

**FINANCIAL LITERACY AND ORGANIZATIONAL PERFORMANCE IN THE  
HOTEL INDUSTRY IN GULU CITY, UGANDA**

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**DISSERTATION SUBMITTED TO THE FACULTY OF BUSINESS AND  
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## DECLARATION

This is to declare that this dissertation is my original work and that, it has never been submitted to any institution of learning for any academic award

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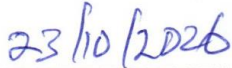
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## APPROVAL

This is to certify that; we have supervised this candidate and her dissertation is ready for submission.

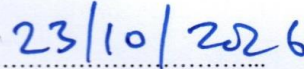
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## **DEDICATION**

I dedicate this work to my parents; Mr. Odong Alfred and Mrs. Lawach Robina. I also dedicate this work to my sister Amito Freda Faith.

## **ACKNOWLEDGEMENTS**

With heartfelt appreciation, I would like to thank the almighty God for keeping me in good health with sound mind in letting me accomplish this struggle successfully.

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## **LIST OF ABBREVIATIONS/ACRONYMS**

|          |                                                         |
|----------|---------------------------------------------------------|
| ADR:     | Average Daily Rates                                     |
| AI:      | Artificial Intelligence                                 |
| ECP:     | Energy Conservation Practices                           |
| FLT:     | Financial Literacy Theory                               |
| GECDISO: | Gulu Ecclesiastical Development and Social Organization |
| GRI:     | Global Review Index                                     |
| HRM:     | Human Resource Management                               |
| INFE:    | International Network on Financial Education            |
| IoT:     | Internet of Things                                      |
| NGO:     | Non-Governmental Organisation                           |
| OECD:    | Organisation for Economic Co-operation and Development  |
| RBV:     | Resource-Based View (RBV)                               |
| SME:     | Small and Medium Enterprise                             |
| TQM:     | Total Quality Management                                |
| UBOS:    | Uganda Bureau of Statistics                             |
| UNCST:   | Uganda National Council for Science and Technology      |
| WTWA:    | Ministry of Tourism, Wildlife and Antiquities           |

## **ABSTRACT**

This study examined the relationship between financial literacy and organizational performance in hotels in Gulu City, Uganda, with particular emphasis on the moderating effect of leadership styles. Specifically, the study assessed the levels of financial literacy and organizational performance, established the relationship between financial literacy and organizational performance, and examined the moderating effect of leadership styles on this relationship. A cross-sectional research design was adopted to collect data from respondents in selected hotels in Gulu City. The study examined financial skills, financial knowledge, financial behaviour, organizational performance, and leadership styles. Data were analysed using descriptive statistics, correlation, and regression analysis. The findings indicated a significant positive relationship between financial literacy and organizational performance ( $r = 0.581$ ,  $p < 0.001$ ). Regression analysis showed that financial literacy explained 47.2% of the variation in organizational performance ( $R^2 = 0.472$ ). Financial skills, knowledge, and behaviour were associated with improved budgeting, resource management, financial accountability, and operational efficiency. Organizational performance was reflected in revenue growth, operational efficiency, and customer satisfaction. Leadership practices were also associated with employee performance, teamwork, discipline, and service delivery. The study concluded that financial literacy is an important factor associated with organizational performance in the hotel industry. It recommends continuous financial literacy training, adoption of appropriate financial management systems, promotion of sound financial practices, and effective leadership approaches to enhance hotel performance in Gulu City, Uganda.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0 Introduction**

This chapter introduces the study on the relationship between financial literacy and organizational performance within the hotel industry in Uganda, focusing specifically on Gulu City. Financial literacy, the knowledge and skills required to make informed financial decisions, has become increasingly important for businesses seeking sustainability and growth in competitive markets. For hotels, which operate in dynamic and often unpredictable environments, sound financial management is crucial for optimizing resources, managing risks, and enhancing profitability. The chapter also outlines the background, problem statement, purpose, research problem, objectives, scope, and significance of the study.

#### **1.1 Background of the Study**

The hotel industry in Uganda is a vital component of the country's tourism and service sectors, contributing significantly to employment and economic growth. In Gulu City, the hospitality sector has been expanding steadily, driven by increased domestic and international tourism as well as business travel. This sub-section will handle the historical, theoretical, conceptual and contextual background of the study.

##### **1.1.1 Historical background**

Globally, financial literacy is recognized as a key determinant of organizational performance because it enhances financial decision-making, risk management, and efficient resource allocation among business managers (Atkinson & Messy, 2019). This recognition has encouraged many countries to integrate financial education into national development strategies to strengthen economic resilience and promote sustainable business growth (OECD, 2017). Within the hospitality industry, financial literacy has become increasingly important in improving business competitiveness and long-term sustainability.

Internationally, the hotel industry has invested in strengthening managers' financial capabilities to enhance profitability and operational efficiency. Studies in developed economies indicate that financially literate hotel managers are better able to undertake budgeting, investment planning, financial control, and cash flow management, resulting in

improved organizational performance (Kim & Park, 2019). Financial literacy also supports informed pricing decisions and effective utilization of financial resources, which are essential in the competitive hospitality sector (Chen & Volpe, 2015).

In Sub-Saharan Africa, the hotel industry plays a significant role in promoting tourism, employment, and economic development (Amoako, 2019). However, the sector continues to experience financial management challenges associated with inadequate financial literacy among hotel owners and managers. Evidence from Kenya and Nigeria shows that limited financial knowledge contributes to poor budgeting, weak financial planning, inefficient resource utilization, and constrained business growth (Munyua & Otieno, 2018; Kambhampati & Rajasekaran, 2020). Consequently, governments and development partners have promoted financial literacy initiatives to improve the sustainability and performance of hospitality enterprises (World Bank, 2021).

In Uganda, the hotel industry has expanded considerably, particularly in Kampala and regional cities such as Gulu. Despite this growth, many hotels continue to experience financial management difficulties arising from limited financial literacy among managers and employees, leading to low profitability and business failure (Okello & Oryem-Origa, 2017). In response, the government and development partners have introduced capacity-building programmes to strengthen financial management skills in the hospitality sector, although empirical evidence on the influence of financial literacy on organizational performance remains limited (MTWA, 2020). Gulu City has experienced rapid growth in tourism and hospitality, yet many hotels still struggle with poor financial record-keeping, inadequate budgeting, and weak investment planning, challenges linked to low financial literacy among management teams (Ochieng et al., 2022; Laker et al., 2023). This study therefore examines the influence of financial literacy on organizational performance in Gulu City's hotel industry.

### **1.1.2 Theoretical background**

#### **1.2.2.1 Financial Literacy Theory (FLT)**

Financial Literacy Theory was developed by Lusardi and Mitchell (2011) and further refined in 2017. The theory argues that individuals and organizations possessing adequate knowledge of financial concepts such as budgeting, saving, investing, debt management, and record-

keeping are better able to make sound financial decisions that improve performance and financial well-being (Lusardi & Mitchell, 2017). It assumes that financial knowledge shapes attitudes and behavior toward money management, rational financial decisions depend on the level of financial literacy, low financial literacy results in poor financial choices and weak performance, while improved financial literacy reduces information asymmetry and promotes efficient resource utilization. In Uganda's medium hotel sector, the theory explains how managers' financial knowledge enhances budgeting, cost control, working capital management, and investment decisions. Financially literate managers are less likely to overborrow and are better positioned to maintain profitability, liquidity, and long-term business sustainability in the competitive hospitality industry of Gulu City.

#### **1.2.2.2 Resource-Based View (RBV) Theory**

The Resource-Based View (RBV) Theory, advanced by Jay Barney (1991), argues that sustainable competitive advantage arises from an organization's ability to acquire and effectively utilize Valuable, Rare, Inimitable, and Non-Substitutable (VRIN) resources. These resources include tangible assets as well as intangible assets such as knowledge, skills, reputation, and organizational capabilities. The theory assumes that firms possess different resources, some of which cannot easily be imitated or transferred, making internal capabilities the primary source of competitive advantage. Within Uganda's hotel industry, financial literacy represents a strategic intangible resource that enables managers to allocate resources efficiently, control costs, manage cash flow, and make sound investment decisions. Hotels with financially literate managers are therefore more likely to achieve superior financial performance, adaptability, competitiveness, and long-term sustainability than those with limited financial management capabilities.

#### **1.1.3 Conceptual background**

The conceptual background of this study focuses on the relationship between financial literacy and organizational performance within the hotel industry. Financial literacy refers to the ability to obtain, process, and understand financial information necessary for making sound financial decisions (Lusardi & Mitchell, 2017). In organizational settings, it encompasses competencies in budgeting, financial planning, cash flow management, investment appraisal, and risk assessment, enabling managers to make informed decisions

that improve financial sustainability and operational efficiency (Klapper et al., 2015; Atkinson & Messy, 2019).

Within the hospitality sector, financial literacy is particularly important because hotel operations involve complex financial activities such as revenue management, cost control, pricing strategies, and capital investment decisions (Berezan et al., 2016). Financially literate managers allocate resources efficiently, forecast cash flows accurately, interpret financial reports, and respond effectively to market changes, thereby enhancing organizational performance (Kim & Park, 2019; Chen & Volpe, 2015).

Organizational performance refers to the extent to which an organization achieves its objectives through financial indicators such as profitability, revenue growth, and cost efficiency, as well as non-financial measures including customer satisfaction, employee engagement, and operational effectiveness (Richard et al., 2019). In the hotel industry, performance is commonly measured using occupancy rates, Average Daily Rate (ADR), Revenue per Available Room (RevPAR), and overall profitability (Halim et al., 2020).

Empirical studies consistently demonstrate a positive relationship between financial literacy and organizational performance. Managers with higher financial knowledge contribute to improved profitability, sustainability, and business growth through effective cost control, pricing strategies, and investment decisions that strengthen service quality and competitive advantage (Hassan et al., 2021; Laker et al., 2023).

In Uganda, although the hotel industry continues to expand, many hotels still experience weak budgeting, poor record-keeping, and inefficient resource utilization due to limited financial literacy among managers and staff (Okello & Oryem-Origa, 2017). Consequently, improving financial literacy is viewed as a key strategy for enhancing organizational performance and supporting the growth of hotels in urban centers such as Gulu City (MTWA, 2020).

This study therefore conceptualizes financial literacy as the independent variable influencing organizational performance, while acknowledging that managerial experience, access to financial resources, and market conditions may also affect performance outcomes. Examining this relationship in Gulu City will provide evidence to support capacity-building initiatives and policy interventions aimed at improving hotel performance.

#### **1.1.4 Contextual background**

Gulu City, located in Northern Uganda, has experienced significant socio-economic transformation over the past decade, transitioning from a post-conflict town to a rapidly urbanizing regional hub. This growth has been accompanied by an expanding hospitality sector, driven primarily by increased business activities, government presence, humanitarian operations, and a resurgence in tourism (Ochieng et al., 2022). The hotel industry in Gulu City plays a crucial role in supporting these developments by providing accommodation, conference facilities, and related services to a diverse clientele that includes domestic and international travelers, government officials, NGOs, and local residents (Nabwire & Nyeko, 2021).

Despite this expansion, the hotel industry in Gulu City faces numerous challenges that affect its organizational performance. Key among these challenges are financial management deficiencies, which are often linked to low levels of financial literacy among hotel managers and staff (Laker et al., 2023). Many hotels in Gulu City operate as small- to medium-sized enterprises (SMEs), which tend to have limited access to formal financial training and business advisory services (Uganda Bureau of Statistics [UBOS], 2020). This gap results in suboptimal financial planning, poor cash flow management, and inadequate investment decisions, thereby limiting the profitability and growth potential of these establishments (Okello & Oryem-Origa, 2017).

Moreover, the sector in Gulu city is characterized by a fragmented market structure with a mixture of formal hotels, lodges, and informal guesthouses, each facing unique operational and financial constraints (Ministry of Tourism, Wildlife and Antiquities, 2020). This diversity complicates the implementation of standardized financial literacy interventions, highlighting the need for context-specific approaches that address the varied capacity levels and business models within the industry.

Government initiatives and donor-supported programs have recognized the importance of building financial and managerial capacity in Gulu City's hospitality sector. For example, targeted training workshops and mentorship programs aimed at improving financial literacy and business skills have been implemented by local authorities and NGOs (Laker et al., 2023). However, these efforts have often been piecemeal and lack comprehensive evaluation,

underscoring the need for systematic research into how financial literacy impacts hotel organizational performance in this context.

Understanding the interplay between financial literacy and hotel performance in Gulu City is critical for designing effective capacity-building interventions that enhance competitiveness, sustainability, and contribution to the city's economic development.

## **1.2 Problem Statement**

The hotel industry in Uganda, particularly in emerging urban centers like Gulu City, has witnessed substantial growth in recent years, driven by increased tourism, business activities, and government presence (Ochieng et al., 2022). However, despite this growth, many hotels continue to face significant challenges related to financial management, which negatively affect their organizational performance, sustainability, and competitiveness (Okello & Oryem-Origa, 2017). One of the critical factors contributing to poor financial outcomes in the sector is limited financial literacy among hotel managers and staff (Laker et al., 2023).

Inadequate financial skills hinder effective budgeting, cash flow management, pricing strategies, and investment decisions, all of which are essential for maintaining profitability and operational efficiency in the hospitality industry (Kim & Park, 2019). In Gulu City, the level of financial literacy among hotel managers remains low, partly due to limited access to formal financial training and advisory services (MTWA, 2020; UBOS, 2020). Consequently, many hotels in Gulu City struggle with poor financial record-keeping, ineffective resource allocation, and limited capacity to adapt to market fluctuations, leading to suboptimal organizational performance and, in some cases, business failure (Laker et al., 2023). This situation not only undermines the economic contribution of the hotel sector but also threatens job creation and local development in the region. This gap limits the development of targeted capacity-building interventions aimed at improving financial competencies among hotel managers and thus constrains the sector's growth potential.

Therefore, this study seeks to investigate the extent to which financial literacy affects organizational performance within the hotel industry in Gulu City. Understanding this relationship will provide critical insights for policymakers, industry stakeholders, and development partners to design effective training programs and policies that enhance the financial management capabilities of hotels, thereby improving their overall performance and sustainability.

### **1.3 Purpose of the Study**

The study examined the influence of financial literacy on the organizational performance in hotel industries in Gulu City, Uganda.

#### **1.3.1 Specific objectives**

- i. To assess the level of financial literacy in the hotel industry in Gulu City.
- ii. To assess the level of organizational performance in hotel industry Gulu City.
- iii. To establish the relationship between financial literacy and organizational performance in hotels in Gulu City.
- iv. To assess the moderating effect of leadership styles on the relationship between financial literacy and organizational performance in hotels in Gulu City.

### **1.4 Research Questions**

This study was guided by the following research questions designed to address the specific objectives:

- i. What is the level of financial literacy among hotels in Gulu City?
- ii. What is the level of organizational performances in hotels in Gulu City?
- iii. What is the relationship between financial literacy and organizational performance in hotels in Gulu City?
- iv. How does leadership style moderate the relationship between financial literacy and organizational performance in hotels in Gulu city?

### **1.5 Scope of the Study**

The scope of a study refers to the boundaries or limits within which the research is conducted. It specifies the extent of coverage in terms of time, geographical area, content, and population, thereby clarifying the focus and direction of the investigation. A well-defined scope ensures that the research remains manageable, relevant, and contextually grounded.

### **1.5.1 Content scope**

This study focused on financial literacy (budgeting skills, financial decision-making competency and financial record keeping) and their influence on hotel performance (financial performance, operational efficiency and customer satisfaction). Moderating variables such as managerial experience and access to financial resources.

### **1.5.2 Geographical scope**

Gulu City is in the northern region. Gulu City is approximately 333kilometers by road, north of Uganda's capital city, Kampala. Gulu City are 020 49' 50.0"N, 32019' 13.0"E (latitude 2.830556, longitude 32.320278). The research specifically targeted hotels operating in the city.

### **1.5.3 Time scope**

This study covers the period 2019–2025, a timeframe marked by significant changes in Uganda's hospitality industry. During this period, medium hotels in Gulu City experienced shifts in financial management practices, technology adoption, and market conditions that influenced organizational performance. Examining this period provides insight into how financial literacy contributed to improved financial decision-making, resilience, and hotel performance. The period was selected because it captures recent developments and trends within Uganda's hospitality sector (UBOS, 2024).

## 1.6 Conceptual Framework

The conceptual framework illustrated the relationship between financial literacy (independent variable) and organizational performance (dependent variable) in hotel industries, considering moderating variables that may influence this relationship.

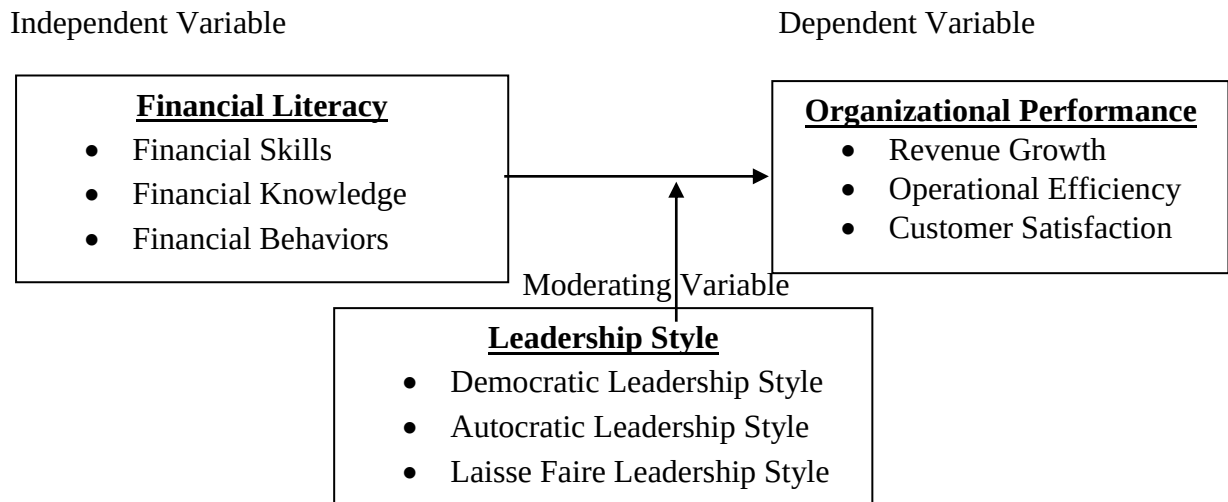


**Figure 1: Conceptual Framework**

**Source:** *Adopted and modified from (Lusardi & Mitchell, 2017)*

The conceptual framework illustrates the relationship between financial literacy, hotel performance, and leadership style. Financial literacy is the independent variable, comprising financial knowledge, financial skills, and financial behavior. Organizational performance is the dependent variable, measured through revenue growth, operational efficiency, and customer satisfaction. Leadership style moderates the strength and direction of the relationship between financial literacy and hotel performance.

