Received : 23 June 2024 | Revised: 26 August 2024 | Accepted: 27 oct 2024
DOI: 10.62460/IJEASS/2024.015

RESEARCHARTICLE

Interdisciplinary Journal of Emerging and Social Sciences

# Impact of Organizational Learning Culture on Service Innovation Performance in Bangladesh's Hospitality Industry: A Knowledge Management Approach

**Fuad–al–Islam**

School of Management, Jiangsu University, China

**Correspondence**
fuadalislam64@gmail.com

## Abstract

This study employs a cross-sectional survey methodology to collect demographic data from participants, focusing on core constructs such as organizational learning culture, service innovation performance, knowledge management, and dynamic capabilities within Bangladesh's hotel industry. The research utilizes established multi-item scales measured on a seven-point Likert-type scale, ensuring robust measurement reliability. A total of 350 full-time employees, encompassing both managerial and non-managerial roles, from five- and four-star hotels in Cox's Bazar, Sundarbans, Kuakata, and Dhaka, participated in the study, yielding an exceptional response rate of 91.4%. Data analysis was conducted using Structural Equation Modeling (SEM) via AMOS 23 and SPSS 23 to assess the reliability and validity of the proposed model. Furthermore, bootstrapping techniques were employed to examine the mediating roles of knowledge management and dynamic capabilities in the relationship between organizational learning culture and service innovation performance. The findings significantly advance theoretical understanding and practical implications for enhancing service innovation through effective knowledge management within the hospitality sector.

*KEYWORDS*
Service Innovation Performance; Organizational Learning Culture; Dynamic Capabilities; Knowledge Management; Hotel Industry

## 1 | INTRODUCTION

The modern business landscape, characterized by rapid technological advancements and evolving market dynamics, presents a formidable challenge to organizational sustainability (Porath, 2023). This challenge necessitates frequent and rapid innovation for organizations to remain competitive and thrive. Service organizations, in particular, face continuous pressure to introduce new and improved services, enhance quality and productivity, and meet ever-changing customer needs and expectations (Dervitsiotis, 1998). In Bangladesh, the service sector plays a pivotal role in economic growth, contributing significantly to the GDP and employment generation (Yousuf et al., 2019). Notably, the tourism sector has emerged as a major driver of economic activity, with Bangladesh witnessing substantial growth in tourist arrivals over the years. This growth reflects the sector's resilience and adaptability in leveraging innovation to capitalize on opportunities and sustain its momentum in a dynamic global economy (Asif and Azad., 2023).

The recent surge in tourism has profoundly impacted Bangladesh's hotel industry, necessitating a paradigm shift in how hotels approach innovation amidst intensified competition driven by globalization, evolving market demographics, technological advancements, and tighter tourist budgets. Despite the sector's economic significance, frameworks for effectively managing service innovation remain scarce, as highlighted in previous studies. Existing research on innovation barriers primarily addresses external factors like risk aversion and resource allocation, overlooking the pivotal role of organizational learning culture in fostering innovation (Sheikh & Nkana).

  

García-Sánchez et al. (2018) advocate for organizations to deepen their understanding of internal resources and capabilities to enhance innovation. Organizational culture, defined as shared patterns of thought, emotion, and behavior among members, is crucial in facilitating learning and change, thus serving as a catalyst for organizational innovation (Orieno et al., 2024). A learning culture encourages innovation and prepares organizations for long-term success by promoting continuous learning, adaptability, and a drive for innovative solutions (Bilal et al.,2024 ).

In the knowledge economy era, innovation hinges heavily on knowledge, surpassing traditional resources like land, capital, and labor. (Ritala et al., 2023) emphasize the crucial role of knowledge and human capital management as drivers of innovation and renewal, integral to business strategies (Munawwer et al.,2024 ). However, this area remains challenging and often misunderstood. The success of knowledge management is intertwined with the organizational "psychological climate," shaped by the organizational culture (Al-hadithee., 2024). Some literature on Knowledge Management (KM) overlooks organizational learning and highlights the synergy between learning theories and knowledge generation (Ritala et al., 2023). Interestingly, despite the importance of innovation, the hotel industry typically allocates minimal resources to new knowledge generation and patent registration. Achieving increased innovation in services demands a strategic shift, including a focus on organizational culture, structure, and the development of new skills and capabilities (Serwer & Nkana., 2024).

Dynamic capabilities hold particular significance for service industries, where innovation is less tangible and more intertwined with organizational processes and routines (Javed et al., 2024 ). Alateeg and Alhammadi (2024) highlight that organizational creativity and performance are nurtured by strategically utilizing unique, valuable, and difficult-to-replicate resources and capabilities distributed across the organization (Javed et al., 2024). While some scholars express skepticism about the value of dynamic capabilities, they view them as crucial managerial and organizational routines for gaining, integrating, and reconfiguring resources to adapt to customer demands and market dynamics (Adam et al., 2018). This adaptability also fosters innovation and stakeholder collaboration; a learning culture within an organization serves as a foundational element for developing dynamic capabilities. However, empirical studies exploring the relationship between organizational learning culture and dynamic capabilities in the service sector are limited (García-Sánchez et al., 2018). Therefore, this research aims to construct a conceptual framework to investigate how organizational learning culture influences service innovation performance in the hotel industry, with knowledge management and dynamic capabilities playing vital mediating roles (Ferreira et al., 2020).

### 1.2 Theory Building and Hypothesis Development

The hotel industry in Bangladesh has witnessed significant growth and development in recent years. With the country's expanding economy and increasing tourism activities, the demand for quality accommodation and hospitality services has surged (Song et al., 2018). Major cities like Dhaka, Chittagong, Cox's Bazar, and Sylhet have experienced a hotel construction and investment boom, catering to domestic and international travelers. The emergence of business hubs, cultural attractions, and natural wonders has contributed to the rising influx of tourists, further fueling the growth of the hotel sector (Ursache, 2015). Government initiatives, such as promoting tourism through campaigns like "Beautiful Bangladesh" and improving infrastructure, have also played a crucial role in shaping the hotel industry's landscape. The introduction of e-visa facilities and efforts to enhance transportation networks have made it easier for tourists to visit Bangladesh, stimulating the hospitality sector's growth (Choudhury et al., 2023). Looking ahead, the hotel industry's prospects in Bangladesh appear promising. Continued investment in tourism infrastructure, sustainable development practices, and the promotion of diverse tourism offerings, including eco-tourism and cultural experiences, are expected to attract more visitors. Focusing on quality service, innovation, and international standards, the hotel industry is poised to contribute significantly to Bangladesh's economy and tourism sector in the coming years (Siddique et al., 2013).

