

**QUALITY MANAGEMENT INITIATIVES AND PERFORMANCE OF FIVE STAR
HOTELS IN NAIROBI CITY COUNTY KENYA**

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DECLARATION

Declaration by the Student

I declare that this project is my original work and has not been submitted for an award of a degree in any other University for examination purposes.

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Signature.....

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Declaration by the Supervisor

This research project has been submitted for examination with my approval as the university supervisor

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DEDICATION

I dedicated this research work to my wife Patricia Kinoti and my children Enzi Kinoti and Wema Kinoti. Thank you for your love, support and inspiration.

ACKNOWLEDGEMENT

I return gratitude to the Almighty for taking me this far. I thank my supervisor Mr. Bett for his patience and guidance through this research.

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ABBREVIATIONS AND ACRONYMS

BSC	Balance Score Card
CI	Continuous Improvement
GDP	Gross Domestic Product
ISO	International Standard Organization
NACOSTI	National Council of Science and Technology Innovation
SMEs	Small Medium Enterprises
SPSS	Statistical Package for Social Sciences
TQM	Total Quality Management
UK	United Kingdom
US	United States

OPERATIONAL DEFINITION OF TERMS

Benchmarking	This is a process whereby firms always strive to provide better products and services to the public
Continuous Improvement	This refers to the practice of providing improved and enhanced services to customers by organizations.
Customer Orientation	This denotes the focus of quality towards satisfying customer needs and wants
Customer retention	These are actions that are geared towards preventing or reducing defections of the customers to the competitors offering similar services. It includes the reward programs like discounts, gifts and special offers.
Employee satisfaction	This refers to how satisfied or contented the employees are with their jobs within an organisation.
Hospitality Industry	This is an industry within the service industry that offers food, drink, lodging, transportation, theme parks and event planning services. It encompasses hotels, bars and restaurants.

Hotels

This is an establishment or an organisation that offers accommodation services, meals along with other services like transportation for tourists and travelers on a commercial basis.

Performance

This refers to the manner in which organizational resources available are utilized to achieve output in form of profitability, customer retention and employee satisfaction.

Profitability

This is the extent to which an organisation or a business gets a financial gain (profit).

Quality Management Initiatives

These are practices developed by the international organizations for standardization, and it serves as a framework for quality management systems which aims at enhancing organizational growth. For this study, quality managements were top management commitment to quality, benchmarking, continuous improvement and customer orientation.

Top Management Commitment to Quality

This refers to the efforts of management towards quality which ultimately impacts performance.

ABSTRACT

In the context of globalization, highly competitive markets, continuous technological advancement, and increasingly demanding customers, quality is currently one of the critical elements in the strategies of making firms competitive. Everywhere throughout the world, firms would like to accomplish development and growth and increasing firm performance into the future. Firm performance alludes to different factors, for example, yield, profit, upper hand in business, decrease in uses or expenditure, decrease in blunders, limited scrap level, and balanced out and stable business and organizations. The Government along these lines reserved on hospitality as one of the six key development sectors of the financial mainstay of Vision 2030 and charged the sector with the responsibility of making Kenya one of the best ten tourist destinations in the world, offering a top of the line, assorted, and exclusive guest encounter that few of her rivals can offer. Various research studies have been done on quality management strategies and performance of firms, however, most of these studies were conducted for other countries apart from Kenya. Similarly, most of these studies were conducted for other organizations and not the hospitality industry. This study seeks to fill the gaps by establishing the effect of quality management initiatives on performance of five-star hotels in Nairobi County, Kenya. The specific objectives of this research study were to examine the effect of top management commitment, customer orientation, benchmarking and continuous improvement on performance of five star hotels in Nairobi, Kenya. The study utilized Deming Quality Improvement Theory, Competitive Advantage Theory, Organizational Learning Theory and Balance Score Card Theory. Descriptive research design was adopted in the study where the data analysis was based on multiple regression model. The target population of the study was 16 five-star hotels in Nairobi, Kenya. The study adopted census technique as it focused on all the five-star hotels in Nairobi, Kenya. Therefore, the unit of observation was sixty-four comprising five employees of each Hotel. The study was based on primary data which was collected with the aid of a questionnaire. Validity and reliability of research instrument were ensured. Data analysis of the study was based on descriptive and inferential analysis. Furthermore, ethical considerations regarding research were adhered to. The study established that top management commitment has a significant positive effect on the performance of five star hotels. Customer orientation was found to have a significant positive effect on the performance of five star hotels. Similarly, benchmarking was found to have a significant positive effect on the performance of five star hotels. Lastly, the study findings indicated that continuous improvement has a significant positive effect on the performance of five star hotels. The study recommends the utmost commitment of top managers in the hotels as this is key in driving the performance of hotels. The study recommends that organization policies should be geared towards improving the orientation of customers as this provides them with full knowledge of the hotel services which also improves performance of these hotels. Further studies can focus on other categories of hotels other than five star hotels for purposes of comparisons. Furthermore, further studies can incorporate the moderating effect of the operating environment on the relationship between quality management initiative and performance of hotels.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Business environment of globalization, highly competitive markets, continuous technological advancement, and increasingly demanding customers, quality has become one of the most important elements in the strategies of making firms competitive (Ismyrlis & Moschidis, 2015).

Throughout the globe organizations aspire to attain development and growth as years go by and expand firm performance (Ngambi & Nkemkiafu, 2015). Organizational performance alludes to different factors, for example, yield, profit, upper hand in business, decrease in uses, decrease in mistakes or faults, limited scrap level, and stable organizations (Akhtar, Zameer & Saeed, 2014)

Customers are economic assets who play a central role in quality management practices and performance despite the fact that they are not on the balance sheet (Baidoun, 2003). It is very critical thus to listen to the customers and seek to satisfy their needs (Ndirangu, 2010). To create a competitive advantage, the standard at which a business does better than its rivals, performance appraisals must be selected for benchmarking (Wangai, 2015). For associations to effectively accomplish their development targets products must be properly organized and their quality must be guaranteed to meet with the requirements of buyers (Javed, 2015). Therefore, total quality management is a suitable measure to ensure the product is satisfactory in meeting the needs of final consumers and the firm remains competitive in an ever-aggressive global market.

Globally, the hotel industry has been witnessing fluctuations in terms of the performance. The statistics available from the Global Hotel Industry Survey (2020) revealed that the performance in terms of the market size as measured in US dollars saw a drop from 1.11 trillion US dollars in

2016 to 1.09 trillion US dollars in 2020. The year 2017 saw an increase to 1.16 trillion US dollars which further increased in 2018 to 1.24 trillion US dollars before dropping to 1.21 trillion US dollars in 2019. The performance of the Hotels in the US in terms of revenue has however been experiencing a steady increase from 2011 to 2018 before declining slightly in 2019 and 2020. The revenue in 2011 stood at 153 billion US Dollars and rose to 218 billion US Dollars in 2018. In 2019 the revenue was 208 billion US Dollars.

In Africa, through the period 2019, there was a decline in the hotel pipeline activities to stand at 75,155 rooms in Four hundred and one (401) hotels in comparison to 2018 where the hotel activity stood at 418 76,322 rooms from Four hundred and eighteen (418) hotels African based hotels. The decline was largely linked to the reduced customer demand. In Kenya the marginal rate of growth of the Hotel Industry declined from 18 percent in 2016 to 12 percent at the end of 2017 (KNBS, 2018). A study by Mwaura (2019) revealed that the Kenyan hotels were experiencing a decline in customer base due to the quality of some hotels.

1.1.1 Quality Management Initiatives

According to Baidoun (2003), top management commitment or leadership, people management, policy and procedure, partnership and resources administration and management of processes, are generally considered to be the beginning materials in the implementation of ISO, leading to high performance.

1.1.1.1 Top Management Commitment

Feng *et al.* (2008) study confirmed that commitment by all levels in the organization, particularly senior management, is a prerequisite to performance. Top management commitment serves as an encouragement to work hard and achieve organizational set goals and objectives. The top

management commitment covers aspects of vision, quality leadership as well as resource allocation. According to Sadikoglu and Olcay (2014), leadership entails viewing the organization as a system and should be able to support the development of employees, enhance communication across all departments, as well as ensuring the effective use of information. Resource allocation ensures that all the human and physical resources are availed and effectively managed to ensure quality of services. Top management commitment also encompasses providing direction in terms of the vision so that all the activities surrounding quality are well guided with an aim of attaining the required performance (Sadikoglu & Olcay, 2014).

1.1.1.2 Customer Orientation

Asihia (2010) characterizes customer orientation as an idea which changes marketing into a strong focused weapon, moving organizational qualities, convictions, assumptions, and premises towards a two-path connection among clients and the firm. Appiah-Adu and Singh (2015) argue that customer orientation requires a constant positive aura towards meeting clients' exigencies and accordingly a high level concern for these clients. While Babu (2017) recommends that customer oriented culture is created through continuous supply of client data about their requirements so as to have the capacity to structure and deliver quality products. Customer orientation as a segment of market introduction has its basic push in quest for putting clients at the focal point of vital core interest. A customer oriented culture includes magnificence in client connections, market and client commonality and an accentuation on collaboration (Asihia, 2010).

1.1.1.3 Benchmarking

Benchmarking is the process of making comparisons in terms of the cost, productivity, cycle time or quality of a process based on an industry's best and standard practices (Asihia, 2010). Benchmarking can be viewed on the basis of innovations that have been put in place by an

organisation compared to that of the competitors and other players within the same industry. The ultimate goal of using benchmarking as a total quality management practice is to enable an organisation to establish the areas that require improvements so that they can adopt the best practice and become competitive. Benchmarking can also come in the form of process benchmarking, financial benchmarking, product benchmarking, performance benchmarking and strategic benchmarking.

1.1.1.4 Continuous Improvements

Bryman and Bell (2003) put forward that continuous improvement as a culture of sustaining improvement by aiming at the elimination of waste in all systems and processes of an organization so as to improve performance. Kaziliunas (2010) was of opinion that continuous improvement is a post-certification stage where the conservation of quality framework is implemented. This stage is important if the company wants to continuously improve and reap the long-term benefits of ISO certification.

1.1.2 Performance

Performance is the output or achievement of firm as compared to its planned production, goals and objectives (Gibson *et al.*, 2010). Organizational performance is the final achievement of an organization which is measured either in financial and non-financial indicators, and contains a number of parameters, such as the existence of certain targets are achieved, has a period of time in achieving the targets and the realization of efficiency and effectiveness (Musyuoka, 2016).

By the early 2000s, it was estimated that hotel services already accounted for 72% of the gross domestic product (GDP) of developed economies, and 52% of the GDP of developing economies (Hill 2007). The hospitality industry was expected to grow by 6.2% and the tourism industry by

4.1% in 2007 (Economist Intelligence Unit 2005). The hospitality industry has grown phenomenally since 2001 and has been driven by both leisure and business demand (Kloppers, 2005). However, though many sections of the economy registered favorable improvement of varying degrees in the 1st quarter of 2015, the hotels industry performance still remained stagnant and rather depreciating (Musyoka, 2016). This was majorly accredited to poor hotel occupation rates based on security concerns by international visitors (Nzioka & Njuguna, 2017). These concerns have seen a decline of about 30% in tourist arrivals in Q1 2015 compared to Q1 2014 thus raising the need for evaluation of the performance of this sector (Government of Kenya, 2017). The low performance in the hotel industry is attributed to its total quality management practices (Kihiu, 2016).

