A SURVEY OF TOTAL QUALITY MANAGEMENT PRACTICES IN THE HOTEL INDUSTRY IN KENYA: THE CASE OF 3-5 STAR HOTELS OPERATING IN NAIROBI

By

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DECLARATION

This management research project is my original work and has not been submitted for a degree at the University of Nairobi or any other University

Date 20/11/07

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This management research project has been submitted for examination with my approval as a University supervisor

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DEDICATION

This work is dedicated to my daughter Yvonne Grace Waigumo

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ABSTRACT

In the hotel industry success is achieved through quality of service and therefore increased competition in the tourism sector arising from globalization, has made quality become a key factor in the hotel industry. One of the strategies used to achieve quality is Total Quality Management (TQM) which is an organizational wide approach to continuously improve quality of all the processes, products and services.

The study therefore sought to explore the practice of TQM in the Kenya hotel industry. It set to establish the extent to which hotels in Nairobi have adapted TQM approach in their operations and the relationship between the extent of adoption and the operational performance of these hotels. The research targeted 3-5 star hotels in Nairobi numbering eighteen (18) and data was collected from managers and supervisors of these hotels using two semi-structured questionnaires. Questionnaire A was administered using a drop and pick later method on top managers and questionnaire B was administered using the same method on supervisors/staff working in rooms/food and beverages departments, the units that interact directly with customers. Descriptive statistics were used to analyse the data.

The major findings of the study were that; there is common appreciation and recognition of TQM as an important strategy for hotels competing in the tourism industry, most of the hotels in the 3-5 star classification have embraced TQM in their operations and that TQM has a positive impact on operational performance of hotels.

The research therefore recommends that, all hotels in Kenya aspiring to compete in the tourism industry should embrace TQM in their operations, the government should review the hotel classification system to reflect a focus on the customer and finally a wider and deeper study should be undertaken covering all the hotels and lodges in Kenya.

LIST OF ABBREVIATIONS

AA   - Automobile Association
EABL   - East African Breweries Limited
ETC   - English Tourist Council
EQA   - European Quality Award
GDP   - Gross Domestic Product
GNP   - Gross National Product
ISO   - International Standards Organization
KTTI   - Kabete Technical Training Institute
MBNQA   - Malcolm Bald ridge National Quality Awards
NSE   - Nairobi Stock Exchange
NWMS   - New wave Manufacturing Strategy
RAC   - Royal Automobile Club
RAS   - Research and Advisory Services
ROI   - Return on Investment
SPSS   - Statistical Package for Social Scientists
TQM   - Total Quality Management
TTC   - Tourist Transport Consultancy
UK   - United Kingdom
USA   - United States of America
WTTC   - World Travel and Tourism Council

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CHAPTER ONE: INTRODUCTION

1.0   Background

The pace of change, corporate, product, political, and consumer, is accelerating at a high rate and this change has become persistent and consequently the foremost issue of our day. It has entered the corporate lexicons as a word describing a mixed blessing. On the one hand, change represents growth, opportunity and innovation; on the other it represents threat, disorientation and upheaval (Jarrar and Zairi, 2001). One of the areas where organisations have witnessed drastic changes is the area of quality.

The heightened focus on customers and market forces has accorded quality a new role and importance. It is increasingly viewed as an essential attribute and approach for the stability, continuity and growth of business function that sub-serves social interests (Raju, 2002). Quality offers strategic advantages and is one vital area that a company must excel. Cole (1997) argues that no business strategy will succeed fully in today's competitive conditions unless it gives adequate priority to quality issues. This is reaffirmed by Oakland (2000), who argues that consumers nowadays place a higher value on quality than loyalty to home based producers and price is no longer the determining factor in consumer choice.

The business condition of yesterday made it simpler to rely on simpler approaches to quality, for example, inspection to control quality and incorporation of the internal costs of poor quality into the selling price. This worked well then, however today's ever changing business conditions require new approaches to survive in competitive world markets (Juran, 1995). Under these conditions, enhanced quality is no longer seen as an option for management but essential if market share is to be retained let alone developed. Thus, increased customer sophistication and the globalisation of business activities are forcing business organisations to reengineer their cultures, operations and systems to support customer focused and quality driven competitive business strategies (Yasin et al 2004).

One of the strategies used to achieve quality is Total Quality Management (TQM), described by Kotler (2000) as an organisation wide approach to continuously improve quality of all organisational processes, products and services geared towards attaining the best quality products and services by an organisation. It is in this respect that Spencer (1994) describes TQM as one of the essential approaches in revitalising a company's competitive position. This is further reaffirmed by Camison et al (1996) who refers to TQM as a management technology on which to base organisational competitiveness and the search for excellence. Oakland (2000) concurs with this idea stating that TQM is a management approach that places emphasis on continuous process and system improvement as a means of achieving customer satisfaction. Thus, the quality concepts provide a firm foundation for any company seeking to continually improve the way it does business.

Omachonu (1994) notes that there has been more concern for product quality than there has been for quality services and service industries. Historically, emphasis has been on the manufacturing industries and indeed many writers such as Storey (1994), Alan (1996) and Nazim (1996) have referred to TQM as a New Wave Manufacturing Strategy (NWMS). Deming (1996) considered to be the founding father of the quality movement, actually focused on the manufacturing industry as reflected in his summary which he developed on how behavioural management systems were required to achieve quality as articulated in his fourteen point management method (Appendix III). This was about achieving quality through reduction of variability.

However, since quality improvement is achieved through people's actions referred to as service and service industry, TQM should therefore not be a premise of the manufacturing industry. Indeed the concepts of TQM are as important to any organisation as they are to manufacturing because competing in the global market more effectively has become an overwhelming concern for almost all contemporary organisations (Lakhe and Monanty, 1995). It is a fact that the service industry accounts for a larger percentage of total employment, indeed, as Omachonu (1994) states, personnel employed in the service sector of manufacturing industries, that is, finance,

marketing, etc. account for 90% or more of total employees. In US, services activities accounted for 20% of the Gross Domestic Product in 2001, employing 53% of the US workforce (Yasin et al, 2004). Hence the concept of service quality is becoming increasingly recognised.

According to Amitava (1998) quality looms large in the ongoing services of the services sector in our economy. With the service sector being the fastest growing sector in the world, from the mid 1980's, managers started to recognise that competing on product quality does not provide a significant competitive edge to out pace competitors (Taylor & Wilson 1996). Indeed, from early 1990 quality service delivery as well as consistent product quality has been providing the competitive edge. Thus, service quality has been used as a viable strategy for marketers in an endeavor to differentiate service offerings, establish customer's value and ultimately satisfying customer's needs.

This gives credence to the definition given by Abretch (1988) that service management is a total organizational approach that makes quality of service as perceived by the customers, the number one driving force for the operations of the business. Then given the nature of most service operations where the customer is the focal point, the need to have a customer driven strategic orientation seems to be a necessity rather than a luxury thus implementation of TQM in service operational settings would be expected to be the rule rather than the exception since its elements are grounded on customers satisfaction. (Yasin et al 2004)

With Tourism becoming increasingly a globalised sector in which inter-destination competition is building at a high rate since have wider choice and can obtain greater value for money, tourism enterprises the major one being hotels, have to contend with this difficult market condition. Ingram and Daskalakis (1999) actually posit that great competitiveness has made quality become a key factor in the hospitality industry. Indeed, on 7th November 2003, Bob Cotton, in his article in the British Hospitality Association Magazine, stated that success of the hospitality industry is often measured by quality of service and that pressure to improve quality is the most important issue

facing the United Kingdom (UK) hospitality industry and this can be deduced to apply to the global hospitality industry.

The Economic Recovery Strategy for Wealth and Employment Creation (ERS) 2003-2007 (Government of Kenya, June 2003) recognises the tourism sector in Kenya as one of the major driving forces towards achieving the National Economic growth and development. A slight growth in the tourism industry has a multiple effect, which stimulates growth in trade, transport, manufacturing and agriculture. Indeed, it has been the fastest growing sector in the last two years registering a growth rate of 13.3% and 14.9% in 2005 and 2006 respectively, thereby becoming the highest contributor to Kenya's GDP growth of 4.3% and 5% in the two years respectively. (Kenya Economic Survey, 2007).

Despite this very positive growth in respect to the Kenyan economy, in terms of the global economy, Kenya tourism sector is not doing that well if one takes into account the potential in the world tourism/ travel market. With a global tourism industry that is registering international travellers at 700 million per year and set to hit 1.6 billion in the year 2010 (WTO, 1997), getting 1,479,000 and 1,600,600 international arrivals into the country in the two years (2005 and 2006) respectively is a drop in the ocean. This means that there is potential for even higher growth of the tourism industry in Kenya and the country really needs to focus on the tourism sector to improve on international visitor numbers consequently revenue earnings.

To improve visitor numbers, Kenya has to reposition herself as a 'world class' contender within this high growth global industry. Kenya has a competitive edge in the world tourism market for despite increased competition from other destinations; it is still one of the foremost tourist destinations in Africa (Dieke, 2000). The country also has the potential to position her-self as a world-class tourist destination considering that it compares favourably with the most promising destinations as regards quality of services and hotels. This was well articulated in the findings of the survey undertaken by Research and Advisory Services (RAS) in 2002, covering 2,155 respondents who had

visited nineteen (19) countries among them USA, Greece, Thailand, Italy, France, South Africa, Spain, Tanzania to mention just a few, on their response on how Kenya compares with the said destinations on important attributes that relate to hotels including; quality of services, quality of hotels and hospitality of hotel staff.

On an average, 57% of the tourists surveyed indicated that Kenya was on the same level with the others on the three attributes while an average 19.4% indicated that the other destinations were better than Kenya with 23.6% indicating that Kenya was better than the others. It is therefore intuitive to note that Kenya has a comparative advantage in tourism as regards services and indeed should build on this strength for competitive advantage. It is also worth noting from the findings of the 2002 survey that the three key selling points for Kenya were hospitality, friendliness of nationals and quality of service. Therefore, the quality of services, which has a major bearing on hotels since it creates the major contact area with tourists, is critical in the Kenyan tourism industry.

1.2   Challenges to the Tourism Sector

Kenya is unparalleled in terms of variety of travel experiences that it offers due to the diversity of its natural resources with the riches and variety of its cultural heritage adding a further dimension to its competitive edge (RAS, 2002). Despite this, tourism in Kenya has not developed as expected (National Tourism Policy, 2006) due to a number of factors some of them bordering on the product being offered. Indeed the National Tourism Policy (2006) while introducing change in policy from mass to premier tourism acknowledges that Kenya has to improve on its capacity to deliver high quality and more diversified tourism products. It is accepted that only after facilities and services have been improved can prices be raised gradually to a level sufficient to attract a higher value tourist clientele. This explains the statement in the policy "that quality products will be emphasised at every stage of product development and the related services."

Tourist accommodation is the most important component of tourism; indeed the major source of data on tourism earnings in Kenya is from monthly surveys of hotels. (Kenya

Economic Survey 2007) This is further affirmed by Gosh (1998) in terms of a study undertaken in UK in 1978 on expenditure incurred by tourists who indicated that 32% was on accommodation with eating and drinking accounting for 18%. This means that the hotels and restaurants account for half the expenditure by a tourist thereby positioning a hotel at the centre of any improvement process. However, the findings of RAS surveys in Kenya, on the major concerns the tourists had about hotels and lodges were quality of service and general sanitary. Actually improvement of hotel facilities and services were among the things that tourists suggested would make their next visit more pleasurable.

1.3   Statement of the Problem

The hospitality industry is acquiring an increasingly important position in the global economy as a result of globalisation of tourism and one of the key sectors of the hospitality industry that has gained prominence in the recent past is the hotel sector. According to the World Travel and Tourism Council (WTTC), travel and tourism accounts for some 4.8% of direct and 5.4% of indirect Gross Domestic Product (GDP) and its share of total capital investment is 10.7%. In Kenya, the industry accounted for about and 13.3% and 14.9% of GDP in 2005 and 2006 respectively. It also accounted for 9.2% of foreign exchange in direct tourism earnings in 2006. Worldwide employment in the industry provides 204 million jobs or 1 in 9 workers. It is projected that by year 2010, the largest industry in the world is likely to be tourism (WTTC).

As a globalised sector, inter destination competition is very high and this phenomenon is caused amongst other things by the fact that tourism enterprises among which are hotels, now find themselves in a better position to compete in international destinations. This in turn results in increased international competition not only between destinations but also between hotel establishments (Claver et al 2006). The implication of globalisation coupled with the rapid development of new technology, i.e. Internet, today's tourist compares what a tourist destination has to offer in relation to ones needs before making choice of destination.

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It has therefore become much more competitive as international marketing of tourism products is enhanced and consumers are better informed about a wider choice of destinations and their rights and entitlements. This coupled with the emergence of new destinations such as the Republic of South Africa, Tanzania/Zanzibar, the Far East and the Caribbean Islands has caused the operating environment become more competitive for Kenya. The threat of competition by these destinations is confirmed through various surveys conducted by RAS in years 2001-2003 on departing tourists from Kenya.

In determining the country to visit, there are choice drivers and according to the survey undertaken by RAS in February 2002 using a sample of 2,530 departing tourists on the key choice drivers, availability of good quality hotels accounted for 8.2% with high quality services in hotels accounting for 7.2%. It is therefore evident that hotels are a major attribute in positioning Kenya on world-class level. The centrality of the hotel in the tourism industry is also evident in the percentage of the tourist's budget spent in accommodation, food and beverages, which are interrelated. The 2001 RAS survey indicated that 79.7% of the tourists sampled spent 30% and above of their budget on accommodation with 86.3% spending 20% and above of their budget on food & beverages.

Quality of services in hotels is a key aspect in destination choice and repeat visits, the two aspects that mainly account for tourism growth. This is confirmed in the surveys undertaken by RAS in August and September 2002, where 10% of the tourists selected Kenya due to availability of good quality hotels and good quality hotels accounted for 8.6% of pleasant memories of Kenya. In reverse, poor quality of services and management in hotels also play a role in driving tourists away. Of the 3% whose stay in Kenya was not up to their expectations, 16% quoted poor hotel management as the reason why their expectations were not met (RAS, Aug/Sep, 2002).

The environment portrayed above, brings to the fore the importance of TQM application in the management of the hotel industry. On the basis of this scenario, the hotel enterprises competitiveness must focus on improving service quality and the search for

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differentiation (claver & Pereira 2006). Although, there has been a plethora of published research, related to TQM in the last decade world wide as established by Sila and Ebrahimpous (2002) very few studies have been conducted on the area of TQM application in Kenya.

The most notable studies in Kenya on TQM are the ones undertaken by, Kiruthu (1996), Oloko (1999), Omufira (2001), Githaiga (2003), Miyumo (2003), Omiti (2003), Mwangi (2004) and Riungu (2006). Kiruthu's study focused on the TQM status in the manufacturing sector, Oloko focused on the obstacles faced in implementing TQM in the banking sector, Omufira on TQM implementation in the construction industry, Githaiga explored the practice of TQM in the Kenyan commercial banks. Miyumo tried to establish the use of change management practices in TQM implementation by ISO 9000 certified firms. Omiti explored the hypothesis that implementing effective TQM programmes improves the operating performance of firms, Mwangi assessed the impact of TQM on stock prices and Riungu highlighted by use of TQM tools the performance gaps between Management and Sweepers in Mombasa Municipal Council.