### 1.3 Organizational Learning Culture and Service Innovation Performance

Organizational learning culture is posited to significantly positively influence service innovation performance within the hospitality industry context (Thumbi et al., 2020). The theoretical underpinning of this relationship suggests that a robust learning culture, characterized by an environment conducive to knowledge sharing, experimentation, and continuous improvement, fosters a mindset of adaptability and creativity among employees (Lam et al., 2021). This, in turn, enables organizations to identify emerging customer needs, anticipate market trends, and develop innovative service offerings that resonate with their target audience. By nurturing a learning culture that prioritizes learning from both successes and failures, organizations can cultivate a dynamic and agile workforce capable of driving service innovation initiatives forward (Evangelist-Roach, 2020). Consequently, heightened levels of service innovation performance are anticipated as a direct outcome of a flourishing organizational learning culture, ultimately positioning the hospitality establishment as a leader in

delivering exceptional and differentiated service experiences to its clientele (Nyongesa, 2024).

**$H_1$:** Organizational learning culture has a significant impact on service innovation performance.

### 1.4 Organizational Learning Culture and Knowledge Management Capabilities

In a hypothetical conceptual framework, the relationship between learning culture and knowledge management capabilities is envisioned as symbiotic within organizational contexts (Upadhyay & Paul, 2019). It is theorized that a strong learning culture, characterized by a commitment to continuous learning, knowledge sharing, and open communication, serves as a foundational pillar for developing and enhancing knowledge management capabilities within an organization (Ganguly et al., 2019). In such an environment, employees are encouraged to seek out new information, exchange ideas, and engage in collaborative learning endeavors, fostering a knowledge-creation and dissemination culture (Tan, 2016). It cultivates an organizational ethos where knowledge is valued as a strategic asset and is actively managed to drive innovation and enhance organizational effectiveness. Consequently, a robust learning culture is anticipated to be positively associated with establishing and reinforcing knowledge management capabilities, as employees are empowered to leverage their collective expertise and insights to inform decision-making processes and drive organizational performance (Schneckenberg et al., 2015).

**$H_2$:** Organizational learning culture has a significant impact on knowledge management capabilities.

### 1.5 Organizational Learning Culture and Dynamic Capabilities

The relationship between learning culture and dynamic capabilities is conceptualized as integral within organizational dynamics in a hypothetical construct. It is postulated that a robust learning culture, characterized by a commitment to continuous learning, adaptability, and knowledge sharing, catalyzes the development and cultivation of dynamic capabilities within an organization (Ngugi et al., 2024). Within such an environment, employees are encouraged to embrace change, experiment with new ideas, and challenge conventional thinking, fostering a culture of innovation and agility. This proactive approach to learning enables organizations to anticipate and respond effectively to emerging market trends, technological advancements, and competitive pressures, enhancing their capacity to adapt and thrive in complex and turbulent environments (Do et al., 2022). Consequently, a strong learning culture is anticipated to be positively associated with cultivating dynamic capabilities, as it empowers employees to harness their collective insights and experiences to drive strategic renewal, organizational resilience, and sustained competitive advantage (Liu et al., 2024).

$H_3$: Organizational learning culture has a significant impact on Dynamic capabilities.

### 1.6 Knowledge Management and Service Innovation Performance

The relationship between knowledge management and service innovation performance is conceptualized as pivotal within organizational contexts. It is theorized that effective knowledge management practices, encompassing acquiring, creating, disseminating, and applying knowledge assets, are fundamental in driving service innovation performance within service-oriented industries (Sindakis et al., 2015). By systematically capturing and leveraging explicit and tacit knowledge held within the organization, knowledge management initiatives facilitate the identification of customer needs, market opportunities, and emerging trends, thereby providing the foundation for developing and implementing innovative service offerings (Kakabadse et al., 2001). Additionally, a well-established knowledge management framework enables organizations to capitalize on internal expertise, external collaborations, and best practices, fostering a culture of innovation and continuous improvement (Whelan & Carcary, 2011). Consequently, robust knowledge management practices are anticipated to be positively associated with heightened levels of service innovation performance (López-Nicolás & Meroño-Cerdán, 2011), as organizations are better equipped to adapt to changing market demands, enhance service quality, and differentiate themselves from competitors through innovative service delivery models and customer-centric solutions.

$H_4$: Knowledge Management has a significant impact on service innovation performance.

### 1.7 Dynamic Capabilities and Service Innovation Performance

In a hypothetical theoretical framework, the relationship between dynamic capabilities and service innovation performance is envisioned as pivotal and mutually reinforcing within organizational contexts (Božič & Dimovski, 2019). It is theorized that dynamic capabilities, encompassing the capacity to sense and respond to changing market conditions, reconfigure organizational resources and capabilities, and innovate in response to emerging opportunities and threats, drive service innovation performance (Kindström et al., 2013). By fostering agility, adaptability, and entrepreneurial orientation, dynamic capabilities enable organizations to

identify unmet customer needs, anticipate shifts in market demand, and develop innovative service offerings that resonate with target audiences. Additionally, dynamic capabilities empower organizations to swiftly adapt to competitive pressures, technological advancements, and regulatory changes, enhancing their capacity to deliver value-added services, differentiate themselves from competitors, and sustain long-term competitive advantages (Darvizeh & Eldridge, 2022). Consequently, robust dynamic capabilities are anticipated to be positively associated with heightened service innovation performance (Mishra & Anning-Dorson, 2022), positioning organizations as leaders in delivering innovative and customer-centric service solutions that drive customer satisfaction, loyalty, and organizational success.

$H_5$: Dynamic capabilities have a significant impact on service innovation performance.

