Entrepreneurial mindset, lean-green practices and firm performance among medium hotels in Kenyan cities

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Firms are driven to maximize profits, requiring specialized techniques to improve performance. Firms can handle chaotic conditions by acting strategically. Global studies show high early-stage SME death rates. Hospitality studies have not examined how lean-green methods boost performance and competitiveness. Lean-green methods affect the entrepreneurial spirit and performance of medium-sized hotels in Kenyan cities. The paper relies on discovery and dynamic capability theory. The article used mixed-methods, concurrent triangulation, and pragmatic philosophy. 354 medium hotel managers in Mombasa, Nairobi, and Kisumu were studied, and 229 were sampled using stratified random sampling. Data was collected by questionnaire and saved in MS Excel for case-variable screening and cleaning. SPSS 22 was used for data analysis. Pearson’s correlation and regression models analyzed quantitative data. In Kenyan cities, entrepreneurial attitude positively affects medium hotel performance (\(= .773, t = 17.499, p < .05\)). Lean-green synergy positively impacted performance (\(= .527, t = 12.497, p < .05\)) and moderated the connection between entrepreneurial mentality and business performance. The study found that lean-green techniques boost performance. Lean-green production strategies are recommended by the study. These findings benefit hotel entrepreneurs, managers, academia, and legislators. The study proposes studying other industries besides hospitality to see whether comparable findings are found.

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Introduction

Entrepreneurs for decades have tried to leverage on internal and external forces to arrive at a convergence of advantage-seeking and opportunity-seeking behaviors driven by desire for optimal performance. The emergence of Strategic Entrepreneurship as a research field has appealed to a substantial number of scholars around the world (Audretsch, Kuratko, & Link, 2016; Chai & Sa, 2016; Chenuos & Maru, 2015; Kiyabo & Isaga, 2019; Simsek, Heavey, & Fox, 2017). Strategic entrepreneurship (STE) has been associated with superior business performance (Arokodare, 2020). As such (STE) concept capitalizes on firms’ behavior aimed to transforms internal resources to realize a better future. STE utilizes unique mental creativity of strategic management and entrepreneurship where the aspects of both fields incorporate entrepreneurial actions with strategic perspective (Ireland, Hitt & Simon, 2003). This approach to STE assumes that combining and balancing advantage-seeking and opportunity-seeking activities is essential for growth-oriented companies (Ukenna, Makinde, Akinlabi, & Asikhia, 2019). Viewing STE through the lens of complex situations provides an explanation of why intersections of strategy and entrepreneurship transform that interface beyond the resources currently held. Kraus, Kauranen & Reschke (2011) presented their view through an argument that STE is initiated to capture a firm’s effort to simultaneously exploit existing competitive advantages while exploring what needs to be done in the future to remain successful. Gancarczyk (2018) added that STE involves actions taken to exploit current advantages and at the same time exploring new opportunities that sustains an entity’s ability to create value across time. Therefore, STE as a process facilitates the firm’s efforts to discover opportunities and put them into use. STE as a construct is derived from the logical intersection and integration of both entrepreneurship and strategic management disciplines. Combining the knowledge from academic research streams both fields try to
answer many but related or same research questions (Gancarzyck, 2018). Kyrgidou and Hughes (2010) consented that the dynamic capabilities of the company as a factor will allow the company to transform current resources into new sources of value. Therefore STE is not synonymous with corporate entrepreneurship in three respects: first corporate entrepreneurship is rooted on entrepreneurship domain while STE lies at the intersection between entrepreneurship and the strategy, secondly, STE applies to firms of all sizes, ages, and characteristics whether small, medium and large sized regardless of being incumbent or new ventures but corporate entrepreneurship only applies to large enterprises, and finally STE corresponds to a broader array of entrepreneurial initiatives that do not necessarily involve new businesses being added to the firm, in contrast corporate entrepreneurship is focused on entrepreneurial newness which means new venture creation (Gancarzyck, 2018). Ireland, Hitt and Sirmon (2003) specified four components of STE model and among them is entrepreneurial mindset. The mindset includes willingness and eagerness to identify new opportunities as well as exploiting them leading to a competitive advantage which subsequently help to achieve business success. Deoferi (2013) associated EM with competencies which make entrepreneurs identify opportunities, strategize and organize. Establishing EM is paramount to nourishing the firm competitiveness of economic entities and the socioeconomic lifestyle of the populace through value and job formation (Cooper, 2002). Mulindabigwi and Kayitana (2018) in their study provided evidence that mindset as a variable was positive and significant suggesting that having a growth mindset increases the firm’s sustainability. Another study of entrepreneurial mindset and entrepreneurial competence as determinants of SMEs performance using regression analysis, Asenge and Agwa (2018) concluded that there exists a positive significant effect of EM on SMEs performance. The mindset coordinates knowledge in different unique ways targeting allocation of resources in order to obtain profit. Therefore, business proprietors need to develop a creative mindsets for innovation purposes in order to take advantage of the market and add value to the society at large (Faltin, 2007). Individuals with EM are often drawn to opportunities and innovation leading to value creation because they can accept the realities of change in uncertainty conditions. This implies that EM is one of essential features that entrepreneur need to exhibit and achieve growth in business (Rahman, Adedeji, Uddin & Rahaman, 2017). The mindset provides ability to develop relevant sustenance for competitiveness in the dynamic and uncertain business environment.

