ENTREPRENEURIAL ORIENTATION, SERVICE QUALITY AND PERFORMANCE OF HOTELS IN GULU CITY, NORTHERN UGANDA

BY

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DECLARATION

I, Ochola Walter, declare that this dissertation titled "Entrepreneurial Orientation, Service Quality and Performance of Hotels in Gulu City, Northern Uganda" is my original work, and it has not been presented to any university or institution of higher learning for the award of any academic qualification. Any material or reproduction that is not part of my original work is clearly and duly acknowledged with references indicating the location wherein such information could be available.

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APPROVAL

We the supervisors of Ochola Walter, certify that this dissertation titled "Entrepreneurial Orientation, Service Quality and Performance of Hotels in Gulu City, Northern Uganda", was developed under our supervision and it is submitted in partial fulfillment of the requirements for the award of a Master's degree in Business Administration in Gulu University.

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DEDICATION

This report is dedicated to my entire relatives, family members and friends for all the support they have given me from childhood up to date. Special dedication also goes to my children; Nimaro Patience Christabel, Apwoyorwot Melisa Faith and Maa Lincy.

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LIST OF ABREVIATIONS/ACRONYMS

APO:	Asian Productivity Organization
CAO:	Chief Administrative Officer
CFC	Common Fund for Commodities
EO:	Entrepreneurial Orientation
GHOA	Gulu Hotel Owner's Association
GRATIS:	The Ghana Regional Appropriate Technology Industrial Service
HP:	Hotel Performance
IBIS	Integrated Ballistics Identification System
ICT:	Information Communication Technology
MCAP:	Matching Grant Facility Capacity.
MCP:	Master Craftsman Programme
MFEP:	Ministry of Finance and Economic Planning
MFI:	Micro Finance Institution
MGASSI:	The Major Government Agency for Small Scale Industries
MNC:	Multinational Corporations
MOP:	Microfinance Outreach Plan
NBSSI:	National Board for Small Scale Industries
NUMA:	Northern Uganda Manufacturers Association
NVTI:	Nakawa Vocational Training Institute

OECD:	Organization for Economic Cooperation and Development
OWC;	Operation Wealth Creation
PIRT:	Presidential Investors Round Table
PSFU:	Private Sector Federation Uganda
SME:	Small and Medium Enterprise
SQ:	Service Quality
SSE:	Small Scale Enterprise
SSEP:	Small Scale Economic Performance
TEXDA:	Textile Development Agency
UBOS:	Uganda Bureau of Statistics
UGT:	Uganda Gatsby Trust
UIA:	Uganda Investment Authority
ULAIA	Uganda Leather Allied Industries Association
UNDP III	Uganda National Development Plan Three
URA	Uganda Revenue Authority
USSIA	Uganda Small Scale Industries Association
UWEP:	Uganda Women Enterprise Programme

Abstract

The inconsistent business performance has received significant attention from different scholars over the world. The hotel industry has never been any exception. The purpose of the study was to establish the relationship between EO and HP in Gulu City, Northern Uganda. The study population comprised of 460 which was drawn from 50 hotels operating in Gulu City through simple random sampling. A sample size of 210 was determined using Krejcie & Morgan population Table and the employees were purposively selected. The study adopted a combination of cross section and correlation research design. Both quantitative and qualitative approaches were employed. Quantitative data was collected using questionnaire and qualitative data using interview guide. Quantitative data was analyzed using SPSS software version 20 while for quantitative data, thematic analysis was used.

The study revealed that all the three EO (innovation, pro-activeness and risk-taking) were being adopted by hotels in Gulu City. Hotel performance was good since the average score was high. The study findings also revealed that there is a significant positive relationship between EO and HP in Gulu City. Multiple regressions results indicated that EO is a predictor of HP and it contributes to HP by 27.9%. Both innovativeness and pro-activeness were statistically significant as opposed to risk-taking. Firm's innovativeness, pro-activeness and firm's risk-taking had a moderate influence on hotel performance. Based on 5000 bootstrap sample, the result indicated a partial mediation of service quality on the relationship between entrepreneurial orientation and hotel performance. Service quality emerged to have a direct significant influence on hotel performance while entrepreneurial orientation had an indirect significant influence. The intervening variable (service quality) accounted for 52.0% of the total effect on hotel performance. The study concludes that, EO uptake in Gulu City was high. Hotel performance level was good. Innovativeness and pro-activeness had strongest influence on hotel performance. Service quality mediated the relationship between EO and HP. Based on these findings, the study recommended that; the good practice of EO must continue while also there is need to maintain the hotel level of performance. Hotel management needs to focus much on innovativeness and pro-activeness. EO and Service quality as noted to have a significant influence on HP, the two needs to be handled simultaneously so as to further improve hotel performance.

Keywords: Entrepreneurial Orientation (EO), Service Quality (SQ), Hotel, Performance and Hotel Performance (HP).

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Globally, the subject of business performance has received significant attention from the different scholars in the various areas of business and strategic management due to the growing environmental uncertainty, constant changes and numerous challenges in our evolving world today (Aloulou, 2018). The hotel industry has not been any exception. Although several researchers have attempted to look into the factors that are related to the weak performance of hotels' businesses, little effort has been made to explore the relationships between entrepreneurial orientations, service quality and the performance of hotels (Fu et al., 2019).

1.1 Background to the Study

In review to the background of the study, the section focuses on historical, theoretical, conceptual and contextual background of the study.

1.1.1 Historical background

The desire to achieve better results and remain competitive in the current fast changing business environment has compelled the need for measuring performance among businesses. Consequently, firm performance has become an important component of organizational activity that has been attracting increasing attention from both scholars and practitioners.

Historically, the performance of hotels has attracted the interest of scholars all over the world (Olubiyi et al., 2019). However, these firms have experienced sub-optimal performance characterized by low market share, high liquidity, poor sales growth, weak profitability, which has rendered some of the hotels less competitive and resulting into market failure. Also in the views of Putnins & Sauka, (2019), the prevalent challenges serve as the precedence for the high rate of closure of some of the hotels without breaking even especially in developing nations. Furthermore, these factors affect hotel industry in developing and developed countries in varied degrees as a

result of different context and environmental operations. These seemingly unsatisfactory levels of performance have contributed to the global inefficiencies of hotels in the world and this can be traced to lack of entrepreneurial orientation of the hotels (Anastasios & Panikkos, 2017). The inherent multi-experiential nature of hospitality firms require an entrepreneurial mindset to seek, and capture, the opportunities to offer unique experiences (e.g., new services, new package holidays) to travelers de factor global in scope, hospitality is one of the main economics antecedents of a great number of nations (French et al., 2017) and entail a multitude of services, facilities and attractions that create many entrepreneurial opportunities (Fadda, 2018). Nevertheless, research about how these organizations utilize entrepreneurial capabilities and competencies to engage in and benefit from EO remains under developed (Omerzel, 2016; Roxas and Chadee, 2013). In particular, Tajeddini (2010) argues that research capturing EO in the field is largely phenomenological and underrepresented. Subsequently, this is a contradiction in the hospitality field; on the other hand, the EO of these businesses is taken for granted, while on the other hand, empirical research that exploring EO in hospitality firms is lacking (Taheri et al., 2019; Vega-Vázquez et al., 2016).

According to Price (2017) hotel establishments in USA is very high and it contributes to more than $17 million average net income annually to the state. The study done by Rasmi et al., (2018) shows that despite the high number of hotel establishments and success of entrepreneurs venturing in hotel industry, there is still low revenue generated and registering high liquidity performance. Recently, all over the world, hotel industry has faced a lot of financial challenges as a result of the global Covid-19 pandemic. World Industry Report (2020) for Hotels and Motels in the United States indicates that, the hotel industry has been one of the industries severely hit by the COVID-19 pandemic, and industry revenues declined by 45.7% in 2020 which was worth $107.7 billion. The hotel performance of Taiwan has been severely affected, during the first half of 2020, the industry revenue of hotels decreased by more than NT $12.863 billion from the same period in 2020 which is a reflection of a significant drop of 43.39% from the same period. This study not only offers additional empirical evidence on the effect of the COVID-19 epidemic but also provides a deeper understanding of how hotel owners are pro-actively prepared and are able to withstand any futuristic shocks.

According to the studies done in the three African countries namely; Rwanda, Chad and Ghana by Private Sector Federation, (2016), Foss & Mahnk, (2017), Oliver et al, (2018), indicates that despite the high number of hotel businesses, their financial and non-financial performance is still low as compared to developed countries like Japan and United Kingdom. Improving firm's performance in terms of increasing profit margin, market share, sales volume and many more still remains a major goal of most businesses in any country (Balunywa, (2018). However, among other businesses, the level of hotel performance still remains very low especially in developing countries which have been attributed (Aloulou, 2018; Moghaddam et al., 2018).

Uganda's hotel industry has been undergoing major changes, underpinned by economic policy liberalization and growing privatization since 1986 (Uganda Tourism Board, 2015). The hotels play an important role in this emerging economic structure (Uganda Hospitality Institute, 2014; Bank of Uganda report, 2018). During 1990s some of these hotels in Uganda depended on small capital generated from internal sources which was characterized by challenges such as; inadequate finance, lack of materials and staff which results into inefficiency and ineffectiveness (Uganda Tourism Board, 2015). The provision of services to the guests was as a result slow and inefficient (Kusumawardhani et al., 2019). 50% of the hotel establishments fight an uphill battle from the start and fail in the first five (5), years. This is a common scenario for Uganda hotels as most of them do not celebrate their first anniversary; this implies that, there are more hotel deaths than births (UBOS, 2017).

According to Musisi, (2019) indicate that 40% of hotels in Uganda do not sustain their business due to inadequate financial resources which make the hotels not to pro-actively react to the changes in the market like inflation, competition and seasonal factors. During 2017-2021, the hotel industry registered slow growth rate from 9.5% to 9.7% in terms of performance (UHOA, 2021). Hotel establishments have increased due to the attainment of the City status but their performance outcomes still low (GHOA report, 2021).

1.1.2 Theoretical background

This study was anchored on two theories namely; Schumpeter's Innovation and Dissonance Theory.

Schumpeter's innovation theory was postulated by Joseph Alois Schumpeter in 1934. The theory of innovation was pioneered in 1934 and 1942 highlighting the role of innovation in the entrepreneurial process. Schumpeter's Innovation theory emphasizes that businesses seeking for profits must innovate and behave entrepreneurially so as to survive and grow in a foreseeable future. Innovation is a specific tool for entrepreneurs to exploit change as an opportunity for business or service (Schumpeter, 1942). The assumption of the theory is that innovation is the center of economic change causing gales of "creative destruction", which a term is created by Schumpeter in Capitalism, Socialism and Democracy. According to Schumpeter innovation is a "process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one".

The dissonance theory was developed by Leon Festinger in 1957. It refers to a situation involving conflicting attitudes, beliefs or behaviors. This produces a feeling of mental discomfort to an alteration in one of the attitudes, beliefs or behaviors to reduce the discomfort and restore balance. In line to this study, the theory indicates that a customer or an individual expecting an above average service and ends up receiving a minimal valued service would identify the discrepancy and realize a cognitive dissonance (Festinger, 1957). This means that the discrepancy creates a psychological discomfort in the individual. The theory assumes that after experience, evaluations are mainly as a function of the anticipation levels or as the charge of identifying dis-confirmation and is thought to be emotionally uncomfortable (Festinger, 1957).

1.1.3 Conceptual background

Entrepreneurial orientation (EO) refers to the willingness to innovate, take risks to try out new products, services and markets, and act more proactively than competitors when it comes to new opportunities in the market place (Olubiyi, Egwakhe, 2019; Real, Roldán & Leal, (2014). EO is the strategy-making processes that provide organizations with a basis for entrepreneurial decisions and actions (Okangi, 2019). Entrepreneurial orientation therefore, represents the policies and practices that provide a basis for entrepreneurial decisions and actions. Thus, entrepreneurial orientation may be viewed as the entrepreneurial strategy making processes that key decision makers use to enact their firm's organizational purpose, sustain its vision, and create competitive advantage(s).

Service quality refers to "the perception of customers toward whether service is good or bad, the result of comparison between the service customers 'expect' to get and what they actually 'perceive' (Cheng 2013; Mei-Hsien, 2018). If the services satisfy and even surpass the customer's expectations, they will use the services of this company (hotel) again. Moreover, customers' dissatisfaction with the received services leads to huge losses in a market segment (Williams, 2017; Rashad, 2018).

Hotel is a commercial place that provides food and shelter to the "bonafied" traveler (The American Heritage, 2019).

Performance; according to Johansson et al. (2018) refers to how well a firm does in its business environment. It represents the successes of a firm in the market characterized by its ability to create acceptable outcomes and actions (Islam et al., 2019).

Hotel performance is how well a particular hotel does in its business environment (Johansson et al. (2018). Islam et al., (2019) defined hotel as the ability of hotel management to create acceptable outcomes and actions.

1.1.4 Contextual background

Contextually, the study was conducted in Gulu City, Northern Uganda. According to Musisi, (2019) 40% of hotels in Uganda do not sustain their business due to non-profitable activities and insufficient profits generated from the business yet they implement entrepreneurial orientation. Like in many parts of Uganda, hotel performance in Gulu City has for long remained on decline despite the increased number and high population density (GHOA 2018). The hospitality pace in Gulu City is still deprived of enough trained manpower (Nangoli et al.,(2020). Furthermore, the sector still faces severe challenges of abnormal increase in employee turnover rate. 70% of the hotels' retained earnings in Gulu City are often annually ploughed back into the businesses and performance still remained low (GHOA report, 2018/2019).

1.2 Problem Statement

Uganda hospitality industry continues to struggle to comply with the world class standards as more than 70% of hotels and sleeping places do not conform to the basic requirements for classification

(UTB, 2015). The low performance level of hotels in Uganda continues to be a growing concern to the state (Auditor General, 2017). The sector through government of Uganda continues to receive multiple supports but little has been achieved in improving performance (UIA, 2019; UNDP II, 2021; UTB, 2020). 35% out of 100 startups hotels in Gulu City do not survive to their second year of operation (UIA, 2019). 70% of hotel retained earnings is annually reinvested but its performance has remained on (UBOS, 2017). In 2017-2019, the hotels' profitability declined from 39% to 35%, 38 and 36% despite the huge capital injected in the business at the beginning of every financial period (GHOA, 2018/2019; UBOS, 2017; UIA, 2019). Therefore, based on this background, the study sought to establish the relationship between entrepreneurial orientations and performance of hotels in Gulu City, Northern Uganda.

1.3 Purpose of the Study

The purpose of the study was to establish the relationships between entrepreneurial orientation and performance of hotels in Gulu City, Northern Uganda.

1.4 Objectives of the Study

The study was guided by the following research objectives:

i. To examine the kinds of entrepreneurial orientations adopted by the hotel owners in Gulu City
ii. To examine the performance of hotels in Gulu City.
iii. To establish the relationship between entrepreneurial orientations and performance of hotels in Gulu City.
iv. To establish the intervening effect of service quality on the relationship between entrepreneurial orientation and hotel performance in Gulu City.

1.5 Research Questions

The study was guided by the following research questions:

i. What are the kinds of entrepreneurial orientations adopted by the hotel owners in Gulu City?
ii. What is the performance of hotels in Gulu City?

iii. What is the relationship between entrepreneurial orientations and performance of hotels in Gulu City?
iv. What is the intervening effect of service quality (SQ) on the relationship between entrepreneurial orientations and performance of hotels in Gulu City?

1.6 Scope of Study

This study was based on geographical, content and time scope

1.6.1 Geographical scope

Geographically, the study was conducted in Gulu City, Northern Uganda. It is a newly created city in Acholi sub-region and separated as: Gulu City East and West. Gulu City East covering divisions of Pece and Laroo while Gulu City West covers divisions of Layibi and Bardege. The distance from Gulu to Kampala, Uganda's capital and largest city, is approximately 340 kilometers by road. The coordinates of the City of Gulu are 2°46'54.0"N and 32°17'57.0"E. The City is bordered by following Districts: Lamwo District to the Northeast, Pader and Omoro District to the East, Amuru District to the West, Lira District to the Southeast, Oyam District to the South and Nwoya District to the Southwest. Gulu City was taken as the study area because of the high number of hotel establishments yet performance has remained a concern.

1.6.2 Content scope

The content scope focused mainly on entrepreneurial orientations, service quality and hotel performance as presented in the conceptual framework. The study examined the kinds of entrepreneurial orientations adopted by hotels in Gulu City namely; firm's innovativeness (product, process and behavioral innovation), pro-activeness and firm's risk-taking. Examine the performance of hotels. Thirdly, to establish the relationships that exist between entrepreneurial orientation and hotel performance and finally to establish the intervening effect of service quality on performance of the hotels in Gulu City.

1.6.3 Time scope

The study covered literature period from 2017 to 2022. This study took 6 years due to both health and financial constraints which enabled the researcher not to complete in time (2017/2018). The

literature period was justified on the period within which the hotel overall performance in Gulu City was very low (UIA, 2019). The five-year period of the literature was sufficient to establish the relationship between entrepreneurial orientations and hotel performance in Gulu City, Northern Uganda.

1.7 Significance of the Study

The findings of this study would be of importance to the different stakeholders.

To the hotel management, the findings would help managers of hotels with limited entrepreneurial orientations to improve on their management styles and adapt to the dynamics of business operations with appropriate business strategies to improve their performance. This therefore plays a great role in promoting their growth and sustainability. Also, the findings of the study would help management to know which entrepreneurial orientation has stronger influence on hotel performance so as to invest in more. Also, management of hotels would know what percentage of capital outlay be put on EO or SQ since all of them have significant influence on hotel performance.

To leaders of Gulu City Hotel Owners Association, and other government agencies such as Uganda Revenue Authority (URA), Uganda Tourism Board (UTB) among others, the findings would help in improving and formulating future policies and performance standards that would help in promoting the hotel industry as a whole to meet international standards.

To the community of Gulu City, the recommendations would benefit them from the enjoyment of improved service delivery as a result of hotel management taking actions on improving performance.

Lastly, findings of this study would be an additional secondary source of data for further research by other individuals or scholars especially in availing the necessary literature in the areas of hotel industry particularly in Northern Uganda which has been found to be very limited.

1.8 Justification of the Study

Uganda's Vision 2040 which aims at transforming the country from being a predominantly peasant and low income to a competitive, upper-middle income status with a per capita income averaging

at USD 9,500 by 2040. The Vision provides the development paths and strategies that will guide this transformation and is conceptualized around strengthening the development fundamentals in order to successfully harness the abundant economic opportunities.

This study was therefore developed because it is in line with the three key growth opportunities in the NDP II which are: Agriculture, tourism, minerals, oil and gas. NDP II is premised on strengthening the country's competitiveness for sustainable wealth creation, employment and inclusive growth. Under tourism and hospitality priority area, the plan focuses on improvement, diversification and exploitation of tourism products and services. The plan lays emphasis on aggressive marketing, investment in tourism and hospitality industry by increasing the quantity and quality of hotel products and services through designing and implementing effective national grading systems and classification criteria from star 1-5 of hotels and restaurants so as to meet the international standards. This implies that, the effective implementation of entrepreneurial orientation in the different hotels both locally and nationally would provide better grounds for the NDP II goal to be achieved (UNDP II, 2021).