### 1.8 Knowledge Management and Mediate the Impact of Organizational Learning Culture

By providing a structured framework for managing and harnessing organizational knowledge, knowledge management initiatives effectively utilize the insights and expertise generated within the organizational learning culture (Sharma & Kumar, 2024). Consequently, knowledge management acts as a mediating mechanism that channels the impact of organizational learning culture on service innovation performance by facilitating the transformation of knowledge into innovative service offerings, enhancing service quality, and driving organizational competitiveness (Akgün et al., 2023). Through this mediating role, knowledge management is a critical enabler for translating the cultural values and norms embedded within the organizational learning culture into tangible outcomes that positively impact service innovation performance (Shea et al., 2023).

$H_6$: Knowledge Management mediates the relationship between organizational learning culture and service innovation performance.

### 1.9 Dynamic Capabilities and Mediate the Impact of Organizational Learning Culture

Dynamic capabilities refer to an organization's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments (Cordeiro et al., 2023). These capabilities are crucial for firms operating in turbulent markets where the pace of technological advancement and competitive intensity demand continuous innovation and adaptation. Organizations that develop robust dynamic capabilities are better positioned to identify and exploit new opportunities, effectively manage threats and achieve sustainable competitive advantage (Beigi et al., 2023). The interplay between dynamic capabilities and organizational learning culture is significant in mediating the impact on organizational performance. A strong learning culture facilitates the development of dynamic capabilities by promoting knowledge sharing and fostering a proactive approach to change and innovation (Khaksar et al., 2023). Through continuous learning and adaptation, organizations can better sense environmental changes, seize emerging opportunities, and reconfigure their resources to maintain relevance and competitiveness.

$H_7$: Dynamic capabilities of the firm mediate the impact of Organizational learning culture on service innovation performance.

## 2 MATERIAL AND METHOD

### 2.1. Sample Characteristics

The study's sample encompassed sixteen esteemed five and four-star hotels in prominent tourist destinations like Cox's Bazar, Sundarbans, Rangamati, and Kuakata, totaling 350 participants. Of these, 320 usable forms were returned, providing a robust dataset for analysis. Each respondent's profile was meticulously documented, capturing details such as gender, age, educational background, current position and department within the hotel, industry experience, and the hotel's age. This comprehensive profiling ensured a diverse and representative sample, allowing for a nuanced exploration of the research variables within the hospitality industry context in these key cities.

### 2.2. Gender

Data on gender shows that two hundred and sixteen (67.5%) males and hundred and four (32.5%) females were present in the sample.

**Table 1:** Gender (N= 320).

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Male | 216 | 67.5 |
| | Female | 104 | 32.5 |
| | Total | 320 | 100.0 |

Age-wise data shows that forty (12.5%) respondents were aged between 25 and below, two hundred and twenty-nine (71.5%) were in the age range of 26 to 40, fifty-one (15.9%) were aged between 41 and 55, and zero (0%) were in the range between 56 and above. Thus, the data reflects the presence of a younger workforce in high-rated hotels.

Data on the education level indicates that nineteen (5.9%) respondents hold a Certificate/Diploma, two hundred forty (75.0%) of the sample hold a Degree/Bachelor's degree, followed by a Master’s degree, which fifty-three (16.6%) respondents hold. Five (1.6%) hold PhD degrees, while three (0.9%) hold other qualifications.

**Table 2:** Age Range (N= 320).

| | | Frequency | Percent |
|---|---|---|---|
| Valid | 25 and below | 40 | 12.5 |
| | 26 to 40 | 229 | 71.6 |
| | 41 to 55 | 51 | 15.9 |
| | 56 & above | 0 | 0 |
| | Total | 320 | 100.0 |

**Table 3:** Educational Qualification (N= 320).

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Certificate/ diploma | 19 | 5.9 |
| | Degree/ Bachelor | 240 | 75.0 |
| | Masters | 53 | 16.6 |
| | PhD | 5 | 1.6 |
| | Other | 3 | .9 |
| | Total | 320 | 100.0 |

The reliability and validity of the variables within the model were rigorously assessed in the initial phase of the study. Cronbach's coefficient alpha and the composite reliability index (CR) were utilized to evaluate the reliability of the variables, with CR considered a more suitable indicator of reliability compared to Cronbach's alpha. Concurrently, the validity aspects, including content, convergent, and discriminant validity, were thoroughly examined alongside overall fit indices to gauge the scale's validity. The correlations between variables are detailed in Table 4, showcasing the highest correlation between service innovation performance (SIP) and dynamic capabilities (DC) at 0.519, indicating a significant relationship. Additionally, Table 4.65 presented the fit statistics for the measurement model comprising four main constructs. In contrast, Table 5.1 delved into the confirmatory factor analysis results for these latent constructs, demonstrating adherence to statistical standards.

**Table 4:** Correlation Matrix.

| Constructs | Correlation Matrix | | | |
|---|---|---|---|---|
| | OLC | KM | DC | SIP |
| OLC | 1 | | | |
| KM | 0.409 | 1 | | |
| DC | 0.390 | 0.406 | 1 | |
| SIP | 0.235 | 0.352 | 0.519 | 1 |

Notes: OLC organizational learning culture; KM knowledge management; DC dynamic capabilities; SIP service innovation performance.

The fitness of the measurement model to the data was rigorously evaluated through goodness-of-fit calculations, which improved notably after excluding one item (SIP 2c) with a low factor loading. The final model underwent analysis using AMOS 23, adhering to fit criteria. The results, detailed in Table 5, showcased a chi-square value of $\chi 2/df = 2.221$, indicating a good fit. Additionally, the comparative fit index (CFI) stood at 0.903, the incremental fit index (IFI) at 0.904, and the root mean square error of approximation (RMSEA) at 0.062, all meeting the acceptable criteria for model fitness. Although the Tucker-Lewis index (TLI) marginally fell below the recommended threshold of 0.9, the overall statistical values affirmed the adequacy and reliability of the measurement model.