1.1.3 Five Star Hotels in Nairobi County, Kenya

Nairobi City is Kenya's capital city, and East Africa's financial center. It is home to various worldwide associations' and firms. For example, Nairobi hosts the head office of the United Nation's Environmental Program. Affectionately known as the City in the Sun, Nairobi has numerous guests from all sides of the world, including universal business people, sightseers, representatives of different countries, athletes and performing specialists from various ventures and geographical areas. Furthermore, Kenya's lawmakers, business people, sports people overwhelmingly pick Nairobi City as their preferred residential location (Omondi, 2015). Because of the promotion of multitude of activities of super importance within Nairobi, various best class eateries and inns have been set up to offer rich services to provide food for the necessities of Nairobi's exclusive class. As to this, Nairobi City harbors a progression of 5-star hotels.

The five star Hotels are the most luxurious ones in the market of Hotel industry in Nairobi, Kenya and have state of the art rooms, transportation, leafy gardens, and large pools (Omondi, 2015). Some of these hotels are even located by the game park such as the Ole Sereni (Tourism Regulatory Authority, 2017).

Some of the services that five star Hotels provide for their customers are full-service meals and drinks at any hour and entertainments. Points that differentiate 5-starHotels from other star Hotels are: reception opened for 24 hours, multilingual staff, doorman service, large reception hall with many sitting areas and arrangement and beverages, personal welcoming for each guest client accompanied with a drink, mini bar and food and beverage via room service during 24 hours, internet PC in the room and ironing service, Shoe polish service (Omondi, 2015). These rich hotels provide various best quality services including hotel service, luxurious accommodation, Wi-Fi Internet and swimming pools. Albeit each has its interesting background, each of them target people of class who love extravagance and solace (Kihiu, 2016).

1.2 Statement of the Problem

Kenya's Vision 2030 records lists six key areas that have been given centre stage as key development drivers in the journey towards accomplishment of Kenya's 2030 economic vision. The Government consequently reserved on hospitality as one of the six key development areas of the economic pillar of Vision 2030 and entrust the division with the undertaking of making Kenya one of the best ten tourist destination in the world, offering a top of the line, assorted, and unique tourist encounter that few of her rivals can offer (GOK, 2014).

Moreover, the hotel Industry in Kenya plays a critical task in the economic development of a country in terms of foreign exchange, government revenue and provision of employment and

business opportunities (Musyoka, 2016). This is heightened by the importance of tourism as one of the key backbones to the Kenyan economy to which the hotel industry is the spinal cord, (Kenya Tourism Report, 2013). In Kenya the marginal rate of growth of the Hotel Industry declined from 18 percent in 2016 to 12 percent at the end of 2017 (KNBS, 2018). This was majorly accredited to poor hotel occupation rates based on security concerns by international visitors (Nzioka & Njuguna, 2017). These concerns have seen a decline of about 30% in tourist arrivals in Q1 2015 compared to Q1 2014 thus raising the need for evaluation of the performance of this sector (Government of Kenya, 2017). A study by Mwaura (2019) revealed that the Kenyan hotels were experiencing a decline in customer base due to the quality of some hotels. As of 2015, the supply of beds in Kenya was 58,000 beds with 22,000 of these beds in Coast region hence accounting for 39 percent of the market share. Nairobi had 24 percent market share to stand at 13,104 beds. While the bed capacity is relatively adequate, the occupancy rate stands at 29 percent which reveals an oversupply in the industry. The revenue per available room were also established to have declined with Compound annual growth rate standing at 5.8 percent as at 2018 compared to 6.2 percent in 2016 (Kenya Hospitality Sector Report, 2018). Further it was reported that whereas the customers find the prices relatively affordable, they have much preference to quality of services and amenities such as spa, WI-FI, gym and bars.

TQM has been generally actualized all through the world. Numerous organizations have in the end agreed that powerful TQM execution can enhance their competitive capacities and give key favorable advantages in the market arena. However, the hospitality industry in Kenya is experiencing low patronage which has impacted negatively on the performance of firms in the industry (Gok, 2017). The poor performance of the hospitality industry in Kenya which is

threatening the realization of vision 2030 is attributed to poor total quality management practices.

Some researches' have been conducted on quality management initiatives and performance of firms, these studies include Salaheldin (2009), Asihia(2010), Voigt, Baccarella, Wassmus and Oliver (2015), Mokhtaran and Komeilian (2016), Lu and Zhang (2016). However, most of these studies were conducted for other countries apart from Kenya. Similarly, most of these studies were conducted for other organizations and not the hospitality industry. This study seeks to address these gaps by establishing the effect of quality management initiatives on performance of the hospitality industry in Kenya. The study sought to establish the effect of top management commitment, customer orientation, benchmarking and continuous improvement on performance of the hospitality industry in Kenya while focusing on five star hotels in Nairobi City County, Kenya.

1.3 Objectives of the Study

The study sought to address the following objectives

1.3.1 General Objective

The general objective of the study was to determine the effect of total quality management initiatives on Performance of Five Star Hotels in Nairobi City County, Kenya.

1.3.2 Specific Objectives

The specific objectives of the study included:

- i) To determine the effect of top management commitment to quality on Performance of Five Star Hotels in Nairobi City County, Kenya.

- ii) To find out how customer orientation affects Performance of Five Star Hotels in Nairobi City County, Kenya.
- iii) To establish the relationship between benchmarking on Performance of Five Star Hotels in Nairobi City County, Kenya.
- iv) To examine the effect of continuous improvement on Performance of Five Star Hotels in Nairobi City County, Kenya.

1.4 Research Questions

The study sought to answer the following questions:

- i) What is the effect of top management commitment to quality on Performance of Five Star Hotels in Nairobi City County, Kenya?
- ii) How does customer orientation affect Performance of Five Star Hotels in Nairobi City County, Kenya?
- iii) What is the relationship between benchmarking and performance of Five Star Hotels in Nairobi City County, Kenya?
- iv) What is the effect of continuous improvement on Performance of Five Star Hotels in Nairobi City County, Kenya?

1.5 Significance of the Study

The study will be of significance in various ways. First, it will be valuable to the Government of Kenya as it will assist policy makers in formulation of policies relating to the hospitality industry. This will help the government to come up with policies that will help address the issues of low patronage among others in the hospitality industry of Kenya which in turn will lead to growth and development of the economy.

Secondly, the study will also help the organizations particularly those within the hotel industry to come up with policies that can help them in improving their quality and performance. For instance the study recommends that organizations should ensure that quality management is embraced in the vision of the company, motivating employees towards the goals and objectives of the company, ensuring that top management devotes resources for development of organizational performance among other actions. The study also recommend the creation of mechanisms for handling customer complaints, committing to customer retention by ensuring quality services and reviewing customer needs regularly to ensure that the company meets their preferences and expectations.

Lastly, the study will lay foundation for future researchers who may carry out further research in similar field. The findings will serve as a basis for such researches where the study recommendation will provide them with guidance. The study for instance recommends that further studies can incorporate the moderating effect of the operating environment on the relationship between quality management initiative and performance of hotels. This will help in knowledge expansion and build the empirical body.

1.6 Scope of the Study

The research concentrated on all the sixteen five star hotels situated in Nairobi, Kenya. The choice of 5 Star hotels is for the reason that they are easily visible and accessible and also it is the destinations of most tourists. Similarly, the choice of Nairobi is attributed to the fact that Nairobi is capital city of Kenya, it is also economic hub of East Africa. The head offices and regional offices of international organizations are also based in Nairobi. The respondents chosen for the study included; the quality assurance managers, assistant managers and supervisors working in the quality department. The choice of these respondents was informed by the fact that

being the employees within the department, they have substantial knowledge on quality management practices as they use these practices from day to day. Moreover, total quality management practices were examined on the basis of top management commitment, benchmarking, customer orientations and continuous improvements which happen to be the main quality management practices by the five star hotels. The study covered the period 2014 to 2018. Furthermore, the investigation employed a multiple regression model for the analysis of the study.

1.7 Limitation of the study

The most common limitation that a researcher encounters when using primary data is respondent's attitudes towards the questionnaire. Some of the respondents may be unwilling to reveal the true information needed for the study. This can be attributed largely to the fear of being blackmailed. However, the researcher addressed this challenge by assuring the respondents that their responses will purposefully be applied in academic purposes. Also, the researcher assured the respondents that high degree of confidentiality will be upheld. The researcher also presented the respondents and the organizations with the research permit which was obtained from NACOSTI and this will help in supporting his assertion.

1.8 Organization of the study

The research proposal is structured as follows: chapter one provides the research background, research objectives, significance of the study, scope and limitations of the study. Chapter two is the literature review. It looked at theoretical review and empirical review to provide more insights into the study. Chapter three presents the methodology of the study. The data analysis

and presentations were provided in the fourth chapter and the summary of findings, conclusions and recommendations were included in the fifth chapter.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The current chapter constitutes the literature review of the study. It comprises of the theoretical review and empirical review of literature. It also presents the summary of literature review and research gaps and the conceptual framework of the study which shows the proposed relationship of the study variables.

2.2 Theoretical Review

In carrying out the study, a number of the theories were adopted to support the study. These theories include Deming Quality Improvement Theory, Competitive Advantage Theory, Organizational Learning Theory and Balance Score Card Theory.

2.2.1 Deming Quality Improvement Theory

Quality Improvement Theory was propounded by Deming (1986). The theory suggested that an attribute of quality management belief is that it places responsibility for firms directly at the helm of executive management (Deming, 1986). The hypothesis argues that the management is accountable for the structure, and that it is the structure that gives out 80 percent of the problems in firms (Hill, 1995). Deming (1986) noticed that no quality administration framework could prevail without top executive commitment and responsibility; the administration puts resources into the procedures, makes corporate culture and furthermore chooses suppliers and grows long term relationships.

Deming's Quality Improvement Theory gives business an arrangement to take out bad quality control issues through viable administrative systems. It's a reality that management's conduct shapes the corporate disposition and characterizes what is critical for the success and survival of the firm. Hubert (2000) has itemized the hypothetical methodology of Deming (1986) in regard to the quality management framework, and it conceives the making of a hierarchical framework that encourages collaboration and figuring out how to encourage the usage of process management hones. This, thus, prompts the persistent enhancement of the procedures, items, and administrations and ingrains employee fulfillment. These are critical to promoting customer focus and thereby assisting in the continuation of any firm.

The theoretical principle of the Quality Improvement Theory concentrated on quality issues in the building of a firm structure that promote partnership and learning which ensures the enactment of process management activities, consequently leading to performance (Anderson *et al.*, 1994). Oakland (2004) stressed that the responsibilities of top administration should be responsible of executing processes and systems. Leadership is very important in the success of quality management since it is a crucial management role to make and convey the vision to move the firm toward performance improvement.

Deming's Quality Improvement Theory is important to research because quality management practices are quality management systems which can be utilized to advance quality of products and services through constant development and which organizations can use to realize performance. Top administration is in charge of most quality issues; it should give representatives clear pointers on what is viewed as satisfactory work, and give the strategies to accomplish it. These techniques incorporate a proper workplace and atmosphere for work that is

free of fault discovering, fault or fear and rather give lucidity of issues, impart adequately and give fitting condition to work to improve performance (Lamport *et al.*, 2010). The prepositions of Deming's Quality Improvement Theory support the top management commitment as a total quality management technique which this study focused on.

2.2.2 Competitive Advantage Theory

Competitive Advantage hypothesis proposes that states and organizations should seek policies that make excellent products to offer at high costs in the market. Porter (1985) stresses productivity development as the focal point of national techniques. Competitive upper hand lays on the idea that cheap labor is pervasive and natural resources are redundant for a decent economy (Malik and Khan, 2011).+ The phrase competitive advantage is the capacity achieved through traits and resources to perform at a more elevated degree than others in a similar industry or market (Porter 1980). The investigation of such preferred standpoint has pulled in significant research enthusiasm because of contemporary issues with respect to predominant performance levels of organization in the present competitive economic situations.

Competitive Advantage Theory is relevant to this study since the theory advocates for continuous improvement which helps in progressive performance and in determining how firms can transform from their present competitive status to a stronger one. This can be achieved through effective total quality management practices such as continuous improvement. The prepositions of Competitive Advantage Theory support the variable continuous improvement.