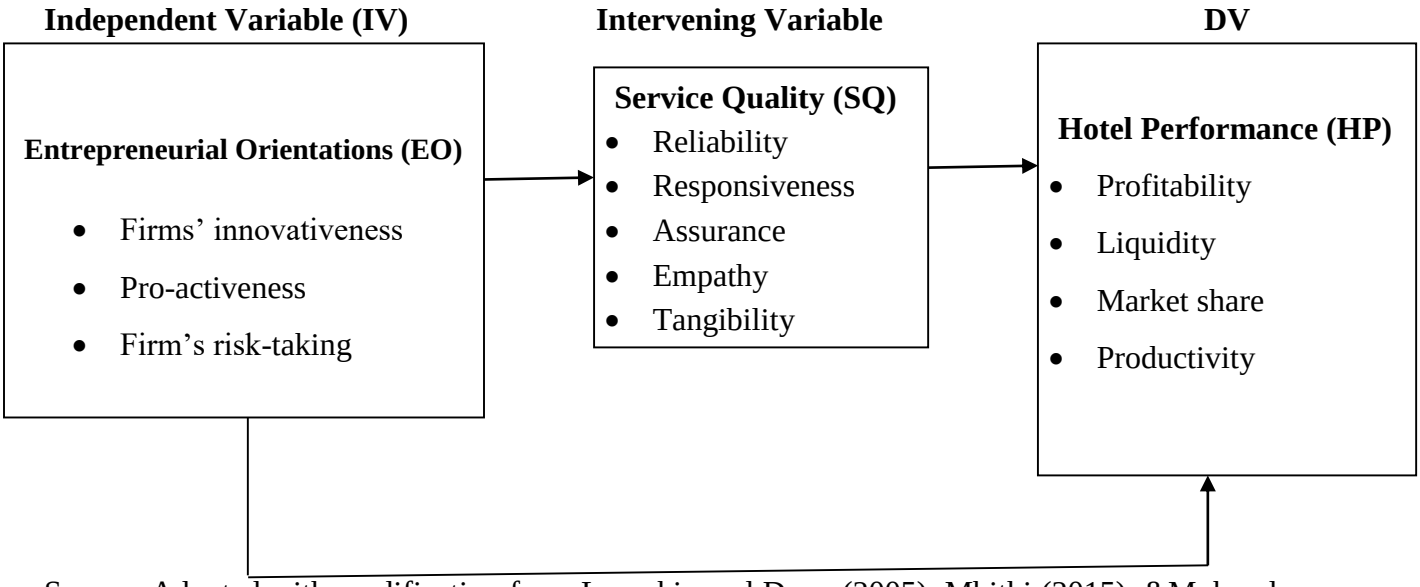
Similarly, there is very limited research work on entrepreneurial orientation and hotel performance conducted in Northern Uganda especially in Gulu City.

Lastly, majority of hotel owners in Gulu City lack entrepreneurial knowledge and skills and they put very little efforts to strategically implement entrepreneurial orientation and also provide sub-standard service which is very crucial for the success of any business (GHOA, 2019).

1.9 Conceptual Framework

The study was being guided by a conceptual framework illustrated as below. A conceptual framework is an analytical tool with several variations and contexts. It is used to make conceptual distinctions and organize ideas.

Figure 1.1: Conceptual framework



Source: Adopted with modification from Lumpkin and Dess, (2005), Mbithi (2015), &Mukunda (2010).

According to the conceptual framework above, Entrepreneurial orientation represents the independent variables which are represented by the firm's innovativeness pro-activeness and firm's risk-taking. Service quality represented intervening variable and with the 5 constructs of reliability, responsiveness, assurance, empathy and tangibility. Hotel performance is the dependent variable represented profitability, liquidity, market share and productivity.

Under profitability, financial gains generated from hotel activities, profit margin for the three years and many more was reviewed. Under liquidity, it included the ease and timeliness of how the hotels have been paying off its debts, Hotel's ability to pay off all its short term debts as and when they fall due. Lastly, market share and productivity in terms of market scope were also established.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This section discusses variables that are presented in the conceptual framework. It discusses related literature highlighting findings of other researchers and authors by reviewing reports, studies, historical records, books and other information that has been documented relating to entrepreneurial orientation (EO), service quality (SQ) and the relationships that exist between entrepreneurial orientation, service quality and hotel performance.

2.1 Theoretical Review

A number of theories have been used to understand entrepreneurial orientation as well as the performance of firms. But in particular, to this study, Schumpeter's innovation theory (Schumpeter, 1934) and dissonance theory (Festinger, 1957) were used. The dissonance theory was justified on the limitations of innovation theory to solve the constraints.

2.1.1 Schumpeter's Innovation Theory

Schumpeter's innovation theory was postulated by Joseph Alois Schumpeter in 1934 and was pioneered in 1934 and 1942 which highlights the role of innovation in the entrepreneurial process. The theory states that innovation is the center of economic change causing gales of "creative destruction", which a term is created by Schumpeter in Capitalism, Socialism and Democracy. According to Schumpeter (1942) innovation is a "process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one". Most firms which tend to remain practicing the old technology and selling the same products/services register low profits as compared to those ones that are entrepreneurially active. In view of this theory, entrepreneurial orientation coupled with innovative implementation results in to improved financial performance of the hotel and thus leading to their survival and growth. Further still, Schumpeter growth theory notes that innovations lead to technological progress, which further lead to higher profits for the organization (Schumpeter, 1934). On the other hand, Osaze (2017), views pro-activity like one is defining their goals and their future and how it will shape up. Entrepreneurial pro-activeness is predicting the future and implementing these

changes to come up as a leader in the business world (Avearez& Barney, 2018). For economic growth, innovation is a compulsory aspect in entrepreneurship. Success according to Ling et al. (2018) can only be achieved through innovation.

2.1.2 The Dissonance Theory

The dissonance theory was developed by Leon Festinger in 1957. In line to this study, the theory indicates that a customer or an individual expecting an above average service and ends up receiving a minimal valued service would identify the discrepancy and realize a cognitive dissonance (Festinger, 1957). In view of this theory, Mei-Hsien, (2016) viewed service quality as a situation involving conflicting attitudes, beliefs or behaviors and it produces a feeling of mental discomfort to an alteration in one of the attitudes, beliefs or behaviors to reduce the discomfort and restore balance. Under this theory, the discrepancy creates a psychological discomfort in the individual. In line to this theory, hotel owners need to do a post-evaluation of the hotel service delivery on customer satisfaction and its anticipated consequences on the hotel performance. Griffin, (2012) &Mei-Hsien, (2016) findings indicate that if hotel owners fail to solve the dissonance issues, then they are at liberty to lose financially both in short and long term which eventually may result in to the closure of the business. This implies that management of hotels should be in a position to gauge customers' expectations towards service quality and in a long run results in to meeting customers' needs effectively.

2.2. Entrepreneurial Orientations (EO) adopted by the Hotel Owners

Entrepreneurial orientation has been widely studied in business literature, receiving considerable conceptual and empirical attention. Besides, it is an area with a fast-growing accumulative corpus of knowledge (Abor and Quartey, 2019). The concept of EO was first conceived by Miller and later refined by Covin and Slevin, (2011) entrepreneurial orientations (EO) is a firm's behavioral tendency, managerial philosophy, or a decision-making practice that is characterized by innovativeness, pro-activeness and willingness to take risks (Olubiyi, Egwakhe et al., 2019). Entrepreneurial orientation has become a central concept in the domain of entrepreneurship that has received a considerable amount of theoretical and empirical attention (Kumasaru & Kumara, 2016).

Entrepreneurial orientation is very crucial in enhancing hotel's performance and its ability to meet its obligations when they are due especially in providing quality products and services to its customers (Anderson & Kreiser, 2015). In Wiklund and Shepherd (2006) study on the influence of EO on firm's performance indicated a positive relationship between EO and performance. Further still, in their study, there is a tendency to assume that firms with more EO have superior performance. Several empirical studies indicate a positive correlation between entrepreneurial orientation and organizational growth (Albasri, 2020). Similarly, other studies done by Ali, Hilman and Gorondutse, (2020) confirm that entrepreneurial orientation has a positive correlation with export's performance, enhancing business growth (Alarifi, Robson and Kromidha, 2019). Clearly, this link seems to be one of the few "universal" ones in the management research. However, the strength of this positive association varies considerably across national contexts. Hotel managers should identify the hotel's unique entrepreneurial orientation which enables the business to be a going concern (Mbithi, 2015). Despite the benefits of EO and the burgeoning scholarly interest in other areas, numerous questions appear in the EO literature as being inadequate in enhancing hotel's overall performance. In the views of Albasri, (2020), EO influences hotel's performance when they strategically acquire, develop and leverage resources for opportunity exploitation in order to gain competitive advantage. Therefore, EO should be associated with the concept of competitive strategy (Albasri, 2020).

The inherent multi-experiential nature of hospitality firms require an entrepreneurial mindset to seek, and capture, the opportunities to offer unique experiences (new services, new package holidays) to travelers which is global in scope, hospitality is one of the main economics antecedents of a great number of nations (French et al., 2017) and entail a multitude of services, facilities and attractions that create many entrepreneurial opportunities (Fadda, 2018). Nevertheless, research about how these organizations utilize entrepreneurial capabilities and competencies to engage in and benefit from EO remains under developed (Omerzel, 2016; Roxas and Chadee, 2013). In particular, Tajeddini (2010) argues that research capturing EO in the field is largely phenomenological and underrepresented. Subsequently, this is a contradiction in the hospitality field; on the one hand, the EO of these businesses is taken for granted, while on the other hand, empirical research that exploring EO in hospitality firms is lacking (Taheri et al., 2019; Vega-Vázquez et al., 2016).

The constructs of EO for this study were based on Millers' constructs namely firm's innovativeness, pro-activeness and firm's risk-taking as being discussed below.

2.2.1 Firm's Innovativeness

Innovation is the specific tool of entrepreneurs; it is a means by which they exploit change as an opportunity for a different business or a different service. It is the willingness to introduce newness and novelty through experimentation and creative processes aimed at developing new products and services, as well as new processes. It is capable of being presented as a discipline, capable of being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation for improved firm's performance (Okangi, 2019). The firm's innovativeness is the firm's tendency to take part and support new ideas that may result in to new products, services (product innovation) or technological processes" (Lumpkin & Dess, 2005). This tendency allows the firm to create a wide set of abilities that are invaluable tools for competitiveness in the dynamic business environment (Kusumawardhani & McCarthy, 2019).

In the views of Fauzul, Takenouchi & Yukiko (2010), the hotel's innovativeness is a fundamental willingness of business to depart from existing technologies (process innovation) or practices and ventures beyond the current state of the art. Entrepreneurial orientation is the propensity to creatively initiate and support new ideas, experimentation and creative processes that may result in new products, services or technological processes, or the exploitation of new markets (Aloulou, 2018). Noting from the different entrepreneurial-orientation elements identified in most of the literature, innovation is, in a wide sense, an underlying factor shared by all forms of corporative entrepreneurial activity" (Abor and Quartey, 2019).

In a study conducted in 2018 by Frank et al. in the hotel industry of Australia, it was found that the entrepreneurial orientation with an emphasis on its three main elements namely; innovation, pro-activeness and risk-taking have a positive relationship with how the performance of the business is. The assessment of SMEs North East China in 2017 case of hotel industry indicated that entrepreneurial orientation has a positive impact on hotel business performance (Zhang & Zhang, 2017). The evidence suggests that being entrepreneurial leads to better performance in organizations. Innovation demands such a display of resources that it will become profitable only

when initial investments are compensated (Abor and Quartey, (2019). In other words, the higher the innovation level the better the hotel's results shall be.

In the findings of Abor and Quartey (2019), new hotels grow and create wealth by disrupting existing market structures through the introduction of new goods and services that shifts available resources away from existing hotels. The key to this cycle of activity was entrepreneurship: the competitive entry of innovation "new combinations" that propelled the dynamic evolution of the economy. Thereby, "innovativeness" becomes a formidable force and important factor used to enhance the financial performance of hotels (Covin Wales, 2012; Gregory, 2018). Hotels that practice product, process, and behavioral innovations will have a more competitive advantage over its competitors (Henard & Szymanski, 2019).

2.2.2 Pro-activeness

Pro-activeness reflects the firm's will to dominate its competitors by means of aggressive moves such as the introduction of new or innovative products or services, or the anticipation of future demands (Kumasaru & Kumara, 2016). It is a forward-looking perspective characteristic of a marketplace leader that has the foresight to seize opportunities in anticipation of future demands. This posture allows acting on the market's future shortcomings and potential needs, which creates a competitive advantage. Lumpkin and Dess (2005), describe pro-activeness as "taking initiative by anticipating and pursuing new opportunities related to future demand and by participating in emerging markets". It can also be described as a distinctive entrepreneurial activity to antedate imminent prospects, both in terms of products or technologies as well as in markets and consumer demand (Chow, 2016).

According to Chang and Lin, (2011), a hotels' awareness and responsiveness to market signals and trends is demonstrated by their pro-activeness, therefore, in order to capitalize on market opportunities, it is imperative to be a first mover (Chang and Lin, 2011). This first mover advantage is usually associated with high profits, as well as a head start in creating brand recognition. Similarly, this construct is associated with leadership, as such a proactive firm like hotels "have the will and foresight to seize new opportunities, even if it is not always the first to do so" (Lumpkin and Dess, 2005). In this case, proactive firms are leaders and not followers; they are pacesetters who are not overwhelmed by new situations in the market or environment. It has also

been labeled as a vital trait in entrepreneurship due to its forward-looking action approach (Astrini, Rakhmawati & Sumaedi, 2020). Astrini, Rakhmawati & Sumaedi, (2020) findings is also in support that there is a high correlation between pro-activeness and financial performance of the firms. In line to this current study, the argument is that pro-activeness greatly affects the financial performance the business.

2.2.3 Firm's risk-taking

Risk-taking refers to the tendency to engage in bold rather than cautious actions (Edwards et al., 2017). Risk taking was historically a key characteristic associated with entrepreneurship. It originally referred to the risks individuals take by working for themselves rather than being employed, but has since been widely applied to companies, for example, when managers make decisions that commit large amounts of resources to projects with uncertain outcomes (Anderson and Kreiser, 2015). Hotels that are capable of assuming high risk levels are also capable of taking better advantage of opportunities and of obtaining higher long-term profit levels in a context of elevated uncertainty (Aminu & Mohamed, 2016).

Findings from a study done by Anwar & Shah (2020) show that, risk-taking is positively related to the financial performance of hotels in Nigeria and therefore, in their conclusion, hotel managers should be willing to make large and risky resource commitments especially those that have a reasonable chance of costly failures". Covin and Lumpkin an(2011) asserts that incurring heavy debt or committing large resources by hotels in the interest of obtaining high returns through the seizing of opportunities in the market place is characterized by risk-taking behavior, and are usually exhibited by hotels who are entrepreneurially oriented.

According to Covin and Lumpkin (2011), a firm's stage of development determines its risk tendencies; therefore, risk taking can be at an individual level or a firm-level. Furthermore, Aloulou, (2018) distinguished between managerial risk, which relates to choices associated with uncertain outcomes, and organizational risks, which involves volatile income streams. Moreover, firms differ in terms of their organizational and governance structures, and risk-taking may be higher in some organizational contexts. The extent of involvement in risky activities is likely to be influenced by the ownership and governance of the firm hence the imperative role that

organizational context plays in risk taking. Some entrepreneurs may perceive ventures as less risky than non-entrepreneurs due to cognitive biases of the former and the fact that they may be over-confident and tend to frame business situations more optimistically (Aloulou, 2018).

Scholars of entrepreneurial orientation such as Covin & Lumpkin, (2011) also have shared interest in how risk-taking affects hotels' performance. Further still, the result of a meta-analysis conducted on the relationship between EO and hotel performance showed that across studies, the two constructs were positively correlated. However, in their final conclusion, risk-taking had a significantly smaller correlation with hotel performance than other aspects of entrepreneurial orientation. So in spite of the numerous empirical and conceptual literatures found on risk-taking and performance, there seems to be little or no literature pertaining to risk-taking and hotel financial performance. Most studies have concentrated on hotel general performance thus there is need for more studies to be done so as to ascertain the relationship between risk- taking and those constructs dependent variables such as profitability, liquidity and sales volume.

2.3 Performance of the Hotels

Studies done by De Clercq et al., (2010); Taheri et al., (2019) on hotel performance show that there is still no common understanding among scholars on the uniform measurement indicators of firm's performance. As a result, a wide range of performance measures both financial and non–financial measures, short–term and long–term measures as well as objective and subjective measures were used across studies (Ramsey, Barakat, Cretoiu, & Sherban, 2018; Sousa, 2014). A critical review of extant literature indicates internal inconsistencies in the operations of hotel performance, which leads to substantial difficulty in interpreting and generalizing research results. Also, inconsistent operations create challenges in interpreting results across studies. One of the sources of inconsistency is the use of a generalized conceptualization of hotel performance in theory building, together with a narrow approach of operationalizing hotel performance as a unidimensional construct (Andersén, 2015; Anderson, Kreiser et al. 2015; Kreiser et al. 2013; Gao et al. 2017; Rauch et al. 2019).

2.3.1 Profitability

Profitability involves the returns earned on the total assets of the company (Ngotho, 2015). Profit is determined by matching revenue against cost associated with it and without profit business will not survive in the long run. It is measured with income and expenses; income is money generated from the activities of the firm. However, money coming into the firm from activities such as borrowing does not create income but is simply a cash transaction between the firm and the lender to generate cash for operating the business Okangi (2019). Although one year of losses may not permanently harm the business, consecutive years of losses or net income insufficient to cover the expenditure may jeopardize the viability of the business (Nteere, 2014; Tajeddini, 2019). Attiea et al., 2019; Emeakponuzo, (2018) noted that, to measure the profitability the hotel, a variety of ratios such as return on asset, return on equity and net profit margin can be used.

Profitability reflects the effectiveness with which management has employed both the total assets and net assets that are recorded on the balance sheet (Fauzul, 2010). Profitability measures the extent to which hotel generates a profit from the factors of production: labour, management and capital. Profitability analysis focuses on the relationship between revenues and expenses and on the level of profits relative to the size of investment in the hotel (Okangi, 2019). A high operating profit margin means that the business has good cost control and/or that sales are increasing faster than costs, which is the optimal situation for the company (Mbithi, 2015). Uganda hotels generally fetch low profits due to low level of technical and management skills, inadequate technologies, limited market pro-activeness which results in registering (Mercy, Catherine & Dorothy, 2021)

2.3.2 Liquidity

Generally, any solvent hotel business may be driven towards closure by poor management of short-term liquidity (Attiea et al., 2019). Hotel investors should cover funding sources and capture large maturity mismatches. An unmatched position potentially enhances low profitability but also increases the risk of losses (The Ugandan Banker, 2019; Mercy, Catherine & Dorothy, 2021).

According to Lazaridis, (2016) dilemma in financial management is to achieve desired trade- off between liquidity, solvency and profitability (Ngotho, 2015). The “liquidity position” of a business is seen to be okay if it is able to pay its debts in either short or long run. This implies the business has enough cash to pay the bills (Otieno, 2014). Therefore, optimum level of liquidity guarantees

a firm to meet their short term debts and the proper management of flow can be promised by a profitable business (Kennerley & Neely, 2018; Emeakponuzo, 2018).

2.3.3 Market share

Marketing consists of all profitable human activities undertaken by the firm towards creation of goods and services (Moska, 2018). Market share views business performance in terms of product sales, market position and market share. Hotel owners should have the ability to detect and respond to market changes, and the appropriate changes in buying habits, having an attractive product range, to gain market share (Neely, Adams, and Kennerley, 2012). Marketing factors such as good service, ability to cater to customer satisfaction, ability to look for market opportunities, advertising, and sales promotion; are the most critical elements in the success of hotel business (Zahiruddin, Kwai, Sanusi, Abdul, & Moen, 2019). Study conducted by Syamsuriana & Mohd (2016) shows that the ability to design, produce and market products or services superior to those of their close rivals determines the level of hotel's level of competitiveness and this enables the company to improve on its market share.

2.3.4. Productivity

Productivity is viewed in terms of a firm's achievement in its business activities to meet customer wants and needs, as well as employees' productivity. Muthalib et al., (2017) noted that investment in human resources and capital investments increase productivity of physical workers as well as the hotel general performance. Also Madatta, (2021) in their study to establish the role of entrepreneurial competencies on the success of the SMEs in Tanzania, their findings also confirmed that SMEs are capable of achieving high level of performance through the application of people-based approaches or techniques such as employee motivation, organizational communication, employee training and development, and participation in decision making. This means the higher the productivity level of the employees the greater the level of performance (Madatta, 2021). In the study done by Muthalib, Harafa, Yani, &Rostin (2017) focusing on establishing the impact of entrepreneurship on business performance improvement and poverty reduction in Uganda, they noted that apart from high productivity, several indicators can be used

to gauge performance including leadership, high production, low costs, community development and business growth.

2.4 Entrepreneurial Orientation and Performance of Hotels

Traditionally the hotel performance has been studied from the point of destination brand/reputation such as image, perceived service quality, price (Gomez et al., 2013), attractions (adventure, architecture, natural resources and endowments) (Alhemoud and Armstrong, 1996; Mussalam and Tajeddini, 2016), infrastructure (efficiency of transportation, shopping, sports facilities) (Molina-Azorin et al., 2010), and services (quality and variety of accommodation, food and wine) (Henderson, 2011; Roxas and Chadee, 2013). However, recently a number of hospitality scholars (Fu et al., 2019; Moghaddam et al., 2018; Omerzel, 2016; Taheri et al., 2019; Vega-Vázquez et al., 2016) have seen entrepreneurship and innovation as having a critical role in shaping this global industry and have advocated for further research.