**Table 5:** Model fit indices of the measurement model.

| χ2 | Df | p | CMIN/df (χ2/df) | CFI | TLI | IFI | RMSEA | SRMR |
|---|---|---|---|---|---|---|---|---|
| 280.09 | 1288 | 0 | 2.221 | 0.903 | 0.89 | 0.904 | 0.062 | 0.055 |

Table 6 shows the validity assessment of the variables in the model encompassing content, convergent, and discriminant validity measures. Content validity was diligently established through a comprehensive review of existing literature, forming the foundational basis for the scale. Subsequently, the scale underwent further refinement and validation with the invaluable input of industry experts. This iterative process ensured that the scale accurately captured the essential dimensions and attributes relevant to the study's context, enhancing its content validity. By integrating insights from scholarly literature and industry expertise, the scale attained a high degree of content validity, affirming the relevance and representativeness of the variables in the model.

Convergent validity is crucial in assessing how well items converge on a latent construct within a measurement model. Drawing from established methodologies, various indicators such as average variance extracted (AVE), factor loadings, and composite reliability (CR) were employed to evaluate convergent validity in this study (Cheung et al., 2024). High factor loadings, ideally above 0.7, signify a strong convergence of items on the latent construct. Similarly, an AVE value of .5 or higher indicates satisfactory convergence, reflecting the proportion of variance captured by the construct relative to measurement error (Shrestha, 2021). Additionally, CR values exceeding .7 signify good reliability and support convergent validity. As demonstrated in Table 6, all measures in the model consistently meet or exceed these established benchmarks for convergent validity, affirming the robustness of the measurement model in effectively capturing the intended latent constructs.

Discriminant validity (DV) is crucial in determining the uniqueness and distinctiveness of a construct from others within a measurement model. Employing established methodologies, this study evaluated DV using two approaches. First, the Average Variance Extracted (AVE) square root for each construct was compared to the correlations with other constructs, with a criterion of AVE values exceeding 0.50. Second, the AVE value was compared to the Maximum Shared Variance (MSV) value, where AVE should be greater than MSV for each construct. The results from both approaches, as presented in Table 6, demonstrate that the study's measurement model meets the criteria for satisfactory discriminant validity, indicating that each

**Table 6:** Evaluation of measurement model: reliability and validity.

| Construct | CR | Range of FL | C-α | AVE | MSV | OLC | KM | DC | SIP |
|---|---|---|---|---|---|---|---|---|---|
| OLC | 0.858 | 0.86-0.87 | 0.947 | 0.752 | 0.167 | 0.867 | | | |
| KM | 0.958 | 0.8- 0.99 | 0.973 | 0.85 | 0.167 | 0.409 | 0.922 | | |
| DC | 0.92 | 0.79-0.96 | 0.929 | 0.793 | 0.269 | 0.39 | 0.406 | 0.891 | |
| SIP | 0.81 | 0.80-0.85 | 0.921 | 0.681 | 0.269 | 0.235 | 0.352 | 0.519 | 0.825 |

construct is distinct and unique (Ajaz et al., 2014). Furthermore, the correlation analysis in the table highlights that the highest correlation exists between service innovation performance (SIP) and dynamic capabilities, reinforcing the model's construct validity (Wen et al., 2018).

### 2.3. Common Method Bias

The study acknowledged the potential for common method variance, given the data collection method involving a self-report questionnaire administered to the same respondents simultaneously (Spector & Brannick, 2009). This scenario could lead to measurement inaccuracy and bias in assessing the true relationships among constructs. To mitigate this concern, Harman's single-factor test was conducted (Ashraf et al., 2018). The results of this test indicated that common-method bias did not significantly affect the interpretations of the findings, as the total variance explained by a single factor was less than 50% (Baumgartner et al., 2021). This suggests that while common method variance was a consideration, it did not substantially distort the results or the understanding of the associations between the constructs examined in the study (Ashraf et al., 2018).

### 2.4. Structural Model Analysis

In the study's second phase, structural equation modeling (SEM) using AMOS 23 was employed to scrutinize the research inquiries and assess the hypothesized relationships (Wan Omar & Hussin, 2013). SEM analysis comprehensively examines multiple structural relationships concurrently, encompassing observed and latent variables. The coefficients of determination ($R^2$) were calculated for all endogenous variables, revealing the extent of variation in endogenous variables explained by the exogenous variable. Goodness-of-fit measures were applied to the model, and the fit indices demonstrated that the model met the acceptable criteria. While the Tucker-Lewis Index (TLI) slightly fell below the threshold of 0.9, the other indices, including Comparative Fit Index (CFI), Incremental Fit Index (IFI), and Root Mean Square Error of Approximation (RMSEA), indicated a satisfactory fit (Table 7). These results validate the model's validity and pave the way for effectively testing the hypothesized relationships.

**Table 7:** Model fit indices of a structural model.

| CMIN/DF | CFI | TLI | RMSEA | IFI |
|---|---|---|---|---|
| 2.235 | 0.902 | 0.895 | 0.062 | 0.903 |

The research model's hypothesized paths were analyzed for significance in the next phase of the study. Fig. 2 illustrates the structural model, showcasing seven direct and indirect paths and their respective path coefficients, utilizing AMOS 23. Bootstrapping techniques were applied to gauge the indirect effect of organizational learning culture on service innovation performance via the mediating variables, namely knowledge management and dynamic capabilities. The parameter estimates for these direct and indirect paths indicated coefficients of determination ($R^2$) of 0.17 for dynamic capabilities, 0.19 for knowledge management, and 0.27 for service innovation performance, suggesting a substantial explanation of variance in the endogenous variables by the model. These findings signify a robust understanding of the relationships among the variables in the model, validating the research hypotheses effectively.

## 3 RESULTS

This chapter synthesizes several foundational perspectives in organizational theory, including the resource-based view, knowledge-based view, dynamic capability-based view, organizational learning culture, knowledge management, dynamic capabilities, and service innovation performance. Through a comprehensive integration of these theoretical frameworks, the chapter constructs a cohesive and nuanced understanding of the relationships depicted in the theoretical model. Drawing insights from each perspective illuminates how organizational learning culture influences knowledge management, which impacts dynamic capabilities. In conjunction with organizational learning culture, these dynamic capabilities are pivotal in shaping service innovation performance within the study context.