2.2.3 Organizational Learning Theory

Organizational Learning Theory was proposed by Garvin (1993). Organization learning theory states that firms through organizational learning can achieve above average profits for very long.

According to Kaplan & Norton (2008), organization learning and growth involves continuous improvement of operations in an organizational setting. Continuous improvement leads to better quality which ultimately results in higher organizational performance of firms.

Organizational learning theory is relevant to this study in that it puts specific importance on the business's capacity of knowledge acquisition both tacit and clear as a key resource and as a critical factor of its rivalry success. This can be achieved through customer focus. Customer orientation ensures that the changing taste and preferences of customers are catered for. Similarly, Customer orientation ensures that the firms is conversant with the changes occurring in external environment and offer the information required to fit the product to that environment. The prepositions of Organizational Learning Theory support the variable customer orientation.

2.2.4 Balance Score Card Theory

The balanced scorecard, which is was initially first suggested in the January- February 1992 issue of HBR (The Balanced Scorecard- Measures that Drive Performance), bestows top management with a executives with a wide structure that changes a firm's strategic goals into a logical set of performance measures. Kaplan & Norman came up with a balanced scored (a set of measures that offer executives quick and all inclusive view of business), in the course of their research on 12 firms who were leaders on performance.

Financial perspective shows the results of the financial terms. It focuses on providing best quality for right prices. (Şandor & Raboca, 2004). Any organization calculates and uses financial indicators, but this does not automatically ensure utility in making current decisions or in explaining the performance through current actions. Although often criticized, the financial

indicators should not be abandoned, but should be chosen with care and supplemented by the non-financial measures(Farooq &Hussain, 2011).

Customer perspective refers to the organization's ability to provide products or services of good quality, in a way as to please the customer, resulting in his final satisfaction. (Şandor&Raboca, 2004) Meeting consumer expectations and desires must become the fundamental objective of organization. (Kotler, 1997). Measuring customer satisfaction is an indispensable element for the organization to verify that doing the right thing.

Internal perspective refers to the analysis of the internal processes of the organization, what is required so as to attain the wanted results. Therefore, key processes are identified and monitored continuously so that the company projection is known (Şandor&Raboca, 2004). Customer orientation should be converted into internal indicators to show how customer expectations are met. Good management of internal processes means continuous improvement of processes, labor productivity and ensuring flexibility, quality and providing value.

Innovation and learning perspective covers the main conditions for success. Innovation and learning capacity of the organization is essential not only when it comes to maintaining the current state of facts, but also to improve it in a constantly changing environment ((Farooq &Hussain, 2011). Learning and innovation are not factual elements, quantifiable; therefore, they are very difficult to assess and measure, but are elements that provide identity and long-term organizational success. The prepositions of Balanced Score Card support the dependent variable performance.

2.3 Empirical Review

The current section provides a review of empirical studies on total quality management practices and performance. It critically looks at the effect of top management commitment, customer orientation, benchmarking and continuous improvement on performance.

2.3.1 Top Management Commitment to Quality and Performance

Abdullah, and Uli (2008) performed an investigation on the factors that affect the quality improvement practices and firm performance in Malaysian manufacturing companies. These were, management commitment; customer focus; employee involvement, training & education, and reward and recognition. The findings of the investigation indicate that management commitment has a meaningful and positive influence on performance of manufacturing firms in Malaysia. However, the research was focused on manufacturing firms in Malaysia, the current study was centered on the hospitality industry in Kenya. The current study also explored management commitment on a broader concept to include quality leadership, resource allocation and quality vision the sub indicators not largely explored in this study.

Chepkech (2014) performed an examination on impact of TQM operations on firm performance in Kenya: A Case of Tertiary Institutions in Uasin Gishu County. The findings of the research implied that total quality management practices have a positive relationship with organizational performance of tertiary institutions in Uasin Gishu County, Kenya. The specific results of the investigation indicated that management commitment has a positive and worthy influence on firm performance of tertiary institutions in Uasin Gishu County, Kenya. However, the research concentrated on tertiary institutions. This research focused on five star hotels in Nairobi, Kenya. Management commitment was examined on the basis of leadership whereas the current study examined management commitment from the view of leadership and resource allocation.

Furthermore, Voigt *et.al.* (2015) conducted a study on the influence of customer orientation and executives' commitment on the firm performance, a difference between SMEs and large companies in South Africa. While using multiple regression model, the results of the research showed that executive commitment has significant impact on organizational performance. This research study was however focused on organizations on South Africa. The current study focused on Kenya. In addition the study examined the firms from different industries whereas the current study was narrowed down to the hospitality industry. Finally, the executive commitment did not examine the role played by executives in terms of resource allocation that the current study covered.

2.3.2 Customer Orientation and Performance

Appiah-Adu & Singh (2015) did an examination to inspect the customer introduction, performance interface in SMEs enterprises and examined for the conceivable impacts of development introduction, market changes and competitive aggressiveness on the level of client orientation among these organizations. Particular performance estimates utilized were new product achievement, sale growth development and return on investment (ROI). In light of constructs of these measures, an exploration scale was produced for the research and information were gathered by means of a self-administered questionnaires among UK samples of small and medium-sized undertakings (SMEs). The outcomes demonstrate a constructive outcome of customer orientation on SME performance. Be that as it may, the investigation depended on SME's in the UK. The current examination focused on five star hotels in Nairobi. The study was also generalized in its assessment of customer orientation while the current study focused on the specific aspects of customer orientation including; customer complaint systems, customer service and feedback systems.

Babu (2017) did an investigation on the impact of customer orientation on performance of firms. The study focused on the service industry in Uk. The analysis of the study results was done using a multiple regression model. The results of the investigation implied that customer orientation had a consequential and favorable impact on the performance of firms in the service industry in UK. However, the investigation was focused on firms in the service industry in UK which is a developed nation. The current study was based on five star hotels in Nairobi, Kenya which is a developing country. The study examined the customer orientations in view of customer service but did not look at the specific aspects of customer orientations like feedback systems and customer complaints handling. The analysis was also done using correlation analysis while the current study focused on both correlation and multiple regression analysis.

Asihia (2010) conducted a study on customer orientation and Firm Performance among Nigerian SMEs (Small & Medium sized Enterprises). The investigation examined the connection between customer orientation and organization performance among the SMEs Nigeria. The SMEs in Nigeria formed the sample for the investigation. Data was attained by administering questionnaires. 222 Nigerian firms formed the study sample. Findings from this investigation showed that there was a positive and notable relationship between customer orientation and organization performance in as far as Nigerian SMEs is concerned. The study examined the customer orientations in view of customer service but did not look at the specific aspects of customer orientations like feedback systems and customer complaints handling.

Lu and Zhang (2016) did an investigation on the influence of customer orientation and entrepreneurial orientation on performance of SMEs: Comparison between Chinese and South Korean SMEs. Multiple regression analysis was adopted for the study, the results of the investigation indicated that client orientation has a constructive and significant effect in SMEs in

both China and South Korean. However, the study was conducted for SMEs in China and South Korea. In addressing the contextual gaps, the current study wanted to establish the effect of customer orientation on performance of the hospitality industry in Kenya, specifically five star hotels in Nairobi, Kenya. Customer orientation was examined on the basis of feedback systems, however the current study delved into the concept of customer orientations not just on the basis of feedback systems but also on the basis of customer complaints handling systems and customer service.

Voigt *et.al.*(2015) performed a research study on the influence of customer orientation and executives' management commitment on the firm performance, a difference between SMEs and large companies in South Africa. While using multiple regression model, the results of the study indicate that customer orientation has a favorable and remarkable influence on organization performance. However, the investigation was solely focused on businesses in South Africa. Moreover, the study focused on SMEs with the current study mainly delving on the five star hotels in Kenya. Customer orientation was also assessed on broader perspective in the current study on the basis of customer service, customer complaints handling systems and feedback systems.

Mokhtaran and Komeilian (2016) investigated the impact of Customer Orientation on Dana Insurance Performance. Eighty Dana insurance representatives in Tehran, Iran were randomly sampled. The study was based on a cross-sectional descriptive-survey design. Information for the study was collected through review of literature and a questionnaire with 55 items which was validated through expert panel. Data analysis was conducted at descriptive and interpretative statistical levels using SPSS software program. Results from the regression analysis show that client orientation has a notable and outstanding impact on performance of Dana insurance

company. The study though focused on an Insurance company. This investigation's focus point was the five star hotels in Nairobi, Kenya. Customer orientation was also assessed on broader perspective in the current study on the basis of customer service, customer complaints handling systems and feedback systems.

2.3.3 Benchmarking and Performance

Similarly, Salaheldin (2009) identified CSFs of TQM implementation in Qatari industrial sector and classified them into strategic, tactical, and operational factors. The variables included in the study were strategic factors such as top management commitment, continuous improvement, and benchmarking. Findings of the study show that benchmarking has a remarkable and valuable effect on performance of Qatari industrial sector. However, the study was based on the Qatari industrial sector. The current study addressed the contextual gap by focusing on the hospitality industry in Kenya. Benchmarking was also assessed on the basis of the process bench marking, and service bench marking.

Chepkech (2014) performed an investigation on influence of TQM practices on firm performances in: A Case Of Tertiary Institutions in Uasin Gishu County. The variables included in the study were benchmarking, top management commitment continuous improvement. Multiple regression model was used for the scrutiny of the investigation. The results of the investigation indicated that benchmarking has a crucial and notable impact on organizational performance of tertiary institutions in Uasin Gishu County, Kenya. While the study examined benchmarking as a quality management practice, it mainly focused on the service bench marking whereas the current study focused on the service benchmarking as well as benchmarking through processes.

Babu (2017) carried out an investigation on the influence of customer orientation on performance of firms. The study focused on the service industry in UK. A multiple regression model was used to do analysis of the study. The results of the investigation implied that benchmarking has a notable and consequential impact on the performance of firms in the service industry in UK. However, the study was based on firms in the service industry in UK which is a developed nation. The current study was based on five star hotels in Nairobi, Kenya which is a developing country. While the study examined benchmarking as a quality management practice, it mainly focused on the service bench marking whereas the current study focused on the service benchmarking as well as benchmarking through processes.

2.3.4 Continuous Improvement and Performance

Abdullah, and Uli (2008) conducted a study on the features that influence the quality improvement practices and firm performance among the Malaysian manufacturing firms. These were management commitment; customer focus; employee involvement, training & education, and reward and recognition. The results of the study indicate that continuous improvement has a significant and positive effect on performance of manufacturing firms in Malaysia. The investigation however focused on manufacturing firms in Malaysia, the current study was centered on the hospitality industry in Kenya. In terms of the concept, this study mainly focused on the continuous improvements on the basis of continuous quality audits while the current study examined continuous improvements on the basis of quality audits and service reviews and systems measurements.

Similarly, Salaheldin(2009)identified CSFs of Total Quality Management implementation in Qatari industrial sector and grouped them into strategic, tactical, and operational factors. The

variables included in the study were strategic factors such as top management commitment, continuous improvement, and benchmarking. Findings of the study shown that are continuous improvement has a rewarding and notable influence on performance of Qatari industrial sector. The research study however was mainly on the Qatari industrial sector. The current study addressed the contextual gap by focusing on the hospitality industry in Kenya. The current study also addressed the conceptual gap by going beyond quality audits to looking at service reviews and systems measurements.

Chepkoch (2014) conducted an investigation on TQM strategies on firm performance in Kenya: A Case of Tertiary Institutions InUasin Gishu County. The results of the investigation implied that total quality management practices considered in the study have a positive relationship with firm performance of tertiary institutions in UasinGishu County, Kenya. Specifically, the findings of the study show that continuous improvement positively affects organizational performance of tertiary institutions in Uasin Gishu County, Kenya. The study was limited in terms of the aspects on continuous improvements in that it only assessed continuous quality reviews while the current study assessed on systems measurements, and service reviews in addition to continuous quality audits.

