

Knowledge Management in Hospitality industry in terms of Entrepreneur Goal Orientation

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ABSTRACT

This study examines the role of knowledge management (KM) regarding entrepreneurship in the hospitality industry by investigating the effect of KM on entrepreneur goal orientation, which comprises learning orientation (LO) and performance orientation (PO), through the SECI dimensions, which comprises socialization (SO), externalization (EX), combination (CO), and internalization (IN). Results from this study show that the SECI dimensions significantly influence entrepreneur goal orientation. EX is the strongest predictor with significantly positive effects on both LO and PO. SO has a significantly positive effect on PO but not on LO. CO has a significantly negative effect on LO but not on firm performance. IN has a significantly positive effect on LO but not on PO. This study contributes by supporting the idea of goal orientation and providing practical KM approaches for entrepreneurs to follow. Moreover, this study provides an illustration for entrepreneurs in developing their KM through the process of goal orientation.

Keywords: Entrepreneur; Goal orientation; Hospitality industry; Knowledge management.

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1. INTRODUCTION

The field of hospitality knowledge management (KM) has prompted the hotel front staff to be the eyes, ears, and mindset for managers trying to achieve their overall business goals (Shamim *et al.*, 2017). KM is a special domain that has developed rapidly over the last three decades (Nieves and Haller, 2014; Omotayo, 2015). KM is highly unique due to its systematic procedure in searching for the facts and then conducting the analysis, which helps individuals or groups to determine whether the questions have been answered thoroughly or if the hypothetical statements must undergo further research or be abandoned, thus paving the way for acquiring new knowledge. Unfortunately, KM has not garnered much practical interest and research attention as it

has with other business fields that are critical in staying ahead of competition. Entrepreneurs can progress on a startup subsistence through grander mindfulness and using KM as a means of succeeding in their business plans and operations.

As the world has become ever more globalized, the hospitality industry will continue finding new ways to become effective through research (Rivera and Pizam, 2015). In recent decades, the hospitality management had to stay abreast with business issues ranging from technology (O'Connor and Murphy, 2004; Loureiro, 2014), sharing knowledge and ideas with business partners (Cheng, 2016), to bracing with the constant impact of politics, economics, and social intricacies at the commercial level (Ivanov *et al.*, 2017). Academia from recent years claimed that the research field of hospitality has seen a large increase in publication and citation as indicated in the Social Science Citation Index (Park *et al.*, 2011; Severt *et al.*, 2009). In the hospitality industry, the expectations of entrepreneurs have expanded, thus producing a strong requirement for talent, knowledge, skills, and abilities of organizational members to execute on their performance that will meet the needs of consumer satisfaction and loyalty and developing a foundation for quality services. Entrepreneurial activities are a significant engine of economic growth to maximize opportunities and leverage the challenges in developing countries (Wannamakok and Chang, 2020). Entrepreneurship is one of the key drivers of economic development and innovation (Urban, 2013). It is defined as the activities involved in maintaining and managing a business (Beaugrand, 2004). The service business has necessitated frontline hospitality employees to be practical at mutual procedural deftness and demonstrative distribution (Testa and Sipe, 2012). Studies indicated that the key procedures for enhancing the capabilities of a firm to rise above the challenges are the ways in handling knowledge creation: socialization (SO), externalization (EX), combination (CO), and internalization (IN). The emphasis on this "SECI" model as an enabler of the procession of reusing the environmental knowledge of firms had been confirmed by research on the key element of time on the reification of the SECI model in firms laboring in a changing environment (Martínez *et al.*, 2015). The SECI model is a tool for assisting startup firms directed toward achieving business growth and sustainability. The SECI model is practical for new businesses to make discoveries from systems within and outside of their working environment so that the business knows how to position itself with the information available for setting a strategic goal (Bandera *et al.*, 2017). The SECI model has relevance and significance with an environmental knowledge of the hospitality industry, which is the key component of time (Martínez *et al.*, 2015).

The enormous value of knowledge that has been transferring from KM is considered crucial to the ongoing development and growth of the hospitality industry. To fill this gap, this study investigates the KM of the hospitality industry regarding entrepreneurship. In this case, we focus on Chiang Mai Province in Thailand where it is the location of one of the most developed tourism markets in Asia. The hospitality industry is linked to the natural environment and system. The tourism industry is one of Thailand's main economic sectors, accounting for 6% to 7% of the country's Gross Domestic Product, which has reached USD71 billion and is expected to escalate in the coming years. This study examines the direct effect of the SECI dimensions on the goal orientation of entrepreneurship in the hospitality industry, which has never been considered in the past literature. The aim of this study is thus to investigate the hospitality entrepreneurship knowledge management as follows:

1) To test for the relevant dimensions of KM on the basis of hospitality entrepreneurship and identify the most influential determinants of goal orientation.