In this study, dynamic capabilities fully mediate the relationship between organizational learning culture and service innovation performance. On the other hand, knowledge management acts as a partial mediator in this relationship. The study also highlights the foundational elements of organizational learning culture within the hotel industry, emphasizing the critical roles of internal integration and external adaptation as preconditions. Similarly, dynamic capabilities are

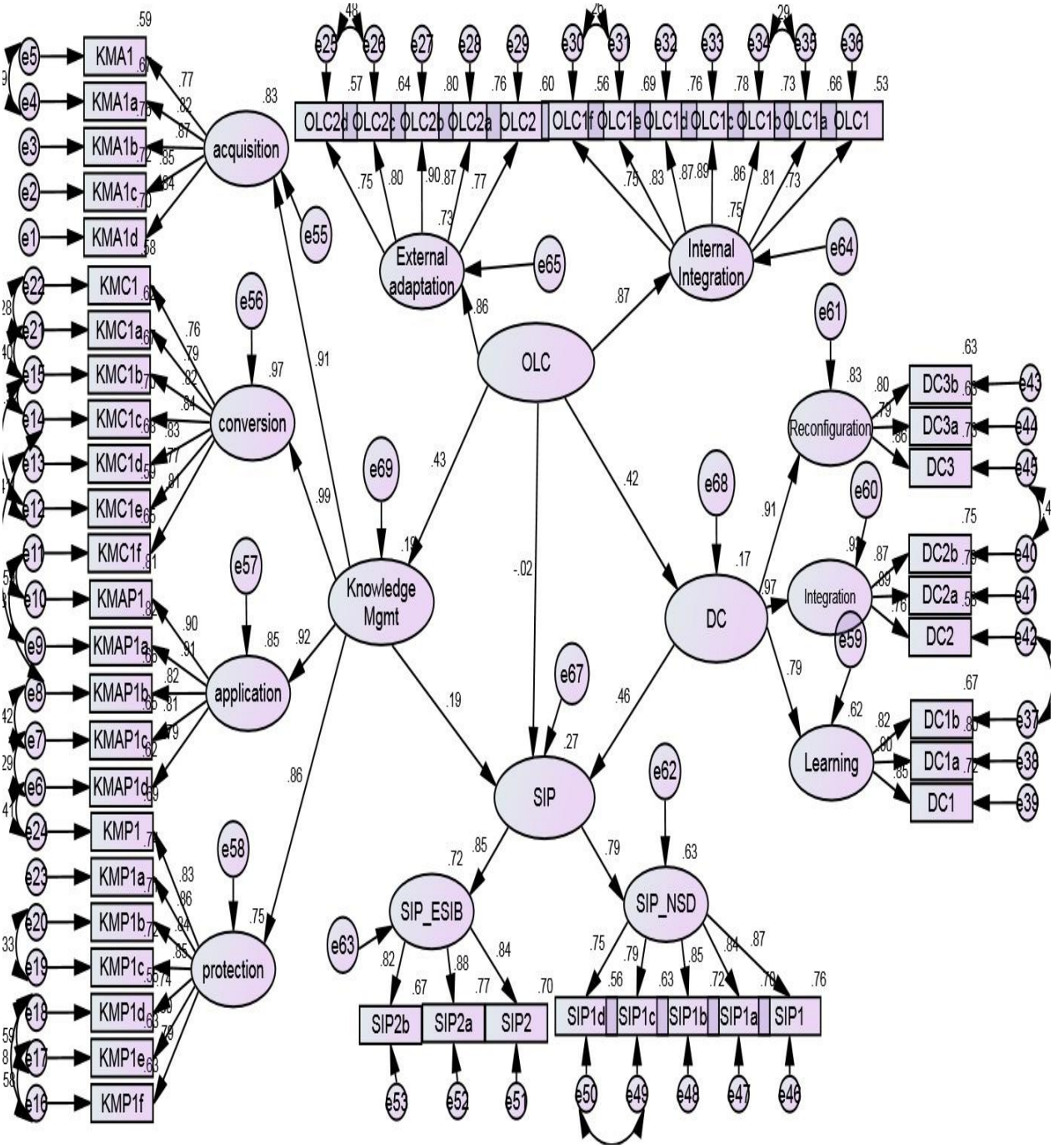


**Fig. 2:** Structural model

delineated into key components such as learning, integration, and reconfiguration, showcasing their significant contributions to organizational adaptability and innovation. Additionally, the dimensions of knowledge management, including acquisition, conversion, application, and protection, are identified as essential components driving the effective utilization and protection of knowledge within organizational contexts.

Encouraging a culture of learning within hotels is crucial as it stimulates the development of resources and capabilities that would otherwise stagnate, providing no competitive advantage to the firm. Moreover, the study reveals a robust positive influence of organizational learning culture on dynamic capabilities and knowledge management. In contrast, the direct impact of organizational learning culture on service innovation performance is found to be insignificant. This implies that hotels aspiring for innovation should prioritize the development of dynamic capabilities at the individual level and implement

effective knowledge management practices, all fostered through a conducive learning culture. This strategic approach ensures a more substantial foundation for driving innovation and enhancing overall performance within the hotel industry.

As this study concludes, it becomes evident that further research is essential to gain deeper insights into the intricate relationships among organizational learning culture, knowledge management, dynamic capabilities, and service innovation performance. Exploring these connections in more depth can uncover nuances and dynamics that contribute significantly to organizational effectiveness and innovation within the hotel industry. Future studies could delve into specific aspects such as the impact of different organizational learning approaches on dynamic capabilities, the role of emerging technologies in knowledge management for innovation, or the interplay between organizational culture and service innovation strategies. By expanding on these areas, researchers can offer comprehensive guidance for enhancing organizational performance and fostering a culture of continuous innovation in the hospitality sector.

## 4 | DISCUSSION

The results of this study highlight significant and positive correlations among organizational learning culture, knowledge management, dynamic capabilities, and service innovation performance within the context of the hotel industry in Bangladesh. The following discussion provides an in-depth analysis of these findings in light of the hypotheses tested: Organizational learning culture significantly impacts service innovation performance. The study confirms that an organizational learning culture significantly enhances service innovation performance. This finding aligns with the theoretical framework (Wan Omar & Hussin, 2013), which emphasizes the importance of a learning-oriented culture in fostering continuous improvement and innovation. Moreover, Chiva and Alegre (2009) supports this notion to demonstrate that a strong learning culture leads to higher levels of innovation. A culture that encourages employee learning and knowledge sharing in the hotel industry creates an environment conducive to creative problem-solving and innovation. Employees in such cultures like to experiment with new ideas, leading to innovative service offerings that enhance customer satisfaction and competitive advantage (Ulrich & Lake, 1991).