Previous studies provide empirical support to a positive relationship between entrepreneurial orientation and hotel performance (Boso, Story & Cadogan, 2013; Casillas & Moreno, 2010; Kraus, 2013; Kraus et al., 2018; Lee & Lim, 2019). These studies established that hotel that adopt entrepreneurial strategic orientations attain better performance than those that did not. For example, Boso et al. (2013) have examined the relationship between EO, market-oriented activities and export performance moderated by both financial capital and environmental turbulence. The study sampled 332 exporting firms in Ghana and found that simultaneous testing of high levels of EO and market orientation leads to high export performance. Furthermore, their results revealed that the EO, market orientation performance relationship is improved in situations of market turbulence and when firms have high financial capital. Kraus (2018) also tested the link of both unidimensional and multidimensional of EO and performance of service firms including in Austria.

Casillas and Moreno (2020) have tested the impact of EO on financial performance of SMEs with a case of hotel industry in Spain. The results revealed that there is a positive and significant influence of innovativeness and pro-activeness on hotel performance. Furthermore, the study results revealed that family involvement as a moderating variable strengthen the innovativeness and growth relationship and also led to a positive impact between risk-taking and growth (Casillas

& Moreno, 2020). The above discussion demonstrates that EO practices would enable a firm to overcome various barriers so as to attain superior performance. This research argues that the implementation of EO practices is a key resource and could help hotel firms create competitive advantage, which in turn results in improving their performance. While various scholars have reported a positive impact of EO on hotel performance (Rauch et al., 2019; Vij &B edi, 2018), there are some contradictory studies which have reported that EO will lead to poor hotel performance under certain situations (Lechner & Gudmundsson, 2018; Tang, Marino, Zhang & Li, 2018).

Entrepreneurial activities have been examined as an antecedent of growth, competitive advantage and superior performance. Despite the rising interest in entrepreneurial activities, the contemporary hospitality literature proposes that the field is lacking strong theoretical frameworks related to this essential entrepreneurial orientation (EO) in regards to hotel financial and non-financial performance (Fadda, 2018; Hernández-Perlines, 2016; Tajeddini, 2015).A critical review of the literature on EO reveals that hardly any research has been conducted in Uganda particularly in Northern Uganda Gulu City inclusive and as such, this research sought to provide a further understanding of the influence of EO and service quality on the hotel performance. Despite the general agreement that EO has a positive impact on hotel performance (Rauch et al., 2019; Vij & Bedi, 2018), the hypothesis that each dimension may reflect a different relationship with hotel performance (Lumpkin & Dess, 1996) and this calls for further understanding and research.

In Fu et al., (2019) study in investigating the influence of EO on firm's performance indicates that most studies of EO mainly focuses on the private sector, but the effort to extend this entrepreneurial orientation performance relationship on hotel industry is still limited. As such, this study is being conducted to shed lights on such issue. Although there were some researchers who deemed EO as a unique construct (Wiklund, 1999; Grand et al., 2019) but Lumpkin and Dess (1996) urged to view it as multidimensional construct because the dimension of EO may vary independently subject to the context of environment and organization. Following Casillas and Moreno (2010), Hughes and Morgan (2017) and Li, Huang and Tsai (2019), this study regarded EO, as having multiple dimensions, which consist of innovativeness, pro-activeness, risk-taking, competitive

aggressiveness and autonomy but more focus will be laid on the first three as suggested by Miller, (1983).

EO and firms performance relationship has been well established in a variety of fields such as banking (e.g., Niemand et al., 2017), international businesses (e.g., Balabanis and Katsikea, 2003), travel agency (Taheri et al., 2019) and hospitality (Hernández-Perlines, 2016; Tajeddini, 2019). All of these studies indicate that EO plays a positive role in hotels' overall performance. Nevertheless, Lumpkin and Dess (1996) argue EO should be regarded as a context-specific. More recently Fu et al. (2019) stress that EO should be investigated and analyzed in different settings due to the variances in industry characteristics such as life cycle and dynamism. Scholars have stressed the idiosyncratic nature of hospitality offerings and internationalization strategies which require particular industry-based attention (Dorado and Ventresca, 2018; Fu et al., 2019).

The hospitality industry differs from the other industries where they focus more on lifestyle, personality, and culture (Liu and Mattila, 2017). Often hospitality firms are regarded as archetypal entrepreneurial industries (Morrison et al., 2017) embracing qualities such as risk-tolerance, resource mobilization competences (Narangajavana et al., 2017), innovativeness and pro-activeness (Demary, 2017), economic growth (Webster and Ivanov, 2014), job creation, change, development and innovation (Ball, 2005); new venture creation (Andringa et al., 2016). Hospitality businesses are not protected by tradition, destinations are not able to stay still as demand for new experiences and repeat visits continually pushes for new experiences and continued drive to develop product and services. Entrepreneurial activities may foster hotels' innovative capability with a consequential impact on financial return and business outcomes (Hallak et al., 2017; Schuckert et al., 2015).

Previous studies have indeed shown that higher levels of EO are positively associated with improved hospitality and tourism performance (Roxas and Chadee, 2019). In practice, the opportunity for hospitality service companies to take financial risks and proactively deploy resources to new opportunities can vary widely (De Clercq et al., 2010; Taheri et al., 2019). Also there has been inconsistent, mixed and non-significant findings of EO elements on hotel performance relationship (Andersén, 2010; Anderson, Kreiser et al. 2015; Kreiser et al. 2013; Gao

et al. 2017; Rauch et al. 2019). Hill et al., (2020) argued that the recent global financial crisis and the collapse of General Motors and Lehman Brothers brought to the forefront the importance of organization's strategic intent through entrepreneurial orientation analysis. Effective and efficient implementation of entrepreneurial orientation is an important aspect of corporate strategic and financial management because it affects the profitability of the hotels in different ways (Okagi, 2019; Amarjit et al, 2010). An adequate exploration and implementation of entrepreneurial orientation is expected to contribute positively to the creation of a hotel's value hence hotel managers should control the trade-off between liquidity (ability to meet its dues as they fall) and profitability (size of earning after tax) (Mwangi, 2019).

Generally, the more the firm acts entrepreneurially, the less financial risk they may face. However, any absence of entrepreneurial orientation says like being innovative, pro-active, risk-taking and so on results in to low profits of the firm. Frequent entrepreneurial orientation adaptation needs to be considered owing to its importance and financial robustness (Aminu, 2016). Thus, it is felt that there is a need to implement the various entrepreneurial elements in such a way that organizational strategic goals are achieved and this results in to maintaining corporate image of that organization through maintaining the required amount of profits and striking a balance of its liquidity (Mandal et al, 2010; Okangi, 2019). The existence of an efficient and effective entrepreneurial orientation can make a substantial difference between the success and failure of an enterprise (Okangi, 2019; Olawale, 2014).

2.5 Service Quality

The nature of service is treated as a primary concern in the accomplishment or disillusionment of a business in a commercial marketplace. Quality is named as the level of magnificence at an adequate cost and the control estimation of inconstancy at a worthy cost. Throughout the years, quality in assembling segment remained the consideration of consumer loyalty center (Lee et al., 2018; Wu, 2012). Cheng (2013) viewed service quality as a "the perception of customers towards whether service is good or bad, the result of comparison between the service customers 'expect' to get and what they actually 'perceive'. Mei-Hsien, (2016) viewed service quality in consonance with the dissonance theory propounded by Festinger in 1957 which says service quality is concerned about a situation involving conflicting attitudes, beliefs or behaviors and it produces a

feeling of mental discomfort to an alteration in one of the attitudes, beliefs or behaviors to reduce the discomfort and restore balance.

According to Parasuraman et al (2015), service quality is an attitude or judgment concerning the excellence of a service rendered to a customer. In order for an organization to be competitive, it must strive to attain a level of quality in services it delivers that exceed the expectations of customers. It is a well-known fact that the main competitive advantage in the hotel business is granting services of higher quality in comparison with other competitors. The key factors of success here are services which would satisfy and even surpass the expectations of target clients (Yeji, 2017) and these services include any economic activity that produces time, place, form, or psychological utilities". Numerous investigations have hypothesized that service quality (SERVQUAL) is a multidimensional construct to measure quality (Lee et al., 2018; Liat et al., 2014; Amin et al., 2013). For instance, Akbaba (2016) inspected the administration idea of lodgings in Turkey by separating the want and certified perspective of administration quality in perspective of 29 trademark pointers which were associated with SERVQUAL. The most imperative factor reflecting the general needs of administration quality estimation was unmistakable organizations. Wilkinson and Birmingham (2018) moreover inspected the organization idea of lodgings in Australia. The seven parts were delivered from SERVQUAL, covering style and solace, room quality, interesting offers, quality staff, character, fast organization, and quality sustenance and refreshments.

Additionally, Choi and Chu (2017) conducted a research on the administration idea of motels in North Ireland. The focus was to consider the openings between the want and the perspective of organization quality passed on by two 3-star lodgings using 22 traits of SERVQUAL. In their finding, it was revealed that SERVQUAL was a notable instrument, and turned into an appropriate estimation apparatus for the lodging business performance, one of the administration organizations concentrating on consumer loyalty. Saunders et al. (2009) additionally built up an administration quality assessment scale for the friendliness area.

To determine the quality of service, Malonza&Walaba (2016) developed a service quality scale (the SERVQUAL scale) for measuring quality of service in the majority of service contexts, including hospitality. The research done by Gronroos (2016) also confirmed that the SERVQUAL

scale is a very useful tool to be adapted for the specific service segments. As per Gronroos (2016), there are three measurements of administration quality, the specialized quality, the capacity quality and the corporate picture. The specialized quality, which includes what the client, is accepting from the administration conveyance. The purchaser can estimate this in a somewhat target way. Functional quality includes the way in which the administration is conveyed. This worries the mental connection between the purchaser and the merchant as is seen in an exceptionally subjective manner and would incorporate components, for example, a) attitudes and conduct of workers; b) approachability of administration workforce, c) accessibility of administration, d) appearance and identity of workforce, e) relationship amongst workers, and, f) interrelationships amongst workers and clients. SERVQUAL identified five variables of service quality:

2.5.1 Reliability

The ability of staff to offer proper and consistent services, termed as reliability. It is the ability to perform the promised service dependably and accurately. Reliability means that the company delivers on its promises-promises about service delivery, problem resolutions and pricing. Customers want to do business with companies that keep their promises, particularly their promises about the service outcomes and core service attributes. All companies need to be aware of customer expectation of reliability. Firms that do not provide the core service that customers think they are buying fail their customers in the most direct way.

According to the study done by Girish & Nidhi, (2016) in assessing the impact of service quality on business performance in the ten 5-star Qatar-based hotels with a sample size of 243, the findings revealed significant interrelations of reliability, tangibles, and empathy with financial, non-financial, and operational performance of the surveyed hotels. Responsiveness and assurance had a no significant interrelation with non-financial performance and operational performance respectively. On another note, research studies reported that reliability as a service quality attributes has a constructive relationship with profitability and customer satisfaction (Lee et al., 2018; Liat et al., 2014; Amin et al., 2013). So, it was concluded that reliability is a significant predictor of hotel performance.

2.5.2. Responsiveness

According to Malonza&Walaba (2016), responsiveness is the ability of staff to respond to customers' wants and needs quickly. It is the willingness to help customers and provide prompt service. This dimension emphasizes attentiveness and promptness in dealing with customer's requests, questions, complaints and problems. Responsiveness is communicated to customers by length of time they have to wait for assistance, answers to questions or attention to problems. Responsiveness also captures the notion of flexibility and ability to customize the service to customer needs.

According to the study done by Girish & Nidhi, (2016) in assessing the impact of Service Quality on Business Performance in the ten 5-star Qatar-Based Hotels with a sample size of 243, the findings revealed no significant interrelations of responsiveness with financial, non-financial, and operational performance of the surveyed hotels. Responsiveness and assurance had a no significant interrelation with non-financial performance and operational performance respectively. This study focuses on addressing some the gaps as identified and hence the need to conduct this study.

2.5.3 Assurance

This is the employees' behavior and knowledge that reflect trust and confidence. It means to instill trust and confidence in customers. Assurance is defined as employees' knowledge of courtesy and the ability of the firm and its employees to inspire trust and confidence. This dimension is likely to be particularly important for the services that the customers perceives as involving high rising and/or about which they feel uncertain about the ability to evaluate. Trust and confidence may be embodied in the person who links the customer to the company, for example, the marketing department. Thus, employees are aware of the importance to create trust and confidence from the customers to gain competitive advantage and for customers' loyalty.

On a similar study conducted by Girish & Nidhi, (2016) in assessing the impact of service quality on business performance in the ten 5-star Qatar-based hotels with a sample size of 243, the findings also revealed no significant interrelations of assurance with financial, non-financial, and operational performance of the surveyed hotels.

2.5.4 Empathy

It means to provide caring individualized attention the firm provides its customers. In some countries, it is essential to provide individual attention to show to the customer that the company does best to satisfy his needs. Empathy is an additional plus that the trust and confidence of the customers and at the same time increase the loyalty. In this competitive world, the customer's requirements are rising day after day and it is the companies' duties to their maximum to meet the demands of customers, else customers who do not receive individual attention will search elsewhere. In the findings of Lee et al., 2018; Liat et al., (2014); Amin et al., (2013) it is reported that reliability as a service quality attributes has a constructive relationship with customer satisfaction. So, it was concluded that reliability is a significant predictor of hotel performance

2.5.5 Tangibles

The physical characteristics of the service facility such as proper equipment must be in good condition and they named it tangibles. Malonza&Walaba (2016) study proposed and identified new dimensions for service quality, such as accuracy of service and service time, ability to handle complaints, communication, and their influences on customers' satisfaction. Similarly, Malonza&Walaba, (2016) utilized the SERVQUAL model in Greek hotels, and found that service quality dimensions explained a very high proportion of the variance in word-of-mouth communications and purchase intentions.

Goni and Kuwata (2016) in their study of examining the effect of service quality on financial performance of hotels in Kano metropolis, Nigeria, observed that tangibility and communication have a significant effect on hotel financial performance, while, reliability, responsiveness, and confidence have no significant effect on the financial performance of hotels in Kano metropolis. Their conclusion was that tangibility and communication of service were more significant in explaining the variability of performance of hotels in Kano metropolis than reliability, responsiveness, and confidence.

2.5.6 Intervening effect of Service Quality on the relationship between Entrepreneurial Orientations and Hotel Performance.

Makeeva (2010) noted that the whole concept of service quality is relatively new, that is why it is important to be clear on exactly what to analyze and which tools to choose. Service is intangible

it can be accepted and understood differently by each individual customer or different social layers. Satisfaction itself refers to a number of spectrums of the relationship with the customer, for example: with the quality of a single product or service, with a business relationship with the price performance ratio, satisfaction because a product/service met or exceeded the customer's expectations (Capioppo, 2010). Knowledge of customer's attitudes and perceptions allows lodging companies to improve services provided which leads to the growth of customer's satisfaction hence improvement on service quality (Okangi, 2019).

Timmerman (2017) in their analysis of intervening effect of service quality on the relationship between EO and hotel performance, the findings indicated a partial mediation on the relationship. Additionally, it was also evidenced by Chi and Gursoy (2019) that customers' expectations about service quality are formed on the basis of the experiences customers had before and also according to the information they have received from personal or impersonal channels of marketing communication which in a long run impacts on the hotel performance. Consequently, the customers have a possibility to choose a certain hotel and only after a personal experience, clients are able to compare their own beliefs of the received services with their primary expectations. If the services satisfy and even surpass the customer's expectations, they will use the services of this hotel again (Okangi, 2019). Moreover, customers" dissatisfaction with the received services leads to huge losses in a market segment. For this reason, the hotels should reveal the requirements and expectations of the target clients as precisely as possible (Williams 2018). Knowing what customers' expectations of a product or service are, then firm can then tailor their products or services offering accordingly to fulfill these needs and satisfy these wants which in turn can lead to increased customer turnover thus improving the profit margin of the hotel (Uganda Tourism Board, 2019; Cant, 2013).

According to the study conducted by Mwesiga, Reagan et al., 2018 in their attempt to establish the effect of service quality on hotel performance in Serena hotel in Uganda, they found that all the five service quality variables yielded positive relation with both financial and non-financial performance. This means that service quality is strongly linked with hotel performance and the higher the service quality, the higher the customer satisfaction and hence improving the performance of the hotel. Their results further revealed that reliability dimension contributes most

towards enhancing hotel performance followed by Empathy, Tangibles and Responsiveness. Assurance was seen to contribute the least. However, all the dimensions were highly rated and therefore the hotels cannot afford to ignore any of the variables. From the analysis, it was also established that service quality has a statistically significant effect on hotel financial performance with a coefficient of determination (R^2) of 74.2%.In Mei-Hsien, (2018) study, the provision of good service quality is commonly associated with increased profitability, reduction in the liquidity level, customer satisfaction, customer loyalty, customer retention, customer attraction and positive word of mouth (Aloulou, 2018; Nadiriet al., 2019; Voss et al., 2007). Whether the front line employees who deal with customers face to face have the right market-oriented work attitude and behavior will have a direct effect on the quality of customer service or customer satisfaction. In turn, the performance of the hotel will also be affected (Mei-Hsien, 2018).

2.6 Literature Gap

Basing on the extensive studies conducted by Okangi, (2020) among others, there has been a significant relationship between entrepreneurial orientation, service quality and performance of hotels. Furthermore, it has also been confirmed that entrepreneurial orientation and service quality are very much critical elements in enhancing the performance of hotel enterprises (Anwar, 2011; Anderson, 2015). However, some contradicting results have been obtained in studies conducted by Soininen, Martikainen, Puumalainen & Kylaheiko, (2012) and Gregory, (2018) in which they found that one single entrepreneurial orientation dimension did not positively relate to profitability of hotel industry. This has made the researcher to use three dimensions of entrepreneurial orientation namely; firm's innovativeness, pro-activeness and risk-taking so as to bridge the gap. Furthermore, a number of studies have been done to investigate the influence of entrepreneurial orientation on performance of firms in the private sector, but the efforts to extend this of entrepreneurial orientation performance and service quality relationships on hospitality industry was still limited. Lastly, the same study has never been conducted in Northern Region say like in Gulu City. As such, this study was conducted to fill this gap in order to establish the relationship between entrepreneurial orientation and hotel performance in Gulu City Northern Uganda.

CHAPTER THREE

METHODOLOGY

3.0. Introduction

This section presents the methodology used in undertaking this study. This chapter particularly presents the research design, study population, sampling procedure, sample size and selection, sampling techniques, data collection, reliability and validity, data analysis, measurements of variables, study limitations and ethical considerations.

3.1 Research Design

The researcher employed cross-section, descriptive and correlational research design. Cross-section research design helps to provide information and identify patterns or trends about the different classes. Since this study focused on different levels of hotels, this design helped achieve the set objectives of the study.

Descriptive research design as stated by Kombo and Tromp (2018) is a narrative of the situation as it exists. A descriptive research design was taken for this study because the study aimed at describing the current situation so that it can be understood clearly as it is.

Correlational research design; basing on the study objective, correlation research design was suitable for this study because the study involves establishing the relationship between the independent variables and the dependent variable that is entrepreneurial orientation, service quality and performance respectively. Therefore, the design would help in establishing the relationship between entrepreneurial orientation, service quality and hotel performance.

The researcher adopted both quantitative and qualitative research approach. In quantitative data collection methods such as questionnaires and structured interviews enabled the researcher gather large scale data, in a relatively short time frame. The quantitative approach was suitable because it enabled generalization of the findings. Qualitative research approach was explanatory in nature and sought to answer “What’s” and “How’s” which eventually helped the researcher to draw conclusions with proper findings. Also in addition, qualitative research enabled the researcher to

capture the respondents' attitudes, behaviors and experiences regarding the phenomenon under study.

3.2 Study Population

Study population according to Shajahan (2005) is a set of elements of interest in a particular study. The study population comprised of 460 drawn from a total of 50 hotels registered in Gulu City (Gulu Hotel Owners Association, 2021; Prime Safaris & Tours Ltd, 2021). The unit of inquiry was the employees of the hotels which were taken from the selected hotels in Gulu City East and Gulu City West. Unit of analysis was hotels that offer accommodation/lodges, bar, restaurant and other facilities like swimming pool, gym, sauna plus many more which are operating in Gulu City.

3.3 Sample Size

The hotels which qualified to be under study were those hotels that have accommodation/lodges, bar, restaurant and other facilities like swimming pool, gym, sauna plus many more. Sample size of 210 had determined using Krejcie & Morgan population Table (appendix III). The sample size summary can be seen in Table 3.1.

