 0.05. This implies that the combined effect of strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices significantly predicts organizational performance. Therefore, the regression model provides a reliable basis for examining how planning practices influence organizational outcomes within the hospitality industry.

The findings further suggest that planning practices collectively contribute to improved organizational effectiveness through better resource allocation, coordinated operational activities, workforce management, and strategic alignment. The statistical significance of the model confirms that variations in organizational performance are not due to chance but are influenced by structured planning processes implemented within the organization. These results are consistent with contemporary organizational management literature which argues that integrated planning systems enhance decision-making efficiency and organizational sustainability in service-based industries operating in competitive environments (David & David, 2023; Saunders et al., 2019).

4.1.4.4 Regression Coefficients

Regression coefficient analysis was conducted to determine the individual effect of each independent variable namely strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices on organizational performance at Serena Hotels. The regression coefficients provide information on the direction, magnitude, and statistical significance of each predictor variable while controlling for the influence of other variables in the model. According to Creswell and Creswell (2018) and Saunders, Lewis, and Thornhill (2019), coefficient analysis enables hypothesis testing by establishing whether each independent variable significantly contributes to explaining variations in the dependent variable.

Table 14: Regression Coefficients

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.842	0.214	—	3.934	0.000
Strategic Planning Practices	0.318	0.072	0.342	4.417	0.000

Operational Planning Practices	0.226	0.068	0.241	3.324	0.001
Financial Planning Practices	0.194	0.064	0.208	3.031	0.003
Human Resource Planning Practices	0.271	0.07	0.286	3.871	0.000

The regression results presented in Table 14 indicate that all planning practices had a positive and statistically significant effect on organizational performance at Serena Hotels since their significance values were below the threshold level of 0.05. Strategic planning practices recorded the strongest influence on organizational performance ($\beta = 0.342$, $p < 0.05$), indicating that improvements in strategic direction, alignment of departmental objectives, and continuous review of strategies significantly enhance performance outcomes. Strategic planning enables organizations to anticipate environmental changes, coordinate resources efficiently, and align employees toward shared organizational goals. These findings support strategic management literature which emphasizes that organizations with clearly articulated and regularly reviewed strategies achieve improved competitiveness and long-term performance sustainability (David & David, 2023; Elbanna et al., 2016).

Operational planning practices also demonstrated a significant positive effect on organizational performance ($\beta = 0.241$, $p < 0.05$), suggesting that structured daily schedules, coordinated service delivery processes, and adherence to operational procedures enhance efficiency and service quality. In hospitality organizations, effective operational coordination minimizes service delays and improves customer satisfaction, which directly contributes to organizational success. Similarly, financial planning practices recorded a significant positive effect ($\beta = 0.208$, $p < 0.05$), indicating that accurate budgeting, financial forecasting, and cost control mechanisms enhance financial stability and efficient resource utilization. Contemporary financial management studies argue that disciplined financial planning strengthens accountability and supports achievement of organizational objectives (Brigham & Ehrhardt, 2020).

Human resource planning practices also had a significant positive influence on organizational performance ($\beta = 0.286$, $p < 0.05$), demonstrating the importance of workforce forecasting, succession planning, employee development, and competency-based deployment in improving productivity and service delivery outcomes. The hospitality industry relies heavily on employee competence and customer interaction, making effective human resource planning essential for maintaining service excellence and organizational competitiveness. These findings are consistent with human resource management literature which emphasizes that investment in workforce development enhances employee engagement and organizational performance outcomes (Noe et al., 2022; Armstrong & Taylor, 2020).

Overall, the regression model indicates that planning practices jointly and individually contribute to improved organizational performance. The results therefore confirm that integrated planning systems encompassing strategic direction, operational coordination, financial discipline, and workforce management are critical drivers of performance in service-oriented organizations operating within dynamic business environments (Saunders et al., 2019; Wheelen et al., 2018).

4.2 Limitations of the Study

Despite the rigorous methodological approach adopted in this study, several limitations were encountered which may have influenced the scope and interpretation of the findings. First, the study was limited to Serena Hotels as the case organization within the hospitality industry in Kenya. Although the organization provided valuable insights into planning practices and organizational performance, the findings may not be fully generalizable to all hospitality establishments or other service sectors due to differences in organizational structure, management practices, and operational environments. Case study research often emphasizes contextual depth rather than broad generalization (Creswell & Creswell, 2018).