According to Kalu and Peace (2017) EM is the key for nation’s economic development especially when viewed through stimulation of the SMEs. EM implies a specific state of mind which orientates human conduct towards entrepreneurial activities (Asenge, et al, 2018). Large number of sound minded entrepreneurs willing and able to confront business environmental challenges are compelled to achieve superior performance (Teece, 2019). In this regard EM is an automated non conscious perspective that leads to an individual willing to take action under uncertainty, make errors, learn from those failures and direct that learning to specific goals to best solve entrepreneurial tasks within the process of venture creation (Lynch & Corbett, 2019). An exploratory study of EM by Neneh, (2012) revealed that acquiring an EM requires re-learning how to motivate oneself, take risk, and become creative and innovative. Many researchers have argued that going green can be a holistic business strategy that adds value to the companies and their stakeholders (Amege, Owino & Nuwasima, 2017). Lean production as an organizational strategy is driven by the idea of “doing more with less” (Maia, Alves & Leão, 2017). The lean strategy is flexible in cost reduction through process improvement culminating in reduction or elimination of all wastes a (Carvalho, Duarte & Machado, 2011). Adopting lean production methods automatically incorporates green practices because of the need to obtain products and services that are environmentally friendly (Basuki, 2015). Lean-green therefor as practices call commitment by entrepreneurial firms to adopt various ecologically sound practices such as saving water, saving energy and reducing solid waste. The need for ecologically sound practices has been necessitated in the hospitality industry by dynamic competition among firms which encourage them to discover new ways of doing business and new ways of creating value for their customers (Koopman, Mitchel & Thierer, 2014). This industry has been associated with endeavors to satisfy a full range of needs such as accommodations, food and beverages (Ronra & Chaisawat, 2016). In agreement Rakicka (2016) noted that the entire hospitality sector is getting affected by the sustainability phenomena as well as the entire global society that we live in. Hotels should therefore continuously seek new ways to acquire, retain and increase business, since the cost of losing customers is rising (Korir 2018). Thus, this study sought to establish how a lean-green practice influences the relationship between entrepreneurial mindset and performance of medium hotels in the Kenyan cities. The study adopted pragmatism paradigm because it offers a flexible and more reflexive approach to research design (Feilzer 2010). The philosophy enabled the researcher to use mixed method to test the hypothesis and determine the influence of lean-green practices on the relationship between entrepreneurial mindset and performance of medium hotels in the Kenyan cities. The target population consisted of 534 medium hotels in the Kenyan cities from which a sample of 229 respondents were drawn using stratified random methods.

The paper is organized into six sections; the introduction which outlines the background information of the study, literature review which provides information on research variables, the methodology adopted, results and discussions, conclusions and finally the recommendations.