Table 3.1: Sample Size

S/N	Category of the respondents	Number of respondents per hotel	Total number of hotels	Total number of respondents (Sample size)
1	Directors	1	30	30
2	Managers	1	30	30
4	Supervisors	1	30	30
5	Housekeeping employees	1	30	30
6	Food and beverage employees	1	30	30
7	Customers	2	30	60
	Total	**7**	**30**	**210**

Source: Gulu Hotel Owners' Association, (2018)

The researcher used purposive sampling technique to select the respondents from each category per hotel which included; managers 1, supervisors 1, food and beverage staff 1, housekeeping staff 1 and clients 2 making a total of 7 from the hotels. Directors were interviewed using interview guide and this was per each hotel in Gulu City.

Using simple random sampling, 30 hotels out of 50 were sampled. In order to gather a good data, names of the different hotels were written in a small piece of paper and picked randomly to avoid biasness. A total of 24 hotels out of 40 were picked from Gulu City East while 6 out of 10 from Gulu City West making a total of 30. This was based on the ratio of 4:1 whereby more distribution of the study element calls for more numbers to be selected and vice versa.

3.5 Sampling Techniques

The researcher used purposive and simple random sampling techniques to draw samples. Purposive sampling technique was primarily used in qualitative studies and may be defined as selecting units such individuals, groups of individuals, institutions based on specific purposes associated with answering a research study questions (Kothari & Gaurav, 2015). Based on that, directors of Gulu City hotels were purposively sampled since they are the ones who were able to give the right information for the study. The researcher also used simple random sampling to select hotels for the study and the researcher targeted various departments in the hotel such as; housekeeping, food and beverage, customers in the two constituencies in Gulu City. This technique ensured that everybody had an equal chance of being selected so that biasness was avoided. In addition, the technique was more cost and time-effective.

3.6 Sampling Procedure

The researcher selected different hotels using simple random sampling method without replacement from the list of all hotels in Gulu City that are registered with Gulu City Authority. The different names of hotels from Gulu City East were written and placed in a small box and shaken properly. From the same box, 24 out of 30 names were randomly picked. Similarly, 6 out of 10 were picked from Gulu City West. This was done to give each hotel an equal chance of being selected. The distribution was proportionately calculated since there is a total of 40 hotels and 10 hotels in Gulu City East and West respectively. The researcher through purposive sampling gathered information from the directors, managers, supervisors, employees in housekeeping and food and beverage department and customers since they are the people who may be knowledgeable about the study.

3.7 Data Sources

Data for the study were collected from both primary and secondary sources. Primary data were collected physically from the respondents through interviews and by the help of questionnaires distributed to the selected respondents. Secondary data were gathered through viewing business records, websites, publications, reports, record books, business documentary evidences like purchase and payment vouchers and many others.

3.8 Data Collection Methods

The researcher employed both quantitative and qualitative methods of data collection. The researcher used questionnaire for quantitative while interview method was for qualitative.

3.8.1 Quantitative method

The researcher used questionnaire method to collect quantitative data since it was usually more accurate, reliable, and credible. This method involved collecting numerical datasets which can be analyzed with mathematical techniques. The data was collected basing on scales such as nominal, interval, ratio, and ordinal as suggested by Kothary, (2015).

3.8.2 Qualitative method

The researcher used interview method to collect qualitative data. According to Kothary, (2015), interview method involved collection of non-numerical, or that is in the form of words, phrases, and sentences. The researcher collected the information by having face to interaction with the directors/managers of the different hotels in Gulu City pertaining to the study objectives. The method was suitable because it enabled the respondent's perceptions, intentions, and emotions on a specific topic to be captured. Also, the method enabled unearthing some hidden issues pertaining to the study. This was achieved through probing which is very important in the study like this one.

3.9 Data Collection Tools

The researcher collected primary data using both questionnaires and interview guides. The researcher during interviews with the respondents, hotel business records was also reviewed so as to get more information about the study.

3.9.1 Questionnaires

The researcher developed questions which were open-ended and closed ended mainly based on a predetermined and standardized arrangement. The questions focused on the kinds of entrepreneurial orientation adopted by hotels, the relationships that exist between EO and hotel performance, EO and service quality and lastly service quality and hotel performance in Gulu City Northern Uganda. The researcher gave structured questionnaires to the managers/directors, client and employees of the hotels in Gulu City Northern Uganda. Questionnaire was suitable because it enabled easy getting of feedback directly from the respondents. At the same time, it allowed each respondent an opportunity to provide anonymous feedback. Questionnaires are practical; large amounts of information on perceptions can be collected from a large number of people; can be carried out by the researcher or by any number of people without affecting its validity and reliability; the results of the questionnaires can usually be quickly and easily quantified by either a researcher or through the use of a software package; can be analyzed more 'scientifically' and objectively than other forms of research.

3.9.2 Interview guide

Under interview method, the researcher used interview guide whereby hotel managers/directors were interviewed according to the study objectives. Interview guide was suitable for this study because the topic was not well understood by most people since there was limited research in the area of hotel industry particularly in Northern Region of Uganda which makes it difficult for them to interpret.

3.10 Reliability and Validity

Reliability and validity of both quantitative and qualitative research instruments were ensured.

3.10.1 Quantitative Study

3.10.1.1 Reliability

Reliability is the proportion of variance attributable to the true measurement of a variable and estimates the consistency of such a measurement over time. It is a measure of the degree to which a research instrument would yield the same results after repeated trials (Kothari, 2015). According

to Odiya (2009) reliability is a threshold as the consistency of the instrument in measuring whatever it is intended to measure. According to Odiya (2009), Cronbach's Alpha is used if the instrument has more than two responses provided for each item. Based on that, the researcher used Cronbach's Alpha test of reliability to test for internal consistency of the research instruments. To ensure the reliability of the modified instruments (questionnaire), the researcher first conducted a pilot study targeting 5 purposively selected respondents from two randomly selected departments and the results for the reliability test is seen from the table 3.3

Table 3.2: Reliability test score

Dimensions	No of Items	Cronbach'sApha
Overall	83	0.902
Entrepreneurial Orientation	25	0.738
Service Quality	29	0.744
Financial performance	21	0.857

Source: Primary data (2022)

From the findings above, the reliability coefficient was above 0.7 as recommended by Amin (2005) for a tool to be considered to be able to collect reliable data.

3.10.1.2 Validity

Odiya, (2009) in support of Amin, holds that, validity of an instrument is the ability of the instrument to collect justifiable and truthful data; that is, measuring what it is developed to measure (Odiya, 2009). Experts in the field were consulted about the content of instruments, ambiguity of question items and their relevancy. Therefore, the instrument(s) was rated in order to ascertain their relevance for each item and a content validity index (CVI) was computed using the formula below.

CVI = content validity index;

R= Total number of items rated as relevantly = Total number of items rated as Neutral; and

IR= Total number of questions rated as irrelevant

By using the noted formula, the researcher calculated the content validity index for the questionnaire as follows;

The validity of the questionnaire was tested using the content validity test (CVI) as.

$$CVI=\frac{\text{Number of items rated as relevant}}{\text{All items in the questionnaire}}$$

To ensure validity of the instruments, the questionnaire was reviewed by the supervisors and the researcher as well pre-tested the questionnaire for more prove of validity. The validity results can be viewed from table 3.4.

Table 3.4: Validity pre-test results

Raters	**Relevant**	**Not relevant**	**Total**
Rater 1	75	8	83
Rater 2	73	10	83
Total	**148**	**18**	**166**

$$CVI=\frac{Number\ of\ items\ rated\ as\ relevant}{All\ items\ in\ the\ questionnaire}$$

$$\text{Therefore } CV1=\frac{148}{166} = 0.891$$

CVI=0.891 which is above 0.7 as recommended by Amin (2005) hence the instrument was valid for the study since 0.891 was closer to 1 and this made the instrument valid for the study.

3.10.2 Qualitative Study

3.10.2.1 Reliability

To ensure credibility of the qualitative instruments, the researcher checked all the transcripts to get rid of all obvious mistakes made during transcribing. At the time of coding, the research ensured that thorough coding was consistent in all instruments to mitigate divergence in codes by repeatedly comparing and contrasting the codes generated as recommended by Creswell, (2014).

3.10.2.2 Validity

To ensure validity of qualitative instruments, the researcher had to source data from different participants, such as directors', managers of hotels, employees from the different departments in the hotel on the matters pertaining to the study. In attempt to ensure peer debriefing, after the report writing, the researcher engaged an external editor who reviewed the entire report and objective assessment was provided. the external editor looked at the accuracy of the research report and the

relationship between the research questions and the information obtained, grammar and sentence construction. All these validity strategies ensured accuracy and credibility of the study findings.

3.11 Data Collection Procedure

A supporting letter signed by the dean faculty of business and development studies of Gulu University was attached to the questionnaire explaining the objectives of the research. The letter assured respondents' confidentiality of the data they will provide. Also, a letter from Gulu City town clerk was attached to authorize permission to collect data from the different hotels in Gulu City. Finally, the questionnaires were self-administered to the respondents and at the same time interviews with the key informants were carried out.

3.12 Data Processing

Quantitative data collected from the field was put together, carefully examined, organized, sorted, edited, coded and tabulated with the aim of checking errors that enabled reliable analysis. Data from the questionnaires was coded, entered, edited for consistency and easiness and it was presented in form of frequency tables and percentages that was used to give meaningful interpretation in chapter four. Qualitative data from the interviews was extracted, edited and re-organized into meaningful shorter sentences. This was then presented to supplement the quantitative data in order to have a clear interpretation of the results.

3.13 Data Analysis and Presentation

According to Kothari, (2004) and Saunders, Lewis, & Thornhill, (2012), data analysis procedure involves the manner of packaging the information gathered, putting in order and organizing the main parts in a way that enables easy, effective and efficient communication of findings. The researcher analyzed and presented both quantitative and qualitative data.

3.13.1 Quantitative data analysis

In analyzing quantitative data, the researcher used descriptive, correlation and regression analyses to arrive at the study's conclusions. The descriptive measures were used to describe some characteristics of respondents and hotels that were included in the study in the period of interest while correlation measures were used to ascertain the strength and direction of the relationships

between entrepreneurial orientation, service quality and performance of hotels. The data was analyzed by using both descriptive and correlation statistics. Data analysis using descriptive statistics included measures of central tendency, frequency distributions, percentages, and measures of variance or standard deviations. The means and standard deviations were used to summarize the data in the descriptive statistics. The above frequencies and percentage was reported for the demographic data. All these were achieved through the use of Statistical Package for Social Sciences (SPSS).

3.13.2 Qualitative data analysis

Qualitative data was descriptive in nature and obtained from interviews, open ended questions and review of documents. This data was presented in accordance with the objectives of the study which helped to substantiate findings from quantitative data. Responses obtained was categorized into common responses and was analyzed using both inferential and descriptive statistics. Thematic analysis was used to edit the data from interviews and re-organized it into meaningful shorter sentences. For qualitative data, short phrase or sentences was presented to supplement the quantitative data in order to have a clear interpretation of the results

3.14 Measurements of Variables

The questionnaire for service quality was based on the measures of service quality as stipulated by Qualtrics (2007). The measures for service quality included reliability, responsiveness, tangibles, assurance and empathy. The measures for entrepreneurial orientation included: firm's innovativeness, pro-activeness and risk-taking. Financial performance was measured by profitability and liquidity while market share and productivity was for non-financial performance.

The relationship between entrepreneurial orientation (EO) and performance was evaluated using Pearson's correlation coefficient and the intervening effect of service quality on hotel performance was run by Bootstrapping method employed using SPSS Process Macro. A regression analysis with a function Y= a + bx where y) represents the dependent variable, a) represents the constant and x) the independent variable. Five likertscales ranging from Strongly Disagree (SD), Disagree (D), Not sure (NS), Agree (A) and Strongly Agree (A)was used to measure the study variables.

The five likert scale was used because the study of this nature involves gathering people's opinions pertaining to their level of understanding.

3.15 Limitations of the Study

The researcher encountered numerous challenges during data collection and these were discussed as below:

Time factor; the local literature for the study was limited and this made the researcher to take a lot of time analyzing and reading widely. This problem was handled by creating more time and reading widely so as to gather substantial information. Delays from respondents during data collection delayed reporting due to tied daily work schedules. This was solved by proper scheduling appointments with them at their own most appropriate time.

Secrecy; some of the study areas focused on finance which was very sensitive because it involves matters of secret finance information that could not be revealed. This was overcome by assuring the respondents of their anonymity and proving to them that, the study was strictly for academic purposes not for any other business or intentions.

Financial limitation; the researcher had financial shortages due to many financial expenses related to collecting data from the field yet the researcher had very limited available financial resources. This however was overcome by aggressive borrowing and soliciting additional financial assistance from other friends and relatives.

Non responsiveness; some respondents failed to fill and return the answered questionnaires. This was overcome by making regular reminders and follow up. Lastly, Covid-19 outbreak still exists within the community and this has limited free respondents' participation. This was overcome by putting a face mask; regular hand sanitizing and observing social distance with the respondents especially during an interview.

3.16 Ethical Considerations

Scholars have cautioned researchers not to take lightly, issues pertaining to ethical considerations such as openness with respondents and appropriate treatment of confidential information when

conducting a study (Malhotra and Birks, 2007). Based on this, the following steps were taken in order not to offend or endanger any participant or respondent.

The researcher obtained an introductory letter from Gulu University authority in order to gain confidence of the respondents. The researcher solicited permission from the office of Gulu City town clerk to collect data. The researcher first got consent from the managers/proprietors of hotels before consenting with the respondents. The researcher assured all the respondents who participated in the study that their participation was voluntary.

Respondents were assured that any information provided for the study will be treated confidentially and will be used for academic purpose only.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter presents results obtained from the data analyzed which were in accordance with the study objectives. The chapter presents, demographic results of the respondents, and findings related to the four study objectives. (i) to examine the kinds of entrepreneurial orientations adopted by hotels in Gulu City, (ii) to examine the performance of hotels in Gulu City, (iii) to establish the relationship between entrepreneurial orientation and hotel performance and (iv) to establish the intervening effect of Service quality on the relationship between EO and hotel performance in Gulu City, Northern Uganda.

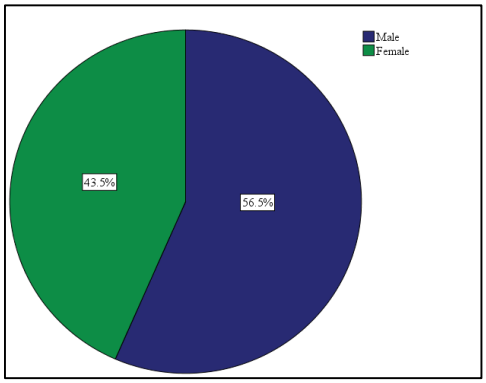
4.1 Demographic Results of the Respondents

The demographic data of the respondents include the sex, marital status, age brackets, educational background, current position and job duration, these are sought to establish the respondents understanding of the research problem. The biographical information of the respondents was analyzed of which the results are discussed in the subsequent sections.

4.1.1 Gender of the respondents

The percentages of male and female respondents were presented in Figure 4.2.

Figure 4.2: Gender of the Respondents



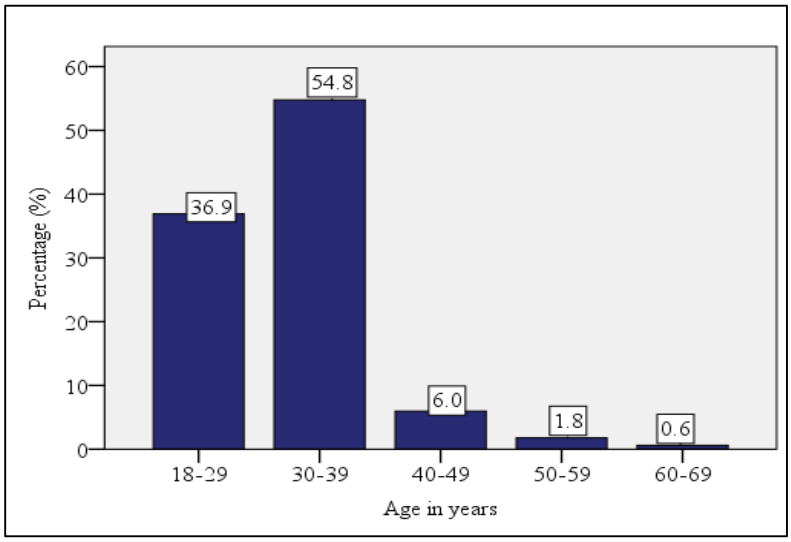
Source: Primary data (2023)

From the Figure 4.2, the findings of the study revealed that majority of the respondents were male represented by 56.5% while the minority were female and was represented by 43.5%. This shows that there were more male respondents than female from the sample taken.

4.1.2 Age of the respondents

The age of the study respondents was also an important factor in the process of understanding the research problem. According to the study findings the respondent's views were presented in Figure 4.3.

Figure 4.3: Age of the respondents



Source: Primary data (2023)

From the findings in Figure 4.3 the majority of the respondents fall within the age bracket of 30-39 years with at 54.8% followed by 36.9% of the respondents being in between 18-29 years of age. This may be because of the existence of age diversity in the workplace which is extremely important in understanding the career priorities of the different generations which is critical in every organization.

4.1.3 Marital status

The marital status of the respondents was also covered and analyzed to assess their views in relation to the study problem as shown in Table 4.1

Table 4.1: Marital status

Study variables on Marital Status	Frequency	Percent	Cumulative Percent
1. Single	67	39.9	39.9
2. Married	83	49.4	89.3
3. Divorced	9	5.4	94.6
4. Widowed	3	1.8	96.4
5. Separated	6	3.6	100.0
Total	168	100.0	

Source: Primary data (2023)

From the Table 4.1, the result indicates that majority of the respondents were married accounting for 49.4% (83), followed by single respondents who formed 39.9% (67). Divorced 5.4% (9), separated made up to 3.6% (6), and widowed consisted 1.8% (3) of the respondents. The study established that majority of the respondents were married with few who were widowed.

4.1.4 Highest level of education

In order to get information from all categories of people, those that have attained both O' and A' level of education, certificate, diploma, bachelor's degree and others like primary, master's degree were all approached during the study process. This established the levels of education of the respondents as indicated in Table 4.2.

Table 4.2: Respondents' highest level of education

Study variables on respondents' highest level of education	Frequency	Percent	Cumulative Percent
1. No formal education	4	2.4	2.4
2. Primary Leaving Examination (PLE)	12	7.1	9.5
3. O-level	13	7.7	17.3
4. A-Level	12	7.1	24.4
5. Certificate	42	25.0	95.8
6. Diploma	59	35.1	70.8
7. Bachelor's Degree	19	11.3	35.7
8. Master's Degree	7	4.2	100.0
Total	**168**	**100.0**	

Source: Primary data (2023)

The study findings as indicated in Table 4.2revealed that 35.1% (59) of the respondents have attained diploma followed by certificate 25.0% (42). The result also indicates that bachelor's degree holders represented 25.0% (42). Respondents in O' Level represented 7.7% (13) while 7.1% (12) represented respondents who have attained both A' Level and primary leaving education (PLE). Respondents with master's degree were represented by 4.2% (7) and finally 2.4% (4) reflected those with no formal education. The result therefore, indicates that there are more diploma holders employed in hotels in Gulu City as compared to other educational levels. The highest level of diploma holders can be pegged to the few universities in Uganda offering specialized degree courses in hotel related field such as hotel and hospitality management which can be very critical at top and middle level management.

4.1.5 Respondents' current position in the Hotel

Respondents' job position in the different hotels was also taken as something very important in providing the right information for this study. This was because every position in the hotel has got its own unique challenges and therefore, their views would really support the study. The result of the respondents' current job position has been presented in Table 4.3.