Secondly, the study relied on self-reported data collected through questionnaires, which may have been subject to respondent bias such as exaggeration, misunderstanding of questions, or socially desirable responses. Although anonymity and confidentiality were assured to minimize such bias, perceptions captured through survey responses may not fully reflect actual organizational practices or performance outcomes. According to Saunders, Lewis, and Thornhill (2019), survey-based research may encounter response bias where respondents provide answers perceived as favourable rather than factual.

Additionally, the study was constrained by time and financial resources since data collection was conducted within a limited period between January 2026 and April 2026. The limited timeframe restricted the researcher from conducting longitudinal analysis that could have captured changes in planning practices and performance outcomes over time. Furthermore, access to some internal organizational financial or strategic documents was restricted due to confidentiality policies, limiting the ability to triangulate questionnaire responses with secondary organizational data.

4.3 Chapter Summary

This chapter presented and discussed the research findings on the effect of planning practices on organizational performance in the hospitality industry in Kenya, with specific reference to Serena Hotels. The chapter began by presenting the response rate and demographic characteristics of the respondents, which confirmed adequate representation of participants drawn from different departments and experience levels within the organization. Descriptive statistical analysis was used to examine respondents' perceptions regarding strategic, operational, financial, and human resource planning practices as well as organizational performance.

Further, inferential statistical analysis was conducted using correlation and multiple regression techniques to establish the relationship and effect of planning practices on organizational performance. The findings indicated that all planning practices had positive and statistically significant relationships with organizational performance. The regression model confirmed that strategic, operational, financial, and human resource planning practices significantly influenced organizational performance. The chapter also highlighted the limitations encountered during the study. Overall, the findings provide empirical evidence supporting the importance of integrated planning practices in enhancing organizational performance within the hospitality industry.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents a summary of the major findings of the study, conclusions drawn from the results, and recommendations based on the research objectives on the effect of planning practices on organizational performance in the hospitality industry in Kenya. The chapter also outlines policy and managerial recommendations, suggestions for further research, and overall implications of the study findings for practice and scholarship.

5.1 Summary of Findings

This section presents a summary of the key findings of the study based on the specific objectives which examined the effect of planning practices on organizational performance in the hospitality industry in Kenya, with reference to Serena Hotels. The findings are summarized according to the four independent variables namely strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices.

5.1.1 Strategic Planning Practices and Organizational Performance

The study established that strategic planning practices had a strong and statistically significant positive effect on organizational performance at Serena Hotels. Descriptive findings indicated that the organization had clearly articulated vision and mission statements, formalized strategic planning documentation, alignment between departmental and organizational goals, and periodic review of strategies to respond to environmental changes. Respondents generally agreed that strategic direction was clearly communicated within the organization, demonstrating management commitment to structured long-term planning.

Inferential analysis supported these findings, as correlation results indicated a strong positive association between strategic planning practices and organizational performance. Regression results further confirmed that strategic planning was the strongest predictor of performance among the independent variables. This implies that organizations that prioritize goal alignment, environmental scanning, and continuous strategy evaluation are better positioned to achieve improved service delivery, operational coordination, and financial outcomes. Strategic planning therefore enhances organizational adaptability in dynamic hospitality environments characterized by competition and changing customer expectations.

These findings reinforce contemporary strategic management scholarship which emphasizes that effective strategy formulation and implementation improve competitiveness and long-term sustainability. Strategic clarity enables efficient resource allocation, improved decision-making, and employee alignment toward organizational objectives. Consequently, strengthening strategic planning processes remains essential for hospitality organizations seeking to maintain performance stability and competitive advantage within Kenya's evolving tourism sector.

5.1.2 Operational Planning Practices and Organizational Performance

The study found that operational planning practices significantly influenced organizational performance at Serena Hotels. Descriptive findings revealed that daily work schedules were clearly planned and communicated, service delivery activities were coordinated effectively, and operational procedures were consistently implemented across departments. Respondents indicated that structured operational systems supported efficient workflow management and minimized service disruptions.

Correlation analysis showed a strong positive relationship between operational planning practices and organizational performance, while regression analysis confirmed that operational planning significantly predicted performance outcomes. The findings suggest that coordinated operational activities enhance efficiency, improve service responsiveness, and strengthen customer satisfaction levels. In hospitality organizations where service quality depends on seamless coordination among departments, operational planning plays a critical role in ensuring timely and consistent service delivery.

The results align with operations management literature which emphasizes that effective operational planning enhances productivity, reduces wastage, and improves organizational responsiveness to customer demands. Structured coordination across departments promotes teamwork and reduces operational inefficiencies, ultimately contributing to improved organizational outcomes. Therefore, strengthening operational planning systems is essential for sustaining service excellence within competitive hospitality environments.