Panuwatwanich and Nguyen (2017) performed an investigation on the effect of TQM practices on performance of Vietnamese construction companies. The results of the investigation implied that TQM has an impact on the firm's performance of Vietnamese construction companies. The results of the investigation reveal that continuous improvement, customer focus and management commitment have a outstanding impact on performance of Vietnamese construction firms. In terms of the concept, this study mainly focused on the continuous improvements on the basis of

continuous quality audits while the current study examined continuous improvements on the basis of quality audits and service reviews and systems measurements.

2.4 Summary of Gaps to be filled by the Research

Table 2.1: Summary of Literature Review and Research Gaps

Author (s)	Focus and Context of the study	Key Findings	Research Gaps	Focus of Current Study
Abdullah, and Uli (2008)	features that influence the quality improvement practices and firm performance among the Malaysian manufacturing firms	continuous improvement has a significant and positive effect on performance of manufacturing firms	Focused on manufacturing firms in Malaysia. Focused on quality audits as continuous improvement technique.	Focus on Five star hotels in Kenya. examined continuous improvements on the basis of quality audits and service reviews and systems measurements.

Salaheldin (2009)	Total Quality Management implementation in Qatari industrial sector	continuous improvement has a rewarding and notable influence on performance	Only examined the quality audits as continuous improvement tool.	The current study examined quality audits along with service reviews and systems measurements as continuous improvement tools.
Asihia (2010)	customer orientation and Firm Performance among Nigerian SMEs	positive and notable relationship between customer orientation and organization performance	The study examined the customer orientations in view of customer service	look at the specific aspects of customer orientations like feedback systems and customer complaints handling.
Chepkech (2014)	Effect of total quality management practices on organizational performance in	Found that benchmarking has a positive and significant effect on organizational	The study focused on tertiary institutions	The current study focused on 5 Star hotels

	Kenya: A Case Of Tertiary Institutions In UasinGishu County	performance		
Voigt <i>et al.</i> (2015)	Effects of customer orientation on the firm performance	Results of the study indicate that customer orientation has a positive and significant effect on firm performance.	The study was centered on firms in South Africa.	The study was centered on 5 start hotels in Nairobi County, Kenya
Lu and Zhang (2016)	Influence of customer orientation and entrepreneurial orientation on performance of SMEs:	client orientation has a constructive and significant effect in SMEs	Customer orientation was examined on the basis of feedback systems,	delved into the concept of customer orientations on the basis of customer complaints handling systems and customer service.

Mokhtaran and Komeilian (2016)	Effect of Customer Orientation on Dana Insurance Performance.	Findings show that customer orientation has a significant and positive effect on performance	The study was centered on an Insurance company.	The current study was centered on five star hotels in Nairobi, Kenya.
Babu (2017)	Influence of customer orientation on performance of firms.	Benchmarking has a notable and consequential impact on the performance of firms in the service industry in UK	Benchmarking was only on the basis of service benchmarking	Benchmarking was examined on the basis of service and process benchmarking
Panuwatwani ch and Nguyen (2017)	Influence of total quality management on performance of Vietnamese construction firms	Findings of the study show that continuous improvement, customer focus and management commitment have a significant positive effect on	The study focused on Vietnamese construction firms	The current study was focused on 5 star hotels in Nairobi County, Kenya

		performance of Vietnamese construction firms.		
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Source: Literature Review, 2021

The review of empirical studies on total quality management and performance provides evidence of research gaps. Studies conducted on total quality management practices on performance were mostly centered on developed countries. Therefore, considering Kenya is a developing country, the economic, cultural and political environment varies from that of a developed country. Similarly, studies conducted in the Kenyan context were concentrated on other sectors other than the hospitality industry. The current study sought to address these gaps by establishing the effect of total quality management practices on performance of the hospitality industry in Kenya, with focus on five star hotels in Nairobi County, Kenya.

2.5 Conceptual Framework

The conceptual framework of the study shows the proposed relationship among the variables of the study. The independent variables for the study comprise of total quality management practices which are top management commitment, customer orientation, benchmarking and continuous improvement. The dependent variable of the study constitutes performance. Therefore, total quality management practices were proposed to have an effect on the performance of five star hotels in Nairobi, Kenya.

Independent Variables

Dependent Variable

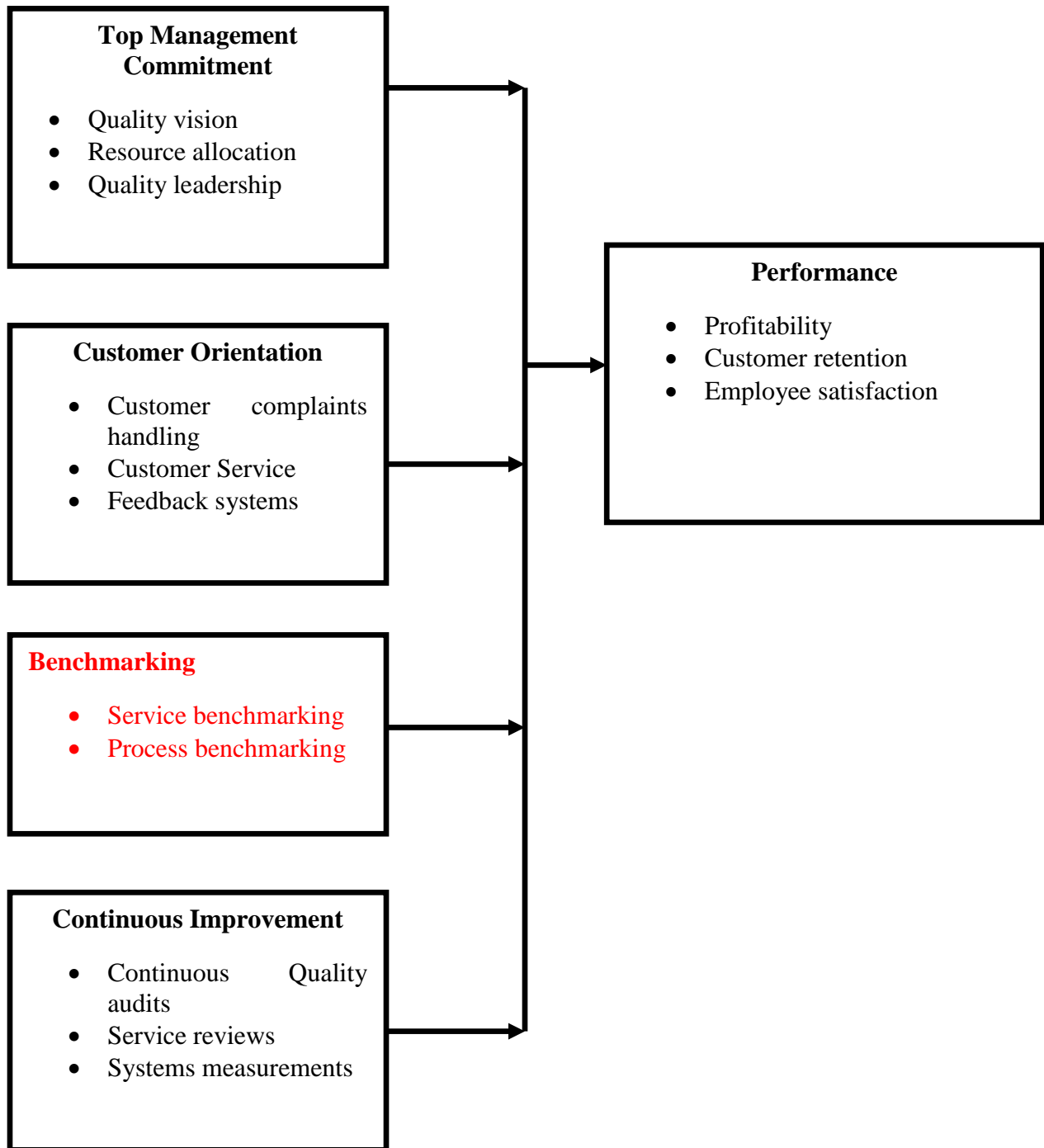


Figure 2.1 Conceptual Framework

Source: Researcher, 2021

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology which was used in this study. It focuses on: the research design, study area, the target population, sampling techniques, research instruments, the pilot study, data collection and data analysis.

3.2 Research Design

The study adopted a descriptive research design. A descriptive research design dictate and outline how things are (Chakravarthy & White, 2011). According to Mugenda and Mugenda (2013) a descriptive study is carried out in order to describe the general characteristics of the study population and be able to describe the characteristics of the variable of interest in a situation. Therefore, in line with this, descriptive research design becomes appropriate for the study. Thus, the choice of descriptive research design as the study sought to evaluate the effect of quality management initiatives on performance of five star hotels in Nairobi County, Kenya.

3.3 Target Population

Target population in statistics is the specific population about which information is desired (Leedy & Ormrod, 2010). It refers to the total objects or individuals of interest in a research study. The target population of the study comprised of all the five-star hotels in Nairobi, Kenya. The total number of five-star hotels in Nairobi Kenya is sixteen (Tourism Regulatory Authority, 2017). Therefore, the sixteen five-star hotels in Nairobi Kenya constituted the target of the population of the study. The choice of five-Star hotels is hinge on the notion that these hotels are visible, easily accessible and notably the destinations of most tourists. Similarly, the choice of

Nairobi is attributed to the fact that Nairobi is the capital city of Kenya, and the economic hub of East Africa. It hosts the head offices and regional offices of international organizations. The study targeted sixty four respondents. The unit of observation will be the quality assurance managers, assistant managers and supervisors working in each of the five-star hotels. In each hotel there will be five respondents bringing the total to 64.

3.4 Sampling Design

Sampling is a procedure that involves of picking a subset of a population in a research. Considering the total number of five-star hotels in Nairobi Kenya are just sixteen in number, therefore the study adopted a census sampling technique. Mugenda and Mugenda (2013) assert that census sampling is adopted in a study where the population is relatively small or when it is reasonable to include the entire population of the study. Quality assurance managers and assistants, supervisors and their assistants will be the respondents of the study. Furthermore, there are 16 five-star hotels in Nairobi, therefore, making the total number of respondents a total of sixty-four. The sixty four respondents were sampled using a purposive sampling technique. A complete census of all the sixty-four respondents was taken for the study.

The inclusion of assistant managers and assistant supervisors is in case the managers or supervisors do not provide all information needed. The quality assurance managers are experts in the area of quality and are involved in the formulation of policies, while the supervisors are involved in carrying out the implementation of quality management practices. The choice of respondents was in line with the view of Gerhart (2000) who opine that quality management system surveys based on single respondents are significantly undermined by the presence of measurement error, thus the choice of four respondents in each organization.

3.5 Data Collection Procedure and Instruments

A semi-structured questionnaire was utilized to gather primary data. The questionnaire had a Likerts scale that made certain uniformity in response and encourage involvement. The questionnaire was chosen in this study because the respondents are literate and able to answer questions asked satisfactorily. Mugenda as cited in Machuki (2011) suggests that questionnaires are frequently used to get important information regarding a population under study. The questionnaire comprised of two sections, section A covers the demographic information of respondents and section B covers information among the relationship between the study variables.

The researcher obtained a permit from the National Commission of Science Technology and Innovation (NACOSTI). The researcher used this permit to approach the hotels of interest in the study. Questionnaires for the main studies were administered in person to the respondents on agreed dates and collected immediately after they are filled.