Similarly, not very many studies have been conducted on the hotel industry in Kenya and to mention but a few we have the study by Chepyegon (1996) that assessed the awareness and attitudes of Kenyan hotel industry's marketing executives toward societal marketing concept. Mittra's study (2001) investigated strategic planning practice in Kenya's hotel and restaurant industry while Mugambi (2003) tried to establish the strategic responses of tourist hotels to the changes in the environment. Mwaura (2001) tried to determine the marketing strategies that Nairobi hotels have put in place as a result of terrorism, Gitonga (2003) investigated the application of Porter's Generic Strategies in the Kenya, Mukewa (2005) sought to determine the extent to which hotels use differentiation strategies and Kariuki (2006) determined the competitive strategies used by five star hotels.

Although internationally, studies have been undertaken on TQM implementation in the hotel industry, no study has been undertaken in Kenya on TQM implementation in the

hotel industry. Some examples of those undertaken are; a case study of processes at Sheraton Brisbane Hotel and Towers undertaken by Saunders and Mary Anne in 1992, An empirical analysis of quality practices and perceptions of Valencian hospitality enterprises undertaken by Camison et al in 1996, a research study on quality issues in New Zealand hotels undertaken by Thomson & Thomson in 1995, and finally, The challenges of implementing quality in the Irish Hotel Industry undertaken by Keating & Harrington in 2003.

In view of the above and considering that tourism is central to the Kenyan economy with the hotel industry which is central to the tourism industry, competing in the International Tourism Market, where service quality is at the core of business, the researcher poses the following questions. Do managers of hotels in Nairobi apply TQM in the management of their hotels? How do they do it? How is doing it related to the operational performance of the hotels?

1.4 Objectives of the Study

The objectives of the project were to:

(i) Determine the extent to which hotels in Nairobi have adapted TQM approach in their operations.

(ii) Establish the relationship between the extent of adoption and the operational performance of these hotels.

1.5   Importance of the Study

1. *Hotel Managers:* The study is expected to highlight important quality issues, which hotel managers overlook in their day to day running of the hotels. It will also provide them with a tool, which will ensure continuous improvement of their organizations.
2. *Government:* Tourism is the number one foreign exchange earner for Kenya. A country's hotel is one of the key choice factors in the determination of a tourist destination. The government will therefore have an interest as it can channel any form of assistance to this sector with the end result of maximizing the welfare of its citizens as clearly articulated in Kenya Vision 2030 that reads *"A Globally Competitive and Prosperous Nation with a high quality of life for all Kenyans."* Indeed the tourism sector is targeted as one of the growth sectors in the economic pillar.
3. The study will form a basis for interested *scholars and practitioners* to research on and also add to the body of knowledge on TQM.

CHAPTER 2: LITERATURE REVIEW

2.1   Total Quality Management

2.1.1 Quality Defined

In attempting to define TQM, it is imperative that the term quality be defined since TQM is rooted on quality.   According to Besterfield (2003) various authors have defined quality from different aspects.   Crosby (1984) defines quality as conformance to requirements or specifications, while the International Standards Organisation (ISO) (1986) defines it as the total of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. Groocock (1986) combines the two definitions and adds the aspect of cost, thereby defining it as the degree of conformance of all the relevant features and characteristics of the product or service to all aspects of customers need limited by the price and delivery that are accepted.

Juran (1995), on the other hand, defines it as fitness to use with Amitava (1998) extending this issue of fitness further saying that 'The quality of a product or service is the fitness of that product or service for meeting or exceeding its intended use as required by the customers. Slack et al (2001) qualifies this by defining quality as the degree of fit between customer's expectations and their perception of the product.

These definitions lead one to agree with the conclusion reached by Haksever et al (2003) that quality is somewhat difficult to define. To them the problem does not lie in finding definitions since many definitions exist but in making sure that in any particular situation, customers, service providers and suppliers understand each other's definitions.   Most definitions of quality fall short of reflecting all the relevant perspectives.   However, these multiple definitions make us aware of the multiple requirements that must be met to achieve superior quality.

The first category is transcendent approach whereby quality is viewed as innate excellence that can only be recognized through experience. In a nutshell 'you cannot define quality but you know it when you see it.' The second approach is product based,

whereby measurable set of characteristics is used to define quality. For goods the measure may include length of useful life or a mount of desirable output.

The user-based approach is the third category, which defines quality from an individual consumer's perspective. The 'fitness for use' definition of quality is consistent with this approach and it is based on category, an approach whereby quality is viewed as an outcome of engineering and production processes. According to this approach quality is conformance to requirements. The final category is value based which is an approach that incorporates value and price into the definition of quality. Quality from this perspective is defined as a balance between conformance or performance and acceptable price to the customer. All in all, whichever way one defines quality, the most important thing to note is that, quality is ones best assurance of customer allegiance, a company's strongest defense against competition and the only path to sustained growth and profitability (Weich Jr, 1992).

2.1.2 Quality Characteristics

Taking a cue from the problem of finding a definition of quality that encompasses all the perspectives, Garvin (1998) identified a framework of eight attributes or dimensions that help develop a more precise understanding of the concept which Slack et al (2001) refers to as quality characteristics. These dimensions are performance, features, reliability, conformance, durability, serviceability, aesthetics and perceived quality. To Besterfield (2003) these dimensions are somewhat independent, meaning that a product can be excellent in one dimension and average and poor in another. However it is worth noting that very few products excel in all eight dimensions. This therefore gives a basis to the definition of quality given in ISO 9000:2000 which is, the degree to which a set of inherent characteristics fulfils requirements.

2.1.3 Evolution of Quality Management

An analysis of the phases or stages articulated by a number of authors on the evolution of the quality movement, the most prominent ones being Feigenbaum (1983) and Garvin (1998) gives four distinct eras, that is: -

Inspection stage (prior 1930)

In this era, quality was viewed as a problem to be solved, emphasis being on product uniformity. The inspection department was responsible for quality and the method used was inspection, sorting and grading.

Statistical quality control (1930 –1950)

Just like in the earlier phase, quality was viewed as a problem to be solved with emphasis still being on product uniformity. The manufacturing and engineering departments were responsible for quality using statistical tools and techniques to achieve quality. The approach used by quality professionals was troubleshooting and application of statistical methods. William Edwards Deming considered to be one of the founding fathers of the quality movements is credited with the development of the system of statistical quality control.

Quality assurance (1950s)

Quality was still viewed as a problem to be solved in this era, but attacked proactively. The responsibility for quality was widened to include functions other than diverse operations,hence, the main concern was co-ordination where emphasis was on the entire production chain from design to the market. All departments were involved in ensuring quality using programs and systems with quality professionals being responsible for quality measurement, quality planning and program design.

However, top management was peripherally involved in designing, planning and executing quality policies. The works of Joseph Juran, one of the founding fathers, best remembered for project management fits well into this era. Crosby and part of Feigenbaum works would also fit into this era, since Crosby is best known for his work on the cost of quality while Feigenbaum is best remembered for system management.

Strategic quality management (1980s)

The main concern during this era is strategic impact. Quality is viewed as a competitive opportunity with external emphasis, that is, the market and customer needs. The whole organization is responsible for quality with top management exercising strong leadership. Strategic planning, goal setting and mobilization of the organization are the approaches that are used. This is the era that embraces the principles of TQM.

Arnold Feigenbaum, according to Ruth Broaden (1997), is considered by many to be the founding father of TQM. His approach to quality is summarized in three criteria to which managers must commit themselves, that is, strengthening the quality improvement process itself, making sure that quality improvement becomes a habit and managing quality and cost as complimentary objectives. However, Juran, Crosby and Ishakawa also contributed to the body of knowledge, now known as TQM (http://en.wikipedia.org/wiki/TQM).

2.1.4 TQM Defined

In defining TQM, authors have taken different approaches giving credence to Heady & Smith's conclusion in 1995 that TQM is not a single unified entity and while it is widely practiced, there is little agreement on what it actually means. Two approaches emerge when one analyses the definitions given by various authors on TQM with one approach using the customer perspective while the other approach focuses on the organization.

On the customer perspective, we have Berry (1990) defining TQM as building a total customer focused management and supporting culture that has as its driving force meeting customers' needs the first time and each time. Juran (1995) approaching it from the same perspective and at the same time adding a commercial aspect, defines TQM as a system of activities directed at achieving delighted customers, empowered employees, higher revenues and lower costs. TQM therefore represents an integrative approach to pursuing customer satisfaction.

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From the organization perspective, we have Oakland (2000) describing TQM as a comprehensive approach to improving the competitiveness, effectiveness and flexibility through planning, organizing and understanding each activity and involving each individual at each level. To him, TQM recognizes that for an organization to be truly effective, each of its parts must work smoothly with the other parts because every person and every activity affects and in turn is affected by others.

To Kotler (2000) who belongs to the same school of thought, TQM is an organization wide approach to continuously improve quality of all organizational processes, products and services geared towards attaining the best quality products and services by an organization. Tan (1997) taking the same perspective defines TQM as a 'team approach strategy that integrates and encompasses the goals of the organization with its human capital and financial resources.

It is Chase et al (2001) who in his definition of TQM tied the two approaches together stating that 'the term Total Quality Management (TQM) has been coined to describe a philosophy that makes quality values the driving force behind leadership, design, planning and improvement initiatives.' He argues that TQM is an integral system of principles, methods and best practices that provide a framework for organizations to strife for excellence in everything they do. ISO combines all of them and broadens it with the aspect of wider society defining it as a management approach of an organization centered on quality, based on participation of all its members and aiming at long-term success through customer satisfaction and benefits to all members of the organization and society.

Simplifying it further, Besterfield (2003) states that TQM is for most part common knowledge for in analyzing the three words we have: - Total, which is made up of the whole, while Quality is the degree of excellence a product or service provides. Management is the act, art or manner of handling, controlling, directing, etc. TQM is therefore the art of managing the whole to achieve excellence.

Based on these definitions, TQM can then be defined as a business management philosophy with guiding principles that represent the foundation of a continuously improving organization, which recognizes the customer needs and business goals as inseparable. It is the application of quantitative methods and human resources to improve all the processes within an organization and exceed customer needs now and in the future. Evidently then TQM revolves around three themes and these are the customer, process and the people.

2.1.5 Principles of TQM

The basic principle of TQM is that any product or service can be improved and that a successful organisation always seeks out improvement opportunities (Elshennawy & McCarthy (1992). Dahlgaard (1999), on the other hand, states that whichever approach people take in defining TQM, the major part of the frequently discussed TQM literature provides a common set of principles or concepts and practices considered to be essential elements in TQM implementation. These have further been reaffirmed by the findings of Sila and Ebrahimpous in their investigation of the total quality management survey based research published between 1989 and 2000 undertaken in 2002.

These practices or essential elements include committed management leadership considered to be one of the prerequisites for successful TQM implementation. Senior leadership must create clear quality values, policies and strategies and high expectations, which would be reflected in the policy, budgets and management decisions. Focus on the customer is another element, which is the first and foremost principle of TQM. Under this philosophy, the customer has been the corner stone of the different facets of the service delivery system and customer orientation is seen as a strategic adjustment to its dynamic environment in order for the organization to gain competitive advantage (Yasin et al 1995). It is key to an effective TQM program with emphasis on the customer-supplier relationship, that is, internally and externally.

Internal customers are members of the organization who rely on the individual next along the quality chain for inputs to get this work done. Sometimes people can be so

interconnected that they are mutually dependent, that is, each is the others customer. On the other hand, External customers are the consumers of the final product or service and TQM requires that all employees who deal with them to be committed to satisfying their needs. Being customer focused entails listening to customers, understanding possible ways of satisfying their wishes, appreciating situations through their eyes in order to anticipate their needs and finally providing the appropriate response. It means meeting and exceeding customer requirements and expectations from the onset to end every time.

Focus on customers is achieved through a set of principles, the first one being training, education and communication. These are useful tools in making employees aware of the importance of quality, principles of process improvement and the realities of changing markets and circumstances of their organization and the definition of their role. According to Oakland (2000) any quality programme will succeed after everyone in the organization undergoes a complete change of mindset.

Since quality is a team sport, effective and utilization of the entire workforce is critical and therefore TQM succeeds only when it is embraced by the whole organization, thus, employee empowerment and involvement in quality improvement at every level is another vital principle. Numerous parts of the company and its suppliers must be involved to achieve the common goal of providing the external customer with high-perceived quality. Consequently, a great deal of co-ordination and communication are necessary to achieve maximum effectiveness of these resources as a result of focus on quality. This is reinforced by reward and recognition systems, which re-emphasize the achievement of quality objectives.

TQM is best understood as a journey with no particular end; however, there is a direction to this journey, which is towards customer satisfaction. The reason why there is no end to the journey is that needs and expectations of customers are constantly changing and competition is pushing standards to higher levels. Thus Benchmarking and Just in Time (JIT) delivery are at the heart of a TQM programme.

According to Imeu, Heizer and Render,(1996) work for every person comprises of two parts, that is, continuation and improvement. People must know what they are supposed to de doing and follow these standards and agreements. The second half of doing everybody's job is improvement. This means finding a better way of doing the job and raising the standard. The Japanese use the word Kaizen (Heizer and Render, 1996) to describe the on-going process of unending improvement, that is, the setting and achieving of ever-higher goals.

TQM also recognizes that product quality is the result of process quality; therefore, a focus on processes is another element of TQM implementation. A process is a combination of people, machines, equipment, raw materials, methods and environment that produce a given product or service. The outputs are aimed at satisfying customer needs and expectations in form of products, information, services or general results. One of the primary objectives of TQM is to develop and instill into an organization, processes in which individuals or groups will do the right thing the first time. As a result, there is a focus on continuous improvement of the company's processes.

The complexity of most of the processes, which are operated in industry, commerce and the services, place them beyond the control of any one individual. The only way to tackle problems concerning such processes is through some form of teamwork. When properly managed, teams improve the process of problem solving, producing results quickly and economically. Teamwork throughout an organization is an essential component of the implementation of TQM for it builds trust, improves communication and develops interdependence.

According to Schonberg (1992), improving a product or service means going through successive cycles of measuring, controlling for consistency and consequently improving the process. This means that the use of appropriate tools and techniques is fundamental in TQM implementation as well as regular reviewing of the same. Some of the tools that are used are flow charts, which describe an existing process and/design a

new process, and benchmarks, which compare processes against those of recognised industry leaders to identify opportunities for quality improvement. Finally, there is monitoring and quality control, which means goal setting, measurement and feedback for all aspects of the business. This is important to ensure that the work being undertaken conforms to standards and to reveal areas in which improvement can be made.

2.1.6 Implementation of a TQM Programme

The implementation of a TQM programme is a process that entails the following steps as articulated sequentially by Oakland (2000) and Besterfield (2003). The process starts with an understanding and commitment to quality by Senior Management, which is the foundation of the whole TQM structure. Understanding is the seed, which must be translated to commitment. This is demonstrated by development of a total quality policy with a translated mission statement, followed by, the development and implementation of an implementation plan and establishment of a quality organization structure, which means establishing a quality council.

The quality council is the driver of the TQM engine normally composed of the chief executive officer and senior managers of functional areas. Once the quality management systems are put in place, then the programme is communicated to the whole organization. Surveys are conducted on customers, employees with the information from these surveys forming the basis for quality improvement projects. Process quality teams or quality circles implement these projects, which are monitored, reviewed and adjusted as necessary.

