

**INTEGRATING CORPORATE SECURITY IN STRATEGIC MANAGEMENT
OF FIVE-STAR HOTELS IN NAIROBI KENYA**

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DECLARATION

This research project is my original work and has never been presented in any other University/ College for award of Degree/Diploma or certificate

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DEDICATION

This research project is dedicated to my two beautiful kids Jessica and Godfferey who kept encouraging me and challenging me throughout the journey. For your understanding when mama had to be away for several weeks as she juggled work and school and for the patience when I was almost losing it. You are the rock that builders have to build on.

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ABSTRACT

Corporate security is defined as the in-house provision of security for an organization; it refers to the practice of protecting business's employees, physical property and information systems. Corporate security identifies and mitigates or manages at early stages, any development that may threaten the resilience and continued survival of a corporation. Five star hotels in Nairobi Kenya are distinguished for their class, elegance, ambiance and quality services and they operate in high competition. They are located within the capital city of Kenya which like all major cities of the world has diverse security challenges. The field of security is diverse and further research is needed to ascertain the levels of involvement and the actual threats to the businesses if the threats are not arrested at the right time. The purpose of this study was to explore the corporate security challenges and the extent to which the corporate security is integrated in the strategic management process of five star hotels in Nairobi Kenya. The research was descriptive and used structured questionnaires to gather data from 15 five star hotels in Nairobi. It was established that though the corporate security manager was a member of the executive committee he was largely ignored in decision making process and the corporate security was largely not included as an independent department in budget allocation. The hotels major challenge was on security trainings and very very important person (VVVIP) visits which were also favored by the management involvement. Though theft by employees was a top challenge the management seemed not keen on the same due to its insignificant impact. The study found out that more input is needed to bring the corporate security at par with other departments on budget and R&D and involvement on decisions making. The policy makers need to start including the security managers perspectives into action to avoid the changes in the strategic calendars for lack consultation/involvement. For business continuity as the security manager is the leader of the risk management it is advisable they be involved in all issues regarding the establishment so that they can have a better and a more informed judgment when advising on the best action.

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

Strategic management process is based on the belief that organizations should continually monitor internal and external events and trends so that timely changes can be made as needed (David, 2011). Strategic management process is intended to be a rational approach to help a firm respond effectively to the challenges of the new competitive landscape (Hitt et al, 1997). This process calls for a firm to study its external and internal environments to identify its market place and opportunities and threats to determine how to use its core competencies in pursuit of desired strategic outcomes. Essence of strategy is for a firm to achieve a long term sustainable advantage over its competitors in every business in which it participates. While strategic management is aimed at formulating and developing policies to ensure business growth (Pearce and Robinson, 2011) corporate security is aimed at analyzing and assessing how the environment will behave in the light of the various changes. Corporate security is tasked with the objective of monitoring the environment and reporting the changes and their effects to the managers of strategy and facilitate in the making of the right decisions for the organization (Georg, 2004). In essence corporate security has the role of the alpha eye to safeguard the wellbeing of the organization.

The study was anchored in the Parsons (1961) open systems theory, Lorenz's (1972) chaos and complexity theory, and Fielder's (1967) contingency theory. Organizations operate in open systems and therefore interact with the environment which is dynamic in nature. Chaos theory states that the world exists in chaos and so do the organizations there in and their behavior is random and cannot be always predicted. Complexity looks

at the parts that make an organization and how each contributes to the overall behavior of the whole. Contingency theory proposes that there is no one best way to organize a corporation rather a pool of resources is needed to achieve the goal. The theories denote that as an organization interacts with the environment the changes occurring in the environments affects the behavior of the organization. Further decisions cannot be made by one person as all the variable are closely connected and interrelated and any action on either of the part affects the whole.

Five star hotels in Nairobi are the highest ranked class of hotels and they are located in the capital city of Kenya. Any security concern for any of the hotel affects both the country and other businesses in the capital. The poise and the status of the hotels denote the level and status of guest they accommodate as well as the events they host. The clientele ranges from the visiting heads of states or and their representatives, CEO of multinational cooperation's, government dignitaries and other understated and overstated individuals. The events they host range from local gatherings to international conferences and conventions which host delegates from all over the world. By their nature five star hotels in Nairobi are affiliated to other international brands which mean that as much as they adhere to the local laws they have a responsibility of adhering to the international laws more over any security concern for the hotel means that the entire chain will be evaluated by the incidents that took place at that hotel despite the location. Most of them are the operational centers (headquarters) of the African region like Serena, Intercontinental, and the Norfolk just to list but a few their failure to operate as required will lead to paralysis of the chains operations in the region.

1.1.1. Concept of Corporate Security

Corporate security is defined as the in-house provision of security for an organization. Functions of corporate security are many and they include, pre-employment screening, manned guarding at organizational sites, close protection for senior executives, country risk analysis, technical surveillance counter measures (TSCM), among others (Allen, 2012). Corporate security is a term used to refer to the practice of protecting a business's employees, physical property and information systems, a task often carried out by corporate security managers (Sitt, 1998). The provision of these services should be quality controlled by the corporate security department or manager/director. Corporate security identifies and mitigates or manages at early stages, any development that may threaten the resilience and continued survival of a corporation. Corporate security uses the corporate function to oversee and manage the close coordination of all functions within the company that are concerned with security (Baldwin, 1997).

Security can be termed as a forgotten and neglected phenomenon or concept. Surveys conducted show that corporate security and security in general has not been given the status it needs to be given (Buzan, 1991). Scholars have in the past tried to study security but their effort in the academic field has not been recognized or has been ignored. Proponents of the concept of corporate security are Knorr (1973), who tried to bypass semantics and definition problems generated by the term security, Smoke (1975) observed that the academic field had paid inadequate attention to the meaning of security, while Buzan (1991) observed that security was underdeveloped concept and noted the lack of conceptual literature on security prior to 1980's.

Corporate security aims at checking analyzing and managing the environmental factors (time, risk and globalization) that affect or threaten business survival and continuity. Corporate security acts as the bridge or the liaison factor between an organization and the government or other legal entities that directly or indirectly influence organizations operations such as international standards and legal compliance. Corporate security plays a major role in business strategy where content and process is focus for competitive advantage and trust (Briggs and Edwards, 2006). Organizations thrive in outsourcing of various goods and a service which corporate security is tasked to ensure is fully achievable. Information technology can only survive with the concept of corporate security as this is considered as a high risk security threat operation due to personnel data that is held by IT and IS. Corporate security is thus an integral part in organization's success but it seems not to get the support and funds it needs to be able to execute its core responsibilities appropriately.

1.1.2. Concept of Strategic Management

Pearce and Robinson, (2011) state that strategic management is defined as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objective. David (2011) defines strategic management as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. Strategic management focuses on integrating management, marketing, finance/accounts, production/operations, research and development and information systems to achieve organizational success. Strategic management is a process by which managers choose a set of actions that will allow their organization to attain one or more of its long term goals and achieve superior

performance. Strategic management presents on one hand an integration of knowledge necessary to reconcile divergent views and a wide variety of disciplines and a pragmatic approach on the other aimed at providing specific guidelines for practicing managers on effective ways to run an organization.

Strategic management is a systematic approach for managing strategic change which consists of positioning the firm through strategy and capability planning, real time strategic response through issue management and systematic management of resistance during strategic implementation. Strategic management is therefore the major and increasingly important tool of general management to position and relate the firm to its environment in a way which will assure its continued success and make it secure from surprises (Ansoff and McDonnell, 1990). As Hitt et al (1997) observes that strategic management needs to be a rational approach that calls for a firm to study its external and internal environments to identify the market place and with the knowledge gained it can leverage its resources, capabilities and core competencies and be able to win the battles in the global economy. Strategic management process calls for the managers of strategy to evaluate and find the best in class to be in the panel. Strategic planning, strategic decisions and strategy implementation require expertise in the various fields or sections of organizations to be present to facilitate in the strategy formulation process.