Organizational learning culture has a significant impact on knowledge management capabilities. The significant positive impact of organizational learning culture on knowledge management capabilities is consistent with existing literature highlighting the interdependence between learning culture and knowledge management (Jashapara & Tai, 2011). A learning culture promotes the acquisition, dissemination, and utilization of knowledge. In the hotel industry context, hotels with strong learning cultures are better equipped to manage and leverage their knowledge assets effectively. Research by López et al. (2004) This finding is further supported by the fact that organizations with a strong learning culture successfully implement effective knowledge management practices. These practices include capturing customer feedback, learning from service failures, and sharing best practices, all of which contribute to enhanced knowledge management capabilities.

Organizational learning culture has a significant impact on dynamic capabilities. The study's results indicate a significant positive relationship between organizational learning culture and dynamic capabilities. This finding supports the notion that a learning culture fosters flexibility, adaptability, and continuous improvement. Dynamic capabilities, essential for sensing and seizing new opportunities and reconfiguring resources to adapt to changing market conditions, are inherently linked to the learning processes within an organization. Adapting and innovating are crucial in the hotel industry, where market dynamics and customer preferences constantly evolve. These findings indicate that a learning culture significantly enhances an organization's dynamic capabilities. A strong learning culture thus enables hotels to develop and enhance these dynamic capabilities, ensuring they remain competitive and responsive to market changes.

Knowledge management has a significant impact on service innovation performance. The study confirms that knowledge management practices significantly impact service innovation performance. Effective knowledge management enables hotels to innovate service offerings, enhancing performance and customer satisfaction. This finding aligns with the resource-based view, which posits that valuable, rare, inimitable, and non-substitutable resources, such as knowledge, are critical for achieving competitive advantage. Additionally, Nonaka and Takeuchi provide substantial evidence that effective knowledge management practices lead to higher levels of innovation. The hotel industry can harness knowledge about customer preferences, market trends, and operational best practices to develop innovative services that meet and exceed customer expectations.

Dynamic capabilities have a significant impact on service innovation performance. The study has demonstrated a significant positive relationship between dynamic capabilities and service innovation performance. Hotels with strong dynamic capabilities can better sense and seize new opportunities and reconfigure resources to adapt to changing market conditions, thereby driving service innovation. Dynamic capabilities are critical for sustaining high levels of innovation and performance in dynamic markets. In the competitive landscape of the hotel industry, the ability to innovate and adapt quickly to changing customer needs and market trends is crucial for sustaining high levels of

service performance and achieving long-term success.

Knowledge management mediates the relationship between organizational learning culture and service innovation performance. The study found that knowledge management mediates the relationship between organizational learning culture and service innovation performance. This indicates that the impact of learning culture on innovation is partially channeled through effective knowledge management practices. In other words, a learning culture enhances knowledge management capabilities, which drives service innovation performance. This mediating role underscores the importance of integrating knowledge management practices within a learning-oriented culture to achieve optimal innovation outcomes. For hotels, this means that fostering a culture of learning alone is not sufficient; it must be complemented by robust knowledge management practices to realize its full potential in driving service innovation. This finding is supported by previous research, which highlights the mediating role of knowledge management in linking organizational culture to performance outcomes.

Dynamic capabilities of the firm mediate the impact of organizational learning culture on service innovation performance. Dynamic capabilities were also found to mediate the impact of organizational learning culture on service innovation performance. This suggests that a learning culture enhances dynamic capabilities, which drives service innovation performance. The mediating role of dynamic capabilities highlights their critical function as enablers of innovation. For hotels, developing dynamic capabilities such as agility, adaptability, and strategic foresight is essential for translating the benefits of a learning culture into tangible innovation outcomes. This finding aligns with the view that dynamic capabilities are pivotal in linking organizational learning to strategic performance. It emphasizes the importance of dynamic capabilities in mediating the relationship between organizational culture and innovation performance.

### 4.1. Limitations of the Study

It's important to acknowledge the limitations of this study to interpret the findings accurately. Firstly, the study's cross-sectional nature imposes constraints on exploring causal relationships over an extended period. Secondly, due to time and resource constraints, data collection was limited to large hotels in a specific region of Bangladesh, potentially excluding insights from smaller establishments or different geographic areas. Thirdly, the focus on the Bangladesh hotel industry may restrict the generalizability of the results to other countries or industries with distinct contexts. Lastly, the study's scope was limited to large hotels, suggesting potential variations in findings for hotels of different star ratings. Future research endeavors could address these limitations by incorporating longitudinal data, diversifying the sample across various hotel categories, and exploring international contexts for a more comprehensive understanding.

### 4.2. Future Research Implications

The present research paves the way for further investigations in several areas. Firstly, expanding the geographical coverage beyond tourist cities in Bangladesh would enhance the generalizability of the findings. Future studies could explore diverse regions within Bangladesh to capture a broader perspective. Secondly, testing the conceptual model in different cultural settings or industries beyond the hotel sector would enrich our understanding of the relationships between organizational learning culture, knowledge management, dynamic capabilities, and service innovation performance. Thirdly, including one-, two-, or three-star rated hotels in the analysis would provide insights into how these constructs operate across various hotel categories. Fourthly, longitudinal research would offer valuable insights into how these constructs evolve and interact, capturing dynamic relationship changes. Lastly, further investigation is warranted to explore the direct link between organizational learning culture and service innovation performance, contributing to a more nuanced understanding of this critical relationship in organizational dynamics.

### 4.3. Practical Implication

The study's findings significantly impact hotel managers and policymakers aiming to enhance service innovation performance. To foster a learning culture, hotel managers should invest in training and development programs, encourage knowledge sharing, and create an environment that supports experimentation and innovation. Additionally, integrating robust knowledge management practices and developing dynamic capabilities are essential strategies for leveraging the benefits of a learning culture. By focusing on these areas, hotels can enhance their service innovation performance, achieve a competitive advantage, and ensure long-term success in a dynamic market environment.