2.1.7 Assessment of TQM Implementation

Quality certification provides a focused structure for organisations to assess their own quality management and improvement efforts. The best known of these are the Deming prize used in Japan, the Malcolm Baldridge National Quality Awards (MBNQA) used by USA and in Europe, the European Quality Award (EFQA) (Hakserver et al (2003) both referred to by Sila and Ebrahimpous (2002) as performance excellence or best practice models. The criteria used for these awards basically reflect the principles of TQM. A good example is the MBNQA acknowledged by several scholars such as Juran (1995) Lakhe et al (1995) as representing TQM practices, whose criteria framework covers leadership, customers & market focus, strategic planning, human resource focus, process management and business results.

This explains the rationale behind the usage by many TQM researchers as frameworks for analysis and questionnaire development (Sila & Ebrahimpous 2002). In addition, companies and their suppliers are increasingly seeking to be ISO 9000 standards certified. ISO 9000 standards are internationally recognised and certification demands that all of an organisation's processes and elements that affect quality are identified, documented and functioning effectively according to requirement determined by the organisation and ISO 9000. It is not a one-time exercise but does require the organisation to ensure that it continually meets its documented quality requirements.

To put ISO standards in context, certification is not an end in itself rather it is an important element in a total quality process. This was further reaffirmed by Sila and Ebrahimpous (2002) whose findings were that most of the survey articles published in the area of TQM considered ISO certification to be an integral part of TQM concluding that in general, ISO certification has been considered as a phase that companies need to reach before they move to become TQM companies.

2.1.8 TQM and Organisation Performance

There are two schools of thought as regards benefits accrued from adoption of a TQM culture. A majority of scholars argue that it adds value with a few of them casting doubt on this claim. Berry (1990) taking the position of the first school states that the principle advantages and benefits of TQM are improved profitability and competitiveness, improved organisation effectiveness and improved customer satisfaction, participation, teamwork, working relationships, customer satisfaction, employee satisfaction, productivity and market share.

Helen (1995), while agreeing with Berry and Oakland broadens this concept stating that the reason for developing and delivering a quality service is based on the fact that organisations with a reputation for consistently high quality can sustain an enviable competitive advantage in the service market place. The other reason is that quality is "free" – that is, to say getting it right first time costs far less than providing remedies when services fail to meet the customer's required standard. Finally, better quality services can attract premium prices and consumers are ready to pay a higher price for services that fulfil all their expectation criteria. Each of the reasons given above for putting quality first can have a direct impact on profitability, image and customer or user satisfaction.

The position taken by these authors was validated by studies undertaken by a number of researchers on firms that have implemented TQM programmes. In 1996 Easton and Jarrel undertook one of the most extensive studies on the impact of TQM on corporate performance. A sample of 108 firms, which began serious efforts to implement TQM between 1981 and 1991, was studied. The findings led them to conclude that, performance measured by profit margin, return on assets, asset use efficiency and excess stock returns, improved for the sample of firms that adopted TQM. Studies by Hedricks and Shinghal (1997) also found out that TQM award winners averaged a 44% higher stock price return, 48% higher growth in operating income and 37% higher growth in sales. A more recent study by Yasin et al (2004) on TQM practices in service

organizations covering 353-service organization in nine industries supported the strategic and operational benefits of TQM. The study established that market share for most industries improved by 63.83% to 100% with competitive position improving by 76.19% to 100%.

This positive impact of TQM implementation on operations performance was further reaffirmed by Claver et al in the study of two hotels located in Spain whose aim was to establish the impact of a quality programme on hotel performance, undertaken in 2006. The study established that sales increased and competitive position had been achieved as a result of implementing a quality management system. The findings in the two studies are consistent with studies reported in the literature which link market share increase with TQM efforts (Choi and Eboch 1998).

Stark (1998), taking the position of the latter school, creates doubt on these benefits stating that surveys by consulting firms have found that only 20-30% of companies that have undertaken TQM have achieved either significant improvements in quality, productivity, competitiveness or financial return. This is given credence by Slack et al (2001) from a report in the economist magazine reporting on some company's disillusionment with their TQM experiences quoted from several surveys. An example being *those quality programmes that have been in place for more than two years, two thirds simply grind to a halt because of their failure to produce hoped for results.'*

On the other hand studies undertaken closer home on TQM implementation by Omiti (2003) Mwangi (2004) to a greater extent reaffirm the position taken by most of the authors that TQM adds value to an organization. The findings by Omiti (2003) in her study led her to conclude on the financial performance of firms in Kenya with effective TQM programs that *'Overall the results provide strong evidence that firms that have effectively implemented TQM programmes out perform the control group on operating income-based measures.'* The return on equity for the experimental group was 18.28% against -10% for the control group while the mean return on assets employed for five years after TQM implementation was 8.06% against 1.23% respectively.

The study by Mwangi (2004) on the stock price performance of firms with effective TQM programs in Kenya however had mixed findings. The Fast Moving Consumers industries were found to be responsive to TQM programs with East African Breweries Limited (EABL) having the most significant impact with stock prices averaging a price of KSh 33.5 before TQM implementation to an average price of KSh 275 after implementation. The other sectors did not show any significant responses in stock price to TQM programs that is, rubber processing, petroleum, banking and cement processing industries.

2.3   Quality in the Hotel Industry

Erto and Vanacore (2002) refer to the hotel as a system whose vital aim is to satisfy and hopefully delight the customer, which means that quality service is at the centre of all operations. It is referred to as a system because the customer judges not only the service being provided but also the way it is delivered. The service system is therefore an integration of all components involving a large number of white-collar employees working to serve the various needs of the customers. The system has therefore two subsystems referred to by Yasin and Zimmerer (1995) as: -

Operation subsystem – This subsystem represents the back office operations and activities of the organisation. Such operations are not usually observed directly by the customer. To a large extent, this subsystem resembles a manufacturing operation system as it has the same operation features and concerns. It is responsible for efficient delivery of all operational tasks and therefore it is process-driven and efficiency based. The kitchen and administration in a hotel would be the best representative of this system.

Service subsystem – This is the side of the operations system that interacts directly with the customer. It is the system that provides communication between service provider and consumer. The consumer is very much concerned with how the service subsystem is performing; therefore this subsystem is outcome driven and customer

focused. Thus, perceived consistency and quality of service are significant and therefore consistent delivery of quality service by all staff all the times is critical to the performance of a hotel. As such, efforts aimed at improving service quality should focus on both front and back operational levels.

With tourism, being a globalised sector, hotels have to compete in international destinations that result in increased international competition not only between destinations but also between hotel establishments. On the other hand the tourists are increasingly demanding since they have increased choice and can obtain greater value for money resulting in them shifting their loyalties among companies in anticipation of continuing improvements in product and service quality (Harrington and Lenehan 1998).

The potential to create competitive advantage through the hotels physical property is limited by the shortly diminishing marginal benefit of continually upgrading properties and the unwillingness of customers to pay the higher prices entailed in such upgrades in physical facilities. Within this scenario, the hotel enterprise competitiveness must focus on improving performance through better service quality and the search for differentiation (Claver et al 2006). Thus, one of the major ways to differentiate a hotel is to consistently offer higher service quality service than competitors.

Elaborating this, further Keating and Harrington (2003) state that customer service through trained and motivated staff, consistency of service and competency of management, is often the only area in which a hotels product can be clearly differentiated from it's major competitors. Thus greater competitiveness has made quality become a key factor for hospitality companies and this reality has led many organisations to develop quality management systems. Consequently, from 1986 the hotel sector has shown concern for product and service quality because it has an impact on performance and competitiveness (Johns 1995). The quality aspects of hotel services may include: - provision of appropriate reservation facilities, availability of food and services and availability of other services like laundry, telephone services and inter-net.

2.3.1 Service Quality

Service Quality incorporates the concepts of meeting and exceeding the expectations of the customer and is designed from the field of marketing which values the human interaction between a business and its customers (Anthony et al 2004). Thus, service quality is the extent to which a service meets customer's needs or expectations (Lewis and Mitchell, 1990) and hence the difference between customer expectations of service and perceived service. If expectations are greater than performance, then perceived quality is less than satisfactory leading to customer dissatisfaction. Knowles (1998) in an effort to define quality in services states that the notion of quality in the service industry is largely tied to the understanding of the service phenomenon. The service phenomenon itself is best understood from a differentiation perspective, that is, the aspects, which differentiate service and manufacturing industries.

The major distinctions or characteristics that differentiate services from manufactured goods as articulated by a number of researchers (Saunders et al 1992 Lakhe et al 2004) commonly referred to, as attributes of services are first and foremost the intangibility and in separability nature of the product. The service product is produced and consumed simultaneously, making it difficult to place quantifiable terms on the features that contribute to the quality of the product. The intangibility nature of the product gives credence to Lakhe et al (1995) proposition that, the traditional definition of quality as conformance to standards is usually not applicable to services, since there are often no specified standards and even if they are specified they are difficult to measure. It is difficult to measure because of its subjective nature. Customers cannot evaluate service prior to consumption and during consumption. Therefore, the challenge lies mostly in managing appearances and perceptions (Harvey 1998).

Services are also perishable since they cannot be stored as inventories for future use and they have to be produced on demand. This means that time is an important feature, which will affect its quality whereas, in manufacturing, it is rarely regarded as a

feature of goods. There is also variability in the service product. This arises from the participation of the consumer in the production, thereby introducing an unknown and unpredictable influence on the process. The customer also adds uncertainty to the process because it is often difficult to determine the exact requirements of the customer and what they regard as an acceptable standard or service. This problem is magnified by the fact that, standards are often judgmental, based on personal preferences or even mood rather than technical performance of manufactured goods that can be measured (King 1985).

Thus, the outcome of the service depends on the interaction between the customer and the provider of the service and on the customer's perception of it. In this respect, then, service quality, which always involves the customer as part of a transaction will therefore be a balance: the balance between the expectations that the customer had and their perceptions of the service received (Saunders et al 1992). A high quality service, therefore, is one where the customer's perceptions meet or exceed their expectations.

However, regardless of the type of service offered, service quality is always a combination of two major factors, that is, service procedures and service conviviality (Mullins 2001). Procedural service dimensions measure the technical systems involved in getting products and service to the customer comprising seven major components, that is, service flow, timeliness, accommodation, anticipation, communication, customer feedback and supervision. Convivial dimensions of service reflect the server's ability to relate to customers as people to establish rapport and to recognise their needs as human beings. Notable components of this are attitude, body language, tact, attentiveness, guidance and problem solving.

2.3.2 Service Quality Characteristics
Ray (1994) articulates some of the important characteristics of the service product, which are vital to its quality the first one being response to service calls. Time is of essence in any service activity and it has been referred to by a number of authors as an

important component in the quality of service (Saunders et al 1992). It is a feature of service to be given high priority because the service has to be produced on demand and the interval in provision is an element of the actual product. A service function sets their own standards for service response and provides the most accurate means possible for calculating the costs associated with their function. This information gives the means for monitoring and improving servicing standards.

The service giver is perhaps the only representative of the company the customer sees, therefore his/her behaviour is of essence to service quality of the institution. The image portrayed by this officer and the way in which he or she behaves is therefore a quality characteristic in the eye of the customer. This includes among other things cleanliness of self, tools, communication suggestions and working methods.

Existence of good support systems that include updating of training regularly, proper communication, staff maintenance systems like welfare, thus management of the institution in totality is vital in service quality and therefore a quality service characteristic. Feedback is critical in every operation hence a system for feed back has to be developed for measuring quality of service. Customers have a level of expectation before any service. Their perception results from comparison between their prior expectation and their experience of the service actually provided. The whole service process as well as its result, is of key importance to the customer and thus the customer is critical in the provision of quality service.

2.3.3 Determinants of Service Quality

A focus group research with a sample of more than 1900 customers undertaken by Zeithmal et al in1990 identified ten criteria used by consumers in evaluating service quality, which can be used as the basis for measuring service performance. These are reliability (dependable, accurate performance), responsiveness (promptness and helpfulness), competence, courtesy, credibility, good communication, understanding the customer (empathy) and tangibles (appearance of physical elements).

Negi (2002) also identified ten factors that determine service quality in a hotel, which has similarities to the ten dimensions, given by Zeithmal et al (1990) and these are accessibility of the hotel, communication which means describing the service accurately in the guests' language. The other dimensions are, competent, courteous, credible and responsive employees, reliable service meaning secure service, service tangibles that project correctly the service quality, understanding of guests' needs and provision of individualised attention.

In subsequent research, Zeithmal et al (1990) found a high degree of correlation between several of these variables and consolidated them into five broad dimensions. These are reliability, responsiveness, assurance, empathy and tangibles, commonly referred to as generic dimensions (Njoroge, 2003). The study by Zeithmal et al (1990) went further to rank them in terms of importance to customers with reliability topping the list followed by responsiveness, assurance, empathy and tangibles.

However, Anthony et al in their study titled 'Evaluating Service Quality in Nine UK Hotel Chains' undertaken in 2004 challenged this ranking. In the study an analysis of dimensions most important to guests found that responsiveness was perceived to be the most important dimension as opposed to reliability, which was found to be second most important. The least important dimension was considered to be empathy not tangibles. Based on the two findings then, a service business needs to identify specific attributes that are important and the degree to which they are important in satisfying its customers as a basis for designing its product for greater customer satisfaction.

These five dimensions, also referred to by Saunders et al (1992) as components of perceived service quality, can also be applied to hotels in the delivery of quality service in the following perspective: - For reliability, this would be as it relates to availability of accommodation or a table in a restaurant at the time a customer was told it would be available, while responsiveness would aris when employees correct problems immediately or when they show a willingness to answer customer questions.

Assurance would be as it relates to such things as employees demonstrating their knowledge/ competence, being polite, friendly and offering guarantee for satisfaction. Assurance would bes the ability to convey trust and confidence. As regards tangibles, this can be applied in terms of cleanliness of rooms, personal hygiene of employees and the ease with which a bill can be understood. Finally, empathy would be demonstrated by how approachable employees are, in talking to customers in a language they can understand and making an effort to understand the needs of a customer.

However, it should be noted that these measures can only be obtained after the service is delivered and that's why Saunders et al (1992) refers to them as external measures. They define what the customer is expecting hence the targets that must be aimed for. Internal measures are, therefore, needed to guide on the way to deliver what the customer expects. More importantly, they are means of giving an indication before delivery that the service will exceed the customer's expectations.

To this end, Zimmerman & Knell (1988) gave a framework of four service quality standard categories starting with timeliness, which can be separated into three types, that is, access time, quality time and action time. The second one is integrity, which really refers to the completeness of services. Predictability is the third, category and it refers to the consistence of the service. Finally, there is customer satisfaction, which is designed to provide the targets for success.

2.3.4 Measurement of Service Quality

At its simplest form, service quality is a measure of how well the service level delivered matches customer expectations, which Christopher et al (1997) qualifies to be the ability of the organization to meet or exceed customer expectations. In this context customer's expectations may therefore be defined as the desires or wants of customers, that is, what they feel a service provider should offer rather than would offer. That is, service quality is measured in terms of the extent to which performance as perceived by the customer meets or exceeds levels of expected services. It is therefore a customer's

perception of performance that counts rather than the reality of performance, thus total quality service dimensions can be good predictors of service quality and issues such as customer focus, service culture, employee satisfaction and top management commitment seems to be vital in influencing customers perceived service quality (Sureshchandar et al 2002)

In a hotel, guests' expectations are formed by their past experiences, word of mouth and hotel advertising (Negi 2002). Guests choose hotels on this basis and after receiving the service they compare the perceived service with the expected service. If the perceived service falls below the expected service, guests loose interest in the hotel. On the other hand, if the perceived service meets or exceeds their expectations, they are apt to use the hotel again. It is, therefore, imperative for a hotel that is aspiring to compete on quality service that the areas that need improvement in its operations be identified. Identifying what should be improved requires tapping the customers' satisfaction with the service process as well as the outcome of that process (Negi 2002).