1.1.3 Kenya's Hospitality Industry

Hospitality industry refers to the companies or organizations which provide food or drink and accommodation to people who are away from home. Hospitality is the friendly and generous behavior given to guests, visitors or strangers. It refers to the food, drinks or services that are provided by an organization for guests or customers. Hospitality is the

relationship between the guest and the host, or practice of being hospitable which includes the reception and entertainment of guests, visitors or strangers. Hospitality industry in Kenya serves both tourist and non-tourist needs this is because it provides food and beverage to local people, commuting and transient customers and tourists and accommodation (with food and drink) to people who for whatever reasons are away from home. According to Wadongo et al (2010), the hospitality industry has made significant contributions to the economic development of the country. Kenya's hospitality establishments include hotels, lodges, casinos, camps, membership clubs, airline caterers and the entertainment sector through the affiliate pubs and restaurants.

The hospitality industry in Kenya falls under the ministry of tourism which is tasked with the marketing of the industry. The key players in the industry in Kenya are in forms of associations and corporations each tasked with its unique roles in the development and sustainability of the industry. Kenya Association of Hotelkeepers and Caterers (KAHC) 1944 is the principle organ of bringing hospitality establishments together, Kenya Utalii College (KUC) 1970 is the recognized training facility for hospitality personnel, Catering and Tourism Development Levy Trustees (CTDLT) 1972 is focused with controlling and administering levy fund, Hotels and Restaurants Authority (HRA) -1972 for regulating and standardizing hotels and restaurants, Kenya Association of Tour Operators (KATO) - 1978 representing tour operators in Kenya, Kenya Association of Tour Agents (KATA) - 1979 aimed at promoting and acting as a liaison between the private operators and the government, Kenya tourism Board (KTB) -1997 whose mandate is to market Kenya as a tourist destination both locally and internationally, and Kenya Tourism Federation Safety

and Communication Centre (KTF) which is the tourist safety management and control centre.

1.1.4 Five-Star Hotels in Nairobi

Class, elegance, ambiance and quality services are the major distinguishing factors of the hotels in Kenya which are operating in high competition. The hotel star status is awarded by the ministry of tourism in Kenya (East African community, 2009). Most of the hotels based in Nairobi are affiliated to world's multinational big wigs in the hotel/ hospitality industry by franchise, management or being owned. The department of tourism in the Ministry of East African community is tasked with the role of awarding star status to the hotels. The hotels in Nairobi fall in the category of town hotels. Five star hotels are distinguished from other star hotels by the following attributes that are unique and apply specifically to them. The locations site and environment dictates that the outlook on top of the location should be suitable for a hotel of high internationally recognizable standards. The hotels building on the autonomy of the building is vital that the whole building should be completely detached from other buildings meaning that there is complete independent between the hotel guests, employees and the deliveries.

The design and architectural features separate five stars from four stars as the façade, architectural features, construction, and finish of the building in relation to the environment should be of high standard, durable, safe and well maintained, the five star needs to be of very high international recognizable standards and should also have added functionality, safety, security and conducive to relaxation. Corridors and stair cases need to be elegantly made with very high quality finishes, decoration and good maintenance. The lobby/ lounge/ public areas need to be exclusively designed with excellent designs,

materials, workmanship and elegant finishes with very high degree of luxury, ambiance and beauty made for and used by guests. The amenities and accessories availed need to be of greater range and generously furnished with the highest standards in quality and attention to detail, comfort and elegance and very well upholstered. The décor be luxurious and in addition should offer a distinctively greater quality as well as the floors, walls and ceilings which need to be made of high quality materials with excellent finish and a degree of luxury but should be with the highest standard of palatial elegance and quality.

The size of public rooms is dictated by the building code and the minimum size of the room is not less than aggregate of 2sq. M per guest bedroom. The function rooms features and facilities dictate that the hotel should have at least one large room of not less than 75sq. M and at least two smaller ones all of which should have high quality furniture, finishes and fittings, as well as very high quality audiovisual and internet facilities. For the restaurants the five stars need to have a minimum of two restaurants offering different cuisines and services with a very rich a la carte menu available. The furniture, equipment and accessories in the restaurants need to be distinctively luxurious and elegant with all other factors constant. The décor should be generously furnished with attention to detail, comfort and elegance. The menu needs to be featuring excellent cuisine and very rich with bar and wine list as well as a wide choice of both a la carte and table d'hôte of at least five courses. The bar should be with a higher degree of creativity, ambiance and comfort and with facility to prepare none stocked refreshments. The selection of the drinks and snacks need to feature an extensive selection of premium internationally re-known brands available. The kitchen organization should have the

sections well labeled and screened off where applicable and the tools used as kitchen equipment needs to be of very high quality.

The guest rooms have to have balconies unlike four-star where it's only 75%, the furniture and fittings need to be offering high degree of luxury, room security needs to provide a double locking system and door lens as well as with a functional electronic surveillance system. Guest bath rooms need to be more spacious with hair dryers and telephone extensions provided. The suites need to be more spacious rooms with palatial proportions and with all prerequisite internationally recognizable standards and with high quality air conditioning systems with internet provided upon request. Refuse storage and disposal is done with a higher display of professionalism and the water supply need to be having a storage facility that can last for at least seven (7) days. On safety the hotel need to be fitted with higher quality electrical safety, with a functional electronic surveillance system and a power emergency system that connects the cold rooms, water pumps and air conditioners to the emergency backup system. Professionalism in five-star hotels is paramount as the qualifications of the operative staff need to be with 90% certified.

1.2 Research Problem

Scholars have all agreed that corporate security has not been given due diligence. Baldwin (1997) observed that there are two reasons for considering security as a neglected concept; first, security has been used to justify suspending civil liberties, making war, and massively reallocating resources during the 1940's and 1950's yet it did not receive any scholarly attention then. Secondly, security has not in the recent years received the serious attention accorded to the concepts of justice, freedom, equality, obligation representation and power of which it is tasked to safe guard. As the strategic

managers converge for strategic planning of the organization, the presence of all key players in the panel is important.

For the Nairobi hotels, the place for the corporate security manager has not been reserved in that panel. With the onset of terrorism in the world the place of corporate security ought to have changed with the changes in the corporate environment. Though strategic management focuses on the total enterprise as well as the environment in which it operates, the strategic managers in the management of five star hotels in Nairobi have not been efficient in executing this task. They have been slow in embracing corporate security and are not ready to have the corporate security manager integrated into the system. As the rate of crime and as the terror threats increase, the strategic managers are slowly but without commitment accommodating and acknowledging corporate security.

Studies have been conducted with a focus on strategic management such as Mangi, (2009); Ngatia, (2011); Kathure, (2013); while five star hotels in Nairobi were studied by Kariuki, (2006); Mwamba, (2010); Kilonzo, (2012) among others. Mangi (2009) focused on strategic management practices adopted by local Authorities in Kenya: a case study of Thika, Ruiru, Kiambu and Mavoko local authorities in Kenya, Ngatia (2011) focused on strategic management at Kenya rural roads Authority, and Kathure (2013) focused on strategic management practices in law firms in Nairobi, Kenya. On the five star hotels in Nairobi, Kariuki, (2006) focused on a survey of competitive advantage and performance of five stars hotels in Kenya; Kilonzo, (2012) inclined on brand positioning strategies and competitive advantage of the five star hotels in Nairobi.