2) To examine the direct effects of the SECI dimensions (KM) on the goal orientation of hospitality entrepreneurship.

To accomplish the above objectives, we provide a hospitality entrepreneurial framework for explaining how hospitality entrepreneurs can make use of their SECI dimensions to operate KM through the process of goal orientation.

2. LITERATURE REVIEW

2.1 Knowledge management

The main idea of KM originates from theories such as the SECI model, which can help startup firms by providing entrepreneurial directions for sustainability and growth (Bandera *et al.*, 2017). KM comes from the resource-based view of an organization (Shamim *et al.*, 2017; Amit and Schoemaker, 1993) with knowledge being categorized as either explicit or tacit (Koenig, 2012). Knowledge creation is a dynamic theory emerging from the work of Nonaka and Takeuchi (1995) in the form of the SECI model: it is developed from tacit and explicit knowledge, where the dynamic flows of the four dimensions include SO (exchanging knowledge between individuals and/or groups), EX (extracting knowledge by transforming tacit knowledge to explicit knowledge), CO (merging knowledge by identifying and sharing explicit knowledge), and IO (embedding knowledge into individuals and/or the organization by transforming explicit knowledge to tacit knowledge). As such, it is a circulating system formed by continuous KM, which can be seen as a knowledge creation spiral (Bandera *et al.*, 2017). Knowledge as a firm asset and valuable resource can benefit the firm through values creation (Zack *et al.*, 2009). However, the firm should develop and operate activities to help support its capacity and should promote values that contribute to KM practices (Grant, 2002). Successful practices of KM improve the firm's competitiveness, financial and organization performance, and innovation capability (Andreeva and Kianto, 2012; Ferraresi *et al.*, 2012; Saenz *et al.*, 2012). It is therefore important to identify significant determinants supporting and promoting KM in entrepreneurship.

The relationship between KM and goal orientation is also connected with supervisory orientation (Kohli *et al.*, 1998; and Shamim *et al.*, 2017). Past studies investigated the effect of performance goal orientation on KM and found that KM has an indirect and positive effect on supervisory orientation through the mediation of goal orientation (Shamim *et al.*, 2017). From Yang's (2010) point of view, learning, organization advocate, and leadership influence the KM among hotel employees.

2.2 Goal orientation

The idea of goal orientation was well documented in the educational psychologist field of research. For instance, Eison (1979) and Dweck (1986) distinguished two distinct goal orientations: learning goal orientation (LO) and performance goal orientation (PO). Previous research indicated a strong attention in connecting LO and PO (e.g., Dweck, 1975; Dweck and Leggett, 1988; VandeWalle *et al.*, 1999; Kim and Lee, 2013). While LO stresses the evolution of new skills and aims for being a professional discipline, PO

stresses the persuasion to outperform others, to show the ability in an appearance of performance, to move towards achievement, and to avoid challenging situations (Kim and Lee, 2013). Therefore, PO is featured by evading challenges and degenerating execution in the confrontation of barriers (Button *et al.*, 1996). The basic nature of goal orientation has been a headline of dispute. A confirmatory factor analysis (CFA) of goal orientation was conducted by Button *et al.* (1996) who confirmed that goal orientation can be divided into learning and performance goal orientations as aforementioned. The endeavor for one's development of work performance stems from LO, while PO is more related to one's potentiality as a fixed identity (Dweck, 1986).

Goal orientations have been connected to different types of performance under different scenarios, such as sales performance, learning performance, and work performances (e.g., Brett and Vande Walle, 1999; Steele-Johnson *et al.*, 2000). PO is different from LO as the former emphasizes substantiating the layer of one's learning by presenting performance (Kim and Lee, 2013).

2.3 Entrepreneurs and knowledge management

The perspective of knowledge in entrepreneurship is enlarged with globalization. Past studies on organizational knowledge stated that knowledge is useful for whoever is ready and has the potential to learn effectively and efficiently from the knowledge that is actual and reachable (Strong, Davenport, and Prusak, 2008). The conceptual relationship between KM and entrepreneurship is widely supported. For instance, Chawiga and Chipeta (2017) investigated the connection between competitive advantage and KM of SMEs in the economy of Malawi (Bandera *et al.*, 2017). Kania *et al.* (2017) also provided evidence for a relationship between entrepreneurial competencies and business performance, which has theoretical and managerial implications on the field. However, researchers have not made much of a direct linkage between KM and entrepreneurship.

