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**A Study on Determinants of Managerial  
Communication in Hospitality Industry in Kathmandu  
Valley: A Structural Equation Modelling Analysis**

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**Abstract**

*The past half-century has seen a remarkable worldwide movement toward gender equality on many key economic and social indicators but trends have not been uniform. Increased rates of global Cultural differences both within and across countries. Multicultural issues in the workplace are more pervasive, complex, and subtle, where people from different cultural backgrounds bring different meanings, values, assumptions, and discourse styles into the workplace conversation; such differences often lead to misunderstandings and breakdowns in communication, and can threaten a common orientation to organizational goals. The major objective of this study is to analyzed factor determining managerial communication in hospitality industry. The study has accepted explanatory research design and opted five-star hotel as population sample which lies in Kathmandu valley where convenience sampling was used to select respondent. Additionally, data was collected by using structured questionnaire which was set in KOBO Toolbox and obtained data was analyzed by using descriptive and inferential analyses through MS-Excel,*

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*KOBO toolbox, SPSS and AMOS respectively. The result indicates that uncertainty avoidance, institutional collectivism, future orientation, performance orientation, participative, charismatic/ value-based and autonomous have significant relationship with each other which also indicates that all variables have significant influence on cultural diversity in managerial communication.*

## **Introduction**

Entrepreneurial orientation has three dimensions: Innovation, Proactiveness and Risk-taking (Covin, Jeffrey and Slevin, Dennis, 1989). Moreover, in today's globalized economy, internationalization has become a necessity for long-term survival (Calabrò, et al., 2018) for government and other industries where societal influences are stronger in emerging economies rather than in developed economies (Lammers and Garcia, 2017, Hoskisson et al., 2000; Lammers & Garcia, 2017; Devkota et al., 2020; Devkota et al., 2022). Likewise, Holtbrügge et al. (2013) revealed that the internationalization of firms requires professionals from different nations and cultures, with varying sets of values, business rules, communication styles, and not least different languages, to find ways to work together in a team more effectively. The past half-century has seen a remarkable worldwide movement toward gender equality on many key economic and social indicators but trends has not been proportionate (Sullivan et al., 2018). Moreover, increased rates of global migration, employees now commonly have multicultural backgrounds, and this is changing the workplace demographic (Szymanski, et al., 2019). Labor migrants were often disadvantaged in two of the three social categories—race, class and gender (Khattab & Hussein, 2018). There has not been a great deal of research in recent years on the effect of the business cycle on interregional migration (Biagi et al., 2018).

Cultural differences within and across countries can result in conflictive communication; therefore, communication strategies such as conflict resolution may provide an important means of bridging diverse cultural perspectives, (Ting-toomey et al., 2000; Devkota et al., 2021a; Paudel et al., 2021) equality does not always appear in the expected places. Additionally even in the present rush toward global expansion, the literature has given only limited attention to the role of culture in service marketing (Winsted, 1997; Mattila, 1999). By examining a number of hospitality and hotel association websites from around the world, eight main areas of concern for the hospitality industry were highlighted and examined in more detail. These areas included employment issues, taxation levels and environmental issues (Freire-González, 2018). The total contribution of Travel & Tourism to GDP was USD8,811.0bn in 2018 (10.4% of GDP) and is expected to grow by 3.6% to USD9,126.7bn (10.4% of GDP) in 2019 (Wattanacharoensil et al., 2019).

Multicultural issues in the workplace are more pervasive, complex, and subtle, however, than simply questions about what language or languages will be spoken. Even

when people of different racial and cultural backgrounds speak the same language, they have difficulty communicating with one another (Paudel et al., 2021). People from different cultural backgrounds bring different meanings, values, assumptions, and discourse styles into the workplace conversation; such differences often lead to misunderstandings and breakdowns in communication, and can threaten a common orientation to organizational goals (Fine, 2018; Devkota et al., 2021b). Hotel guests interact not only with the hotel's physical environment and its employees but also with the hotel's other customers (Mattila 1999). The total contribution of Travel & Tourism to employment was 318,811,000 jobs in 2018 (10.0% of total employment) which is forecasted to rise by 2.9% in 2019 to 328,208,000 jobs (10.1% of total employment) (Wattanacharoensil et al., 2019). People in different cultures experience workplace bullying differently with different notions of bullying than researchers do (Lutgen-Sandvik et al., 2007; Niedl, 1996). Workplace bullying can have grave individual and organizational consequences. This study identified five coping strategies that are relatively complete and ungenerous: neglect, acquiescence, voice, exit, and retribution (NAVER). The quality of LMXs significantly affected employees' use of such coping strategies of acquiescence, exit, and retribution when subjected to workplace bullying (Lee et al., 2017).