3.6 Validity and Reliability

Maxwell (2013) demonstrated that a pilot test is led to recognize shortcomings in structure and instrumentation and to give intermediary information to choice of a probability sample. As per McCleskey (2014), a pilot study is directed when a questionnaire is given to only a couple of individuals with a goal of pre-testing the questions. Pilot test is an activity that helps the exploration in deciding whether there are imperfections, impediments, or different shortcomings inside the examination instrument plan and enables the researcher to make important corrections preceding the execution of the investigation (Kvale, 2016). A pilot study was embraced on ten (10) respondents from the five star hotels situated in Nairobi, Kenya to test the reliability of the questionnaire. The data from the pilot study was not used in the actual study.

3.6.1 Validity of Research Instruments

According to Meeker and Escobar (2014) Validity is the degree by which the sample of test things imply signal the substance the test is intended to quantify. A research instrument is therefore said to have high validity if the results correspond to the real characteristics and variations. The key types of validity are the content and construct validity. Content validity determines the extent to which the research instrument covers all the areas being measured. On the other hand, construct validity measures the extent to which the measurement adheres to the existing knowledge and theory (Gilham, 2008). Expert assessment was asked for to remark on the centrality and propriety of inquiries and give recommendations of amendments that was made to the makeup of the examination apparatuses. This created better content legitimacy of the information to be gathered.

3.6.2. Reliability of Research Instruments

The reliability of a research instrument concerns the degree to which the instrument gives the same results on severally. Although unreliability is always present to a certain extent, there will generally be a good deal of consistency in the results of a quality instrument gathered at different times. The tendency toward consistency found in repeated measurements is referred to as reliability (Merriam, 2009). Internal consistency of the scales were measured using Cronbach's Alpha. The alpha value ranges between 0 and 1 with reliability adding with the addition in the alpha value. Coefficients above 0.7 are mostly accepted that indicate adequate reliability and 0.8 or higher is said to be good reliability (Munyoki&Mulwa, 2012). The cut-off value for this study therefore was 0.70; in essence, for items to be used together as a scale in this study, the items must be above the cut-off value. The results from the test are shown in table 3.1 below;

Table 3.1: Reliability test

Cronbach's alpha	No. of items
0.765	52

Source (survey data, 2018)

Table 3.1 indicates a cronbach alpha score of 0.765 which implies a good reliability since this value is higher than the acceptable threshold of 0.70

3.7 Data Analysis and Presentation

Before analysis, the data collected was checked for completeness and consistency. The collected data was sorted for order. It was edited to remove errors and spot any inconsistencies and identify any problems resulting from the use of the questionnaire. Editing also made coding easier.

Statistical package for social sciences (SPSS) for Windows, Version 22.0 (SPSS, 2017) was used for the statistical analyses of the data obtained from the questionnaire survey. The data to be collected will purely be quantitative and will be analyzed by descriptive and inferential statistics. Descriptive statistics consisted of percentages, means and other central tendencies. The inferential statistics to test the study's questions were analyzed via Pearsons correlation analysis and multiple regression analysis.

Correlation analysis was used to test strength of the association/relationship of the study variables. It was used to ascertain whether there exists a strong or weak relationship among the variables. Furthermore, multiple regression analysis provided inferential statistics which were

used to test the hypotheses on the effect of the independent variables on the dependent variable. The statistical tests were done at 95% significance level meaning that the study allows for an error of 5%. The regression equation took the form below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Performance

X₁ = Top Management Commitment

X₂ = Customer Orientation

X₃ = Benchmarking

X₄ = Continuous Improvement

β₁, β₂, β₃, β₄ = Regression Coefficients

ε = Error term

3.8 Ethical Consideration

The investigator obtained authorization from the National Commission for Science Technology and Innovation (NACOSTI) before proceeding to the field to start on data collection. The investigator evaded any activity that may lead to physical or psychological trauma to the subjects. The researcher ensured that subjectivity and personal views are not in the way of carrying an objective investigation. The motive of the study was disclosed to respondents before they are petitioned to complete the questionnaire. When reporting the results of the investigation, the researcher ensured that the research report accurately represent what was observed or what was conveyed by the respondents after proper analysis of all the data collected.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF THE RESULTS

4.1: Introduction

This segment point up the results obtained from the examination of the primary data on the basis of descriptive statistics, correlation, regression, model summary and analysis of variance with an intention of showing the connection between the quality management initiatives and the performance of five star hotels in Nairobi City County Kenya. SPSS version 20 was utilized in the analysis and the outcomes were summarized in charts and tables.

4.2. Rate of Response

Figure 4.1 presents the rate of response

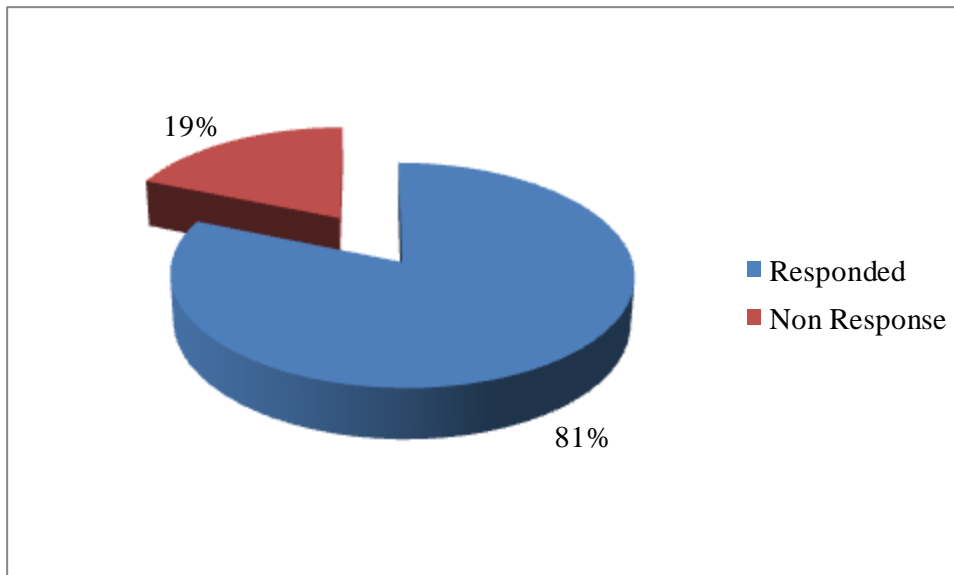


Figure 4.1. Rate of Response

From the findings presented in Figure 4.1, the rate of response was 81 percent with the non response rate being 19 percent. In terms of the numbers, 52 respondents out of the targeted 64 respondents submitted their duly filled questionnaires. According to Mugenda and Mugenda

(2013) the response rate of 60 percent is sufficient for analysis hence with the response rate of 81 percent, the data was adequate for the analysis.

4.3: Demographic characteristics of the respondents.

The target population of the study comprised of all the five star hotels in Nairobi, Kenya. The total number of five-star hotels in Nairobi Kenya is sixteen (Tourism Regulatory Authority, 2017). Therefore, the sixteen five-star hotels in Nairobi Kenya constituted the target of the population of the study. The research used a census considering that the population of the study was small. Census was adopted in a study where the population is relatively small or when it is reasonable to include the entire population of the study. Quality assurance managers and assistants, supervisors and their assistants were the respondents of the study. The various demographics of the respondents are summarized in table 4.1 to 4.5

Table 4.1: Gender of the respondents

Gender	Frequency	Percentage
Female	16	30.8
Male	36	69.2
Total	52	100.0

Source (survey data, 2021)

In terms of gender in table 4.1 the male respondents stood at 69.2% while the female respondents stood at 30.8%; this is a manifestation of the fact that there are more male staff working in the five-star Hotels in Nairobi City County in management than their female counterparts.

Table 4.2: Level of Education

Education level	Frequency	Percentage
Diploma/certificate	18	34.6
Undegraduate degree	14	26.9
Masters	13	25.0
Phd	7	13.5
Total	52	100.0

Source (survey data, 2018)

Majority of the respondents were had diploma/certificate at 18 representing 34.6%, followed by undergraduate degree holders at 14 representing 26.9%, followed by masters at 13 representing 25% and lastly Phd at 7 representing 13.5%.

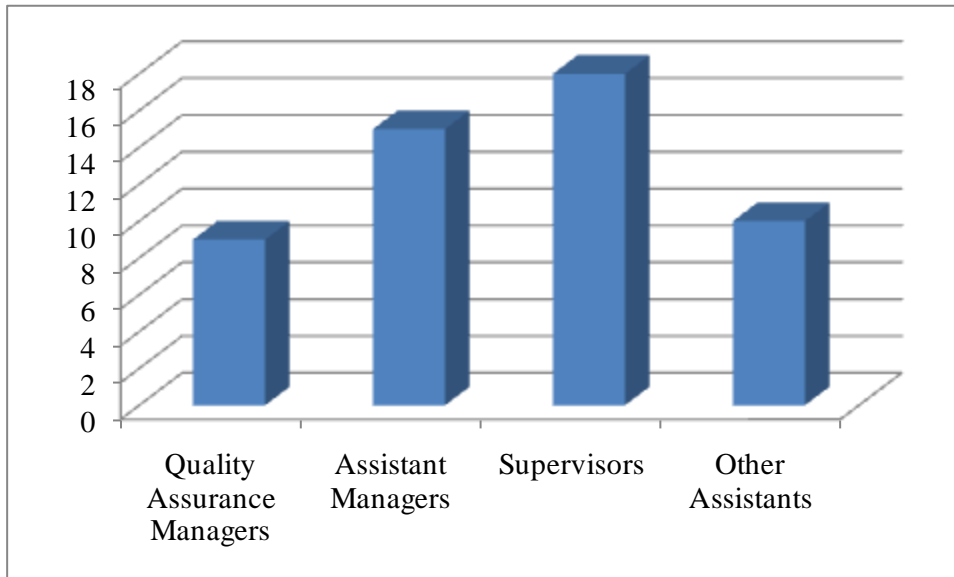
Table 4.3: Age bracket of the respondents

Age bracket	Frequency	Percentage
Below 25	6	11.5
25-34	19	36.5
35-44	20	38.5
45-50	7	13.5
Total	52	100.0

Source (survey data, 2021)

The outcome from the analysis exhibited in table 4.3 further reveal that a good number of the respondents fall within the age bracket of 35 –44 years at 38.5%, followed by 25-34 years at 36.5%, followed by 45-50 years at 13.5% and below 25 years at 11.5%.

Figure 4.2: Management Levels of Respondents



Source (survey data, 2021)

The outcome from the analysis exhibited in Figure 4.2, 9 quality assurance managers submitted their responses, 15 assistant managers submitted their responses, and 18 supervisors submitted their responses while 10 assistants in quality assurance departments responded. The findings revealed that the responses were adequately representative of the various groups that were targeted in the study. This ensured accurate and reliable information was provided.

4.4: Correlation test

Correlation analysis was used to test strength of the association/relationship of the study variables. It was used to ascertain whether there exists a strong or weak relationship among the variables. This assessment was conducted using the Pearson's correlation and the outcomes summarized in the table 4.4 below:

Table 4.4: correlation matrix

	Performance of Hotel	Top management commitment	Customer orientation	Benchmarking	Continuous improvement
Performance of Hotel	1				
Top management commitment	.475 [*] .001	1			
Customer orientation	.776 [*] .000	.457 [*] .001	1		
Benchmarking	.679 [*] .000	.231 .100	.465 [*] .000	1	
Continuous improvement	.401 [*] .003	.054 .701	.432 [*] .001	-.112 .431	1

***. Correlation is significant at the 0.05 level (2-tailed).**

Source (survey data, 2021)

From table 4.4 above, the correlation between top management commitment and performance of Hotel was positive and significant with the correlation coefficient obtained being .475 and p value of .001. Secondly, the correlation that exist between customer orientation and performance of hotel was significant and positive as shown by the correlation coefficient of .776 and p value of .000. Thirdly, it is apparent that the association between benchmarking and performance is positive and significant as exhibited by the correlation coefficient of .679 and p value of .000. Lastly, there is a significant positive correlation between the Continuous improvement and performance of hotel with a p value of .003 and correlation coefficient of .401. Further the correlation coefficients obtained were less than .80 or 64 percent, a threshold underscored by Green (2008) who stated that a correlation coefficient (r) of greater than or equals to .80 is a sign that multicollinearity do exist. From the outcome based on the threshold underscored, there exist no multicollinearity challenges among the pair of variables.

