

**DRIVERS OF SERVICE EXCELLENCE STRATEGY AT NAIROBI  
STAR RATED HOTELS**

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**A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL  
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF  
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## **DECLARATION**

This research project report is my original work and has not been presented for a degree in any other university.

Signed\_\_\_\_\_

Date\_\_\_\_\_

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**D61/5279/2017**

This Research Project has been submitted for examination with my approval as the Student's University Supervisor.

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## **DEDICATION**

This research project is dedicated to my family and friends for their inspiration, encouragement, understanding and support towards the successful completion of this course.

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# TABLE OF CONTENTS

<b>DECLARATION.....</b>	<b>ii</b>
<b>DEDICATION.....</b>	<b>iii</b>
<b>ACKNOWLEDGEMENTS .....</b>	<b>iv</b>
<b>LIST OF TABLES .....</b>	<b>viii</b>
<b>LIST OF FIGURES .....</b>	<b>ix</b>
<b>ABBREVIATIONS AND ACRONYMS.....</b>	<b>x</b>
<b>ABSTRACT.....</b>	<b>xi</b>
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.2 Research Problem .....	7
1.3. Research Objectives.....	8
1.4 Value of the Study .....	9
<b>CHAPTER TWO .....</b>	<b>10</b>
<b>LITERATURE REVIEW .....</b>	<b>10</b>
2.1 Introduction.....	10
2.2 Theoretical Foundation of the Study.....	10
2.3 Service Excellence .....	13
2.4 Competitive Advantage .....	13

2.5. Service Excellence and Competitive Advantage .....	15
2.6. Empirical Review.....	16
<b>CHAPTER THREE .....</b>	<b>18</b>
<b>RESEARCH METHODOLOGY .....</b>	<b>18</b>
3.1 Introduction.....	18
3.2 Research Design.....	18
3.3 Target Population.....	18
3.4. Data Collection .....	18
3.5 Data Analysis .....	19
<b>CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS .....</b>	<b>21</b>
4.1 Introduction.....	21
4.2. Response Rate.....	21
4.3 Management.....	22
4.4 Drivers of Service Excellence.....	25
4.5 Perceived Service Quality.....	29
4.6 Service Excellence .....	33
4.7 Inferential Statistics .....	34
4.8 Discussion of the Findings.....	38

<b>CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ...</b>	<b>41</b>
5.1 Introduction.....	41
5.2 Summary of the Findings.....	41
5.3 Conclusion of the Study.....	42
5.4 Recommendations of the Study .....	42
5.5. Limitations of the Study.....	43
5.6 Suggestion for Further Studies.....	44
<b>REFERENCES.....</b>	<b>45</b>
<b>APPENDICES .....</b>	<b>48</b>
APPENDIX I: LETTER OF INTRODUCTION .....	48
APPENDIX II: QUESTIONNAIRE.....	49
APPENDIX III: LIST OF STAR RATED HOTELS IN NAIROBI .....	56

## LIST OF TABLES

Table 1. Response Rate.....	21
Table 2. Rate of Customer Satisfaction .....	26
Table 3. Extent of Agreement on Drivers of Service Excellence .....	27
Table 4. Drivers of Service Excellence Used in the Organization .....	28
Table 5. Tangibles.....	29
Table 6. Reliability.....	30
Table 7. Responsiveness .....	31
Table 8. Assurance.....	32
Table 9. Strategies that Build a Sustainable Service Excellence .....	33
Table 10. Model Summary .....	35
Table 11. ANOVA of the Regression.....	36
Table 12. Coefficient of Determination .....	37



## **LIST OF FIGURES**

Figure 1. Length of Time in Hospitality Services.....	22
Figure 2. Extent of Agreement on Current Service in Hospitality Industry .....	23
Figure 3. Extent of Agreement on Raising Complaints by Customers .....	24
Figure 4. Serving the Customers.....	25

## **ABBREVIATIONS AND ACRONYMS**

<b>JKIA</b>	Jomo Kenyatta International Airport
<b>SERVQUAL</b>	Service Quality
<b>SPSS</b>	Statistical Package Social Sciences
<b>TQM</b>	Total Quality Management
<b>TRA</b>	Tourism Regulatory Authority

## **ABSTRACT**

The objective of the study was to investigate the drivers of service excellence strategy of Nairobi star rated hotels in the hospitality industry. The research applied a descriptive study design. The study population was the top managers in charge of customer service in star rated hotels in Nairobi. This made a total target population of 79 respondents. In this study census sampling was utilized to select the sample. Census was important in that it was utilized in the case where the respondents are less than 200. This therefore meant that the sample size for the study was 79 respondents. Questionnaires gave respondents ample time to respond to the questions and to seek clarity in questions they cannot comprehend properly before filling them. The data for the study was analyzed both qualitatively and quantitatively. Data from the field was thoroughly checked to ensure completeness, consistency and accuracy. The data was then coded and tabulated to facilitate data analysis. The study found that technology innovations contribute the most to service excellence of star rated hotels, followed by strategic decisions. At 5% level of significance and 95% level of confidence, technology innovations, strategic decisions, service innovations, product innovations, human resource and organization structure, were all significant on service excellence of star rated hotels in that order. This study recommends that star rated hotels should implement the six drivers of service excellence for the customers to repeat the usage of a service, become a loyal customer and an ambassador of the firm. The study also recommends that firms should focus on remaining adaptive to emerging forms of technology in order to keep up with the pace of technological advancement. Indeed, modern technology makes it easier to convey information and enhance delivery of services to the end user.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

Service excellence is achieved when customers derive value and satisfaction through the quality of service offered. When a service exceeds the previous expectations of a customer on that particular service then service excellence has taken place (Horwitz & Neville, 1996). The expectations of the customers have evolved over time due to their changes in tastes and preferences. As a result, the measurement of service quality has also changed over the years. Gronroos (2000) stated that sustainable competitive advantage in the current market environment was driven by the delivering high quality service. High quality service is achieved when organizations undertake total quality management (TQM). Lacle (2013) stated that not only is quality improved but productivity as well when there is emphasis and focus on managing quality.

The study utilized three models the service quality model, the European foundation for quality management model, and business excellent framework. Service quality model assumes that the results from the surveys that are marked are accurate. In addition, the assumption is that customer needs can be documented and remain constant in a given study time frame. The EFQM Excellence Model is utilized to assess the changes with a view of ensuring that the services that are offered are excellent. Business Excellence Framework (BEF) is an important framework which helps the organization to develop essential elements that help the organization to remain excellent in its service offering.

It is mostly used to improve the various organization aspects which help it to remain competitive. The framework utilizes the available resources to achieve the competitive advantage.

The field of hospitality is a service industry by nature (Scott-Halsell, Blum & Huffman 2008). They further state that the main purpose of hospitality is to offer services and satisfy guests. The segmentation of the industry includes event planning, tourism related businesses, hotels, restaurants, private clubs and providers of travel. The hospitality industry is further divided into four main sectors namely: food and beverage, lodging, recreation and travel and tourism.

### **1.1.1 The concept of Service Excellence**

The definition of service excellence is derived after the understanding of the two words independently. Vargo & Lusch (2004) defined services as the utilization of expertise (knowledge and skills) via actions, procedures and conducts for the satisfaction of another. In addition, services exhibit certain traits that distinguish them namely intangibility, inseparability, heterogeneity and perishability (Parasuraman, Zeithaml & Berry, 1985). The Scottish Higher Education Funding noted that excellence meant outstanding performance or of a quality that exceeded set standards in a particular field. Service Excellence is therefore achieved when knowledge or skills being utilized for a specialized action or procedure exceed the set standards, expectations (perceptions) or quality expectations of a given customer or entity. Service excellence works hand in hand with the service quality.

The degree to which a customer is satisfied and service excellence is achieved is determinant on the level of service quality offered by an entity. Service quality is a key area in service excellence. Umar, Kasim & Martin (2013) note that service excellence is based on continuous addition of value for the services offered. Cook (2008) defined service excellence as the provision of excellent services with the aim of enticing and maintaining clients and which does not influence their perception of reality. Withiam (2013) noted that for customers to be delighted through service excellence, price must be in place to ensure customer delight. Customers must derive value for money for the services offered for them to be delighted. Further, the ultimate goal after achieving service excellence is to ensure the delighted customers recommend the business and have return business. Return business means loyalty by existing customers and increased profitability from return business and new business.