Financial knowledge involves understanding cost control, pricing, budgeting, and financial statement interpretation. Financial skills include budgeting, forecasting, financial planning, and financial analysis, while financial behavior reflects responsible budgeting, record-keeping, savings, and investment decisions.

The framework assumes that improved financial knowledge, skills, and behavior enable hotel managers to make informed financial decisions, use resources efficiently, and respond effectively to financial challenges, thereby improving hotel performance.

Organizational performance is assessed through revenue growth, operational efficiency, and customer satisfaction. Revenue growth reflects increased income and profitability, operational efficiency measures effective resource use and cost minimization, while customer satisfaction reflects guest satisfaction, loyalty, and reputation.

Leadership style influences how financial literacy translates into performance. Democratic leadership promotes participation, collaboration, and knowledge sharing, strengthening its effects. Autocratic leadership centralizes decision-making, while laissez-faire leadership provides minimal supervision, potentially weakening the effective application of financial literacy.

### **1.7 Significance of the Study**

The significance of this study is categorized into the following areas:

This study is significant to stakeholders within the hospitality industry and beyond. It will provide practical guidance to hotel managers and business owners by demonstrating how financial knowledge, budgeting skills, and record-keeping contribute to improved profitability, operational efficiency, and long-term sustainability. Understanding the relationship between financial literacy and hotel performance will enable managers to make informed financial decisions, control costs, and strengthen competitive advantage (Berezan et al., 2016).

The findings will benefit policymakers and government institutions responsible for tourism and hospitality development by providing evidence to support targeted financial literacy and capacity-building programs. Such initiatives align with Uganda's national development agenda and tourism strategies for improving service quality, business resilience, and sustainability (Ministry of Tourism, Wildlife and Antiquities, 2020).

Financial institutions and development partners may use the findings to identify financial literacy gaps among hotel entrepreneurs and design tailored financial products, advisory services, and training programs that improve credit access, financial inclusion, and investment in the hotel sector (Atkinson & Messy, 2019).

Academically, the study contributes empirical evidence from Gulu City, fills a research gap, and provides a reference for future studies in business management, finance, and hospitality (Laker et al., 2023).

## 1.8 Operational Definitions

**Autocratic Leadership Style:** A leadership style characterized by centralized decision-making where leaders dictate policies and procedures with minimal input from employees (Nanjundeswaraswamy & Swamy, 2017).

**Customer Satisfaction:** The extent to which hotel guests' expectations are met or exceeded by the services provided, often measured through customer feedback and repeat patronage (Kim & Kim, 2019).

**Democratic Leadership Style:** A leadership approach where managers involve employees in decision-making processes, encouraging participation and collaboration to achieve organizational goals (Eagly et al., 2020).

**Financial Behaviors:** The actual practices related to managing finances, including budgeting, maintaining accurate financial records, and making investments that contribute to the financial health of the hotel (Xiao et al., 2018).

**Financial Knowledge:** The understanding of fundamental financial concepts such as interest rates, inflation, risk diversification, and investment options that inform sound financial decisions (Huston, 2016).

**Financial Skills:** The ability to apply financial knowledge to effectively manage monetary resources, including budgeting, financial planning, and decision-making in daily hotel operations (Lusardi & Mitchell, 2017).

**Laissez-Faire Leadership Style:** A leadership style marked by a hands-off approach, providing minimal direction and allowing employees freedom to make decisions (Skogstad et al., 2017).

**Operational Efficiency:** The effectiveness with which a hotel uses its resources (human, financial, physical) to maximize outputs while minimizing waste and costs (Chathoth et al., 2018).

**Revenue Growth:** The increase in hotel income over time, measured by sales, bookings, or profit margins, reflecting the hotel's financial success (Kandampully et al., 2018).

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews relevant literature on financial literacy and organizational performance in the hotel industry. It is organized into four main sections. The first section provides an introduction to the chapter. The second section presents the theoretical review, outlining the theories that guide the study and explain the relationship between financial literacy and hotel performance. The third section contains the empirical review, which examines previous studies on financial literacy and organizational performance, highlighting key findings and areas of agreement or divergence. The final section identifies the literature gap that justifies the study. Through the integration of theoretical and empirical evidence, the chapter provides a foundation for understanding the role of financial literacy in influencing hotel performance and guides the current study.

#### **2.1 Theoretical Review**

The theoretical review explores frameworks that explain how financial literacy can influence organizational performance. Two key theories underpin this study: Financial Literacy Theory and the Resource-Based View (RBV) Theory.

##### **2.1.1 Financial Literacy Theory**

Financial Literacy Theory originates from behavioral economics and personal finance and is primarily associated with Lusardi and Mitchell (2007), who emphasized the importance of understanding financial concepts, budgeting, savings, investments, and debt management in influencing financial decision-making and outcomes.

The theory posits that individuals with higher financial knowledge and skills are better equipped to make informed financial decisions. In the hotel industry, managers and staff with strong financial literacy can effectively manage budgets, control costs, forecast revenues, and allocate resources efficiently, thereby improving organizational performance through enhanced profitability, operational efficiency, and service quality.

The theory is relevant to this study because it provides a framework for examining how the financial competencies of hotel managers in Gulu City influence organizational outcomes. It

supports the premise that improving financial literacy among hotel managers enhances resource allocation and organizational performance.

### **2.1.2 Resource-Based View (RBV) Theory**

The Resource-Based View (RBV) Theory, introduced by Wernerfelt (1984) and expanded by Barney (1991), explains that organizations achieve sustainable competitive advantage by effectively utilizing valuable, rare, inimitable, and non-substitutable (VRIN) resources. These resources include financial, human, technological, and knowledge-based assets.

RBV is relevant to this study because it views financial literacy as a strategic organizational resource. Hotels with financially knowledgeable managers are better positioned to allocate resources efficiently, make sound investment decisions, and optimize operations, thereby gaining a competitive advantage in Gulu City's hotel industry.

The theory provides a foundation for linking financial literacy with organizational performance by emphasizing that managerial financial knowledge is a critical intangible resource for improving efficiency, profitability, and service quality. Combined with Financial Literacy Theory, RBV captures both the individual and organizational dimensions of performance enhancement.

## **2.2 Financial Literacy**

Financial literacy encompasses the knowledge and skills required to make informed and effective financial decisions. In the context of the hotel industry, particularly in emerging markets like Uganda, financial literacy is crucial for enhancing organizational performance. This section delves into the significance of financial literacy, focusing on budgeting skills, and examines its impact on the hotel sector in Gulu City.

### **2.2.1 Financial skills**

Financial skills are essential competencies that enable individuals and organizations to manage financial resources, make informed decisions, and improve financial performance. The concept of financial literacy is underpinned by the OECD/INFE financial literacy framework, which identifies financial knowledge, attitudes, and behaviours as key dimensions of financial literacy (OECD/INFE, 2018). This framework is relevant to the

present study because it provides a basis for examining how financial skills influence budgeting, record-keeping, cash-flow management, and resource allocation in hotels.

Lusardi and Mitchell (2021) emphasize the importance of financial knowledge in making sound financial decisions, while the OECD/INFE (2020) highlights persistent deficiencies in numeracy, interest compounding, and debt management. These perspectives demonstrate that financial skills involve not only understanding financial concepts but also applying them in practical situations. Similarly, the World Bank (2021) argues that financial education should be complemented by access to appropriate financial products and consumer protection to encourage effective financial behaviour.

The human capital perspective provides another theoretical explanation for financial skills development. It suggests that investment in knowledge and competencies can improve individuals' productivity and decision-making capacity. McKenzie and Woodruff (2017) found that small and medium-sized enterprise training improved bookkeeping, budgeting, and financial management practices, although its effects on profits and revenues were mixed. This evidence supports the importance of financial training in strengthening the financial management capacity of hotel employees and managers.

In Sub-Saharan Africa, the World Bank (2019) emphasizes the need for market-oriented financial management training linked to financing opportunities. Lusardi and Mitchell (2021) further highlight experiential learning, mentorship, and access to financial services as important elements in sustaining behavioural change. These perspectives are relevant to hotels because effective financial skills can support expenditure control, revenue monitoring, budgeting, and operational planning.

In Uganda, Tumwine et al. (2023) and Nyeko et al. (2024) associate financial literacy with improved entrepreneurship, record-keeping, business formalization, and enterprise performance. Their findings also indicate that access to finance can strengthen the relationship between financial literacy and enterprise performance.

Therefore, the OECD/INFE framework and human capital perspective underpin this study by explaining how financial knowledge and practical competencies may contribute to improved organizational performance in hotels in Gulu City.

### **2.2.2 Financial knowledge**

Financial knowledge is a fundamental component of financial literacy that enables individuals to understand financial concepts, assess risks, allocate resources, and make informed financial decisions. Lusardi and Mitchell (2017) argue that individuals with greater financial knowledge are better equipped to make rational financial decisions and manage resources efficiently. Similarly, Huston (2016) explains that financial knowledge supports business success by enabling entrepreneurs to evaluate risks, understand financial products, and adopt sustainable financial practices.

The concept is underpinned by the human capital theory, which views knowledge and skills as investments that enhance productivity and decision-making. From this perspective, financial knowledge can improve hotel managers' capacity to prepare budgets, monitor cash flows, control expenditure, and evaluate investment opportunities. Baveja and Verma (2024) similarly found that stronger financial knowledge was associated with greater confidence in investment decisions, better decision quality, and improved risk management. These arguments are relevant to the present study because effective financial decisions can influence organizational performance in hotels.

The OECD/INFE financial literacy framework also provides a conceptual foundation by recognizing financial knowledge as a core dimension of financial literacy, alongside financial behaviour and attitudes. This framework helps explain how understanding financial concepts can support practical financial management and informed organizational decisions.

In East Africa, Jubilee Holdings Limited (2024) highlights how limited financial knowledge constrains effective participation in financial markets, while Matovu (2024) associates improved financial knowledge with stronger financial management practices and enterprise resilience in Uganda. The Bank of Uganda (2024) further emphasizes the relationship between financial literacy and access to financial services, including credit and savings facilities, which can support business growth and investment.

Local evidence reinforces these perspectives. Nyeko, Ling, Sing, and Lim (2023) found that financial knowledge contributed to the performance of youth-led small and medium-sized enterprises in Gulu City through budgeting, cash-flow monitoring, and financial planning. GECDISO (2018) also reported that financial literacy training strengthened women's

management of household and business finances. These findings demonstrate the practical importance of financial knowledge in Northern Uganda.

Therefore, human capital theory and the OECD/INFE framework underpin this study by explaining how financial knowledge may strengthen financial management decisions and contribute to improved organizational performance among hotels in Gulu City.

### **2.2.3 Financial behaviour**

Financial behaviour refers to the practical ways individuals and organizations manage financial resources through budgeting, record-keeping, saving, investment, and expenditure control. Sound financial behaviour promotes efficient resource allocation, accountability, and organizational sustainability. Otoo (2024) found that small and medium-sized enterprises (SMEs) with structured financial practices, particularly capital budgeting and systematic record-keeping, demonstrated stronger financial performance. Similarly, Ndaghu, Bala, and Tanko (2022) established that financial literacy programmes improved budgeting, bookkeeping, and other financial behaviours among micro-entrepreneurs, demonstrating the importance of translating financial knowledge into practical action.

The concept is underpinned by the OECD/INFE financial literacy framework, which recognizes financial behaviour as a central dimension of financial literacy. The framework suggests that financial knowledge becomes practically useful when individuals apply it through responsible financial decisions and management practices. This perspective is relevant to the present study because hotel managers must translate financial knowledge into budgeting, revenue monitoring, expenditure control, and financial record-keeping to enhance organizational performance.

The Theory of Planned Behaviour, developed by Ajzen (1991), provides an additional theoretical explanation. It proposes that behaviour is influenced by attitudes, subjective norms, and perceived behavioural control. Applied to financial management, the theory helps explain how managers' attitudes towards financial discipline, organizational expectations, and their perceived ability to manage resources may influence financial practices in hotels.

Empirical evidence from Uganda supports the importance of financial behaviour. Mwebesa, Katongole, and Nansamba (2024) found that proper financial record-keeping improves transparency, accountability, and decision-making among rural development groups.

Ainembabazi (2022) similarly associated effective budgeting and financial reporting with improved profitability and competitiveness among SMEs in Bushenyi District. Mpaata, Lubogoyi, and Namanya (2020) established that financial literacy positively influences saving and budgeting practices among micro and small enterprises in Kampala, with social influence strengthening these behaviours.

Further evidence highlights the importance of financial documentation. Namugumya (2024) associated well-developed financial records with better SME performance in Mukono District, while Magara (2016) linked accurate records to business growth and profitability. At the local level, Arinda (2019) found that budgeting and bookkeeping positively influence SME performance in Ntungamo Municipality. Kakembo and Kasozi (2021) also highlighted the contribution of cloud-based accounting systems to accurate, timely financial information.

Therefore, the OECD/INFE framework and Theory of Planned Behaviour explain how financial practices may contribute to improved organizational performance among hotels in Gulu City.

## **2.3 Organizational (Hotel) Performance**

Organizational performance in the hotel industry is a critical measure of efficiency, competitiveness, and sustainability. It encompasses financial indicators such as revenue growth, profitability, and return on investment, as well as non-financial dimensions including customer satisfaction, service quality, and employee productivity. Performance in the hospitality sector is influenced by dynamic factors such as globalization, technological innovation, shifting consumer preferences, and economic conditions (Chen et al., 2019). In a highly competitive market, hotels must continuously adapt through innovative management practices, technology adoption, and diversification strategies to achieve superior performance outcomes (Jones & Comfort, 2021).

### **2.3.1 Financial performance**

According to Revfine (2025), these innovations have significantly improved hotels' revenue per available room (RevPAR) and overall profitability by allowing operators to personalize guest experiences and optimize pricing strategies. Hotels are also diversifying revenue streams beyond traditional room bookings. The Economic Times (2025) highlights those services such as coworking spaces, subscription-based hospitality packages, and cloud

kitchens have become alternative income sources. These strategies not only enhance profitability but also cushion hotels against market shocks such as pandemics and economic downturns.

Effective revenue management practices remain central to maximizing hotel income. Telyckova (2024) argues that strategies such as dynamic pricing, overbooking optimization, and direct booking incentives allow hotels to maximize occupancy levels and average daily rates, thus driving consistent revenue growth. Furthermore, the adoption of sustainability practices has been found to not only benefit the environment but also attract eco-conscious guests. According to Revfine (2025), hotels that have implemented green certifications and energy-efficient technologies report stronger customer loyalty and improved revenue performance.

At the regional level, the African hotel industry has demonstrated steady revenue growth, driven by increasing urbanization, infrastructure development, and tourism expansion. The CBRE Hotel Market Report (2025) notes that Sub-Saharan Africa, in particular, is benefiting from improved political stability, economic growth, and a rising middle class, which are fueling both domestic and international tourism. This growth has translated into higher occupancy rates and enhanced financial performance across major cities in the region.

In Uganda, the hospitality sector is experiencing positive growth trends. Statista (2025) projects significant revenue increases in the country's hotel industry, supported by rising domestic tourism, international arrivals, and government investments in tourism infrastructure. These developments have positioned Uganda as a competitive hospitality destination within East Africa.

At a more localized level, Gulu City, one of the fastest-growing urban centers in Northern Uganda, is also experiencing notable improvements in hotel revenue performance. The Gulu City Business Journal (2024) attributes this growth to enhanced infrastructure development, increased business activities, and a rising tourist base in the region. However, challenges remain. The Uganda Hotel and Tourism Association (2025) highlights barriers such as limited access to financing, inadequate marketing strategies, and competition from informal accommodation providers. Addressing these issues is essential for sustaining revenue growth and ensuring the long-term competitiveness of Gulu's hotel industry.

### **2.3.2 Operational efficiency**

Operational efficiency in the hotel industry refers to the ability of hotels to deliver quality services while minimizing costs and maximizing resource utilization. It encompasses process optimization, staff productivity, energy management, and technology integration, all of which are essential for maintaining competitiveness, particularly in emerging markets such as Gulu City, Uganda (Lee & Jang, 2018).

Globally, technological innovation has significantly improved operational efficiency in the hospitality industry. The adoption of Artificial Intelligence (AI) and the Internet of Things (IoT) has streamlined hotel operations, reduced operating costs, and enhanced guest satisfaction. Anwar et al. (2024) found that star-rated hotels in Indonesia implementing AI and IoT experienced higher operational performance and customer satisfaction. Similarly, Ivanov et al. (2020) note that technologies such as voice-activated assistants, smart room controls, and IoT-enabled systems automate routine tasks, optimize energy consumption, reduce staff workload, and improve productivity, thereby strengthening competitive advantage.

Sustainability initiatives have also become important drivers of operational efficiency. Hotels increasingly adopt energy conservation practices, including efficient lighting, HVAC optimization, and water-saving technologies, to reduce operational costs. Namatovu et al. (2023) found that hotels operating in Uganda's conservation areas improved efficiency and reduced costs through these practices, particularly where management demonstrated strong commitment. Their study further reported that renewable energy and energy-efficient technologies improved energy efficiency by up to 20%, generating both financial and operational benefits.

Cost management and human resource practices are equally important. The American Hotel & Lodging Association (2025) reported that hotels implementing effective cost-control measures achieved higher operating profit margins. Likewise, Kibira et al. (2022) found that Ugandan hotels with strong human resource management practices, including employee training and leadership development, experienced greater efficiency, lower staff turnover, and improved customer service.

Operational efficiency is also enhanced through quality management and digital technologies. Muheebwa et al. (2019) concluded that Total Quality Management (TQM) initiatives significantly improve service delivery and operational effectiveness. Similarly, Kitembo and Byaruhanga (2022) found that cloud-based property management systems, online booking platforms, and mobile check-in services improved workflow management, reduced manual errors, and enhanced customer satisfaction in Ugandan hotels. Despite these benefits, operational efficiency remains constrained by limited technological infrastructure, high implementation costs, and resistance to organizational change (Mwesigwa, 2021).

### **2.3.3 Customer satisfaction**

Customer satisfaction is a key determinant of success in the hotel industry because it influences customer loyalty, repeat patronage, and profitability. In Uganda, particularly in Gulu City, understanding the factors shaping customer satisfaction is essential for improving service quality and organizational performance (Akinci & Sadak, 2019).

Globally, customer satisfaction in the hotel industry has continued to improve. The Global Review Index (GRI) reported a record satisfaction level of 86.9% in the second quarter of 2025, especially in North America, the Middle East, and Oceania (Smith & Zhang, 2025). This improvement has largely been attributed to enhanced service quality, personalized guest experiences, and the adoption of innovative technologies.

Technological advancements, particularly Artificial Intelligence (AI) and the Internet of Things (IoT), have transformed guest experiences worldwide. AI enables hotels to personalize services according to customer preferences, while IoT-powered smart rooms automate lighting, temperature, and entertainment systems, providing seamless and convenient experiences (Kumar & Sharma, 2023). Anwar et al. (2024) further note that these technologies significantly enhance customer satisfaction through improved service delivery.