This calls for a proper understanding and measurement of customer expectations and from the customer's perspective an identification of any gaps in service quality (Chase et al (2001). The size of the gap indicates where improvement should be made, thereby facilitating in the establishment of clear standards for service delivery. One of the most frequently used methods in measuring service quality is the gaps model with its servqual instrument.

The gaps model developed by Gronroos in 1982 and later refined by Zeithmal et al in 1985 is based on the five service quality dimension, that is tangibles, reliability, responsiveness, assurance and empathy. It conceptualizes customer's expectations in respect to the five dimensions and their perception of what was actually delivered. From this perspective, service quality is therefore the degree of discrepancy between customer's normative expectations for their service and their perception of service performance and this is what constitutes a gap.

The Servqual instrument, on the other hand, is a scale of 22 questions or statements that is used to measure the gaps or rather the performance across the five service quality dimensions using a five point Likert Scale. The questionnaire consists of 22 expectation and matching perception questions relating to the five statistically derived dimensions of service quality. Customers fill the questionnaire by scoring each item on a 1 to 5 from strongly disagree to strongly agree. Thus, if a customer assigns a 5 to expectation and 3 to perception, then the gap score is -2. Zeithmal et al (1990) argues that with minor modification, the Serviqual instrument can be adapted to any service organization. Indeed Njoroge (2003) used successfully the Servqual instrument in measuring customer's perception of service quality at Kenya Power and Lighting Company Limited.

2.3.5 Indicators of TQM Implementation

The hotel like any other service industry has to contend with an intangible product, which means that it is difficult to place quantifiable terms on the features that contribute to the quality of the product, (Saunders et al 1992). This means that it is difficult to set standards for service quality, to conform to them and to measure them due to the subjective nature of service quality. Based on this scenario the question, which comes to mind then, is which indicators can lead to the conclusion that a hotel has embraced TQM practices.

In an effort to address this problem Blanding (1991) listed ten elements of TQM service system, which can be converted to be indicators of a service organisation like a hotel that has embraced total quality management. These elements are the amount of resources committed to customer service whose measure can be a percentage of finances committed to training on customer care, measurable and practical customer service standards, ongoing service monitoring, a self correcting stance by management. The others are policies that streamline rather than complicate customer service, an organisation in which service goals have priority over efficiency, view of customer

service as a system, customer-oriented, state of the art technology, trained personnel and internal corporate culture.

2.3.6 Performance Measurements for Hotels

Business performance can be broadly judged by several attributes such as profitability, growth, market share, company image and repeat business due to customer's loyalty (Anthony et al 2004). These attributes also apply to a hotel as indicted by Mullins (2001) since service quality is linked to customer's satisfaction and customer loyalty. Hesket et al (1994) considered customer satisfaction as behaviour for increasing the profits and growth of the business. A satisfied customer will be loyal to the company and this loyalty is measured through customer's retention, which eventually is a measure of business performance.

Key indictors of a hotel which is performing well would be, percentage of repeat customers the hotel gets on the assumption that customers will not return to a place they are not satisfied, with increasing sales being an indication of satisfied customers while decreasing sales are a sign of problems. Occupancy rate is another key indicator of how well a hotel is doing in terms of market share, while on the financial side cash flow and accounting ratios also give a good indication of financial performance. Staff appraisals, absenteeism and turnover reflect employees' satisfaction or dissatisfaction with the employer. Finally, recommendations or commendations, for example, star ratings, awards and guidebooks, are an important measure of the level a hotel is placed within the industry.

2.3.7 Quality Standards for Hotels

In an effort to differentiate the level of services to be expected from each hotel, a number of countries have devised some form of rating system, normally referred to as a hotel grading system. The system, which entails categorization of hotels according to their facilities and services to be provided, is aimed at assisting both the travel industry and the traveler. Most schemes have five star ratings from a simple hotel at the bottom category to a luxury hotel at the top.

Star classification is essentially a guide to the type of hotel, indicating the character of the accommodation and service standards it sets out to provide. It is based on a minimum requirement for each star rating level. Britain has three main accreditation agencies, Royal Automobile Club (RAC), Automobile Association (AA) and English Tourist Council (ETC). The three have been working together to provide Harmonized Quality Standards and have agreed on a common set of rating requirements and inspection criteria. This criterion takes the requirements of the guest as their basis (Mullins, 2001) of rating. Just like most rating systems, it takes into account the level of general cleanliness the comfort and degree of style and quality of furnishings and décor throughout the establishment, the level of service and hospitality displayed by owners and staff, the friendliness of the atmosphere and the quality of meals.

In this aspect of rating, Kenya has emulated the rest of the world by coming up with Regulation No. 2 of The Hotels and Restaurants (Classification of Hotels and Restaurants) Regulation 1988 that has established classification of hotels based on set standards. The regulation classifies vocation hotels, town hotels and lodges into five classes denoted by stars from one star being just better than average to five stars standing for the best hotels in the country.

This classification is carried out in the manner prescribed by the Hotels and Restaurants authority published in the Legal Notice No. 330 of February 16, 2001 of the Hotels and Restaurants Act (Cap 494. The summary of the essential items considered while granting the classification is shown in Appendix IV (i) with Appendix IV (ii) being the criteria used to determine the rating for a specific star category. It is worth noting that the criteria used for ratings are all based on tangible elements, that is, physical facilities and equipment and therefore does not seem to embrace the attributes that define the customer as King, as reflected in the Harmonised Standards of Britain.

2.3.8 Status of TQM Implementation in the Hotel Industry

Acceptance of quality management techniques by managers in the hospitality industry has been low as a result of having viewed quality as intangible and therefore difficult to measure for many years (Luchars and Hinkin 1996). This however changed from the 1980's when management in the hotel sector started to show a concern for product and service quality (Johns 1995). Hotels that depict this change are Scoffs Hotels limited a Canadian chain acclaimed to be a pioneer in the application of TQM from 1989 (Camison et al 1996) and the concession of the MBCNQA award to Ritz Carlton hotel company in 1992.

This change is further depicted through the studies that have been undertaken in the field of quality practices in the hotel industry internationally, which lead to the conclusion that TQM is being implemented in hotels. Some of these studies to mention but a few are, the Case Study of Processes at Sheraton Brisbane Hotel and Towers by Saunders in 1992, a research Study by Thomson & Thomson on Quality Issues in Nine New Zealand Hotels in 1995, a case study by Anthony, Anthony and Gosh titled, 'Evaluating service quality in a UK hotel chain' and finally a research on the Challenges of Implementing Quality in the Irish Hotel Industry, undertaken by Keating and Harrington in 2003.

However, implementation of TQM in the hotel industry is still lagging behind other sectors as concluded by Sila and Ebrahimous (2002) having reviewed TQM surveys published between 1989 and 2000. Furthermore, the low number of hotels winning internationally acclaimed awards for example MBQA and EFQM is also a good indicator of the low level of TQM implementation in the hotel industry. It is a fact that Ritz Carlton Hotel was the first hotel in the world to win the MBQA in 1992 and 1999, setting it up as the first hotel company in the world to be worthy of such a prestigious award as acclaimed by Camison et al (1996) and by 2002, it was the only one to have won the honour (Sila and Ebrahimpour 2002) Schindieshaff Hotel in Nuremberg was also the first hotel to become an EFQM award winner in 1998 followed by the Hotel Arts in Barcelona in 2002 (Keating and Harrington 2003).

Implementation of TQM in hotels in Kenya can also be assumed to be low if one takes into account that none of the 134 companies ISO 9000-2000 certified in Kenya, is from the hospitality industry and therefore no hotel in Kenya is ISO certified. (Kenya Bureau of Standards, Bureu Veritas and SGS 2006) This notwithstanding it seems that Serena Hotels and Norfolk Hotel must be implementing a quality system since they have been listed in the Directory of the Leading Hotels of the World (The leading hotels of the World Directory, 2006).

The mission for the members of the Leading Hotels of the World is commitment to quality and therefore being in the directory of members is an indication that the hotel is adhering to set service quality standards, thereby focusing on the customer satisfaction, which is the cornerstone of TQM. Paul M. McManus, president and chief executive officer of The Leading Hotels of the World, Ltd. commenting on the member's commitment to quality, clarifies that guests to hotels with the brand name of Leading Hotels of the World currently numbering 430 luxury hotels, are looking for unobtrusive delivery of great service. According to him the guests are too smart, too sophisticated, too successful to settle for anything less.

The track record of the hotels in this category proves that they consistently meet and often exceed the guest's highest expectations. (The Leading Hotels of the World 2006 Directory). Finally the fact that, Serena Group of Hotels has been voted the most respected company in East Africa in the hotels and tourism industry category for the last two years is a good indication that quality practices are central in the management of Serena hotels.

2.3.9 Studies Undertaken on the Subject of Total Quality Management

A literature review of total Quality Management Survey based research published between 1989 and 2000 undertaken by Sila and Ebrahimpour in 2002 first revealed that between1970 and 1993 only twenty nine (29) field studies had been undertaken in the area of TQM. A majority of these were case studies but survey studies started to pickup

from 1989. In their review of all journals published in English globally, they identified a total of 347 TQM Survey Studies, which is therefore an indication that TQM has been studied widely.

A further analysis of the articles revealed that where as TQM has been researched on widely in North America, Europe, Australia and Asia, information was lacking about the nature and stage of TQM implementation in other regions of the world including South America, Africa and Middle East where only three studies were found in each region.An examination of the companies targeted by the studies reviewed by Sila and Ebrahimpour also indicated that manufacturing companies had been surveyed to a greater extent in the area of TQM than services. They therefore recommended that further studies be undertaken in the service sector.

A further analysis of the service sector by the two researchers also revealed that TQM studies on the hospitality industry; especially those on hotels were very few and mostly involved the use of case studies. They also postulated that quality management research in hospitality industry in particular has taken a less holistic approach to TQM, mostly focusing on the Human Resource Management aspect of TQM. Consequently they recommended that more holistic TQM survey studies be undertaken within the context of Tourism and hospitality.

2.3.10 Studies Undertaken in Kenya on the Subject of Total Quality Management

There are a number of studies that have focused on implementation of Total Quality Management in various industries; however, none of them has focused on the hotel industry. Some of these studies are:

Omufira (2001) tried to establish the extent of TQM implementation in the construction industry. Members of the construction industry were studied covering architects, quantity surveyors, consulting engineers, contractors and construction workers. The

findings were that some members of the construction industry had heard about the TQM ideology and a number of them actually were implementing the programme.

Omiti (2003) – Explored the hypothesis that implementing effective TQM programmes improves the operating performance of firms. ISO certification was used as a proxy for an effective implementation of TQM programmes. Means of various performance measures of ten (10) ISO certified firms were compared against a sample of control firms. The findings were that firms with effective TQM programmes show significant improvement in performance as compared to the control firms on operating income based measures and sales measures.

Githaiga (2003) sought to explore the practice of TQM in the Kenyan commercial banking sector. The study examined the practice of TQM by forty eight (48) commercial banks based in Nairobi by analysing a number of principles relevant to TQM. Information derived from the research exercise, indicate that quality is an important competitive tool in the banking sector.

Miyumo (2003) sought to establish the extent to which change management practices are utilised during TQM implementation among ISO 9000 certified firms in Kenya. Data was collected from sixty ISO certified firms in Kenya and the study established that implementation of TQM is a change process that results in significant changes in organisational structure, culture and processes. The study also established that change management concepts are very much applied by Kenyan firms during TQM implementation.

Mwangi (2004) assessed the impact of TQM on stock prices in responsive sectors of specific companies listed at the Nairobi Stock Exchange (NSE). The sectors studied were fast moving consumer goods, petroleum, rubber, processing, media and publishing and cement processing. The findings were that the implementation of TQM programme has impacted positively on two sectors, namely, Fast Moving Consumer

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Goods and Media & Publishing, which have seen their stock prices surge after implementation of TQM programs.

Riungu (2006) tried to highlight by use of TQM tools the performance gaps between the Management and Sweepers at Mombasa Municipal Council. The Study clearly showed an urgent need for incorporation of quality tools in the day-to-day operations of Mombasa County Council.

2.3.11 Studies Undertaken in the Hotel Industry in Kenya

Very few studies that have been undertaken in the hotel industry in Kenya and none of them have focused on TQM implementation in the sector. The studies undertaken are summarised here below: -

Chepyegon (1996) assessed the awareness and attitudes of Kenya Hotel industry's marketing executives towards the societal marketing concept. The study was a consequence of the stiff competition that the hotel industry in Kenya was facing from other African countries and the existing conflicts with the Kenyan public due to moral decay, spread of diseases, child prostitution by tourists and neglected social services. His study revealed that marketing executives were indeed aware of the societal marketing concept and that majority of them had a positive attitude. Moreover, the hotel industry sought to secure the long-run survival by achieving a balance between its profit-making objective for shareholders and its social responsibility to its employees, consumers and the society at large.

Inspired by the fact that many hotels were facing liquidity problems at the time, Mittra in 2001 conducted a study to investigate whether strategic planning was practiced in Kenya's hotel and restaurant industry. Her research considered all hotels and restaurants in Nairobi. With a response rate of 52%, she found out that a significant proportion of hotels and restaurants had mission statements, set objectives, developed plans, held formal meetings, had timetables for the preparation of plans and also clear

cut responsibilities for planning. Consequently, leading her to conclude that,Strategic Planning was indeed practiced in the hotel and restaurant industry.

Gitonga (2003) sought to investigate the application of Porter's Generic Strategies in the hospitality establishments in Kenya. He considered eighty (80) hospitality establishments in Nairobi as the population from which he selected a sample of thirty-five (35) establishments, which was taken by stratifying the population of study into three (3) star, four (4) star and five (5) star hotels. His study concluded that there was a general application of the generic strategies as propounded by Porter. The study also established that the most profound factors that influenced the application of Porter's Generic strategies in the hotels were, competition, customer tastes and preference and the type of venture.

Mugambi (2003) studied the strategic responses of tourist Hotels in Nairobi to the environment. The study was guided by three objectives; first, to find out the changes in the environment which have affected tourist hotels, secondly, to determine the strategic responses that have been applied by tourist hotels to those changes, and finally, to establish the constraints that these hotels have faced as they respond to those changes.

The findings were that, the travel advisories issued to citizens of Britain and Europe had heavily hit tourist hotels. In order to respond to such changes, the study established that, hotels were using strategies like shrinking selectively, restructuring, marketing and cost management. He also established that some of the major constraints hotels faced as they responded to these changes were lack of finances and rigid government policies. Consequently he recommended to hotels that, in order to succeed, understanding of environmental changes was critical to enable crafting of the right strategies that would help the hotels overcome the constraints facing them.

Mwaura (2003) tried to determine the marketing strategies that Nairobi hotels have put in place as a result of terrorism. Data was collected from five-star hotels in Nairobi. The

findings were that the different strategies were divergent and varied and that hotels were not consistent when it came to the extent to which they used the strategies.

Mukewa (2005) sought to determine the extent to which hotels, in order to develop and sustain competitive advantage, use differentiation strategies. The study also tried to establish whether there was a relationship between the differentiation strategies used and the hotels bed occupancy. He established that hotels use differentiation strategies but at significantly varying extent.