### **1.1.2 Competitive Advantage**

An organization is said to have a competitive edge when it has an upper hand over its competitors in retaining consumers and safeguard from competitive forces (Thomson & Strickland, 2001). On the other hand, Hamel & Prahalad (1989) perceived a firm as a bedrock for continued competitive advantage when it acquires resources or expertise that give exceptional value to consumers and those not easy to imitate. Organizations are in stiff competition with each other and more so when they are selling similar products and services.

It becomes even stiffer if the style of business is almost rigid, thereby giving the players minimal chance to diversify. Daft (2011) states that to attain progressive advantage over rivals, the businessmen attempt to improve their pricing models, after sales services, and

service levels agreement. Therefore to safeguard margins and avoid erosion, the retailers try minimizing their cost-to-serve per consumer therefore ensuring that comprehensive takeover costs of a customer over time is minimised (Elms & Low, 2013).

An organization's strategy in this context is a well-drawn and structured action plan for conducting operations and running a business (Chisnal, 2005). The strategy design represents a managerial engagement in order to pursue a specific array of activities in improving business, pleasing and attracting consumers, match strengths prosperously and undertaking processes and enhancing organization's economic and market realization achievements. Hence for an organization to remain competitive it needs to have clear strategies (Papulova & Papulova, 2006).

### **1.1.3 Service Excellence and Competitive Advantage**

Implementation of service excellence leads to hotels achieving sustainable competitive advantage. Organization need to have a proper analysis in the dynamic and complex environment in order to be competitive and to be sustainable in the industry and to ensure success in the future (Pearson & Robinson, 2004). With this realization, implementation of the strategies to be competitive and meet the demand uncertainties has been the key success factor for the organization (Yunis et al., 2013). The hotel industry in Kenya has gone through the turbulent times in the last decade. The increased competition has resulted in some hotels especially the five and four stars to experience the liquidity constraints and some even to be held under receivership. Given the ever changing business environment, there is high need for the hotel managers and directors to think of the strategies they need to adopt in order to remain sustainable in the competitive environment and especially from the mushrooming small hotels (Anand & Girota, 2004).

### **1.1.3 Hotel Industry**

The hotel Industry falls under the tourism sector in Kenya. The Kenya National Bureau of Statistics (KNBS) economic survey of 2018 noted that the number of visitor arrivals increased by 100.3 thousand from 2016. Arrivals through Jomo Kenyatta International Airport (JKIA) alone grew by 10.6%. In addition, within the same period, the earnings from the tourism sector increased by 20.2 billion (Ksh). The demand for hotel services grow as the number in visitor arrivals in the country grows. Conference Tourism that is an offering of the hotel industry recorded an increase of 89 and a drop of 36 for local and international conferences respectively from 2016. The number of conference delegates increased by 231,041 in the same period. Furthermore, hotel bed night's capacity grew by 8.1% on account of expansion and refurbishment of existing facilities and the construction of new ones in the same period an indication of confidence in the sector.

The above statistics show that the industry is highly dependent on international visitors that are well travelled and exposed. The increase in the number of bed capacity and existing hotels and construction of new ones translates to increased competition as the market share goes down. In addition, new properties come with new concepts, assets, equipment and technology that is a source of competition in themselves. The quality of service that is delivered to these guests then becomes very critical as the sustenance and growth of the industry majorly depends on this. Leonard and Sasser (1982) stated that service quality was mandatory for any organization. In addition, Lovelock (1981) concluded that majority of the issues that were faced in the service market could be overcome by services that met and exceeded customers expectation in a consistent manner.



The government has taken initiative to introduce minimum standards that guide the industry. The Tourism Regulatory Authority (TRA) was established in 2011 to regulate the tourism industry by developing regulations, standards and guidelines that will safeguard wholesome quality service in the sector. The body has seen the improvement of the level of service in the country through the policing of the sector, reforms and to crown it all the star rating of hotels in 2015 which is a standard developed by the East African Community as a destination to be more attractive and marketable. The exercise will be conducted every five years with reviewed standards meeting international requirements to ensure maintenance and improvement of the facilities. Standards are continuously being developed in the context of service quality to enhance service excellence.

#### **1.1.4 Star Rated Hotels**

Nairobi boasts of very beautiful hotels that are ranked worldwide. The star rated 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. Some of these hotels are even located by the game park such as the Ole Sereni. Some of the services that star rated hotels provide for their customers are full-service meals and drinks at any hour and entertainments (Wakanini, 2014). Points that differentiate star rated hotels are: hours of operation of reception facilities, existence of a multilingual staff, size and spaciousness of reception halls, doorman services, and beverage services, personalization of greetings, room service, internet services, shoe polish services and ironing services.

Hotels that operate out of the star-rated system are characterized with aspects such as limited reception hours of operation, lack of basic services such as shoe polish, ironing, internet and personalized greetings (Waudu, 2012). Despite the good facilities and high quality competition has become very high of late especially with the reduction of tourist arrivals in the country due to increase in terroristic attacks. Tourists normally go to affect the performance of this star rated hotels because most of the visitors of these hotels are foreign visitors. They are normally quite expensive and thus average Kenyans cannot afford to wine and dine at these luxury hotels (Noor, 2012). Due to this reduction in clientele they have been forced to resort to aggressive competitive advantage strategies.

## **1.2 Research Problem**

The type of customers arriving in the country has been changing over the years. The Economic survey of 2018 revealed that the number of hotels beds occupancy went down for the United States of America while that of United Kingdom, India and China grew by substantial percentage in 2017 as compared to 2016. These source markets have different service needs and expectations that the industry has to meet and exceed in order to achieve customer satisfaction, achieve excellence and attain customer loyalty.

The same report noted that bed capacity in the area grew by 8.1% as result of expansion and refurbishments. The new and existing hotels have to compete for the same clients in the same markets. Competition is tough as a result of these expansions. Neil & Palmer (2004) highlighted this fact owners in the hospitality industry have been forced to continuously seek new sources of competitive advantage. It is of uttermost importance to understand the determinants of service excellence in this particular market.

Abuya (2014) examined the enhancement of organization advantage through service excellence and focused on the Fairmount Hotels in East Africa. She noted that management measured service quality to meet service demands. Her study was undertaken based on the SERVQUAL model. She concluded that the service process and procedures ensured that guests enjoyed a positive service experience which resulted in service excellence.

Njoroge (2015) in his study observed that the Sarova Group of Hotels in Kenya employed robust measures in response to the need to have excellent services and remain competitive. These measures included outsourcing of newer innovations and skills in addition to embracing of aggressive diversification strategies.

Most research has been conducted in other regions while only one study focused on the Hotel industry In Nairobi while the other was a case study of one chain of hotels in East Africa. None of the studies has investigated the drivers of service excellence in Nairobi. There has been a time lapse between studies conducted in this sector and this research. This research therefore seek to answer the question: what are the drivers of service excellence strategy of Nairobi star rated hotels in the hospitality industry?

### **1.3. Research Objectives**

The research objective of the study was to determine the drivers of service excellence strategy of Nairobi star rated in the hospitality industry

#### **1.4 Value of the Study**

The government through the various arms is continuously developing legislation to match international standards and make the country attractive for business. Conclusion derived from this study may identify areas in which the focus has to be placed to make the sector maintain its current pace. Tourism regulatory authority has set up the minimum requirements for one to be able to operate in the industry.

The findings from the study may enable the regulator of the industry to revise the requirements to ensure that the drivers of excellence in the industry will be achieved. As the policing agent, any company not meeting the criteria may not receive licenses which may in turn improve the quality of service in the industry and eventually achievement of excellence in service. The star rating for the hotels that is done every five years can be revised to include the findings and as such, ensure that excellence that translates into quality of services offered in the industry is a measure and a key determinant of star rating.

Further, by understanding the drivers, they may know which areas they may heavily invest in both in capital and recurrent expenditure. Lastly, they may understand the areas of development for their employees that may ensure success and achievement of targets and other sectors by adding into the knowledge that is already in existence. In addition, the findings from this research might be able to ratify earlier research on the area of service excellence or contradict the same and identify new areas that can be further researched and add to the existing body of knowledge.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

Literature accessed in the area of service excellence was discussed further in this chapter. The theoretical foundation of this study was reviewed based on the theories that support this study and conceptual studies that are available in this area. Finally, the section discussed the gaps in the review that the study sought to bridge.