Creating a multicultural organization, however, is not simple. Existing theories of organizing do not account for cultural differences; they assume either that those who are different will assimilate into the existing organizational culture or that their common interests will allow them to form political alliances with others (Paudel et al., 2021). Fine (2018) discussed that diversity among workforce results in positive affects like creativity, problem solving, innovation but on other hand diversity may result in some negative aspects like increasing conflicts, decreasing group performance and decreasing group cohesiveness (Saxena, 2014). This study aims to determine cultural diversity in managerial communication by identifying the current situation and factors that determine managerial communication as well as challenges faced by managers in hospitality sector inside Kathmandu Valley.

## **Research methods**

### **Theoretical framework**

In cross-cultural adaptation, Gudykunst and Ge (1988) through continuous interaction with the various aspects of the cultural environment where the individual's internal system undergoes a progression of quantitative and qualitative changes by integrating culturally acceptable concepts, attitudes, and actions; thus the individual becomes fit to live in the company of others (Young Yun Kim, 2001). Moreover, individuals enter an unfamiliar culture with the cultural communication competence that they internalized cultural imprinting that governs individuals' identity and

behavior remains largely unrecognized, unquestioned, and unchallenged until they encounter people with different cultural attributes (Gudykunst and Ge, 1988). Similarly, accommodation theory- Giles et al. (1993) focused on both interpersonal and intergroup communication which seeks to explain and predict why, when, and how people adjust their communicative behavior during social interaction, and what social consequences result from those adjustments. Moreover, Dragojevic et al. (2016) revealed the core concepts and relationships invoked by accommodation theory are available for addressing altogether pragmatic concerns - in particular, understanding relational alternatives, development, difficulties, and outcomes in medical, clinical, and caring settings; strategic options in legal discourse; the alignment of radio broadcasters with their audiences; processes of second- language learning and of acculturation in an interethnic context; and language switching in organizational settings in a bilingual community(White, et al., 1993),

Co-culture Theory Orbe, (1998) have ability to comprehend one concept is contingent on under- standing its relationship with the one and other group member (Orbe, 1998). In another word, co-culture theory focuses on the communication practices of those individuals who are part of underrepresented groups in any particular society. Co-cultural communication refers to interactions between underrepresented and dominant group members, as well as interactions within co-cultural groups (Orbe, 2017). Co-culture theory provides insight into the process that co-cultural group members use to negotiate their “cultural differentness” with others (with others both like, and unlike, themselves). For researchers interested in the experiences of underrepresented group members, co-cultural theorizing offers a framework to understand the process by which individuals come to select how they are going to interact with others in any given specific context (Orbe and Robertsc, 2012). The communication of people marginalized in terms of race, ethnicity, gender, socioeconomic status, disability, and sexual orientation. One core value of the theory is the agency that it provides for co-cultural group members: Instances of co-cultural communication are defined from the perspective of the underrepresented group members themselves.

The convergence model of communication-Kincaid (1979) suggested that individuals who share information will, over time, tend to converge toward one another, and thus become more uniform. Kincaid find the 7 biases of communication. Kincaid view the communication is linear, sources of bias based on dependency rather than relationship, Karlfried Knapp defines it as the interpersonal interaction between members of groups that differ from each other in respect to the knowledge shared by their members and their linguistic forms of symbolic behavior. positive expectancy violations can be more efficacious than positive expectancy confirmations when the objective is to enhance self-image, develop favorable interpersonal relationships, create a smooth flowing conversation, or influence another. But will violations be

equally efficacious in all cultures or in intercultural interchange (Burgoon, Hubbard and Gudykunst, 2005; Kharel et al., 2022).