Kariuki (2006) tried to determine the competitive strategies used by five star hotels in Kenya and to establish the relationship between the strategies used and performance. The findings of the study were that, all the five star hotels employ different strategies which lead them to acquire different levels of performance in terms of number of guests that patronise the hotels and consequently revenue generated.

An analysis of the studies that have been undertaken in Kenya on the two areas, that is TQM and the hotel industry as articulated above indicates that none of the studies has focused on the implementation of TQM in the hotel industry. It is also clear that the findings of the studies that have been undertaken on the implementation of TQM in Kenya cannot be generalised to the hotel industry. This then leads one to the conclusion that there exists a gap in the information available on the implementation of TQM in the hotel industry in Kenya. Considering therefore the pivotal role the hotel industry plays in the Tourism Sector, the importance of tourism to the Kenyan economy and the centrality of quality in the service industry, there is need to establish whether hotels have actually embraced the TQM philosophy.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The aim of the study was to establish whether TQM has been embraced by the hotel industry in Kenya. According to Saunders et al (2003), such a study whose objective is to portray an accurate profile of persons, events or situations is a descriptive study. The approach that was used in collecting data for the study is the survey method whereby primary data was collected from the hotels.

3.2 Population of Study

The population of study was all classified hotels in Nairobi totalling 29.

3.3 Sample and Sampling Technique

The study focussed on all hotels in Nairobi that are classified in the 3-5 star categories. This type of sampling is referred to as purposeful or judgemental sampling since it is a selection of cases that are particularly informative (Saunders et al 2003). The 3-5 star hotels are considered to be the major recipients of foreign tourists who are more demanding due to wide exposure. These hotels are therefore bound to have a higher probability of embracing TQM. Furthermore, most of the hotels in this category that are based in Nairobi are part of international hotel chains, which means that quality or more so benchmarking is at the core of customers satisfaction and standards are normally set at their headquarters.

It is also intuitive to note that the hotels falling in this category in Nairobi have branches at the coast and in the parks; the two areas that constitute tourists play ground and thus are a good representative of what one should expect in terms of services in hotels situated in the two locations. Serena Hotels and Sarova Hotels (the Stanley) are a good example of this category. Gazette Notice Nos.3976 and 5693 of 13th June 2003 and 23rd July 2004 respectively, was used to pick the hotels that are classified in the 3-5 star

categories in Nairobi. According to the two gazette notices eighteen (18) hotels in Nairobi fall into this category. (Appendix IV)

3.4   Data Collection

Primary data was collected for this study using two semi- structured questionnaires, which consisted of both open ended and closed questionnaires. They were administered on a drop and pick later method. Questionnaire A was divided in two parts, section I having been designed to obtain general data of the hotel with section II designed to collect data from top managers on the extent to which the hotels are implementing a quality programme and performance of the hotel. The second questionnaire (B) was administered on supervisors/staff working in rooms/food and beverages departments, since officers working in these departments interact directly with the customers.

3.5   Data Analysis

This study was modelled on a descriptive framework and therefore descriptive statistics have been used to analyse the data. Statistical Package for Social Scientists (SPSS) has been used for descriptive statistics analysis by way of percentages and frequency distributions and content analysis was used for open-ended questions. The information is presented using tables, pie charts, and line graphs that display among others, the characteristics of the hotels in the sample in terms of period of operation, size and type of clientele. These tools also give an indication on the extent to which the principles of TQM implementation have been embraced and implementation of TQM and operational performance of the hotel.

CHAPTER FOUR: DATA ANALYSIS

4.1 Summary Statistics

The study focused on two categories of respondents, the top management of the hotel and the supervisor or staff deployed in the rooms or food and beverages department. Of the 18 hotels sampled, 12 managers from each hotel responded. This is a response rate of 66.7%. A total of 10 supervisors or staff responded. This is a response rate of 55.6%. This data is represented in table 4.1

Table 4.1: Summary statistics

Response	Managers		Supervisors / Staff	
	Frequency	Percent (%)	Frequency	Percent (%)
Responses	12	66.7	10	55.6
Non-responses	6	33.3	8	44.4
Total	18	100	18	100

4.2 Profile of the Hotels

4.21 Type of Hotel

Of the 18 hotels, five were independent hotels, that is, privately owned and operated and seven were corporate group hotels, that is, owned and operated by a corporate hotel group. Table 4.21 .

Table 4.21: Type of hotel

Type of hotel	Frequency	Percent (%)
Independent hotel	5	41.7
Consortium hotel	0	0
Corporate group hotel	7	58.3
Total	12	100

Source: Research data

4.22 Classification of the Hotel

Of the responses that were received five hotels were classified as Three-star, two hotels were Four-star and five hotels were classified as five-star. This data is shown in table 4.22

Table 4.22: Classification of the hotel

Classification	Frequency	Percent (%)
Three-star	5	41.7
Four-star	2	16.7
Five-star	5	41.7
Total	12	100

4.23 Size of Hotel by Number of Rooms

Of the twelve responses received three hotels had 50 to 100 rooms, two hotels had 101 to 150 rooms, five had 151 to 200 rooms and two hotels had 201 rooms and above a good indicator that these hotels are big players in the hotel industry. This information is represented in table 4.23

Table 4.23: Size of hotel by number of rooms

Number of rooms	Frequency	Percent (%)
Less than 50 rooms	0	0
50 – 100 rooms	3	25
101 – 150 rooms	2	16.7
151 – 200 rooms	5	41.7
151 – 200 rooms	2	16.7
Total	12	100

4.24 Length of Operation

Of the twelve hotels sampled, one had been in operation for less than 10 years, three had operated between 11 and 20 years while eight had been in operation for over 20 years . This data is shown in table 4.24

Table 4.24: Length of operation

Length of operation	Frequency	Percent (%)
Less than 10 years	1	8.3
10 -20 years	3	25
Over 20 years	8	66.7
Total	12	100

4.25 Number of People Employed in the Hotel

Of the twelve hotels sampled two had 50 -100 employees, one had 101 – 150 employees, two had 151 – 200 employees and seven had more than 200 employees. This data is shown in table 4.25

Table 4.25: Number of people employed in the hotel

Number of employees	Frequency	Percent (%)
Less than 50	0	0
51 – 100	2	16.7
101 – 150	1	8.3
151 – 200	2	16.7
More than 200	7	58.3
Total	12	100

4.26 Proportion of Customers Accounted for by Foreign Tourists

The managers were asked to indicate the proportion of their customers that are accounted for by foreign tourists. Zero indicated less than 30%, three indicated 30% – 50% while nine indicated that foreign tourists accounted for over 50% of their customers. This confirms that these hotels are competing in the international tourism market. This information is shown in table 4.26.

Table 4.26: Proportion of customers accounted for by foreign tourists

Proportion of foreign tourists	Frequency	Percent (%)
Less than 30%	0	0
30 – 50 %	3	25
Over 50%	9	75
Total	12	100

Chart 4.26: Proportion of customers accounted for by foreign tourists

Less than 30% 0%

30 – 50 % 25%

Over 50% 75%
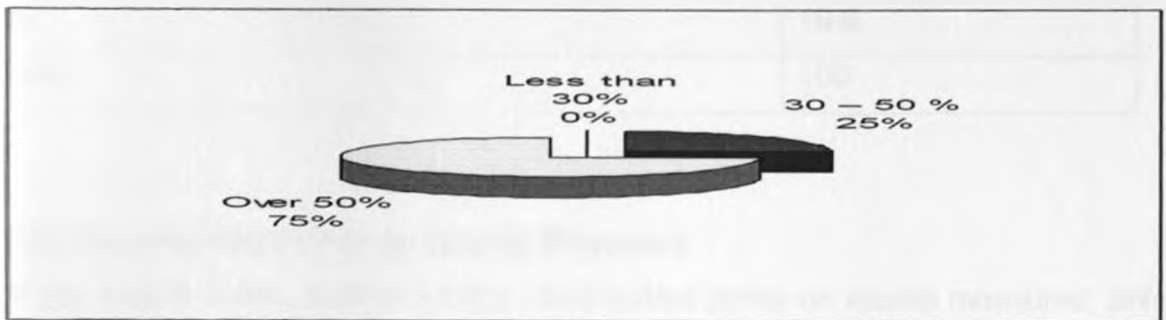
4.3 Quality Programme

4.31 Strategic Plan

The respondents were asked to indicate whether they have a formal strategic plan in place. All the twelve hotels had formal strategic plans in place. Development of a strategic plan is one of the steps followed in implementation of a TQM programme (Oakland 2000).This information is represented in table 4.31 and chart 4.31.

Table 4.31: Strategic plan

Formal strategic plan	Frequency	Percent (%)
Yes	12	100
No	0	0
Total	12	100

4.32 Mission Statement

Of the twelve hotels that were surveyed ten (10) had mission statements while only two(2) did not have any mission statement. This information is represented in table 4.32 and chart 4.32.

Table 4.32: Mission statement

Mission statement	Frequency	Percent (%)
Yes	10	83.3
No	2	16.6
Total	12	100

4.33 Documented Policy on Quality Measures

Of the twelve hotels, eleven have a documented policy on quality measures; only one does not have any measures confirming a commitment to quality, one of the steps followed in implementation of TQM. This information is shown in table 4.33 and chart 4.33.

Table 4.33: Documented Policy on quality measures

Documented policy	Frequency	Percent (%)
Yes	11	91.7
No	1	8.3
Total	12	100

4.34 Quality Objective

All the twelve hotels had a quality objective in place. This information is shown in table 4.34. **Table 4.34: Quality objective**

Quality objective	Frequency	Percent (%)
Yes	12	100
No	0	0
Total	12	100

4.35 Parties Involved in Formulating and Developing the Quality Objective

In formulating and developing the quality objective one or more parties are usually involved. The respondents were asked to indicate the parties involved in this activity. The results are shown in table 4.35.

Table 4.35: Parties involved in formulating and developing the quality objective

Parties	Frequency	Rank
Top management (CEO, MD, and GM)	11	1
Other managers	11	2
Supervisors	9	3
Employees	8	4
Customers	7	5
Suppliers / vendors	3	6

The results in table 4.35 show that the top management and other managers are the most involved in this exercise. This follows the norm in TQM formulation whereby the TQM engine is normally composed of the chief executive officer and senior managers of functional areas (Besterfield 2003).

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4.36 Attributes Considered Important in Developing and Formulating the Quality Objective

The respondents were asked to rate on a scale of 1 to 5 the extent to which they considered the attributes important in developing and formulating a quality objective. The results are shown in table 4.36.

Table 4.36: Attributes considered important in developing and formulating the quality objective

Attribute	Average	Rank
Courteous, friendly and polite employees	4.92	1
Appearance of your hotel facilities and equipment	4.92	1
Trust worthiness, believability and honesty of employees	4.83	2
Provision of prompt service	4.75	3
Willingness of staff to help customers	4.75	3
Willingness and promptness of staff in solving complaints	4.75	3
Caring and understanding staff	4.58	4
Flexible schedules	4.58	4
Flexible staff towards customers' schedules	4.5	5
Ability to offer dependable service	4.5	5
Caring and individualised attention	4.33	6
Ability to generate and issue correct invoices/bills	4.25	7
Appearance of service staff	3.63	8

The respondents ranked the attributes courteous, friendly and polite employees and appearance of the hotel facilities and equipment as the most important. Appearance of service staff was ranked as the least important although it is one of the elements of tangibles. However these results give an indication that the hotels have embraced most of the elements of the five dimensions of service quality as articulated by Zeithmal et al(1990) that is reliability, responsiveness, assurance, empathy and tangibles.

4.37 Strategies in Organization of Quality Objective

The respondents were asked to rank the strategies they consider relevant in the organization as far as the quality objective is concerned. The results are shown in table 4.37

Table 4.37: Strategies in organization of quality objective

Strategy	Mean	Rank
Co-ordination	4.75	1
Control	4.25	2
Strategic impact	4.25	2
Detection	3.83	3

Co-ordination was ranked as the most relevant, followed by control and strategic impact. Detection was considered the least relevant. This reaffirms that managers are more proactive rather than reactive.

4.38 Definitions of Quality

The respondents were asked to rank the definitions of quality when referring to products and services provided by their hotel with 1 representing the least appropriate and 5 representing the most appropriate. The results are shown in table 4.38

Table 4.38 Definitions of quality

Definition	Mean	Rank
Fitness of the products for the intended purpose or use	4.83	1
Features and character of service product that enable it to satisfy stated or implied needs of the client	4.58	2
The ability of service product to satisfy stated or implied needs of the client	4.5	3
Conformance of the service product to requirements	4.33	4

Most managers feel that quality should be defined as the fitness of the product for the intended purpose. Few believe that it should be defined as conformance of the service or product to requirements. This affirms the conclusion reached by Harksever et al (2003) that the term quality is somewhat difficult to define.

4.39 Degree to Which the Statements Relate to the Hotel's View of Quality

The respondents were asked to indicate the extent to which the statements relate to their view of quality where 1 was the lowest degree while 5 was the highest degree. The results are shown in table 4.39.

Table 4.39: Degree to which the statements relate to the hotel's view of quality

Statement	Mean	Rank
It is a competitive opportunity	3.17	1
It is a problem to be solved but one to be attacked proactively	2.75	2
It is a problem to be solved	2.08	3
It is a problem to be solved but one to be attacked reactively	0.32	4

To most managers quality is viewed as a competitive opportunity. Very few regard quality as a problem to be solved but one to be attacked reactively. This is consistent with the core tenets of TQM, which regard quality as a competitive opportunity rather than as a problem to be solved.

4.40 Knowledge of Total Quality Management

Asked whether they have heard about TQM, ten managers responded that they had heard about it while two said that they have never heard about it. This information is shown in table 4.40 and chart 4.40.

Table 4.40: Knowledge of Total Quality Management

Response	Frequency	Percent (%)
Yes	10	83.33
No	2	16.6
Total	12	100

4.41 Presence of Distinct Quality Program

Of the twelve respondents only seven indicated that they had a distinct quality programme that ensures that quality is maintained in their hotel operations. Five said that they do not have a distinct quality programme. This information is shown in table 4.41.

Table **4.41: Presence of distinct quality program**

Response	Frequency	Percent (%)
Yes	7	58.33
No	5	41.67
Total	12	100

4.42 Involvement in Planning the Quality Programme

The seven hotels that have a quality programme in place were further asked to indicate the extent to which they involved the different categories of officers in planning the quality programme. Top management recorded the highest involvement with a mean of 4.86. This is consistent with the basic practices considered to be essential elements in TQM implementation which include among other things committee management, leadership and employee involvement. However, it seems from the findings that very few involve suppliers in TQM implementation which is an anormaly since suppliers are key stake holders. This information is shown in table 4.42.

Table **4.42: Involvement in planning the quality programme**

Category	Mean	Rank
Top management (CEO, MD, and GM)	4.86	1
Supervisors	3.57	2
Other managers	3.43	3
Employees	3	4
Suppliers / vendors	1.57	5

4.43 Involvement in Implementation of the Quality Programme

On implementation other managers recorded the highest involvement with a mean of 4.71 followed by supervisors. Once again suppliers are the least involved in the implementation of the quality programme having recorded a mean of 2.14 which is below average. This is shown in table 4.43.