4.5: Effect of top management commitment on performance of hotel

Top management commitment was anchored on commitment to quality and efficient service delivery, the extent of commitment, commitment to vision of the company, employee motivation towards organizational goals, resource devotion towards performance, documentation and communication of quality policies and procedures to employees and management taking leading position in guiding quality teams.

4.5.1: Descriptive statistics on top management commitment.

The informants were asked to offer responses on each of these areas of top management commitment and the measurement thereof was done using the Likert scale. The outcomes from descriptive analysis are presented in the table 4.5 below;

Table 4.5: Descriptive statistics on top management commitment.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Commitment to quality and efficient service delivery	52	1.00	5.00	3.4423	.89472
Extent of commitment	52	3.00	5.00	4.3462	.71083
Commitment to vision	52	3.00	5.00	4.5769	.53674
Employee motivation towards goals	52	3.00	5.00	4.4038	.53356
Resource devotion to performance	52	2.00	5.00	4.0192	1.17974
Documentation/communication of quality policies	52	3.00	5.00	4.5385	.57604
Management leadership/guidance	52	1.00	5.00	3.0769	1.23425
Average scores				4.0577	.80941

NB: Measurement scale; 1= Strongly disagree, 5= Strongly agree

Source (Research data, 2021)

The respondents' response on management and leadership guidance had the lowest mean of 3.0769 and the highest standard deviation of 1.23425. This means that majority of the

respondents were unhappy with the way management and leadership is being exercised with respect to the total quality management practices in the five-star hotels. The standard deviation of 1.23425 shows that there were big variations in terms of the responses given.

The response on commitment to vision had the highest mean of 4.5769 and the lowest standard deviation of 0.53674. The mean indicates that most respondents agreed that commitment to vision was significant in management commitment and as a total quality management tool. The standard deviation of 0.53674 indicates that there were small variations in terms of the responses given.

From the results, it is clear that a good number of the respondents agree that top management commitment have an effect on the performance of five-star Hotels in Nairobi City County. The mean obtained was 4.0577 while the standard deviation was 0.80941. a study by Abdullah and Uli (2008) established that management commitment influence performance.

4.5.2: Multiple regression analysis of variables on top management commitment.

This segment exposes the multiple regression analysis on the effect of the top management commitment on the performance of five star Hotels in Nairobi City County. Table 4.6 display a multiple regression analysis of variables on top management commitment.

Table 4.6: Multiple regression analysis of variables on top management commitment.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	-9.737	1.745		-5.580	.000	-13.254	-6.220
X1	.428	.173	.249	2.474	.017	.079	.776
X2	.621	.251	.288	2.477	.017	.116	1.127
X3	.959	.258	.335	3.710	.001	.438	1.479
X4	-.389	.267	-.135	-1.457	.152	-.927	.149
X5	.785	.113	.603	6.946	.000	.557	1.012
X6	-.051	.303	-.019	-.169	.867	-.663	.560
X7	.534	.120	.429	4.455	.000	.292	.775

a. Dependent Variable: Performance of Hotel

NB: The level of significance is 0.05

Source (survey data, 2021)

From the findings the equation becomes:

$$Y = -9.737 + 0.428X_1 + 0.621X_2 + 0.959X_3 - 0.389X_4 + 0.785X_5 - 0.051X_6 + 0.534X_7 + \alpha$$

The results presented in Table 4.6 disclose that in case of the nonexistence of the top management commitment, all other factors kept constant; there is a significant drop off in the performance of the five star hotels by 9.737. Commitment to quality and efficient service delivery (X1) has a significant positive effect on the performance of five star hotels as revealed by the p value of .017. A unit improvement in commitment towards quality and service delivery results in an improvement in performance by .428 times other variables kept constant. A unit increase in the extent of commitment (X2) other variables kept at constant leads to a significant and positive improvement in the performance by .621 times. The p value is .017. With regard to commitment to vision, a unit increase in the level of commitment towards the vision (X3), result in a .959

times improvement in the performance holding other factors at constant. The effect is significant as depicted by the p value of 0.001. There is however an inverse relationship between employee motivation towards the organizational goals and objectives (X4) though the association was insignificant as revealed by the p value of 0.152. Resource devotion towards performance (X5) has a significant effect on performance as shown by the p value of .000. A unit improvement in devotion of resources towards performance results in a rise in performance of the five star hotels by .785 other variables kept constant. The findings further depict an inverse and non significant relationship between documentation/communication of quality policies (X6) to employees and performance with the p value being .867. The association between management leadership and guidance and performance was positive and significant as manifested from the p value of .000 obtained. A unit improvement in management leadership and guidance (X7) in the organization brings about an improvement in the performance of the Hotels by .534 times all the other factors held at constant.

The outcome from the descriptive analysis indicates that the mean was 4.0577 which is an apparent indicator that the respondents agree that top management commitment positively influences performance of five star hotels in Nairobi. The outcome from the regression reveals that most of the variables were significant. Based on the existing studies it is apparent that management commitment influences the performance of an organisation. Chepkech (2014) established a positive and significant relationship with organizational performance. Voigt et al.,(2015) also established that management commitment influence the performance of SMEs in South Africa.

4.6: Effect of customer orientation performance of Hotels.

Customer orientation was premised on mechanism for handling customer complaints, Commitment to customer retention, review of customer needs, improved customer loyalty, and treatment of customers as kings. The outcomes of customer orientation are presented in table 4.7 and 4.8 below.

4.6.1: Descriptive statistics of customer orientation.

The informants were asked to offer responses on each of these areas of customer orientation and the measurement thereof was done using the Likert scale. The outcomes from descriptive analysis are presented in the table 4.7 below;

Table 4.7: Descriptive statistics on customer orientation.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Mechanism for customer complaints	52	2.00	5.00	3.5192	.91802
Commitment to customer retention	52	3.00	5.00	4.2115	.82454
Regular Review of customer needs	52	3.00	5.00	4.0000	.79212
Improved customer loyalty	52	2.00	5.00	3.8654	.84084
Customer treatment as kings	52	3.00	5.00	4.5000	.72761
Average scores				4.0192	.82062

NB: Measurement scale; 1= Strongly disagree, 5= Strongly agree

Source (Research data, 2021)

The response to the statement that the five-star hotels have mechanism for customer complaints had the lowest mean of 3.5192 and the highest standard deviation of 0.9182. The mean of 3.5192 is an indication that most respondents felt that the mechanism for addressing the customer complaints were not adequate in comparison to other customer orientation systems put in place.

The standard deviation is an indication of the fact that the respondents had big variations in terms of the responses that they provided.

The response to the statement on customer treatment as kings had the highest mean of 4.5000 and standard deviation of 0.72761 which is the lowest among the other customer orientation statement. The mean indicates that most respondents were in agreement that customers are treated well. The standard deviation shows that the responses had relatively low variations.

From the average outcome from descriptive analysis, a big number of the respondents agree that customer orientation have an influence on the performance of five-star Hotels in Nairobi City County as revealed by the average score of 4.0192. Based on the past studies, Appiah-Adu and Singh (2015) established that customer orientation had a positive effect on performance of SMEs in the UK. Similar findings were also established by Babu (2017) in the study on service industry in the UK.

4.6.2: Multiple regression effect of customer orientation on performance of Hotels.

This segment exposes the multiple regression analysis on the effect of the customer orientation on the performance of five-star Hotels in Nairobi City County. Table 4.8 display a multiple regression analysis of variables on customer orientation.

Table 4.8: Multiple regression effect of customer orientation on performance of Hotels.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1(Constant)	-9.879	1.568		-6.299	.000	-13.036	-6.723
X1	1.072	.153	.641	6.988	.000	.763	1.381
X2	1.078	.166	.579	6.496	.000	.744	1.412
X3	.643	.173	.332	3.727	.001	.296	.990
X4	.141	.159	.077	.890	.378	-.178	.461
X5	.028	.193	.013	.144	.886	-.361	.417

a. Dependent Variable: Performance of Hotel

NB: Significant level is 0.05

Source (survey data 2021)

From the findings the regression model is:

$$Y = -9.879 + 1.072X_1 + 1.078X_2 + 0.643X_3 - 0.141X_4 + 0.028X_5 + \alpha$$

Table 4.8 shows the relationship between customer orientation and performance of five star Hotels in Nairobi City County. The results presented make known that incase of the nonexistence of the customer orientation, all other factors kept constant; there is a significant drop off in the performance of the five star hotels by 9.879. Mechanism for customer complaints (X1) has a significant positive effect on the performance of five star hotels as revealed by the p value of .000. A unit improvement in mechanisms for handling customer complaints in the hotels results in an improvement in performance by 1.072 times other variables kept constant. A unit improvement in the commitment to customer retention (X2) other variables kept at constant leads to a significant and positive improvement in the performance by 1.078 times. The p value is .000. With regard to regular review of customer needs, a unit increase in regular review of customer needs (X3), result in a .643 times improvement in the performance holding other

factors at constant. The effect is significant as depicted by the p value of .001. There is however an insignificant positive relationship between improved customer loyalty (X4) and customer treatment (X5) towards performance.

The result from the descriptive analysis depicts that the mean was 4.0192 which is a clear indicator that the respondents agree that customer orientation positively influences performance of five star hotels in Nairobi. The result from the regression reveals that most of the variables were significant. The results from both the descriptive and regression analysis agree with the view that a positive relationship exist between customer orientation and performance of Hotels. The findings from the previous studies established a positive relationship between customer orientation and performance of an organisation. Asihia(2010) conducted a study on customer orientation and Firm Performance among Nigerian SMEs and established that customer orientation has a significant and positive effect on organizational performance of SMEs in Nigeria. Lu and Zhang (2016) did an investigation on the influence of customer orientation and entrepreneurial orientation on performance of SMEs and established that customer orientation has a significant and positive effect on performance.

4.7: Effect of benchmarking on performance of Hotels

This variable focused on hotel structures and facilities, local standards, international standards, quality of services and organizational performance.

4.7.1: Descriptive statistics of benchmarking

The informants were asked to provide responses on each of the elements of benchmarking and were measured through the use of a Likert scale. The outcomes are presented in the table 4.9.

Table 4.9: descriptive statistics on benchmarking.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Hotel structures and facilities	52	2.00	5.00	3.7500	.71056
Local standards	52	2.00	5.00	3.7500	.81349
International standards	52	2.00	5.00	4.2308	.83114
Quality of services in check	52	2.00	5.00	4.0192	1.17974
Organisational performance	52	2.00	5.00	3.5192	.91802
Average scores				3.8538	0.8906

NB: Measurement scale; 1= Strongly disagree, 5= Strongly agree

Source (Research data, 2021)

The response to the statement on benchmarking and organizational performance had the lowest mean of 3.5192 and the standard deviation of 0.91802. This implies that while the respondents agreed that benchmarking helps in organizational performance, the extent of agreement to the statement was low compared to other aspects on benchmarking. The statement on ensuring international standards by the five-star hotels as the benchmarking tool had the highest mean of 4.2308 and standard deviation of 0.83114. This shows that most respondents were content on the role of benchmarking in upholding international standards among their respective hotels.

From the findings shown in table 4.9, majority of the respondents agree that benchmarking have an impact on the performance of five-star hotels in Nairobi City County Kenya as revealed by the average score of 3.8538 which is close to 4 on the likert scale. The outcome are similar with that of a study by Babu (2017) which established that benchmarking had a significant and positive effect on performance of firms within the service industry in the UK. An earlier study by Salaheldin (2009) also established that benchmarking had a significant impact on the performance of Qatari industrial sector.