#### **2.2 Theoretical Foundation of the Study**

The study utilized the service quality (SERVQUAL) model, The European foundation for quality management (EFQM) model, and the business excellence framework.

##### **2.2.1 The Service Quality (SERVQUAL) Model**

Parasuraman, Zeithmal and Berry (1988) came up with the model to identify gaps or weaknesses in service quality. The model assesses the perceptions and expectations of customers on service quality using 22 (twenty two) criteria. The measurement of service quality is done by establishing the gap that exist between the perceived and expected service. The model has five dimensions that encompass the 22 item criteria namely tangibles, reliability, responsiveness, assurance and empathy. The model uses a Lickert scale that has two sections when measuring the expectations and perceptions of services being assessed.

The customers rate the services on a 5 point Lickert scale scoring based on how best the service provider delivered excellent service. The model assumes that the results from the surveys that are marked are accurate.

In addition, the assumption is that customer needs can be documented and remain constant in a given study time frame. The model is relevant to the study as the benchmark of service quality is established by the customers themselves. The impression of the employees to the customer satisfaction and expectations can be identified by the model.

### **2.2.2 European Foundation for Quality Management**

The EFQM Excellence Model is refers to a tool which is mainly utilized in the organization to assess the quality of services offered in the organization. The model is mostly applied in the organization irrespective of the organization structure, size and the sector in which it represents. The organization may experience changes in the environment which requires careful assessment before an action is taken. The EFQM Excellence Model is utilized to assess the changes with a view o ensuring that the services that are offered are excellent.

Lawrence and Lorsch (2009) arrived to a conclusion that while different environments exists, each subunit involved is forced to re-align its organizational structures in order to correspond to the emerging needs of the environment. A successful firm in that regard, therefore, is one that is capable of differentiating itself and devising new ways to integrate with various elements of change. This model has created interventions for assessing an organizations reaction to the external environment and making changes in the organization if the need arises.

Organizations as arrangements that evolve constantly in response to various economic needs and consistent competition over scarce resources. In that regard, EFQM Excellence Model provides a major aspect of surveillance and self-analysis particularly for

organizations faced with constant changes in their operational environment. According to the EFQM Excellence Model, it remains upon the environment to select organizations that are fit enough to survive and rejects ones that prove rigid and unresponsive to change. Organization responses to the environment more often than not involve change. In order to maximize chances of survival, it is imperative for organizations to adapt newer strategies and embrace new operational perspectives

### **2.2.3 Business Excellence Framework**

Business Excellence Framework (BEF) is an important framework which helps the organization to develop essential elements that help the organization to remain excellent in its service offering. It is mostly used to improve the various organization aspects which help it to remain competitive. The framework utilizes the available resources to achieve the competitive advantage. An organization can develop core competencies from these unique resources, which enables the organization to satisfy the consumers of these products. The Business Excellence Framework (BEF) enables the organization to gain capability of competencies and utilization of the valuable assets, since the resources in the organization are scarce and these enables the organization to possess resources that are beneficial to the organization.

The resources in the organization also enable the organization to portray distinctive competences for the firm, and also enable the firm to avoid imitability from the rivals' organizations through registered trademarks and patents. The Business Excellence Framework (BEF) can also be portrayed through durability and quality of the products and services being produced from the unique resources of the organization which is constituted through innovations in the organization due to the dynamic environment.

The core competencies created by the Business Excellence Framework (BEF) should be responsive to the dynamic environment in the industry (Pearce and Robinson, 2005).

### **2.3 Service Excellence**

Service excellence has of late been viewed to bring competitiveness in modern organizations. Service excellence has been used by organization to provide beyond the customer expectations (Rust and Oliver, 2000). The firm requires having capabilities and competencies that will enable the firm to have a sustainable low cost position such as being dominant in the particular market, use of reliable low cost suppliers and having a higher degree of capitalization (Pearce and Robinson, 1991). The firm that will gain service excellence will have an advantage over other firms in the industry (Malburg, 2000). The success of the service excellence is highly dependent on the cost controls mechanisms in the organization that will enable the firm save on the operation cost and purchase cost in the organization, and accessibility to cheaper but high quality raw materials, the use of unique and superior technology. The lower the prices of the products and services in the competitive environment the higher the demand and therefore the higher the market share.

### **2.4 Competitive Advantage**

A competitive advantage is an advantage has been defined as the leverage point of the organization over other organization in the industry which is usually gained when an organization offer products and services of greater value, benefits and augmented services or either by lowering the prices of these products and services (Barney, 1991). Therefore, for an organization to gain a sustainable competitive advantage there is need to develop products and services that will satisfy the consumers which is usually geared



by the providing the need of the consumers, thus developing a competitive strategies which sometimes are conceived through effective positioning in relation to the rivals 10 organizations so as to gain the competitive advantage.

The first step of gaining a competitive advantage is through a thorough competitive analysis and through development of the competitive strategies putting into consideration the key success factors of the organization (Kotler and Armstrong, 2002). Competitors' analysis is a process of identification of the key rivals in the industry, examining their objectives, strength and weakness, studying their patterns, and choosing the competitors to avoid or attack. Thus, competitive strategies are the strategies that give an organization a key position in the industry that will give the organization a strong strategic advantage. In identifying their firm's current and potential competitors and other important variables that key in the business environment of the industry in which the organization is operating.

Competitive advantage makes an organization to occupy a key position in the competitive environment, which are geared towards innovation, reputation and creating of a key positive relationships, which usually occurs when the organization develops unique attributes that outperforms other organization in the industry as well as making the organization sustainable in the industry. The organization should be able to develop competitive advantage that is unique in order to make these competitive replicated. Thus, organization should strive to ensure sustainability of their competitive advantage, which cannot be duplicated with the rival organization (Porter, 2004).

## **2.5. Service Excellence and Competitive Advantage**

Ansoff and McDonnell in 1990 observed that organizations are dependent on appropriate service excellence to achieve competitive advantage. They also noted that strategic responses involve changes to organization's strategy behavior to assume success in transforming future environment in terms of service excellence. Johnson, (2008) indicated a good organizational strategy is one that provides a bridge connecting the existing resources of a firm, its opportunities and risks existing within its environment. It incorporates the competitive moves and approaches to deliver the best performance and satisfaction to all stakeholders.

Li and Rwegasira (2008) found out that the choice of the services depends on the speed with which a particular treat or opportunity develops in the environment. In that regard, the quality of services remains a formidable avenue for firms seeking to claim their rightful position in the competition. Some of the appropriate services in the wake of change may include the creation of new products, exploration of new market possibilities, and identification of new and more effective processing, complete restructuring or even a complete change in leadership (Li and Rwegasira, 2008).

Stacey, (2009) noted marketing plays a key role as a societal process that organizations can obtain new ideas and market cues so they can move into offering products that offer real value to their customers. Kotler, (2010) also appreciated that marketing is not merely an activity meant to sell goods but also a process that can be utilized to obtain new intelligence especially in regard to creating changes that satisfy market and organizational targets. Koutroumanis, (2011) argued a company's assets cannot thrive on their own if there are not customers to justify their existence. An organization's role

should, therefore, always be based on developing a superior offerings aimed to maximizing client satisfaction. Organizations therefore need to embrace marketing concepts that rest on five pillars namely; marketing focus, integrated/coordinate marketing, profits, products and competition (Mintzberg et al., 2010).

## **2.6. Empirical Review**

Stromgren (2007) also carried out a study attempting to understanding the role of crisis management within the hospitality industry. The researcher contended that each crisis in a corporate setting has an impact on different kinds of stakeholders but in varying extents. It is therefore upon stakeholders to decide on whether they want to influence change or be forced to conform. Harr (2008) conducted another study on the Turkish hotel industry environment. The findings of this study emphasized that hotels exist in a dynamic space which is often faced by challenges of diversity and complexity.

Musili (2009) identified that indeed, the Sarova Hotels Limited was actively involved in appreciating change within its processes. These findings appreciated the fact that the company maximized on its competitive advantage in employing various response strategies that enhance survival chances in a liberalized marketplace. These changes included outsourcing, differentiation and diversification., In a separate study, by Krishna et al., (2010) appreciate the role played by path analysis in strategic decision-making within organization developed mainly through unstructured decision-making models that provide a blue-print for understanding existing problems and propose alternative developments to counter such challenges.