Service quality remains a major driver of customer satisfaction. Ahimbisibwe and Sebuliba (2024) found a strong positive relationship between Total Quality Management (TQM) practices and customer satisfaction in hotels in Makindye Division, Kampala, with TQM explaining 63.7% of the variation in customer satisfaction. Similarly, Nkundabanyanga and Munene (2020) emphasize that employee training and development improve service quality, guest interactions, customer loyalty, and repeat business.

Environmental sustainability has also emerged as an important contributor to customer satisfaction. Mwesigwa and Mugisha (2025) found that guests increasingly prefer hotels implementing environmentally friendly practices such as energy conservation, waste reduction, and water-saving initiatives. Nakirya et al. (2023) further identified empathy, responsiveness, assurance, and tangibles as key dimensions influencing guest satisfaction in Ugandan hotels.

Digital marketing strategies also enhance customer satisfaction. Tumusiime and Bwambale (2024) reported that hotels using targeted social media campaigns and online reputation management experienced increased bookings and improved customer satisfaction. However, Ugandan hotels continue to face challenges including inadequate infrastructure, limited technological adoption, inconsistent service delivery, and communication barriers (Mwesigwa, 2021). Consequently, Okello and Wamala (2020) recommend greater investment in staff training, sustainable practices, digital technologies, and stakeholder collaboration. With continued investments in infrastructure, technology, and human capital, hotels in Gulu City are well positioned to improve customer satisfaction, achieve sustained growth, and strengthen their competitive advantage (Kisembo & Byaruhanga, 2022).

## **2.4 Leadership Styles**

Leadership in the hotel industry plays a pivotal role in determining organizational performance, employee motivation, and service quality. Effective leadership shapes workplace culture, decision-making processes, and strategic implementation, directly influencing operational outcomes. In the context of Uganda, particularly in emerging urban centers such as Gulu City, leadership styles must align with workforce demographics, cultural diversity, and the evolving expectations of employees. This section reviews literature on leadership styles, focusing on demographic leadership styles, and progresses from global perspectives to evidence specific to Uganda.

### **2.4.1 Democratic leadership style**

Democratic leadership style examines how leaders' characteristics, including age, gender, education, and cultural background, influence their approach to managing teams and organizations. Understanding these factors is essential for developing leadership practices that enhance employee performance and organizational effectiveness.

Globally, cultural intelligence (CQ) is recognized as a key determinant of leadership effectiveness. Nosratabadi et al. (2020) found that leaders with high cultural intelligence manage diverse teams more effectively and achieve better organizational outcomes, making cultural competence particularly important in the hospitality industry. Age also influences leadership preferences. Ramos-Rodriguez et al. (2023) reported that younger employees generally prefer transformational leadership characterized by innovation and empowerment, whereas older employees favor transactional leadership emphasizing structure and rewards. These findings suggest that leaders should adapt their approaches to the age composition of their workforce.

Gender has also been found to shape leadership styles. Uzunsaf et al. (2018), studying four- and five-star hotels in Northern Cyprus, observed that male managers were more likely to adopt autocratic leadership, while female managers favored democratic and participatory approaches. Such differences influence employee motivation, team cohesion, and organizational performance.

In Uganda, democratic leadership has demonstrated positive effects on organizational effectiveness. Tukamushaba et al. (2015) found that involving employees in decision-making significantly improved employee performance in the hospitality sector in Mid-Western Uganda. Likewise, Turyahebwa et al. (2022) established that democratic and transformational leadership styles strengthened employee commitment and performance in Ugandan hotels, emphasizing the value of participatory management in achieving organizational goals.

Educational background further influences leadership style. Turyahikayo et al. (2024) reported that leaders with higher educational qualifications were more likely to adopt transformational leadership practices that positively affected organizational effectiveness. This suggests that leadership development and formal education contribute to effective management within the hospitality industry.

Uganda's youthful and ethnically diverse population presents both opportunities and challenges for hotel leadership. With a median age of approximately 15 years and numerous ethnic groups, including the Baganda, Banyankole, and Basoga (Kasozi & Mukama, 2017), organizations require culturally sensitive and age-appropriate leadership approaches to enhance teamwork and service delivery. Furthermore, increasing female representation in hotel leadership has encouraged more inclusive and collaborative management practices

(UBOS, 2025). Studies conducted in Uganda, including Gulu City, indicate that leaders who consider workforce characteristics such as age, gender, and educational background are more successful in implementing leadership strategies that improve hotel performance.

#### **2.4.2 Autocratic leadership style**

Autocratic leadership is characterized by centralized decision-making, where leaders retain significant control over organizational decisions and expect strict compliance from subordinates. It emphasizes clear directives, strict rules, and limited employee consultation (Northouse, 2018). Although this style enables rapid decision-making and discipline, it differs from democratic and laissez-faire leadership, which encourage employee participation and autonomy. In the hospitality industry, where employee interactions directly affect customer experiences, understanding the effects of autocratic leadership is important.

Globally, autocratic leadership is widely applied in high-pressure environments such as military operations, manufacturing, and organizations requiring quick decisions (Cheng et al., 2016). It enhances efficiency during urgent situations by maintaining control and ensuring timely execution of tasks. However, excessive reliance on this style may suppress creativity, reduce intrinsic motivation, and generate employee resistance (De Cremer & Van Dijk, 2020). In hospitality, where innovation and engagement are critical, these effects can significantly influence organizational performance.

Research shows that autocratic leadership may improve short-term operational efficiency, particularly during peak seasons or crises, by ensuring compliance and rapid task completion (Sun et al., 2019). Nevertheless, excessive control and limited employee involvement reduce motivation, job satisfaction, and service quality (Kim & Jogaratnam, 2017). Employees under highly autocratic leaders often experience stress, burnout, and low engagement, negatively affecting guest experiences and profitability (Sahoo & Mohapatra, 2021). Similarly, Amah (2019), Jain and Duggal (2020), and Zhang et al. (2021) found that autocratic supervision lowers job satisfaction, organizational commitment, communication, and innovation while increasing workplace stress and absenteeism.

In Uganda, cultural norms have traditionally encouraged acceptance of authoritative leadership (Ssewanyana & Bitamazire, 2017). However, younger employees increasingly prefer participatory leadership that promotes involvement and empowerment (Tumwesigye &

Mugume, 2023). Studies from Ethiopia and other African countries similarly show that democratic leadership generates higher employee commitment, satisfaction, and performance than autocratic leadership (Belay & Tessema, 2020; Rashid et al., 2018; Aryee et al., 2020).

Within Uganda's hotel industry, autocratic leadership remains common due to historical management practices. However, Kakembo and Kasozi (2021) and Bwambale (2022) found that excessive reliance on this approach reduces staff creativity, trust, initiative, and retention. Consequently, scholars recommend leadership training focusing on emotional intelligence, communication, and participatory management to balance necessary control with employee engagement, thereby improving service quality and organizational performance in hotels in Gulu City (Mugisha & Nsubuga, 2021).

#### **2.4.3 Laissez-faire leadership style**

Laissez-faire leadership is an approach in which leaders provide minimal supervision and allow employees considerable autonomy in decision-making (Northouse, 2018). Although it encourages independence and innovation, excessive autonomy may cause confusion, inefficiency, and poor coordination.

Globally, laissez-faire leadership is considered passive because leaders avoid direct involvement and delay decisions (Skogstad et al., 2015). While it can promote creativity among skilled and self-motivated employees, insufficient guidance may create role ambiguity, weak accountability, and poor coordination (Judge & Piccolo, 2020). Bass and Bass (2018) argue that unclear expectations and inadequate direction undermine employee performance and organizational effectiveness.

Research generally associates this leadership style with negative employee outcomes. Chi and Gursoy (2019) found that laissez-faire leadership reduces job satisfaction and employee performance. Similarly, Skogstad et al. (2017) linked limited direction and feedback to lower motivation and commitment, while Zareen, Razzaq, and Mujtaba (2018) associated inadequate leadership support with weaker team cohesion and increased turnover intentions.

In hospitality, where service quality and responsiveness are essential, limited supervision can cause operational inefficiencies and inconsistent service delivery (Yunita & Akbar, 2021). Gupta and Kumar (2019) observed that inadequate guidance increases service errors and

negatively affects guest experiences, while Alshurideh et al. (2020) emphasized the importance of timely feedback for frontline employees.

In Uganda, the effectiveness of laissez-faire leadership depends on cultural and organizational factors. Okello and Musimenta (2019) identified it as less effective in motivating employees, who generally value clear guidance and support (Nabwire & Bwambale, 2022). Kintu and Muwonge (2020) also reported a negative relationship between laissez-faire leadership and organizational performance due to unclear roles and inefficiencies. Democratic leadership, comparatively, promotes employee motivation and job satisfaction (Ibrahim & Elbeltagi, 2019; Mukasa & Ssemakula, 2021).

Although laissez-faire leadership may suit highly skilled, self-managing teams (Byaruhanga & Bwire, 2023), hotels in Gulu City should balance employee autonomy with supervision, regular feedback, and participative leadership to improve service quality, employee satisfaction, and organizational performance (Okello & Musimenta, 2019).

## **2.5 Relationship Between Financial Literacy and Organizational Performance**

Financial literacy refers to the ability to understand and apply financial skills, including budgeting, financial management, and investing. It contributes to organizational performance, financial well-being, and sustainability (Lusardi & Mitchell, 2017). Financially literate managers demonstrate better financial decision-making, profitability, and resilience during economic downturns (Huston, 2015; Atkinson & Messy, 2017).

Among small and medium enterprises (SMEs), financial literacy improves profitability, cash flow management, investment decisions, and business sustainability. Fatoki (2018) observed that limited financial knowledge contributes to performance challenges among SMEs in developing countries, while Adeyemo (2019) found that financially literate entrepreneurs manage finances more effectively, supporting long-term business survival.

In the hospitality sector, financial literacy is essential because of high operating costs and market fluctuations. Kizito and Atuhaire (2020) noted that financially literate hotel managers perform better in budgeting, cost control, and revenue forecasting. Effective financial planning also helps hotels manage seasonal risks and competition (Mensah, 2017), while financial training improves organizational performance and customer satisfaction (Baker, 2019).

In Uganda, financial literacy supports business success, particularly among youth enterprises. Nyeko and Okello (2021) found that youth entrepreneurs in Gulu City with stronger financial literacy performed better in budgeting, saving, and record-keeping. Financial knowledge also improves access to credit through better business planning and debt management (Ssewanyana & Kasirye, 2019; Munyambonera & Habyarimana, 2018).

Financial literacy also enhances employee productivity and organizational effectiveness. Kariuki and Ochieng (2020) associated financial training with reduced absenteeism, lower financial stress, and improved job satisfaction. Similarly, Okumu et al. (2022) reported improved employee concentration and reduced turnover in Kampala hotels.

Furthermore, financially literate leaders make better decisions regarding resource allocation, investment, and risk management (Atkinson & Messy, 2017). Kabango and Luswata (2019) observed that financially knowledgeable leaders in Ugandan SMEs adopt innovative strategies and respond effectively to market changes. Financial literacy also supports diversification and contingency planning against economic uncertainties (Fatoki, 2018; Mutebi & Ssembatya, 2021).

Overall, financial literacy strengthens budgeting, cost control, and decision-making (Aremu et al., 2020). Kizza and Nyeko (2023) found that financial literacy initiatives improved cash flow management and cost control in Ugandan hotels. Therefore, strengthening financial literacy among hotel managers and staff in Gulu City can improve resource utilization, service delivery, profitability, and competitiveness.

## **2.6 Chapter Summary**

The literature reviewed in this chapter underscores the critical role of financial literacy in enhancing organizational performance. It also emphasizes the moderating effect of leadership style in this relationship. In the context of Uganda's hotel industry, particularly in Gulu City, fostering financial literacy among employees and adopting effective leadership styles can significantly contribute to improved organizational performance. These insights provide a robust foundation for the subsequent chapters of this study, which will delve into empirical analyses to further explore these relationships.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter comprehensively addressed various aspects of the research methodology, which included research design, the chosen study population, the sampling design encompassing sampling techniques and procedures, sample size determination, data collection sources, methods employed for data collection, data processing procedures, data analysis techniques, and the intended approach for presenting the research findings.

#### **3.1 Research Design**

The study adopted a mixed-methods research design, combining quantitative and qualitative approaches to examine the relationship between financial literacy and organizational performance among hotels in Gulu City, Uganda.

The quantitative approach used structured questionnaires to collect data on financial skills, knowledge, behaviour, leadership styles, and organizational performance. Descriptive statistics, correlation, and regression analyses examined relationships between variables and the moderating effect of leadership styles.

The qualitative approach used interviews and open-ended responses to explore financial management practices, leadership approaches, and operational challenges. Integrating both approaches provided statistical evidence and contextual insights, enabling a comprehensive interpretation of findings in relation to the study objectives.

#### **3.2 Study Population**

The study population comprised hotel managers/owners, finance/accounting staff, and operational staff (department heads) in Gulu City. These groups were selected for their roles in financial decision-making, budgeting, record-keeping, investment, performance monitoring, and daily operations (Mugenda, 1999). Although Gulu City's population was estimated at 233,271 in the 2024 census, the Gulu City Hotel and Tourism Association (2025) reported approximately 35 hotels: 15 small, 12 medium, and 8 large, employing an estimated 315 staff. This workforce constituted the study's target population.

### 3.3 Sample Size Determination and Selection

The sample size was determined by Krejcie and Morgan (1970) sample size determination model. The sample constituted 169 from the total population of 300 which operate from the city and these included 4 hotel directors, 4 managers and 10 supervisors all for qualitative. Quantitative samples included; 9 front desk staffs, 9 accounts department, 11 customers care, 19 laundry and sanitation, 33 housekeeping staffs, 22 food and beverage staffs and 48 clients for convenient sampling as indicated in Table 1 below.

**Table 1: Sample Size Determination and Sampling Techniques**

| SN                               | Category of the respondents | Acholi Inn Hotel | Boma Hotel Limited | Flight View Hotel | Hotel Kakanyero | Total Population | Sample Size | Sampling Technique   |
|----------------------------------|-----------------------------|------------------|--------------------|-------------------|-----------------|------------------|-------------|----------------------|
| 1                                | Directors                   | 1                | 1                  | 1                 | 1               | 4                | 4           | Purposive            |
| 2                                | Managers                    | 1                | 1                  | 1                 | 1               | 4                | 4           | Purposive            |
| 4                                | Supervisors                 | 3                | 3                  | 2                 | 3               | 11               | 10          | Purposive            |
| <b>Subtotal for Qualitative</b>  |                             | <b>5</b>         | <b>5</b>           | <b>4</b>          | <b>5</b>        | <b>19</b>        | <b>18</b>   |                      |
| 5                                | Front Desk Staff            | 3                | 5                  | 4                 | 4               | 16               | 9           | Simple Random        |
| 6                                | Accounts Department         | 3                | 5                  | 4                 | 3               | 15               | 9           | Simple Random        |
| 7                                | Customer care               | 5                | 6                  | 5                 | 4               | 20               | 11          | Simple Random        |
| 8                                | Laundry & Sanitation        | 12               | 8                  | 7                 | 7               | 34               | 19          | Simple Random        |
| 9                                | Housekeeping staff          | 16               | 14                 | 12                | 21              | 63               | 33          | Simple Random        |
| 10                               | Food & beverage staff       | 11               | 12                 | 8                 | 7               | 38               | 22          | Simple Random        |
| 11                               | Clients                     | 23               | 28                 | 22                | 19              | 92               | 48          | Convenience sampling |
| <b>Subtotal for Quantitative</b> |                             | <b>73</b>        | <b>78</b>          | <b>67</b>         | <b>65</b>       | <b>278</b>       | <b>151</b>  |                      |
| <b>Grand Total</b>               |                             | <b>79</b>        | <b>84</b>          | <b>72</b>         | <b>70</b>       | <b>300</b>       | <b>169</b>  |                      |

**Source:** Hotel Association, Gulu City (2026)

### 3.4 Sampling Techniques

To collect data for the study, a combination of simple random and purposive sampling techniques was employed to select the respondents, as described in the citations.

#### 3.4.1 Simple random sampling

The employees were selected through random sampling, ensuring an equal opportunity for all individuals to participate. The researcher conducted self-administered questionnaires distributions to ensure accurate interpretation of questions. Where operational staffs were randomly sampled.

### **3.4.2 Purposive sampling**

The selection of business owners and managers was done purposefully because of their knowledge and experience in financial literacy of their business. Both probability and non-probability sampling techniques were employed to ensure effective and efficient sampling. Where hotel managers and finance staffs were sampled purposively

### **3.5 Sources of Data**

The study used primary and secondary data to ensure comprehensive and reliable findings. Primary data, defined as information collected directly from original sources (Kothari, 2004), was obtained through structured questionnaires and interviews with hotel managers, finance officers, and operational staff in Gulu City. These methods captured respondents' experiences and perceptions of financial literacy, leadership styles, and organizational performance.

Secondary data was obtained from documents, reports, journals, books, institutional records, and previous empirical studies. Sources included the Gulu City Hotel and Tourism Association, Uganda Bureau of Statistics (UBOS), and the Ministry of Tourism, Wildlife and Antiquities. These sources provided background information and supported the interpretation and comparison of findings.

### **3.6 Data Collection Methods**

The study employed quantitative and qualitative data collection methods to obtain comprehensive information aligned with the research objectives. Using multiple methods facilitated triangulation, enhancing the validity and depth of findings. Structured questionnaires collected quantitative data on financial literacy and hotel performance, while interviews gathered qualitative insights into respondents' experiences and perceptions. This combination captured numerical trends and contextual explanations regarding financial literacy and organizational performance in Gulu City hotels.

#### **3.6.1 Questionnaire survey**

A structured questionnaire was employed as the primary data collection tool for gathering information regarding financial literacy and financial performance of hotel business in Gulu City. Questionnaires were given to the operational staffs, allowing them to complete the questionnaires independently.

### **3.6.2 Interview method**

The research incorporated interview method, involving in-depth interviews with respondents to acquire comprehensive firsthand data which was administered to the business owners and managers. This approach is instrumental in gathering firsthand information, contributing to the compilation of a factual report. Hotel managers and finance staffs were interviewed by the researcher. These interviews were conducted at their respective locations, with prior appointment schedules in place.

### **3.7 Data Collection Tools**

The primary tools to be used in this research included questionnaires and interview guides. These tools complement each other by allowing for both breadth (quantitative data) and depth (qualitative insights) in understanding the relationship between financial literacy and organizational performance among hotels in Gulu City.