Socialization procedure transforms tacit knowledge carried on from the past into tacit knowledge that is passed as shared experiences and articulated activities through participation or interaction of members in an organization (Nonaka, 1994), which includes the entrepreneur who is a part of the organization or business. Nonaka *et al.* (2000) posited that organizations manage and create knowledge in a complex variety. They indicated that businessmen and academics have defined KM as the management of information, which is not a precise description. Their model was created on the concept that individual knowledge can be applied in nature and organization (Easa, 2012). Entrepreneurship is a part of an organization that is considered most important for driving the organization to become successful. KM is also one part of the organization or entrepreneurship, which emphasizes recognizing the management of knowledge in all activities including the employees.

The KM literature points out the greatness of KM to a grown-up organization in the fourth dimension of the Moore Bygrave model. Also, KM practices can support a created startup to reach market demand and supply for the success of the business and to avoid failure and excessive risks (Bandera, Bartolacci, and Passerini, 2016a, Bandera *et al.*, 2017).

Entrepreneurship and KM were widely supported from the aspirations of innovation existence. Desouza and Awazu (2006) observed 25 SMEs from which they

found that none had fully applied KM in the organization. They did not pay much attention to KM and cannot be accounted with the issues of scale given that SMEs always use the lean and creative reach to overpower resource constraints. Other opinions, in general to KM, are shared content (Bennett, 2001) where an abundance of familiarization exists amongst employees who are highly engaged with all business activities. Transforming knowledge to become productivity is for the benefit of the organization and individuals who are involved in the business environment because doing so extends the ability cycle through capturing, exchanging, transforming, applying, and sharing knowledge resources (Schiuma, 2012).

3. CONCEPTUAL FRAMEWORK AND HYPOTHESIS

3.1. Relation between socialization and goal orientation

The business environment will continue to change the ways in which organizations learn, perform, and make constant anticipation through a socialized cohesive network from their fellow colleagues to obtain the facts and information for decisive actions (Martinez-Martinez, *et al.*, 2019). SO enables the process of individuals or groups to come together and obtain the gist of how things are applied as well as acquiring a better grasp of things being applied (Ben-Menahem *et al.*, 2013). SO activities transform tacit knowledge to explicit knowledge by which knowledge is transmitted through practice, guidance, imitation, and observation.

Workers from a diverse set of background in terms of skills and talents converge to share the knowledge and understanding of the practical procedures. Organizational members are given the opportunity to be exposed to an array of guidance that allows people to utilize their trade in a more creative and innovative manner (Alegre *et al.*, 2013). The experience and know-how from experts provide a unique contribution to the institutionalized routines within the workplace thus serving as an open workshop for equipping and developing individuals to gain a better learning performance (Sirén, *et al.*, 2017). Learning is effective when people are able to observe how things are being done correctly, which leads to better results by seeing firsthand why certain principles applied, experiencing the shortcomings, and being aware of making adjustments to obtain better performance with the tasks at hand (Ahmadpour, Daryani, and Karimi, 2017). The first two hypotheses of this study are stated as follows:

H1a: *SO directly and positively affects LO.*

H1b: *SO directly and positively affects PO.*

3.2 Relation between externalization and goal orientation

Knowledge management positively affects the learning and performance of an organization when the concept is integrated as part of the organizational culture (Susanty and Salwa, 2017). EX is considered one of the mechanisms that foster a learning environment within the organization where employees are the heart of the soul of enhancing the ability of their institutions to maintain and improve its performance (Tohidi, 2012). The idea of having EX is to prompt employees to form alliances to learn

from each other's precepts and doctrines revealing on ways of obtaining the best performance out of the working system and discovering the niche roles for exceeding standards with the business mission (Ozdemir, Kandemir, and Eng, 2017). EX, as externalization activities which transform tacit knowledge to explicit knowledge, is deemed as a particularly essential and difficult conversion mechanism. Tacit knowledge is codified into manuals, document, and so on, so that it can spread easily through the organization. When tacit knowledge can be virtually impossible to codify, the use of metaphor is cited as an important EX mechanism. Well-written documents or researched articles are useful tools to support learning through EX, but it is also critical that the lessons touch upon the values that workers should know for them to fulfill their potentials when they are in the middle of accomplishing a task or being a team player (Zhang, Wu, and Cui, 2015). Communicating through a visual display or with objects that the workers can feel and relate to in their job position helps them to be more orientated in searching on their own to realize which skilled areas they are competent in performing and what they may need to improve upon to help the organization reach its goal (Gutierrez-Gutierrez, Barrales-Molina, and Kaynak, 2018). The next two hypotheses are stated as follows:

H2a: *EX directly and positively affects LO.*

H2b: *EX directly and positively affects PO.*

3.3 Relation between combination and goal orientation.

The validity of a business model is likely to be challenged in a turbulent environment. For instance, it is increasingly common for organizations to use social media to collect conversations, feedbacks, and comments from their customers so as to learn more about their customers' needs and gain an edge over competitors (Wang *et al.*, 2016). In the fast-food industry, for instance, restaurants experiment with regularly changing their menus to find out customers' tastes and preferences so as to design effective marketing strategies (Sjoerdsma and van Weele, 2015). Moreover, firms conduct research and development to bring new ideas and information for assisting the management in undertaking systematic learning aiming to achieve organizational goals (Berghman *et al.*, 2013). The hypotheses regarding the effects of CO on LO and PO are stated as follows:

H3a: *CO directly and positively affects LO.*

H3b: *CO directly and positively affects PO.*

3.4 Relation between internalization and goal orientation

The process for sustaining an internalization environment stems from the organizational culture with a structure demonstrating corporate values for workers to follow. The culture also emphasizes openness to new ideas for improving employees' learning experience and achievement (Beugelsdijk, 2018). For instance, employees should be given opportunities to achieve self-improvement through hands-on experience. Therefore, sufficient time should be given to individuals, groups, and teams within the organization to acquire basic skills that strengthen their confidence in performing to

attain the desirable outcomes (Kirkman, Lowe, and Gibson, 2017). Learning becomes more effective if employees are allowed to concentrate in the resources they are working with, rather than constantly put them under high pressure to deliver immediate results (Maitland and Sammartino, 2015). Efforts and energy devoted to the learning process have to be relevant to the expected outcomes. It is about providing the facts and information enabling employees to be honest with their performance (Booltink and Saka-Helmhout, 2018). Psychologically, IN among employees comes randomly if incentives and tools for self-development are provided by the management (Whittaker, 2016). The hypotheses regarding the effects of IN on LO and PO are stated as follows:

H4a: *IN directly and positively affects LO.*

H4b: *IN directly and positively affects PO.*

4. METHODOLOGY

This research began with a survey to collect data for discovering and investigating the linkage between the SECI dimensions and entrepreneurial goal orientation in the hospitality industry. To test for the hypotheses, we conducted data analysis through a deductive approach based on quantitative techniques.

4.1 Sample and data collection

The hospitality industry is characterized by supervisory orientation, employee goal orientation, and KM among front-line hotel employees due to the industry's unique feature in terms of the high-quality and customized hotel services provided to customers (Shamim *et al.*, 2017; Kuo *et al.*, 2012).

The sample of this study comprises entrepreneurs in the hospitality industry in Chiang Mai, Thailand. According to the TAT Intelligence Center in 2018, there were 855 hotels in Chiang Mai, Thailand. As the exact number of entrepreneurs in the hospitality industry is unknown, this study uses the number of hotels to estimate the sample size, which is estimated to be 380 entrepreneurs in the hospitality industry at the 95 % confidence level. The final sample contains 214 respondents focusing on entrepreneurship in the hospitality industry.

According to the survey findings, 58.90% of the respondents are female. Majority of the respondents (38.80%) had 1 to 5 years of work experience. The highest education level attained was a bachelor's degree (45.30%). 67.30% of them had experience of working in foreign countries. Most of the respondents (60.70%) were business owners, and the most common nature of their businesses is hotel (35.50%) hiring 1 to 50 employees (50.00%). The estimated asset value of the business was less than 10 million (44.40%). Many of the respondents used Facebook (51.90%) as a KM tool for sharing knowledge. Majority of the respondents indicated that their business performance was growing over the sample period.