Table 4.43: Involvement in implementation of the quality programme

Category	Mean	Rank
Other managers	4.71	1
Supervisors	4.43	2
Top management (CEO, MD, and GM)	4.14	3
Employees	4.14	4
Suppliers / vendors	2.14	5

4.44 Approach Used in Quality Programme Implementation

The seven respondents who have a distinct quality programme in place were asked to indicate the approach they are using in implementing the quality programme. Four indicated that their quality programme is introduced slowly through a pilot programme while two indicated that the whole institution is rapidly exposed to the quality programme. One indicated that the programme is launched first followed by continuous training and audits. These results are shown in table 4.44 and chart 4.44

Table 4.44: Approach used in quality programme implementation

Approach	Frequency	Percent (%)
Quality programme introduced slowly through a pilot programme	4	57.14
Whole institution rapidly exposed to the quality programme	2	28.57
Launch and then continuous training and audits	1	14.29
Total	7	100

Chart 4.44: Approach used in quality programme implementation
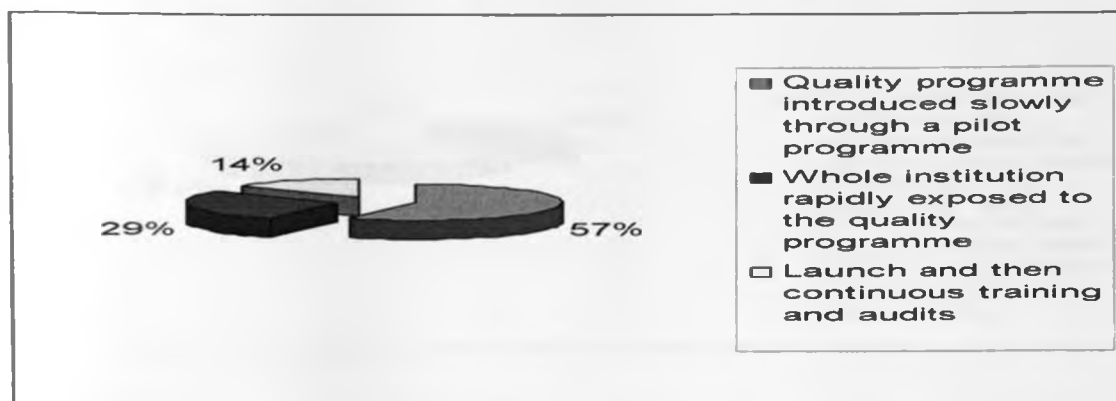
4.45 Responsibility for the Quality Programme in the Organization

The respondents were further asked to indicate who is responsible for the quality programme in the organization. Two indicated that all departments are responsible although top management is peripherally involved in designing, planning and executing quality policies. Five indicated that everyone in the organization is responsible with top management exercising top leadership. The results prove that top performing organizations involve everyone in the organization, a very core tenet of TQM (Oakland 2000 and Besterfield 2003). The results are shown in table 4.45 and chart 4.45.

Table 4.45: Responsibility for the quality programme in the organization

Responsibility	Frequency	Percent (%)
Quality department	0	0
All departments although top management is peripherally involved in designing, planning and executing quality policies.	2	28.57
Everyone in the organization with top management exercising top leadership.	5	71.43
Inspection department	0	0
Total	7	100

Chart 4.45: Responsibility for the quality programme in the organization
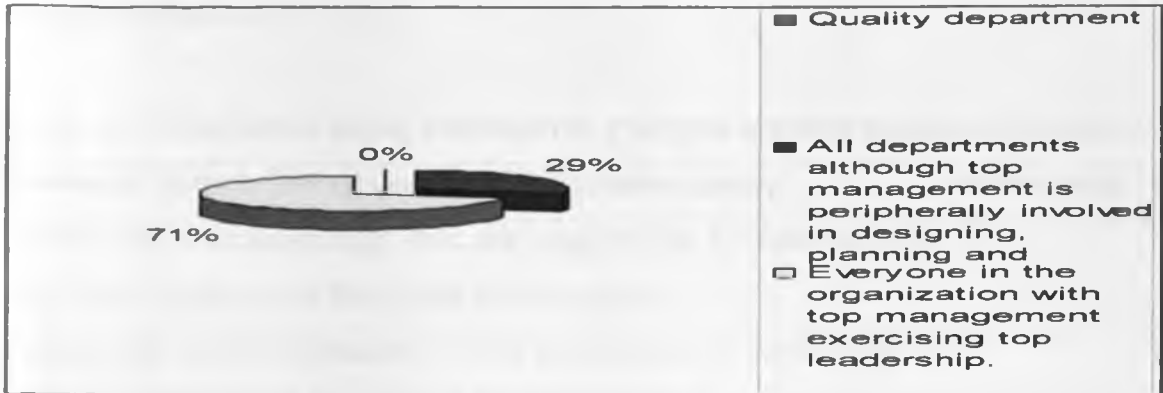
4.46 Status of Quality Programme Implementation

The seven respondents were asked to indicate the status of their programme implementation. Five indicated that the programme had been implemented in the whole hotel which is considered to be the best approach in implementation of a TQM programme (Oakland 2000). Two implemented the programme only in the core business department. These results are shown in table 4.46

Table 4.46: Status of quality programme implementation

Status of implementation	Frequency	Percent (%)
Pilot stage (e.g. only in one department)	0	0
Implemented in the whole hotel	5	71.43
Implemented only in the core business department	2	28.57
Total	7	100

4.47 Elements Being Practiced in Trying to Achieve Quality in the Hotel

The respondents were asked to indicate by ticking the elements that are already being practiced in their hotels in trying to achieve quality. All the seven indicated that they used established measurements that are appropriate to every activity that help identify areas that need improvement which gives a good indication that these hotels have monitoring systems in place. Only four indicated that they had a team composed of representatives of every unit in the hotel that is involved in the provision of hospitality.

Teamwork is an essential component of TQM implementation. This information is shown in table 4.47.

Table 4.47: Elements being practiced in trying to achieve quality in the hotel

Elements already being practiced to achieve quality	Frequency	Rank
Established measurements that are appropriate to every activity that help identify areas that need improvement	7	1
Awareness among personnel on the importance of conforming to clients' specifications and cost of non-conformance	6	2
Feedback process	6	2
Quality awareness among members of staff	5	3
Setting of goals where individuals establish improvement goals for themselves and the entire hospitality process	5	3
A team composed of representatives of every unit in the hotel that is involved in the provision of hospitality	4	4

4.48 Tools Used in the Hotel for Quality Improvement

In order to improve quality in an organization several tools are usually used. These include benchmarking, flow charts and Kaizen among others. Of the seven respondents who indicated that they had a distinct quality in place, six indicated that they used benchmarking, one used flowcharts and one indicated that they used Kaizen which means that they have all embraced the techniques that are fundamental to TQM. This information is shown in table 4.48.

Table 4.48: Tools used in the hotel for quality improvement

Tool	Frequency	Rank
Benchmarking	6	1
Flow charts	1	2
Kaizen	1	2

4.5 Training of Personnel

4.51 Last year's Expenditure in Training of Personnel

Training of personnel is a very important aspect in successful implementation of TQM for it ensures continuous improvement of skills. The respondents were asked to indicate the proportion of last year's expenditure spent in training of personnel. Of the twelve respondents surveyed four spent below 5%, four spent 5 – 10%, two spent 10 – 20 % while only two spent over 20% of their expenditure in training of personnel. This information is shown in table 4.51

Table 4.51: Last year's expenditure spent in training of personnel

Proportion	Frequency	Percent (%)
Below 5%	4	33.33
5 – 10%	4	33.33
10 – 20%	2	16.67
Over 20%	2	16.67
Total	12	100

4.52 Type of Training Provided to Staff

Training is usually undertaken in different areas. The twelve respondents were asked to indicate the type of training they provide to their staff and whether it is provided to all staff, some staff and no staff. The results are shown in table 4.52.

Table 4.52: Type of training provided to staff

Training	All Staff	Some Staff	No Staff	Total
Leadership training	1	11	0	12
Cross functional training	5	7	0	12
Customer care	11	1	0	12
Productivity and quality	9	3	0	12
Training on team building	7	5	0	12
Technical training	2	10	0	12

From table 4.52, it can be seen that all the twelve hotels are involved in some form of training. Customer care and productivity and quality are given priority as this type of training is provided mostly to all staff. Leadership and technical training are given the least emphasis as these are provided to only a portion of the staff. The results show that improvement for service to the customer is given priority, which is consistent with what TQM advocates.

4.53 Proportion of the Training Budget Used on Customer Care

The respondents were further asked to indicate the proportion of the training budget they spent on customer care training. Four spent below 5%, five spent 5 – 10%, and one hotel spent 10 -20% while two spent over 20% of their training budget on customer care training. These results are rather strange because most of the respondents are spending a smaller proportion on a very key aspect of TQM implementation indicator in the service industry (Blanding 1991). The information is shown in table 4.53

Table 4.53: Proportion of the training budget used on customer care

Proportion	Frequency	Percent (%)
Below 5%	4	33.3
5 – 10%	5	41.67
10 – 20%	1	8.33
Over 20%	2	16.67
Total	12	100

4.60 Rate at Which Customer's Complains are Handled at Various Levels

The respondents were asked to indicate the extent to which customers' complaints are handled at various levels in their hotels where 1 means hardly and 5 means to a great extent. The results are shown in the table 4.60

Table 4.60: Rate at which customer's complains are handled at various levels

Level	Mean	Rank
Supervisors	4.33	1
Employee (e.g. waiters or front office)	4.25	2
Head of Department	4.17	3
Division head	3.92	4
General manager	3.5	5

The results in table 4.60 show that most customers' complaints are handled at the supervisor level followed by employees' level. Very few complaints are handled at the general manager's level, which is a very good indicator of employee empowerment, one of the essential elements of TQM.

4.61 Frequency of Maintenance of Facilities

The respondents were asked to indicate how often they maintained their hotels' facilities. Eleven indicated that they maintained their facilities routinely and only said that for efficient customer service their facilities were maintained constantly. This information is shown in table 4.61.

Table 4.61: Frequency of maintenance of facilities

Frequency of maintenance	Frequency	Percent (%)
Routinely	11	91.67
After complaints	0	0
Constantly	1	8.33
Total	12	100

4.62 Year Hotel was Last Refurbished

Frequent refurbishment of the hotel is a very important factor in determining repeat visits and even attracting new customers. The study also sought to find out when was the last time the hotel was refurbished. Only one respondent indicated that his hotel was refurbished before 2003. The greatest number of respondents, that is five, indicated that they refurbished their hotel last in the year 2007.This is a good indication that management of these hotels are not only focusing on processes to improve service quality but also on the facilities which are also at the center of TQM implementation. This information is shown in table 4.62.

Table 4.62: Year hotel was last refurbished

Year	Frequency	Percent (%)
Before 2003	1	8.33
2003	0	0
2004	2	16.67
2005	1	8.33
2006	3	25
2007	5	41.67
Total	12	100

4.63 Facilities Available for Communication

The respondents were asked to indicate the facilities available to clients for communication. All the twelve respondents indicated that they used Telephone and Internet. Eleven used facsimile. Access of the facility is also an essential element of service quality. This information is shown in table 4.63

Table 4.63: Facilities available for communication

Facility	Frequency	Rank
Telephone	12	1
Internet	12	1
Facsimile	11	2

4.64 Processes Used by Clients to Reserve Accommodation

In addition to the normal processes used by clients to reserve accommodation, that is travel agents, telephone, internet, and facsimile, some of the hotels also used walk-ins, centre reservation, holidex and directly through corporate companies with bases in Nairobi. Access of a facility is also an element of service quality. This information is shown in table 4.64

Table 4.64: Processes used by clients to reserve accommodation

Process	Frequency	Rank
Travel agents	12	1
Telephone	12	1
Internet	12	1
Facsimile	11	2
Walk-ins	2	3
Centre reservation	1	4
Holidex	1	4
Through corporate companies	1	4

4.65 Changes Required to Successfully Implement a Quality Programme Through TQM

On a scale of 1 to 3 where 1 represents not important and 3 represents very important, the respondents were asked to rate what changes they think are required to successfully implement a quality programme through TQM. Implementation of TQM is a change process. The results are shown in table 4.65.

Table 4.65: Changes required to successfully implementing a quality programme through TQM

Changes	Mean	Rank
Changes in operational processes	2.55	1
Cultural changes	2.33	2
Changes in organizational structure	2.33	2

From table 4.65, changes in operational processes was rated the most important with a mean of 2.55. Cultural changes and changes in organizational structure were both rated equally with mean of 2.33 which is still very important. Therefore on average all the three changes are important since they have a mean over 2. This means that management in these hotels has recognized the importance of these three elements in TQM implementation.

4.66 Whether the Hotels Produce Newsletters

Of the twelve hotels surveyed, six produced newsletters and six do not produce any newsletter. Of the six that produce the newsletters, two produced them monthly and four produced them quarterly. The respondents were further asked to state the recipients of the newsletter. The study found out that these newsletters are mostly meant for managers and clients proper communication to all the stakeholders which includes suppliers and employees is one of the quality service characteristic in the case the hotels do not seem to have accommodated all the stakeholders. This information is shown in table 4.66.

Table 4.66: recipients of the newsletter

Recipient	Frequency	Rank
Managers	6	1
Clients	6	1
Top management	5	2
Tour operators / agents	5	2
Suppliers	4	3
Support staff	4	3

4.67 Methods of Ascertaining Quality

All the twelve respondents indicated that their hotel had a method of ascertaining whether quality has been achieved. Guest questionnaires were mentioned as the most frequently used method followed by customer surveys and Suggestion and complaint boxes. In addition some hotels used mystery shoppers, external auditors, personal

observation and comment cards. This is an indication that there is a monitoring system in the hotel, which is one of the principles of TQM. This information is shown in table 4.67

Table 4.67: Methods of ascertaining quality

Method	Frequency	Rank
Guest questionnaires	11	1
Customer surveys	6	2
Suggestion and complaint boxes	6	2
Mystery shoppers	2	3
External auditors	1	4
Personal observation	1	4
Comment cards	1	4

4.68 Method of Communication of Complaints and Compliments to Staff

The respondents were further asked to indicate ways in which complaints and compliments are communicated to staff which is one form of feedback. Departmental meetings were mentioned as the most frequently used method followed by notice boards. The least used methods were newsletters, suggestion box and one to one basis. This information is shown in table 4.68.

4.68 Method of communication of complaints and compliments to staff

Method of communication	Frequency	Rank
Departmental meetings	11	1
Notice Boards	7	2
Circulars	5	3
Newsletters	3	4
Suggestion box	1	5
One to one basis	1	5

4.69 Quality Awards

The twelve respondents were asked whether their hotels had ever won any quality award. Four indicated that they had won a quality award while eight have never won any quality award. Quality awards are a good indicator of an institution that has embraced quality management (Lakhe et al 1995). Awards also reflect the level a hotel is placed in the industry, in this case four hotels fall into this category. The awards include Coya Quality management award from Kenya Institute of Management (KIM), winning way "jigsaw" programme award, Travel news: Best Nairobi hotel and Best business hotel and the Kora awards. This information is presented in table 4.69

Table 4.69: Quality awards

Response	Frequency	Percent (%)
Yes	4	33.33
No	8	66.67
Total	12	100

4.70 Ideas for Improvement

Continuous improvement is a key aspect of TQM implementation (Kotler 2000). There are several sources of ideas for improvement. The respondents were asked to indicate how they get ideas for improvement. For these hotels, customers are their most important source of ideas followed by employees. Benchmarking, which is a very important source of ideas is not very much employed as only five respondents indicated that they use it. This information is shown in table 4.70.