Kiange (2011) conducted a study that provided an assessment to the nature of strategic responses adopted by the Serena Group of Hotels in response to changing business environment dynamics throughout East Africa. This study highlighted the fact that Serena Hotels have retained an admirable ability to respond to emerging threats within their environment through changes in leadership, cost leadership, product innovation, and integration of modern technology to basic processes, outsourcing and restructuring. On the other hand, a study by Koutroumanis, (2011) revealed the effects of modern technology on the vast hospitality industry and in particular, the manner in which this technology can provide a competitive advantage to a service provider.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presented the research design, target population, data collection and data analysis as discussed in the subsequent sections.

#### **3.2 Research Design**

Leedy (1997) describes a research design as a design concerned with whom, what, which and how of a phenomenon is called a descriptive research design. The study aimed at understanding the relationship between the drivers of service excellence and the service quality. According to Kothari (2004), Research plan is the stipulated order to be followed in gathering data and scrutiny in a way that spires similarity to research objectives with cost-cutting measure process.

#### **3.3 Target Population**

The population for the study was the star rated hotels in Nairobi. This made a total target population of 79 hotels (3-star-36, 4-star-25, 5 star-18) (Appendix III). In this study census was utilized. Census was important in that it was utilized in the case where the respondents are less than 200. This therefore meant that the sample size for the study was 79 hotels

#### **3.4. Data Collection**

According to Cresswell (2004) data collection refers to the acquisition of the information required for the study. The required information was gathered by the used of questionnaire by drop and pick later method.

Questionnaires were in two parts, with a section for general information and the other capturing the study objectives. The questions were both structured and unstructured. The questionnaire was pretested to selected respondents, which were similar to the actual respondents that the researcher had planned to use in the study.

Adams et al. (2007) encourages the use of questionnaires in data collection arguing from the point that questionnaires are cheaper to construct and administer and that they are convenient and aid in the timely collection of required data from respondents. Questionnaires gave respondents ample time to respond to the questions and to seek clarity in questions they cannot comprehend properly before filling them. Adams et al. (2007) add that questionnaires are convenient to work with direct to the point and can produce important data covering varied disciplines. The research questionnaires for this study were arranged into two sections. The first section comprised of questions on management whereas the second section presented questions on the study objectives.

### **3.5 Data Analysis**

The data from the field was thoroughly checked to ensure completeness, consistency and accuracy. The data was then coded and tabulated to facilitate data analysis. Reliability and validity existed in the data as the data collection technique yielded information that was not only relevant to the research hypotheses, but also corrected. The researcher further analyzed the data and presented the results in form of percentages, frequencies, graphs and tables. In addition the researcher used descriptive statistics such as the mean and standard deviation to also present the data. Statistical Package for Social Science (SPSS) and Microsoft excel were also used to produce the output of the data. Further the

study utilized multiple regressions to find out the relationship by the drivers and service excellence. The model is indicated below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Where

Y=Service Excellence

$\beta_0$  = constant term

$\beta_1$  = Parameters

X1= Technology innovations

X2= Human resource

X3= Organization structure

X4= Strategic decisions

X5= Service innovations

X6= Product innovations

$\epsilon$  = Error

## **CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS**

### **4.1 Introduction**

This chapter presents the data that was found on the drivers of service excellence strategy of Nairobi star rated in the hospitality industry. The chapter introduces with analysis of the management questions and then analyses findings on drivers of service excellence, perceived service quality, and service excellence. Findings from open-ended questions were presented in prose

### **4.2. Response Rate**

This part analyzes information on the questionnaires that were returned from the field. Findings on filled in questionnaires and unreturned questionnaires are presented in Table 1.

**Table 1. Response Rate**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Filled in questionnaires	65	82.3
Un returned questionnaires	14	17.7
<b>Total Response Rate</b>	<b>79</b>	<b>100</b>

Out of the sampled population, 65 questionnaires were returned duly filled in making a response rate of 82.3%. The response rate was representative and was adequately used to answer the research questions.

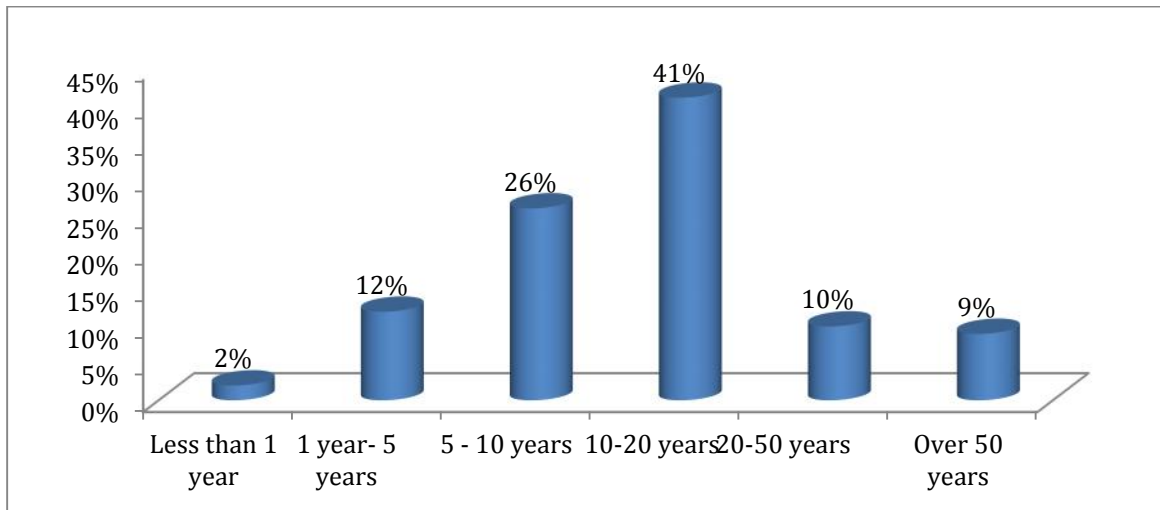


### 4.3 Management

This section presents findings on management questions. The findings are presented in the subsequent sections

#### 4.3.1 Length of Time in Hospitality Services

The respondents were requested to indicate the length of time they have been in the hospitality industry. The findings are shown in figure 1.



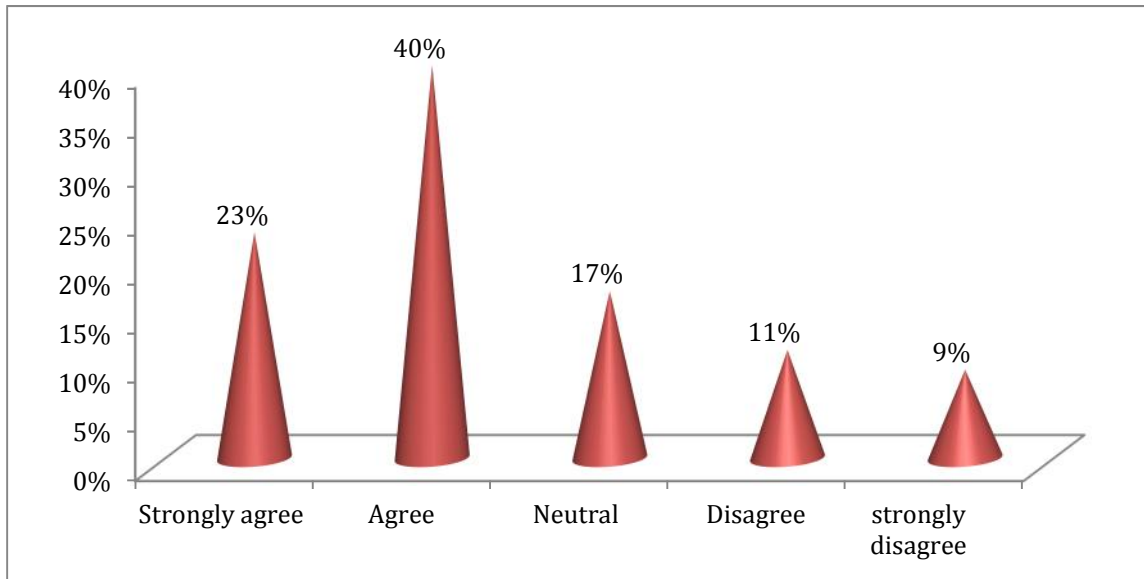
**Figure 1. Length of Time in Hospitality Services**

From the results most (41%) of the respondents stated that they have been in the hospitality industry for a duration between 10-20 years, 26% indicated 5-10 years, 12% indicated 1-5 years, 10% indicated 20-25 years, 9% indicated over 50 years, while 2% indicated less than 1 year. This depicts that most of the respondents had worked in the hospitality industry for a sizeable duration of time and hence understood issues of service excellence

### 4.3.2 Extent of Agreement on Current Service in Hospitality Industry

The study sought the level of agreement on the current service in hospitality industry.