The findings of the above studies or their content cannot be fully applicable to five star hotels in Nairobi Kenya as their focus is not on corporate security and the strategic role it plays in ensuring that the life and functionality of the five star hotels in Nairobi. As the hotel market in Nairobi and its environs is expanding the challenges in strategic management of the five stars continue to increase. The crime rate is becoming sophisticated and the way of addressing security issues in the five star hotels in Nairobi remain the same or with very little change oblivious of the new security challenges that are taking place around them. As the changes and challenges become more evident the argument is to what extent the five star hotels in Nairobi integrate corporate security into their strategic management?

1.3 Research Objectives

This study had two objectives:

- (i) To determine the challenges of corporate security in five star hotels in Nairobi Kenya;
- (ii) To establish the extent to which corporate security has been integrated in the strategic management of the five star hotels in Nairobi Kenya.

1.4 Value of the Study

To the body of knowledge the study will capitalize and help in analyzing the environmental changes as they affect directly the behavior and sustainability of the five star hotels. The decisions made will determine how the organization will be run and its survival amidst a slight change in the environment. The study aims to strengthen the contingency theory as no one person has all the answers that pertain given problem and that every person has a unique way of reacting to a problem. The turbulent forces

affecting these organizations are from within and without. A small issue such as a slip or trip can lead to a massive lawsuit that will general affect how the organization will respond.

The members of the strategic management (executive committee) did not see the value of corporate security and had disregarded the corporate security manager. To managers of strategy in five star hotels in Nairobi, this study will enlighten and act as the eye opener and will exposit to them the need of integrating corporate security in strategic management of the five star hotels considering decisions to be implemented require input from corporate security before execution and that all decisions made affect the organization directly.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This Chapter highlights the major issues relating to the strategic management. The chapter will provide a detailed literature review on theories underpinning the study, importance of strategic management, challenges of strategic managements and measures to deal with challenges in strategic management process in the hotels. Theoretical Underpinning

2.2 Theoretical Foundation

There are several theories which have seen the evolution of strategic management. This study is based on the following theories namely open systems theory, chaos and complexity theory and contingency theory. An understanding of the theories will give a major contribution to the study.

Open systems theory refers simply to the concept that organizations are strongly influenced by their environment. The environment consists of other organizations that exert various forces of an economic, political, or social nature. The environment also provides key resources that sustain the organization and lead to change and survival. Rue and Byars (2009) argue that to be successful managers need to adapt to the change. Managers must therefore understand the environment for strategy implementation to be successful. Security plays an integral role in helping companies think more broadly when it comes to identifying and mitigating risk, including those associated with entering new markets, expanding supply chains, or in mergers and acquisitions. Security helps in infusing a unique perspective into the larger risk portfolio.

Chaos and complexity theory proposes that organizations have to embrace their historical occurrences as well as regard the empirical changes happening in the environment as the smallest change can and may have a diverse effect on the sustainability of the organization (Lorenz, 1972). Everybody will be happy if we lived in a risk free environment free of taxation, theft or standing armies (Murphy, 2002). Corporate security cannot be isolated from other parts of the organization as the value of security cannot be measured until the organization is threatened as has happened in the recent past.

Contingency theory is a class of behavioral theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent (dependent) upon the internal and external situation. A contingent leader effectively applies own style of leadership to the right situation. Morgan (2007) describes the main ideas underlying contingency as first, organizations are open systems that need careful management to satisfy and balance internal needs and to adapt to environmental circumstances; secondly, there is no one best way of organizing. The appropriate form depends on the kind of task or environment one is dealing with. Thirdly, management must be concerned with achieving alignments and good fits; lastly, different types or species of organizations are needed in different types of environments. Scott (1981) describes contingency theory as the best way to organize depending on the nature of the environment to which the organization must relate. Organizations are faced with various different situations that require different expertise to solve them. Every member of the team has a specific role and mandate that they need to fulfill.

2.3 Strategic Management Process

Strategic management process strategy formulation is the development of long range plans for the effective management of environmental opportunities and threats in the light of corporate strengths and weaknesses (SWOT). It includes defining the corporate mission, specifying achievable objectives, developing strategies and setting policy guidelines (Wheelen and Hunger, 2008). Strategy implementation is the process by which the organization's chosen strategies are put into operation (Lynch, 2000). According to Hill and Jones (1999), implementing strategy requires the allocation of roles and responsibilities for different aspects of the strategy to different managers in the five star hotels. Strategic implementation is concerned with carrying out of the chosen strategy for the organization or putting the strategy into practice. Strategic implementation always involves a degree of change and the effective management of change can significantly affect the successful implementation of the desired strategy (Alexander, 1985).

Thompson and Strickland (2003) states that strategy implementation challenge is to create a series of tight fits between strategy and the organization's competences, capabilities and structure, between strategy and budgetary allocations, between strategy and policy, between strategy and internal support system, between strategy and the reward system and between strategy and the corporate culture. In his view Banerjee (1999) states that successful strategic management ensures elimination of the conflict between long term dent on developmental objectives and short-term profitability. The strategic and operational concerns of organization do not drive in opposite directions but will be intent on defining the central managerial tasks of the organization.

Strategy implementation includes consideration of who will be responsible for strategy implementation; the most suitable organizational structure that will support the implementation of the strategy; and the need to adapt the systems used to manage the organizations (Johnson et al., 2008). According to Steiner (1979), the implementation process covers the entire managerial activities including such matters as motivation, compensation, management appraisal and control processes. Strategic implementation is concerned with both planning on how the choice of strategy can be put into effect, and managing the changes required (Wang, 2000). Even after the grand strategies have been determined and the long term objectives set, the strategic management process is far from complete (Pearce and Robinson, 2003). According to Hussey (2000), implementation follows six step processes namely envision, activate, install, ensure, adjust and recognize. He further states that implementation of strategy remains one of the most difficult areas of management. The success of strategy implementation depends on both the selection of an appropriate strategy and converting that strategy into action (Kithinji, 2011).

There should be continuous monitoring of both the internal and external environment of the organization. There should be effective leadership within the organization that creates the right climate for change by coordinating activities, steering and setting the agenda for the right vision and values (Pettigrew and Whipp, 1991). Lamb (1984), states that for those firms that have adopted strategic management practices, strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved. This means that it assess that its competitors and sets goals and strategies to meet all existing and potential completion and then reassess each strategy periodically to determine how it has been implemented and whether it has succeeded or

needs a review to meet changed environment or factors in a given environment. Strategic management process centers on the belief that a firm's mission can be best achieved through a systematic and comprehensive assessment of both its internal capabilities and external environment. Subsequent evaluation of the firm's opportunities lead in turn to the choice of long-term objectives and grand strategies and ultimately to annual objectives and operating strategies which must be implemented, monitored and controlled (Pearce and Robinson, 2011).

2.4 Corporate Security Challenges

Companies are only just beginning to wake up to the importance of skills diversity within their security teams, most heads of security currently lack any business experience and the majority of staff within the function still come from traditional security backgrounds, and recruitment is done through fairly closed and narrow networks as security expertise remains as one of the primary criteria for recruits (Syed, 2004).

In surveying 1000 fortune companies, Williams et al, (2013) listed the top security issues as cyber/communications security, workplace violence prevention and response, business continuity planning and organizational resilience, employee selection/screening, property crime and vandalism, general employee theft, crisis management and response: political unrest/regional instability/national disasters with evacuation potential, unethical business conduct, litigation: inadequate security and lastly identity theft in order of priority while the top operational issues in order of greatest concern that were considered to be management issues were: budget/maximizing return on investment, promoting employee awareness, security staffing effectiveness: training effectiveness/methods, implementing best practices/standards/key performance indicators and lastly was threat assessment. In

their study they discovered that security challenges experienced by firms are similar issues which relied on the managerial input.