4.7.2: Multiple regression effect of benchmarking on performance of Hotels.

This segment sought to determine the multiple regression effect of benchmarking on the performance of Hotels in Nairobi City County. The results are presented in table 4.10 below;

Table 4.10: Multiple regression on effect of benchmarking on performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	-5.244	1.534		-3.419	.001	-8.332	-2.157
X1	.568	.236	.263	2.403	.020	.092	1.044
X2	-.077	.300	-.041	-.256	.799	-.680	.527
X3	.134	.202	.073	.663	.511	-.273	.541
X4	.613	.215	.471	2.852	.006	.180	1.045
X5	.581	.194	.348	2.994	.004	.190	.972

a. Dependent Variable: Performance of Hotel

NB: Significance level is 0.05

Source (survey data, 2018)

The regression model becomes:

$$Y = -5.244 + 0.568X_1 - 0.077X_2 + 0.134X_3 - 0.613X_4 + 0.581X_5 + \alpha$$

Table 4.10 exhibits the results from multiple regression analysis on benchmarking and performance of five star Hotels in Nairobi City County. The results presented make known that in case of the nonexistence of benchmarking, all other variables kept constant; there is a significant drop off in the performance of the five star hotels by 5.244. Hotel structures and facilities (X1) have a significant positive effect on the performance of five star hotels as depicted by the p value of .020. A unit improvement in the hotel structures and facilities results in an improvement in performance by .568 times other variables kept constant. A unit improvement in

the hotel services relative to local standards (X2) other variables kept at constant leads to a non significant and decrease in the performance by .077 times. The p value is .799. A unit increase in service quality relative to international standards (X3), result in a .134 times improvement in the performance holding other factors at constant. The effect is not significant as depicted by the p value of .511. There is significant positive relationship between check on quality of services (X4) and performance of Hotels. A unit increase in check on service quality leads to an increase in performance by .613 times. The p value is .006. Benchmarking in terms of performance (X5) leads to a significant improvement in Hotel performance by .581 times for every unit improvement in benchmarking based on performance other variables constant. The p value is .004.

The result from the descriptive analysis depicts that the mean was 3.8538 which is a clear indicator that the respondents agree that benchmarking positively influences performance of five star hotels in Nairobi. The result from the regression reveals that most of the variables were significant. The results from both the descriptive and regression analysis agree with the view that a positive relationship exist between benchmarking and performance of Hotels. The outcome are similar with that of a study by Babu (2017) which established that benchmarking had a significant and positive effect on performance of firms within the service industry in the UK. An earlier study by Salaheldin (2009) also established that benchmarking had a significant impact on the performance of Qatari industrial sector. Chepkech (2014) performed an investigation on influence of TQM practices on firm performances: A Case Of Tertiary Institutions in Uasin Gishu County and established that benchmarking has a crucial and notable impact on organizational performance of tertiary institutions.

4.8: Effect of continuous improvement on performance of Hotels.

This variable focused on continuous improvement of quality systems, improvement in procedures, quality benchmarks, internal quality audits and improvement of performance.

4.8.1: Descriptive statistics of continuous improvement.

The informants were requested to give answers on each of the components of continuous improvements and were measured through the use of a Likert scale. The findings are presented in the table 4.11 below;

Table 4.11: Descriptive statistics on continuous improvements.

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Improvement of quality systems	52	1.00	5.00	4.0962	.93431
Improvement of procedures	52	1.00	5.00	3.9231	.76302
Quality benchmarks	52	1.00	5.00	3.9423	1.24323
Internal Quality audits.	52	2.00	5.00	3.5192	.91802
Continuous improvement in performance	52	3.00	5.00	4.2115	.82454
Average Scores				3.9385	0.9366

NB: Measurement scale; 1= Strongly disagree, 5= Strongly agree

Source (Research data, 2021)

The statement on the internal quality audits as a continuous improvement aspect had the lowest mean of 3.5192 and the standard deviation of 0.91802. This implies that relatively, the respondents did not feel that internal quality audits were adequately addressed in the five-star hotels. The statement on the relationship between the continuous improvement and performance had the highest mean of 4.2115 and standard deviation of 0.82454. This is an indication that the respondents agree that continuous improvements are very significant to the performance of the five-star hotels.

The average mean score obtained is 3.9385 which reveal that a good number of the respondents agree that continuous improvements affect performance of Hotels. The findings are in line with the findings from past studies. A study by Abdullah, and Uli (2008) examined the features that influence the quality improvement practices and firm performance among the Malaysian manufacturing firms and found that continuous improvement is a key feature in enhancing the performance.

4.8.2: Multiple regression effect of continuous improvement on performance

This study further sought to determine the multiple regression effect of continuous improvement on the performance of Hotels. Table 4.12 exhibits the regression analysis for effect of continuous improvement on the performance of five star hotels in Nairobi City County.

Table 4.12: Multiple regression effect of continuous improvement on performance

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	-3.531	.880		-4.010	.000	-5.302	-1.760
X1	.993	.279	.605	3.557	.001	.431	1.555
X2	-.513	.295	-.255	-1.739	.089	-1.107	.080
X3	.070	.157	.057	.444	.659	-.247	.386
X4	.817	.172	.489	4.751	.000	.471	1.163
X5	.648	.212	.277	3.056	.004	.221	1.074

a. Dependent Variable: Performance of Hotel

NB: Significance level is 0.05

Source (Survey data, 2021)

The regression analysis model becomes:

$$Y = -3.531 + 0.993X_1 - 0.513X_2 + 0.070X_3 + 0.817X_4 + 0.648X_5 + \alpha$$

Table 4.12 exhibits the connection between continuous improvement and performance of the five star Hotels in Nairobi City County. The results presented make known that in case of the nonexistence of benchmarking, all other variables kept constant; there is a significant decline in the performance of the five-star hotels by 3.531. Improvement of quality systems (X1) has a significant positive effect on the performance of five star hotels as depicted by the p value of .001. A unit improvement of quality systems results in an improvement in performance by .993 times other variables kept constant. A unit improvement in the hotel procedures (X2) other variables kept at constant leads to a non significant and decrease in the performance by .513 times. The p value is .089. A unit increase in Quality benchmarks (X3), result in a .070 times improvement in the performance holding other factors at constant. The effect is not significant as depicted by the p value of .659. There is significant positive relationship between internal quality audits (X4) and performance of Hotels. A unit increase in internal quality audits leads to a significant increase in performance by .817 times. The p value is .000. Lastly, continuous improvement in terms of performance (X5) leads to a significant improvement in Hotel performance by .648 times for every unit improvement in benchmarking based on performance other variables constant. The p value is .004.

The findings are in line with the findings from past studies. A study by Abdullah, and Uli (2008) examined the features that influence the quality improvement practices and firm performance among the Malaysian manufacturing firms and found that continuous improvement is a key feature in enhancing the performance. Panuwatwanich and Nguyen (2017) performed an investigation on the effect of TQM practices on performance of Vietnamese construction companies and established that continuous improvements had a positive effect on the performance.

4.9: Joint effect of Quality management practices on performance of Hotels

This section concentrated on the ANOVA, Summary of the Model used and multiple regression analysis on the effect of Quality management practices (Top management commitment, customer orientation, benchmarking and continuous improvement) on the performance of five star Hotels in Nairobi City County.

4.9.1: Analysis of variance (ANOVA)

This investigation entailed carrying out of the ANOVA statistics to establish the significance of the connection between the performance of five star Hotels within Nairobi City County and the independent variables. The findings on are presented in table 4.13 below;

Table 4.13: Analysis of variance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	97.063	4	24.266	49.530	.000 ^b
Residual	23.026	47	.490		
Total	120.090	51			

a. Dependent Variable: Performance of Hotel

b. Predictors: (Constant), Continuous improvement, Top management

Source (survey data, 2021)

The results presented in table 4.13 above shows that the model was significant with a p-value of 0.000 being obtained which is an evidence of the model being good for estimation.

4.9.2: Summary of the Model

The determination of coefficient (R^2) was used to elucidate on the percentage of variations in the dependent variable (Performance of five star Hotels) that is credited to the changes in the

predictor variables (top management commitment, customer orientation, benchmarking and continuous improvements).The summary is shown in table 4.14 below.

Table 4.14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			
						F Change	df1	df2	Sig. F Change
1	.899 ^a	.808	.792	.69995	.808	49.530	4	47	.000

a. Predictors: (Constant), Continuous improvement, Top management committment, Benchmarking, Customer orientation

Source (survey data, 2021)

From the findings exhibited in table 4.14, the model has an R-square value of .808 with an adjusted value of .792. The adjusted R-square value of .792 implies that the independent variables explain 79.2 percent of the changes in the performance of five star Hotels in Nairobi City County.

4.9.3: Descriptive statistics of Quality management practices on Performance

Table 4.15 below shows the descriptive statistics of the data set on the quality management practices. The variables focused on include Performance of five-star Hotels (Dependent variable), and the predictor variables which comprise; top management commitment, customer orientation, benchmarking and continuous improvements.

Table 4.15: Descriptive statistics of independent and dependent variables

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Performance	52	1.00	5.00	4.0673	.75493
Top management commitment	52	1.00	5.00	4.0577	.80941
Customer orientation	52	3.00	5.00	4.0192	.82062
Benchmarking	52	3.00	5.00	3.8538	.89060
Continuous improvements	52	3.00	5.00	3.9385	.93660
Average scores				3.9873	.84243

Source (survey data, 2021)

From the outcomes presented in table 4.15, Performance of five star Hotels had a mean of 4.0673 and standard deviation of .75493. Top management commitment had a mean of 4.0577 and a standard deviation of .80941, Customer orientation had a mean of 4.0192 and standard deviation of .82062, Benchmarking had a mean of 3.8538 and standard deviation of .89060 while continuous improvements had a mean of 3.9385 and standard deviation of .93660. From the average mean scores it is evident that a good number of the respondents do agree that quality management practices have an effect of performance of Hotels.

4.9.4: Multiple regression analysis on joint effect of Quality management practices and Performance of Five star Hotels.

A multiple regression analysis was carried out to determine the relationship between the independent variables top management commitment, customer orientation, benchmarking and continuous improvements. The results are shown in the table 4.16 below.

Table 4.16: Multiple regression analysis on joint effect of Quality management practices and Performance of Five star Hotels

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	-15.748	1.430		-11.010	.000	-18.626	-12.871
X1	.488	.189	.188	2.578	.013	.107	.869
X2	1.026	.330	.301	3.112	.003	.363	1.689
X3	1.448	.217	.528	6.663	.000	1.011	1.885
X4	1.382	.341	.319	4.056	.000	.696	2.067

a. Dependent Variable: Performance of Hotel

NB: Significance level is 0.05

Source (survey data, 2021)

The multiple regression equation thus becomes:

$$Y = -15.748 + 0.488X_1 + 1.026X_2 + 1.448X_3 + 1.382X_4 + \alpha$$

4.10: Interpretation of the findings

The results presented in Table 4.16 disclose that in case of the nonexistence of the Quality management practices, all other factors kept constant; there is a significant drop off in the performance of the five star hotels by 15.748 times. Top management commitment (X1) has a significant positive effect on the performance of five star hotels as revealed by the p value of .013. A unit improvement in top management commitment towards quality results in a significant improvement in performance by .488 times other variables kept constant. A unit increase in customer orientation practices (X2), result in a 1.026 times improvement in the

performance of Hotels holding other factors at constant. The effect is significant as depicted by the p value of 0.003. Benchmarking (X3) has a significant effect on performance as shown by the p value of .000. A unit improvement in benchmarking practices results in a rise in performance of the five star hotels by 1.448 times other variables kept constant. The findings further depicts that continuous improvement practices (X4) have a significant effect on the performance of five star Hotels. The p value is .000. A unit improvement in continuous improvement practices result in 1.382 times improvement in performance other variables kept constant.