Table 4.3: Current position of the respondents

Respondents' current position in the hotel	Frequency	Percent	Cumulative Percent
1. Director	5	3.0	3.0
2. Manager	22	13.1	16.1
3. Supervisor	22	13.1	29.2
4. Food & Beverages Staff	73	43.5	48.8
5. House Keeping Staff	33	19.6	56.5
6. Clients	13	7.7	100.0
Total	**168**	**100.0**	

Source: Primary data (2023)

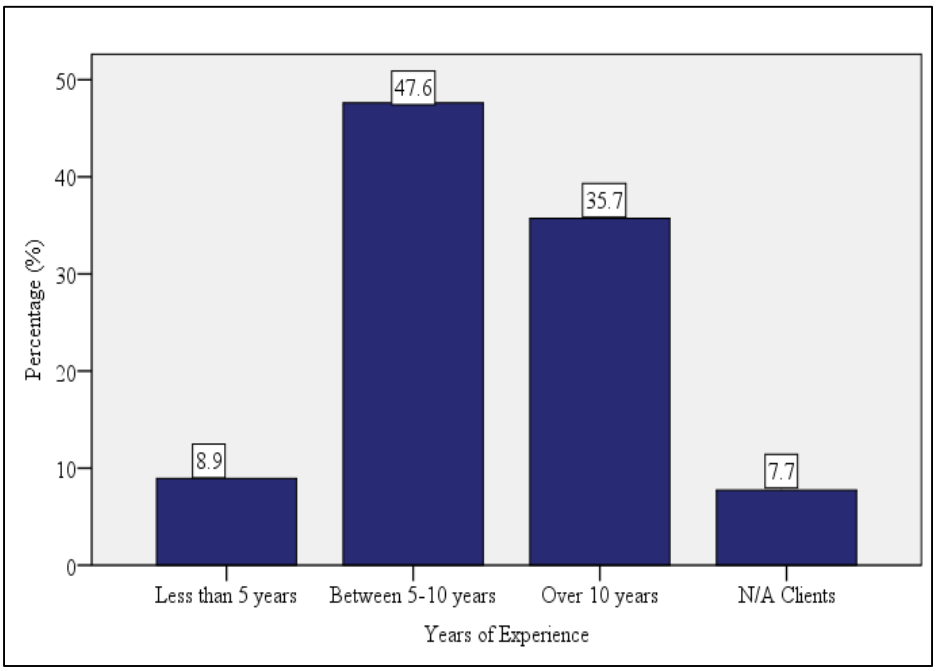
The researcher sought to investigate the position the respondents work for in the hotel. The findings indicate that Food and beverages staff 43.5% constituted the majority of the study respondents, housekeeping staff 19.6%, manager and supervisor had a representation 13.1% respectively.

Clients of the hotel were represented by 7.7% and finally those respondents working as directors had the lowest representation of 3.0% as shown in Table 4.3.

4.1.6 Years of experience of respondents in the current position

The duration of work in any workplace matters a lot in this kind of study because different workers have varying level of knowledge and experiences. This would help in unveiling key important information related to this study. Respondents' years of experience in the hotel have been presented in Figure 4.4.

Figure 4.4: Years of experience in the current position



Source: Primary data (2023)

Analysis of the result from Figure 4.4 revealed that majority 47.6% of the respondents had worked between 5-10 years in the hotel. Participants who had worked for more than 10 years accounted for 35.7%. Respondents with work experience less than 5 years constitute 8.9% while others especially clients (N/A) constituted 7.7%. The study therefore, established that a big number of the participants had working experience of 5-10 years in their current position of work in the hotel.

4.2 Characteristics of the Hotels

The characteristics of the hotels operating in Gulu City was also studied and analyzed to assess those services which are provided by those sampled hotels. The details are shown in Table 4.4

Table 4.4: Characteristics of Hotels

Characteristics of hotels	Frequency	Percent	Cumulative Percent
1. Offers accommodation	67	39.9	39.9
2. Bar services	54	32.1	72.0
3. Restaurant	42	25.0	97.0
4. Swimming pool	2	1.2	98.2
5. Sauna	3	1.8	100.0
Total	168	100.0	

Source: Primary data (2023)

From the Table 4.4, the result indicates that majority of the sampled hotels offer accommodation services which accounted for 39.9% (67), followed by bar represented by 32.1% (54). Hotels that had restaurants accounted for 25.0% (42). 1.8% (3) represented those hotels that have sauna and lastly swimming pool accounted for 1.2% (2). The study established that majority of the sampled hotels in Gulu City offer accommodation, bar and also have restaurant but with very few number that offer swimming pool and sauna services.

4.3 Response Rate

The response rate was computed and findings are presented in Table 4.5

Table 4.5: Response rate

Instrument	**Target Response**	**Actual Response**	**Response Rate (%)**
Questionnaire	180	150	89.3
Interview guide	30	18	10.7
Total	**210**	**168**	**100**

From the Table 4.5, the response rate indicates that, out of the 180 questionnaires distributed, only 150 were returned making a response rate of 89.3%. Out of the 30 respondents targeted for face to face interviews, 18 were actually carried out implying a response rate of 10.7%. This response rate was deemed adequate since it was over and above the 50% as recommended by Sekaran (2003).

4.4 Entrepreneurial Orientations adopted by the Hotel Owners in Gulu City

These are the results of objective (i) which was about the kinds of entrepreneurial orientations adopted by hotels in Gulu City. These hotels are classified differently depending on the capacity of services they provide and in Gulu City the hotels are yet classified in to luxury, midrange and budget as described in appendix IV. They have multiple room options and available room service. Most rooms have more furniture such as couches, dressing tables, tables, chairs and on-site restaurants, swimming pools, fitness centers and well-designed lobbies.

Firm's innovativeness, Pro-activeness and Risk-taking were the three dimensions of entrepreneurial orientations examined and their respective results have been indicated as follows.

4.4.1 Firm's innovativeness

Participants' views with respect to their knowledge on innovation were unveiled and their views can be seen from Table 4.6

Table 4.6: Hotel level of Innovativeness

	D	D	SD+D	NS	A	SA	A+ SA
Statements on Hotel level of Innovativeness	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our management emphasizes on developing new products/services	0.0	1.3	1.3	10.7	67.3	20.7	88.0
2. Our products/services are unique from other hotels	2.0	2.0	4.0	10.0	56.7	29.3	86.0
3. Our hotel frequently tries out new ideas in the different business lines	1.3	5.3	6.6	15.4	56.7	21.3	78.0
4. Our management is spending on new product development activities	2.7	6.0	8.7	13.3	52.0	26.0	78.0
5. Our hotel places a strong emphasis on continuous improvement in product or service delivery	2.7	0.7	3.4	8.6	57.3	30.7	88.0
6. Our management seeks out new ways of doing things in all units of the hotel	3.3	2.7	6.0	5.3	57.3	31.3	88.6
7. Our management emphasizes on utilizing new technology that improves production	3.3	7.3	10.6	20.0	42.7	26.7	69.4
8. Our management practices are in line with new technological advancement	2.0	10.0	12.0	12.0	54.0	22.0	76.0
9. Our management welcomes and support new ideas from the workers regardless of their position	1.3	8.0	9.3	10.0	59.3	21.3	80.6
10. Our management encourages employees to think and behave in original manner	2.7	2.7	5.4	7.3	58.7	28.7	87.4
11. Management of this hotel emphasizes on research and development	4.0	6.0	10.0	13.3	56.0	20.7	76.7
12. Management of this hotel places a strong emphasis on creating new products/services	3.3	7.3	10.6	11.3	58.7	19.3	78.0
13. Our hotel has widely held a belief that innovation is an absolute necessity for the hotel future.	2.0	1.3	3.3	9.3	58.0	29.3	87.3
Averages (%)	**2.4**	**4.7**	**7.1**	**11.2**	**56.5**	**25.2**	**81.7**

Source: Primary data (2023)

The items were scaled using the five-point Likert scale where code SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree and SA = Strongly Agree. The details are supported by interview results and documentary evidence.

Generally, from the Table 4.6, innovativeness was rated at 81.7% meaning that majority of the sampled hotels in Gulu City take innovation as one of the ways through which quality service and performance can be improved in order to ensure survival and growth.

The study findings as seen from the Table 4.6 shows that 88.6% of the respondents agreed that management of the hotels in Gulu City seek out new ways of doing things in all units of the hotel. Also 88.0%of the respondents agreed that management of the hotel emphasizes on developing new products/services. Similarly, 87.4% of the respondents agreed that management of the hotel encourages employees to think and behave in original manner. Encouraging employees to think and behave in the original manner helps improves the level of innovation in the hotel and this in a long run helps improve service quality and as a result performance of the hotel shall improve.
From the Table 4.6, 87.3% constituted those respondents who agreed that the management of the hotels have widely held a belief that innovation is an absolute necessity for the hotel future in Gulu City. One of the managers reported that;

> *"Our employees' uniforms are unique especially the design, colour which is maroon, blue, grey and white together with the name tags well engraved. These uniforms are for special occasions. In addition, we have a well-designed gust's cash book and standardized menu which is electronically displayed and does not waste customer's time asking about the hotel's offers''.*

According to the study, 78.0% of the respondents agreed that, management of their hotel frequently tries out new ideas in the different business lines. This implies that majority of hotels are venturing in to varieties of business lines to help increase the hotel revenue and this in a long run results in to improved financial performance of the hotel. This finding is also supported by a qualitative finding from one of the hotel managers during an interview, he noted that;

> "*for our case to increase hotel revenue base, we have established a tour company which was not in to existence and this has helped a lot to bridge financial gap in the hotel. This is working well because in a situation whereby the hotel cannot pay staff in a difficult month we get financial support from the tour company and this is helping us a lot''.*

From the Table 4.6, 78.0% accounted for the respondents who agreed that management of the hotel in Gulu City places a strong emphasis on creating new products/services. Customers' preference and choices for products/service keep on changing from time to time and this requires regular review and improvements in the kind of products and services offered to customers. In line to the same statement, 10.6% disagreed with the argument and 11.4% as well were not sure. This finding was supported by one of the respondents' views who said;

> *"for us time and again we bring in new uniforms and make sure that each employee has 3 pairs which are worn on the specific days of work with names well designed. Secondly, our employment cards are original and unique in nature''.*

The study result also showed that 76.0% of the respondents agreed that hotel management practices were in line with the new technological advancement.

According to the study findings in Table 4.6 above, 69.4% of the respondents agreed that management of hotels emphasizes on utilizing new technology that improves production. Also, the study findings indicate that 76.0% of the respondents agreed that their hotel management practices are in line with new technological advancement. This implies, technological advancement improves efficiency and productivity of workers. Hotels that are technologically advanced will be always in a better position to provide quality service and improve performance. In an interview with one of the heads of food and beverage department he declared that;

> *"I remember during my induction training, my manager put it to me in black and white that, I should not make any mistake of bringing my old system of doing things from my previous workplace. Whenever you are in Rome behave like the Romans. I found new system of service and set up so I had to adopt and move on. So as I speak now I have gained a lot of knowledge and experience in new ways of preparing foodstuff in the kitchen''.*

Contrary to those respondents in agreement, study findings show that12.0% of the respondents were in disagreement to the statement that hotel management practices were in line with new technological advancement. This was followed by 10.6% of the respondents disagreeing that hotel

management emphasizes on utilizing new technology that improves production. The findings also revealed that respondents accounting 1.3% disagreed that hotel management emphasizes on developing new products/services as seen from Table 4.6 number one on the list of items under innovativeness. The implication of this is that, hotel businesses have to continuously create value for their customers in order to remain relevant, identify opportunities even in adverse situations and explore avenues to outdo competition. Similarly, from the Table 4.6, 3.3% constituted those respondents who disagreed that the management of the hotels has widely held a belief that innovation is an absolute necessity for the hotel future in Gulu City.

4.4.2 Pro-activeness

The manner in which management of the hotels are prepared towards unusual situations was also established. Findings from the study can be seen from Table 4.7.

Table 4.7: The extent to which Gulu City Hotels were Pro-active

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Pro-activeness	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our hotel acts in anticipation of future needs and management by crisis is limited here	6.7	2.7	9.4	27.3	48.7	14.6	63.3
2. Our hotel effectively and efficiently managed the outbreak of Covid-19	15.3 8.7	7.3 20.7	22.6 29.4	14.7 21.3	33.3 30.7	29.4 18.7	62.7 49.4
3. Our hotel is often the first to introduce new products/services.	0.0	6.7	6.7	14.0	46.0	33.3	79.0
4. Our hotel aims at recognition of clear customer needs	6.7	6.7	13.4	16.7	44.7	25.3	70.0
5. Our hotel has adequate market for the products or services we sell or offer	5.3	10.0	15.3	26.0	41.3	17.3	58.6
6. Our hotel typically initiates actions to which our competitors then respond							
Averages (%)	**7.1**	**9.0**	**16.1**	**20.0**	**40.8**	**23.1**	**63.9**

Source: Primary data (2023)

The level of hotels' pro-activeness was rated at 63.9% agreement implying that majority of the sampled hotels in Gulu City were pro-active in their operations.

According to the Table 4.7; 79.0% of the participants agreed that their hotel aims at recognition of clear customer needs of which any hotel that provides the right product/service at the right time to

the right customer; he or she will keep customers in business. This statement was also supported by one of the respondents in an interview who noted that; *''apart from the hotel menu, our customers' preferences are catered for either internally or externally. We really strive to ensure that our customers are being served with what they really want''.* In contrast, 6.7% disagreed with the statement. Similarly, 70.0% of the respondents agreed that hotels have adequate market for the products or services being sold or offered while only 13.4% had disagreed with the same statement.

From the Table 4.7; 63.3% of the respondents agreed that their hotel management acts in anticipation of future needs and management by crisis is limited. This implies that majority of the sampled hotels in Gulu City were able to anticipate future needs and management by crisis is limited. Being more prepared for any kind of eventualities or unusual situation makes your business not suffer a lot of costs since some strategies had already been put in place. However, this may not work so easily with other hotel managers/directors since this depends on the attitude and entrepreneurial spirit inbuilt in a particular manager/director and that is why 9.4% of the respondents disagreed with the statement.

The study findings also indicated that 62.7% of the respondents agreed that their hotel has effectively and efficiently managed the outbreak of Covid-19. The qualitative finding also is in support of this finding from one of the respondents, she noted that;

> "*for us much as this pandemic caught us suddenly, at least we had opened staff saving scheme which was directly deducted from staff monthly salary. This really helped us a lot to maintain our staff during first lockdown. Also, some little loan with an interest of 2.0% was also offered to us so that we survive with this also played a lot in ensuring our jobs are secured*''.

In contrary 22.6% disagreed with the statement. Also in line to the same finding, an interview finding from one of the respondents who informed the researcher that; *''we managed Covid-19 by observing the national guidelines on SOPs such as; putting on mask, sanitize regularly, maintaining social distance and many more''.*

The study findings also indicated that 49.4% of the respondents agreed that their hotel is often the first to introduce new products/services. This finding was also confirmed by one of the respondents who said;

"*it was us who first brought the idea of live band to entertain customers especially every Saturday. Secondly, old school music viewed on a wide board with a projector attracts a lot of our customers, this was done and many other hotels now days are now doing so*".

On the same note; another respondent who was interviewed noted that; ''*we were the first to introduce cultural night embraced with traditional quizzes, this really promoted culture and attracts some other tourist who are within the region*".

The study findings also indicate that 29.4% of the respondents disagreed with the statement.

4.4.3 Risk-taking

The ability of the hotels to make decisions that commit large amounts of resources to projects with uncertain outcomes in order to take better advantage of business opportunities was also established. The findings are presented in Table 4.8.

Table 4.8: Respondents' views on the hotels' risk-taking level

	SD	D	SD+D	NS	A	SA	A+SA
Firm's Risk-Taking	**%**	**%**		**%**	**%**	**%**	**%**
1. Our hotel has a strong and aggressive attitude towards taking decisions to achieve the hotel's objectives	7.3	8.7	16.0	14.7	53.3	16.0	69.3
2. In our hotel, the term "Risk-taker" is considered as a positive attribute	6.7	11.3	18.0	16.7	48.0	17.3	65.3
3. Our hotel employees understand risk-taking	5.3	9.3	14.6	16.0	61.3	8.0	69.3
4. Relative to our competitors, our hotel has a high propensity to take risk	10.0	14.0	24.0	22.0	36.7	17.4	54.1
5. Our hotel management has a strong preference for high-risk projects	6.7	15.3	22.0	22.7	42.7	12.7	55.4
6. Our management responds to the available business opportunities	1.3	4.0	5.3	17.3	50.7	26.7	77.4
Averages (%)	**6.2**	**10.4**	**16.6**	**18.2**	**48.8**	**16.4**	**65.2**

Source: Primary data (2023)

The rating of the respondents' level of risk-taking was rated at 65.2% as indicated in Table 4.8. This means out of the sampled hotels in Gulu City, majority were risk-takers.

From the Tale 4.8; 77.4% of the respondents agreed that management of the sampled hotels in Gulu City responds to the available business opportunities while only 5.3% of the respondents

disagreed with the statement. Similarly, 69.3% of the respondents agreed that their hotel has a strong and aggressive attitude towards taking decisions to achieve the hotel's objectives and hence, improving hotel performance. Majority of the sampled hotels in Gulu City have a strong and aggressive attitude towards taking decisions to achieve the hotel's objectives. Decision making takes three conditions; condition of certainty, uncertainty and risk. However, 16.0% of the respondents disagreed with the statement because risk-taking depends on how aggressive the person is in as far as taking risk is concerned. This finding is supported by a respondent's report during an interview whereby he noted that;

> *"What I know, risk-taking results in to a bigger return to those who are optimistic /courageous especially when well calculated but this may not be so with those ones who are pessimistic. Our management makes risky decisions that sometimes for us we even worry so much but later we see it being fruitful. For example, organizing big shows especially bringing those legendary artists from Kampala twice a month''.*

According to the study finding, 65.0% of the respondents agreed that in their hotel, the term "Risk-taker" is considered as a positive attribute. If risk-taking is taken as a positive attribute by every worker right up from top to lower management, then performance will improve because everyone would have the capacity to venture in to calculative risk. 18.0% constituted those who have disagreed. This finding was supported by the respondent's views in an interview who revealed that;

> *"Business requires risk; you risk you don't get money. Even the business capital put in to the business is also risk. Our director has put 10 million for a show on the Ascension Day and he made 17.8 million of which if he had not risked he wouldn't have realized that much. From that return, we started to develop the spirit of taking risk''.*

The average of 65.2% represents agreement to responses to risk-taking. This implies that majority of the hotels sampled in Gulu City take risk in order to maximize revenue for the hotel.

In summary to the three entrepreneurial orientations, innovativeness, pro-activeness and risk-taking have been rated at 81.7%, 63.9% and 65.2% respectively. This implies innovativeness was being greatly adopted by hotels in Gulu City followed by risk-taking and pro-activeness being implemented least. This result indicates a general implementation of entrepreneurial orientations

by hotel owners but the level vary depending on the kind of entrepreneurial orientation being adopted.

4.5 Performance of the Hotel (financial and non-financial) in Gulu City

These are the results of study objective (ii) which was concerned about the performance of the hotels in Gulu City and the performance indicators examined were; profitability, liquidity, market share and productivity. The descriptive findings have been presented systematically in the different tables below.

4.5.1 Profitability

Respondents were asked questions relating to the profitability level of the hotel. Findings on hotels' profitability have been established in Table 4.9.

Table 4.9: Profitability

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Profitability	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our hotel makes sufficient profits throughout the year	12.7	10.0	22.7	29.3	34.7	13.3	48.0
2. Hotel revenue has declined due to the outbreak of Covid-19	8.7	3.3	12.0	14.0	25.3	48.7	74.0
3. Management of this hotel pays the workers in time as a result of availability of profits	9.3	13.3	22.6	13.3	35.3	28.7	64.0
4. Our hotel profit margin has decreased due to the effect of Covid-19 pandemic	2.7	8.7	11.4	10.7	29.3	48.7	78.0
5. Our management has been able to re-invest the profits in other hotel business line and improved services	2.7	14.0	16.7	16.7	37.3	29.3	66.6
Averages (%)	**7.2**	**9.9**	**17.1**	**16.8**	**32.4**	**33.7**	**66.1**

Source: Primary data (2023)

Profitability level was rated at 66.1% agreement as indicated in Table 4.9. This implies that majority of the sampled hotels in Gulu City were in a position to make profit throughout the year. From the study findings, it's very clear that, the more hotel makes profits the more sustainable the business will be.

According to the study findings indicated in Table 4.9; 78.0% of the respondents agreed that hotel profit margin has decreased due to the effect of Covid-19 pandemic while 11.4% disagreed with

the statement. This implies that a good number of the sampled hotels in Gulu City had experienced a decline in profit margin as a result of Covid-19 outbreak.

Similarly, the study findings indicate 74.0% of the respondents who agreed that their hotel revenue has declined due to the outbreak of Covid-19 while 12.0% of the respondents disagreed with the statement. This implies that majority of the sampled hotels in Gulu City have experienced a decline in revenue collection due to the effect of Covid-19 pandemic. This finding was in consonance with one of the directors' views in an interview, who noted that,

> "*for the last 2½ years since that time of corona virus, we have registered very low income and this has severely affected the profits of our business. Furthermore, even up to now we have not yet stabilized financially and we hope things shall improve"*.