#### **3.7.1 Questionnaire**

The questionnaire was the main instrument for collecting quantitative data from hotel managers, finance officers, and operational staff. It comprised closed-ended and a few open-ended questions covering financial literacy, leadership and decision-making practices, and hotel performance indicators, including profitability, operational efficiency, and customer satisfaction. Closed-ended questions used a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) to facilitate statistical analysis and identify patterns and relationships. Open-ended questions allowed further explanations. The questionnaire ensured efficient data collection, anonymity, standardized responses, reduced researcher bias, and comparisons across hotel categories.

#### **3.7.2 Interview guide**

An interview guide was used to collect qualitative data from selected key informants, including hotel owners, senior managers, and stakeholders involved in financial decision-making. It comprised open-ended questions on financial management, budgeting, investment decisions, staff financial training, and challenges affecting hotel performance. Semi-structured interviews allowed follow-up questions and probing, enabling respondents to freely express their experiences, perceptions, and insights. This approach explored complex

aspects of financial literacy, including attitudes, beliefs, and contextual challenges, providing detailed explanations for questionnaire findings and strengthening the overall validity of the study.

### 3.8 Validity and Reliability

#### 3.8.1 Validity

The validity of the research instrument was established through expert judgment, with the supervisor guiding questionnaire development and reviewing its alignment with the study objectives. Necessary adjustments were made based on the assessment. A Content Validity Index (CVI) of 0.7 and above was considered acceptable. After revisions, the instrument was pre-tested, and further corrections arising from the exercise were addressed. Five respondents participated in the pre-test but were excluded from the actual data collection to avoid influencing the study findings.

**Table 2: Content Validity Index (CVI) Results from Experts**

| Expert                                 | Items Rated Relevant | Total Items Assessed | CVI Score |
|----------------------------------------|----------------------|----------------------|-----------|
| Expert 1 (Supervisor)                  | 40                   | 50                   | 0.80      |
| Expert 2 (Research Methods Specialist) | 39                   | 48                   | 0.81      |
| Expert 3 (Subject Specialist)          | 41                   | 51                   | 0.80      |
| Average CVI                            | 120                  | 149                  | 0.81      |

The questionnaire achieved an overall validity based on expert judgment, with a Content Validity Index (CVI) above the minimum acceptable threshold of 0.7, indicating that the instrument was valid for data collection. After revision based on expert feedback, the instrument was pre-tested, and necessary corrections were made. The final questionnaire had 119 valid items out of 162, while interviews recorded 20 valid responses out of 22 administered. The pre-test involved five respondents who were excluded from the final data collection to avoid bias.

#### 3.8.2 Reliability

Reliability, as defined by Muganda and Mugenda (2003), measures the extent to which a research instrument consistently produces the same results or data when tested repeatedly. To

assess the reliability of the instrument, a test-retest technique was employed. A pre-test was conducted on 40 respondents. Subsequently, the collected data was coded and entered into a computer. Reliability coefficients was then calculated using the Statistical Package for Social Scientists (SPSS) computer program version 27 to determine the questionnaire's reliability. Cronbach Alpha Coefficient was computed and a value of 0.7 and above has been considered reliable.

**Table 3: Reliability**

| <b>Item-Total Statistics</b>   |                          |            |
|--------------------------------|--------------------------|------------|
|                                | Cronbach's Alpha if Item | N of Items |
| Financial Skill                | .741                     | 7          |
| Financial Knowledge            | .776                     | 6          |
| Financial Behaviors            | .770                     | 7          |
| Revenue Growth                 | .735                     | 6          |
| Operational Efficiency         | .718                     | 6          |
| Customer Satisfaction          | .726                     | 6          |
| Demographic Leadership Style   | .737                     | 6          |
| Autocratic Leadership Style    | .754                     | 5          |
| Laissez-faire Leadership Style | .750                     | 5          |

The reliability results show that all constructs have acceptable internal consistency, as indicated by Cronbach's Alpha values ranging from 0.718 to 0.776. According to standard research thresholds, values above 0.7 are considered reliable, meaning the measurement items consistently capture the intended variables. Financial Knowledge recorded the highest reliability (0.776), while Operational Efficiency had the lowest (0.718), though still acceptable. Other constructs such as Financial Skills, Financial Behaviors, Revenue Growth, Customer Satisfaction, and leadership styles (democratic, autocratic, and laissez-faire) also demonstrated satisfactory reliability levels. Overall, the instrument is considered reliable and suitable for further statistical analysis and hypothesis testing in the study.

### **3.9 Data Collection Procedures**

Prior to commencing the study, the researcher obtained written proposal approval from the Faculty of Business and Development Studies at Gulu University. Furthermore, the

researcher secured a written authorization letter from the Gulu City Council granting permission to enter and conduct data collection in the specified medium enterprises. Additionally, the researcher will seek permission from all the respondents to conduct data collection.

### **3.10 Data Analysis and Presentation**

The qualitative data collected using the questionnaire was analyzed using the Statistical Package for Social Science (SPSS-version 27), employing various statistical techniques for quantitative. Qualitative data will be analyzed manually.

#### **3.10.1 Quantitative analysis**

For quantitative data, descriptive statistics was used to present frequency counts and cumulative percentages, and this information's was organized into tables. To extend insights to the broader population, inferential statistics was used, drawing conclusions from a sample of the population. Correlation analysis was used to assess the strength of the relationship between dependent and independent variables. Regression analysis was used to determine the effects of financial literacy on financial performance of medium enterprises.

#### **3.10.2 Qualitative analysis**

Qualitative data underwent content analysis, wherein responses from key informants were categorized into recurring themes. The analysis identified common opinions, experiences, and typical outcomes related to each of the guiding questions. This qualitative analysis involved the examination of textual and narrative data generated from voice recordings, photos, and video representations.

### **3.11 Ethical Considerations**

Ethical considerations were observed throughout the study to ensure compliance with academic and institutional research standards. Before data collection, the researcher obtained an introductory letter from Gulu University, which was presented to relevant authorities in selected hotels in Gulu City to secure permission to conduct the study.

Informed consent was obtained from all participants after explaining the research purpose, their roles, and their right to participate voluntarily or withdraw at any time without coercion. Confidentiality and anonymity were maintained by not recording or disclosing participants'

names. Interviews were conducted privately to protect respondents' dignity, while collected data was securely stored, restricted from unauthorized access, and used solely for academic purposes.

Furthermore, findings were analyzed and presented in aggregated form to prevent the identification of individual respondents. The study adhered to ethical guidelines recommended by the Uganda National Council for Science and Technology (UNCST, 2014), ensuring respect for participants' rights, research integrity, and responsible contribution to existing knowledge for academic and practical application.

### **3.12 Limitations and Delimitations**

The following challenges were experienced in the course of conducting this study:

The study experienced several challenges. First, some hotel respondents had busy work schedules that limited their availability for questionnaires and interviews. The researcher addressed this through telephone follow-ups, reminder visits, and flexible interview scheduling.

Second, some respondents were reluctant to participate due to limited interest, inadequate understanding of the study, or perceived irrelevance to their roles. The researcher explained the study's purpose and potential benefits to hotel financial management and organizational performance to encourage participation.

Third, some respondents hesitated to provide accurate information due to concerns about confidentiality and possible misuse of their responses. The researcher assured participants of anonymity, confidentiality, and the exclusive use of data for academic purposes. Participants were also informed that neither individuals nor hotels would be identified in the final report. Consent forms were provided, and ethical guidelines approved by the Uganda National Council for Science and Technology (UNCST) were followed to protect participants' privacy and build trust.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.0 Introduction

The data was analyzed following the objectives that is to assess the level of financial literacy of the hotel industry, to assess the level of organizational performance of hotel industry, to establish the relationship between financial literacy and organizational performance of hotels and to assess the moderating effect of leadership styles on the relationship between financial literacy and organizational performance of hotels in Gulu City.

#### 4.1 Demographic Information

The study examined respondents' gender, age, marital status, education level, department, division, and meals offered by hotels. Table 4 presents the demographic characteristics of the 119 respondents.

**Table 4: Demographic information**

| Sn | Particular             | Parameter           | Frequency | Percent (%) |
|----|------------------------|---------------------|-----------|-------------|
| 1  | Gender of Respondent   | Male                | 65        | 54.6        |
|    |                        | Female              | 54        | 45.4        |
| 2  | Age of the Respondents | 18-27 yrs           | 37        | 31.1        |
|    |                        | 28-47 yrs           | 59        | 49.6        |
|    |                        | 48-57 yrs           | 18        | 15.1        |
|    |                        | 58 yrs & above      | 5         | 4.3         |
| 3  | Marital Status         | Single              | 51        | 42.9        |
|    |                        | Married             | 59        | 49.6        |
|    |                        | Separated           | 4         | 3.4         |
|    |                        | Divorced            | 4         | 3.4         |
|    |                        | Widowed             | 1         | 0.8         |
| 4  | Level of Education     | Secondary           | 13        | 10.9        |
|    |                        | Diploma             | 34        | 28.6        |
|    |                        | Bachelor            | 55        | 46.2        |
|    |                        | Masters             | 10        | 8.4         |
|    |                        | Others              | 7         | 5.9         |
| 5  | Department             | Management          | 25        | 21.0        |
|    |                        | Finance             | 21        | 17.6        |
|    |                        | Operation           | 35        | 29.4        |
|    |                        | Others              | 38        | 31.9        |
| 6  | Division               | Laroo-Pece          | 104       | 87.4        |
|    |                        | Bardege Layibi      | 15        | 12.6        |
| 7  | Meals offered          | Fast Foods          | 1         | 0.8         |
|    |                        | Buffet Services     | 1         | 0.8         |
|    |                        | More than two meals | 117       | 98.3        |

**Source: Primary Data (2026)**

Gender: The findings indicate that 65 (54.6%) respondents were male, while 54 (45.4%) were female. This relatively balanced distribution provided perspectives from both genders.

Age: Most respondents, 59 (49.6%), were aged 28–47 years, followed by 37 (31.1%) aged 18–27 years. Those aged 48–57 years were 18 (15.1%), while five (4.2%) were aged 58 years and above. The findings show that most respondents were within the 18–47 age range, representing the largest proportion of participants.

Marital status: Married respondents constituted 59 (49.6%), followed by single respondents at 51 (42.9%). Separated and divorced respondents accounted for four (3.4%) each, while one (0.8%) was widowed. Thus, married and single respondents formed the majority.

Education level: Bachelor's degree holders were the largest group, with 55 (46.2%), followed by diploma holders at 34 (28.6%). Secondary-level respondents were 13 (10.9%), master's degree holders were 10 (8.4%), and those with other qualifications were seven (5.9%). This indicates that most respondents had post-secondary education.

Department: Respondents came from other departments, 38 (31.9%), operations, 35 (29.4%), management, 25 (21.0%), and finance, 21 (17.6%). This distribution captured perspectives from different hotel functions.

Division: Most respondents, 104 (87.4%), were from Laroo-Pece Division, while 15 (12.6%) were from Bardege-Layibi Division, indicating greater representation from Laroo-Pece.

Meals offered: Most respondents, 117 (98.3%), were associated with hotels offering more than two meals, while fast-food and buffet services each accounted for one (0.8%). This suggests that the sample was predominantly drawn from hotels offering multiple meals.

## **4.2 Level of Financial Literacy**

Financial literacy refers to the ability of employees and managers to understand and apply financial concepts in organizational operations. It encompasses financial skills, financial knowledge, and financial behavior that enable individuals to make informed financial decisions within the workplace.

### 4.2.1 Financial skills

Financial skills refer to the practical abilities employees and managers possess in budgeting, forecasting, decision-making, financial planning, and allocation of organizational resources. These skills enable hotel staff to effectively manage financial activities, respond to emergencies, and support organizational performance.

**Table 5: Descriptive results on Financial Skills**

This section presents descriptive results on financial skills in the hotel industry, focusing on budgeting, forecasting, application of financial skills, emergency decision-making, training, confidence in financial information, and information sharing. Results are presented using percentage distributions.

| Sn             | Statement on financial skills                                                                           | SD          | D            | SD+D         | NS          | A            | SA           | A+SA         |
|----------------|---------------------------------------------------------------------------------------------------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|
| 1              | Currently plan is managed in our hotel's financial activities through effective budgeting.              | 5.9%        | 24.4%        | 30.3%        | 3.4%        | 31.9%        | 34.9%        | 66.8%        |
| 2              | Forecast plan has helped to manage our hotel's financial activities through effective.                  | 3.4%        | 30.3%        | 33.7%        | 5.9%        | 41.2%        | 19.3%        | 60.5%        |
| 3              | There is effective application of financial skills in our daily operations                              | 5.0%        | 26.1%        | 31.1%        | 2.5%        | 44.5%        | 21.8%        | 66.3%        |
| 4              | We also make financial decisions when unexpected emergency expenses arise.                              | 9.2%        | 15.1%        | 24.3%        | 3.4%        | 42.9%        | 29.4%        | 72.3%        |
| 5              | Financial skills training has helped to improve our role in the hotel                                   | 10.1%       | 11.8%        | 21.9%        | 6.7%        | 44.5%        | 26.9%        | 71.4%        |
| 6              | We always feel confident in using financial information to make decisions about resource allocation.    | 5.9%        | 13.4%        | 19.3%        | 5.9%        | 42.0%        | 32.8%        | 74.8%        |
| 7              | We share information in a situation where applying financial skills help our hotel improve performance. | 5.0%        | 15.1%        | 20.1%        | 4.2%        | 48.7%        | 26.9%        | 75.6%        |
| <b>Average</b> |                                                                                                         | <b>6.4%</b> | <b>19.5%</b> | <b>25.8%</b> | <b>4.6%</b> | <b>42.2%</b> | <b>27.4%</b> | <b>69.7%</b> |

**Source: Primary Data (2026)**

The findings revealed that 30.3% (SD+D) of respondents disagreed that plans are managed in hotel financial activities through effective budgeting, while 3.4% were not sure. However, 66.8% (A+SA) agreed that budgeting is effectively used in managing hotel financial activities. This implies that although a minority expressed concerns, the majority confirmed that budgeting plays a significant role in managing hotel financial operations and supporting financial control within hotels. An interview revealed that one participant remarked that

*“Budgeting has enabled departments to plan expenditures in advance and control unnecessary spending, which improves accountability within the hotel” (D1, March 2026).*

The findings further indicated that 33.7% (SD+D) disagreed that forecast planning has helped manage hotel financial activities effectively, while 5.9% were not sure. In contrast, 60.5% (A+SA) agreed that forecasting contributes to effective financial management. This suggests that despite some reservations, most respondents recognize forecasting as essential in predicting financial needs and preparing for uncertainties in hotel operations.

It was also established that 31.1% (SD+D) disagreed that financial skills are effectively applied in daily operations, while 2.5% were not sure. However, 66.3% (A+SA) agreed that financial skills are effectively applied in daily hotel operations. These findings imply that financial skills are widely applied in daily activities, enhancing efficiency in resource utilization and improving overall service delivery within hotels. An interview stated that one participant remarked that

*“Financial skills have helped employees handle operational costs carefully and make timely financial decisions that support hotel activities” (M4, March 2026).*

Regarding financial decision-making during emergencies, 24.3% (SD+D) disagreed that financial decisions are made when unexpected expenses arise, while 3.4% were not sure. However, 72.3% (A+SA) agreed that they make financial decisions during emergencies. This indicates that most respondents possess the ability to respond quickly and make informed financial decisions during unexpected situations, ensuring continuity of hotel operations.

The findings also revealed that 21.9% (SD+D) disagreed that financial skills training has improved their roles in the hotel, while 6.7% were not sure. However, 71.4% (A+SA) agreed that training has improved their roles. This suggests that financial skills training enhances employees' competence, confidence, and effectiveness in performing financial responsibilities, thereby contributing to improved organizational performance. An interview with one participant who mentioned that

*“Training employees in financial management has strengthened their ability to prepare reports, monitor expenditures, and support financial accountability in the hotel” (M, March 2026).*

In terms of confidence in using financial information, 19.3% (SD+D) disagreed that they feel confident in using financial information for resource allocation decisions, while 5.9% were

not sure. However, 74.8% (A+SA) agreed that they feel confident using financial information. This implies that most employees are capable of interpreting and applying financial information in decision-making processes, which enhances effective resource allocation and management.

Finally, 20.1% (SD+D) disagreed that they share financial information to improve hotel performance, while 4.2% were not sure. Nevertheless, 75.6% (A+SA) agreed that they share financial information for performance improvement. This indicates that teamwork and communication in financial practices are encouraged, promoting collective decision-making and contributing to improved organizational performance.

#### 4.2.2 Financial knowledge

Financial knowledge refers to the understanding and awareness of financial concepts, principles, and practices that enable employees and managers to make informed financial decisions within an organization.

**Table 6: Descriptive results on Financial Knowledge**

This section presents descriptive results on financial knowledge among respondents in hotels, focusing on budgeting, saving, cash flow management, reliance on financial information, resource wastage control, and performance effectiveness. Results are presented using percentage distributions and interpreted accordingly.

| Sn | Statement on financial knowledge                                                                      | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----|-------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1  | Staff involved in finances have adequate budgeting knowledge in this workplace                        | 0.0%        | 2.5%        | 2.5%        | 5.0%        | 58.0%        | 34.5%        | 92.5%        |
| 2  | Staff involved in finances have adequate knowledge of saving funds                                    | 0.8%        | 3.4%        | 3.4%        | 6.7%        | 58.0%        | 31.1%        | 89.1%        |
| 3  | Staff involved in finances have adequate knowledge on cash flow management.                           | 2.5%        | 1.7%        | 1.7%        | 4.2%        | 58.8%        | 32.8%        | 91.6%        |
| 4  | We always rely on financial information when making operational decisions in these institutions.      | 1.7%        | 3.4%        | 3.4%        | 7.6%        | 53.8%        | 3.6%         | 57.4%        |
| 5  | The financial knowledge exhibited by most employees has helped in managing resource wastage.          | 0.0%        | 1.7%        | 1.7%        | 4.2%        | 68.9%        | 25.2%        | 94.1%        |
| 6  | Due to financial knowledge within this sector, there is performance effectiveness on daily instances. | 0.0%        | 0.8%        | 0.8%        | 3.4%        | 68.1%        | 27.7%        | 95.8%        |
|    | <b>Average</b>                                                                                        | <b>0.8%</b> | <b>2.3%</b> | <b>3.1%</b> | <b>5.2%</b> | <b>60.9%</b> | <b>25.8%</b> | <b>86.8%</b> |

**Source: Primary Data (2026)**

The findings revealed that only 2.5% (SD+D) of respondents disagreed that staff involved in finances have adequate budgeting knowledge in the workplace, while 5.0% were not sure. However, 92.5% (A+SA) agreed that staff possess adequate budgeting knowledge. This indicates a very high level of agreement, suggesting that budgeting knowledge is widely available and supports effective expenditure control, planning, and efficient allocation of financial resources in hotel operations. One respondent in an interview noted that

*“Budgeting knowledge has helped the hotel minimize unnecessary spending and ensure that financial resources are allocated according to operational priorities” (M, March 2026).*

The findings further showed that 4.2% (SD+D) disagreed that staff involved in finances have adequate knowledge of saving funds, while 6.7% were not sure. In contrast, 89.1% (A+SA) agreed that staff have sufficient knowledge of saving funds. This implies that financial knowledge promotes financial discipline, cost control, and prudent utilization of resources within hotel institutions.