Table 4.70: Ideas for improvement

Source of ideas	Frequency	Rank
Customers	12	1
Employees	11	2
Monitoring system	7	3
Benchmarking	5	4
Surveys	1	5

4.71 Frequency of Senior managers' Interaction with Guests

Good leadership is paramount in any TQM programme and the top management is supposed to lead by example. Part of this involves interaction with guests so that they can get a first hand view of the customers' perception of the service being provided. The respondents were therefore asked to indicate how often they interacted with the guests. Eleven indicated that they interacted with them daily while one did so every two days, confirming management commitment to quality service. This information is shown in table 4.71

Table 4.71: Frequency of senior managers' interaction with guests

	Frequency	Percent (%)
Daily	11	91.67
Every two days	1	8.33
Once a week	0	0
Monthly	0	0
None	0	0
Total	12	100

4.72 Average Experience of Personnel in the Hotels

The respondents were asked to state the average number of years their personnel have served in the hotel, for the length of stay gives an indication of staff loyalty to an establishment. Two indicated that their personnel had served for an average of 0 to 4 years, eight reported an average experience of 5 to 10 years, with one stating 11 to 15 years and another one indicated that the average experience of the personnel was over 15 years, leading one to conclude that most of the hotels have loyal employees. This information is shown in table 4.72.

Table 4.72: Average experience of personnel in the hotels

Experience	Frequency	Percent (%)
0 – 4 years	2	16.67
5 – 10 years	8	66.67
11 – 15 years	1	8.33
Over 15 years	1	8.33
Total	12	100

4.73 Frequency of Appraisal of Personnel

Asked how often they appraised their personnel, two said they did so monthly, five did it twice a year while five appraised their personnel once a year. Appraisal of staff is used to determine level of performance and as a basis for reward system which is critical in staff maintenance. The results show that this aspect is being practiced in all these hotels. This information is shown in table 4.73

4.73: Frequency of appraisal of personnel

	Frequency	Percent (%)
Weekly	0	0
Monthly	2	16.67
Once a year	5	41.67
Twice a year	5	41.67
Every quarter	0	0
Total	12	100

4.74 Staff Turnover

Staff turnover is one of the performance indicators in hotels. Low staff turnover reflects employees' satisfaction with an employer. The respondents were asked to indicate their staff turnover in percentage terms over the last five years. Seven reported less than 5%, four indicated between 5 to 15%, while one said that their staff turnover was over 15%. On further examination of this respondent, it was found that his hotel does not have a distinct quality programme in place. This information is portrayed on table 4.74

Table 4.74: Staff turnover

Turnover	Frequency	Percent (%)
Less than 5%	7	58.33
5 – 15 %	4	33.33
Over 15%	1	8.33
Total	12	100

4.75 Percentage of Customers who were Repeat Guests in the Last Five Years

A customer who is satisfied by the quality of service given will definitely come back. Consequently the study also sought to find out what percentage of the hotels' customers were repeat guests in the last five years as one of the operational performance indicators. The results as shown in table 4.75 give a clear indication that on average the level of repeat guests is rising, standing at over 54% in year 2006, meaning that the level of performance in these hotels is high.

Table 4.75: Percentage of customers who were repeat guests in the last five years

% of repeat guests	2002		2003		2004		2005		2006	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 10%	2	16.6	2	16.7	2	16.7	1	8.3	1	8.3
21 – 35%	1	8.3	1	8.3	0	0	1	8.3	1	8.3
36 – 50%	3	25	4	33.3	5	41.7	5	41.7	4	33.3
Over 50%	6	50	5	41.7	5	41.7	5	41.7	6	50
Total	12	100	12	100	12	100	12	100	12	100
Weighted Mean	51.42%		48.75%		50%		51.92%		54.58%	

Chart 4.75: Percentage of customers who were repeat guests in the last five years
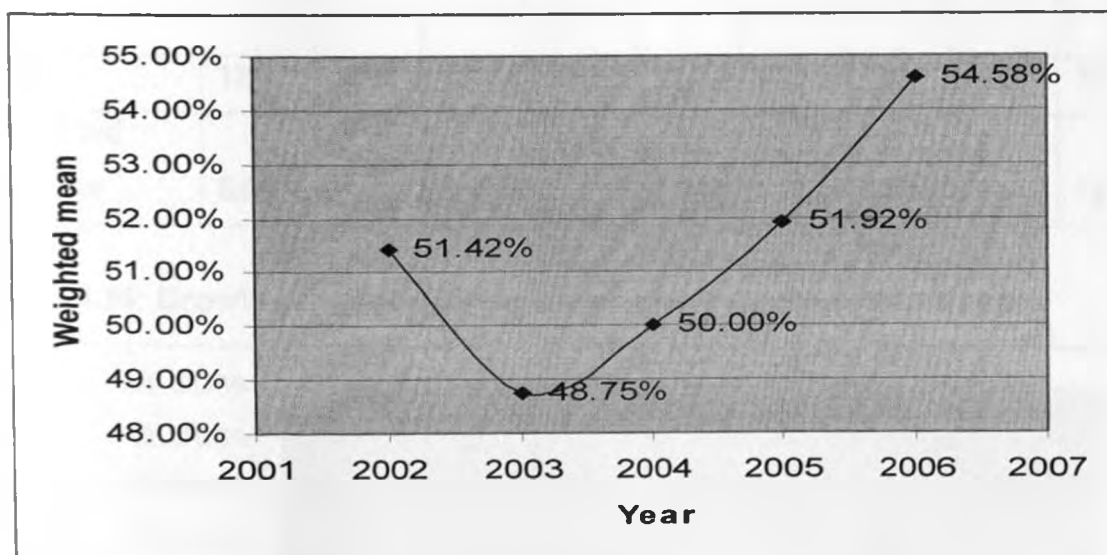
From chart 4.75 it quite clear there is generally an increase of repeat customers over the years.

4.76 Growth of Sale in Percentage Terms Over the Last Five Years

Another important measure of performance is the sales revenue. Higher revenue is one of the indicators of good performance. Performance is more enhanced if there is growth in revenue from one year to the next. The respondents were asked to indicate whether the hotel had experienced any growth in the last five years and if so, what percentage of growth they had experienced. The results are presented in table 4.76 and chart 4.76.

Table 4.76: Growth of sale in percentage terms over the last five years

% Growth of sales	2002		2003		2004		2005		2006	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 0%	1	8.3	1	8.3	0	0	0	0	0	0
0 - 5%	6	50	3	25	3	25	1	8.3	1	8.3
6 - 10%	3	25	4	33.3	5	41.7	4	33.3	2	16.7
11- 15%	0	0	2	16.7	1	8.3	3	25	2	16.7
16% and above	2	16.7	2	16.7	3	25	4	33.3	7	58.3
Total	12	100	12	100	12	100	12	100	12	100
Weighted Average	5.96%		8.17%		9.04%		11.46%		13.04%	

Chart 4.76: Growth of sale in percentage terms over the last five years
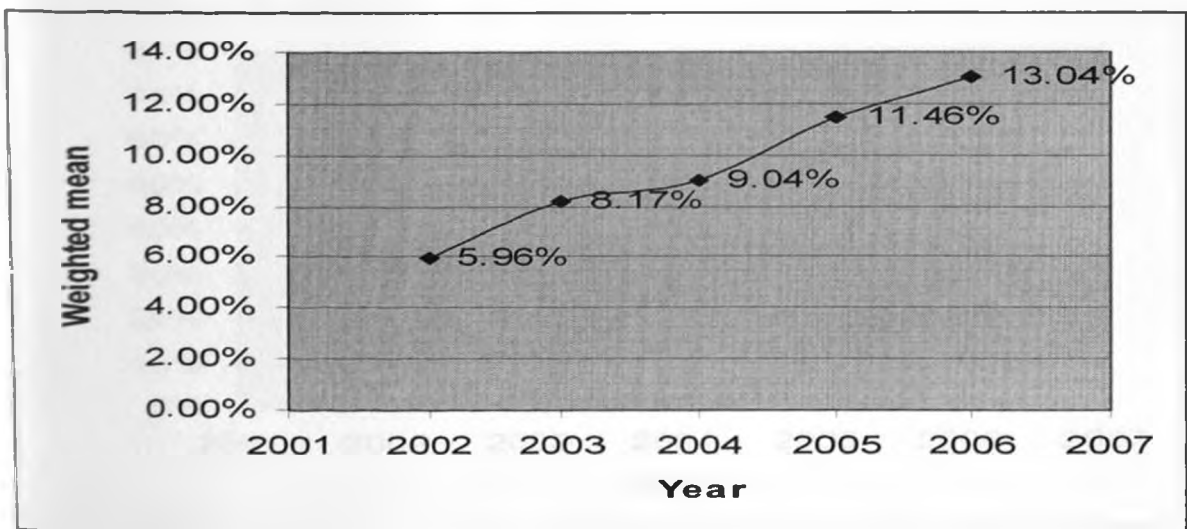
Chart 4.76 shows that there is generally an upward trend in growth of sales from a low of 5.96% in 2002 to 13.04% in 2006. This is one of the performance indicators that can be linked to implementation of quality programmes in these hotels.

4.77 Average Occupancy Rate in the Last Five Years

Another important performance measure in the hotel industry is the hotel's occupancy rate. The respondents were asked to indicate their occupancy rate for the last five years, that is, from year 2002 to 2006 and again as presented on table 4.77 and chart 4.77 there is a general increase in occupancy rate from a weighted average of 63% in 2002 to 75% in 2006.

Table 4.77: Average occupancy rate in the last five years

Occupancy rate	2002		2003		2004		2005		2006	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 20%	1	8.3	1	8.3	0	0	0	0	0	0
21 – 50%	2	16.7	2	16.7	2	16.7	0	0	0	0
Over 50%	9	75	9	75	10	83.3	12	100	12	100
Total	12	100	12	100	12	100	12	100	12	100
Weighted Average	63%		63%		68.42%		75%		75%	

Chart 4.77: Average occupancy rate in the last five years
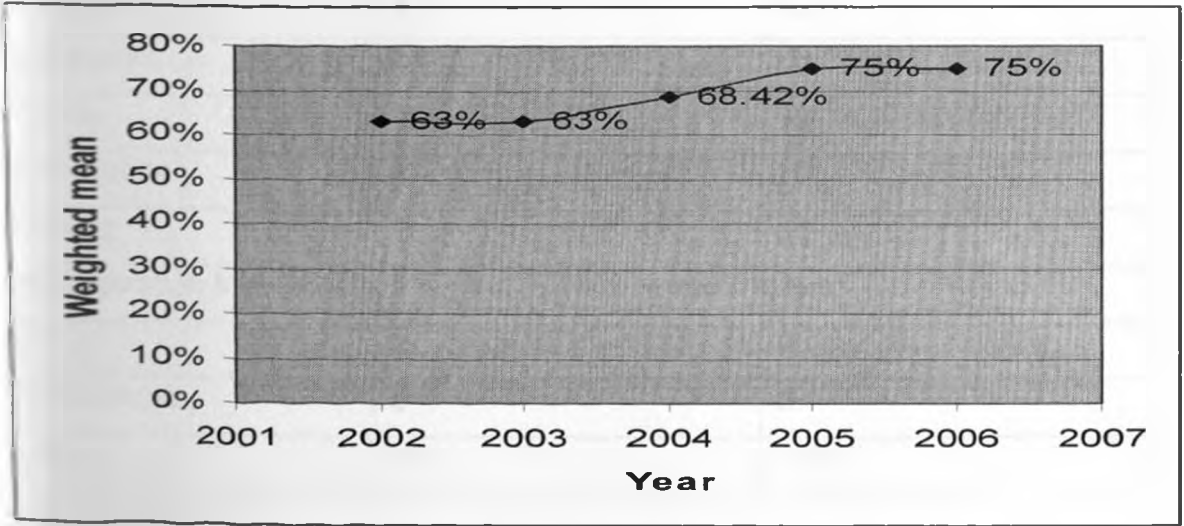
4.78 Factors that have Led to Growth in Sales and Occupancy Rate

From the above analysis it is quite evident that in all the hotels that responded there was growth in percentage terms of repeat customers, sales and occupancy rates. According to the managers, the good performance on these variables can to a great extent be attributed to implementation of quality programmes. The managers have also cited other factors that had contributed to the good performance some of them being aggressive marketing and security in the country.

4.80 Supervisor / Staff deployed in Rooms / Food and Beverages Departments

As mentioned earlier, 10 of this category of respondents responded to the questionnaires. This is a response rate of 55.6%.

4.81 Department/ Section in which the Employee is Deployed

Of the 10 respondents, four are deployed in the front office, one in reservation, one in the rooms, two in the restaurants, one in training and one in administration and general. This shows that most of the respondents have on face to face contact with guests. The information is presented on table 4.81

Table 4.81: Department/ section in which the employee is deployed

Department / section	Frequency	Percent (%)
Front office	4	40
Restaurant	2	20
Rooms	1	10
Reservation	1	10
Training	1	10
Administration & general	1	10
Bar	0	0
Conferences	0	0
Total	10	100

4.82 Nature of Job

Of the ten respondents surveyed, five were supervisors; two are receptionists, one office assistant, one room steward and a front office manager, a good indication that most of them deal directly with guests. This information is shown in table 4.82

Table 4.82: Nature of job

Nature of job	Frequency	Percent (%)
Supervisor	5	50
Waiter	0	0
Receptionist	2	20
Office assistant	1	10
Room steward	1	10
Front office manager	1	10
Total	10	100

4.83 Work Experience

Of the ten employees, one had less than five years experience, seven had 5 – 10 years experience and two had over 10 years experience. This is an indication that we are dealing with employees who are competent in their jobs. This information is shown in table 4.83

Table 4.83: Work experience

Experience	Frequency	Percent (%)
Less than 5 years	1	10
5 – 10 years	7	70
Over 10 years	2	20
Total	10	100

4.84 Important Quality Issues

There are certain important issues to be addressed for a hotel to be viewed as practicing TQM. Some of these include general understanding of work, continuous improvement, involvement of all members of staff, doing things right the first time and general customer handling. The respondents were asked to indicate the extent to which they agreed with these issues. It is obvious that all these issues are considered important as all have a mean of above 3.5. The results are shown in table 4.84.

4.84 Important quality issues

	Mean	Rank
People in my unit understand the quality of work	4.6	1
People in my unit see continuous improvement as essential.	4.4	2
People in my unit contribute willingly to quality of work.	4.3	3
People in my unit are allowed to resolve customer complaints.	4.1	4
People in my unit emphasize on doing things right the first time	3.8	5

4.85 Management's Commitment to Quality

A TQM programme in any organization requires the support of top management for the organization to reap the benefits. To establish this, the employees were asked to respond to certain statements regarding top management actions as far as quality was concerned. The results are shown in table 4.85.

Table 4.85: Management's commitment to quality

	Mean	Rank
Managers are committed to providing top quality work	4.8	1
Managers regularly review the quality of work produced.	4.4	2
Managers involve employees in deciding on ways to improve work production	4.1	3
Managers follow up suggestions on improvement	4.0	4

The results in table 4.85 show that in all the ten hotels, the managers are playing a leading role in ensuring that the TQM programme is successful. This is evidenced by the fact that all the statements have a mean of at least 4.0. Managers in all the ten hotels are committed to providing top quality work. This validates the managers' responses in questionnaire A

4.86 Working in Groups

The respondents were asked to indicate whether their jobs involved working in groups, to which eight of the responded yes while two indicated no. This information is shown in table 4.86 and chart 4.86.