The study findings show that 66.6% of the participants agreed that management of the hotel has been able to re-invest the profits in other hotel business lines and improved services while 16.7% were in disagreement. The implication was that, most of the hotels in Gulu City were able to re-invest the profits in other hotel business lines and this made them improve on their hotel services.

Also the results in Table 4.9 indicate that 48.0% of the respondents agreed that their hotel makes sufficient profits throughout the year while 22.7% dismissed the statement. This implies that majority of the hotels in Gulu City do not make sufficient profits throughout the year. Earning of profits by hotel depends on so many factors of which some may generate it or not.

According to the study finding, 64.0% of the participants agreed that management of their hotel pays their workers in time while 22.63% disagreed with the statement. This result is supported by a qualitative finding from one of the respondents who noted that, "*for us big is big, we pay our workers in time irrespective of any situation just because of the long term accumulative saving. During lockdown, we maintained our staff on half payment which was even promptly paid''*. On the contrary, a respondent also noted that;

> "*for us Covid-19 drained us so much and within these few months' business had just started picking up and we still have challenges of paying workers in time but much as we delay but it doesn't exceed the 15th of every month''.*

4.5.2 Liquidity

The liquidity position of the hotel in Gulu City was also established and the results are presented in Table 4.8.

Table 4.4: Liquidity

Statements on Liquidity	SD %	D %	SD+D	NS %	A	SA %	A+SA %
1. Our management pays off its creditors in time from the savings of the business	5.3	10.0	15.3	20.0	46.0	18.7	64.7
2. Our hotel current assets are always greater than current liability	4.0	10.7	14.7	24.7	41.3	19.3	60.6
3. Our hotel is able to finance its activities from the internally generated financial resources	2.0	10.0	12.0	16.6	46.0	25.3	71.3
4. The hotel has been able to discharge its short term debts as and when they fall due	7.3	10.7	18.0	30.0	36.0	16.0	52.0
5. The hotel liquidity level has been high for the past 5 years	7.3	11.3	18.6	33.3	27.3	20.7	48.0
6. Our hotel has not borrowed any loan for the past 5 years	18.7	8.0	26.7	28.0	25.3	20.0	45.3
Averages (%)	**7.4**	**10.1**	**17.5**	**25.5**	**37.0**	**20.0**	**57.0**

Source: Primary data (2023)

Findings from Table 4.8 show that, the hotels' level of liquidity was rated at 57.0%. This means that the hotels' liquidity was relatively sufficient to offset hotels' operational costs.

According to the results presented in Table 4.8, it indicates that 71.3% of the respondents agreed that their hotel is able to finance its activities from the internally generated financial resources but this is not true to some respondents as represented by 12.0%. This means, most of the sampled hotels in Gulu City were able to finance hotel activities from the internally generated financial resources.

Also the study findings show that 64.7% of the respondents agreed management of Gulu City hotels pays off its creditors in time from the savings of the business while 15.3% were in disagreement.

60.6% accounted for respondents who agreed that their hotel current assets is always greater than current liability. However, 14.7% of the respondents dismissed the statement. The implication is that, most of the sampled hotels in Gulu City have current assets' value greater than its current

liabilities and this reflects good working capital management. The study finding indicates that, 48.0% of the respondents were in agreement that the hotel liquidity level has been high for the past 5 years and 18.6% of the respondents disagreed with the statement. This finding means the hotel in Gulu City had low working capital for the past 5 years.

The result of this finding was in support of one of the respondent's views in an interview who noted that;

> *"for us we are unable to pay water bill and even some technical staff just because of low income generated from the hotel. Also, in addition, we have a lot of debts especially hotel local service tax and suppliers. This came in as a result of Covid-19 of which before we used to do well but things are not easy''.*

The study findings show that 52.0% of the respondents agreed that their hotel has been able to discharge its short term debts as and when they fall due. In line to this, 18.0% dismissed the statement. This means, majority of the hotels in Gulu City have the ability to discharge its short term debts as and when they fall due. The lower the liquidity level of the hotel, the better it can discharge its short term debts as and when they fall due.

4.5.3 Market share

The hotels' level of market share in terms of product sales, ability to look for market opportunities, catering for customers' preference and market position and many more was also established and the results have been presented as seen from Table 4.9.

Table 4.5: Market share

Statements on the Liquidity	SD %	D %	SD+D	NS %	A %	SA %	A+SA %
1. Our hotel offers a variety of products/services to our customers	2.7	12.7	15.4	9.3	46.0	29.3	75.3
2. Our hotel is focused to venturing in to new market opportunities	1.3	2.0	3.3	11.3	56.7	28.7	85.4
3. Our hotel is able to detect and respond to any market change	0.7	3.3	4.0	8.7	56.0	31.3	87.3
4. Our hotel products/services are attractive	0.7	4.0	4.7	6.0	54.0	35.3	89.3
5. Our hotel takes the lions share in the provision of hotel services within this area	8.7	6.0	14.7	22.0	42.7	20.7	63.4
Averages (%)	**2.8**	**16.9**	**19.7**	**0.1**	**51.1**	**29.1**	**80.2**

Source: Primary data (2023)

The findings from Table 4.9 indicate that market share was rated at 80.2%. This means majority of the hotels in Gulu City had a good market share especially in providing varieties of products/services which are also attractive in nature.

According to the study findings, 89.3% accounted for those respondents who agreed that hotel products/services were attractive while 4.7% of the respondents disagreed with the statement. This implies majority of the sampled hotels in Gulu City were in a position to offer attractive products/services to their customers.

The study finding also show that, 87.3% of the respondents agreed that hotels are able to detect and respond to any market change while 4.0% disagreed to the statement. This indicates that, a good number of hotels in Gulu City were in a position to detect and respond to any market change. This means, whatever changes especially in terms of price or even fashion that take place in the market, the hotel is able to respond quickly.

The study findings show that 85.4% accounted for those respondents who agreed that hotel is focused to venturing in to new market opportunities and 3.3% of them disagreed to the statement. This implies that most of the hotels in Gulu City are focusing to venturing in to new market opportunities. This helps improve on the income base of the hotel and as a result survival and growth is assured.

Also from Table 4.9, 75.3% of the respondents agreed that hotel offers a variety of products/services to their customers while 15.4% were in disagreement. This implies that, majority of the sampled hotels in Gulu City offer varieties of products or services to its customers. This finding was supported by a qualitative finding from one of the respondents who noted that;

> ''*for us our hotel premises are very big and we offer varieties of services like, swimming pool, gym, sauna and sizable conference halls with efficient internet connection. This alone has made us to receive good number of customers in our rooms, bars and the entire hotel units''.*

Finally, the results from Table 4.9 indicate that 63.4% of the respondents agreed that their hotel takes the lions share in the provision of hotel services while 14.7% were in disagreement. This means that most of the hotels sampled in Gulu City were in position to take the greatest share of the market where the hotel is being established.

4.5.4 Productivity

The level of hotel productivity aimed at meeting customers' wants and needs, as well as employees' productivity was also established. The findings are presented in Table 4.10.

Table 4.6: Productivity

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Productivity	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our staff are very productive due to high level of motivation, training and organizational communication	4.0	15.3	19.3	12.7	50.7	17.3	68.0
2. Our staff are not prone to wasting hotel resources	3.3	11.3	14.6	15.3	46.0	24.0	70.0
3. The hotel lays more emphasis on improving hotel overall productivity level	1.3	4.7	6.0	10.7	60.7	22.7	83.4
4. Our hotel annually operates at low cost	7.3	18.0	25.3	23.3	36.0	15.3	51.3
5. Our management values productivity as the basis for business growth and survival	1.3	5.3	6.6	8.7	56.7	28.0	84.7
Averages (%)	**3.4**	**10.9**	**14.3**	**14.2**	**50.0**	**21.5**	**71.5**

Source: Primary data (2023)

The level of productivity of the hotels as seen from Table 4.10 was 71.5%. This means out of the sampled hotels in Gulu City, majority were productive especially in meeting customers' wants and needs, economical use of hotels' resources.

According to the Table 4.10, the results show that, 84.7% of the respondents agreed that management of the hotels value productivity as the basis for business growth and survival. This was followed by 6.6% respondents who disagreed with the statement. This means majority of the sampled hotels in Gulu City value productivity as the basis for business growth and survival.

The study results indicate that 83.4% of the participants agreed that management of hotel lays more emphasis on improving hotel overall productivity level whereas 6.0% of the respondents disagreed with the statement. This means that most of the hotels in Gulu City lay emphasis on improving hotel overall productivity level so as to improve on the performance both in short and long run.

Also from Table 4.10, 70.0% accounted for respondents who agreed that hotel staffs are not prone to wasting hotel resources and 14.6% disagreed with the statement. This means that majority of hotel staff in Gulu City are productive due to the fact that they are not prone to wasting hotel resources.

The study findings indicate that 68.0% of the participants agreed that hotel staffs are very productive due to high level of motivation; training and organizational communication meanwhile 19.3% disagreed with the statement. This implies that most of the hotel staff in Gulu City are very productive due to the high level of motivation, training and organizational communication. The more an employee is being motivated, the higher the level of productivity. This finding was supported by a qualitative finding from one of the respondents who said that '*'for us as management we ensure employees are promptly paid and also we make sure that some stipends for weekly upkeep is offered. This has made us to retain our workers so as to maintain consistency in quality service''.*

4.6. Entrepreneurial Orientation and Performance of Hotels in Gulu City

This section presents the results of objective (iii) which was about the relationship between entrepreneurial orientation and hotel performance. The study findings as per the relationship have been indicated in Table 4.11.

Table 4.7: Relationship between Entrepreneurial Orientations and Performance of Hotels in Gulu City

Correlation between EO and Hotel Performance			1	2	3	4	5	6	7
1.	Firms Innovativeness	Correlation Coefficient	1.000						
		Sig. (2-tailed)	.000						
		N	150						
2.	Pro activeness	Correlation Coefficient	.547**	1.000					
		Sig. (2-tailed)	.000	.000					
		N	150	150					
3.	Firms Risk Taking	Correlation Coefficient	.427**	.583**	1.000				
		Sig. (2-tailed)	.000	.000	.				
		N	150	150	150				
4.	Profitability	Correlation Coefficient	.318**	.289**	.224**	1.000			
		Sig. (2-tailed)	.000	.000	.006	.			
		N	150	150	150	150			
5.	Liquidity	Correlation Coefficient	.450**	.429**	.389**	.621**	1.000		
		Sig. (2-tailed)	.000	.000	.000	.000	.		
		N	150	150	150	150	150		
6.	Market Share	Correlation Coefficient	.361**	.310**	.285**	.451**	.484**	1.000	.466**
		Sig. (2-tailed)	.000	.000	.000	.000	.000	.	.000
		N	150	150	150	150	150	150	150
7.	Productivity	Correlation Coefficient	.379**	.355**	.402**	.277**	.514**	.466**	1.000
		Sig. (2-tailed)	.000	.000	.000	.001	.000	.000	.
		N	150	150	150	150	150	150	150

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

.Likewise N = 150

A series of Spearman's rho correlation coefficient were conducted in order to determine if there is any relationship between three dimensions of entrepreneurial orientations; that is, firms' innovativeness, pro-activeness, and firms' risk taking and four dimensions of hotel performance that is; profitability, liquidity, market share and productivity. The results from Table 4.11 indicate a significant positive correlation between firm's innovativeness and profitability (r_s=.318, p<.001, n=150). The result indicates a moderate coefficient as indicated by r_s=.318. The correlation results as indicated by The result indicates that firms' innovativeness moderately influence hotel's profitability level. This implies that an increase in firm's innovativeness would result into a relatively comparable increase in hotel's profitability and vice versa.

Also the study findings indicate that Firm's pro-activeness and liquidity were significantly correlated as represented by (r_s=.429, p<.001, n=150). The finding indicates a moderate coefficient with r_s=.429. The result indicates that firm's pro-activeness is positively correlated and highly significant. This implies that a unit increase in firms' pro-activeness would result into a unit increase in liquidity. The result showing (r_s=.466, p<.001, n=150) on market share indicates a positive and highly significant relationships. A similar two tailed test of significance indicated a significant positive relationship of (r_s=.402, p<.001, n=150) between firm's risk taking and productivity. The finding also indicates a moderate coefficient as indicated by r_s=.402. This implies that an increase in risk taking would result into a comparable increase in hotels productivity. The results demonstrate that the variables of entrepreneurial orientation are moderately influential on the hotel performance. This means that the higher the entrepreneurial orientation uptake, there is moderate influence on the performance of the hotels.

4.6.1 Regression Analysis

The regression was run to show the extent to which changes in the independent variables can predict changes in the dependent variables (Mooi & Sarsted, 2011). Therefore, the regression analysis shows the extent to which entrepreneurial orientation and service quality predict results of hotel performance independently.

4.6.1.1 Entrepreneurial Orientations and Hotel Performance

To establish the joint effect of the three independent variables; firms' innovativeness, pro-activeness, and firms' risk taking on financial performance, a multiple regression was conducted. The results are shown in Table 4.12

Table 4.8: Model Summary

Model Summary[d]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.484[a]	.235	.229	10.36168	.235	45.372	1	148	.000
2	.523[b]	.274	.264	10.12945	.039	7.864	1	147	.006
3	.528[c]	.279	.264	10.12859	.005	1.025	1	146	.313

a. Predictors: (Constant), Firm's Innovativeness
b. Predictors: (Constant), Pro-activeness
c. Predictors: (Constant), Firm's Risk-taking
d. Dependent Variable: Performance

Table 4.12 shows that firm's innovativeness, pro-activeness and firm's risk-taking contribute by 23.5%, 3.9% and 0.5% respectively on hotel performance. Firm's innovativeness and pro-activeness had a more significant influence on hotel performance as compared to firm's risk-taking. This implies EO had contributed to the hotel performance in Gulu City by 27.9% as represented by the R Square.

Table 4.9: Analysis of Variance (ANOVA)

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5783.411	3	1927.804	18.792	.000[b]
	Residual	14977.887	146	102.588		
	Total	20761.298	149			

a. Dependent Variable: Financial Performance
b. Predictors: (Constant), Firms Risk Taking, Firms Innovativeness, Pro-activeness

Table 4.13 shows that the p value (Sig. 0.000) is less than the alpha value (0.05). Thus, the model is statistically significant in predicting how the independent variables studied influence the financial performance of hotel businesses in Gulu City. The alternative hypothesis of the three

variables if significant explains three variance of entrepreneurial orientation that is supported by the data and will be accepted in the prediction of financial performance.

Table 4.10: Coefficients of entrepreneurial orientations and performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	28.148	6.598		4.266	.000
	Firms Innovativeness	.661	.164	.342	4.022	.000
	Pro-activeness	.620	.262	.210	2.362	.020
	Firms Risk Taking	.174	.172	.079	1.012	.313

a. Dependent Variable: Financial Performance

From the above regression model, holding firm's innovativeness, pro-activeness, and firms risk taking constant, the financial performance would be 28.148. As shown in Table 4.14, firm's innovativeness, pro-activeness, had a positive and significant effect on financial performance of hotel business in Gulu City as indicated by the p value. Firms' innovativeness (t=4.022, p<0.05, β=0.661) and proactiveness (t=2.362, p<0.05, β=0.620) and were all statistically significant while firms risk taking was found to have no statistically significant effect on financial performance of hotel business (t=1.012, p>0.05, β=0.174). The result indicates that Firms' innovativeness had a greater effect on financial performance followed by pro-activeness and risk-taking being the least. This implies that, every one-unit increase in firms' innovativeness would lead to 0.661 increases in financial performance, a unit increase in pro-activeness would lead to 0.620 increases in financial performance, and a unit increase in firms' risk taking would lead to 0.174 improvements in financial performance. The established regression equation of the study was $Y=28.148+0.661X_1+0.620X_2+0.174X_3$ where Y=Financial Performance; X_1 =Firms innovativeness; X_2=Pro-activeness; X_3=Firms risk taking.

4.7 Intervening effect of Service Quality on the relationship between Entrepreneurial Orientations and Performance of Hotels in Gulu City

This section presents results on objective four which is categorized in to two parts namely; the descriptive findings on service quality and the intervening effect of service quality on the relationship between EO and hotel performance.

4.7.1 Descriptive findings on service quality

The descriptive findings on service quality are presented in the different service quality construct tables.

4.7.1.1 Reliability

The ability of the hotels in Gulu City to maintain consistencies in service delivery as well as fulfilling customers' promises was also established. The results are presented in Table 4.15.

Table 4.11: Reliability

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Reliability	**%**	**%**		**%**	**%**	**%**	**%**
1. Employees are consistent and dependable in the performance of their duties	2.7	3.3	6.0	5.3	64.0	24.7	88.7
2. In this hotel, the service lead time is very short	8.7	6.0	14.7	22.0	50.7	12.7	63.4
3. Management of this hotel keeps customers informed about when services will be provided	4.0	2.0	6.0	6.0	63.3	24.7	88.0
4. Our hotel has sufficient backup systems and the personnel are competent in using these systems	4.7	10.7	15.4	12.0	56.7	16.0	72.7
5. Our hotel aims sat finding answers not excuses	0.0	6.0	6.0	13.3	50.7	30.0	80.7
6. Our hotel insists on zero defect policy concerning about our products/services	0.7	8.7	9.4	14.0	52.7	24.0	76.7
7. Our hotel performs services right first time	2.7	8.0	10.7	13.3	47.3	28.7	76.0
Averages (%)	**3.4**	**6.4**	**9.8**	**12.1**	**55.1**	**23.0**	**78.1**

Source: Primary data (2023)

The reliability of hotel service quality was rated at 78.1% agreement and 9.8% disagreement as indicated in Table 4.15. This means that more of the hotels offer reliable products and services.

The study findings revealed that 88.7% of the study participants agreed that employees of the sampled hotels in Gulu City are consistent and dependable in the performance of their duties. 6.0% disagreed with the statement. This means that majority consented that if employees are consistent and customers can depend on them, then their services or products can be relied upon by the customers. This finding was supported by one of the respondents' views in an interview, who noted that, "*we regularly train our workers on customer care skills and time management just to ensure that they perform to the best''.*

According to the results in Table 4.15; 88.0% constituted those respondents who agreed that management of the sampled hotels in Gulu City keep customers informed about when services will be provided while 6.0% indicated those who were in disagreement. The finding implies that majority of the respondents accepted that for any product or service to be reliable, management must always ensure that customers are well and timely informed about the offer of service or product.

Also Table 4.15 shows 80.7% of the respondents agreed that their hotel aims at finding answers not excuses. Customers are after quality service and not complaints. Hotel that offers solutions but not full of defense shall be taken as reliable. 6.0% disagreed to this effect. Reliability of service/products depends on its ability to offer services in short period of time, manage service lead time, provide timely information about service delivery and equip workers with the desirable attribute of being dependable.

The results from Table 4.15 indicate that 72.7% of the respondents agreed that hotel has sufficient backup systems and the personnel are competent in using these systems and 15.4% was their disagreement to the statement. This means majority of the sampled hotels have backup systems and their workers are competent to use them.

The study finding in Table 4.15 also indicate that 63.4% of the respondents agreed that their service lead time is very short. This makes the customers happy due to limited delays especially in service department. 14.7% represented those respondents who were not satisfied with the statement. This implies that hotels that provide short lead time for their service always their products/services are termed to be reliable and this improves on the customer's loyalty.

4.7.1. 2: Responsiveness

Hotels' level of responsiveness in ensuring that service quality is achieved was also established and findings of the study can be seen from Table 4.16.

Table 4.12: Responsiveness

Statements on Responsiveness	SD %	D %	SD+D %	NS %	A %	SA %	A+SA %
1. Management of this hotel regularly informs the customers for any change in the product or service	1.3	5.3	6.6	8.7	50.0	34.7	84.7
2. Our management always encourage employees to willingly help customers and provide quick services	0.0	1.3	1.3	4.7	52.0	42.0	94.0
3. Our hotel provides adequate attention to the customers	1.3	0.7	2.0	8.7	48.3	40.0	88.3
4. Our hotel promptly provides service delivery to our esteemed customers	2.0	5.3	7.3	8.0	52.0	32.7	84.7
5. Management of our hotel has made hotel customers to contact the hotel and make reservation so easily	0.7	1.3	2.0	10.0	40.0	48.0	88.0
6. Our hotel provides immediate response to customers' problems or inquiries	2.7	3.3	6.0	9.3	42.0	42.7	84.7
Averages (%)	**1.3**	**2.9**	**4.2**	**8.4**	**47.4**	**40.0**	**87.4**

Source: Primary data (2023)

Responsiveness of the hotel implies hotel's ability to offer hotel services willingly and with positivity to its customers. The extent of respondents' agreement from was rated at 87.4% as represented by its average in Table 4.16 and this means that most of the sampled hotels in Gulu City were responsive in providing services.