It was also established that 4.2% (SD+D) disagreed that staff involved in finances have adequate knowledge of cash flow management, while 4.2% were not sure. However, 91.6% (A+SA) agreed that staff possess adequate cash flow management knowledge. This suggests that hotels are capable of effectively monitoring cash inflows and outflows, thereby enhancing operational stability and financial sustainability.

The findings indicated that 3.4% (SD+D) disagreed that financial information is relied upon in operational decisions, while 7.6% were unsure. However, 57.4% (A+SA) agreed. This suggests that although most hotels rely on financial information, its use in operational decision-making could be strengthened. One key informant stated that:

*“Employees responsible for financial management understand how to monitor cash inflows and outflows to ensure smooth hotel operations, and that proper cash flow management helps the hotel meet operational obligations such as paying suppliers, salaries, and utility bills on time” (S5, March 2026).*

The findings further revealed that 1.7% (SD+D) disagreed that financial knowledge among employees helps in managing resource wastage, while 4.2% were not sure. However, 94.1% (A+SA) agreed that financial knowledge reduces resource wastage. This indicates that financial knowledge significantly contributes to efficient use of resources such as electricity,

water, and supplies, thereby improving operational efficiency. It was explained that one participant who remarked that;

*“Employees with financial knowledge are more careful when utilizing hotel resources such as electricity, water, and supplies, and that this awareness has reduced unnecessary wastage and improved operational efficiency” (M, March 2026).*

Finally, the study findings showed that 0.8% (SD+D) disagreed that financial knowledge within the sector enhances daily performance effectiveness, while 3.4% were not sure. However, 95.8% (A+SA) agreed that financial knowledge improves daily performance effectiveness. This implies that financial competence strongly enhances operational efficiency, accountability, and service delivery in hotel institutions.

### 4.2.3 Financial Behavior

Financial behavior includes budgeting, financial planning, revenue and expense tracking, record keeping, savings, reinvestment, and financial discipline.

**Table 7: Descriptive results on Financial Behavior**

This section presents descriptive results on financial behavior in hotels, covering financial planning, revenue and expense tracking, record review, profit reinvestment, financial discipline, budgeting culture, and record keeping.

| Sn             | Statement on financial behavior                                                                            | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----------------|------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1              | Our department have always handled good financial planning on a day-to-day basis.                          | 0.0%        | 0.8%        | 0.8%        | 6.7%        | 52.1%        | 40.3%        | 92.4%        |
| 2              | Our financial actions are always characterized by the practices where hotel uses to track revenue expenses | 0.8%        | 1.7%        | 2.5%        | 7.6%        | 50.4%        | 39.5%        | 89.9%        |
| 3              | There is always a review of financial records to enable better performance.                                | 0.0%        | 1.7%        | 1.7%        | 1.7%        | 52.9%        | 42.9%        | 95.8%        |
| 4              | The profits obtained from savings are reinvested for the hotel's operations                                | 1.7%        | 4.2%        | 5.9%        | 10.1%       | 45.4%        | 38.7%        | 84.1%        |
| 5              | There is zero tolerance of financial indiscipline from all the staffs when handling hotel resources        | 0.0%        | 2.5%        | 2.5%        | 2.5%        | 59.7%        | 35.3%        | 95%          |
| 6              | Financial behaviors for this hotel are well cultures in terms of budgeting to improve efficiency.          | 0.0%        | 1.7%        | 1.7%        | 3.4%        | 56.3%        | 38.7%        | 95%          |
| 7              | Financial behaviors for this hotel are well cultures in terms of record keeping to improve efficiency.     | 0.0%        | 0.8%        | 0.8%        | 0.0%        | 58.-%        | 41.2%        | 41.2%        |
| <b>Average</b> |                                                                                                            | <b>0.4%</b> | <b>1.9%</b> | <b>2.3%</b> | <b>4.6%</b> | <b>53.5%</b> | <b>39.5%</b> | <b>84.8%</b> |

**Source: Primary Data (2026)**

The findings revealed that only 0.8% (SD+D) of respondents disagreed that their department consistently handles good financial planning on a day-to-day basis, while 6.7% were not sure. However, 92.4% (A+SA) agreed that effective daily financial planning is practiced. This indicates that most respondents recognize strong financial planning practices in hotel departments, contributing to improved budgeting, expenditure control, and efficient resource utilization.

The findings further showed that 2.5% (SD+D) disagreed that financial actions are characterized by tracking revenue and expenses, while 7.6% were not sure. In contrast, 89.9% (A+SA) agreed that revenue and expense tracking is practiced. This suggests that financial monitoring systems are well established, enhancing accountability and transparency in hotel financial management.

It was also established that 1.7% (SD+D) disagreed that there is regular review of financial records to improve performance, while 1.7% were not sure. However, 95.8% (A+SA) agreed that financial records are regularly reviewed. This implies that consistent financial review practices are widely adopted, enabling management to monitor performance, identify weaknesses, and make informed operational decisions. Interview Response: one participant mentioned that;

*“Regular review of financial records helps management monitor hotel expenditures, revenues, and profitability, and that reviewing financial reports allows the hotel to identify weaknesses and take corrective measures to improve performance” (M3, March 2026).*

The findings indicated that 5.9% (SD+D) disagreed that profits from savings are reinvested into hotel operations, while 10.1% were not sure. However, 84.1% (A+SA) agreed that profits are reinvested. This suggests that reinvestment practices are generally embraced, supporting hotel growth and sustainability, although some employees may not fully understand how profits are utilized. Interview Response: one participant remarked that;

*“Part of the profits generated from savings is reinvested into hotel activities such as renovation, purchasing equipment, and improving customer services, and that reinvestment strengthens hotel operations and supports business growth” (S1, March 2026).*

The findings further revealed that 2.5% (SD+D) disagreed that there is zero tolerance for financial indiscipline among staff, while 2.5% were not sure. However, 95.0% (A+SA) agreed that financial indiscipline is not tolerated. This indicates strong enforcement of

financial discipline, promoting accountability, transparency, and responsible use of hotel resources. Interview Response: one participant commented that;

*“Strict financial policies are implemented to ensure employees handle hotel resources responsibly, and that any form of financial misuse or indiscipline is addressed immediately to maintain accountability and transparency” (M2, March 2026).*

The study also found that 1.7% (SD+D) disagreed that budgeting is well integrated into hotel financial behavior, while 3.4% were not sure. However, 95.0% (A+SA) agreed that budgeting is well practiced as part of financial behavior. This suggests that budgeting is deeply embedded in hotel operations and contributes significantly to efficiency and financial control.

Finally, 0.8% (SD+D) disagreed that record keeping is well practiced to improve efficiency, while 0.0% were not sure. However, 99.2% (A+SA) agreed that record keeping is well established. This indicates a very strong culture of record keeping within hotels, enhancing financial accountability, monitoring, and overall operational efficiency.

**Table 8: Qualitative Interview Findings on Financial Literacy**

| Sn | Financial Literacy Sub-Dimension | Sample Question Theme           | Emerging Themes                                              | Quotation Sample(s)                                                                                                                                                                             |
|----|----------------------------------|---------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Financial Skills                 | Budgeting in hotels             | Budget control, accountability, expenditure planning         | “Budgeting has enabled departments to plan expenditures in advance and control unnecessary spending, which improves accountability within the hotel.”                                           |
| 2  | Financial Skills                 | Forecasting financial needs     | Financial planning, prediction of needs, risk management     | “Forecast planning helps hotels anticipate future financial needs and prepare for uncertainties in operations.”                                                                                 |
| 3  | Financial Skills                 | Application in daily operations | Cost control, efficiency, operational decision-making        | “Financial skills help employees manage operational costs carefully and make timely financial decisions that support hotel activities.”                                                         |
| 4  | Financial Knowledge              | Budgeting knowledge             | Budget preparation, expenditure control, resource allocation | “Finance staff are knowledgeable in preparing departmental budgets and monitoring expenditures, which helps minimize unnecessary spending and ensures proper allocation of resources.”          |
| 5  | Financial Knowledge              | Cash flow management            | Cash monitoring, financial stability, payment management     | “Employees responsible for financial management understand how to monitor cash inflows and outflows to ensure smooth operations such as paying suppliers, salaries, and utility bills on time.” |
| 6  | Financial Knowledge              | Financial information use       | Operational planning, informed decisions, efficiency         | “Financial information is highly relied upon in making operational decisions, as it guides planning and improves organizational effectiveness.”                                                 |
| 7  | Financial Behavior               | Financial planning practices    | Budgeting, expenditure control, operational efficiency       | “Departments engage in daily financial planning, which helps improve budgeting and control unnecessary expenditures.”                                                                           |

|   |                    |                              |                                                            |                                                                                                                        |
|---|--------------------|------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 8 | Financial Behavior | Revenue and expense tracking | Financial tracking, transparency, accountability           | “Hotels regularly track revenues and expenses to ensure accountability and proper financial management.”               |
| 9 | Financial Behavior | Financial record review      | Performance monitoring, decision-making, corrective action | “Regular review of financial records helps management identify weaknesses and take corrective measures to improvement. |

**Source: Primary Data (2026)**

### **4.3 Level of Organizational Performance**

Organizational performance refers to the ability of an organization to achieve its goals effectively and efficiently through proper utilization of available resources. In the hotel industry, organizational performance is reflected through revenue growth, operational efficiency, and customer satisfaction. Revenue growth indicates the hotel’s ability to increase income and profitability, while operational efficiency focuses on effective coordination of activities, cost management, and resource utilization. Customer satisfaction reflects the extent to which hotels meet customer expectations through quality service delivery. Strong financial literacy among managers and staff contributes significantly to improved organizational performance by enhancing decision-making, financial management, and sustainable hotel growth.

#### **4.3.1 Revenue Growth**

Revenue growth refers to the increase in income generated by an organization over a specific period due to effective financial management, improved service delivery, and efficient operational practices. In the hotel industry, revenue growth is influenced by effective revenue management, coordination among departments, financial knowledge training, customer satisfaction, and proper managerial practices.

**Table 9: Descriptive results on Revenue Growth**

This section presents descriptive results on revenue growth in hotels, focusing on revenue management, financial coordination, financial training, customer satisfaction, management practices, and financial literacy. Results are presented using percentage distributions of agreement, disagreement, and neutral responses.

| Sn | Statement on revenue growth                                                                                            | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----|------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1  | Effectiveness of the revenue management has played great role in the increasing hotel revenue                          | 1.7%        | 3.4%        | 5.1%        | 5.9%        | 54.6%        | 34.5%        | 89.1%        |
| 2  | Effectiveness of the finance department has greatly helped in coordinating all the department to boost sales / income. | 0.8%        | 0.8%        | 1.6%        | 2.5%        | 61.3%        | 34.5%        | 95.8%        |
| 3  | Through trainings on financial knowledge our hotel has adopted have helped in increasing the level of revenue.         | 0.8%        | 0.8%        | 1.6%        | 7.6%        | 58.0%        | 32.8%        | 90.8%        |
| 4  | With the revenue growth, all customers need is catered for which has influenced hotel's revenue growth.                | 1.7%        | 2.5%        | 4.2%        | 5.9%        | 54.6%        | 35.3%        | 89.9%        |
| 5  | Good management has helped the hotel from earning more revenue.                                                        | 1.7%        | 1.7%        | 3.4%        | 3.4%        | 61.3%        | 31.9%        | 93.2%        |
| 6  | Good financial literacy in our hotel has helped contributing to the revenue growth.                                    | 0.0%        | 2.5%        | 2.5%        | 2.5%        | 52.1%        | 42.9%        | 95%          |
|    | <b>Average</b>                                                                                                         | <b>1.1%</b> | <b>2.0%</b> | <b>3.1%</b> | <b>4.6%</b> | <b>57.0%</b> | <b>35.3%</b> | <b>92.3%</b> |

**Source: Primary Data (2026)**

The findings revealed that 5.1% (SD+D) of respondents disagreed that effectiveness of revenue management has played a great role in increasing hotel revenue, while 5.9% were not sure. However, 89.1% (A+SA) agreed that revenue management contributes to increased hotel revenue. This indicates that most respondents recognize effective revenue management as a key driver of profitability and financial sustainability in hotels. Interview Response: a participant remarked that;

*“Regular financial monitoring and departmental coordination help identify profitable activities and reduce unnecessary operational costs, thereby boosting hotel income”* (S7, March 2026).

The findings further indicated that 1.6% (SD+D) disagreed that the finance department has greatly helped coordinate departments to boost sales and income, while 2.5% were not sure. However, 95.8% (A+SA) agreed that finance department coordination improves sales and income. This suggests that financial coordination plays a crucial role in enhancing teamwork, operational efficiency, and revenue generation across hotel departments.

It was also established that 1.6% (SD+D) disagreed that financial knowledge training has helped increase revenue, while 7.6% were not sure. In contrast, 90.8% (A+SA) agreed that training contributes to revenue growth. This implies that financial training equips employees with better decision-making skills that enhance financial management and profitability.

Interview Response: one respondent stated that

*“Financial knowledge training has improved employees’ understanding of budgeting, customer service, and financial accountability, and that trained employees are more efficient in handling resources and supporting hotel profitability” (S3, March 2026).*

The findings revealed that 4.2% (SD+D) disagreed that catering for customer needs has influenced hotel revenue growth, while 5.9% were not sure. However, 89.9% (A+SA) agreed that meeting customer needs contributes to revenue growth. This indicates that customer satisfaction and service quality are key determinants of improved sales and hotel profitability.

The study further showed that 3.4% (SD+D) disagreed that good management has helped increase hotel revenue, while 3.4% were not sure. However, 93.2% (A+SA) agreed that good management improves revenue generation. This suggests that effective leadership enhances coordination, resource utilization, and decision-making, thereby improving financial performance.

Finally, the findings indicated that 2.5% (SD+D) disagreed that financial literacy contributes to revenue growth, while 2.5% were not sure. However, 95.0% (A+SA) agreed that financial literacy enhances revenue growth. This implies that financial literacy plays a significant role in improving budgeting, cost control, and overall profitability in hotel operations. Interview Response: a respondent explained that;

*“Financial literacy enables employees and managers to make informed financial decisions that improve budgeting, cost control, and revenue management and financial literacy has strengthened accountability and enhanced profitability within the hotel” (M4, March 2026).*

A finance staff member added that one participant remarked that “understanding financial concepts has enabled staff to minimize wastage, improve customer service delivery, and contribute to higher revenue generation” (S, March 2026).

### 4.3.2 Operational Efficiency

In the hotel industry, operational efficiency is reflected through proper departmental planning, effective cost control systems, use of modern accounting software, teamwork, and strong management practices.

**Table 10: Descriptive results on Operational Efficiency**

This section presents descriptive results on operational efficiency in hotels, focusing on departmental planning, total quality management, accounting software use, revenue growth, teamwork, and management practices. Results are presented using percentage distributions of agreement, disagreement, and neutrality.

| Sn | Statement on operational efficiency                                                                      | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----|----------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1  | The departments in our hotel are well planned which ensure resources are used efficiently                | 0.0%        | 2.5%        | 2.5%        | 3.4%        | 56.3%        | 37.8%        | 94.1%        |
| 2  | Total quality management is mostly used in this hotel to reduce cost while maintaining service quality.  | 1.7%        | 1.7%        | 3.4%        | 3.4%        | 59.7%        | 33.6%        | 93.3%        |
| 3  | The accounting software's like QuickBooks and others has helped improved efficiency in our work station. | 0.8%        | 2.5%        | 3.3%        | 2.5%        | 58.0%        | 36.1%        | 94.1%        |
| 4  | The revenue growth exhibited in this hotel has helped reduce operational challenges.                     | 0.8%        | 2.5%        | 3.3%        | 7.6%        | 62.2%        | 26.9%        | 89.1%        |
| 5  | Revenue growth has helped to influence employee team work which has created hotel efficiency.            | 0.8%        | 5.0%        | 5.8%        | 5.0%        | 63.0%        | 26.1%        | 89.1%        |
| 6  | Good management has helped in the improvement of operational efficiency in the hotel                     | 1.7%        | 0.8%        | 2.5%        | 0.8%        | 57.1%        | 39.5%        | 96.6%        |
|    | <b>Average</b>                                                                                           | <b>1.0%</b> | <b>2.5%</b> | <b>3.5%</b> | <b>3.8%</b> | <b>59.4%</b> | <b>33.3%</b> | <b>92.7%</b> |

**Source: Primary Data (2026)**

The findings revealed that only 2.5% (SD+D) of respondents disagreed that hotel departments are well planned to ensure efficient use of resources, while 3.4% were not sure. However, 94.1% (A+SA) agreed that departmental planning ensures efficient resource utilization. This indicates that most respondents recognize effective departmental coordination as a key driver of efficient resource allocation and reduced wastage in hotel operations. As remarked by some participants that;

*“Departmental planning ensures each unit operates within its budget and assigned responsibilities, reducing duplication of tasks and wastage of resources, and that*

*coordination between departments has improved efficiency and service delivery” (M1, March 2026).*

*“Proper planning helps track departmental expenditures and ensures resources are allocated according to priorities” (S2, March 2026).*

The findings further indicated that 3.4% (SD+D) disagreed that total quality management is used to reduce costs while maintaining service quality, while 3.4% were not sure. However, 93.3% (A+SA) agreed that TQM is applied in hotels. This suggests that hotels emphasize balancing cost reduction with service quality improvement, thereby enhancing operational efficiency and customer satisfaction.

It was also established that 3.3% (SD+D) disagreed that accounting software such as QuickBooks has improved workstation efficiency, while 2.5% were not sure. However, 94.1% (A+SA) agreed that accounting software improves efficiency. This implies that the use of digital accounting systems enhances accuracy, speed, and reliability in financial management and operational processes. In an interview it was remarked that

*“Accounting software has simplified financial reporting and reduced errors in record keeping, and that tasks that previously took days are now completed in hours” (S5, March 2026). “Digital systems have improved decision-making by providing timely and accurate financial data.”*

The findings revealed that 3.3% (SD+D) disagreed that revenue growth has helped reduce operational challenges, while 7.6% were not sure. However, 89.1% (A+SA) agreed that revenue growth reduces operational challenges. This indicates that improved financial performance enables hotels to manage operations more effectively and address service delivery challenges efficiently.

The study further showed that 5.8% (SD+D) disagreed that revenue growth has improved employee teamwork and created efficiency, while 5.0% were not sure. However, 89.1% (A+SA) agreed that revenue growth enhances teamwork and efficiency. This suggests that better financial performance motivates collaboration among employees, improving coordination and operational effectiveness.