Security in essence is not only about physical or perimeter security as is taken by most people which are stereo typical perception. Chandramouly and Sunderland (2011) in dealing with security challenges to virtualize internet facing applications found out that though they were able to curb the traditional internet threat by separating virtual LAN (VLAN) by using dedicated physical servers the virtualization brought new challenges which they listed as attacks to guest Operating Systems (OS), compromise of the hypervisor that could lead to the compromise of all hosted virtual Machines (VMs) as well as compromising shared hard drives and virtual hosts.

The environment creates a massive avenue for diverse security challenges both operational and management. Underdevelopment or freedom of war, conflict and human rights violations, hazards and disaster, violation of basic laws and lack of good governance (Brauch, 2011), were the lead to people being socially and economically vulnerable, affected mostly peasants women and children and the minority people and it was considered as an infringement to the rights of citizens as well as human beings. Adar et al, (2012) enumerated regulation and compliance, cost cutting, managing talent, price pressure, managing technologies mostly due to the emerging technologies, market risks in relation to stock markets, expansion of the government role where the government wants to be included in every aspect affect the flexibility of companies, slow recovery/double dip recession in fiscal recession, social acceptance from ethical demands crated by the public pressure and access to credit deterred by limiting financial crisis.

2.5 Integrating Corporate Security in the Strategic Management Process

Strategic management enhances the organizations ability to prevent problems and facilitate the adaptation of the organization to environmental change (Pearce and Robinson, 2011) on the other hand corporate security plays an integral role in helping companies think more broadly when it comes to identifying and mitigating risks, including those associated with entering new markets, expanding supply chains or in mergers and acquisitions as the security function is valuable in infusing a unique perspective into larger risk portfolios (Allen et al, 2012).

Strategic management activities provide the organization with an integrated and coordinated guidance which can be effectively utilized with inclusion of corporate security which handles the situations before they happen by actual analysis of the environment. The security department is proportionate to its ability to persuade individuals and teams all over the company to collaborate and cooperate (Briggs and Edwards, 2006).

While group based decisions are likely to be drawn from the best available alternatives as forecasts based on the specialized perspectives of groups members improve the screening of options which means every available specialist needs to be represented in the strategic management panel as it is then that all the strategic managers will be more alert to the winds of change and will be better placed to reduce gaps and overlaps of individual activities. Allen et al (2012) see security as a function that embraces an organization's business goals and strategies can play an important role in shaping policy and public regulations, thus maintaining a competitive edge and a fair playing field. The involvement of most managers in strategy formulation improves their understanding of

the productivity – reward relationship in every plan and thus heightens their motivation and that of their junior staff (Thompson and Strickland, 2003). Corporate security team always feel as the outsiders in an organization as their core tasks are the protection and securing of the organizations assets and investments/ interests. The integration will make the entire team be more accommodative of the security personnel and will in turn show case itself in improved performance of the team.

Strategic management also provides the managers with a rational to evaluate competing budget requests for investment capital and new staff. Corporate security demands heavy capital investments in the equipment's that any organization will invest in. Integrating corporate security into strategic management will mean that the corporate security manager will get a pool of ideas before implementation and that the strategic management panel will have a better understanding of what investment to make and when to make it to enable the organization have a competitive edge.

Strategic management helps to integrate the behavior of individuals into total effort and gives encouragements to forward thinking and fosters a favorable attitude towards change and creates a framework for internal communication among personnel (Johnson, 2008). This is because information is shared by the right people in the right time and in the right situations reducing any given chances of conflict. While traditional ERM embraces a wide range of strategic and financial issues, these programs often neglect to look closely enough at asset protection, IT security, cyber terrorism, and crime. An emerging concept, enterprise security risk management (ESRM) addresses precisely those sorts of risks and integrates with ERM. ESRM uses traditional ERM methodologies and practices to

coordinate risk assessment and mitigation across the enterprise and includes the full range of security risks from asset protection to brand protection (Cavanagh, 2003).

Strategic management creates a more proactive management which is conscious to the environment and brings the future to the present as it represents a framework for improved coordination and control of activities and minimizes the effect of adverse conditions and changes. Corporate security skills and competencies are most evident when focusing on employees from “cradle to grave”. Ultimately, the core function of security is to protect an organization’s employees and assets (Buzen and Hansen, 2009).

David and Sabine (2006) argue that a number of factors commonly prohibiting effective resource allocation include overprotection of resources, great emphasis on short-run financial criteria, organizational policies, vague strategy targets, reluctance to take risks and lack of sufficient knowledge. Achieving alignment between security and the business requires the function not only to widen its remit to cover more risks, but fundamentally to change the way it works and relates to the rest of the business. Those companies that manage this transition successfully will not just be better equipped to deal with the threats from terrorism, organized crime or employee theft. The types of changes we advocate will create significant resilience or adaptive capacity right at the heart of the business. In an increasingly complex and fast-moving world the successful companies will be those that can manage change effectively on an ongoing basis. Aligning security with the business, therefore, does not merely make companies safer – it is one of the most important sources of competitive advantage in the twenty-first century.

Bringing security to life and making it an integrated part of a company's business practices requires much more effort as most organizations are built of the bureaucratic and mechanistic structure that is resistant to change and therefore environmental turbulence leave the organization vulnerable to structural collapse. Armenakis & Beideian (1999) state that change begins at the individual level and therefore resistance or support of any organizational change are in the end individual decisions and behaviors.

Studies have been conducted on the issue of corporate security such as by Higgins, (1999) who looked into corporate system security: towards an integrated management approach which his key focus was on information security; Bartolo (2012), focused on security and planning: a Canadian case study analysis, Georg (2007), was keen on the functions of corporate security within large organizations: the interrelationship between information security and business strategy while McGee (2006) dealt with corporate security's professional project: an examination of the modern condition of corporate security management and the potential for further professionalization of the occupation.

Locally studies by persons such Chiuri (2008) who focused on strategic management practices among technical training institutions in Kenya: a case study of technical institutions in Nairobi, Kuria (2010) strategic management best practices in small and medium size private hospitals in Nairobi, Mbwaya (2012) focused on strategic management practices at Barclays bank of Kenya. On the five star hotels in Nairobi, Lepilale (2009) focused on the relationship between employee retention management practices and voluntary labor turn over in the five star hotels in Nairobi; Mogire (2011) focused on supply chain management practices in five star hotels in Kenya; Akidua

(2013) looked in virtue value chain and competitive advantage of five star hotels in Kenya.

The studies conducted focused on employment of strategic management in various aspects and also looked at the five star hotels in Nairobi at various capacities and on different strategic levels. However, none of the studies conducted locally or internationally focused on corporate security and the strategic role it plays in strategic management of the five star hotels or integrating corporate security in strategic management of the five star hotels in Nairobi.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter represents the various steps that were deemed necessary in executing the study therefore satisfying the study objectives. The objectives of the study were to determine corporate security challenges and the extent to which corporate security was integrated in the strategic management process of five star hotels in Nairobi Kenya.

3.2 Research Design

This research was conducted through exploratory research design. The purpose of this research design is to explore new ideas, help in crystalizing a problem, and identify new information needs for further research in the study (Trochim, 2006). This research design had been selected as it helps create familiarity with basic details, settings and concerns, gives a well-grounded picture of the situation being developed, and assists in generation of new ideas and assumption, development of tentative theories or hypotheses and determination about whether a study is feasible in the future (De Vaus, 2001).