The contingency theory of organizations is a major theoretical lens used to view organizations. Contingency theory contains much of importance in the history of organizational science (Donaldson, 2000). The contingency approach holds that for an organization to be effective, there has to be goodness of fit between its structure and environment. The organization and its managers, designers or owners are constrained by their environment in adopting certain structural designs. Their scope of choice is limited in that uncertain, volatile and complex environments require an 'organic', decentralized and informal structure. In contrast, predictable, static and simple environments call for a more 'mechanistic', centralized and highly formal structure. Lack of congruence or fit will result in reduced performance (Pennings, 1987). Face Negotiation Theory, Ting-Toomey (1998) states the cultural differences in the society shape the responses to conflicts in different societies. The theory holds up the idea of maintaining a face according to their cultures. The face is nothing but an identity, the persona we keep up in the society-a public image. As face represents oneself in the society, the people display an attitude which is desirable to them. There are certain factors in negotiating face (Bargiela-Chiappini and Haugh, 2009). McClelland's theory of human motivation and economic development McClelland (1953) the humane, power distance, and performance orientation of cultures are conceptually analogous to the affiliative, power, and achievement motives in McClelland's theory of human motivation. Implicit motivation theory is a theory of nonconscious motives originally advanced (McClelland et al., 1987). In its most general form, the theory asserts that the essential nature of long-term and complex human motivation can be understood in terms of three implicit (nonconscious) motives: achievement, affiliation, and power (social influence). This theory also identifies three explicit (conscious) motives related to achievement, affiliation, and power that are predictive of short-term, noncomplex behavior. Value belief theory Hofstede (2001) and Triandis (2001) social system can exist only because human behavior is not random but to some extent predictable (Hofstede, 2001) change in the ecology result in change in personality (Hofstede, 2001; Triandis, 2001) in the center system of society norms consisting of the value system, share by major group in the population (Hofstede, 2001).

### **Variables and hypothesis**

Based on the basis of theories and conceptual model defined in the previous chapter variables are defined for our research. Here the Societal Cultural Values & Practices is a independent, Organizational Culture values & Practices Culturally Endorsed Implicit Leadership Theories is an independent, Strategic Organizational Contingencies is a moderator, Actual Leader Attributes & Behaviors is independent,

Culturally Endorsed Implicit Leadership Theories is moderator, Leader Acceptance and Leader Effectiveness is a dependent (see table 1).

**Table 1: Variable definitions**

S. No	Types	Construct	Observed Variables
1	Independent	Societal Cultural Values & Practices	Uncertainty avoidance
			power distance
			in-Group Collectivism
2	Independent	Organizational Culture values & Practices Culturally Endorsed Implicit Leadership Theories	Assertiveness
			Gender Egalitarianism
			Institutional Collectivism
3	Moderator	Strategic Organizational Contingencies	Humane-Oriented
			Future Orientation
			Performance Orientation
4	Independent	Actual Leader Attributes & Behaviors	Team-Oriented
5	Moderator	Culturally Endorsed Implicit Leadership Theories	Self-protective
			Participative
6	Dependent	Leader Acceptance	Charismatic/Value-Based
7	Dependent	Leader Effectiveness	Humane-Oriented
			Autonomous

**Societal cultural values & practices:** Although societal culture has a direct impact on organizational culture, over time, organizational cultures influence the broader societal culture. Collective meaning that results from the dominant cultural values, beliefs, assumptions, and implicit motives endorsed by societal culture results in common leadership and implicit organization theories held by members of the culture.

**H<sub>01</sub>:** Societal cultural norms of shared values and practices affect has significant impact on leaders’ behavior.

**H<sub>02</sub>:** Societal cultural values and practices has significant impact on organizational culture and practices.

**H<sub>03</sub>:** Organizational culture and practices has significant influence on the culturally Endorsed Implicit Leadership Theories

**Organizational culture values & practices (Culturally endorsed implicit leadership theories):** Over time, founders and subsequent leaders in organizations respond to the

organizational culture and alter their behaviors and leader styles accordingly.

**H<sub>04</sub>:** Organizational culture and practices has significant impact on leaders' behavior.

**Strategic organizational contingencies:** Organizational practices are largely directed toward meeting the requirements imposed by organizational.