The study findings show that, 94.0% of the respondents agreed that management of the hotel in Gulu City always encourage employees to willingly help customers and provide quick services and 1.3% disagreed with the statement. This means majority of the participants accepted that their customers are being helped willingly and also quickly by the hotel employees. A respondent noted that, *"In our hotel, people with disabilities especially the blind are served first than any other upright customer and this has improved on the image of our hotel''.* 88.3% accounted for those respondents who agreed that management of the hotels in Gulu City provides adequate attention to the customers with 2.0% in disagreement to the same statement. This means most of the sampled hotels were in a position to provide adequate attention to the customers.

According to the results from Table 4.16; it indicates that 84.7% of the respondents agreed that management of their hotel regularly informs the customers for any change in the product or service. 6.6% disagreed to the statement. This implies that majority support that informing customers in advance for any change in the service or product would show the level of responsiveness of that particular hotel and this ensures that service quality is observed. This finding was supported by one of the respondents' views in an interview who noted that, *"we used to give our customers bread for escort for morning breakfast but the director increased the budget and as I speak now we offer bread, an egg plus bugoya (banana)''.*

The study results in Table 4.16 also show that 84.7% of the participants agreed that management of the hotel promptly provide service delivery to their esteemed customers and 7.3% of the respondents were in disagreement. This implies that most of the sampled hotels in Gulu City promptly provide service delivery to their esteemed customers with few who behave the opposite.

4.7.1.3 Tangibles

Tangibility of the hotel depends on its ability to be more attractive and safe to the customers and this is a source of service quality that must be considered. Hotel physical appearance both internally and externally was also assessed. Details of the findings can be seen from Table 4.17.

Table 4.13: Tangibles

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Tangibles	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our hotel physical premises are safe to both staff and customers	1.3	2.0	3.3	7.3	37.3	52.0	89.3
2. Our hotel does regular renovations of hotel facilities	3.3	10.0	13.3	10.7	35.3	40.7	76.0
3. Our hotel physical facilities are visually attractive and connected to the services we offer	4.0	4.7	8.7	7.3	52.0	32.0	84.0
4. Our employees' appearance is attractive	2.7	1.3	4.0	5.3	56.0	34.7	90.7
5. Our hotel has adequate facilities like conference rooms, gyms, restaurants, swimming pool, game station, internet access, quality food etc. available to customers	12.0	8.0	20.0	10.0	40.7	29.3	70.0
Averages (%)	**4.7**	**5.2**	**9.9**	**8.1**	**44.3**	**37.7**	**82.0**

Source: Primary data (2023)

The tangibility of the sampled hotels in Gulu City was rated at 82.0% as indicated in Table 4.17. This result shows that majority of the sampled hotels in Gulu City had safe premises, carry out regular renovation and above all their physical structure is attractive.

According to the findings in Table 4.17; 90.7% constituted those participants who agreed that their hotel physical facilities are visually attractive and connected to the services they offer while 4.0% were in disagreement. This finding implies that majority of hotels in Gulu City are visually attractive and connected to the services they offer with few in a poor state.

Findings from Table 4.17 show that, 89.3% of the respondents agreed to the fact that their hotel physical premises are safe to both staff and customers while 3.3% constituted those who were in disagreement. This means that majority of the sampled hotels in Gulu City had facilities which are safe for both staff and customers. This finding was also supported by a qualitative finding from one of the respondents' who noted in an interview that;

> *"Our hotel entrance point has the rum which enables the physically unfit or disabled persons to access our premise with ease. Sometimes the disabled are helped to climb the rum with their wheel chairs and in most cases this has alone built some good public relations with our hotel''.*

Table 4.17 indicates, 76.0% of the respondents agreed that their hotel does regular renovations of hotel facilities and 13.3% said this is not true with them. This means regular renovations of hotel facilities is very key in ensuring that tangibility results in to improved service quality in the hotels in Gulu City. This finding was supported by a qualitative finding from one of the respondents who said that;

> *"Our hotel management does regular checks in all units of the hotel and periodic repairs and renovation is being done just to maintain the physical attractiveness of the hotel face value. The last renovation done was in September 2022 in food and beverage department while housekeeping facilities will be done in January 2023''.*

Another respondent in an interview with respect to regular renovation, he said; *"for us we have yet closed the recreation unit so that modern facilities are improved''.*

4.7.1.4 Assurance

The way in which customers can have confident in enjoying hotel services was also established from the respondents and the details of the findings have been generated below in table 4.18.

Table 4.14: Assurance

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Assurance	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our customers feel confident when receiving our services	1.3	2.0	3.3	11.3	56.0	29.3	85.3
2. Our hotel receives regular onsite hands on experience training	2.0	5.3	7.3	14.7	58.0	20.0	78.0
3. Our employees have formal training in their area of work	0.7	7.3	8.0	12.7	52.0	27.3	79.3
4. Our employees can easily identify customers' needs and requirements when they come to our hotel	1.3	4.0	5.3	14.0	55.3	25.3	80.6
5. Our employees are polite to customers	0.0	0.7	0.7	8.7	54.0	36.7	90.7
Averages (%)	**1.1**	**3.9**	**5.0**	**12.2**	**55.1**	**27.7**	**82.8**

Source: Primary data (2023)

The hotel level of assurance of service quality in Gulu City was rated at 82.8% agreement as seen from Table 4.18.

The study findings indicate that 90.7% of the respondents agreed that their hotel employees are polite to the customers and those who rejected the statement was represented by 0.7%. Implying that majority of the sampled hotels in Gulu City had employees who were polite.

The study findings show that 85.3% accounted for respondents who agreed that their customers feel confident when receiving their hotel services and 3.3% declined to the statement. This means that customers feel confident when receiving hotel services in Gulu City and very few who do the opposite.

According to the study findings; it showed that 80.6% of the respondents agreed that their employees can easily identify customers' needs and requirements when they come to the hotel whereas 5.3% of the respondents disagreed to the statement. The implication is that, if hotel employees are in position to assess customer's needs and requirements, then assurance/competence as service quality constructs will be achieved and this indicates a positive

impact on the hotel performance. This study finding was supported by a report from one of the respondents in an interview, who said,

> *"Much as we have the hotel service preference guide and menu, we still try to assess our customers' needs before payment and we advise professionally. This is very rampant in our housekeeping department especially choices of bed sheets and towels of which we offer varieties of colours and design".*

The results from Table 18 indicate that, 78.0% of the respondents agreed that their hotel receives regular onsite hands on experience training. This enables the employees to be more knowledgeable and skillful enough in handling customers and this lays ground for the customers have confident in enjoying any service or product of the hotel.

4.7.1.5 Empathy

Respondents' level of individualized attention care provided customers in the hotel was also sought. The results with respect to their opinion have been reported in table 4.19.

Table 4.15: Empathy

	SD	D	SD+D	NS	A	SA	A+SA
Statements on Empathy	**%**	**%**	**%**	**%**	**%**	**%**	**%**
1. Our hotel provides caring and individualized attention to customers	0.0	1.3	1.3	11.3	56.7	30.7	87.4
2. Our hotel has a strong customer relationship management	0.0	2.7	2.7	8.7	64.0	26.0	90.0
3. Our employees deal with customers in a unique caring fashion	2.7	8.7	11.4	15.3	53.3	20.0	73.3
4. Our customers can easily contact the hotel both online and offline at any time	0.7	5.3	6.0	11.3	45.3	37.3	82.6
5. Our hotel understands customers' needs and preferences	0.7	5.3	6.0	14.0	53.3	26.7	80.0
6. Our hotel provides services to customers at their own convenient time	2.7	7.3	10.0	14.7	46.7	28.7	75.4
Averages (%)	**1.1**	**4.2**	**5.3**	**13.3**	**53.2**	**28.2**	**81.4**

Source: Primary data (2023)

Empathy of the service quality among the sampled hotels in Gulu City was rated at 81.4% as indicated in Table 4.19. This means that, majority of the sampled hotels in Gulu City provided individualized attention care to the customers in the hotel.

The study findings show that, 90.0% accounted for study participants who agreed that their hotel has a strong customer relationship management and only 2.7% of the respondents who disagreed with the statement. The finding indicates that, majority of the hotels in Gulu City have a strong customer relationship management. This finding was in support of an interview report from one of the hotel managers, who said,

> "*Our room attendant distributes service feedback form in all the rooms to be filled by the guest. When any guest checks out, the form is collected and forwarded to the manager's office for evaluation and reporting, and then customer service level is ascertained and this is done on daily basis. This has helped us improve on the hotel level of service and we have been able to maintain the established customer relationship*''.

According to the study findings in Table 4.19; the result shows that 87.4% of the respondents agreed that hotel provides caring and individualized attention to customers and 1.3% disagreed to the statement. This implies that majority of the hotels in Gulu City provide caring and individualized attention to the customers with very few who do the opposite.

The results also showed that, 75.4% constituted respondents who agreed that hotel provides services to customers at their own convenient time and 10.0% disagreed with the statement. This implies that majority of the sampled hotels were able to provide services to their customers at a convenient time.

In summary, according to the service quality scores based on averages, responsiveness emerged to have contributed 87.4% followed by assurance of 82.8; tangible 82.0%, empathy 81.4% and reliability 78.1%. This implies that out of the five service quality dimensions, responsiveness, assurance and tangibles have great impact in determining service quality in the hotels in Gulu City.

4.7.2 Intervening effect of Service Quality on the relationship between Entrepreneurial Orientations and Performance of Hotels in Gulu City

The study examined the extent to which service quality influences the relationship between EO and hotel performance and the results are presented in Table 4.20.

Table 4.16: Intervening effect of service quality on the relationship between EO and performance of hotels in Gulu City

Variable / Effect	*B*	*SE*	*t*	*ρ*	*95% Confidence Interval*	
Entrepreneurial Orientation→ Performance	.2402	.0700	3.4306	.0008	.1018	.3785
Entrepreneurial Orientation→Service Quality	.5754	.736	7.8204	.0000	.4300	.7208
Entrepreneurial Orientation→Service Quality→Performance	.3917	.658	5.9540	.0000	.2617	.5218
Effects						
Direct	.2402	.0700	3.4306	<.0008	.1018	.3785
Indirect	.2254	.0578			.1342	.3612
Total	.4656	.0654	3.4306	.0000	.5948	.5051

A bootstrapping method was employed using SPSS Process Macro to examine if service quality mediated the relationship between entrepreneurial orientation and performance.

The results of the regression show that entrepreneurial orientation (Independent Variable) is a significant predictor of service quality (b=.5754, t=7.8204, p<.001). While controlling for service quality (mediator), the result of the second regression analysis shows that entrepreneurial orientation is still a significant predictor of performance (b=.2402, t=3.406, p<.001). The result of the indirect effect based on 5000 bootstrap sample shows that entrepreneurial orientation has a significant indirect positive relationship between entrepreneurial orientation and performance mediated by service quality (a^* b=.2254, Bootstrap CI_{95}=.1342 and .3612). The intervening variable service quality accounted for 48.0% of the total effect on performance [Pm= (.2254/.4656). Similarly, there is a statistically significant direct effect between entrepreneurial orientation and performance (b=.2402, t=3.4306, p<.001) with a partial mediation.

CHAPTER FIVE

DISCUSSIONS OF FINDINGS

5.0 Introduction

This chapter presents discussions of the research findings which are in accordance with the four study objectives (i) to examine the kinds of entrepreneurial orientations adopted by the hotels in Gulu City, (ii) to examine the performance of hotels in Gulu City, (iii) to establish the relationship between entrepreneurial orientation and hotel performance and (iv) to establish the intervening effect of service quality on the relationship between EO and hotel performance in Gulu City, Northern Uganda.

5.1 Discussions of findings

Discussions of the study findings were in line with the four study objectives. These included; the kinds of entrepreneurial orientations adopted by hotels in Gulu City, the performance of hotels in Gulu City, the relationship between entrepreneurial orientations and performance of hotels and finally the intervening effect of service quality on the relationship between EO and performance of hotels in Gulu City.

5.1.1 Entrepreneurial Orientations adopted by Hotel Owners in Gulu City

Entrepreneurial orientation has a new added value for the business to be successful in the competitive environment that directly affects firm's performance.

The study findings unveiled that majority of the respondents were in agreement that innovativeness is being adopted by the different management of the hotels in Gulu City. According to the study findings, firm's innovativeness has greatly contributed to the hotel performance. The study indicates that most of the hotels in Gulu City emphasize on developing new products/services, offer products/services that are unique, frequently try out new ideas in the different business lines, spend on new product development activities, place a strong emphasis on continuous improvement in product or service delivery, seeks out new ways of doing things in all units of the hotel, place strong emphasis on creating new products/services and have wide belief that innovation is an absolute necessity for the hotel future. The more hotels are in a position to observe product, process

and behavioral innovation, and then service quality and performance would be achieved. This affirms to the findings of Anderson & Kreiser, (2015); Aloulou, (2018); Fauzul, Takenouchi & Yukiko, (2010) whereby in their study it was noted that any hotel that adopts and implement the existing technologies (process innovation) or practices and ventures beyond the current state of the art, will be able to improve on service quality and performance as well.

Accordingly, in-depth interview information identified that some hotels in Gulu City have created additional business lines such as Tour Company and improved on the quality of the employees' uniforms, tags having different colours as; maroon, blue, grey and white.

The study findings also revealed that most of the respondents agreed that management of hotels in Gulu City were pro-active especially in anticipating future needs of the hotel business and management by crisis is limited. Findings from the same study also revealed that majority of the hotels in Gulu City effectively and efficiently managed the outbreak of Covid-19, have the capacity to introduce new products/services, recognize clear customer needs and initiate actions to which other competitors then respond and this in a long term results in to improving service quality and hotel performance. This finding is in support of Astrini, Rakhmawati & Sumaedi, (2020) who noted a high correlation between pro-activeness and financial performance of the hotels however, their study noted risk-taking as least contributing factor hotel performance.

Respondents' views on risk-taking indicate that majority of the hotels in Gulu City take risk-taking positively. This finding supports Covin and Lumpkin, (2011) finding whereby in their study, it was noted that incurring heavy debt or committing large resources by hotels in the interest of obtaining high returns through seizing of opportunities in the market place is characterized by risk-taking behavior, and are usually exhibited by hotels who are entrepreneurially oriented.

In summary, entrepreneurial orientations uptake in Gulu was high. Firm's innovativeness was greatly adopted by hotels in Gulu City followed by risk-taking and pro-activeness being least implemented.

5.1.2 Performance of Hotels in Gulu City

The performance of hotels was judged on the level of profitability, liquidity, market share and productivity.

Hotel profitability in Gulu City was high implying that majority of hotels in Gulu City make sufficient profits throughout the year. Revenue internally generated from the hotel has declined due to the outbreak of Covid-19. Management of hotels in Gulu City pays their workers in time as a result of availability of profits. The study also revealed that hotel management in Gulu City has been able to re-invest the profits in other hotel business line and improved service delivery. These findings were in support of the findings found out by Mbithi (2015) who noted that, a high operating profit margin indicates good cost management which is the optimal situation for the hotels. This implies that for the hotels to generate sufficient profits, it should minimize cost so as to maximize revenue.

Liquidity position of the level of hotels in Gulu City was found to be above average. The liquidity position of a business is seen to be okay if it is able to pay its debts in either short or long run. Following the findings of the study, liquidity scored least average as compared to other performance indicators like profitability, productivity and market share. This implies that Gulu City hotel business had enough cash to pay the bills as recommended by Otieno, (2019). From the study findings the total average level of respondents' agreement indicated that the hotel management has the ability to pay off its creditors in time from the savings of the business. Gulu City hotels' current assets were always greater than its current liability and the hotels were able to discharge their short term debts as and when they fall due. This finding was in support of the findings by Kennerley & Neely, (2018); Emeakponuzo, (2018) who noted that the optimum level of liquidity guarantees a firm to meet their short term debts and the proper management of cash flows can be promised by a profitable business. This implies in summary that Gulu City hotels have low level of liquidity meaning that their hotel current assets value is greater than current liabilities.

Market share of hotels in Gulu City was above average. Market share of hotels was judged in terms of ability to offer a variety of products/services and capture a wider customer base. Hotels in Gulu City were greatly focused to venturing in to new market opportunities and able to detect and respond to any market change. The results show that Gulu City hotels offer products/services which are attractive to meet the required standards to satisfy customers' preferences.

Productivity was above average and most of the hotels in Gulu City were more productive due to their high level of motivation, training and organizational communication. The results confirms to Madatta, (2021) finding whereby in their study to establish the role of entrepreneurial competencies on the success of the hotels among SMEs in Tanzania, their findings indicated that hotels are capable of achieving high level of performance through EO application and people-based approaches or techniques such as employee motivation, organizational communication, employee training and development, and participation in decision making. This means the higher the productivity level of the employees the greater the level of performance. In addition, the staffs in hotels were not prone to wasting hotel resources and management of the hotel lays more emphasis on improving hotel overall productivity level.

In summary, market share was rated highest, followed by productivity, profitability and liquidity was least rated. This implies that the wider the market share of the hotel in terms of its capacity to offer varieties of products/services to the customers and venturing in to new market opportunities the more the hotel is in a position to perform well and as a result survival and growth is achieved.

5.1.3 The Relationship between Entrepreneurial Orientation and Performance of Hotels in Gulu City

From the Spearman's rho correlation coefficient conducted to determine the relationship that exist between the three dimensions of entrepreneurial orientations; that is, firms' innovativeness, pro-activeness, and firms' risk taking and the four dimensions of hotel performance that is; profitability, liquidity, market share and productivity, the results indicated a significant positive correlation between entrepreneurial dimensions and hotel performance dimensions. The coefficient results indicate a moderate coefficient of all the EO dimensions. This finding confirmed to the studies conducted by Kumasaru & Kumara, (2016); Boso, Story & Cadogan, (2013); Kraus et al., (2018); Lee & Lim, (2019) on the relationship between entrepreneurial orientation and hotel performance which showed a positive and significant relationship. This implies that, hotel that adopts entrepreneurial orientations attains better performance than those that do not. This implies that any change in EO would result into comparable change in hotel performance.

Regression model results on model summary indicated that EO as being one of the contributors to hotel performance. Firm's innovativeness and pro-activeness had more influence since they were

more statistically significant and risk-taking was not. This implies both Firm's innovativeness and pro-activeness greatly influence hotel performance.

5.1.4 Intervening effect of Service Quality on the relationship between Entrepreneurial Orientations and Performance of Hotels in Gulu City

This part discusses findings related to objective (iv) which was aimed at establishing the intervening effect of service quality on the relationship between EO and hotel performance in Gulu City. It presents two parts namely; the descriptive findings on service quality and the intervening effect of service quality on the relationship between EO and hotel performance.

5.1.4.1 Descriptive findings on Service Quality in Gulu City Hotels

Reliability as a constructs of service quality was rated above average. Findings show that majority of the respondents generally perceive that reliability is inevitable in ensuring hotel performance. This means that as customers find hotel to have more superior services in terms of being more dependable, providing services as and when promised, keeping customers informed of any ongoing processes, keeping accurate records of customers and their records and providing required services right, first time every time would lead to increase in occupancy rates at that hotel which eventually will lead to an increase in its profitability. The study finding confirms to Alexeeva (2019) findings who noted that the main competitive advantage in the hotel business is granting services of higher quality in comparison with other competitors, which can satisfy and even surpass the expectations of target clients. Also this finding was inconsonance with Girish & Nidhi, (2016) findings assessing the impact of service quality on business performance in the ten 5-star Qatar-Based Hotels with a sample size of 243, the findings revealed significant interrelations of reliability, tangibles, and empathy with financial, non-financial, and operational performance of the surveyed hotels

Responsiveness of hotel managers in Gulu City was rated above average. The result showed that majority of the respondents agreed that responsiveness was another significant service quality contributor of which hotel managers should pay a lot of attention to. The finding showed that Gulu City hotels had the willingness and ability to provide quick service to customers, respond to customers' queries especially getting back to email and phone inquiries in the shortest possible

time, providing them with adequate attention while at the hotel and providing prompt response when customers have problems. These actions had led to an increase in the occupancy rates and hence improving the overall hotel performance. This finding is in support of Mei-Hsien (2018) finding who noted that front line employees who deal with customers face to face have the right market-oriented work attitude and behavior which have a direct effect on the quality of customer service or customer satisfaction. In turn, the financial performance of the organization will also be affected. Makeeva (2010) also noted that, a delighted customer will be willing to visit the hotel more often and will also share pleasant experience with his/her friends and relatives. These observations further justify what Abdullah et al, (2016); Mercy, Catherine & Dorothy, (2021) stated that the provision of good service quality is commonly associated with increased profitability, customer satisfaction, customer loyalty, customer retention, customer attraction and positive word of mouth (As cited in Beaumont, 2019).