The choice had been informed by the fact that there are very few studies conducted in regards to the field of corporate security and mostly in the role of security in strategic management of hotels. It was seeking to unveil the current positioning of corporate security and its role in the strategic management in the hospitality industry – five star rated hotels in Nairobi.

3.3 Population of study

The study unit was the hospitality industry specifically the five star hotels in Nairobi. This study was to evaluate all the hotels classified as five-star by the department of tourism. According to the department of tourism in the ministry of East African affairs, commerce and tourism, there are 16 five star hotels in Nairobi County.

The choice of the population was informed by the fact that security is not an individually owned assignment and the contribution of all is required for successful curbing of given crime trends. The respondents interviewed were members of the executive committee and or the security manager/CSO according to their availability. The security managers/CSO plays an advisory role especially concerning corporate security matters. The study focus was on the perception and placement of the corporate security in 15 of the 16 hotels.

3.4 Data Collection

The study was to rely on primary data basing on the fact that similar studies in Nairobi are few, secondary data was to be information from the other stake holders in the hospitality industry. The data to be collected was qualitative in nature evaluating the extent of appreciation of issues of corporate security in strategic management of five star hotels. The questions were close ended and elicited responses on a 5 point likert type scale in which 1 depicted low appreciation and 5 depicted high appreciation of the given variable.

The tool used was a questionnaire that was divided into three parts. Part A and B collected information that was to be used to inform discussion of the objectives of the study. Part A was addressed challenges of corporate security in strategic management of

organizations while part B addressed challenges of integrating corporate security in strategic management of five-star hotels. To facilitate data collection the questionnaires were delivered to the respondents who were briefed on the exercise, they were left to fill the appropriate responses. The researcher collected the questionnaires once they were filled.

3.5 Data Analysis

Data was analyzed using descriptive data analysis techniques (means and standard deviation) and inferential statistics. Descriptive statistics was used to provide an overview of the respondents' perception of the various aspects of performance and management of performance evaluated by this study.

The mean was used to evaluate averagely the appreciation for each of the variables while standard deviation was used to evaluate consistency in the responses. A higher mean indicated higher appreciation for a given variable while large standard deviation indicated higher inconsistency in responses. Frequencies were used in cases where there was need to inform on presence and magnitude of given factors. For the purpose of evaluating the hypothesis t-tests and factor analysis were employed to evaluate the similarities and the differences in the variables (t-test) and to establish the factors that seemed to carry weight more than others in the hotel industry.

CHAPTER FOUR: DATA ANALYSIS FINDINGS AND DISCUSSION

4.1 Introduction

This chapter discusses the findings of the study on integrating corporate security in strategic management of five star hotels in Nairobi Kenya. The findings were based on information that was collected by use of questionnaires from chief security officers and members of the executive committee of five star hotels in Nairobi Kenya. A total of 15 questionnaires were distributed; out of which 15 questionnaires were returned representing a response rate of 100%. The information captured from the questionnaires was analyzed in light of the objectives of the study and addressed the respondents' general information, their agreement on the importance of integrating corporate security in strategic management and the challenges of corporate security faced in the hotels. The respondents' view was on the actual positioning and feeling towards corporate security integration in strategic management of the five stars hotels.

4.2 Corporate Security Challenges experienced by the hotels

The challenges addressed in the study were divided into three. These were security management issues, security threats/challenges and managerial involvement in addressing the security threats. The respondents were asked to indicate their level of agreement concerning handling of security management issues.

Table 1 : Security Management Issues

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Corporate security is part of executive committee in our organization	15	4.27	.961	.248	5.104	.000
Security budgets are calculated as a percentage of the profits for each year	15	3.33	.900	.232	1.435	.173
Security budget is done independently	15	3.13	1.125	.291	.459	.653
Security department has its own allocation for R&D	15	3.07	1.223	.316	.211	.836
Security managers are allowed to scrutinize the organizational calendars before its adoption into the year	15	3.27	.961	.248	1.075	.301
Input from security managers in our organization can lead to alterations in the calendar	15	3.53	.834	.215	2.477	.027

The respondents agreed that corporate security is part of the executive committee (mean= 4.27, sd= .961) and that input from security managers could lead to alterations in the organization calendar (mean= 3.53, sd= .834). They also agreed to a moderate extent that security budgets are calculated as a percentage of profits (mean = 3.33, sd =.900) and that security managers were allowed to scrutinize the organizational calendars before its adoption (mean=3.27, sd=.961). Testing on the significance of the security management issues, the results indicated that corporate security was part of executive committee and that input from security managers could significantly lead to alterations in the organizations calendar. However the security budget, security R&D, and involvement in scrutinizing the calendar before adoption were irrelevant/ insignificant meaning that security was not clustered together with other departments.

To assess threats, the respondents were asked to indicate the frequency with which certain threats occurred in their hotels. The frequency was based on a five point scale in which 1 depicted a rare occurrence and 5 indicated that the crime took place very often.

Table 2: Security Challenges Experienced By Hotels

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Guestroom theft	15	2.27	.704	.182	-4.036	.001
Skippers	15	1.73	.594	.153	-8.264	.000
Drug Peddlers	14	1.29	.469	.125	-13.682	.000
Theft in Conference Halls	15	2.20	.941	.243	-3.292	.005
Death in Guest rooms	15	1.53	.640	.165	-8.876	.000
Theft by Employees	15	2.73	.594	.153	-1.740	.104
Theft by Contactors	15	2.00	.756	.195	-5.123	.000
Drowning/ Near Drowning	14	1.07	.267	.071	-27.000	.000
Trips/ Slips/ Falls	15	1.80	.676	.175	-6.874	.000
Fire Incidents	15	1.40	.632	.163	-9.798	.000
Armed Robberies	15	1.13	.516	.133	-14.000	.000
Bomb Scares/ threats	15	1.53	.743	.192	-7.643	.000
Security training – day team	15	4.13	.990	.256	4.432	.001
Security training – night team	15	3.93	1.100	.284	3.287	.005
Information Leaks	15	2.00	.756	.195	-5.123	.000
VVVIP visits	15	3.80	1.014	.262	3.055	.009
Food poisoning	15	1.60	.507	.131	-10.693	.000
Kidnapping	15	1.07	.258	.067	-29.000	.000
Mugging	15	1.33	.488	.126	-13.229	.000
Espionage (spies)	15	1.53	.516	.133	-11.000	.000
Prostitution	15	2.53	.834	.215	-2.168	.048

The results indicated that most of the crimes rarely occurred in hotels. Kidnapping, armed robberies, drowning and drug peddling were considered as extremely rare. However security training for both day and night team and VVVIP visits were considered often occurrences. Testing for the statistical significance the results indicated that most of the challenges had significance to the hotels. However, theft by employees was insignificant. Theft by employees may not be significantly affecting hotels or it may be contained to levels that would not significantly affect business.

Management involvement in challenge resolution

The respondents were asked to indicate the frequency of involvement of management whenever threats were experienced. The frequency was based on a five point scale in which 1 depicted rare appearance and 5 indicated that the managers appeared frequently.