**Literature Review**

The importance and potentiality of entrepreneurial mindset towards sustainable competitive advantage cannot be under estimated. Within the entrepreneurship literature, there are themes identified as central to entrepreneurship (Luke,2010). Among these themes is innovations recognized as central to entrepreneurship Schumpeter (1934) in relation to creative destruction, novelty, and the importance of introducing something new to the market (Davidsson, 2006 as cited by Luke, 2010). However, entrepreneurship has also been associated with swiftly seizing business opportunities necessitating an intrinsic capability of recognizing that opportunity. The seized opportunities must have positive returns which Schumpeter (1934) associated with financial and economic gains to
guarantee to that swift action, but not all firms have the capability of transforming entrepreneurial activity into a financial gain as observed by Lumpkin and Dess (1996). Moreover, the dynamic and volatile nature of entrepreneurship continues to block businesses seeking positive returns without assuming associated risks. A more structured or strategic approach to entrepreneurship can be examined in a bid to achieve positive business outcomes or performance. Combining both entrepreneurship and strategic management has been acknowledged as a necessary pathway towards financial performances and growth from various management literature (Burgelman, 1983 as cited by Luke 2010). Venkataraman and Sarasvathy (2001) emphasized entrepreneurship and strategy as conceptually inseparable highlighting the complementary or inter-dependent nature of the two concepts. The idea of intersecting entrepreneurship and strategic management led to a combination of exploration and exploitation matrix. A number of studies have continued to explore and develop strategic entrepreneurship from concept to construct (Ireland & Webb, 2007). Ireland et al. (2001) identified six themes which were taken be the center of strategic entrepreneurship namely innovation , networking, organizational learning , growth, and top management teams and governance. In 2003 Ireland, Hitt, and Sirmon revised the dimensions central to strategic entrepreneurship to include an entrepreneurial mindset, entrepreneurial leadership and culture, strategic management of resources, and application of creativity to develop innovations. Kyrgidou and Hughes (2010) summarized the four key dimensions of strategic entrepreneurship as, entrepreneurial mindset (encompassing insight, alertness, and flexibility to use appropriate resources), entrepreneurial culture and leadership (such that innovation and creativity are expected), strategic management of resources (including financial, human, and social capital), and applying creativity to develop innovations (both radical and incremental).

The integration of these dimensions resulted in wealth creation. Wealth creation and competitive advantages Hitt, Ireland, Camp, and Sexton (2001), are some of the many benefits referred to in the context of entrepreneurship. Ireland et al. (2003) posits that a firm which linearly and sequentially: employs an entrepreneurial mindset to identify opportunities; manages resources strategically to tackle the opportunity; applies creativity and innovation; and generates a competitive advantage is operating strategically. Therefore, EM conforms to an automated non conscious perspective including the sum total of cognitive processes that lead to an individual willing to take action under uncertainty, make errors, learn from those failures and direct that learning to specific goals to best solve entrepreneurial tasks within the process of venture creation (Lynch & Corbett, 2019). In this study entrepreneurial mindset (EM) is taken to refer to an intended conscious thought towards business and opportunities in conjunction with associated risks. EM is also looked at as a specific state of mind which orients human conduct towards entrepreneurial activities (Asengie, et al, 2018). In conclusion EM is not only seeking new opportunities, but also pursues only the very best opportunities while engaging everyone in their execution. An exploratory study of EM by Neneh, (2012) concluded that acquiring an entrepreneurial mindset requires re-learning how to motivate oneself, take risk, and become creative and innovative. Therefore, enhancing EM and functioning with an entrepreneurial orientation prepares emerging leaders with knowledge, skills and ability to cope with ambiguity and face complexities in the organization (Victor, 2018).

Bosman and Fernhaber (2018) noted that EM involves seeking new opportunities and pursuing these opportunities. In this regard as observed by Faltin (2007) business proprietors have to develop a creative mindset for innovation purposes which will enable them to take advantage of the market and add value to the society at large. This mindset not only includes willingness and eagerness to identify new opportunities but also exploiting them leading to a competitive advantage and subsequently achieving business success. Since individuals with EM orientation are always drawn to opportunities which leads to new value creation after assuming risks, it can be summarized that EM has close links to innovation. This is due to being characterized by persistent pursuit of opportunities, thinking different, intuitive and executive, risk taking and status quo elimination (Ekman & Ekman, 2009). The mindset provides ability to develop relevant sustenance for competitiveness as a lifestyle given the dynamic and uncertain business environment implying that EM is one of essential features that entrepreneur needs to exhibit to achieve growth in business (Rahman, Adecjeji, Uddin & Rahaman, 2017). Utilizing EM has an association with analyzing the world and what is happening in terms of opportunities. This calls for evaluation of all possibilities and putting them into practice objectively thereby translating ideas into action (Ferrero & Fioro, 2014). Dhilliwayo and Vuuren, (2007) emphasized that an EM is a significant success feature for SMEs without which a business will fail. In totality EM is key for nation’s economic development especially when it is viewed through stimulation of the SMEs according to (Kalu & Peace, 2017).