**Acknowledgments**
I acknowledge my teachers, who guided us in this research work.

**Author Contributions**
Solo author for submission.

**Conflict of Interest Statement**
No conflict of interest.

**Data Availability Statement**
Available upon reasonable request.

**Funding**
No funding was received to conduct this study.

## REFERENCES

Adam, M., Strähle, J., & Freise, M. (2018). Dynamic capabilities of early-stage firms: Exploring the business of renting fashion. Journal of Small Business Strategy*, 28*(2), 49-67.

Ajaz, S., Mehmood, B., Ali, Z., & Ashraf, S. F. (2014). Failure Of Business Graduates: Who Is To Blame. Researchjournali's Journal of Management, *2*(4), 2-7.

Akgün, A. E., Keskin, H., Aksoy, Z., Samil Fidan, S., & Yigital, S. (2023). The mediating role of organizational learning capability and resilience in the error management culture-service innovation link and the contingent effect of error frequency. The Service Industries Journal, 43(7-8), 525-554.

Al-hadithee, M. A. The Iranian Nuclear Power: Iranian Nuclear Program Between Ambition and Challenges.

Alateeg, S., & Alhammadi, A. (2024). The impact of organizational culture on organizational innovation with the mediation role of strategic leadership in Saudi Arabia. Journal of Statistics Applications & Probability, 13(2), 843-858.

Ashraf, S. F., Li, C., Dodor, A., & Murad, M. (2018). Entrepreneurial Motivation Is the Key to Success for Entrepreneur Business. International Journal of Management Sciences and Business Research, 3, 43-60.

Asif, A., & Azad, A. Impact of Corporate Governance and Carbon Emission Intensity on Corporate Financial Performance-Evidence from Pakistan.

Baumgartner, H., Weijters, B., & Pieters, R. (2021). The biasing effect of common method variance: Some clarifications. Journal of the Academy of Marketing Science, 49, 221-235.

Beigi, S., Malekakhlagh, E., Nosratpanah, R., & Safari, M. (2023). A framework for firm performance under the influence of knowledge management and dynamic capabilities: examining the mediating role of sustainable competitive advantage. Interdisciplinary Journal of Management Studies (Formerly Known As Iranian Journal of Management Studies), 16(1), 205-227.

Bilal, M., Rafiq, A., Munawwer, J., & Abbas, Z. Socio-Economics Covariates of Women Empowerment in Rural Settings of Pakistan: A Case Study of Tehsil Tandlianwala Faisalabad.

Božič, K., & Dimovski, V. (2019). Business intelligence and analytics use, innovation ambidexterity, and firm performance: A dynamic capabilities perspective. The Journal of Strategic Information Systems, 28(4), 101578.

Cheung, G. W., Cooper-Thomas, H. D., Lau, R. S., & Wang, L. C. (2024). Reporting reliability, convergent and discriminant validity with structural equation modeling: A review and best-practice recommendations. Asia Pacific Journal of Management, 41(2), 745-783.

Chiva, R., & Alegre, J. (2009). Organizational learning capability and job satisfaction: An empirical assessment in the ceramic tile industry. British Journal of Management, 20(3), 323-340.

Choudhury, N., Majumdar, S., & Ghosh, I. (2023). Evaluating Demand Side Enablers for Medical Tourism: Case Study of Medical Tourists from Bangladesh to Kolkata, India. e-Review of Tourism Research, 20(1), 1-22.

Cordeiro, M., Puig, F., & Ruiz-Fernández, L. (2023). Realizing dynamic capabilities and organizational knowledge in effective innovations: the capabilities typological map. Journal of Knowledge Management, 27(10), 2581-2603.

Darvizeh, M. Y., & Eldridge, S. (2022). Lessons for enhancing competitive advantage: Dynamic capabilities framework. International Journal of Business & Management Studies, 3(11), 1-14.

Dervitsiotis, K. N. (1998). The challenge of managing organizational change: Exploring the relationship of re-engineering, developing learning organizations and total quality management. Total Quality Management, 9(1), 109-122.

Do, H., Budhwar, P., Shipton, H., Nguyen, H.-D., & Nguyen, B. (2022). Building organizational resilience, innovation through resource-based management initiatives, organizational learning and environmental dynamism. Journal of Business Research, 141, 808-821.

Evangelist-Roach, M. (2020). *Workforce Agility Strategies for Improving the Success Rate of Change Initiatives.* Walden University,

Ferreira, J., Coelho, A., & Moutinho, L. (2020). Dynamic capabilities, creativity and innovation capability and their impact on competitive advantage and firm performance: The moderating role of entrepreneurial orientation. Technovation*, 92*, 102061.

Ganguly, A., Talukdar, A., & Chatterjee, D. (2019). Evaluating the role of social capital, tacit knowledge sharing, knowledge quality and reciprocity in determining innovation capability of an organization. Journal of Knowledge Management, 23(6), 1105-1135.

García-Sánchez, E., García-Morales, V. J., & Martín-Rojas, R. (2018). Influence of technological assets on organizational performance through absorptive capacity, organizational innovation and internal labour flexibility. Sustainability, 10(3), 770.

Jashapara, A., & Tai, W.-C. (2011). Knowledge mobilization through e-learning systems: Understanding the mediating roles of self-efficacy and anxiety on perceptions of ease of use. Information Systems Management, 28(1), 71-83.

Javed, Z., Shayan, M., & Al-Khayar, S. Meta-Analyses of Individual's Success Model: Entrepreneurs and Managers.

Kakabadse, K. N., Kouzmin, A., & Kakabadse, A. (2001). From tacit knowledge to knowledge management: Leveraging invisible assets. Knowledge and Process Management, 8(3), 137-154.

Khaksar, S. M. S., Chu, M.-T., Rozario, S., & Slade, B. (2023). Knowledge-based dynamic capabilities and knowledge worker productivity in professional service firms the moderating role of organisational culture. Knowledge Management Research & Practice, 21(2), 241-258.

Kindström, D., Kowalkowski, C., & Sandberg, E. (2013). Enabling service innovation: A dynamic capabilities approach. Journal of Business Research, 66(8), 1063-1073.