The findings are shown in figure 2

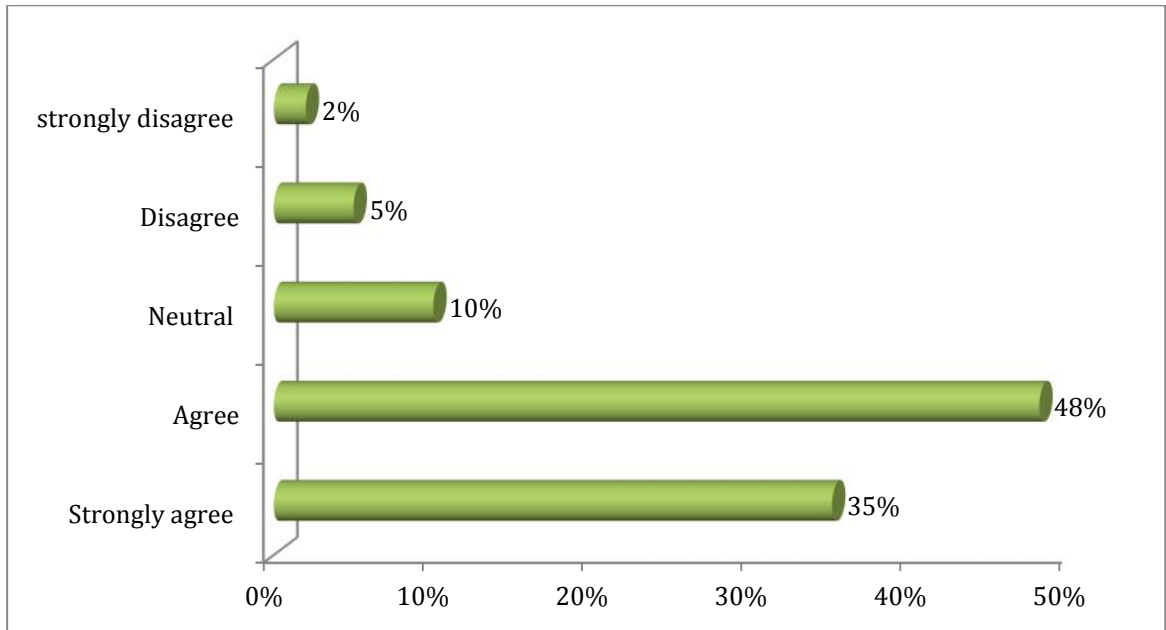


**Figure 2. Extent of Agreement on Current Service in Hospitality Industry**

From the findings the most (40%) of the respondents agreed with the current service in hospitality industry, 23% strongly agreed, 17% were neutral, 11% disagreed, while 9% strongly disagreed. This depicts that most of the respondents agreed with the current service in hospitality industry.

### 4.3.3 Extent of Agreement on Raising Complaints by Customers

The study sought the level of agreement in making it easy for dissatisfied customers to raise their complaints using various methods is important. The findings are shown in figure 3

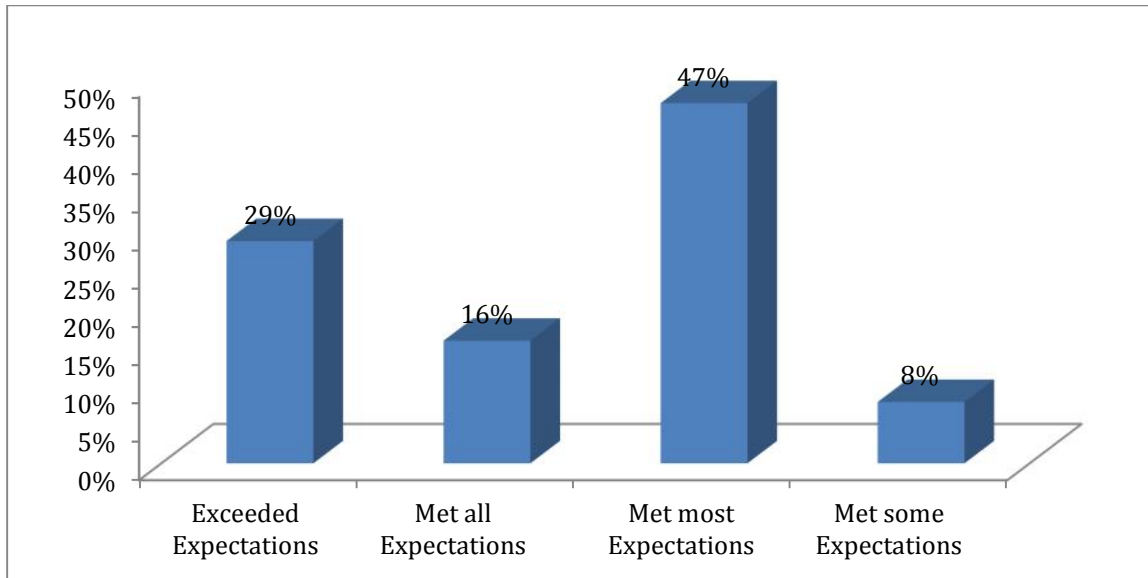


**Figure 3 Extent of Agreement on Raising Complaints by Customers**

From the findings the most (48%) of the respondents agreed on making it easy for dissatisfied customers to raise their complaints using various methods is important, 35% strongly agreed, 10% were neutral, 5% disagreed, while 2% strongly disagreed. This depicts that most of the respondents agreed on making it easy for dissatisfied customers to raise their complaints using various methods is important.

#### **4.3.4 Serving the Customers**

The respondents were requested to indicate how well they serve their customers. The results are shown below



**Figure 4. Serving the Customers**

From the results most (47%) of the respondents stated that they met most expectations in serving the customers, 29% indicated they exceeded expectations, 16% indicated they met all expectations, while 8% indicated they met some expectations. This depicts that most of the respondents indicated that they met most expectations in serving the customers

#### **4.4 Drivers of Service Excellence**

This section presents findings on the drivers of service excellence. The findings are presented in the subsequent sections

##### **4.4.1 Rate of Customer Satisfaction**

The respondents were requested to rate whether a satisfied customer is likely to repeat the usage of a service, become a loyal customer and an ambassador of the firm. The findings are shown in table 2

**Table 2. Rate of Customer Satisfaction**

<b>Rate of customer satisfaction</b>	<b>Mean</b>	<b>Std Dev</b>
Extremely satisfied	4.09	0.322
Satisfied neutral	3.98	0.289
Dissatisfied	3.21	0.357
Extremely dissatisfied	2.98	0.312
<b>Overall Score</b>	<b>3.57</b>	<b>0.320</b>

From the results majority of the respondents indicated to a great extent that the customers were extremely satisfied (mean=4.09, S.D=0.322), followed by satisfied neutral (mean=3.98, S.D=0.289). In addition the respondents indicated to a moderate extent that they were dissatisfied (mean=3.21, S.D=0.357), and extremely dissatisfied (mean=2.98, S.D=0.312). This depicts that majority of the respondents indicated to a great extent that the customers were extremely satisfied.

#### **4.4.2 Extent of Agreement on Drivers of Service Excellence**

The study sought the level of agreement on various drivers of service excellence. The findings are shown in table 3

**Table 3. Extent of Agreement on Drivers of Service Excellence**

<b>Drivers of Service Excellence</b>	<b>Mean</b>	<b>Std. Dev</b>
The quality of the end product or service	3.70	0.1982
The time and the speed through which service is delivered	3.64	0.2109
The ability of the service provider to communicate with the customer in a way he or she will understand	4.23	0.1862
The professionalism of service execution	4.19	0.1721
The reliability and consistency of performance of service facilities, goods and staff	4.09	0.2112
Friendliness: the warmth and personal approachability of contact staff, including cheerful attitude and the ability to make the customer feel welcome	4.01	0.1082
The honesty, justice, fairness and trust with which customers are treated by the service organization	3.79	0.2410
The ability to get to the service location, visible & clear signage, navigate the service environment	3.86	0.1520
The aesthetic appearance and the ambience of the service environment, the presentation of service facilities, goods and staff	3.99	0.1463
<b>Overall Score</b>	<b>3.94</b>	<b>0.181</b>

From the findings the overall mean score and standard deviation were 3.94, and 0.181 respectively. This depicts that the respondents were in agreement with various drivers of service excellence. In addition from the findings the statement with the highest mean was the ability of the service provider to communicate with the customer in a way he or she will understand (mean=4.23, S.D=0.1862), and with the lowest mean was the quality of the end product or service (mean=3.70), and the time and the speed through which service is delivered (mean=3.64). This depicts that the respondents agreed with the ability

of the service provider to communicate with the customer in a way he or she will understand.