4.2 Measures

The first section of the questionnaire collects the respondents' demographic information including their gender, work experience, education level, experience of working in a foreign country, ownership of inheritance business, category of business, categories of hospitality, number of employees, estimated asset value, and the KM tools for sharing knowledge. The second section collect data on the annual change in business performance, the annual change in gross profit margin, the annual change in capital, the annual change in total assets, and the annual change in productivity. This section also collects data on adopted, modified, and self-developed innovations. In the final section, we collect a total of 18 items for measuring SO (with 3 items), EX (with 3 items), CO (with 3 items), IN (with 3 items), LO (with 3 items), and PO (with 3 items). There is also one additional question on the respondents' views about the SECI dimensions and KM in their organizations. The SECI dimensions are measured by 12 items adopted from Martínez-Martínez, A., Cegarra-Navarro, J. G., and García-Pérez, A. (2015). Each of LO and PO is measured by six items adopted from Shamim, S., Cang, S., and Yu, H. (2017). All items in the questionnaire are measured on a five-point Likert scale ranging from 1 = "Never" to 5 = "Regularly".

4.3 Data analysis

The process was started with a reliability test. This study conducted a CFA to test and affirm the relevant dimensions of KM. CFA was also used to conduct discriminant analyses on the latent variables. For the purpose of hypothesis testing, we formulated a structural equation model (SEM) as described in Figures 1 and 2. Diagnostic statistics for SEM analysis are used to evaluate the model's goodness-of-fit on the basis of factor loadings, goodness-of-fit index (GFI), adjusted goodness-of-fit index (AGFI), comparative fit index (CFI), normed fit index (NFI), and root mean square error of approximation (RMSEA). The model is considered a good fit with the data if the values of GFI, AGFI, CFI, and NFI are small than 0.09 and that of RMSEA is greater than 0.9, (Garg and Dhar, 2014; Shamim, S., Cang, S., and Yu, H. 2017).

Findings from Table 2 shows that the diagnostic statistics are all within acceptable ranges, suggesting that the structural equation model is a good fit in analyzing the data. The structural equation model was estimated by path analysis, which was then applied to test for this study's hypotheses.

5. RESULTS

5.1 Reliability and validity analysis

As reported Table 1, the factor loading is greater than 0.7, the composite reliability (CR) exceeds 0.7, and the average variance extracted (AVE) exceeds 0.5, which establishes convergent validity for all the constructs (Fornell and Larcker, 1981). Moreover, Table 1 shows that the Cronbach alpha for each factor exceeds 0.7, which suggests that data reliability is accepted (George, 2003).

5.2 Structural equation modeling and hypothesis testing

The direct effects of the exogenous variables on the endogenous variables are observed from the estimation results. A summary of the results from the path analysis of the structural equation model is presented in Table 3, which is described as follows:

H1a: *SO directly and positively affects learning orientation.*

According to the hypothesis testing results given in Table 3, this hypothesis is not supported because SO does not have any significant effect on LO. Specifically, the estimated standard regression weight of the structural path between SO and LO is only 0.033, meaning that if SO goes up by 1 standard deviation, LO goes up by only 0.033 standard deviation with a p-value of 0.628. That is to say, the relationship between SO and LO is statistically insignificant.

H1b: *SO directly and positively affects PO.*

As indicated by the results of hypothesis testing in Table 3, this hypothesis is supported because SO has a significantly positive and direct effect on PO ($\beta = 0.18$, $p < 0.05$). The estimated standard regression weight of the structural path between SO and PO is 0.176, meaning that if SO goes up by 1 standard deviation, PO goes up by 0.176 standard deviation, where the p-value is 0.027. This finding of a significantly positive relationship between SO and PO is consistent with those from previous research (e.g., Martinez-Martinez, *et al.*, 2019; Ahmadpour *et al.*, 2017)

H2a: *EX directly and positively affects LO.*

This hypothesis is supported because EX has a significantly positive and direct effect on LO ($\beta = 0.18$, $p < 0.05$). The estimated standard regression weight of the structural path between EX and LO is 0.181, meaning that if EX goes up by 1 standard deviation, LO goes up by 0.181 standard deviation, where the p-value is at 0.021. This significantly positive relationship between EX and LO is consistent with those from previous studies (Tohidi, 2012; Ozdemir *et al.*, 2017)

H2b: *EX directly and positively affects PO.*

As indicated by the results of hypothesis testing in Table 3, this hypothesis is supported because EX has a significantly positive and direct effect on PO ($\beta = 0.020$, $p < 0.05$). The estimated standard regression weight of the structural path between EX and PO is 0.196, meaning that if EX goes up by 1 standard deviation, PO goes up by 0.196 standard deviation, where the p-value is 0.017. This finding of a significantly positive relationship between EX and PO is consistent with those from past research (e.g., Tohidi, 2012 ; Ozdemir *et al.*, 2017)