Table 3: Management Involvement in Challenges Experienced by Hotels

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Guestroom theft	15	3.27	1.580	.408	.654	.524
Skippers	15	3.13	1.506	.389	.343	.737
Drug Peddlers	15	2.67	1.397	.361	-.924	.371
Theft in Conference Halls	14	3.57	1.284	.343	1.665	.120
Death in Guest rooms	15	3.07	1.870	.483	.138	.892
Theft by Employees	15	3.53	1.598	.413	1.293	.217
Theft by Contactors	15	3.27	1.580	.408	.654	.524
Drowning/ Near Drowning	14	2.86	1.657	.443	-.322	.752
Trips/ Slips/ Falls	15	3.13	1.642	.424	.315	.758
Fire Incidents	15	3.33	1.676	.433	.770	.454
Armed Robberies	15	2.80	1.521	.393	-.509	.619
Bomb Scares/ threats	15	3.27	1.710	.441	.604	.556
Security training – day team	15	3.80	1.082	.279	2.863	.013
Security training – night team	15	3.80	1.082	.279	2.863	.013
Information Leaks	15	3.27	1.870	.483	.552	.589
VVIP visits	14	4.07	1.072	.286	3.741	.002
Food poisoning	15	3.27	1.792	.463	.576	.573
Kidnapping	15	2.87	1.685	.435	-.307	.764
Mugging	15	2.80	1.699	.439	-.456	.655
Espionage (spies)	15	3.07	1.668	.431	.155	.879
Prostitution	15	3.00	1.363	.352	.000	1.000

The results in table indicated that respondents felt that managers occasionally got involved when challenges occurred in the hotels. The respondents also felt that managers

often got involved in security training for both day and night teams and in VVVIP visits. The results also indicated that managers were not significantly involved in all the challenges. They were significantly involved security training for both day and night teams and VVVIP visits. Training indicates that the management was concerned on return on investment while VVVIP visits indicate that the management was concerned about the financial implications during the visits especially if faced with any threat.

4.3 Integrating Corporate Security in Strategic Management

This sections information meant to establish whether the hotels had incorporated corporate security in strategic management. The information was captured using a five point liket scale in which 1 signified high disagreement and 5 signified high agreement. The key issues of interest included involvement, decision making, budgets and planning.

4.3.1 Involvement

The respondents were asked to indicate their level of agreement regarding the involvement of corporate security in top management organs in the hotel.

Table 4: Involvement of Corporate Security in Strategic Management

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Security managers in our organization are involved in the strategy formulation process	15	4.27	.961	.248	5.104	.000
Security managers in our organization are involved in strategy implementation process	15	4.20	.941	.243	4.938	.000
Requests from security department are evaluated on merit	15	4.20	.676	.175	6.874	.000
Security department is independent/ autonomous	15	4.00	1.069	.276	3.623	.003
The role of corporate security is well defined in the structures of our organization	15	4.73	.458	.118	14.666	.000

The findings indicated that the respondents agreed that corporate security is well defined in the structures of the organization (mean=4.73, sd=.458) and security managers were involved in strategy formulation (mean=4.27, sd=.961) and strategy implementation processes (mean=4.20, sd=.941). Further analysis conducted to evaluate if there exists any statistical significance amongst the aspects of involvement of corporate security in top management showed that in the structures of the hotels the role of security was well defined and it was part of the strategy formulation and implementation processes. Requests from security department were evaluated on merit and that the security department was independent and autonomous.

4.3.2 Decision Making

While assessing for the level of security involvement in decision making pertaining security matters the respondents agreed to a high percentage as shown in the table below;

Table 5: Issues of Decision Making Concerning Security

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Security decisions are handled at executive committee level	15	4.27	.884	.228	5.551	.000
Security managers must be present during deliberations on security matters in our organization	15	4.60	.737	.190	8.411	.000
Decisions on security take into account the input of the security managers in our organization.	15	4.53	.516	.133	11.500	.000
Our organization has strict guidelines on the kind of security equipment to be procured	15	4.33	.617	.159	8.367	.000
The procurement guidelines for security equipment are strictly adhered to	15	4.20	.676	.175	6.874	.000
Security services in our organization is procured through a competitive tendering process	15	4.13	.915	.236	4.795	.000
The security manager selects the security team	15	4.33	.724	.187	7.135	.000
The security team is involved in matters with security implications	15	4.73	.458	.118	14.666	.000

The findings indicated agreement that the security team is involved in matters with security implications (mean=4.73, sd=.458) and that the presence of security managers was a must during deliberations on security matters in the hotels (mean=4.60, sd=.737) there was also agreement that decisions on security take into account input of security managers (mean= 4.53, sd=.516), there are strict guidelines on the kind of security equipment to be procured (mean=4.33, sd=.617) and that the security manager is charged with the responsibility of selecting the security team (mean= 4.33, sd=.724). The results showed that while making decisions in regards to security every aspect as considered to be very significant. This indicated that the presence of the security manager was a must during these periods. Moreover security services were procured through a competitive tendering process.

4.3.3 Budgets

Organizations are operating in strict budgets and five star hotels are no exemptions. In testing the budgetary allocation the following was discovered;

Table 6: Budgets and the Level of Involvement in Budgeting

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
Security receives equitable allocations when compared to other departments	15	3.33	.724	.187	1.784	.096
Security expenditure is closely monitored in our organization	15	4.20	.941	.243	4.938	.000
During deliberations on budgets security managers are involved	15	4.07	.961	.248	4.298	.001
In our organizations security managers decide on security projects to be undertaken	15	4.00	.655	.169	5.916	.000

The findings indicated that there was agreement that security expenditure is closely monitored (mean= 4.20, sd=.941) and that during deliberations on budgets security

managers were involved (mean=4.07, sd= .961). The respondents agreed to a moderate extent that security managers decide on security projects to be undertaken (mean 4.00, sd =.655) and that security receives equitable allocations when compared to other departments. The results assessing for significance, indicated that though security managers were involved during deliberations on budgets and were allowed to decide on security project to be undertaken their expenditure was closely monitored. However, there was no clear indication of whether security receives equitable allocations when compared to other departments. This showed that it was a gray area that needed further analysis.

4.3.4 Planning

The security manager acts as the consultant to help give legal advice and help guide before projects are undertaken.

Table 7: Statistics on Planning

	N	Mean	Std. Deviation	Std. Error Mean	t	Sig. (2-tailed)
During the planning of the organizational calendar security managers are involved	15	3.67	1.047	.270	2.467	.027
The security manager plans all the evacuation process	15	4.40	.737	.190	7.359	.000
The security manager is a member of risk management team	15	4.60	.828	.214	7.483	.000

The findings indicated that the respondents agreed that the security manager is a member of the risk management team (mean = 4.60, sd = .828) and that the security manager plans all the evacuation processes (mean =4.40, sd= .737). The respondents also agreed to a moderate extent that during the planning of the organization calendar security managers were involved (mean= 3.67, sd= 1.047). The results indicated that the security manager is

a member of the risk management team and that planning for all evacuation process was handled by the security manager. There was also clear indication that security manager was involved in planning of the organizational calendar.

The study also evaluated the composition of security department in terms of team members.

Table 8: Composition of Security Department in Terms of Team Members

		Frequency	Percent	Valid Percent	Cumulative Percent
Where is most of your work force drawn from	security guarding companies	14	93.3	93.3	93.3
	security studies graduates	1	6.7	6.7	100.0
	Total	15	100.0	100.0	
Who are the key players in the security department	internal	13	86.7	86.7	86.7
	contracted	2	13.3	13.3	100.0
	Total	15	100.0	100.0	
Most of the security team members are in	management	6	40.0	40.0	40.0
	union	9	60.0	60.0	100.0
	Total	15	100.0	100.0	

The findings indicated that most of the hotels in Nairobi (93.3%) depend on security guarding companies to provide work force for them. 6.7% indicated that they depended on security studies graduates. 86.7% of the hotels have their own internal security as the main players in the security department while 13.3% of the respondents indicated that they have contracted security as the main players in the security department. 40% of the respondents have their security team members in management while 60% of the respondents indicated that their security team members are in union.