4.10.1 Effect of top management commitment on performance.

The first objective of the study was to examine the effect of top management commitment on the performance of five star Hotels in Nairobi City County. Top management commitment (X1) has a significant positive effect on the performance of five star hotels as revealed by the p value of .013. A unit improvement in top management commitment towards quality results in a significant improvement in performance by .488 times other variables kept constant. The results from both the descriptive and regression analysis agree with the findings by Chepkech (2014) that established a positive relationship between the management commitment and performance of tertiary institutions in Kenya.

4.10.2 Effect of customer orientation on performance.

The second objective was to determine the effect of customer orientation on the performance of five star Hotels within Nairobi City County. A unit increase in customer orientation practices (X2), result in a 1.026 times improvement in the performance of Hotels holding other factors at constant. The effect is significant as depicted by the p value of 0.003. These outcomes are in line with the outcomes from a study by Asihia (2010) which realized a positive and significant connection between customer orientation and performance of SMEs in Nigeria. It is also

consistent with a study by Lu and Zhang (2016) who carried out a study on the effect of customer orientation and entrepreneurial orientation on performance of SMEs by Comparing the Chinese and South Korean SMEs. The impact was significant and positive. Another study done in the UK by Babu (2017) revealed a positive influence of customer orientation on performance of UK firms.

4.10.3 Effect of benchmarking on performance

The third objective was to find out the effect of benchmarking on performance of five star Hotels in Nairobi City County. Benchmarking (X3) has a significant effect on performance as shown by the p value of .000. A unit improvement in benchmarking practices results in a rise in performance of the five star hotels by 1.448 times other variables kept constant. The outcomes from other studies are consistent with the outcome from this study. Salaheldin (2009) sought to identify TQM implementation and effect on performance in Qatari industrial sector. The findings of the study show that benchmarking has a positive and significant effect on performance of Qatari industrial sector. Another study by Chepkech (2014) also depicts a positive and significant impact of benchmarking on performance in the tertiary institutions in Uasin Gishu County.

4.10.4 Effect of continuous improvement on performance.

The fourth objective of the study was to examine the effect of continuous improvement on performance of five star hotels in Nairobi City County. Continuous improvement practices (X4) have a significant effect on the performance of five star Hotels. The p value is .000. A unit improvement in continuous improvement practices result in 1.382 times improvement in performance other variables kept constant. Similar findings were observed by Abdullah, and Uli (2008) who conducted a study on the factors that influence the quality improvement practices and organizational performance in Malaysian manufacturing companies. The results of the study

indicated that continuous improvement has a significant and positive effect on performance of manufacturing firms in Malaysia. Further, a study by Panuwatwanich and Nguyen (2017) on the influence of total quality management on performance of Vietnamese construction firms reveals that continuous improvement have a significant positive effect on performance of Vietnamese construction firms.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The current section provides the summary of the study, conclusions, recommendations and suggestions for further research.

5.2 Summary of the Study

The first objective of the study was to examine the effect of top management commitment on the performance of five-star Hotels in Nairobi City County. Based on the findings from the correlation analysis, top management commitment had a significant and positive correlation with performance based on the correlation coefficient of 0.475 and p value of 0.01. From the regression analysis top management commitment had a significant and positive effect on performance as shown by the regression coefficient of 0.488 and p value of 0.013.

The second objective was to determine the effect of customer orientation on the performance of five-star Hotels within Nairobi City County. The results from the correlation analysis reveal that customer orientation has a significant and positive correlation with performance as shown by the correlation coefficient of 0.776 and p value of 0.000. The results from the regression analysis revealed that customer orientation had a significant and positive influence on performance as shown by regression coefficient of 1.026 and p value of 0.003.

The third objective was to find out the effect of benchmarking on performance of five-star Hotels in Nairobi City County. The results from correlation analysis revealed a positive and significant correlation between benchmarking and performance. The correlation coefficient of 0.679 and p value of 0.000 was obtained. The outcome from regression analysis showed that benchmarking

had a significant and positive relationship with performance as shown by the regression coefficient of 1.448 and p value of 0.000.

The fourth objective of the study was to examine the effect of continuous improvement on performance of five-star hotels in Nairobi City County. The correlation analysis results showed that continuous improvement had a positive and significant relationship with performance based on the correlation coefficient of 0.401 and p value of 0.03. The regression analysis results showed a significant and positive effect of continuous improvement on performance as shown by the regression coefficient of 1.382 and p value of 0.000.

5.3 Conclusion

The conclusion of the study was guided by the research findings. On the effect of top management commitment on performance, the study concluded that top management commitment influences the performance of five-star hotels. From the results, from descriptive analysis, it is clear that a good number of the respondents agree that top management commitment have an effect on the performance of five star Hotels in Nairobi City County. The mean obtained was 4.0577.

In respect to the effect of customer orientation on the performance, the study concluded that customer orientation influences the performance of five-star Hotels within Nairobi City County. From the outcome from descriptive analysis, a big number of the respondents agree that customer orientation have an influence on the performance of five star Hotels in Nairobi City County as revealed by the average score of 4.0192.

On the effect of benchmarking on performance, the study concluded that benchmarking contributes to the performance of five-star Hotels. From the descriptive statistics, majority of the respondents agree that benchmarking have an impact on the performance of five-star hotels in Nairobi City County Kenya as revealed by the average score of 3.8538.

Lastly, in respect to the effect of continuous improvement on the performance, the study concluded that continuous improvement affects the performance of five star Hotels positively and significantly. The average mean score of 3.9385 obtained from descriptive analysis reveal that a good number of the respondents agree that continuous improvements affect performance of Hotels.

5.4 Policy Recommendations

The policy recommendations of the study are informed by the variables which significantly predict the performance of five star hotels. Based on the findings of the study, there exists a positive and significant effect of top management commitment on the performance of five star hotels. In line with this, the study recommends the utmost commitment of top managers in the hotels as this is key in driving the performance of hotels. This can be done by ensuring that quality management is embraced in the vision of the company, motivating employees towards the goals and objectives of the company, enduring that top management devotes resources for development of organizational performance among other actions.

The study indicated that customer orientation has a positive and significant effect on the performance of five star Hotels within Nairobi City County. Therefore, the study recommends that organization policies should be geared towards improving the orientation of customers as this provides them with full knowledge of the hotel services which also improves performance of

these hotels. This can include; creating mechanisms for handling customer complaints, committing to customer retention by ensuring quality services and reviewing customer needs regularly to ensure that the company meets their preferences and expectations.

On benchmarking and performance, the study established a positive and significant effect of benchmarking on performance. Therefore, hotel management should from time to time carry out benchmarking activities as these will help the hotels to be in touch with current trends in the hotel industry and in turn drive the performance of hotels.

Lastly, in line with the significant effect of continuous improvement and performance as established in the study, the study recommends that hotels should continually strive to improve on their services so as to improve the performance of these hotels. Hotels could amongst other things; ensure that there is continuous monitoring and improvement of quality systems and procedures, there is continuous improvement reviews through internal quality audits and that the hotel has continuous improvement of quality systems which will lead to increased revenues.

5.5 Suggestions for Further Research

The study was based on quality management initiative and performance of five star hotels in Nairobi County, Kenya. Further studies can focus on other categories of hotels other than five star hotels for purposes of comparisons. Furthermore, further studies can incorporate the moderating effect of the operating environment on the relationship between quality management initiative and performance of hotels.

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APPENDICES

Appendix I: Questionnaire

Linstrom Kinoti Marangu is a Masters of Business Administration (Strategic Management) student at Kenyatta University. As a requirement of my degree, he is required to carry out a research study as a partial fulfillment of the award of the degree. The research title is Quality Management Initiatives and Performance of five star Hotels in Nairobi County, Kenya. Kindly fill the questionnaire to the best of your knowledge and experience.

SECTION A: Demographic Information

1. What is your gender?

Male [] Female []

2. What is your highest level of education?

Certificate/Diploma [] Undergraduate degree [] Masters [] PhD []

3. What is your age bracket?

Below 25 []

25-34 []

35-44 []

45-50 []

Above 51 []

SECTION B

PERFORMANCE OF HOTELS

Indicate to what extent do you agree or disagree with the following statement relating to the performance of your hotel Please indicate how strongly you agree or disagree with the following statements (Tick appropriate: strongly agree=5, Agree=4 Neutral=3, Disagree=2 and strongly Disagree=1)

No	Statement for performance	1	2	3	4	5
1	The management involves employees on decision making on all service quality matters					
2	The hotel sets targets to be met periodically					
3	There is employee satisfaction in the organization					
4	High quality administrative systems are in place to support the efficiency of the hotel					

TOP MANAGEMENT COMMITMENT

Please indicate how strongly you agree or disagree with the following statements as it relates to top management commitment in your hotel.

1. Are management committed to quality and efficient service delivery?

A. YES B. NO

(Tick appropriate: Strongly agree=5, Agree=4 Neutral =3, Disagree=2 and strongly Disagree=1)

No	Statement for management commitment	1	2	3	4	5
2	To what extent are management committed to quality and efficient service delivery?					
3	Quality management is embraced in the vision of the company					
4	Employees are motivated towards the organizations					

	goals and objectives					
5	Top management devotes resources for development and support of organizational performance					
6	Quality policies and procedures are documented and communicated to all employees					
7	Management takes leading positions on guiding quality teams					

CUSTOMER ORIENTATION

Please indicate how strongly you agree or disagree with the following statements as relates to customer orientation in your hotel. (Tick appropriate: Strongly agree=5, Agree=4 Neutral =3, Disagree=2 and strongly Disagree=1)

No	Statement for customer focus	1	2	3	4	5
1	Mechanism exists for customer complaints handling					
2	The hotel is committed to customer retention by ensuring quality services					
3	Customer needs are reviewed regularly to meet the ever changing customer preferences and expectations.					
4	There is improved customer loyalty leading to repeated patronage					
5	Customers are treated as kings					

BENCHMARKING

Please indicate how strongly you agree or disagree with the following statements as relates to benchmarking in your hotel. (Tick appropriate: Strongly agree=5, Agree=4 Neutral =3, Disagree=2 and strongly Disagree=1)

No	Statement for benchmarking	1	2	3	4	5
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1	Hotel structures and facilities are in line with the current trend in the hotel industry					
2	Services are at par with that of other top hotels					
3	Service quality is in line with international standards					
4	Benchmarking keeps the quality of services in check					
5	Benchmarking influences organizational performance					

CONTINUOUS IMPROVEMENT

Please indicate how strongly you agree or disagree with the following statements as relates to continuous improvement in your hotel. (Tick appropriate: Strongly agree=5, Agree=4 Neutral =3, Disagree=2 and strongly Disagree=1)

No	Statement for continuous improvement	1	2	3	4	5
1	Our hotel has continuous improvement of quality systems leading to increased revenues					
2	There is continuous monitoring and improvement of quality systems and procedures to enhance performance					
3	The hotel benchmarks its quality against other quality management practices best practices					
4	There is continuous improvement reviews through internal Quality audits.					
5	Continuous improvement impacts on performance					

Thank you

Appendix II: List of Five Star Hotels in Nairobi, Kenya.

1. Sarova Stanley Hotel
2. Hotel Intercontinental
3. Nairobi Serena Hotel
4. The Boma Nairobi
5. Panari Hotel
6. Sovereign Suites
7. Sankara Nairobi
8. Laico Regency
9. Hilton Hotel
10. Ole serene
11. Villa Rosa Kempinski,
12. Hemingways Nairobi
13. Fairmont The Norfolk
14. Radisson Blu Hotel
15. Dusit D2
16. Tribe Hotel.

Source: Tourism Regulatory Authority, 2017