5.1.3 Financial Planning Practices and Organizational Performance

The study established that financial planning practices had a significant positive effect on organizational performance. Descriptive analysis indicated that Serena Hotels emphasized preparation of realistic budgets, use of financial forecasting to guide decision-making, implementation of cost control mechanisms, and alignment of financial resources with organizational priorities. Respondents generally agreed that financial planning supported efficient utilization of resources within the organization.

Inferential analysis further demonstrated a strong positive relationship between financial planning practices and organizational performance. Regression results confirmed that budgeting accuracy, forecasting practices, and cost monitoring mechanisms significantly contributed to organizational outcomes. Effective financial planning ensures operational sustainability by enabling organizations to manage risks, control expenditures, and allocate resources toward priority activities.

These findings support contemporary financial management literature which argues that disciplined budgeting and financial control systems enhance accountability and financial stability. Sound financial planning strengthens organizational resilience, particularly within hospitality industries that experience demand fluctuations and operational cost pressures. Consequently, organizations that integrate financial planning into broader strategic processes are more likely to achieve sustainable performance outcomes.

5.1.4 Human Resource Planning Practices and Organizational Performance

The study revealed that human resource planning practices significantly influenced organizational performance at Serena Hotels. Descriptive findings indicated that workforce needs were forecasted, employee training and development programs were planned in advance, succession planning initiatives were implemented, and employees were deployed based on competencies and skills. Respondents generally agreed that structured workforce management contributed to effective service delivery.

Correlation results demonstrated a strong positive association between human resource planning practices and organizational performance, while regression analysis confirmed that human resource planning significantly predicted performance outcomes. These findings suggest that organizations that invest in employee development and workforce forecasting improve employee productivity and operational efficiency. In the hospitality sector where customer satisfaction depends largely on employee interaction and service competence, human resource planning becomes a critical determinant of organizational success.

The findings are consistent with human capital theory which emphasizes that employee skills, training, and talent management enhance organizational competitiveness. Effective succession planning also promotes leadership continuity and reduces operational disruptions associated with staff turnover. Therefore, strengthening human resource planning frameworks remains essential for maintaining service quality and long-term organizational performance within hospitality organizations.

5.2 Conclusions

Based on the empirical findings of the study, it can be concluded that planning practices are fundamental determinants of organizational performance within the hospitality industry in Kenya. The study established that organizations that adopt structured and integrated planning systems are better positioned to enhance operational efficiency, service quality, financial stability, and workforce productivity. The significant relationships observed between planning practices and organizational performance demonstrate that effective planning provides a framework for aligning organizational resources, coordinating activities, and responding proactively to dynamic environmental conditions characterized by competition, technological changes, and evolving customer expectations within the hospitality sector.

The study concludes that strategic planning practices are critical drivers of organizational performance as they provide long-term direction and facilitate alignment between organizational objectives and departmental activities. Clearly articulated vision and mission statements, formal communication of strategies, and continuous review of plans enable organizations to anticipate environmental uncertainties and sustain competitiveness. Strategic planning enhances decision-making effectiveness by guiding resource allocation and organizational priorities. Therefore, organizations that institutionalize participatory and adaptive strategic planning processes are more likely to achieve sustained performance improvements and organizational resilience.

The findings further lead to the conclusion that operational planning practices significantly enhance organizational performance through improved coordination of day-to-day activities and service delivery processes. Effective operational planning ensures synchronization of departmental functions, optimal utilization of resources, and adherence to established service standards. In hospitality organizations where customer satisfaction depends heavily on seamless operational execution, structured scheduling and coordination reduce inefficiencies and service delays. Consequently, strengthening operational planning mechanisms contributes to improved service reliability, enhanced customer experience, and overall organizational effectiveness.

Additionally, the study concludes that financial planning practices play a vital role in supporting organizational sustainability and performance outcomes. Accurate budgeting, financial forecasting, and cost control mechanisms enable organizations to allocate resources efficiently and manage operational risks effectively. Financial planning ensures accountability in resource utilization and supports achievement of financial targets even in fluctuating economic conditions affecting the tourism and hospitality industry. Organizations that integrate financial planning with strategic priorities are therefore better equipped to maintain profitability and operational continuity.

Finally, the study concludes that human resource planning practices significantly influence organizational performance by ensuring that the organization maintains a competent and adequately prepared workforce capable of delivering quality services. Workforce forecasting, succession planning, training and development initiatives, and competency-based deployment enhance employee productivity and engagement. Since hospitality services are largely dependent on employee interaction with customers, investment in human capital strengthens service delivery standards and organizational reputation. Overall, the study concludes that organizational performance is best achieved through a holistic planning framework that integrates strategic direction, operational coordination, financial discipline, and effective workforce management, thereby enabling long-term sustainability and competitive advantage.