#### 4.4.3. Drivers of Service Excellence Used in the Organization

The study sought to establish the drivers utilized by the organizations. The findings are as shown in table 4

**Table 4. Drivers of Service Excellence Used in the Organization**

<b>Drivers of Service Excellence</b>	<b>Frequency</b>	<b>Percentage</b>
Technology innovations	62	86%
Human resource	48	70%
Organization structure	36	68%
Strategic decisions	60	80%
Product innovations	55	75%
Service innovations	58	78%

From the findings 86% of the respondents indicated that they used technology innovations as a driver to service excellence, 75% indicated product innovations, 78% indicated service innovations, 80% indicated strategic decisions, 70% indicated human resource, while 68% indicated organization structure. This depicts that majority of the respondents used technology innovations as a driver to service excellence

## 4.5 Perceived Service Quality

This section presents findings on the perceived service quality. The findings are shown in the subsequent sections

### 4.5.1 Tangibles

The study sought the level of agreement of the respondents on the tangibles based on the services they expect at the hotel they consider to have excellent quality of services. The findings are as shown in table 5

**Table 5 Tangibles**

<b>Statement Criteria</b>	<b>Mean</b>	<b>Std. Dev</b>
Hotel will have a modern layout and equipment of high standards.	4.29	0.4508
The staff will be formally dressed and presentable.	4.11	0.4210
Equipment associated with the hotel are easy to use	4.19	0.4392
The physical features and amenities in the hotel will be attractive	4.20	0.4098
<b>Overall Score</b>	<b>4.20</b>	<b>0.430</b>

According to the findings the hotel will have a modern layout and equipment of high standards (mean=4.29, S.D=0.4508), followed by the physical features and amenities in the hotel will be attractive (mean=4.20, S.D=0.4098), equipment associated with the hotel are easy to use (mean=4.19, S.D=0.4392), and that the staff will be formally dressed and presentable (mean=4.11, S.D=0.4210). This depicts that hotel will have a modern layout and equipment of high standards



#### 4.5.2 Reliability

The study sought the level of agreement of the respondents on the reliability based on the services they expect at the hotel they consider to have excellent quality of services. The findings are as shown in table 6

**Table 6. Reliability**

<b>Statement Criteria</b>	<b>Mean</b>	<b>Std. Dev</b>
Hotel will honour their promise to deliver services by a certain time.	4.09	0.4921
Hotel will provide services at the promised time.	4.80	0.4213
Hotel were sincere in solving problems experienced by the customers	4.99	0.4986
Performance of the services by the hotels will be done without mistakes	4.11	0.5102
Hotel will insist on error free records	4.72	0.5523
<b>Overall Score</b>	<b>4.54</b>	<b>0.495</b>

According to the findings the performance of the services by the hotels will be done without mistakes (mean=4.11, S.D=0.5102), followed by hotel will honour their promise to deliver services by a certain time (mean=4.09, S.D=0.4921), hotel will show a sincere interest in solving customer problems (mean=3.99, S.D=0.4986), hotel will provide services at the promised time (mean=3.80, S.D=4213), and that hotel will insist on error free records (mean=3.72, S.D=0.5523). This depicts that performance of the services by the hotels will be done without mistakes

### 4.5.3. Responsiveness

The study sought the level of agreement of the respondents on the responsiveness based on the services they expect at the hotel they consider to have excellent quality of services.

The findings are as shown in table 7

**Table 7. Responsiveness**

<b>Statement Criteria</b>	<b>Mean</b>	<b>Std Dev</b>
Employees will never be too busy to respond to requests	3.80	0.2130
Employees will provide prompt services	3.71	0.2009
Employees will always be willing to assist	3.76	0.2987
Employees inform customers exactly when the services will be done	3.88	0.2213
<b>Overall Score</b>	<b>3.79</b>	<b>0.233</b>

According to the findings the employees inform customers exactly when the services will be done (mean=3.88, S.D=0.2213), followed by employees will never be too busy to respond to requests (mean=3.80, S.D=0.2130), employees will always be willing to assist (mean=3.76, S.D=0.2987), and that employees will provide prompt services (mean=3.71, S.D=0.2009). This depicts that employees inform customers exactly when the services will be done

#### 4.5.4. Assurance

The study sought the level of agreement of the respondents on the assurance based on the services they expect at the hotel they consider to have excellent quality of services. The findings are as shown in table 8

**Table 8. Assurance**

<b>Statement Criteria</b>	<b>Mean</b>	<b>Std. dev</b>
Employees in the hotel will instill confidence in me.	4.39	0.6973
Employees in the hotel will be consistently polite and courteous with all customers	4.45	0.7213
Employees in the hotel will be knowledgeable in the service and are able to appropriately address customer inquiries	4.30	0.6832
I will feel confident and safe doing transaction with the hotel	4.18	0.7002
<b>Overall Score</b>	<b>4.33</b>	<b>0.701</b>

According to the findings the employees in the hotel will be consistently polite and courteous with all customers (mean=4.45, S.D=0.7213), followed by employees in the hotel will instill confidence in me (mean=4.39, S.D=0.6973), employees in the hotel will be knowledgeable in the service and are able to appropriately address customer inquiries (mean=4.30, S.D=0.6832), and that I will feel confident and safe doing transaction with the hotel (mean=4.18, S.D=0.7002). This depicts that employees in the hotel will be consistently polite and courteous with all customers

## 4.6 Service Excellence

This section presents findings on service excellence. The findings are presented in subsequent sections.

### 4.6.1 Strategies that Build a Sustainable Service Excellence

The study sought to find out how strategies are important to build a sustainable service excellence in hospitality industry. The findings are presented in table 9

**Table 9. Strategies that Build a Sustainable Service Excellence**

<b>Strategies that Build a Sustainable Service Excellence</b>	<b>Mean</b>	<b>Std. Dev</b>
Service package	4.29	0.3318
Service quality	4.49	0.3492
Performance contracting	3.54	0.4032
Relations with Customer	4.40	0.4190
Customer satisfaction	4.51	0.2998
Process control	3.50	0.2198
Research and Development	4.09	0.4561
Safety measures	3.62	0.3298
Development of core competences	3.98	0.2873
Information and product knowledge	4.18	0.4093
Global brand identity	3.79	0.4912
Relation Building	3.70	0.4319
Management of Service Capacity	4.32	0.3298
Productivity	3.82	0.5032
Promptness of Service	3.92	0.3560
Accuracy of transactions	3.88	0.3287
<b>Overall Score</b>	<b>4.00</b>	<b>0.372</b>

From the findings the overall mean score and standard deviation was 4.00, and 0.372 respectively. This depicts that the respondents agreed with the strategies that build a sustainable service excellence. From the findings the strategy with the highest mean was that customer satisfaction was important to build a sustainable service excellence in hospitality industry (mean=4.51, S.D=0.2998) and the one with the lowest mean was process control (mean=3.50, S.D=0.2198). This depicts that customer satisfaction was important to build a sustainable service excellence in hospitality industry.

#### **4.7 Inferential Statistics**

The study utilized a regression analysis to find out the relationship that exists between the predictor variables and the service excellence of star rated hotels. The researcher utilized the SPSS version 21 to code the data and produce the output of the regression analysis. The coefficient of determination was used to explain how the change in the dependent variable can be explained by the change in the independent variables. The dependent variable for the current study was service excellence of star rated hotels while the independent variables were technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations.