Doepfer (2013) associated EM with competencies of entrepreneurs related to identification of opportunities, strategizing and organizing. Hence establishing EM is paramount to nourishing the competitiveness of economic entities and the socioeconomic lifestyle of the population through value and job formation (Cooper, 2002). Mulindabigwi and Kayitana (2018) in their study proved that mindset as a variable was positive and significant suggesting that having a growth mindset increases the firm’s sustainability. Jemal, (2020) investigated common dimensions of EM such as passion, risk acceptance, action oriented and other behavioral attributes using regression analysis. The study revealed that, there exists a significant relationship between EM and aspiration on small business performance and suggest that this can help owners to be more market oriented in order for them to survive. Hence, growth in mindset increases sustainability through creativity and risk assumption. Arokodare, Kuforiji, Makinde & Asikiah, (2020) sought the moderating role of EM on the relationship between STE and superior firm performance. Based on extensive literature review, the study showed that EM enhances the relationship between STE and superior firm performance. The study recommended that organizational managers should employ and adopt both STE and EM measures in their business functions and direction so as to achieve superior performance. This study therefore conceptually associated EM with features like alertness, opportunity recognition, risk taking propensity, entrepreneur belief and value as well as entrepreneur innovation which all enhance entrepreneur superior
performance. The study failed to acknowledge that EM is component of STE and not vice versa. Conceptually, Naumann (2017) confirmed through meta-analysis that EM is an important element STE model leading to a contradiction that this study will try to iron out.

The lean-green practices have influenced structural changes in a wide scope of eco-friendly methods of conducting business and consequently affecting capital mobilization. Firms must be able to demonstrate a timely responsiveness to market dynamics and effectively coordinate as well as redeploy internal and external competences in order to achieve overall performance. Enhancing EM and functioning with an entrepreneurial orientation prepares emerging leaders with knowledge, skills and ability to cope with ambiguity and face complexity in organization (Victor, 2018). EM is not only about passionately seeking new opportunities, but pursuing only the very best opportunities, focusing on execution and engaging everyone in their domain (McGrath, & MacMillan, 2000). Bosman and Fernhaber (2018) confirmed that EM is involved in seeking new opportunities and pursuing opportunities. Lean implies using the least amount of effort, energy, equipment, time, facility space, materials, and capital while giving customers exactly what they want (Jones & Womack, 2014).

The concept signifies a system which utilize less inputs to create the same output as those created by a traditional mass production system and at the same time increasing varieties for the end customer as well as eliminating non-value-added activities throughout a product value stream (Womack & Jones, 1994 as cited by Kovilage, 2020). Interestingly, existing literature shows that green practices can help companies to become leaner (Dues et al, 2011), and implementing sustainability strategies in the hotel industry can have positive effects on cost reduction and marketing strategies of the business (Rakicka’, 2016). The medium hotels are assumed to be alert to the changing market opportunities, and hence can seize the lean-green production strategies as an opportunity of lowering operational costs and wooing environmental conscious customers. It is common to find companies concerned with wastes reduction without taking into consideration all the benefits that a Lean-Green approach could bring (Abreu et al 2017). Lean practices and green practices when combined can give a competitive edge by presenting customers with eco-friendly products, produced at relatively low costs (Inman & Green, 2018).

Despite the combination of Lean and Green being mentioned in published articles, only few examples are available to explain how managers can integrate Green methodologies into current Lean practices (Dues et al 2011). This has prompted this study to seek how lean-green practices can influence the relationship between EM and firm performance among medium hotels in the Kenyan cities. While many studies report the intentions to adopt and implement pro-environmental practice as a strategy, few studies identify how and why hotel and hospitality industry are actually doing so (Grande, Madsen, and Borch, 2011). Researchers have tried to link the implementation of various lean practices with different dimensions of firm performance, but few researchers have integrated green issues in the literature (Chen and Chang, 2012).

Many researchers have argued that going green can be a holistic business solution that adds value to the companies and their stakeholders, however no pragmatic integration could be found where lean and green practices are integrated with strategic entrepreneurship to map, measure and improve operational and environmental performances synergistically (Choudhary et al, 2019). Neither is there any record of study done on the synergy of lean-green practices, strategic entrepreneurship and performance in hospitality sector in Kenya and therefore this study is directed to bridging this knowledge gap. This study adopted dynamic capabilities theory and discovery theory since both advocates for the continuous updating of the operative process, interaction with the environment and evaluations of decision making (Camara, 2018). Dynamic capabilities include sensing, seizing and transforming abilities that are needed to upgrade the ordinary capabilities of an enterprise and direct them to address and change changes in the marketplace or in the business environment (Teece, 2018). The discovery theory dwells on alertness or ability to see where products (or services) do not exist or have become unsuspectedly valuable to consumers and where new methods of production unknown to others have become feasible (Krizner, 1997).