Finally, the findings indicated that 2.5% (SD+D) disagreed that good management improves operational efficiency in hotels, while 0.8% were not sure. However, 96.6% (A+SA) agreed that good management enhances operational efficiency. This implies that effective leadership

and managerial control significantly improve coordination, resource utilization, and service delivery in hotel operations. Interview Response which explained that

*“Effective leadership ensures clear communication, proper supervision, and efficient allocation of resources, which improves overall operations.” (S, March 2026).*

### 4.3.3 Customer Satisfaction

In the hotel industry, it is influenced by service quality, employee behavior, responsiveness to customer complaints, availability of required services, and overall guest experience. High customer satisfaction reflects the effectiveness of organizational performance and contributes to customer loyalty, repeat visits, and positive word-of-mouth promotion.

**Table 11: Descriptive results on Customers Satisfaction**

This section presents descriptive results on customer satisfaction in hotels, focusing on employee financial literacy, customer care, service quality, complaint handling, service provision, and overall guest satisfaction. Results are presented using percentage distributions of agreement, disagreement, and neutrality.

| Sn | Statement on customers satisfactions                                                                                 | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----|----------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1  | Employee financial literacy personally have contributed to customer satisfaction in the hotel.                       | 1.7%        | 2.5%        | 4.2%        | 4.2%        | 62.2%        | 29.4%        | 91.6%        |
| 2  | There is always good customer's care in this hotel of which the action has helped make the guest very happy.         | 0.8%        | 0.8%        | 1.6%        | 3.4%        | 52.1%        | 42.9%        | 95%          |
| 3  | This hotel has managed to provide all customer's needs which has influenced on guest satisfaction.                   | 0.0%        | 2.5%        | 2.5%        | 7.6%        | 53.8%        | 36.1%        | 89.9%        |
| 4  | The hotel management has enabled open customers complaints or challenges which has enabled all customers' needs met. | 0.0%        | 3.4%        | 3.4%        | 4.2%        | 57.1%        | 35.3%        | 92.4%        |
| 5  | There is maintenance of service quality in this hotel hence has helped in maintaining customers satisfactions.       | 0.0%        | 0.0%        | 0.0%        | 3.4%        | 63.9%        | 32.8%        | 96.7%        |
| 6  | All customer that comes in this hotel leave with great satisfaction hence contributing to the performance.           | 0.8%        | 0.8%        | 1.6%        | 2.5%        | 55.5%        | 40.3%        | 95.8%        |
|    | <b>Average</b>                                                                                                       | <b>0.6%</b> | <b>1.7%</b> | <b>2.2%</b> | <b>4.2%</b> | <b>57.4%</b> | <b>36.1%</b> | <b>93.6%</b> |

**Source: Primary Data (2026)**

The findings revealed that 4.2% (SD+D) of respondents disagreed that employee financial literacy contributes to customer satisfaction, while 4.2% were not sure. However, 91.6%

(A+SA) agreed that financial literacy contributes to customer satisfaction. This indicates that financially literate employees are perceived to enhance service quality and improve guest experiences through better resource management and service delivery.

The findings further showed that 1.6% (SD+D) disagreed that there is good customer care in the hotel, while 3.4% were not sure. However, 95.0% (A+SA) agreed that good customer care is practiced. This implies that high-quality customer service is widely provided and significantly contributes to guest satisfaction and positive customer experiences. As noted in an interview response;

*“Staff are trained to prioritize customer needs, respond quickly to requests, and maintain a friendly service attitude,” and that this has improved guest satisfaction and increased repeat customers. (S, March 2026).*

The results indicated that 2.5% (SD+D) disagreed that the hotel provides all customer needs, while 7.6% were not sure. However, 89.9% (A+SA) agreed that customer needs are met. This suggests that hotels generally succeed in satisfying customer requirements, which enhances guest satisfaction and loyalty.

The findings revealed that 3.4% (SD+D) disagreed that management enables open customer complaints to address service challenges, while 4.2% were not sure. However, 92.4% (A+SA) agreed that complaint handling systems are effective. This indicates that open communication channels for customer feedback contribute significantly to improving service delivery and satisfaction levels. Interview response state that

*“Customer feedback systems such as suggestion boxes and online reviews help management identify service gaps and improve operations,” while a finance officer added that “addressing customer complaints also helps the hotel avoid financial losses caused by dissatisfied clients and complaints escalation” (S7, March 2026).*

It was also established that 0.0% (SD+D) disagreed that service quality is maintained in hotels, while 3.4% were not sure. However, 96.7% (A+SA) agreed that service quality is consistently maintained. This implies that maintaining high service standards is a strong practice that plays a central role in sustaining customer satisfaction. It was exerted in an interview that

*“Consistent monitoring of service standards ensures that guests receive the same high-quality experience throughout their stay,” while a finance staff member added*

that “financial planning supports consistent service quality by ensuring adequate funding for staff training and service improvement” (S2, March 2026).

Finally, the findings showed that 1.6% (SD+D) disagreed that customers leave hotels satisfied, while 2.5% were not sure. However, 95.8% (A+SA) agreed that customers leave satisfied. This indicates that most guests experience high satisfaction levels, which contributes positively to overall hotel performance.

**Table 12: Integrated Qualitative Interview Findings on Organizational Performance**

| Sn | Organizational Performance Sub-Dimension | Sample Question Theme                   | Emerging Themes                                              | Quotation Sample(s)                                                                                                                                                       |
|----|------------------------------------------|-----------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Revenue Growth                           | Revenue management influence            | Revenue optimization, cost control, profitability            | “Regular financial monitoring and departmental coordination help identify profitable activities and reduce unnecessary operational costs, thereby boosting hotel income.” |
| 2  | Revenue Growth                           | Financial coordination and sales        | Departmental coordination, teamwork, efficiency              | “The finance department plays a key role in coordinating all departments, which improves efficiency and increases sales and income.”                                      |
| 3  | Revenue Growth                           | Financial training and profitability    | Capacity building, decision-making, financial competence     | “Financial knowledge training has improved employees’ understanding of budgeting and accountability, making them more efficient in supporting hotel profitability.”       |
| 4  | Operational Efficiency                   | Departmental planning                   | Resource allocation, coordination, reduced wastage           | “Departmental planning ensures each unit operates within its budget and responsibilities, reducing duplication of tasks and wastage of resources.”                        |
| 5  | Operational Efficiency                   | Accounting systems and technology       | Automation, accuracy, speed, financial reporting             | “Accounting software has simplified financial reporting and reduced errors, making tasks that took days now completed in hours.”                                          |
| 6  | Operational Efficiency                   | Management and supervision              | Leadership, supervision, accountability                      | “Effective leadership ensures clear communication and proper supervision, improving overall operational efficiency.”                                                      |
| 7  | Customer Satisfaction                    | Financial literacy and service delivery | Resource management, service efficiency, customer experience | “Financially literate employees are better able to manage resources and provide quality services that enhance guest experiences.”                                         |
| 8  | Customer Satisfaction                    | Customer care practices                 | Service training, responsiveness, customer experience        | “Staff are trained to prioritize customer needs, respond quickly to requests, and maintain a friendly service attitude, improving guest satisfaction.”                    |
| 9  | Customer Satisfaction                    | Service quality and feedback systems    | Standards consistency, feedback systems, service excellence  | “Consistent monitoring of service standards ensures that guests receive the same high-quality experience throughout their stay.”                                          |

**Source: Primary Data (2026)**

## 4.4 Leadership Style

Leadership style refers to the manner and approach used by managers to guide, direct, and influence employees toward achieving organizational goals. In the hotel industry, leadership style plays a critical role in shaping employee performance, motivation, and organizational culture. This study focuses on three leadership dimensions: demographic leadership, autocratic leadership, and laissez-faire leadership.

### 4.4.1 Demographic Leadership

Demographic leadership refers to leadership practices that consider demographic factors such as age, gender, education level, experience, and inclusiveness in management structures. In the hotel industry, demographic leadership promotes equality, diversity, and fair representation in decision-making processes. It ensures that leadership opportunities are not limited by gender or age but are based on competence, qualifications, and experience.

**Table 13: Descriptive results on Demographic Leadership**

This section presents descriptive results on demographic leadership in hotels, focusing on managerial energy, gender balance, education and participation, leadership culture, merit-based leadership selection, and demographic influence on staff performance. Results are presented using percentage distributions.

| Sn | Statement on demographic leadership                                                                       | SD          | D           | SD+D        | NS          | A            | SA           | A+SA        |
|----|-----------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|
| 1  | All our managers are still energetic which an open thought to run this hotel.                             | 3.4%        | 2.5%        | 5.9%        | 5.9%        | 48.7%        | 39.5%        | 88.2%       |
| 2  | There is great consideration of gender balance in this hotel with no segregation in terms of gender.      | 0.8%        | 3.4%        | 4.2%        | 3.4%        | 59.7%        | 32.8%        | 92.5%       |
| 3  | All the managers in this hotel are well educated have effective decision making with staff involvement.   | 0.8%        | 1.7%        | 2.5%        | 5.0%        | 53.8%        | 38.7%        | 92.5%       |
| 4  | This hotel has a favorable leadership cultural setting which is easy to adopt and work with.              | 0.8%        | 0.8%        | 1.6%        | 3.4%        | 63.9%        | 31.1%        | 95%         |
| 5  | The is the policy of this hotel to obtain an eloquent leader not necessarily considering the age.         | 0.8%        | 0.8%        | 1.6%        | 5.0%        | 67.2%        | 26.1%        | 93.3%       |
| 6  | The effective demographic characteristics of this hotel has influenced the performance of all the staffs. | 0.8%        | 1.7%        | 2.5%        | 6.7%        | 58.8%        | 31.9%        | 90.7%       |
|    | <b>Average</b>                                                                                            | <b>1.2%</b> | <b>1.8%</b> | <b>3.1%</b> | <b>4.9%</b> | <b>58.7%</b> | <b>33.4%</b> | <b>92.1</b> |

**Source: Primary Data (2026)**

The findings revealed that 5.9% (SD+D) of respondents disagreed that hotel managers are energetic and have an open mindset in running the hotel, while 5.9% were not sure. However, 88.2% (A+SA) agreed that managers are energetic and open-minded. This indicates that most respondents view managers as active and dynamic, contributing positively to effective leadership and hotel performance.

The findings further showed that 4.2% (SD+D) disagreed that there is gender balance in hotel leadership, while 3.4% were not sure. However, 92.5% (A+SA) agreed that gender balance is practiced. This suggests that inclusive leadership practices are widely implemented, promoting fairness, equality, and improved teamwork within hotel operations. One participant remarked that

*“The organization promotes equal opportunities for both male and female employees in leadership and operational roles, and that gender balance has improved teamwork and reduced workplace discrimination” (M1, March 2026).*

*“Inclusive leadership ensures fair allocation of responsibilities, which enhances efficiency and employee satisfaction” (S9, March 2026).*

It was also established that 2.5% (SD+D) disagreed that managers are well educated and involve staff in decision-making, while 5.0% were not sure. However, 92.5% (A+SA) agreed that managers are educated and participatory in leadership. This implies that participatory leadership enhances communication, teamwork, and organizational effectiveness in hotels. One participant remarked that

*“Involving staff in decision-making improves communication and leads to better operational outcomes, and those educated managers are able to analyze financial and operational data effectively” (M4, March 2026).*

The findings revealed that 1.6% (SD+D) disagreed that hotels have a favorable leadership culture that is easy to adopt, while 3.4% were not sure. However, 95.0% (A+SA) agreed that leadership culture is favorable. This indicates that a supportive leadership environment promotes employee adaptation, cooperation, and operational efficiency.

The study further showed that 1.6% (SD+D) disagreed that leadership selection is based on competence rather than age, while 5.0% were not sure. However, 93.3% (A+SA) agreed that merit-based selection is practiced. This suggests that competence-based leadership enhances professionalism, accountability, and organizational effectiveness. One participant remarked that

*“Leadership selection is based on skills, experience, and competence rather than age, and that this has helped the hotel recruit effective leaders who deliver results” (M, March 2026).*

Finally, the findings indicated that 2.5% (SD+D) disagreed that demographic leadership characteristics influence staff performance, while 6.7% were not sure. However, 90.7% (A+SA) agreed that demographic leadership positively influences staff performance. This implies that inclusive leadership structures improve motivation, productivity, and overall employee performance.

#### 4.4.2 Autocratic Leadership

Autocratic leadership refers to a leadership style where decision-making authority is concentrated in the hands of managers or leaders with minimal input from subordinates. In the hotel industry, this leadership style is characterized by strict supervision, centralized control, and directive instructions from management.

**Table 14: Descriptive results on Autocratic Leadership**

This section presents findings on autocratic leadership in hotels, focusing on decision-making authority, supervision, discipline, and performance control. It examines respondents' perceptions of how centralized leadership influences coordination, employee motivation, efficiency, and overall organizational performance in the hotel sector.

| Sn | Statement on autocratic leadership                                                                                                    | SD          | D           | SD+D         | NS          | A            | SA           | A+SA         |
|----|---------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|--------------|-------------|--------------|--------------|--------------|
| 1  | I feel okay when some times in this hotel leaders make all the decisions according to their knowledge without consulting other staffs | 6.7%        | 15.1%       | 21.8%        | 11.8%       | 46.2%        | 20.1%        | 66.3%        |
| 2  | Strick leadership in this hotel has helped in aligning all staffs in one direction without hurting performance.                       | 5.0%        | 10.1%       | 15.1%        | 6.7%        | 58.0%        | 20.2%        | 78.2%        |
| 3  | Autocratic leadership positively affect motivation at work since all the output should be on merit                                    | 4.2%        | 10.9%       | 15.1%        | 6.7%        | 52.9%        | 25.2%        | 78.2%        |
| 4  | Autocratic leadership has been useful in this hotel in times where some staffs are lazy to work.                                      | 4.2%        | 6.7%        | 10.9%        | 4.2%        | 63.9%        | 21.0%        | 84.9%        |
| 5  | Autocratic leadership has helped all works done effectively hence positively influencing the performance in the hotel.                | 6.7%        | 5.9%        | 12.6%        | 7.6%        | 48.7%        | 31.1%        | 79.8%        |
|    | <b>Average</b>                                                                                                                        | <b>5.4%</b> | <b>9.7%</b> | <b>15.1%</b> | <b>7.4%</b> | <b>53.9%</b> | <b>23.5%</b> | <b>77.5%</b> |

**Source: Primary Data (2026)**

The findings revealed that 21.8% (SD+D) of respondents disagreed that they feel okay when sometimes hotel leaders make all decisions without consulting staff, 11.8% were not sure, while 66.3% (A+SA) agreed. The results indicate that most respondents accept situations where leaders make independent decisions, suggesting that centralized decision-making is often tolerated in hotels when it enhances speed and efficiency in operations.

The findings showed that 15.1% (SD+D) disagreed that strict leadership helps align all staff in one direction without hurting performance, 6.7% were not sure, while 78.2% (A+SA) agreed. This implies that strict leadership is widely viewed as effective in aligning employees toward organizational goals. It demonstrates that autocratic leadership can strengthen discipline, coordination, and goal-oriented performance in hotel operations. One participant remarked that

*“Strict supervision ensures employees follow procedures and maintain service standards, and that clear instructions from leadership reduce confusion and improve coordination among departments” (M3, March 2026).*

*It was also added that “strict leadership helps ensure compliance with financial procedures and reduces errors in financial reporting” (S3, March 2026).*

The findings revealed that 15.1% (SD+D) disagreed that autocratic leadership positively affects motivation at work since output is based on merit, 6.7% were not sure, while 78.2% (A+SA) agreed. The results suggest that autocratic leadership is perceived to enhance motivation through merit-based evaluation systems. This indicates that employees may be motivated when performance standards are clear, structured, and strictly enforced.

The findings showed that 10.9% (SD+D) disagreed that autocratic leadership is useful when some staff are lazy, 4.2% were not sure, while 84.9% (A+SA) agreed. The findings imply that autocratic leadership is strongly regarded as effective in addressing employee laziness and improving productivity. This suggests that strict supervision enhances discipline and ensures task completion within hotel operations. One participant remarked that

*“In cases of low employee performance, strict leadership helps enforce discipline and ensure tasks are completed on time, and that this improves overall productivity in the hotel” (M4, March 2026).*

The findings revealed that 12.6% (SD+D) disagreed that autocratic leadership has helped improve work effectiveness and hotel performance, 7.6% were not sure, while 79.8% (A+SA) agreed. The results indicate that autocratic leadership contributes to effective task completion

and improved organizational performance. This suggests that directive leadership enhances operational efficiency, especially in structured hotel environments where compliance and speed are essential. In an interview it was explained that

*“Centralized decision-making allows quick responses to operational challenges, improving efficiency in hotel service delivery,” while a finance staff member noted that “clear authority structures reduce delays in financial approvals and improve workflow efficiency” (S5, March 2026).*

#### 4.4.3 Laissez-Faire Leadership

Laissez-faire leadership refers to a leadership style where managers provide employees with a high degree of autonomy in decision-making and task execution with minimal direct supervision. In the hotel industry, this approach allows staff to exercise independence, creativity, and flexibility in handling their responsibilities.