**H<sub>05</sub>:** Strategic organizational contingencies (organizational environment, size, and technology) has significant impact on organizational form, culture, and practices.

**H<sub>06</sub>:** Strategic organizational contingencies have significant impact on leader attributes and behavior

**Actual leader attributes & behaviors:** Leaders are selected to meet the requirements of organizational contingencies. They will then continue to adjust behavior on the basis of these contingencies

**H<sub>07</sub>:** Leadership has significant impact on organizational form, culture, and practice.

**Culturally endorsed implicit leadership theories:** CLTs and leader attributes and behaviors. Accordingly, leader attributes and behaviors that are congruent with CLTs will be more accepted than leader attributes and behaviors that are not congruent with CLTs.

**H<sub>08</sub>:** Culturally Endorsed Implicit Leadership Theories has significant impact on leader attributes and behaviors.

**Leader acceptance:** Leaders who are not accepted by members of their organization will find it more difficult and arduous to influence these members than leaders who are accepted.

**H<sub>9</sub>:** Acceptance of the leader by followers has significant impact on leader effectiveness

**Leader effectiveness:** Effective leaders will, over time, demonstrate their competence by being effective. Demonstration of competence will change attitudes of some of the organizational members toward the leader and result in increased acceptance of the leader. Further, over time, followers who do not accept the leader will either be dismissed or will leave their organization voluntarily.

**H<sub>10</sub>:** Leader effectiveness has significant impact on strategic organizational contingencies.

**H<sub>11</sub>:** Leader effectiveness has significant impact on leader acceptance.

### **Study area and population**

This study used explanatory research design. Nepal has 77 districts, and from the 77 district, three districts encompass in Kathmandu valley (Kathmandu, Bhaktapur and Lalitpur) located in Bagmati province were taken for the test place of this studies. Kathmandu Valley lies at 1,300 hundred meters above sea level and is positioned amongst latitudes 27°32'13" and 27° forty-nine'10" north and longitudes 85°11'31" and 85°31'38" east. Its three districts, Kathmandu, Lalitpur, and Bhaktapur, cowl a place of 899 square kilometers, while the vicinity of the valley as an entire is 665 rectangular kilometers (Shakya et al., 2021). The valley encloses the whole region of Bhaktapur district, 85% of Kathmandu district and 50% of Lalitpur district. The target populations were people who are working in 5 start hotels in Kathmandu Valley. According the Kathmandu post 2019/02/22 Number of five-star hotels in Nepal reaches 12. According to HAN number of 5-star hotel in Kathmandu Valley is 7. For the research purpose we take 5-star hotels located within the Kathmandu valley (Paudel et al., 2021; Jha & Rijal, 2022).

### **Research instruments and procedure for data collection**

This research relied on primary data collection method where both qualitative and quantitative data are available. Observation, expert opinion, survey questionnaire and reports are taken as the instruments for the research. To be clear on managerial communication and culture diversity researcher have visited to experts. Structured questionnaire is developed for the survey which covered all the four objectives of the study. Pre-test was done with 20 respondents (5% of population determined) to verify whether the given questions provide sufficient information or not. Using convenience sampling the 400 household were selected for data collection. Based on the sample size of 167 respondent were selected for data collection. It took three months to collect the data. Due to COVID-19 it was difficult to reach to every manager and get easy access to one-to-one interview and questioners. So, the data were collected from email, telephone interview and face to face interaction with respondent. Some of the respondent also provide response through online with the use of kobo tool box.

### **Data analysis techniques**

Data Analysis technique is a strategy of placing facts and figures in order to explain and resolve the research problem. This study adopted both descriptive and inferential analyses where MS-Excel, Kobo Toolbox, charts, tables and figures were used in descriptive analysis likewise SPSS and AMOS were used to analyze data inferentially. Moreover, SEM was used to determine the structural relationship between latent variables and observed variables where EFA, CFA and Hypothesis were tested to determine the relationship among variables.