Tangibles, the physical appearance of both employees and hotel facilities matters a lot in ensuring service quality of the hotels. The results show that most of the hotel facilities were attractive and pleasant. Most of the sampled hotels in Gulu City have improved on the hotel tangible aspects like furniture, physical premises, bedroom set up and cleanliness and smartness of their staff which made more customers attracted to use their services. This result is in line with what Haksever et al (2020) stated that services include any economic activity that produces time, place, form, or psychological utilities" (As cited in Narangajavana, 2017). Hence, Tangibles are important aspect of service quality to customers, and hence its effect on performance. Goni and Kuwata (2016) in their study of examining the effect of service quality on financial performance of hotels in Kano Metropolis, Nigeria, observed that tangibility and communication have a significant effect on hotel financial performance, while, reliability, responsiveness, and confidence have no significant effect on the financial performance of hotels in Kano metropolis. Their conclusion was that tangibility and communication of service was more significant in explaining the variability of performance of hotels in Kano metropolis than reliability, responsiveness, and confidence.

Assurance, the assurance of hotel services in Gulu City was examined and the result was above average. The result revealed that majority were in agreement that assurance of the quality of any service provided to the customers would eventually lead to improvement in hotel performance. This means that the ability of staff to perform their tasks well during service provision will

influence the performance of the hotels. Customers are more likely to seek the services of hotels at which they feel confident in the services they are receiving. As such, efforts to boost assurance/competence in the services delivered contribute to profitability and liquidity of the Hotels. Hotels need to ensure that they have competent staff and systems as may be perceived in the eyes of customers as suggested by Cheng (2013), that service quality is "the perception of customers on whether the service is good or bad, the result of comparison between the service customers 'expect' to get and what they actually 'perceive' and this results in to different expectations and could cause discrepancies in the experiences they encounter (Yeji, 2017).

In summary, responsiveness was rated highest followed by assurance, tangibles, empathy and reliability respectively as indicated by their mean averages. This means that most of hotels in Gulu City had taken service quality as a priority in enhancing hotel performance.

5.1.4.2 Intervening effect of Service Quality on the relationship between Entrepreneurial Orientation and Hotel Performance in Gulu City

The results of the regression showed that entrepreneurial orientation (independent variable) is a significant predictor of service quality. While controlling for service quality (mediator), the result of the second regression analysis revealed that entrepreneurial orientation is still a significant predictor of performance. The result of the indirect effect based on 5000 bootstrap sample showed that entrepreneurial orientation had a significant indirect positive relationship between entrepreneurial orientation and performance intervened by service quality. This study finding confirmed to the study conducted by Aziz and Samad (2016) or Engelen et al. (2014) which revealed that entrepreneurial orientation has a positive association with hotels' non-financial performance and is a better predictor of hotel performance among other SME's. The study results indicate that the intervening variable service quality accounted for a lesser percentage of the total effect on performance which implies there is statistically significant direct effect between entrepreneurial orientation and hotel performance with a partial mediation.

This implies that service quality influence hotel performance directly and is a better predictor of hotel performance than entrepreneurial orientation.

5.1.5 Other factors that influence Hotel Performance in Gulu City

Majority of the respondents did not air out other factors outside the study that influence hotel performance. However, those who did suggest noted; lack of capital, limited skillful and experienced staff in the hotel and hospitality management, lack of flexibility in attitude, perception, hotel location, limited information communication technology (ICT), lack of management competence, limited government support and macro/micro economic factors.

Some of these suggestions such as lack of enough capital to start a standardized hotel and improve on the existing ones especially in terms of infrastructure, ICT, products and services would help improve hotel performance. Finance is the strength of every business whether governmental or private. Hotels' performance is constrained due to limited financial resource. This finding is in consonance with the study conducted by Putra, Rofiaty & Djumahir, (2020) in investigating the influence of entrepreneurial orientation and transformational leadership on organizational performance with the mediation of innovation showed that the main barrier to improved hotel financial and non-financial performance was associated with lack of financial resources. This shows the value of finance and need for money to boost hotel performance.

On suggestion of government support/political influence is agreeable to other researchers who affirm that it is important for government leadership to support hotel industry (UTB, 2019), because as Ndou (2017) asserts, ''Leadership is one of the main driving forces of every new and innovative initiative''. The performance of hotel industry demands for a stable and flexible governance who would subsidize the hotel industry operations.

According to Haksever et al (2020), there is still need for a range of rules, policies, laws and legislatives governing the operations of hotels especially in terms of digital tracking camera, guest registrations, hotel infrastructural design, service quality, and employees' regulation among others. These laws/policies are still absent in many of the hotels in the developing countries Uganda inclusive. Similarly, UTB (20118) emphasized for the adoption of digital technology for hotel industry to meet the international standards.

CHAPTER SIX

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.0 Introduction

This chapter presents the summary as derived from the research findings and finally shows the conclusions, recommendations of the study and areas for further research.

6.1 Summary

The summary of the study findings was in line with the study objectives; (i) to examine the kinds of entrepreneurial orientations adopted by hotels in Gulu City, (ii) to examine the performance of hotels, (iii) to establish the relationship between entrepreneurial orientation and hotel performance and (iv) to establish the intervening effect of service quality on the relationship between EO and hotel performance in Gulu City.

According to the findings on entrepreneurial orientations adopted by hotels in Gulu City, it showed that EO uptake was high. The study findings about entrepreneurial orientation construct implies that management of Gulu City hotels was more innovative as compared to being pro-active and risk-averse. This result indicates that most of the hotel owners in Gulu City do effectively implement entrepreneurial orientations so as to remain competitive in the hotel industry as reflected with the high mean average.

Performance of Gulu City hotels was examined basing on profitability, liquidity, market share and productivity. The results indicate that profitability, liquidity, market share and productivity of the sampled hotels were above average. Market share emerged to have greater average, followed by productivity, profitability and liquidity respectively. This implies that most of the sampled hotels operating in Gulu City had a wider market share. Implying the greater the market share the better the hotel is in a position to survive and grow.

Entrepreneurial orientation and hotel performance indicated a significant and positive correlation with a moderate coefficient. This implies that an increase in the level of entrepreneurial orientation would result into comparable increase in hotel performance. From the study results, firm's

innovativeness emerged with greater influence on hotel performance followed by pro-activeness and risk –taking with least effect on hotel performance in Gulu City.

On the intervening effect of service quality on hotel performance, the construct of service quality; reliability, responsiveness, tangibles, assurance and empathy all indicated above mean average. Implying that, most of the sampled hotels in Gulu City were able to provide quality service to their customers. The result on the intervening effect of service quality on hotel performance showed that entrepreneurial orientation had a significant indirect positive relationship between entrepreneurial orientation and hotel performance mediated by service quality. Furthermore, there was a statistically significant direct effect between entrepreneurial orientation and hotel performance with a partial mediation.

6.2 Conclusions

The conclusions of the study findings were in line with the study objectives; (i) to examine the kinds of entrepreneurial orientations adopted by hotels in Gulu City, (ii) to examine the performance of hotels, (iii) to establish the relationship between entrepreneurial orientation and hotel performance and (iv) to establish the intervening effect of service quality on the relationship between EO and hotel performance in Gulu City.

Entrepreneurial orientations uptake in Gulu City was high especially in terms innovativeness, pro-activeness and risk-taking

Hotel performance was based on a mix of financial and non-financial performance measures. The performance of hotels in Gulu City in terms of profitability, liquidity, market share and productivity, was above average. This means the hotel performance level in Gulu City was good.

The relationship between entrepreneurial orientation and performance of hotels in Gulu City had shown a positive significant relationship and all the EO dimensions had a moderate correlation coefficient. Therefore, any change in entrepreneurial orientation, hotel performance automatically changes accordingly. Both innovativeness and pro-activeness had statistically significant influence on hotel performance than risk-taking which indicated no statistical significant influence on hotel performance. This implies that innovativeness and pro-activeness exerted strongest influence on hotel performance.

Service quality partially mediated the relationship between entrepreneurial orientation (EO) and hotel performance. Service quality directly influenced hotel performance while entrepreneurial orientation had an indirect influence on hotel performance.

6.3 Recommendations

The recommendations were based on the research questions; what kinds of entrepreneurial orientations are being adopted by hotels in Gulu City? What is the performance of hotels in Gulu City? What is the relationship between entrepreneurial orientations and hotel performance in Gulu City? And what is the intervening effect of service quality on the performance of hotels in Gulu City? The following recommendations were generated:

I. Since the findings indicated that entrepreneurial orientation plays a major role in enhancing hotel performance, its adoption and implementation by management of hotels in Gulu City should be continued so as to achieve strategic goals.

II. Gulu City hotel performance levels need to be maintained. Hotel management needs to put more efforts on market share and productivity which are non-financial measures of performance.

III. Hotel management in Gulu City needs to pay closer attention to innovation and pro-activeness since they have more statistically significant influence on hotel performance so as to remain competitive.

IV. Hotel management in Gulu City needs to take service quality (SQ) as a priority to improve hotel performance.

V. Hotel management needs to handle both entrepreneurial orientation (EO) and service quality (SQ) simultaneously since both of them had proven to have a positive and significant influence on hotels performance.

6.4 Areas for Further Research

Based on the study findings, future research should consider:

I. Due to the limited resources, the research was conducted in Gulu City; therefore, further research should be carried out covering the entire Acholi Sub-region.

II. Since entrepreneurial orientation and service quality did not predict the influence on hotel performance 100%, it implies that there may be other factors influencing hotel performance that should be explored in determining hotel performance in Gulu City.

III. For the benefit of other researchers, entrepreneurial orientation, service quality and hotel performance be done in the entire Northern Uganda so as to ascertain some more generalized findings.

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APPENDICES

Appendix I
Questionnaire

Dear Respondent,

My name is Ochola Walter, a student of Master of Business Administration of Gulu University. Currently, I am conducting a research on the topic "Entrepreneurial Orientation, Service Quality and Performance of Hotels in Gulu City, Northern Uganda'' to fulfill the requirement for the award of the MBA degree. The results of this study will showcase the contribution of entrepreneurial orientation and service quality to hotel overall performance and provide recommendations as necessary.

You have been identified as a resourceful person in this study and I kindly request you to complete this questionnaire. Your participation is voluntary and there are no penalties for not participating in the study or to withdraw after consenting. Please complete the questionnaire to your ability as honestly as possible to allow credible analysis and understanding of the problem being studied. The information provided will be handled with utmost confidence and discretion

In case of any query during the study or even after, please feel free to contact me (Ochola Walter), on 0785418367or through the email ocblix@gmail.com

Thank you so much.

Section A: Background information of the respondents

Please tick the most appropriate answer that matches the question asked in the box ( )provide or fill the space provided.

1. What is your gender? Male ☐ Female ☐
2. What is your age? 18-29 ☐ 30-39 ☐ 40-49 ☐ 50-59 ☐ 60-69 ☐ 70 and above ☐
3. What is your marital status? Single ☐ Married ☐ Divorced ☐ Widowed ☐ Separated ☐
3. What is your highest level of education? No formal education ☐ PLE ☐ O' Level ☐ A' Level ☐ certificate ☐ Diploma ☐ Bachelor's Degree ☐ Master's Degree ☐

4. What is your current position?
   N/A (for non-employees) ☐ Director ☐ Manager/Supervisor ☐ Food & Beverage employees ☐ House Keeping employees ☐ others specify …….
5. How many years have you worked in your current position?
   None (for non-employees) ☐ Less than 5 years ☐ between 5-10 years ☐ Over 10 years ☐
6. What is the characteristic of your hotel? Provide accommodation/lodges ☐ Bar ☐ Restaurant ☐ Swimming pool ☐ Sauna ☐ other specify ……

Section B: Entrepreneurial Orientations adopted by the hotels in Gulu City

For each statement in the following sections, please indicate the extent of your agreement or disagreement by ticking the appropriate box that best represents your opinion using the scale: Strongly Disagree (SD), Disagree (D), Neutral (N), Agree (A) and Strongly Agree (SA)

B:1	Statements on the Firm's Innovativeness	SD	D	N	A	SA
1	Our management emphasizes on developing new products/services					
2	Our products/services are unique from other hotels					
3	Our hotel frequently tries out new ideas in the different business lines					
4	Our management is spending on new product development activities					
5	Our hotel places a strong emphasis on continuous improvement in product or service delivery					
6	Our management seeks out new ways of doing things in all units of the hotel					
7	Our management emphasizes on utilizing new technology that improves production					
8	Our management practices are in line with new technological advancement					
9	Our management welcomes and support new ideas from the workers regardless of their position					
10	Our management encourages employees to think and behave in original manner					
11	Management of this hotel emphasizes on research and development					
12	Management of this hotel places a strong emphasis on creating new products/services					
13	Our hotel has widely held a belief that innovation is an absolute necessity for the hotel future.					
B:2	**Pro-activeness**					
1	Our hotel acts in anticipation of future needs and management by crisis is limited here					
2	Our hotel effectively and efficiently managed the outbreak of Covid-19					
3	Our hotel is often the first to introduce new products/services.					
4	Our hotel aims at recognition of clear customer needs					
5	Our hotel has adequate market for the products or services we sell or offer					

6	Our hotel typically initiates actions to which our competitors then respond					
B:3	**Firm's Risk-Taking**					
1	Our hotel has a strong and aggressive attitude towards taking decisions to achieve the hotel's objectives					
2	In our hotel, the term "Risk-taker" is considered as a positive attribute					
3	Our hotel employees understand risk-taking					
5	Relative to our competitors, our hotel has a high propensity to take risk					
6	Our hotel management has a strong preference for high-risk projects					
7	Our management responds to available opportunities					

SECTION C: SERVICE QUALITY IN THE HOTEL

C:1	**Statements on Service Quality**	**SD**	**D**	**N**	**A**	**SA**
	Reliability					
1	Employees are consistent and dependable in the performance of their duties					
2	In this hotel, the service lead time is very short					
3	Management of this hotel keeps customers informed about when services will be provided					
4	Our hotel has sufficient backup systems and the personnel are fluent in using these systems					
5	Our hotel aims at finding answers not excuses					
6	Our hotel insist on zero defect policy concerning about our products/services					
7	Our hotel performs services right first time					
	Responsiveness					
1	Management of this hotel regularly informs the customers for any change in the product or service					
2	Our management always encourage employees to willingly help customers and provide quick services					
3	Our hotel provides adequate attention to the customers					
4	Our hotel promptly provide service delivery to our esteemed customers					
5	Management of our hotel has made hotel customers to contact the hotel and make reservation so easily					
6	Our hotel provides immediate response to customers' problems or inquiries					
	Tangibles					
1	Our hotel physical premises are safe to both staff and customers					
2	Our hotel does regular renovations of hotel facilities					
3	Our hotel physical facilities are visually attractive and connected to the services we offer					

4	Our employees appearance is attractive					
5	Our hotel has adequate facilities like conference rooms, gyms, restaurants, swimming pool, game station, internet access, quality food etc. available to customers					
	Assurance					
1	Our customers feel confident when receiving our services					
2	Our hotel receives regular onsite hands on experience training					
3	Our employees have formal training in their area of work					
4	Our employees can easily identify customers' needs and requirements when they come to our hotel					
5	Our employees are polite to our customers					
	Empathy					
1	Our hotel provides caring and individualized attention to customers					
2	Our hotel has a strong customer relationship management					
3	Our employees deal with customers in a unique caring fashion					
4	Our customers can easily contact the hotel both online and offline at any time					
5	Our hotel understands customers' needs and preferences					
6	Our hotel provides services to customers at their own convenient time					

General statements: please answer the following questions:

1. How would you generally rate the entrepreneurial orientation uptake in this hotel?

Bad ☐ Fair ☐ Good ☐ Excellent ☐

2. How would you currently rate the performance of your hotel?

Bad ☐ Fair ☐ Good ☐ Excellent ☐

SECTION D: PERFORMANCE OF THE HOTEL

D1	Statement on hotel performance	SD	D	N	A	SA
	Profitability					
1	Our hotel makes sufficient profits throughout the year					
2	Hotel revenue has declined due to the outbreak of Covid-19					
3	Management of this hotel pays the workers in time as a result of availability of profits					
5	Our hotel profit margin has decreased due to the effect of Covid-19 pandemic					

6	Our management has been able to re-invest the profits in other hotel business lines and improved services					
	Liquidity					
1	Our management pays off its creditors in time from the savings of the business					
2	Our hotel current assets is always greater than current liability					
3	Our hotel is able to finance its activities from the internally generated financial resources					
4	The hotel has been able to discharge its short term debts as and when they fall due					
5	The hotel liquidity level has been high for the past 5 years					
6	Our hotel has not borrowed any loan for the past 5 years					
	Market share					
1	Our hotel offers a variety of products/services to our customers					
2	Our hotel is focused to venturing in to new market opportunities					
3	Our hotel is able to detect and respond to any market change					
4	Our products/services are attractive					
5	Our hotel takes the lions share in the provision of hotel services within this area					
	Productivity					
1	Our staff are very productive due to high level of motivation, training and organizational communication					
2	Our staff are not prone to wasting hotel resources					
3	The hotel lays more emphasis on improving hotel overall productivity level					
4	Our hotel annually operates at low cost					
5	Our management values productivity as the basis for business growth and survival					

Thank you so much for participating

Appendix II

Interview Guide

Dear Respondent,

My name is Ochola Walter, a student of Master of Business Administration of Gulu University. Currently, I am conducting a research on the topic "Entrepreneurial Orientation, Service Quality and Performance of Hotels in Gulu City, Northern Uganda'' to fulfill the requirement for the award of the MBA degree. The results of this study will showcase the contribution of entrepreneurial orientation and service quality to hotel overall performance and provide recommendations as necessary.

You have been identified as a resourceful person in this study and I kindly request you to offer me your time. Your participation is voluntary and there are no penalties for not participating in the study or to withdraw after consenting. The information provided will be handled with utmost confidence and discretion

In case of any query during the study or even after, please feel free to contact me (Ochola Walter), on 0785418367or through the email ocblix@gmail.com

Interview Questions

1. Please introduce yourself and describe your role in this hotel?
2. Does your hotel have the willingness to innovate, take risks to try out new products, services and market, and act more pro-actively than competitors when it comes to new opportunities in the market place?
3. What entrepreneurial orientation is being adopted in this hotel?
4. In your opinion, what has been the level of your hotel performance from the time of your recruitment/establishments?
5. In your opinion, do you think the kind of EO adopted in this hotel may have some influence on hotel performance?
6. In your opinion, what other unique challenges are affecting your hotel performance?
7. According to your view, what could be the possible measures to overcome these challenges?

Thank you so much for your time, and have a nice day

Appendix III

Krejcie & Morgan population Table

Table for Determining Sample Size from a Given Population

N	*S*	*N*	*S*	*N*	*S*
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size.
S is sample size.

Appendix IV

List of hotels in Gulu City

S/n	Hotels in Gulu City East	Hotels in Gulu City West
1	Acholi Inn	Baker's Fort
2	Bomah hotel Ltd	Golden Peace hotel
3	Gulu Churchill Courts	Global Friendship
4	Brown Palace hotel	Heldan Inn
5	Hotel Free Zone	Dich Comfort hotel
6	Hotel Pearl Afrique	Airfield View Motel
7	Wall Ville Suites	Bethel Resort and Hotel
8	Hope's Apartment	Flight View hotel
9	New Continental hotel	New Sun Set hotel
10	Gulu Vision	Montana hotel
11	Kakanyero Deluxe Hotel	
12	Palema Crown hotel	
13	Wellsprings hotel	
14	Jojo's Palace Annex	
15	Diamond Complex hotel	
16	Vatican hotel	
17	Gulu Crystal hotel	
18	Golden Gate hotel	
19	Hotel Nok Continental	
20	Stadium View Toplex hotel	
21	The Doves Nest hotel	
22	Elizabeth hotel	
23	Hotel Diplomat	
24	Sports View hotel	
25	Lamaco hotel	
26	Transarock hotel	
27	Paragon hotel	
28	Royal Inn 123	
29	Florida hotel	
30	Tina hotel	
31	ZamZam hotel	
32	KSP hotel	
33	Elgon hotel	
34	Virgin World Suites	
35	Freedom hotel	
36	New Mwaka hotel	
37	The Promised hotel	
38	African Roots	
39	Franklyn hotel	
40	Northern Pearl	