##### **4.7.1. Model Summary**

The table below provides the model summary of the relationship between the predictor variables and access to markets by small medium enterprises. The findings are as shown in table 10

**Table 10. Model Summary**

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate	F	P-value
1	.930 <sup>a</sup>	.864	.858	.239	47.341	.000

a. Predictors: (Constant), technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations

b. Dependent Variable: Service Excellence of Star Rated Hotels

From the results in the table  $R^2=0.858$ , that is 85.8% disparity in service excellence of star rated hotels is explained by the independent variables in the model. However, 13.6% difference unexplained in service excellence of star rated hotels is as a result of other determinants which are not represented in the model of regression. From the findings in the table above it can be depicted that the model is good and can be utilized for the purposes of estimation. Form the results in the table a significant relationship was established which is indicated by the variables as depicted by  $R^2=0.864$ , that is 86.4% which shows that a significant relationship exists between the independent variables and the service excellence of star rated hotels

#### **4.7.2 ANOVA Results**

The table below provides the ANOVA results of the relationship between the predictor variables and service excellence. The findings are as shown in table 11

**Table 11. ANOVA of the Regression**

<b>Model</b>		<b>Sum Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	15.894	6	2.649	46.474	.023 <sup>a</sup>
	Residual	3.306	58	.057		
	<b>Total</b>	<b>19.2</b>	<b>64</b>			

a. Predictors: (Constant), technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations

b. Dependent Variable: service excellence of star rated hotels

The significance value is 0.023 which is less than 0.05 thus the model is statistically significance in predicting how the factors (technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations) influence the service excellence of star rated hotels. The F critical at 5% level of significance was 2.649. Since F calculated is greater than the F critical (value = 46.474), this shows that the overall model was significant.

#### **4.7.3 Coefficient of Determination**

The table below provides the coefficient of determination on the relationship between the predictor variables and the service excellence of star rated hotels. The findings are as shown in table 12

**Table 12. Coefficient of Determination**

	Unstandardized		Standardized		
	Coefficients		Coefficients		
	B	Std. Error	Beta	T	Sig.
Model 1(Constant)	0.181	0.416		0.192	0.847
Technology					
innovation	0.469	0.100	0.383	4.69	0.033
Human resource	0.140	0.014	0.157	0.002	0.015
Organization					
structure	0.309	0.086	0.317	0.027	0.013
Strategic decisions	0.412	0.290	0.218	0.032	0.018
Service innovations	0.299	0.092	0.412	0.013	0.009
Product innovations	0.239	0.023	0.300	0.022	0.001

**a. Dependent Variable:** service excellence of star rated hotels

Multiple regression analysis was conducted as to determine the service excellence of star rated hotels and the six variables. As per the SPSS generated table below, regression equation

$$(Y = + 1X_1 + 2X_2 + 3X_3 + 4X_4 + 5X_5 + 6X_6 + )$$

Becomes:



$$(Y = 0.181 + 0.469X_1 + 0.140X_2 + 0.309X_3 + 0.412X_4 + 0.299X_5 + 0.239X_6 + \dots)$$

From the regression taking all the independent variables at constant (technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations) constant at zero, service excellence of star rated hotels was 0.181. The data findings analyzed also showed that taking all other independent variables at zero, a unit increase in technology innovations will lead to a 0.469 increase in service excellence of star rated hotels; a unit increase in human resource will lead to 0.140 increase in service excellence of star rated hotels, a unit increase in organization structure will lead to a 0.309 increase in service excellence of star rated hotels, a unit increase in strategic decisions will lead to a 0.412 increase in service excellence of star rated hotels; a unit increase in service innovations will lead to 0.299 increase in service excellence of star rated hotels, and a unit increase in product innovations will lead to a 0.239 increase in service excellence of star rated hotels. This infers that technology innovations contribute the most to service excellence of star rated hotels, followed by strategic decisions. At 5% level of significance and 95% level of confidence, technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations were all significant on service excellence of star rated hotels.

#### **4.8 Discussion of the Findings**

The study found that majority of the respondents indicated that their customers were extremely satisfied with the services in the hotel and they were likely to repeat the usage of a service, become a loyal customer and an ambassador of the firm. This opinion is aligned to Kunjiapus and Yasin (2010) who held that employee competence was a source

of competitive advantage for all establishments because these skills and knowledge could continually improve processes and products which could be achieved through continuous learning that could be carried out within and without organizations on customer satisfaction.

On implication to theory the business excellence framework is an important framework which helps the organization to develop essential elements that help the organization to remain excellent in its service offering. It is mostly used to improve the various organization aspects which help it to remain competitive. The framework utilizes the available resources to achieve the competitive advantage. An organization can develop core competencies from these unique resources, which enables the organization to satisfy the consumers of these products. The Business Excellence Framework (BEF) enables the organization to gain capability of competencies and utilization of the valuable assets, since the resources in the organization are scarce and these enables the organization to possess resources that are beneficial to the organization. The resources in the organization also enable the organization to portray distinctive competences for the firm, and also enable the firm to avoid imitability from the rivals' organizations through registered trademarks and patents.

The study also found that majority of the respondents used technology innovations as a driver to service excellence. The study further established that hotel will have a modern layout and equipment of high standards. According to Barber and Scarcelli (2011), in the hotel industry, facilities also determine the cost of the services offered and the physical environment are appreciated although other than the facilities available, cleanliness is of utmost importance to guests and is a variable that would determine if guests become

repeat guests or otherwise. Hotels with a variety of facilities or added facilities such as gym, swimming pool or indoor games such as darts and table tennis are charged highly. The study also found that hotel will perform the services right the first time without mistakes

The study established that employees inform customers exactly when the services will be done. The study found that employees in the hotel will be consistently polite and courteous with all customers. The study found that customer satisfaction was important to build a sustainable service excellence in hospitality industry.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter presented summary, conclusion and recommendations on the drivers of service excellence strategy of Nairobi star rated in the hospitality industry.

### **5.2 Summary of the Findings**

From the findings the study established that technology innovations contribute the most to service excellence of star rated hotels, followed by strategic decisions. The study found that majority of the respondents applying drivers of service excellence indicated that their customers were extremely satisfied with the services in the hotel and they were likely to repeat the usage of a service, become a loyal customer and an ambassador of the firm. The study further established that hotel will have a modern layout and equipment of high standards. The study also found that hotel will perform the services right the first time without mistakes

The study established that employees inform customers exactly when the services will be done. The study found that employees in the hotel will be consistently polite and courteous with all customers. The study found that customer satisfaction was important to build a sustainable service excellence in hospitality industry. The study found that technology innovations contribute the most to service excellence of star rated hotels, followed by strategic decisions.

At 5% level of significance and 95% level of confidence, technology innovations, human resource, organization structure, strategic decisions, service innovations, and product innovations were all significant on service excellence of star rated hotels

### **5.3 Conclusion of the Study**

The study concluded that majority of the respondents used technology innovations as a driver to service excellence. The study further concluded that hotel will have a modern layout and equipment of high standards. The study concluded that employees inform customers exactly when the services will be done. The study concluded that employees in the hotel will be consistently polite and courteous with all customers. The study concluded that customer satisfaction was important to build a sustainable service excellence in hospitality industry.

### **5.4 Recommendations of the Study**

The study recommended that hotels should invest in new systems and processes such as inventory management systems to benefit the advantages associated with such technologies.

The study recommended that organizations should embark on serious and strategic marketing with different strategies which can enable them to outperform their competitors and maintain their market share as well as their competitive edge.

The study also recommends that firms should focus on remaining adaptive to emerging forms of technology in order to keep up with the pace of technological advancement. Indeed, modern technology makes it easier to convey information and enhance delivery of services to the end user. However, for efficient utilization of technology to take place,

there is a need for proper infrastructure and financial resources to be set aside. Embracing an innovative roadmap, facilitating the establishment of revolutionary processes, aligning the organizations innovation agenda with the overall objective, securing the support of top-level managerial personnel and incentivizing employees to be part of the change are critical aspects of enhancing the impact of such changes.

Leading companies make innovation strategy a CEO imperative and manage it with discipline. The study further recommends that Hotels in Nairobi County need to pay close attention to innovation strategies that play a role in streamlining operations, promoting access to new markets in order to set their brands apart in order to remain responsive in an otherwise highly competitive field.

### **5.5. Limitations of the Study**

The study had limitations which affected its maximum output. One limitation was that the researcher being a part time student had to have a balance of the studies and his job which involve a lot of travelling out of the station. The limited time prevented the researcher to carry out a fully fledged research. There was a limitation on the financial resources since the researcher was sponsoring his studies from the savings.