## Result and analysis

The socio-demographic characteristics of the respondents among the 295 respondents' result revealed that majority (95%) of the respondents are male whose age group lies between 35-40. It indicated that male population has dominated the hospitality industries in the Kathmandu Valley and are youth. Similarly, socio-demographic characteristics also talked about the ethnicity of the respondents. The result revealed that majority of the respondents are Chhetri (31.52%) followed by Brahman (30.91%) are from the Bagmati Province. It indicates that the study area i.e. Kathmandu has more Chhetri ethnicity people in the Hospitality sector. Additionally, the study revealed that majority of the respondent from any ethnic groups had not received any kinds of vocational training to improve their communication in the Hospitality Industry. This further suggests there is room for improvement in the training aspects to enhance their communication and career path in the near future.

### Summary statistics

295 respondents are observed and surveyed to measure skewness and kurtosis of the data for the study. Summary statistics represents the skewness, and kurtosis of the study which describe shape characteristics of a distribution and also test the normality (Jimenez-Castillo and Hoy, 2019). To have the outcome of acceptance and unacceptance of normality, skewness and kurtosis are applied. The result indicates that the skewness lies between -3 to +3 whereas kurtosis lies between -10 to +10 respectively (Kallner, 2018). It indicates that result lies under the acceptable range. Hence, dataset set has impeccable normality distribution.

### Exploratory factor analysis (EFA)

EFA is a measurement tool to find the relations among the variables (observed variable and underlying variables) (Nasir and Morgan, 2017). Similarly, KMO and Bartlett's test is measured to inspect sampling adequacy and correlation between the variables (Chen et al., 2003). This study result revealed, KMO value is 0.777 which is greater than 0.5 and BTS is 0.00 which is less than 0.001 which represent there is no problem of data reliability and validity. Hence, the data were correlated having good sampling adequacy. Moreover, communalities reflect the extent to which a particular variable enters into the factors (Wheeler, 2004). The communalities are all high i.e., greater than 0.5, which indicates that the extracted aspects characterize the variables well. CHO4, CHO5, FOC2, FOC4. POC1, POC3, UAC1, UAC3, ICC4, CL3, AL2, AL5, PL3, PL5, TOL2 and TOL5 are dropped during EFA as their communalities are less than 0.5.

Common method bias appears when both the independent and dependent variable is presented the same response method (Kock et al., 2021). Harman's single factor test was carried out on the study to detect biasness. Total variance was measured

through from single factor and the study erupt cumulative variance for single factor was 16.29% which is less than 50% on the dataset (Harman, 1960). Hence, the dataset has no concern of common method bias which further indicates that the further data analysis aspect can be carry out. Similarly, to measure internal consistency of all the construct, Cronbach's alpha was assessed with minimum threshold value of 0.70 and the value of Cronbach's alpha in the study was greater than 0.75. This indicates good internal consistency among variables.

### Confirmatory factor analysis (CFA)

After performing EFA in SPSS, this study uses AMOS to conduct CFA to know whether the taken data fit into the model. Therefore, CFA is used to test for the goodness of fit through 7 indicators CMIN/DF, RMR, RMSEA, GFI, IFI, TLI and CFI (Wu et al., 2009). Brown (2015), to have the good level of model fit, our result needs to accomplish the standard value. Result from table 2 achieve all the standard value/ acceptable value indicating the model fit perfectly. Therefore, the measured variable represents the constructs perfectly.

**Table 2: Summary of fitness index**

Index	SEM Model Value	Acceptable Value
X2	495.914	
X2/df (CMIN/DF)	1.344	<5
P-Value	0.0000	≤ 0.05
GFI	0.94	≥0.90
RMR	0.065	<0.08
IFI (NFI)	0.975	≥0.90
TLI (NNFI)	0.968	≥0.90
CFI	0.974	≥0.90
RMSEA	0.046	≤ .08

### Measurement model

The measurement model is the part of the model that studies relationship between the underlying variables and their measures (Awang, 2015). Measurement model is inspected to know whether the dataset have reliability and validity. Under validity; criteria of convergent validity and discriminant validity were observed. The criterions for convergent and discriminant validity were;  $AVE > 0.5$ ,  $CR > 0.7$ ,  $CR > AVE$  and  $AVE > MSV$  and  $\sqrt{AVE} > R$ . From Table 3 the minimum value for CR, AVE and MSV were 0.928, 0.812 and 0.005. As those values meet the satisfaction level of the criterions of validity, we assured that the dataset was reliable and valid. Moreover, table 4 shows the latent construct correlation between variables.