H3a: *CO directly and positively effects LO.*

According to the hypothesis testing results in Table 3, this hypothesis is supported because CO has a significantly negative and direct effect on LO ($\beta = -0.86$, $p < 0.05$). The estimated standard regression weight of the structural path between CO and LO is -0.858 , meaning that if CO goes up by 1 standard deviation, LO goes down by 0.858 standard deviation, where the p-value is 0.000. This finding of a significantly

negative relationship between CO and LO is in the opposite direction to those from past studies (e.g., Wang *et al.*, 2016; Berghman *et al.*, 2013)

H3b: CO directly and positively affects PO.

According to the hypothesis testing results in Table 3, this hypothesis is not supported because the relationship between CO and PO is statistically insignificant. This finding is inconsistent with those from previous studies (e.g., Wang *et al.*, 2016; Berghman *et al.*, 2013)

H4a: IN directly and positively affects LO.

According to the hypothesis testing results in Table 3, this hypothesis is supported because IN has a significantly positive and direct effect on LO ($\beta = 1.00$, $p < 0.05$). The estimated standard regression weight of the structural path between EX and LO is 1.002, meaning that if IN goes up by 1 standard deviation, LO goes up by 1.002 standard deviation, where the p-value is at 0.000. This finding of a significantly positive relationship between IN and LO is consistent with those from past research (e.g., Nonaka and Takeuchi, 1995; Nonaka *et al.*, 2000b; Beugelsdijk, 2018; Maitland and Sammartino, 2015).

H4b: IN directly and positively affects PO.

As indicated by the results of hypothesis testing in Table 3, this hypothesis is not supported because the relationship between IN and PO is statistically insignificant. This finding is inconsistent with those from previous studies (e.g., Nonaka and Takeuchi, 1995; Nonaka *et al.*, 2000b; Beugelsdijk, 2018; Maitland and Sammartino, 2015).