There were challenges during data collection as the respondents of the research were top level management who were very busy in the daily running of the hotel. Some statistics were also not available due to their sensitivity to the hotel to support arguments and views of the management. However the researcher worked hard to win the respondents confidence by assuring them that the research was for academic purposes only

## **5.6 Suggestion for Further Studies**

The study focused on drivers of service excellence by hotels in Nairobi. It is recommended that another study should be done in other counties for comparison purposes. Secondly, sample size of the study can be increased to incorporate views from more number of Quality Management Professionals. Lastly, the study can be conducted with respect to different industries instead of only one industry (hotels) as implementation of service excellence differs in different industries.

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## APPENDICES

### APPENDIX I: LETTER OF INTRODUCTION

University of Nairobi,  
College of Humanities and Social Sciences,  
School of Business

**Dear Respondent,**

I am an MBA student currently carrying out a research on the drivers of service excellence strategy of Nairobi star rated hotels. This study is purely for academic purpose only. I therefore request you to fill in the questionnaire with appropriate information which will be of much help to me. The opinion given will be treated with utmost confidentiality and no single responses will be reported on its own but as a summation of all the responses. Kindly comply.

Thank you in advance.

Yours Faithfully,

Denis Owuor

## APPENDIX II: QUESTIONNAIRE

Kindly provide correct and useful data and fill appropriately as logically guided. (This questionnaire has been provided as a word document that can be filled out in soft copy and returned via e-mail; or printed, filled out and mailed).

### Section A: Management Questions

1. How long have you been in hospitality services?

Less than 1 year                          5 - 10 years                          20-50 years   

1 year- 5 years                          10-20 years                          Over 50 years   

2. The current service in hospitality industry is very healthy to the overall growth of the industry. Do you agree?

3. Making it easy for dissatisfied customers to raise their complaints using various methods is important. Do you agree?

4. How well have you served your customers?

5. How has the growing competition in hospitality industry impacted on your hotel's general performance and your customer base? Explain

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**DRIVERS OF SERVICE EXCELLENCE**

6. Describe the drivers of service excellence utilized in your organization

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7. A satisfied customer is likely to repeat the usage of a service, become a loyal customer and an ambassador of the firm. As a service provider, how would you rate your customers?

Extremely satisfied          Satisfied Neutral    

Dissatisfied                  extremely dissatisfied    

8. Indicate the level of agreement on the following drivers of service excellence on improvement of firm performance

<b>Drivers of Service Excellence</b>	<b>S.D</b>	<b>D</b>	<b>N.S</b>	<b>A</b>	<b>S.A</b>
The quality of the end product or service					
Speed and timeliness of service delivery					
The capacity of the specialist co-op to speak with the client in a way the person in question will get it					
The ability, skill and polished methodology with which the administration is executed					
The dependability and consistency of execution of					

administration offices, products and staff					
Invitingness: the glow and individual agreeability of contact staff, including sprightly demeanor and the capacity to make the client feel welcome					
The genuineness, equity, reasonableness and trust with which clients are treated by the administration association					
The capacity to get to the administration area, unmistakable and clear signage, explore the administration condition					
The tasteful appearance and the vibe of the administration condition, the introduction of administration offices, products and staff					

9. The following are the drivers of service excellence. Indicate the ones used in your organization

- a. Technology innovations
- b. Human resource
- c. Organization stricture
- d. Strategic decisions
- e. Product innovations
- f. Service innovations

## PERCEIVED SERVICE QUALITY

10. Please circle the number that most accurately reflects how much you agree or disagree with the statements based on the services you expect in the hotel you consider to have excellent quality of services

### A) Tangibles

Statement Criteria	1	2	3	4	5
Hotel will have a modern layout and equipment of high standards.					
The staff will be formally dressed and presentable.					
Equipment associated with the hotel are easy to use					
The physical features and amenities in the hotel will be attractive					

### B) Reliability

Statement Criteria	1	2	3	4	5
Hotel will honour their promise to deliver services by a certain time.					
Hotel will provide services at the promised time.					
Hotel will demonstrate a genuine enthusiasm for taking					

care of client issues.					
Hotel will play out the administrations right the first run through without mix-ups					
Hotel will insist on error free records					

**C) Responsiveness**

<b>Statement Criteria</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Employees will never be too busy to respond to requests					
Employees will provide prompt services.					
Employees will always be willing to assist					
Employees inform customers exactly when the services will be done.					

**D) Assurance**

<b>Statement Criteria</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Employees in the hotel will instil confidence in me.					
Employees in the hotel will be consistently polite and courteous with all customers					
Employees in the hotel will be knowledgeable in the service and are able to appropriately address customer					



inquiries					
I will feel confident and safe doing transaction with the hotel					

## SERVICE EXCELLENCE

11. The following strategies are important to build a sustainable service excellence in hospitality industry. Do you agree? please read each statement and select your response

	<b>SD</b>	<b>D</b>	<b>M</b>	<b>A</b>	<b>SA</b>
Service package					
Service quality					
Performance contracting					
Relations with Customer					
Customer satisfaction					
Process control					
Research and Development					
Safety measures					
Development of core competences					
Information and product knowledge					
Global brand identity					
Relation Building					

Management of Service Capacity					
Productivity					
Promptness of Service					
Accuracy of transactions					

12. What are the main challenges faced by hospitality industry? Explain

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### **APPENDIX III: LIST OF STAR RATED HOTELS IN NAIROBI**

1. Fairview Hotel Nairobi
2. Tribe Hotel Nairobi
3. InterContinental Nairobi
4. Sankara Hotel Nairobi
5. Windsor Hotel Nairobi
6. Norfolk Hotel Nairobi
7. Silver Springs Hotel Nairobi
8. Meridian Hotel Nairobi
9. Weston Hotel Nairobi
10. Panari Hotel Nairobi
11. Nairobi Serena Hotel
12. Safari Park Hotel
13. Eka Hotel Nairobi
14. Amber Hotel
15. Crowne Plaza Hotel Nairobi
16. Golden Tulip Westlands Nairobi
17. Best Western Premier Nairobi
18. PrideInn Hotel Lantana
19. Villa Rosa Kempinski
20. Jacaranda Hotel Nairobi
21. Woodmere Serviced Apartments
22. Marble Arch Hotel

23. La Maison Royale
24. Karen Inn and Suites
25. Hadassah Hotel
26. House of Waine
27. Town Lodge Upper Hill Nairobi
28. Palm Tree Bed & Breakfast
29. Nairobi Upperhill Hotel
30. Tribe Hotel
31. The Monarch Hotel
32. Country Lodge
33. The Boma Nairobi
34. Palacina Residence & Suites
35. Nairobi Transit Hotel
36. Crowne Plaza Hotel Nairobi
37. Hotel Royal Orchid Azure Nairobi
38. Sarova Stanley
39. The Ndemi Place
40. Heri Heights Serviced Apartments
41. Sentrim 680 Hotel
42. Southern Sun Mayfair Nairobi
43. Boma Inn Nairobi
44. Fairview Hotel
45. LAICO Regency Hotel

46. Ole- Sereni Hotel, Nairobi
47. Ngong Hills Hotel
48. Cloud Hotel & Suites
49. dusicD2 Nairobi
50. The Heron Portico Hotel
51. Sentrim Boulevard Hotel
52. The Zehneria Portico Nairobi
53. Norfolk (Deluxe)
54. Hilton Nairobi
55. Eron Hotel
56. Jupiter Guest Resort Langata
57. Bidwood Suite Hotel
58. Hennessis Hotel
59. Hotel Emerald
60. Hotel LaMada
61. Hemingways Nairobi
62. Maasai Ostrich Resort
63. Meltonia Luxury Suites
64. Sarova Panafric
65. Batians Peak Serviced Apartments
66. Fig Tree Camp
67. Radisson Blu Hotel Nairobi
68. Holiday Inn Mayfair Court

69. Tune Hotel Nairobi – Westlands
70. Kahama Hotel
71. Red Court Hotel
72. Emeli Hotel
73. InterContinental Nairobi
74. Hotel Troy Nairobi
75. Nairobi Safari Club
76. Windsor Golf Hotel and Country Club
77. Hotel Embassy
78. Wasini All Suite Hotel
79. Kenya Comfort Hotel