Table 3: Reliability and validity

Construct	Indicator	Factor Loading	CR	AVE	MSV
<b>Societal Cultural Values &amp; Practices</b>	CH1	.823	0.928	0.812	0.183
	CH2	.803			
	CH3	.799			
	FC1	.802	0.940	0.839	0.259
	FC3	.806			
	FC5	.834			
<b>Strategic Organizational Contingencies</b>	PO2	.805	0.948	0.859	0.005
	PO4	.838			
	PO5	.814			
	UC2	.751	0.963	0.867	0.049
	UC4	.731			
	UC5	.742			
<b>Organizational Culture values &amp; Practices</b>	I1	.940	0.941	0.841	0.259
	I2	.932			
	I3	.944			
	I5	.947			
<b>Leader Acceptance</b>	CU1	.913	0.949	0.823	0.050
	CU2	.894			
	CU4	.902			
	CU5	.903			
<b>Leader Effectiveness</b>	AU1	.927	0.948	0.820	0.064
	AU3	.902			
	AU4	.898			
	AU6	.924			
<b>Culturally Endorsed Implicit Leadership Theories</b>	PC1	.955	0.938	0.836	0.183
	PC2	.936			
	PC4	.937			
<b>Actual Leader Attributes &amp; Behaviors</b>	TL1	.912	0.938	0.835	0.016
	TL3	.933			
	TL5	.918			

**Table 4: Latent construct correlation**

SEM Correlation									
	AU	UC	PC	I	CH	FC	TL	PO	CU
AU	<b>0.905</b>								
UC	0.115	<b>0.931</b>							
PC	0.079	-0.012	<b>0.914</b>						
I	-0.005	-0.075	0.174	<b>0.917</b>					
CH	0.253	-0.014	0.428	-0.105	<b>0.901</b>				
FC	0.007	-0.221	-0.133	0.509	0.074	<b>0.916</b>			
TL	-0.125	-0.094	0.083	-0.034	-0.017	0.108	<b>0.914</b>		
PO	-0.008	0.049	-0.045	-0.016	-0.071	-0.029	0.069	<b>0.927</b>	
CU	-0.157	0.071	0.196	0.224	-0.038	0.118	0.108	-0.032	<b>0.907</b>

### Test of hypothesis

A hypothesis is a precise, testable declaration of what the researcher(s) predict will be the effect of the study (Al Ramahi et al., 2014). We examined 12 different hypotheses through p-value which must be less than 0.05 to have the decision on acceptance and rejection of those hypothesis (Lieber and L. 1990). Table 5 showed the p-value for all hypothesis were near to 1 (\*\*\*) indicating the dependent and independent variables of each hypothesis have significant relationship. Hence, we accept all hypothesis. Figure 1, shows the path analysis which was drawn from the AMOS. This shows the correlation between dependent and independent variables with latent construct as well as error terms which were indicated by 'e'.