Methodology

The philosophical paradigm adopted was pragmatism because a mono-paradigmatic research orientation was deemed not good enough (Kivunja & Kuyini 2017). Since positivism is pro quantitative methods and deductive reasoning while constructivism is for qualitative approaches and inductive reasoning, pragmatism embraces the two extremes and offers a flexible and more reflexive approach to research design (Feilzer 2010). Pragmatism allows abductive reasoning that moves back and forth between deduction and induction reasoning (Kaushik & Walsh, 2019).

This study used a questionnaire schedule to collect data and applied mixed-method approach because it allows the researcher to compensate for weaknesses of one single approach with the strength of the other to achieve the best results (Johnson & Onwuegbuzie 2004, as quoted by Kusumawadhani 2014) and also increase the validity of the study. To arrive at an appropriate sample size the researcher used stratified random sampling technique to reduce sampling error and achieve more representational of the population (Creswell, 2014). The study population was 534 managers in medium hotels in Mombasa, Nairobi and Kisumu cities and a sample size of 229 respondents. The sample size was determined using the formula for estimating sample sizes provided by Yamane (1967).
Results and Discussions

The first objective of this study was to establish the relationship between entrepreneurial mindset and performance of medium hotels in Kenyan cities. The fit indices of the model were explored. The goodness of fit indices indicates that the hypothesized Structural Sub Model 1 provided a good fit between the data and the model. The likelihood Chi-square ($\chi^2=120.293; \text{df}=65; p = 0.000$) was significant while the other fit measures showed that the model adequately fitted the observed data. The absolute measure GFI was 0.920, incremental CFI was 0.971, TLI was 0.960 and parsimony RMSEA was 0.075 indicating good absolute fitness of the model as shown in table 1 below.

As shown in path coefficients in Table 2 below, there is a significant relationship between entrepreneurial mindset and performance of medium hotels in Kenyan cities. The standardized path coefficients of entrepreneurial mindset on performance had these results ($\beta=0.326, \text{C.R.} 6.765$). In the model the four items measuring performance of medium hotels were found to be significant indicators. The CR of the coefficient of entrepreneurial mindset was found to be 6.675 which was greater than 1.96 the standard normal distribution critical ratio at 0.05 level of significance. This means that when the entrepreneurial mindset goes up by 1, the performance of medium hotels goes up by .326. This concurs with Ajor & Joy (2020) study after using correlation analysis which revealed a positive significant relationship between the mindset and organizational sustainability. Also the findings of Jemal (2020), revealed that entrepreneurial mindset affects positively and significantly the performance of SMEs including small and medium hotels. The results of regression weights are presented in Table 2 below.

The study also conducted analysis of variance between entrepreneurial mindset parameters and firm performance to test the hypotheses. The first null hypothesis stated that there is no positive, significant relationship between entrepreneurial mind-set and performance of medium hotels in Kenyan cities. The analysis of variance result ($F=23.710, p=0.05$) showed a significant influence between entrepreneurial mindset and firm performance as indicated in analysis of variance Table 3 below. The null hypothesis was therefore rejected and the alternative hypothesis confirmed.

### Table 1: Fit indices with entrepreneurial mindset as the predictor

<table>
<thead>
<tr>
<th>Model</th>
<th>Chi-square</th>
<th>$\chi^2$</th>
<th>df</th>
<th>p-value</th>
<th>GFI</th>
<th>AGFI</th>
<th>RMR</th>
<th>CFI</th>
<th>TLI</th>
<th>NFI</th>
<th>RMSEA</th>
<th>CMN/DF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statistic</td>
<td>120.293</td>
<td>56</td>
<td>.000</td>
<td>.920</td>
<td>.871</td>
<td>.020</td>
<td>.971</td>
<td>.960</td>
<td>.948</td>
<td>.075</td>
<td>2.159</td>
<td></td>
</tr>
<tr>
<td>Cut-off</td>
<td></td>
<td></td>
<td></td>
<td>$\geq0.9$</td>
<td>$\geq0.8$</td>
<td>$\geq0.03$</td>
<td>$\geq0.9$</td>
<td>$\geq0.9$</td>
<td>$\geq0.8$</td>
<td>$\geq0.08$</td>
<td>$\geq3.0$</td>
<td></td>
</tr>
</tbody>
</table>