5.3 Recommendations

Based on the findings and conclusions of the study, several practical and realistic recommendations are proposed to enhance organizational performance within the hospitality industry, particularly at Serena Hotels. The study established that strategic planning practices significantly influence organizational outcomes; therefore, management should strengthen participatory strategic planning processes by involving employees at managerial and operational levels during strategy formulation, implementation, and evaluation. Inclusive planning enhances ownership of organizational objectives and improves accountability during execution. The organization should also institutionalize periodic environmental scanning and performance monitoring mechanisms to assess emerging industry trends, customer expectations, and technological advancements affecting hospitality operations. Further, strategic objectives should be translated into measurable departmental targets supported by regular performance appraisal systems to ensure alignment between organizational strategy and employee performance.

The study further recommends that operational planning practices be strengthened through improved coordination and integration of departmental activities. Management should develop standardized operational procedures supported by clearly documented workflows to enhance efficiency and minimize service delivery inconsistencies. Given the dynamic nature of hospitality operations, the organization should invest in digital operational management systems capable of supporting real-time scheduling, communication, and monitoring of service activities across departments. Regular cross-functional meetings should be encouraged to enhance collaboration among departments such as front office, housekeeping, finance, and human resources. Continuous monitoring of operational performance through service quality audits and customer feedback systems will also enable management to identify operational gaps and implement timely corrective measures aimed at improving customer satisfaction and organizational effectiveness.

Additionally, the study recommends strengthening financial planning practices to enhance organizational sustainability and resource efficiency. Management should adopt evidence-based budgeting approaches that integrate historical financial performance data, market demand projections, and risk assessment frameworks to improve forecasting accuracy. Regular financial performance reviews and internal audits should be conducted to monitor expenditure patterns and identify opportunities for cost optimization without compromising service quality. Training departmental managers on financial accountability and budget management will further ensure responsible utilization of resources across organizational units. The organization should also enhance financial risk management strategies by establishing contingency planning mechanisms to cushion against economic uncertainties, fluctuating tourism demand, and external shocks that may affect revenue performance within the hospitality industry.

Finally, the study recommends that Serena Hotels strengthen human resource planning practices as a strategic driver of organizational performance. Management should institutionalize structured succession planning programs to prepare competent employees for leadership responsibilities and reduce operational disruptions associated with employee turnover. Increased investment in continuous professional development programs focusing on service excellence, customer relations, digital competencies, and leadership skills will enhance workforce productivity and adaptability to changing industry demands. Periodic workforce skills assessments should be conducted to support competency-based deployment and ensure that employees are assigned roles aligned with their expertise and organizational needs. Furthermore, strengthening employee engagement initiatives through regular performance feedback, mentorship programs, and recognition systems will enhance motivation, reduce staff turnover, and improve service delivery standards, thereby supporting long-term organizational sustainability and competitive advantage.

5.4 Suggestions for Further Research

Although this study provided important insights into the effect of planning practices on organizational performance within the hospitality industry, future studies should consider expanding the geographical and organizational scope beyond Serena Hotels to include multiple hospitality establishments across different regions in Kenya. Comparative studies involving hotels of varying sizes, ownership structures, and service categories would provide broader empirical evidence and enhance generalizability of findings across the hospitality sector. Future researchers may also consider adopting mixed-method or longitudinal research designs to capture changes in planning practices and performance outcomes over time, thereby providing deeper understanding of causal relationships and organizational adaptation to environmental changes.

Further research should also explore additional organizational and environmental factors that may influence performance but were not included in this study. Variables such as leadership styles, organizational culture, technological adoption, customer relationship management systems, and external market dynamics may provide valuable insights into organizational effectiveness within service industries. Researchers may also examine the moderating or mediating effects of factors such as employee engagement or innovation capability on the relationship between planning practices and organizational performance. Such studies would contribute to strengthening theoretical and empirical understanding of performance drivers within the hospitality and broader service sectors in Kenya.

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APPENDICES

APPENDIX I: INTRODUCTION LETTER

Dear Sir/Madam,

I am a student of the Management University of Africa pursuing a Bachelor of Management and Leadership degree. My name is Dominic Muoki Muema, Registration Number BML/39/01386/3/24. I am currently undertaking a research project as part of the academic requirements for the award of the degree. The purpose of this letter is to kindly request your permission to collect data for my study titled **"Effect of Planning Practices on Organizational Performance in the Hospitality Industry in Kenya: A Case Study of Serena Hotels."** The study seeks to examine how strategic planning practices, operational planning practices, financial planning practices, and human resource planning practices influence organizational performance.