Figure 1: Path analysis

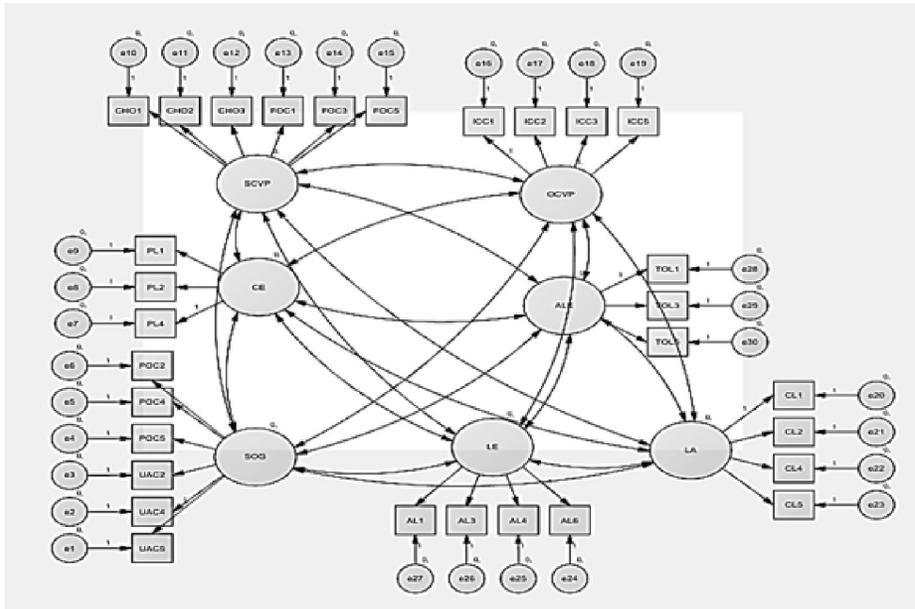


Figure 1, shows the path analysis which is done by using AMOS which shows the hypothesized relationship between variables. The path of the model is shown by arrow and oval which shows the causation and helps to determine regression weight as well as goodness of fit statistics in order to see the fitting of the model

Table 5: Hypotheses testing result

Hypothesis	P	Remarks
H <sub>01</sub> SCVP→ALE	***	Significance
H <sub>02</sub> SCVP →OCVP	***	Significance
H <sub>03</sub> OCVP →CE	***	Significance
H <sub>04</sub> OCVP →ALE	***	Significance
H <sub>05</sub> SOG→OCVP	***	Significance
H <sub>06</sub> SOG →ALE	***	Significance
H <sub>07</sub> ALE→OCVP	***	Significance
H <sub>08</sub> CE→ALE	***	Significance
H <sub>09</sub> ALE→LE	***	Significance
H <sub>10</sub> LE→SOG	***	Significance
H <sub>11</sub> LE→LA	***	Significance

**Mediation analysis**

Mediation model represents the consideration of how a third variable influences the relation between two different variables (MacKenzie and Lutz, 1989). To measure the mediation, SOBEL testis performed. Mediation analysis is analyzed to check the indirect relationship between the variables i.e., independent variable; Social Cultural Value and Practices (SCVP), Organizational Culture values & Practices (OCVP), Actual Leader Attributes & Behaviors (ALE), mediating variable; Culturally Endorsed implicit leadership (PC), Strategic organization contingencies (PO)and dependent variable; Leadership acceptance (CU). PC is a mediating variable of SCVP, OCVP and ALE whereas PO is also a mediating variable of SCVP, OCVP and ALE as shown in table 5. Sobel test was conduct to examine effect on the relationship through the p-value criteria which must be less than 0.05. Our result for relationships were satisfied as the p-value were;  $SCVP \rightarrow PC \rightarrow CU = 0.000$  (a=0.52 , b=0.763),  $SCVP \rightarrow PO \rightarrow CU = 0.000$ (a=0.362, b=0.263),  $OCVP \rightarrow PC \rightarrow CU=0.000$  (a=0.732, b=0.763),  $OCVP \rightarrow PO \rightarrow CU= 0.000$  (a=0.70, b=0.263),  $ALE \rightarrow PC \rightarrow CU=0.000$  (a=0.712, b=0.763),  $ALE \rightarrow PO \rightarrow CU=0.000$  (a=0.326, b=0.263). Hence, the dependent and independent variable were affected mediating variable indicating the variables have indirect relationship.

**Table 5: Result of indirect effect and sobel test examining the mediating relationship**

Relations			Mediating Effect		Test Statistic	p-value
			B	s <sub>b</sub>		
<b>SCVP→PC→CU</b>	A	0.52	0.763	0.067	8.2368	0.00***
	s <sub>a</sub>	0.089				
<b>SCVP→PO→CU</b>	A	0.362	0.263	0.063	5.2766	0.00***
	s <sub>a</sub>	0.063				
<b>OCVP→PC→CU</b>	A	0.732	0.763	0.067	6.1764	0.00***
	s <sub>a</sub>	0.066				
<b>OCVP→PO→CU</b>	A	0.70	0.263	0.083	4.7666	0.00***
	s <sub>a</sub>	0.066				
<b>ALE→PC→CU</b>	A	0.712	0.763	0.06	8.1620	0.00***
	s <sub>a</sub>	0.069				
<b>ALE→PO→CU</b>	A	0.326	0.263	0.083	7.2724	0.00***
	s <sub>a</sub>	0.069				