### Table 2: Regression Weights: (Group number 1 - Default model)

| | Estimate | S.E. | C.R. | P | Label |
| | | | | | |
| PER | $\leftarrow$ MIDST | .326 | .048 | 6.765 | *** | par_12 |
| EnStr2 | $\leftarrow$ MIDST | 1.000 | | | |
| EnStr3 | $\leftarrow$ MIDST | .837 | .050 | 16.861 | *** | par_1 |
| Uncert1 | $\leftarrow$ MIDST | .897 | .051 | 17.562 | *** | par_2 |
| MvP1 | $\leftarrow$ PER | 1.082 | .090 | 12.045 | *** | par_3 |
| CuSat2 | $\leftarrow$ PER | .784 | .079 | 9.860 | *** | par_4 |
| NCut1 | $\leftarrow$ PER | 1.000 | | | |
| ECI2 | $\leftarrow$ PER | .989 | .081 | 12.174 | *** | par_5 |
| MvP2 | $\leftarrow$ PER | 1.133 | .083 | 13.621 | *** | par_6 |
| ECI1 | $\leftarrow$ PER | 1.080 | .087 | 12.421 | *** | par_7 |
| NCut2 | $\leftarrow$ PER | 1.007 | .081 | 12.474 | *** | par_8 |
| CuSat1 | $\leftarrow$ PER | 1.011 | .079 | 12.797 | *** | par_9 |
| Uncert3 | $\leftarrow$ MIDST | .838 | .045 | 18.802 | *** | par_10 |
| EnStr1 | $\leftarrow$ MIDST | .960 | .042 | 22.885 | *** | par_11 |

*** p value is significant at 0.000

The influence of lean-green practices on the relationship between entrepreneurial mindset and firm performance was explored. The goodness of fit indices indicates a good fit between the data and the model. The likelihood Chi-square ($\chi^2=207.309; \text{df}=140; p=\ldots$ |
The introduction of the interaction variable between the independent and the moderator in step three. In step one; entrepreneurial mindset was regressed as the only predictor of performance of medium hotels in Kenyan cities. In step two the moderating variable, lean-green practices was introduced and finally in step three, the interaction term between entrepreneurial mindset and lean-green practices was introduced.

The results are presented in the Table 5 below. The results show that model 1 has an $R^2$ of 0.599, which shows that 59.9% of the variation in the performance of medium hotels in Kenyan cities is explained by the variation of entrepreneurial mindset in the model. Based on the ANOVA F statistic, the model is generally significant with a p-value of 0.000 which is less than 0.05. After introducing the moderating variable Lean-Green Practices (LGP) the model experienced a change in $R^2$ of 0.174. The change in $R^2$ was significant as shown by the significant change in F with a p-value of 0.000 which is less than 0.05. Therefore the change in $R^2$ shows a significant 17.4% increase in variation of performance of medium hotels explained by predictors in the model due to addition of LGP to the model. The findings concurred with those of a study of entrepreneurial mindset and entrepreneurial competence as determinants of SMEs, using regression analysis by Aseenge et al (2018) which concluded that there is a positive significant effect of entrepreneurial mindset on SMEs performance. Also Kimathi, (2020) found that entrepreneurial mindset influences performance of small and medium enterprises in Kenya. The introduction of the interaction variable, the product of Entrepreneurial Mindset (EM) and Lean-Green Practices (LGP) exhibited a very slight significant change in $R^2$ of 0.2% which had a p-value of 0.000 in the ANOVA table. This shows that considering entrepreneurial mindset (EM) as the only independent variable in the model, LGP slightly moderates the relationship between entrepreneurial mindset and performance of medium hotels in Kenyan cities.