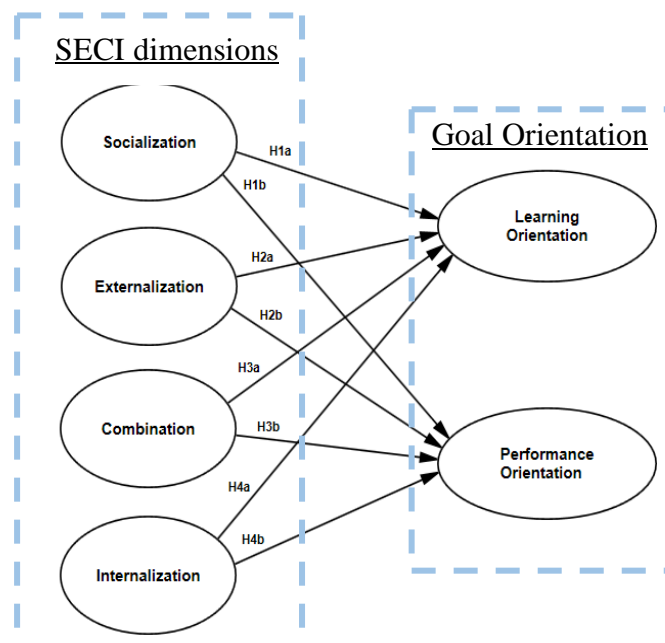


Figure 1. Conceptual model

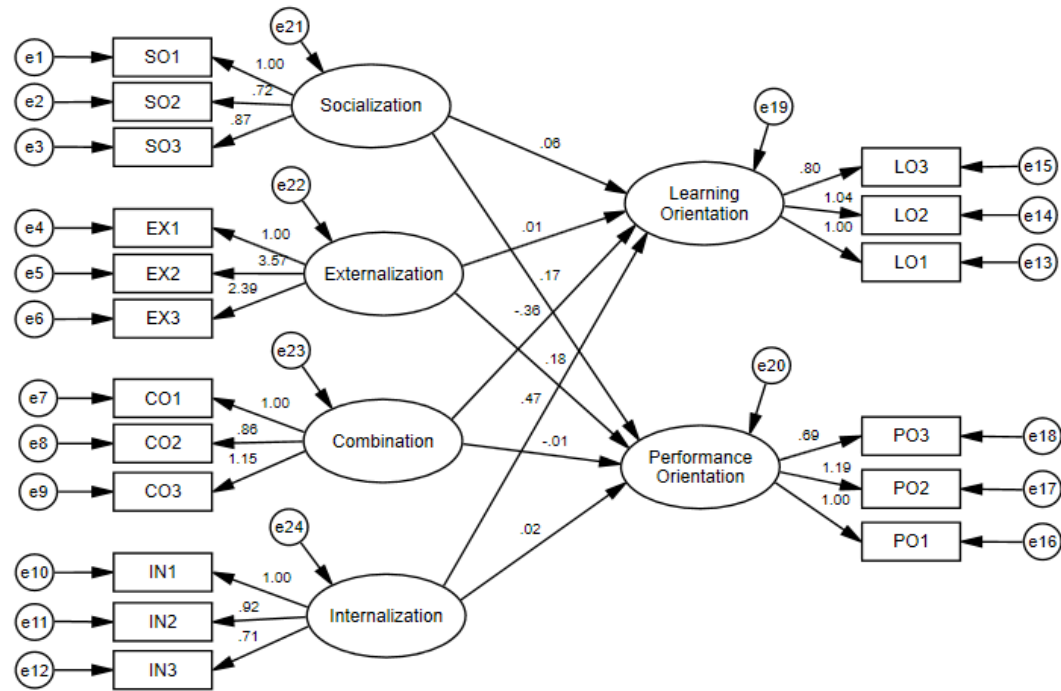


Figure 2. Path analysis

Table 1. Convergent validity and reliabilities

Factor	Items	Factor loading	AVE	CR	Cronbach's Alpha
Socialization	S1	0.89	0.702	0.88	0.79
	S2	0.82			
	S3	0.80			
Externalization	E1	0.70	0.54	0.78	0.83
	E2	0.79			
	E3	0.70			
Combination	C1	0.83	0.71	0.88	0.91
	C2	0.93			
	C3	0.76			
Internalization	I1	0.94	0.75	0.90	0.89
	I2	0.93			
	I3	0.70			
Learning Orientation	L1	0.93	0.67	0.86	0.86
	L2	0.79			
	L3	0.73			
Performance Orientation	P1	0.85	0.70	0.88	0.79
	P2	0.89			
	P3	0.77			

Table 2. Model fit statistics

Model fit indices	Chi-square	DF	CMIN/DF	GFI	AGFI	NFI	IFI	RMR	CFI	RMAEA
	76.656	64	1.918	0.962	0.899	0.978	0.996	0.057	0.996	0.030

Table 3. Hypothesis testing and path analysis

Path	Direct effect (β)	t-value	P-Value	Standardized Estimation	Hypothesis	Result
LO <--- SO	0.03	0.48	0.628	0.033	H1a	Rejected
PO <--- SO	0.18	2.21	0.027**	0.176	H1b	Accepted
LO <--- EX	0.18	2.302	0.021**	0.181	H2a	Accepted
PO <--- EX	0.20	2.381	0.017**	0.196	H2b	Accepted
LO <--- CO	- 0.86	- 4.356	0.000**	- 0.858	H3a	Accepted
PO <--- CO	- 0.08	- 0.619	0.536	- 0.084	H3b	Rejected
LO <--- IN	1.00	5.326	0.000**	1.002	H4a	Accepted
PO <--- IN	0.07	0.581	0.561	0.73	H4b	Rejected

Socialization (SO), Externalization (EX), Combination (CO), Internalization (IN), Learning Orientation (LO), Performance Orientation (PO). **p < 0.05