## Discussion

Inferential analysis which was conducted in SPSS and AMOS by using Structural Equation Modeling (SEM) as analysis tool. Hypothesis testing of the selected construct was made which shows significant relation among selected variables. The supported hypothesis 1 shows that there is significant relationship between societal cultural norms of shared values and practices on leaders' behavior. Similarly, hypothesis 2 reveals that societal cultural values and practices affect organizational culture and practices. Hofstede's (2001) also highlights the relationship between culture and leadership practices with the help of several instances from diverse societies to show that there is effect of culture on leadership concepts and practices which is similar to this study. Walker and Dimmock (2002) also analyzed the impact of culture on leadership theory and practice in education. They showed that the notion of educational leadership is formed against the backdrop of the values, patterns of behavior and ideologies of a community.

Hypothesis 3 supported means that organizational culture and practices influence the culturally endorsed implicit leadership theories which is supported by the study by Lord & Maher (1991). In their study they revealed that societal culture and organizational form, culture and practice influence the process by which people come to share implicit theories of leadership. Hypothesis 4 is also supported that state that organizational culture and practices also affect leaders' behavior. The supported hypothesis 5 and 6 stated that Strategic organizational contingencies (organizational environment, size, and technology) affect organizational form, culture, and practices and Strategic organizational contingencies affect leader attributes and behavior respectively. The hypothesis 5 is supported by the study of Lawrence & Lorsch, (1967) which states that organizational contingencies imposed in the organization depends on the Organizational practices. Furthermore, the hypothesis 6 is supported by House et al., (2002) with their finding of stating the presence of impact of Strategic organizational contingencies on leader attributer and behavior. It revealed that Leaders are selected and they adjust their behaviors to meet the requirements of organizational contingencies. The hypothesis 7 is supported which shows that leadership affects organizational form, culture, and practice.

Supported hypothesis 8 revealed that culturally endorsed implicit leadership theories affects leader attributes and behaviors. Bullough et al., (2015)'s leadership theory to women's leadership also supports this finding as it shows the importance of the Culturally Endorsed Implicit Leadership Theories (CLTs), designed by the Global Leadership and Organizational Behavior Effectiveness (GLOBE) Research Program (Dorfman et al., 2004) in the context of women's political and business leadership roles in society. The hypothesis 9 states that the acceptance of the leader by followers facilitates leaders' effectiveness. This explains that if Leaders are not accepted then

they won't be able to influence subordinates. Similarly, hypothesis 10 states that Leader effectiveness has impact on strategic organizational contingencies and hypothesis 11 states that Leader effectiveness, over time, will increase leader acceptance. This implies that Leaders who focus and manage the organizational contingencies will be able to influence subordinates and hence will be more effective than leaders who do not.

### **Conclusion**

The study aims to study on cultural diversity in managerial communication in Hospitality Industry in Kathmandu Valley. Societal Cultural Values & Practices, Organizational Culture values & Practices, Strategic Organizational Contingencies, Actual Leader Attributes & Behaviors, Culturally Endorsed Implicit Leadership Theories and Leader Acceptance and Leader Effectiveness were identified variable after completion of conceptual model and past research paper related with the model and they were further analyzed concluding that societal cultural norms of shared values and practices affect leaders' behavior and organizational culture and practices. Organizational culture and practices also influence the Culturally Endorsed Implicit Leadership Theories and leaders' behavior. It was observed that strategic organizational contingencies (organizational environment, size, and technology) affect organizational form, culture, and practices and also affect leader attributes and behavior. This also revealed that leadership affects organizational form, culture, and practice and Culturally Endorsed Implicit Leadership Theories affects leader attributes and behaviors. It is also observed that acceptance of the leader by followers facilitates leader effectiveness. This study also concluded that leader effectiveness impact on strategic organizational contingencies and help to increase leader acceptance over time. Finally, this study aids academics in understanding the variables affecting management communication in the hospitality sector and aids in resolving issues relating to cultural diversity in managerial communication in the Kathmandu Valley hospitality sector, among other things.

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