Lam, L., Nguyen, P., Le, N., & Tran, K. (2021). The relation among organizational culture, knowledge management, and innovation capability: Its implication for open innovation. Journal of Open Innovation: Technology, Market, and Complexity, 7(1), 66.

Liu, Y., Guo, M., Han, Z., Gavurova, B., Bresciani, S., & Wang,

T. (2024). Effects of digital orientation on organizational resilience: A dynamic capabilities perspective. Journal of Manufacturing Technology Management, 35(2), 268-290.

López-Nicolás, C., & Meroño-Cerdán, Á. L. (2011). Strategic knowledge management, innovation and performance. International Journal of Information Management*, 31*(6), 502-509.

López, M. L. S. S., Pentz, E. S., Nomasa, T., Smithies, O., & Gomez, R. A. (2004). Renin cells are precursors for multiple cell types that switch to the renin phenotype when homeostasis is threatened. Developmental Cell*, 6*(5), 719-728.

Mishra, A., & Anning-Dorson, T. (2022). Dynamic customer-oriented relational capabilities: how do they impact internationalizing firm performance? Journal of Service Theory and Practice*, 32*(6), 843-871.

Munawwer, J., Bilal, M., Rafiq, A., & Abbas, Z. What is Happening to the Social Development Down to the Household Level?

Ngugi, J., Mbaraka, R., & Mwangi, D. K. (2024). Effects of Knowledge Creation on Employee Commitment Among Tier One Banks in the North Rift Region, Kenya: The Moderating effect of Organizational Culture. Journal of Business, Economics and Management Research Studies*, 2*(2), 104-129.

Nyongesa, G. I. (2024). *Strategic Leadership, Innovation and Service Quality of Accredited Universities in Kenya.* JKUAT-COHRED,

Orieno, O. H., Udeh, C. A., Oriekhoe, O. I., Odonkor, B., & Ndubuisi, N. L. (2024). Innovative management strategies in contemporary organizations: a review: analyzing the evolution and impact of modern management practices, with an emphasis on leadership, organizational culture, and change management. International Journal of Management & Entrepreneurship Research*, 6*(1), 167-190.

Porath, U. (2023). Advancing managerial evolution and resource management in contemporary business landscapes. Modern Economy*, 14*(10), 1404-1420.

Ritala, P., Kianto, A., Vanhala, M., & Hussinki, H. (2023). To protect or not to protect? Renewal capital, knowledge protection and innovation performance. Journal of Knowledge Management*, 27*(11), 1-24.

Schneckenberg, D., Truong, Y., & Mazloomi, H. (2015). Microfoundations of innovative capabilities: The leverage of collaborative technologies on organizational learning and knowledge management in a multinational corporation. Technological Forecasting and Social Change*, 100*, 356-368.

Serwer, S., & Nkana, M. Effect of COVID-19 on Mental Health and Performance of SMEs: Social Media Break the Ice.

Sharma, D., & Kumar, V. (2024). Enhancing Organisational Intelligence Integration of Artificial Intelligence and Knowledge Management: Frameworks in India. In *Digital Technologies in Modeling and Management: Insights in Education and Industry* (pp. 167-184): IGI Global.

Shea, T., Usman, S. A., Arivalagan, S., & Parayitam, S. (2023). "Knowledge management practices" as moderator in the relationship between organizational culture and performance in information technology companies in India. VINE Journal of Information and Knowledge Management Systems*, 53*(4), 719-747.

Sheikh, B. A., & Nkana, M. Factors Affecting the Customer's Perception towards SMEs business and Loyalty: Mediating role of Commitment and Trust.

Shrestha, N. (2021). Factor analysis as a tool for survey analysis. American Journal of Applied Mathematics and Statistics*, 9*(1), 4-11.

Siddique, M. N.-E., Akhter, M., & Masum, A. (2013). Service quality of five star hotels in Bangladesh: an empirical assessment. Asian Business Review*, 2*(2).

Sindakis, S., Depeige, A., & Anoyrkati, E. (2015). Customer-centered knowledge management: challenges and implications for knowledge-based innovation in the public transport sector. Journal of Knowledge Management*, 19*(3), 559-578.

Song, H., Li, G., & Cao, Z. (2018). Tourism and economic Globalization: An emerging research agenda. Journal of Travel Research*, 57*(8), 999-1011.

Spector, P. E., & Brannick, M. T. (2009). Common method variance or measurement bias? The problem and possible solutions. The Sage Handbook of Organizational Research Methods, 346-362.

Tan, C. N.-L. (2016). Enhancing knowledge sharing and research collaboration among academics: the role of knowledge management. Higher Education*, 71*, 525-556.

Thumbi, N. P., Hannah, B., & Rosemarie, W. (2020). Moderating Effect of Organizational Culture on the Relationship between Organizational Learning and Employees' Performance in Classified Hospitality Firms in Kenya. International Journal of Business and Management*, 15*(12), 51-61.

Ulrich, D., & Lake, D. (1991). Organizational capability: Creating competitive advantage. Academy of Management Perspectives*, 5*(1), 77-92.

Upadhyay, P., & Paul, M. (2019). The linkage between knowledge management practices and organization based projects for better learning outcome: A conceptual framework. International Journal of Educational Management*, 33*(1), 166-178.

Ursache, M. (2015). Tourism–significant driver shaping a destinations heritage. Procedia-Social and Behavioral Sciences*, 188*, 130-137.

Wan Omar, W., & Hussin, F. (2013). Transformational leadership style and job satisfaction relationship: A study of structural equation modeling (SEM). International Journal of Academic Research in Business and Social Sciences (IJARBSS), *3*(2), 346-365.

Wen, X., Butt, R. S., Khan, R., Murad, M., Ashraf, S. F., & Michael, A. (2018). Effect of motivational factors on job satisfaction of administrative staff in telecom sector of Pakistan. Human Resource Research*, 2*(1), 61-72.

Whelan, E., & Carcary, M. (2011). Integrating talent and knowledge management: where are the benefits? Journal of Knowledge Management*, 15*(4), 675-687.

Yousuf, M., Ahmed, R., Akther, N., & Sumon, S. M. (2019). Estimating the services sector impact on economic growth of Bangladesh: An econometric investigation. Asian Journal of Economic Modelling*, 7*(2), 62-72