Further evaluation of security involvement in evacuation and safety drills yielded findings below.

Table 9: Corporate Security Involvement in Evacuation/ Safety Drills

	frequency	percentage	cumulative frequency
Chief Engineer	1	6.67	6.67
CMT	2	13.33	20.00
Security Manager	8	53.33	73.33
Security Manager/CMT	2	13.33	86.67
Security Manager/Chief Engineer	2	13.33	100.00
Total	15		

The results indicated that evacuation and safety drills were spearheaded by the security team. Though in some cases part of the responsibility is shouldered by other departments, the presence of the security personnel was evident in most of the responses.

4.4 Discussion

The findings on the challenges of corporate security align to previous studies conducted by, Williams et al (2013), Syed (2004), Adar et al (2012) which indicates that security challenges experienced cut across various multidimensional organizations and always tend to be similar in organizations dealing with the same line of operation or specialization. It has been confirmed that security challenges experienced are similar and relied on the managerial input.

While assessing the involvement of management in challenges resolution the findings aligned themselves with the open systems theory that dictated that the environment provided the factors that exert pressure on some organizations as well as key resources that sustain the organizations and lead to change and survival thus explaining the keen interest of management in the involvement of security training both day and night and the

VVIP visits both due to the financial implications they have if not closely monitored. Byars (2009) explained that security helps in infusing a unique perspective into larger risk portfolio.

Murphy (2002) indicated that everybody will be happy if we lived in risk free zone. The findings of the study have shown that though some challenges like kidnapping, armed robberies, drowning and drug peddling indicated that the world can never be a risk free zone and that stringent measures needed to be employed to curb and mitigate such risks if they occurred. Hill and Jones (1999) emphasized that implementing strategy required the allocation of roles and responsibilities to the right managers. The act of denying the security manager a chance to scrutinize the organization calendar leads to changes later on which could be rectified before the calendar has been implemented as echoed by Wang (2000) that strategic implementation is concerned with both planning on how the choice of strategy can be put into effect, and managing the changes required.

Lamb (1984), states that for those firms that have adopted strategic management practices, strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved. The poor budgetary allocation for the corporate security and the lack of R & D funds mean that the corporate security manager cannot have an upper hand in assessing the competitor and meet the potentials needed for the organization to succeed. With an equitable allocation the security manager will be able to create the tight fits required for the strategy, security and organizations competency (Thompsons and Strickland, 2003).

The study was in agreement with (Scott, 1981; Pettigrew and Whipp, 1991; Morgan, 2007) that effective leadership, careful management and correct environmental assessment as all crucial security responsibilities that require the input or the scrutiny of the security manager are handled by the security manager such as purchase of security equipment, selection of the security team, risk management and evacuation drills and security budgets.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The objectives of this study were to determine corporate security challenges and establish the extent of integration of corporate security in strategic management of five stars hotels in Nairobi Kenya as they were studied. The chapter gives the summary of the researchers finding and the conclusion drawn. It also enumerates the recommendations for policy and practice and suggestions for further research.

5.2 Summary of Findings

While assessing the first objective, it was found out that, challenges arising from crime were rare but were significant to the hotels whenever they took place. Theft by employees was however not found to significantly affect the hotels. Whenever challenges occur the senior managers were often involved but significantly not in all cases. Managers were significantly involved when the following challenges arose; theft in conference halls, theft by employees and contractors, fire incidences, security training for both the day and the night team and VVVIP visits. The other challenges were not significantly handled at management level.

Integrating corporate security will also mean that the department or section that has been neglected will have to be given a new priority. More funds will have to be allocated to ensure the department is at par on R & D with other departments. The department playing the crucial role of ensuring the safety and security of the entire organization has to do with more outsourced or contracted guards. This means that there is always conflict of

orders among the guards and the issues of high turnover cannot be controlled and the department is at the mercies of the service provider. The fact that the security manager cannot dictate the salary for the contracted personnel issues of training have to be focused on to ensure quality services are offered to the organization.

The second objective showed that corporate security is involved in strategic management and it is well defined in the structures of the hotels. In most of the hotels that participated in the study corporate security is part of the executive committee. The security team is involved in matters with security implications and as a matter of principal the security manager must be present during deliberations on security matters. All security issues are handled at executive committee level and the security managers input is important when making such decisions.

Though security managers were involved during deliberation on budgets and were allowed to decide on projects to be undertaken their budgets were not independent and were monitored closely. It was not clear how the security budget is arrived at and that security did not have an independent allocation for R & D.

The findings also indicated that the security manager is a member of the risk management team and plans for all evacuation processes. The security manager is involved in planning of the organizational calendar but is however not allowed to scrutinize it before its adoption. The security managers input are also largely ignored and cannot result in any alterations of the calendar. This showed that the security managers are mostly used as firefighting tools to be involved when things are out of hand or when legal intervention is needed.

5.3 Conclusion

Corporate security it was established was facing various challenges in the process of being integrated into strategic management of the five star hotels in Nairobi. The main challenges were on defining the role played by the corporate security manager in the executive committee, expenditure being closely monitored, scrutiny of the organization calendar and impact of recommendations, discriminate budget allocation, very low R & D budget allocation, significant security challenges and lack of management involvement in challenge resolution.

Based on the findings the study concluded that in strategic management corporate security plays more of a supportive than a leading role. Although the security managers are said to be in the executive committee, they play a ceremonial role and their input only informs the decisions made but in most cases does not influence them in a significant way. Being that security is considered supportive, its expenditure is closely monitored and even when they propose projects the decision to implement them is dependent on other factors. In fact the security budget is clearly not considered in capital expenditure but is widely viewed as an expense.

During planning, the security team is involved but does not play a significant role in determining the organization calendar. This may be indicative of the fact that their involvement is only for information purposes or for other purposes not included like filling up the list of attendees. Their involvement is meant to prepare them for what is coming up for the year but not to seek their opinion on what should be included or not included in the calendar. The results indicate that though the security manager is a member of the executive committee and his duties and roles are limited to those of

security. It was also established that his input was significant in altering the organization calendar this was contradicting to the fact that the security manager was not allowed to scrutinize the same calendar before implementation which would basically avert the issue of alterations.

The management of security team is hampered by the discriminate budgetary allocation as since the allocation is not uniform to other departments in the hotel. The very low R & D budget allocation proves that though security is considered to be a crucial aspect in the business continuity of the hotels; as shown by their involvement in risk management and preparation and execution of fire drills and evacuation, it is not seriously taken and there is need to allocate more funds to facilitate the same.

The results on security threats were unanimous by the fact that the hotels are located within the capital city experienced similar security challenges. The top ten security challenges experienced were in order of recurrence, security training (day team), security training (night team), VVVIP visits, theft by employees, prostitution, guest room theft, theft in the conference halls, theft by contractors, trips/slips/falls, and skippers. Though theft by employees was among the top ten challenges it was considered to be having minimal impact to the hotels in case it happened. It was established that the management was more involved in security training for both day and night team and also VVVIP visits as they had huge financial implications on the hotels if not properly monitored.

5.4 Recommendation for Policy and Practice

The study recommends the corporate security is not fully utilized and its full potential not achieved as there are bottlenecks hindering the process of implementation. The study recommends that for the strategic management process to exhaust the potential of the corporate security the following areas will require their attention.

The study established that the security manager only plays a ceremonial role in the executive committee. His incorporation in the entire strategic management process will ensure smooth running and efficient monitoring and execution of the projects that hotels are willing to undertake as he will be able to assessing the risk involved with the projects. If allowed to scrutinize the organization calendar before implementation, the organization will be able to avert the risks which they would have incurred more money trying to overcome. The role of the corporate security in the organization involves risk assessment, business continuity and legal.