**Table 15: Descriptive results on Laissez Faire Leadership**

This section presents findings on laissez-faire leadership in hotels, focusing on employee autonomy, decision-making freedom, teamwork, communication, and service delivery. It examines how minimal supervision and delegated authority influence performance, coordination, and problem-solving in hotel operations.

| Sn | Statement on laissez fair                                                                                                    | SD          | D           | SD+D        | NS          | A            | SA           | A+SA         |
|----|------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|
| 1  | There is always freedom to make full decisions by staffs since leaders always gives that opportunity.                        | 0.8%        | 10.9%       | 11.7%       | 9.2%        | 48.7%        | 30.3%        | 79%          |
| 2  | All problems are effectively handled since all staffs have freedom to share in openly their thoughts and grief.              | 0.0%        | 6.7%        | 6.7%        | 5.0%        | 61.3%        | 26.9%        | 88.2%        |
| 3  | There is effectives teamwork across all department due to laissez faire leadership in this hotel.                            | 1.7%        | 7.6%        | 9.3%        | 9.2%        | 47.1%        | 34.5%        | 81.2%        |
| 4  | There are always limited challenges faced by staffs since our leaders in the hotel provide equitable guidance to the staffs. | 0.8%        | 5.0%        | 5.8%        | 4.2%        | 64.7%        | 25.2%        | 89.9%        |
| 5  | There are quality services with effective performance due to the influence of leaders in this hotel                          | 0.8%        | 3.4%        | 4.2%        | 6.7%        | 50.4%        | 38.7%        | 89.1%        |
|    | <b>Average</b>                                                                                                               | <b>0.8%</b> | <b>6.7%</b> | <b>7.5%</b> | <b>6.9%</b> | <b>54.4%</b> | <b>31.1%</b> | <b>85.5%</b> |

**Source: Primary Data (2026)**

The findings revealed that 11.7% (SD+D) of respondents disagreed that staff are given full freedom to make decisions, 9.2% were not sure, while 79.0% (A+SA) agreed. The results

indicate that most respondents believe employees are granted decision-making freedom. This suggests that laissez-faire leadership is practiced in hotels, enabling staff to exercise autonomy in executing their duties and improving operational flexibility. It was remarked in an interview that

*“Employees are trusted to make decisions in their respective departments, which improves efficiency and reduces delays in service delivery,” and that this freedom allows staff to handle minor financial decisions quickly without waiting for managerial approval (M1, March 2026).*

*It was also added that “this autonomy enables staff to handle minor financial decisions quickly without waiting for managerial approval” (S1, March 2026).*

The findings showed that 6.7% (SD+D) disagreed that all problems are effectively handled through open sharing of thoughts and grievances, 5.0% were not sure, while 88.2% (A+SA) agreed. This implies that open communication among staff contributes significantly to problem-solving. It indicates that employee participation in expressing concerns enhances organizational harmony and improves efficiency in addressing workplace issues. In the interview responses it was remarked that

*“Open communication channels allow staff to raise concerns freely, leading to faster problem-solving and improved workplace relationships” (M, March 2026).*

*“This openness helps management identify financial and operational issues early and address them effectively” (S, March 2026).*

The findings revealed that 9.3% (SD+D) disagreed that laissez-faire leadership improves teamwork across departments, 9.2% were not sure, while 81.6% (A+SA) agreed. The results indicate that laissez-faire leadership supports interdepartmental teamwork. This suggests that employee autonomy encourages collaboration, coordination, and shared responsibility in hotel operations. In an interview it was explained that

*“Allowing employees autonomy encourages collaboration between departments because staff take initiative in coordinating tasks,” while a finance staff member noted that teamwork improves financial efficiency since departments support each other in achieving shared goals (S, March 2026).*

The findings showed that 5.8% (SD+D) disagreed that employees face fewer challenges due to equitable guidance from leaders, 4.2% were not sure, while 89.9% (A+SA) agreed. The findings imply that leadership guidance helps reduce workplace challenges. This suggests

that even under a laissez-faire approach, supportive supervision contributes to smoother task execution and improved employee performance.

The findings revealed that 4.2% (SD+D) disagreed that laissez-faire leadership contributes to quality service delivery and performance, 6.7% were not sure, while 89.1% (A+SA) agreed. The results indicate that laissez-faire leadership positively influences service quality and overall performance. This suggests that employee autonomy, when properly supported, enhances service delivery and operational effectiveness in hotels.

**Table 16: Integrated Qualitative Interview Findings on Leadership Style**

| Sn | Leadership Style Sub-Dimension | Sample Question Theme             | Emerging Themes                                         | Quotation Sample(s)                                                                                                                                         |
|----|--------------------------------|-----------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Democratic Leadership          | Managerial energy and performance | Leadership vitality, motivation, operational efficiency | “Energetic managers are actively involved in hotel operations, which improves leadership effectiveness and overall performance.”                            |
| 2  | Democratic Leadership          | Gender balance in leadership      | Inclusion, fairness, teamwork                           | “The organization promotes equal opportunities for both male and female employees, which has improved teamwork and reduced discrimination.”                 |
| 3  | Democratic Leadership          | Participatory leadership          | Staff involvement, communication, transparency          | “Involving staff in decision-making improves communication and leads to better operational outcomes.”                                                       |
| 4  | Autocratic Leadership          | Strict leadership and discipline  | Discipline enforcement, supervision, task completion    | “Strict supervision ensures employees follow procedures and maintain service standards, improving coordination and reducing confusion in hotel operations.” |
| 5  | Autocratic Leadership          | Financial control and compliance  | Financial compliance, error reduction                   | “Strict leadership ensures compliance with financial procedures and reduces errors in financial reporting and accountability systems.”                      |
| 6  | Autocratic Leadership          | Centralized decision-making       | Fast decision-making, efficiency                        | “Centralized decision-making allows quick responses to operational challenges and improves efficiency in service delivery.”                                 |
| 7  | Laissez-Faire Leadership       | Employee autonomy                 | Employee empowerment, efficiency, reduced delays        | “Employees are trusted to make decisions in their departments, which improves efficiency and reduces delays in service delivery.”                           |
| 8  | Laissez-Faire Leadership       | Open communication                | Open communication, early issue detection               | “Open communication channels allow staff to raise concerns freely, enabling faster problem-solving and improved workplace relationships.”                   |
| 9  | Laissez-Faire Leadership       | Teamwork and service quality      | Collaboration, coordination, teamwork                   | “Allowing employee autonomy encourages collaboration between departments and improves teamwork in achieving shared goals.”                                  |

**Source: Primary Data (2026)**

#### 4.5 Moderating role of leadership style between financial literacy and organizational performance

The results indicate that leadership style plays a significant moderating role in the relationship between financial literacy and organizational performance in hotels. This is evidenced by the improvement in the model fit when the moderating variable (leadership style) is introduced.

**Table 17: Model Summary**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .687 <sup>a</sup> | .472     | .458              | .31801                     |
| 2     | .787 <sup>b</sup> | .619     | .598              | .27376                     |

a. Predictors: (Constant), Financial Behaviors, Financial Knowledge, Financial Skill

b. Predictors: (Constant), Financial Behaviors, Financial Knowledge, Financial Skill, Autocratic Leadership Style, Laissez-faire Leadership Style, Demographic Leadership Style

Model 1 shows that financial literacy explains 47.2% of the variation in organizational performance ( $R^2 = 0.472$ ; adjusted  $R^2 = 0.458$ ). Model 2, incorporating leadership styles, increases the explained variation to 61.9% ( $R^2 = 0.619$ ; adjusted  $R^2 = 0.598$ ). This represents a 14.7 percentage-point increase, suggesting that leadership styles improve the model's explanatory power regarding the relationship between financial literacy and organizational performance. However, statistical significance requires further testing.

**Table 18: ANOVA(c)**

| Model |            | Sum of Squares | Df  | Mean Square | F      | Sig.              |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1     | Regression | 10.381         | 3   | 3.460       | 34.215 | .000 <sup>a</sup> |
|       | Residual   | 11.630         | 115 | .101        |        |                   |
|       | Total      | 22.011         | 118 |             |        |                   |
| 2     | Regression | 13.617         | 6   | 2.270       | 30.284 | .000 <sup>b</sup> |
|       | Residual   | 8.394          | 112 | .075        |        |                   |
|       | Total      | 22.011         | 118 |             |        |                   |

a. Predictors: (Constant), Financial Behaviors, Financial Knowledge, Financial Skill

b. Predictors: (Constant), Financial Behaviors, Financial Knowledge, Financial Skill, Autocratic Leadership Style, Laissez-faire Leadership Style, Demographic Leadership Style

c. Dependent Variable: Organizational performance

The ANOVA results indicate that both models significantly predict organizational performance. Model 1, comprising financial knowledge, financial skills, and financial behaviours, is statistically significant ( $F = 34.215$ ,  $p < 0.001$ ). Model 2, which incorporates

autocratic, laissez-faire, and demographic leadership styles, is also statistically significant ( $F = 30.284$ ,  $p < 0.001$ ). The results confirm that both models jointly explain significant variation in organizational performance. Comparing the models, the model summary shows that the explanatory power increases from 47.2% to 61.9% after introducing leadership styles. However, although Model 2 improves explanatory power, the ANOVA results alone do not establish moderation; interaction-term testing is required to confirm the moderating effect of leadership styles.

**Table 19: Coefficients<sup>a</sup>**

| Model |                                | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-------|--------------------------------|-----------------------------|------------|---------------------------|-------|------|
|       |                                | B                           | Std. Error | Beta                      |       |      |
| 1     | (Constant)                     | 1.366                       | .287       |                           | 4.755 | .000 |
|       | Financial Skill                | .506                        | .067       | .553                      | 7.578 | .000 |
|       | Financial Knowledge            | .090                        | .033       | .193                      | 2.718 | .008 |
|       | Financial Behaviors            | .071                        | .036       | .137                      | 1.956 | .053 |
| 2     | (Constant)                     | .476                        | .288       |                           | 1.653 | .101 |
|       | Financial Skill                | .441                        | .059       | .483                      | 7.495 | .000 |
|       | Financial Knowledge            | .064                        | .029       | .137                      | 2.205 | .030 |
|       | Financial Behaviors            | .024                        | .032       | .046                      | .738  | .462 |
|       | Demographic Leadership Style   | .192                        | .050       | .254                      | 3.829 | .000 |
|       | Autocratic Leadership Style    | .057                        | .033       | .117                      | 1.737 | .085 |
|       | Laissez-faire Leadership Style | .113                        | .042       | .173                      | 2.654 | .009 |

a. Dependent Variable: Dependent Variable

#### Model 1: Financial Literacy and Organizational Performance

Model 1 examined the effects of financial skills, financial knowledge, and financial behaviours on organizational performance. Financial skills had a positive and statistically significant effect ( $B = 0.506$ ,  $\beta = 0.553$ ,  $p < 0.001$ ). Financial knowledge also had a positive significant effect ( $B = 0.090$ ,  $\beta = 0.193$ ,  $p = 0.008$ ). However, financial behaviours had a positive but statistically insignificant effect at the 5% level ( $B = 0.071$ ,  $\beta = 0.137$ ,  $p = 0.053$ ). These findings indicate that financial skills and knowledge were significant predictors of organizational performance.

## Model 2: Financial Literacy and Leadership Styles

Model 2 introduced demographic, autocratic, and laissez-faire leadership styles alongside the financial literacy dimensions. Financial skills remained positive and significant ( $B = 0.441$ ,  $\beta = 0.483$ ,  $p < 0.001$ ), while financial knowledge remained significant ( $B = 0.064$ ,  $\beta = 0.137$ ,  $p = 0.030$ ). Financial behaviours were positive but insignificant ( $B = 0.024$ ,  $\beta = 0.046$ ,  $p = 0.462$ ).

Regarding leadership styles, demographic leadership style had a positive and significant effect ( $B = 0.192$ ,  $\beta = 0.254$ ,  $p < 0.001$ ). Laissez-faire leadership style was also positive and significant ( $B = 0.113$ ,  $\beta = 0.173$ ,  $p = 0.009$ ), whereas autocratic leadership style had a positive but insignificant effect ( $B = 0.057$ ,  $\beta = 0.117$ ,  $p = 0.085$ ).

Overall, introducing leadership styles retained the significant effects of financial skills and knowledge, while two leadership styles were significant predictors of organizational performance. However, these results establish additional predictive effects, not moderation. Confirming moderation requires testing interaction terms between financial literacy and leadership styles.

### 4.6 Relationship between financial literacy and organizational performance

The correlation analysis was conducted to examine the relationship between financial literacy and organizational performance in the hotel industry in Uganda. The correlations table displays Pearson correlation coefficients, significance values, and the number of cases with non-missing values.

**Table 20: Correlations**

|                      |                     | Dependent Variable | Independent Variable |
|----------------------|---------------------|--------------------|----------------------|
| Dependent Variable   | Pearson Correlation | 1                  | .581(**)             |
|                      | Sig. (2-tailed)     |                    | .000                 |
|                      | N                   | 119                | 119                  |
| Independent Variable | Pearson Correlation | .581(**)           | 1                    |
|                      | Sig. (2-tailed)     | .000               |                      |
|                      | N                   | 119                | 119                  |

\*\* Correlation is significant at the 0.01 level (2-tailed). **Source: Primary Data (2026)**

The results show a Pearson correlation coefficient of 0.581, indicating a moderate to strong positive relationship between financial literacy and organizational performance. This means that as financial literacy increases, organizational performance in hotels also improves.

The significance value ( $p = 0.000$ ) indicates that the relationship is statistically significant at the 0.01 level. This confirms that the association between financial literacy and organizational performance is not due to chance but is a real and reliable relationship.

With 119 observations, the analysis provides sufficient evidence that financial literacy plays an important role in enhancing hotel performance. Therefore, improving financial skills, financial knowledge, and financial behaviors among hotel staff is likely to lead to better organizational outcomes such as increased revenue, improved efficiency, and higher customer satisfaction.

## **CHAPTER FIVE**

### **DISCUSSION OF FINDINGS**

#### **5.0 Introduction**

This chapter presents a discussion of findings based on the study objectives, which were to assess the level of financial literacy in hotels, examine organizational performance, establish the relationship between financial literacy and performance, and assess the moderating effect of leadership styles on this relationship in hotels in Gulu City. The discussion is structured around the study variables and interprets findings in relation to existing literature and relevant theories.

#### **5.1 Level of Financial Literacy among Hotels**

##### **5.1.1 Financial skills**

The findings indicated that financial skills significantly enhance operational effectiveness in hotels in Gulu City. Respondents agreed that budgeting, forecasting, financial decision-making, and staff training improve accountability, resource utilization, and overall financial management. These skills enable employees to respond effectively to financial challenges and improve organizational performance, while also strengthening communication and confidence in decision-making.

These findings align with the OECD/INFE Toolkit (2018), which emphasizes financial literacy as a combination of knowledge, skills, and behavior that strengthens financial decision-making. The World Bank (2018) also supports this view, noting that practices such as cash-flow monitoring and budgeting improve efficiency and financial stability. Although financial skills are widely recognized, global evidence suggests that implementation gaps still exist in practice. Overall, financial skills remain essential for improving accountability and reducing inefficiencies in hotel operations.

### **5.1.2 Financial knowledge**

The study found that financial knowledge is highly valued among hotel managers and finance staff. It improves budgeting, planning, resource allocation, and decision-making, while reducing wastage and improving operational efficiency.

These findings agree with Baveja and Verma (2024), who noted that financial knowledge enhances decision quality and risk management. They also align with Nyeko et al. (2023), who found that financial knowledge improves budgeting and cash-flow management in enterprises. The findings further support Lusardi and Mitchell's (2007) Financial Literacy Theory, which links financial understanding to improved organizational outcomes.

Unlike some studies reporting low financial literacy in developing economies, this study shows relatively high awareness in Gulu City hotels, likely due to increased competition and business exposure. Overall, financial knowledge strengthens efficiency, accountability, and sustainability.

### **5.1.3 Financial behavior**

The study established that financial behavior positively influences hotel performance. Practices such as budgeting, record keeping, savings, reinvestment, and financial discipline enhance transparency and efficient resource use.

These findings are consistent with Otoo (2024), Arinda (2019), and Tumba et al. (2022), who found that sound financial behaviors improve business performance and stability. While some literature argues that behavior alone is insufficient without knowledge and support systems, this study found that financial behaviors are widely practiced in hotels in Gulu City, indicating strong integration into daily operations. This has contributed to improved accountability and operational efficiency.

## **5.2 Level of Organizational Performance of Hotels**

### **5.2.1 Revenue growth**

Findings revealed that revenue growth is strongly influenced by financial literacy and management practices. Respondents indicated that financial knowledge, revenue management, coordination, and customer satisfaction contribute to increased profitability.

These findings are consistent with the CBRE Hotel Market Report (2025), which highlights improved management, tourism growth, and urbanization as drivers of hotel revenue in Africa. The Gulu City Business Journal (2024) also reports increased hotel performance due to infrastructure development and economic activity. Despite challenges such as limited financing and competition from informal providers (UHTA, 2025), financial literacy enables hotels to improve profitability and adapt to market pressures.

### **5.2.2 Operational efficiency**

The study found that operational efficiency is driven by financial literacy, management practices, and technology use. Digital accounting systems, planning, teamwork, and quality control improve resource utilization and service delivery.

These findings align with the American Hotel & Lodging Association (2025), which emphasizes cost control and financial discipline in improving efficiency. Kibira et al. (2022) also found that strong management practices enhance productivity and customer service. The findings support the Resource-Based View Theory (Wernerfelt, 1984; Barney, 1991), which views organizational resources as key to competitive advantage. Financial literacy thus functions as an intangible resource that improves efficiency and sustainability.

### **5.2.3 Customer satisfaction**

The findings showed that customer satisfaction is influenced by financial literacy, service quality, and management practices. Effective customer care, communication, and complaint handling enhance guest satisfaction and loyalty.

These results align with Akinci and Sadak (2019), who emphasized customer satisfaction as key to profitability and repeat business. Nakirya et al. (2023) also found that service quality

dimensions strongly affect satisfaction in Ugandan hotels. While some studies emphasize environmental sustainability, this study highlights financial literacy as an indirect driver of satisfaction through improved resource allocation and service delivery.

### **5.3 Leadership in Moderating Financial Literacy and Organizational Performance of Hotels**

The findings revealed that leadership styles significantly moderate the relationship between financial literacy and organizational performance. Democratic leadership was found to enhance teamwork, participation, and motivation, consistent with Tukamushaba et al. (2015) and Turyahebwa et al. (2022).

Autocratic leadership was associated with improved discipline and quick decision-making, supporting Cheng et al. (2016), although it may limit creativity as noted by De Cremer and Van Dijk (2020). Laissez-faire leadership promoted autonomy and innovation, consistent with Judge and Piccolo (2020), but risks poor coordination as noted by Skogstad et al. (2017). Overall, findings suggest that balanced leadership approaches are necessary to maximize the benefits of financial literacy on performance.

### **5.4 Relationship between Financial Literacy and Organizational Performance of Hotels**

The study established a significant positive relationship between financial literacy and organizational performance ( $r = 0.581$ ,  $p = 0.000$ ), indicating that improvements in financial literacy led to improved hotel performance. Regression results further showed that financial literacy explains 47.2% of variations in organizational performance.

These findings support Lusardi and Mitchell's (2007) Financial Literacy Theory and Barney's (1991) Resource-Based View Theory, both of which emphasize the importance of knowledge and capabilities in enhancing organizational outcomes. The results also align with empirical studies showing that financial skills, knowledge, and behavior improve efficiency, profitability, and customer satisfaction. Overall, the study confirms that financial literacy is a key determinant of hotel performance in Gulu City.

## **CHAPTER SIX**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **6.0 Introduction**

This chapter presents the summary, conclusions, recommendations, and areas for further study based on the findings of the study on financial literacy and organizational performance of hotels in Gulu City. The chapter is guided by the study objectives which included assessing the level of financial literacy, examining the level of organizational performance, establishing the relationship between financial literacy and organizational performance, and assessing the moderating effect of leadership styles on organizational performance in the hotel industry in Gulu City.

#### **6.1 Summary of the Study**

The study examined the relationship between financial literacy and organizational performance among hotels in Gulu City using a cross-sectional research design. It focused on financial skills, financial knowledge, financial behaviour, organizational performance, and leadership styles. The findings indicated that financial literacy contributes to improved hotel performance.

Regarding financial skills, budgeting, forecasting, financial decision-making, and staff training were found to strengthen accountability, resource utilization, coordination, and financial management. These skills enable hotel managers and employees to address financial challenges and make informed operational decisions.