Table 5: Model summary for MMR with entrepreneurial mindset as predictor

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R-square change</td>
</tr>
<tr>
<td>1</td>
<td>.775</td>
<td>.601</td>
<td>.599</td>
<td>.298335</td>
<td>.601</td>
</tr>
<tr>
<td>2</td>
<td>.880</td>
<td>.775</td>
<td>.773</td>
<td>.22461</td>
<td>.174</td>
</tr>
<tr>
<td>3</td>
<td>.882</td>
<td>.777</td>
<td>.774</td>
<td>.22413</td>
<td>.002</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Entrepreneurial Mindset
b. Predictors: (Constant), Entrepreneurial Mindset, Lean-Green practices
c. Predictors: (Constant), Entrepreneurial Mindset, Lean-Green practices, LGP interaction Mindset

Table 6 shows the model coefficients of model 1, 2, and 3, of the performed stepwise regression model. In model 1 entrepreneurial mindset has a significant influence on performance of medium hotels in Kenyan cities ($β = .775$, $t = 17.499$, $p < .05$). The coefficient of EM has a t-statistic of 17.499 and a p-value of 0.000 which is less than 0.05 implying significance at the 0.05 level of significance. The equation generated from model 1 becomes;

$$\hat{Y} = 0.00 + 0.775X_1$$

After adding Lean-Green practices to the model, it experienced a significant effect. The coefficient of Lean-Green practices is significant at 0.05 level of ($β = .527$, $t = 12.497$, $p < .05$) showing that Lean-Green practices has a significant influence on performance of medium hotels in the Kenyan cities. The equation generated from model 2 becomes;

$$\hat{Y} = 0.00 + 0.453X_1 + .527Z$$

Accordingly, after introducing the interaction term, the model did not yield any significant improvement. This means that the interaction term had no significant influence on the performance of medium hotels in the Kenyan cities ($β = -.042$, $t = -1.367$, $p >$
.05). The p-value of the interaction term according to this model was found to be 0.173 implying not significant. Therefore, there is no significant model to be generated from model 3.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>B: 1.559, Std. Error: .164</td>
<td>Beta: .527, t: 12.497, p &lt; .05</td>
</tr>
<tr>
<td>Entrepreneur Mindset</td>
<td>B: .649, Std. Error: .037</td>
<td>Beta: .775, t: 17.499, p &lt; .05</td>
</tr>
<tr>
<td>Lean-Green Practices (Constant)</td>
<td>B: .843, Std. Error: .136</td>
<td>Beta: .453, t: 6.208, p &lt; .05</td>
</tr>
<tr>
<td>X1Z (Interaction term 1)</td>
<td>B: -.042, Std. Error: .031</td>
<td>Beta: -.383, t: 1.367, p = .173</td>
</tr>
</tbody>
</table>

**Table 6: Coefficients for MMR with Entrepreneurial Mindset as Predictor**

**Conclusion**

The study concluded that the entrepreneurial mind-set had a significant statistical influence on performance of medium hotels in the Kenyan cities. Analysis of variance between entrepreneurial mind-set and performance of medium hotels in Kenyan cities had an adjusted R-square value .179, the study recommends the concepts of eco-preneurship to be incorporated in the national curricula of entrepreneurship where Lean-Green practices are emphasized. The Government should come up with ways of recognizing hospitality firms which shows exemplary contributions towards supporting initiatives involving lean-green adoption by allowing tax holidays to enable them cut expenses associated with embracing and implementing lean-green initiatives at all levels. The practitioners in the hospitality sector to be encouraged to engage the young generations and the youth in particular on short employment engagements in areas involving lean-green practices so as develop a better scope of visualizing opportunities in otherwise obscure or hidden areas.

The Government and the private investors in hospitality also need to implement programs for training and engaging entrepreneurs on how to acquire skills required to overcome lack of legitimacy, market power and other uncertainties outside the firm rarely taught in business schools. The government should also provide updated information concerning research and innovations to aid in development of new products aligned to sustainability.

This study proposes that a similar study be undertaken across the board involving micro, small and large enterprises in the hotel industry. Similar studies could be undertaken in the counties to involve rural categorization and hence allow widespread generalization. There is need for a study in medical tourism to unearth additional lean-green practices required to meet the emotional attributes of the guests. Future research is also needed to expand the list of strategic entrepreneurship practices to cope with evolving initiatives and technology and especially the influence strategic agility. Studies are needed to unearth how to tame the challenge of attracting tourists who are aware of environmental problems but reluctant to invest in preservation efforts.

The study contributes in to literature on the area of strategic entrepreneurship and can act as a reference for scholars, policy makers and agencies dealing with enhancing sustainable production. The Government will find the results useful when developing policies to promote productivity by supporting sustainability through emphasizing cleaner, competitive and decent employment for all. The study will enrich the knowledge of curriculum designers in entrepreneurship to incorporate lean-green practices aspects in line with changing lists of good practices and marketing.

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