I kindly request your cooperation in allowing me to administer questionnaires to staff involved in planning and operational activities within your organization. The information provided will be used strictly for academic purposes, and confidentiality as well as anonymity will be highly observed. Participation in the study is voluntary, and respondents are free to withdraw at any stage without any penalty.

Your support and cooperation will be highly appreciated and will contribute greatly to the success of this academic research. Should you require any clarification regarding the study, I will be available to provide further information.

Thank you in advance for your time and cooperation.

Yours faithfully,

Dominic Muoki Muema
BML/39/01386/3/24
Management University of Africa

APPENDIX II: RESEARCH QUESTIONNAIRE

Introduction: This questionnaire is designed to collect data for an academic study titled **"Effect of Planning Practices on Organizational Performance in the Hospitality Industry in Kenya: A Case Study of Serena Hotels."** The information provided will be used strictly for academic purposes. Your responses will be treated with **confidentiality and anonymity**, and participation is **voluntary**.

Section A: Demographic Information

Kindly tick (✓) the option that best represents your opinion.

1. **Gender:** ☐ Male ☐ Female ☐ Prefer not to say
2. **Age Bracket:** ☐ Below 25 ☐ 25–34 ☐ 35–44 ☐ 45–54 ☐ 55 and above
3. **Highest Level of Education:** ☐ Certificate ☐ Diploma ☐ Bachelor's Degree ☐ Postgraduate
4. **Department/Section:** ☐ Management ☐ Finance ☐ Human Resource ☐ Operations ☐ Other (specify): ___________
5. **Length of Service in the Organization:** ☐ Less than 2 years ☐ 2–5 years ☐ 6–10 years ☐ Above 10 years

Section B: Strategic Planning Practices

Please indicate your level of agreement with the following statements using the scale below: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A) and 5 = Strongly Agree (SA)

No.	Statement	SD	D	N	A	SA
B1	The organization has a clearly defined vision and mission.					
B2	Strategic plans are formally documented and communicated to employees.					
B3	Departmental goals are aligned with the overall strategic plan.					
B4	Strategic plans are reviewed regularly to reflect environmental changes.					

Section C: Operational Planning Practices

Please indicate your level of agreement with the following statements using the scale below: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A) and 5 = Strongly Agree (SA)

No.	Statement	SD	D	N	A	SA
C1	Daily work schedules are clearly planned and communicated.					
C2	Service delivery processes are well planned and coordinated.					
C3	There is effective coordination between departments during operations.					
C4	Operational plans are consistently followed in daily activities.					

Section D: Financial Planning Practices

Please indicate your level of agreement with the following statements using the scale below: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A) and 5 = Strongly Agree (SA)

No.	Statement	SD	D	N	A	SA
D1	The organization prepares accurate and realistic budgets.					
D2	Financial forecasts guide allocation of organizational resources.					
D3	Cost control mechanisms are effectively implemented.					
D4	Financial resources are aligned with organizational objectives.					

Section E: Human Resource Planning Practices

Please indicate your level of agreement with the following statements using the scale below: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A) and 5 = Strongly Agree (SA)

No.	Statement	SD	D	N	A	SA
E1	Workforce needs are accurately forecasted.					
E2	Training and development programs are planned in advance.					
E3	Succession planning is practiced for key organizational positions.					
E4	Employees are deployed based on skills and competencies.					

Section F: Organizational Performance

Please indicate your level of agreement with the following statements using the scale below: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A) and 5 = Strongly Agree (SA)

No.	Statement	SD	D	N	A	SA
F1	The organization consistently achieves its financial targets.					
F2	Service delivery meets customer expectations.					
F3	Operations are carried out efficiently with minimal wastage.					
F4	Employees perform their duties effectively.					

Thank You

APPENDIX III: DATA COLLECTION LETTER

The Management University of Africa

MUA

Sponsored by The Kenya Institute of Management

Date: 18th February 2026

TO WHOM IT MAY CONCERN

<u>DOMINIC MUEMA– BML/39/01386/3/24</u>

This letter serves to introduce the above named who is a **Bachelors of Management and Leadership (BML)** student and is interested in carrying out research on Effects of Planning Practices on Organisational Performance in the Hospitality Industry in Kenya. A Case Study of Serena Hotels.

Any assistance accorded to him in pursuit of this study will be greatly appreciated.

18 FEB 2026

Yours Sincerely,

Dr. Juster Nyaga

<u>Dean, School of Management and Leadership</u>

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