Financial knowledge was found to support budgeting, financial planning, resource allocation, and operational decision-making. It also reduces resource wastage, strengthens accountability, and improves operational effectiveness, supporting hotel sustainability and growth.

Financial behaviour positively influences performance through financial planning, budgeting, revenue tracking, savings reinvestment, record-keeping, and financial discipline. These practices promote transparency, accountability, efficient resource utilization, and organizational stability.

Regarding organizational performance, financial literacy was associated with improved revenue growth, operational efficiency, and customer satisfaction. Effective financial management, coordination, and customer-oriented service delivery supported revenue growth. Operational efficiency was enhanced through sound financial practices, teamwork, planning, and digital systems. Customer satisfaction improved through better service quality, communication, and responsiveness to customer needs.

Correlation analysis established a significant positive relationship between financial literacy and organizational performance ( $r = 0.581$ ,  $p < 0.001$ ), indicating that higher financial literacy was associated with better hotel performance. Regression analysis further showed that financial literacy explained 47.2% of the variation in organizational performance ( $R^2 = 0.472$ ).

Overall, the study concludes that financial literacy is an important determinant of organizational performance among hotels in Gulu City. Improving financial literacy among managers and staff can strengthen financial management, operational efficiency, customer satisfaction, and revenue growth, thereby supporting organizational sustainability.

## **6.2 Conclusions**

The study concludes that financial literacy in hotels in Gulu City is generally high, with managers and employees demonstrating strong financial skills, knowledge, and positive financial behaviours. These competencies support budgeting, decision-making, resource allocation, accountability, efficient resource use, reduced wastage, and improved operational effectiveness.

The study further concludes that financial literacy positively influences organizational performance. Hotels applying effective financial management practices experience improved revenue growth, operational efficiency, and customer satisfaction through better coordination, service delivery, and resource utilization, strengthening competitiveness and sustainability.

Additionally, leadership styles significantly moderate the relationship between financial literacy and organizational performance. Inclusive and participatory leadership promotes teamwork and employee motivation, autocratic leadership strengthens discipline and operational control, while laissez-faire leadership encourages autonomy, creativity, and

communication. Thus, leadership practices influence the effectiveness of financial literacy in improving hotel performance.

Finally, the study establishes a significant positive relationship between financial literacy and organizational performance in Gulu City hotels. Improved financial literacy enhances decision-making, efficiency, and service delivery, contributing to better overall performance. Therefore, strengthening financial literacy among hotel managers and staff, alongside appropriate leadership practices, is essential for enhancing profitability, competitiveness, and sustainability in the hotel industry.

### **6.3 Recommendations**

Hotel management should provide continuous financial literacy training in budgeting, forecasting, cash flow management, financial planning, and record keeping to improve employees' financial skills, accountability, decision-making, and operational effectiveness.

Hotels should invest in computerized accounting software and financial monitoring systems to improve revenue management, operational efficiency, reduce errors, enhance customer service, and strengthen competitiveness and sustainability.

Hotel owners and managers should adopt balanced leadership approaches that promote inclusiveness, discipline, autonomy, and employee participation in decision-making. These practices will enhance teamwork, motivation, creativity, and responsibility, improving financial management and organizational performance.

Finally, management should promote transparency, financial discipline, regular auditing, and proper resource utilization. Involving employees in financial planning and budgeting will strengthen cooperation and ensure that financial literacy contributes to improved efficiency, profitability, and sustainable hotel performance.

### **6.4 Areas for Further Study**

Future research should examine other determinants of organizational performance in the hotel industry beyond financial literacy, given that 52.8% of performance variation is explained by other factors not covered in this study.

Additionally, future studies should explore the effect of digital financial management systems and technological innovation on organizational performance in hotels, particularly how

computerized accounting systems and digital financial tools improve efficiency and decision-making.

Further research should also examine the role of access to finance and financial inclusion in enhancing financial literacy and performance outcomes in the hotel sector, as funding capacity may influence the ability of hotels to apply financial knowledge effectively.

Finally, future studies should assess the impact of training and capacity-building programs on improving financial literacy levels among hotel managers and employees, and how such training translates into improved profitability, customer satisfaction, and long-term sustainability in the hotel industry in Uganda.

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## APPENDICES

### Appendix 1: Questionnaire

#### Dear Respondent

I am Aywelo Phoebe, a student of Gulu University, carrying out academic research on the topic, “Financial literacy and organizational performance in hotel industry in Uganda: Case of Gulu City” as a partial fulfilment for me to acquire a Master of Business Administration (MBA) degree. I kindly request that you spare me some minutes of your time to respond to the questions below, which seek to obtain information on the above topic. The information obtained will be used strictly for academic purposes and will be treated with the utmost confidentiality. The accuracy of the final report will depend on the honesty of your answers.

Thank you in advance for your time and consideration.

#### Section A: Biographical Information of the Respondent and Hotel

##### Response Guide

Tick or fill in the Appropriate response

1. Gender:

Male ☐ Female ☐

2. Age:

18-27yrs. ☐ 28-37 ☐ 38-47 ☐ 48-57 ☐ 58 and above ☐

3. Marital Status:

Single ☐ Married ☐ Separated ☐ Divorced ☐ Widowed ☐

4. Educational Status:

Secondary ☐ Diploma ☐ Bachelor ☐ Masters ☐ Others ☐

5. Department:

Management ☐ Finance ☐ Operation ☐ Other ☐

6. Name of the Hotel

.....

7. Hotel identification Number (if applicable) .....

8. Division where hotel is located

☐ Laroo-Pece division ☐ Bardege -Layibi division

9. Types of meals offered by the hotel:

(You may tick more than one)

☐ Local meals ☐ Continental meals ☐ Fast food ☐ Buffet services

Others (please specify) .....

**Section B: Financial Literacy**

This section is about the financial literacy in the hotels in Gulu City. It has three sections namely, (i) financial literacy; (ii) financial knowledge; and (iii) financial behaviours.

Respond to each statement using the scale: SD = Strongly Disagree; D = Disagree; NS = Not Sure; A = Agree; and SA = Strongly Agree

| No | Statements on Financial Skills                                                                          | SD        | D        | NS        | A        | SA        |
|----|---------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|-----------|
| 1  | Currently plan is managed in our hotel's financial activities through effective budgeting.              |           |          |           |          |           |
| 2  | Forecast plan has helped to manage our hotel's financial activities effectively.                        |           |          |           |          |           |
| 3  | There is effective application of financial skills in our daily operations                              |           |          |           |          |           |
| 4  | We also make financial decisions when unexpected emergency expenses arise.                              |           |          |           |          |           |
| 5  | Financial skills training has helped to improve our role in the hotel                                   |           |          |           |          |           |
| 6  | We always feel confident in using financial information to make decisions about resource allocation.    |           |          |           |          |           |
| 7  | We share information in a situation where applying financial skills help our hotel improve performance. |           |          |           |          |           |
|    | <b>Statements on Financial Knowledge</b>                                                                | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1  | Staff involved in finances have adequate budgeting knowledge in this workplace                          |           |          |           |          |           |
| 2  | Staff involved in finances have adequate knowledge of saving funds                                      |           |          |           |          |           |
| 3  | Staff involved in finances have adequate knowledge on cash flow management.                             |           |          |           |          |           |
| 4  | We always rely on financial information when making operational decisions in these institutions.        |           |          |           |          |           |
| 5  | The financial knowledge exhibited by most employees has helped in managing resource wastage.            |           |          |           |          |           |
| 6  | Due to financial knowledge within this sector, there is performance effectiveness on daily instances.   |           |          |           |          |           |

|   |                                                                                                            |           |          |           |          |           |
|---|------------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|-----------|
|   |                                                                                                            |           |          |           |          |           |
|   | <b>Statements on Financial Behaviors</b>                                                                   | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1 | Our department have always handled good financial planning on a day-to-day basis.                          |           |          |           |          |           |
| 2 | Our financial actions are always characterized by the practices where hotel uses to track revenue expenses |           |          |           |          |           |
| 3 | There is always a review of financial records to enable better performance.                                |           |          |           |          |           |
| 4 | The profits obtained from savings are reinvested for the hotel's operations                                |           |          |           |          |           |
| 5 | There is zero tolerance of financial indiscipline from all the staffs when handling hotel resources        |           |          |           |          |           |
| 6 | Financial behaviors for this hotel are well cultures in terms of budgeting to improve efficiency.          |           |          |           |          |           |
| 7 | Financial behaviors for this hotel are well cultures in terms of record keeping to improve efficiency.     |           |          |           |          |           |

### Section C: Hotel Performance

This section is about the performance of hotels in Gulu City. It has three sections namely, (i) financial performance; (ii) operational efficiency; and (iii) customer satisfaction. Respond to each statement using the scale: SD = Strongly Disagree; D = Disagree; NS = Not Sure; A = Agree; and SA = Strongly Agree

| <b>No</b> | <b>Statements on Revenue Growth</b>                                                                                    | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
|-----------|------------------------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|-----------|
| 1         | Effectiveness of the revenue management has played great role in the increasing hotel revenue                          |           |          |           |          |           |
| 2         | Effectiveness of the finance department has greatly helped in coordinating all the department to boost sales / income. |           |          |           |          |           |
| 3         | Through trainings on financial knowledge our hotel has adopted have helped in increasing the level of revenue.         |           |          |           |          |           |
| 4         | With the revenue growth, all customers need is catered for which has influenced hotel's revenue growth.                |           |          |           |          |           |
| 5         | Good management has helped the hotel from earning more revenue.                                                        |           |          |           |          |           |
| 6         | Good financial literacy in our hotel has helped contributing to the revenue growth.                                    |           |          |           |          |           |
|           | <b>Statements on Operational Efficiency</b>                                                                            | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1         | The departments in our hotel are well planned which ensure resources are used efficiently                              |           |          |           |          |           |

|   |                                                                                                                      |           |          |           |          |           |
|---|----------------------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|-----------|
| 2 | Total quality management is mostly used in this hotel to reduce cost while maintaining service quality.              |           |          |           |          |           |
| 3 | The accounting software's like QuickBooks and others has helped improved efficiency in our work station.             |           |          |           |          |           |
| 4 | The revenue growth exhibited in this hotel has helped reduce operational challenges.                                 |           |          |           |          |           |
| 5 | Revenue growth has helped to influence employee team work which has created hotel efficiency.                        |           |          |           |          |           |
| 6 | Good management has helped in the improvement of operational efficiency in the hotel                                 |           |          |           |          |           |
|   | <b>Statements on Customer Satisfaction</b>                                                                           | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1 | Employee financial literacy personally have contributed to customer satisfaction in the hotel.                       |           |          |           |          |           |
| 2 | There is always good customer's care in this hotel of which the action has helped make the guest very happy.         |           |          |           |          |           |
| 3 | This hotel has managed to provide all customer's needs which has influenced on guest satisfaction.                   |           |          |           |          |           |
| 4 | The hotel management has enabled open customers complaints or challenges which has enabled all customers' needs met. |           |          |           |          |           |
| 5 | There is maintenance of service quality in this hotel hence has helped in maintaining customers satisfactions.       |           |          |           |          |           |
| 6 | All customer that comes in this hotel leave with great satisfaction hence contributing to the performance.           |           |          |           |          |           |

### Section D: Leadership Styles

This section is about the leadership styles in hotels in Gulu City. It has three sections namely, (i) democratic leadership style; (ii) autocratic leadership style; and (iii) Laissez-Faire Leadership Style. Respond to each statement using the scale: SD = Strongly Disagree; D = Disagree; NS = Not Sure; A = Agree; and SA = Strongly Agree

| No | Statements on Democratic Leadership Style                                                               | SD | D | NS | A | SA |
|----|---------------------------------------------------------------------------------------------------------|----|---|----|---|----|
| 1  | All our managers are still energetic which an open thought to run this hotel.                           |    |   |    |   |    |
| 2  | There is great consideration of gender balance in this hotel with no segregation in terms of gender.    |    |   |    |   |    |
| 3  | All the managers in this hotel are well educated have effective decision making with staff involvement. |    |   |    |   |    |
| 4  | This hotel has a favorable leadership cultural setting which is easy to adopt and work with.            |    |   |    |   |    |
| 5  | The is the policy of this hotel to obtain an eloquent leader not necessarily considering the age.       |    |   |    |   |    |

|   |                                                                                                                                       |           |          |           |          |           |
|---|---------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|-----------|----------|-----------|
| 6 | The effective democratic characteristics of this hotel has influenced the performance of all the staffs.                              |           |          |           |          |           |
|   | <b>Statements on Autocratic Leadership Style</b>                                                                                      | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1 | I feel okay when some times in this hotel leaders make all the decisions according to their knowledge without consulting other staffs |           |          |           |          |           |
| 2 | Strick leadership in this hotel has helped in aligning all staffs in one direction without hurting performance.                       |           |          |           |          |           |
| 3 | Autocratic leadership positively affect motivation at work since all the output should be on merit                                    |           |          |           |          |           |
| 4 | Autocratic leadership has been useful in this hotel in times where some staffs are lazy to work.                                      |           |          |           |          |           |
| 5 | Autocratic leadership has helped all works done effectively hence positively influencing the performance in the hotel.                |           |          |           |          |           |
|   | <b>Statements on Laissez-Faire Leadership Style</b>                                                                                   | <b>SD</b> | <b>D</b> | <b>NS</b> | <b>A</b> | <b>SA</b> |
| 1 | There is always freedom to make full decisions by staffs since leaders always gives that opportunity.                                 |           |          |           |          |           |
| 2 | All problems are effectively handled since all staffs have freedom to share in openly their thoughts and grief.                       |           |          |           |          |           |
| 3 | There is effectives teamwork across all department due to laissez faire leadership in this hotel.                                     |           |          |           |          |           |
| 4 | There are always limited challenges faced by staffs since our leaders in the hotel provide equitable guidance to the staffs.          |           |          |           |          |           |
| 5 | There are quality services with effective performance due to the influence of leaders in this hotel                                   |           |          |           |          |           |

Thank you for giving in your time!

## **Appendix 2: Interview Guide for Hotel Managers and Finance Staff**

Dear Respondent,

I am Aywelo Phoebe, a student of Gulu University, carrying out academic research on the topic, “Financial literacy and organizational performance hotel industry in Uganda: Case of Gulu City” as a partial fulfilment for me to acquire a Master of Business Administration (MBA) degree. I kindly request that you spare me some minutes of your time to respond to the questions below, which seek to obtain information on the above topic. The information obtained will be used strictly for academic purposes and will be treated with the utmost confidentiality. The accuracy of the final report will depend on the honesty of your answers.

### **Questions**

1. Kindly introduce yourself (position only name optional)
2. What is your understanding on financial literacy?
3. How does financial literacy help in hotel performance?
4. Please describe the operations of this hotel
5. How do you apply financial skills such as budgeting, cash-flow monitoring, and credit management in your hotel’s daily operations?
6. How does the financial knowledge of managers and staff influence decision-making and resource allocation in your hotel?
7. What financial practices, such as record-keeping, cost control, and saving, are consistently applied in your hotel, and how do they affect performance?
8. What strategies have you implemented to increase your hotel’s revenue, and how do financial practices support these strategies?
9. How do you ensure that hotel resources (staff, utilities, supplies) are managed efficiently, and what challenges affect this?
10. How does your hotel monitor and improve customer satisfaction, and how does it relate to financial performance?
11. Which leadership style is predominantly practiced in your hotel, and how does it affect staff motivation and hotel performance?
12. Can you provide examples of how strict, centralized decision-making has positively or negatively influenced hotel operations?
13. How does employee participation or autonomy in decision-making impact the application of financial practices and overall performance?
14. What financial literacy skills or training do you think are most needed for managers and staff to improve hotel performance in Gulu City?

***Thank you for giving in your time!***

**Appendix 3: Krejcie and Morgan Table of Sample Size Determination Sample Size(s) required for the given Population Sizes (N)**

| N  | S  | N   | S   | N   | S   | N    | S   | N      | S   |
|----|----|-----|-----|-----|-----|------|-----|--------|-----|
| 10 | 10 | 100 | 80  | 280 | 162 | 800  | 260 | 2800   | 338 |
| 15 | 14 | 110 | 86  | 290 | 165 | 850  | 256 | 3000   | 341 |
| 20 | 19 | 120 | 92  | 300 | 169 | 900  | 269 | 3500   | 346 |
| 25 | 24 | 130 | 97  | 320 | 175 | 950  | 274 | 4000   | 351 |
| 30 | 28 | 140 | 103 | 340 | 181 | 1000 | 278 | 4500   | 354 |
| 35 | 32 | 150 | 108 | 360 | 186 | 1100 | 285 | 5000   | 357 |
| 40 | 36 | 160 | 113 | 380 | 191 | 1200 | 291 | 6000   | 361 |
| 45 | 40 | 170 | 118 | 400 | 196 | 1300 | 297 | 7000   | 364 |
| 50 | 44 | 180 | 123 | 420 | 201 | 1400 | 302 | 8000   | 367 |
| 55 | 48 | 190 | 127 | 440 | 205 | 1500 | 306 | 9000   | 368 |
| 60 | 52 | 200 | 132 | 460 | 210 | 1600 | 310 | 10000  | 370 |
| 65 | 56 | 210 | 136 | 480 | 214 | 1700 | 313 | 15000  | 375 |
| 70 | 59 | 220 | 140 | 500 | 217 | 1800 | 317 | 20000  | 377 |
| 75 | 63 | 230 | 144 | 550 | 226 | 1900 | 320 | 30000  | 379 |
| 80 | 66 | 240 | 148 | 600 | 234 | 2000 | 322 | 40000  | 380 |
| 85 | 70 | 250 | 152 | 650 | 242 | 2200 | 327 | 50000  | 381 |
| 90 | 73 | 260 | 155 | 700 | 248 | 2400 | 331 | 75000  | 382 |
| 95 | 76 | 270 | 159 | 750 | 254 | 2600 | 335 | 100000 | 384 |

Note: From R.V. Krejcie & Morgan (1970), Determining Sample Size of Research Activities, Educational and psychological measurement, 30,608, Sage Publications.

## Appendix 4: Introductory Letter

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OFFICE OF THE DEAN, FACULTY OF BUSINESS AND DEVELOPMENT STUDIES

23<sup>th</sup> February, 2026

### TO WHOM IT MAY CONCERN

NAME: **AYWELO Phoebe**

REG. NO. 23/U/0389/MBA/PS

The above named person is a second year student of Gulu University pursuing Master of Business Administration of Gulu University.

In partial fulfillment of the requirements for the award of the degree, she is carrying out a research on the topic **“FINANCIAL LITERACY AND ORGANIZATIONAL PERFORMANCE OF HOTEL INDUSTRY IN UGANDA.”** The Case of Gulu City  
Due consideration accorded to her shall be highly appreciated.

Yours faithfully,

Dr. Olanya David Ross  
Vice Chair Higher Degree Committee  
Faculty of Business and Development Studies