The corporate security is seen as an unwanted expense to the five star hotels in Nairobi. Their expenses are closely monitored and though the security manager gives the recommendations for the security equipment to be procured the cost controller has a more impact on the quality of the items being bought. The security sector is a high cost institution and if the close monitoring of the expenses is not eased up, the quality of equipment is directly dependent on the cost. The higher the cost the more advanced the security equipment is. For security service the cost is dependent on the training received by the personnel.

Corporate security is expected to perform the same roles and be able to protect the assets and the people in the organization. The discriminate budget allocation means that the corporate security is normally short charged and has to struggle to cope with the rise in expectation to deliver quality service. Indiscriminate budget allocation will mean that the corporate security manager has equal resources to be able to compete with the other departments, high the right personnel into the department and that will also be translated into higher R & D budget allocation which means that the security personnel will be able to get the correct trainings enabling them face the ever changing security challenges.

Corporate security challenges are becoming sophisticated and changing every other day. The top ten challenges today will be different tomorrow. The better equipped and trained the security personnel are the better and efficiently they will be able to cope and overcome the challenges. Greater investment and higher budget allocation for the security and more investment into security R & D will see the challenges being overcome. Investing in R & D will translate to less challenges and more savings in the risk management as most of the challenges will be avoided with prior planning.

5.5 Limitations of the Study

The study was focused to deal with the concepts corporate security and the strategic management process. The study focused on the challenges of corporate security and integration of the same into strategic management of five star hotels in Nairobi. The study did not focus on all the challenges experienced by the corporate security and also only focused on the five star hotels and thus did not focus on the other stars hotels (2, 3, and 4), country clubs and cottages/ inns.

The study cannot be replicated into other fields as it focused on the hotels industry. The challenges experienced in the hotels are different from those experienced by banks as they are unique and apply to selected hotels. The subject of study was five star hotels in Nairobi; this eliminated other five star hotels in the various cities and town in the country and thus not exhaustive.

The methodology was not exhaustive the use of close ended questionnaire meant that the respondents were not able to give all their input. The other limitation was on the respondents as it was utterly difficult to have the SM/CSO and the top management to fill in the questionnaires in view of security reasons. The executive committee members were also difficult to access and use of the SM/CSO became paramount.

5.6 Suggestions for Further Study

The study focused on the integration of corporate security into strategic management process of five star hotels in Nairobi further study need to be carried out to investigate the concept of corporate security in Kenya or other aspects that influence or are influenced by corporate security such as governance, knowledge, performance contracts among others.

Replication of this study will be ideal after some time to assess if any changes have taken place and also to explore the other challenges not focused in here like cybercrime, political unrests, unethical business conduct, security staffing effectiveness, social acceptance created by public pressure among other more challenges. This will assist the researchers to explore and find out if challenges are evolving and find better ways to curb or deal with the challenges and find out if corporate security has been fully integrated

into strategic management and if the involvement of corporate security in strategic management has improved strategic management process.

Future researchers should adopt different methodologies while undertaking future studies, focus on different respondents and also use a different data collection method as use of questionnaires proved to be cumbersome. This will assist in getting diverse views and impact the corporate security has within the hotels.

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APPENDICES

Appendix 1: Letter of Introduction

August 2014

Rose Wanjiru Karanja,

University of Nairobi,

P.O Box 30197-00100

NAIROBI

Dear Respondent,

RE: REQUEST FOR RESEARCH DATA

I am a post graduate student at the University of Nairobi, School of Business undertaking a Master's Degree in Business Administration, Strategic Management Option. As one of the requirements for the award of the degree, I am supposed to carry out a research and produce a project. On this aspect, I have identified your organization one of my subject of study. My topic of research is **“Integrating Corporate Security in Strategic Management of Five Star Hotels in Nairobi”**.

I kindly request your assistance by participating in a guided interview and discussion which will provide me with information for analysis to achieve the objectives of the research project. The information shall be confidential and will be used exclusively for academic purpose. A copy of the report will be availed to you on request.

Attached please find an introduction letter for the University.

I look forward for your positive response.

Yours faithfully

ROSE WANJIRU KARANJA

Appendix II: University Letter of Introduction



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME**

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 30/9/14

TO WHOM IT MAY CONCERN

The bearer of this letter KARANJA ROSE WANJIRU

Registration No. DG1/68729/2011

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


**PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS**



Appendix III: Interview Guide

SECTION A

Kindly respond to the questions below concerning security management issues in your organization by ticking in the appropriate box where 1= Highly Disagree 2=Disagree 3=Neither Agree nor Disagree 4=Agree 5=Highly Agree

	1	2	3	4	5
Corporate security is part of executive committee in our organization					
Security budgets are calculated as a percentage of the profits for each year					
Security budget is done independently					
Security department has its own allocation for R&D					
Security managers are allowed to scrutinize the organizational calendars before its adoption into the year					
Input from security managers in our organization can lead to alterations in the calendar					

Kindly respond to the questions below concerning security challenges experienced by your hotel by ticking in the appropriate box where 1= extremely rare 2= rare 3=Occasional 4= often 5= Very Often

	1	2	3	4	5
Guestroom theft					
Skippers					
Drug Peddlers					
Theft in Conference Halls					
Death in Guest rooms					
Theft by Employees					
Theft by Contactors					
Drowning/ Near Drowning					
Trips/ Slips/ Falls					
Fire Incidents					
Armed Robberies					
Bomb Scares/ threats					
Security training – day team					
Security training – night team					
Information Leaks					
VVIP visits					
Food poisoning					
Kidnapping					
Mugging					
Espionage					
Prostitution					

Management involvement in challenge resolution process

	1	2	3	4	5
Guestroom theft					
Skippers					
Drug Peddlers					
Theft in Conference Halls					
Death in Guest rooms					
Theft by Employees					
Theft by Contactors					
Drowning/ Near Drowning					
Trips/ Slips/ Falls					
Fire Incidents					
Armed Robberies					
Bomb Scares/ threats					
Security training – day team					
Security training – night team					
Information Leaks					
VVVIP visits					
Food poisoning					
Kidnapping					
Mugging					
Espionage					
Prostitution					

SECTION B

Kindly respond to the questions below concerning security operations in your organization by ticking in the appropriate box where 1= Highly Disagree 2=Disagree 3=Neither Agree nor Disagree 4=Agree 5=Highly Agree

	1	2	3	4	5
Involvement					
Security managers in our organization are involved in the strategy formulation process					
Security managers in our organization are involved in strategy implementation process					
Requests from security department are evaluated on merit					
Security department is independent/ autonomous					
The role of corporate security is well defined in the structures of our organization					
Decision Making					
Security decisions are handled at executive committee level					
Security managers must be present during deliberations on security matters in our organization					
Decisions on security take into account the input of the security managers in our organization.					
Our organization has strict guidelines on the kind of security equipment to be procured					
The procurement guidelines for security equipment are strictly adhered to					

Security services in our organization is procured through a competitive tendering process					
The security manager selects the security team					
The security team is involved in matters with security implications					
Budgets					
Security receives equitable allocations when compared to other departments					
Security expenditure is closely monitored in our organization					
During deliberations on budgets security managers are involved					
In our organizations security managers decide on security projects to be undertaken					
Planning					
During the planning of the organizational calendar security managers are involved					
The security manager plans all the evacuation process					
The security manager is a member of risk management team					

Who are the key players in the security department?

	1	2	3	4	5
Contracted Security					
Internal Security					

Most of the security team members are in **Management** **Union**

Who organizes evacuation/ safety drills in your organization? _____