6. DISCUSSION AND CONCLUSIONS

The first objective of this study is to identify the relevant KM dimensions of hospitality industry entrepreneurs to examine which factors have the most significant influence on goal orientation and the strongest correlation with other factors. The second objective is to identify the direct effect of the SECI model (KM) on the entrepreneur goal orientation in the hospitality industry. In the examination of the relationships between KM and entrepreneur goal orientations, this study is partially consistent with Kohli *et al.* (1998), Shamim *et al.* (2017), and Martinez-Martinez *et al.* (2019). While the result shows that the effect of SO on LO is insignificant, there is a positive effect of SO on PO. The SO dimension is found to be a part of KM and positively affects PO, which is consistent with Kohli *et al.* (1998). In addition, as results show, a significant relationship exists between SO and PO, which is in the same direction as those from previous ascendants (Martinez-Martinez, *et al.*, 2019; Ahmadpour, Daryani, and Karimi, 2017). Moreover, a direct and positive effect of EX exists on LO and PO, which is partially consistent with Li *et al.* (2009). A direct and positive effect of EX also exists on LO and PO, which is partially consistent with Li *et al.* (2009) and represents the significance of the direct effect of entrepreneurial orientation on firm performance, whereas a combination of them has a significantly negative effect on LO, CO, and PO. This suggests that the hypothesis on CO is not supported. These findings are partially consistent with those from Martelo and Cegarra-Navarro (2014), where the SECI model plays a crucial role as a way of transferring and creating knowledge from the existing knowledge toward the effectiveness of the organization's retrieval strategies. The findings are also consistent with some arguments supporting that the SECI model (KM) held by individuals can be created, shared, and transferred to others, and thus it can be linked to a new knowledge potential (Nonaka *et al.*, 2000). IN is found to have a direct and positive effect on LO but it does not affect PO. This finding is in opposite direction to that from a prior study by Kim and Lee (2013) who investigated the relationship knowledge sharing behaviors between goal orientation and discovered a positive effect of LO and a negative effect of PO on knowledge sharing in hospitality employee behavior.

In this study, we discussed the SECI dimensions (KM) behavior and the goal orientation of entrepreneurs in the hospitality industry and also discussed the construct of the SECI dimensions which is a part of KM comprising SO, EX, CO, IN (Nonaka and Takeuchi, 1995) while goal orientation comprises LO and PO (Dweck, 1986; Button *et al.*, 1996). This study is different from that of Kim and Lee (2013) who discussed only the knowledge sharing and goal orientation of hospitality employees and found that employees' LO orientation positively affects KM.

6.1 Implications for entrepreneurship

This study proposed an outline to the entrepreneurs in the hospitality industry, as a means for promoting KM in the entrepreneur goal orientation through the SECI dimensions. The result shows a relationship between the SECI dimensions (KM) and

goal orientation. In particular, SO positively affects PO but it has no effect on LO. Therefore, entrepreneurs should focus on striving to outperform others, present the capabilities, achieve the goal, and set minimum efforts to reach the destination in challenging situations (Dweck, 1986), which enhances entrepreneur PO from the SO of knowledge (i.e., from tacit to tacit e.g., sharing experience, brainstorming, observation, etc.) (Nonaka and Takeuchi, 1995). Among the four dimensions, the EX dimension is the strongest predictor of a positive effect on the LO and PO. Thus, entrepreneurs should emphasize on the EX type of entrepreneur style (i.e., from tacit to explicit e.g., writing it down, creating metaphors and analogies modeling, and so on.), which is an entrepreneur goal orientation focusing on the development of task learning and performance. The suggestion is that entrepreneurs should promote KM as an IN dimension (by applying explicit to tacit knowledge, e.g., accessing codified knowledge-based training and learning from the knowledge assets of an organization) (Nonaka and Takeuchi, 1995). Moreover, the LO of an entrepreneur may encourage and motivate others to make contributions to and collaborate with the process (Shamim *et al.*, 2017).

Upon promoting KM among entrepreneurs, multiple outcomes may exist and the entrepreneurs can accomplish these outcomes as a form of innovative service behavior (Kim and Lee, 2013). KM can be enhanced to improve the survival of startup firms by using the concepts in their business operations and planning all activities in the organization (Bendera *et al.*, 2017). Also, Shamim (*et al.*, 2017) found positive and negative effects of KM and goal orientation, respectively, among hotel supervisors and employees in the front line, which could be linked to employee participation, effectiveness of problem solving, interaction development, potential financial performance, teamwork performance (Alavi and Leidner, 2001), organization performance (Ferraresi *et al.*, 2012), reorganization capacities (Saenz *et al.*, 2012), and progressive consumer services. These are crucial factors to be considered in the approach to promoting and applying KM in an organization (Shamim *et al.*, 2017).

6.2 Limitations and future research areas

This research has limitations and suggestions for future research. The investigation was limited to the hospitality industry and the data were collected only from one city (Chiang Mai, Thailand). The hospitality industry could drive the results of this study because of the specific features of this industry such as the special features of services provided to customers. Moreover, the skills of service provision can vary from individuals to individuals, so entrepreneurs should exploit KM using SECI activities to attract and manage talents in the hotel and tourism industry. Future studies should focus on other types businesses and industries where there is a potential for a successful business to exist, such as the manufacturing industry.

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