Table 4.86: Working in groups

Response	Frequency	Percent (%)
Yes	8	80
No	2	20
Total	10	100

4.87 Group Practices

Quality improvement projects which is one of the strategies used in TQM implementation are implemented by quality teams made up of officers from various sections. To establish whether officers in these teams practice TQM , the eight respondents who indicated that their jobs involved working in groups were asked to indicate how often the practices feature in their groups. The results are shown in table 4.87.

Table 4.87: Group practices

Practice	Always (%)	Occasionally (%)	Never (%)	Mean
Are challenged by the supervisor to find ways to improve their work	62.5	37.5	0	2.1
Are paid fairly for the work they do	50	25	25	1.8
Are promoted because they have earned it	62.5	12.5	25	1.9
Are able to exchange information with their supervisors regarding work	75	25	0	2.2
Are the appropriate personnel to get the job done (i.e. Adequately)	62.5	37.5	0	2.1
Are equipped with training/the right tools, equipment and materials to get the job done	50	50	0	2.0
Are well balanced in terms of work distribution	75	25	0	2.2
Are recognized for outstanding performance as individuals or teams	37.5	50	12.5	1.8

From table 4.87 the greatest proportion of hotels always adopts these group practices. However, most groups are able to exchange information with their supervisors regarding work and are well balanced in terms of work distribution. This is because these two practices have the highest mean of 2.2. On the other hand a good number of hotels do not recognize outstanding performance as individuals or teams and the employees feel that they are not paid fairly for the work they do. This is evidenced by the lowest mean of 1.8. These two practices are very important for successful TQM implementation. Since this is the feeling of the supervisors and employees, the management needs to take note.

4.88 Extent of Agreement with Statements Regarding Practice of Quality in the Organization

In an attempt to establish agreement with management, the employees were asked to indicate the extent to which they agree or disagree with certain statements which depict the activities that are actually going on in their hotels. The mean of each was determined. On a Likert scale 5 represents strongly agree and 1 represents strongly disagree. The results are shown in table 4.88.

Table 4.88: Extent of agreement with statements regarding practice of quality in the organization

	Mean	Rank
Care about their customers both within the hospitality process and outside	4.7	1
Know who their customers are	4.4	2
Understand how emphasis on quality leads to more productive use of resources.	4.1	3
Have work goals and standards that are generally realistic	3.7	4
Resolve customer complaints themselves	3.6	5
Appraise their own performance	3.0	6
Rely on grapevine or rumors for information	1.6	7

Table 4.88 shows that majority of the hotels care about their customers both within the hospitality process and actually knows who their customers are. This explains the high rate of repeat business of the hotels. The respondents also strongly disagree with the statement that their hotels rely on grapevine or rumors for information.

4.89 Agreement of Supervisor / Staff Deployed in Rooms / Food and Beverages Departments with Various Issues Regarding TQM

	True (%)	False (%)
Managers at the top hold regular meetings with juniors to identify opportunities for improvement	90	10
Managers at the top analyse new ideas from workers and implement them	80	20
Managers at the top encourage new ideas	100	0
Managers at the top allow people to contribute freely and be creative	90	10
Managers at the top reward new ideas that work	80	20
Managers at the top have the authority to try a new approach that looks promising	80	20
Managers at the top approve trials of new promising approaches	80	20

Finally the respondents were asked to respond to certain issues, which are key in the implementation of Total Quality Management in organizations. The issues refer to what supervisors, managers and other employees do or don't. On average, majority of the respondents reported that these issues are practiced in their hotels reaffirming employee empowerment in these hotels which is one of the indicators of TQM implementation. Tables 4.89, 4.90, and 4.91 present this information.

Table 4.89: Issues relating to supervisors

	True (%)	False (%)
The supervisors in my unit make continuous improvement of work a priority	100	0
The supervisors in my unit request employees opinion	80	20
The supervisors in my unit do a good job of setting work expectations	100	0

Table 4.90: Issues relating to workers in my work unit

	True (%)	False (%)
Almost all workers in my work unit can specify, if asked, what goals or objectives they are working towards	70	30
Almost all workers in my work unit are invited to participate in setting goals or objectives related to their work	40	60
Almost all workers in my work unit know how the goals/objectives they are working toward relate to their groups' mission	50	50
Almost all workers in my work unit do a good job in achieving the set goals for the unit	100	0

Table 4.91: Issues relating to managers of the hotel

	True (%)	False(%)
Managers at the top hold regular meetings with juniors to identify opportunities for improvement	90	10
Managers at the top analyse new ideas from workers and implement them	80	20
Managers at the top encourage new ideas	100	0
Managers at the top allow people to contribute freely and be creative	90	10
Managers at the top reward new ideas that work	80	20
Managers at the top have the authority to try a new approach that looks promising	80	20
Managers at the top approve trials of new promising approaches	80	20

CHAPTER 5: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The study sought to establish the extent to which the hotels in Nairobi have adapted Total Quality Management approach in their operations and the relationship between adoption and the operational performance of these hotels. The approach used to establish this, was through data collection using semi-structured questionnaires, administered to top managers and supervisors /staff working in Rooms/Food & Beverages Departments of 3-5 star hotels in Nairobi.

An analysis of the data from the respondents using descriptive statistics has established that the questionnaires had 66.7% response rate from top managers and 55.6% from supervisors/staff. It has also been established that most of the hotels in these star classification are large corporate group hotels which have operated for over ten years, with foreign tourists accounting for 50% of their customers.

The study has further established that all the hotels have quality objectives in place with documented policies on quality measures which embrace the five dimensions of quality as articulated by Zeithmal et al (1990). These five dimensions are responsiveness, reliability, assurance, empathy and tangibles.   In developing the quality objectives, policies and strategic plans, most of the employees from top management to support staff were involved. It has also been established that managers in these hotels view quality as a competitive opportunity which explains the high adoption of quality policies by these hotels.

As regards the actual implementation of TQM, it has been established through the data analysis that seven hotels have distinct quality programmes in place. The entire workforce in these hotels starting with the top management to the employees has been involved in the planning and implementation of the quality programmes. In a majority of the hotels implementation of TQM commenced as a pilot programme while a few of

hem introduced the whole organization to the programme. Most of the hotels have now implemented the programme in the whole hotel.

It has also been established through the analysis that these hotels have embraced all the essential elements of TQM in their operations that is; commitment of top management, empowerment of employees, equipping of employees with the right skills through training, improvement of facilities, change in processes, monitoring and feed back among others.

With regard to the relationship between adoption of TQM and operation performance of these hotels, it has been established through analysis of performance indicators data collected that the hotels have been performing well in terms of growth in sales, repeat guests, occupancy rate and staff turnover.

Finally, the analysis of the data on responses from supervisors/staff deployed in Rooms/Food & Beverages Departments has reaffirmed that, these hotels have embraced TQM practices in their operations, thus validating the findings on questionnaire A which was administered on top management.

5.2 Conclusions

The study examined the practice of TQM in classified hotels in Nairobi by analyzing a number of principles relevant to TQM. Responses from the sample members provided data from which inferences about implementation of TQM in the classified hotels can be made.

Based on the findings of the study one can safely conclude the following; first that, the 3-5 star hotels are major recipients of foreign tourists who account for over 50% of the guests in 75% of the hotels, secondly that the responses derived reveal a common appreciation and recognition of TQM as an important organization strategy for hotels competing in the tourism industry.

Thirdly that most of the hotels in the 3-5 star classification have embraced quality Management in their operations. This is clearly depicted in the mission statements of these hotels and the fact that all of them have documented quality objectives in place.

Fourthly, that despite the fact that of the hotels that have adopted TQM practices, only one hotel refers to the programme as TQM with others using other terminologies, the attributes/principles of what the hotels are practicing is TQM, that is a focus on customer care, empowerment of employees, monitoring including benchmarking among others. This is affirmed further by the responses received from supervisors/ staff deployed in rooms/beverages departments.

Finally it is quite evident that the hotels that have embraced Total Quality management in their operations, are performing better than those that have not embraced the programme in terms of growth in sales and occupancy rates. These hotels are also the recipients of quality awards whose base is quality service. This leads one to the conclusion that Total Quality Management has a positive impact on financial performance.

5.3 Recommendations

The research recommends the following; first Management of all hotels in Kenya aspiring to compete in this high growth global industry should embrace Total Quality Management in their operations.

Secondly the government should adopt a hotel classification system that focuses on the customer as king similar to the Harmonized Quality Standards of Britain (Mullins, 2001), which takes the requirements of the guests as the base. The government should also introduce an award system that encourages implementation of quality programmes in all hotels.

Finally a deeper study should be undertaken on all hotels to establish as to whether, only classified hotels practice Total Quality Management in their operations and to

establish clearly the link between financial performances to implementation of quality programmes.

5.4 Limitations of the Study

The study focused on the internal customer and there was need to focus on the external customer that is the recipients of the hotel product to get their perception of the quality service being offered. This would have validated the study.

Most of the top managers were very busy due to the commencement of the tourism high season and therefore only a few General Managers could fill the questionnaires with the others delegating to second and third levels.

The time and finances available for the study were limited and therefore the study focused on Nairobi Hotels leaving out beach hotels and Lodges, which are based in the National Parks. Another limitation to the study was lack of data in actual numbers for most commercial entities are not comfortable in giving financial returns, in absolute terms making it difficult to compare hotels on financial performance.

The study used essential elements of TQM only to gauge operational performance and yet there are very many variables that impact on performance some of them being, marketing, security and the general environment.

5.5 Suggestions for Further Research

The survey was limited to 3-5 star hotels in Nairobi which total eighteen (18) and yet the total number of hotels in Nairobi is twenty nine (29) and therefore there is need to undertake a wider study covering all the hotels and Lodges in the whole country to get more concrete information on the operations of the hotel industry.

Having concentrated on the management and supervisors of these hotels it was not possible to validate the information given on TQM practices in these hotels and it is therefore recommended that a study be undertaken on the external customers covering the guests and suppliers. This would involve studying the customer's expectations and perception on the quality of service being given which would involve use of the Servqual model.

To establish clearly as to whether Total Quality Management leads to improvement on performance there is need to undertake a deeper study that takes into account all the variables that have an impact on performance.

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APPENDICES

APPENDIX I: QUESTIONNAIRES

QUESTIONNAIRE - A

Section 1: General Information

1. Name of your hotel

_____

2. What is the type of your hotel? (Tick one)

☐ Independent hotel (privately owned and operated)

☐ Consortium hotel (owned and operated by a member of marketing consortium)

☐ Corporate group hotel (owned and operated by a corporate hotel group)

3. What is the classification of your hotel? (Tick one)

☐ 3 star

☐ 4 star

☐ 5 star

4. Please indicate the size of your hotel by the number of rooms. (Tick one).

☐ Less than 50 rooms

☐ 50-100 rooms

☐ 101-150 rooms

☐ 151-200 rooms

☐ 201 rooms and above

5. How long has your hotel been in operation in Kenya? (Tick one)

☐ Less than 10 years

☐ 10-20 years

☐ Over 20 years

6. How many people are employed in this hotel? (Tick one)

☐ Less than 50

☐ 50 – 100

☐ 101 –150

☐ 151 – 200

☐ More than 200

7. What percentage of your customers do foreign tourists account for?

☐ Less than 30%

☐ 30 – 50 %

☐ Over 50 %

Section 2: Quality Programme

1. Do you have a formal strategic plan in place?

☐ Yes

☐ No

2. Does the hotel have a mission statement? If yes, answer question 3.

☐ Yes

☐ No

4. State the mission statement.

_____

_____

_____

_____

_____

_____

_____

_____

5. Do you have a documented policy on quality measures (Tick one)

      ☐ Yes

      ☐ No

6. Do you have a quality objective in place? (**Tick one**). If yes, answer questions 6 - 8. If No, proceed to **11**.

      ☐ Yes

      ☐ No

7. In developing and formulating the quality objective, the following parties were involved. Tick where appropriate. (Tick all that apply).

    ☐ Top management (CEO, MD, and GM)
    ☐ Other managers
    ☐ Supervisors
    ☐ Employees
    ☐ Customers
    ☐ Suppliers / Vendors
      Other(s) (specify) _____

7. In developing and formulating your hotel's quality objective, please indicate on a scale of 1-5 below the extent to which the following attributes were considered to be important to your customers. Where 1 is the least important and 5 being the most important.

	1	2	3	4	5
Ability to offer dependable service					
Provision of prompt service					
Ability to generate and issue correct invoices/bills					
Willingness of staff to help customers					
Willingness and promptness of staff in solving complaints					
Courteous, friendly and polite employees					
Trust worthiness, believability and honesty of employees					
Flexible staff towards customers' schedules					
Caring and understanding staff					
Caring and individualised attention					
Appearance of service staff					
Flexible schedules					
Appearance of your hotel facilities and equipment					
Other(s) (specify)					

8. On a scale of 1-5 how do you rank the following strategies in your organisation quality objective with 1 being the least relevant and 5 being the most relevant?

	1	2	3	4	5
Detection					
Control					
Co-ordination					
Strategic Impact					

9. On a scale of 1-5, how would the following definitions of quality rank when referring to products provided by your hotel with 1 being the least appropriate and 5 being the most appropriate?

	1	2	3	4	5
Fitness of the products for the intended purpose or use					
Features and character of service product that enable it to satisfy stated or implied needs of the client					
The ability of service product to satisfy stated or implied needs of the client					
Conformance of the service product to requirements					

10. On a scale of 1-5 indicate the degree to which the following statements relate to your view of quality where 1 is the lowest degree with 5 being the highest degree

	1	2	3	4	5
It is a problem to be solved					
It is a problem to be solved but one to be attacked reactively					
It is a problem to be solved but one to be attacked proactively					
It is a competitive opportunity					

11. Have you heard about Total Quality Management (TQM)?

☐ Yes
☐ No

12. Do you have a distinct quality programme that ensures quality is maintained in the hotel operations, e.g. TQM? If yes, answer 12-21. If no, proceed to 22

☐ Yes
☐ No

13. State the name of the programme?

_____

14. Which year did the implementation of the programme commence?

_____

15. Indicate on a scale of 0-5 the degree to which the following categories of officers were involved in planning the programme

Category	0	1	2	3	4	5
Top Management (CEO, MD, GM)						
Other Managers						
Supervisors						
Employees						
Suppliers						

16. On a scale of 0-5 indicate the degree to which the following category of officers are involved in the implementation of the quality programme with 0 being not involved and 5 most involved

	0	1	2	3	4	5
Top Management (CEO, MD, GM)						
Other Managers						
Supervisors						
Employees						
Suppliers						

17. What approach are you using in Quality Programme implementation? (Tick one).

      ☐ Quality Programme introduced slowly through a pilot programme

      ☐ Whole institution rapidly exposed to the Quality Programme

      Other approaches (Please specify)

      _____

18. Who is responsible for the Quality Programme in your organisation? (Tick one)

      ☐ Quality Department

      ☐ All departments although top management is peripherally involved

      ☐ in designing, planning and executing quality policies

      ☐ Everyone in the organisation with top management exercising top leadership

      Inspection department

      Other (s) (Specify)

      _____

19. What is the status of the programme implementation? (Tick one)

      ☐ Pilot stage (e.g. only in one department)

      ☐ Implemented in the whole hotel

      ☐ Implemented only in the core business department

      Other(s) (please specify

      _____

20. Indicate by ticking the elements that are already being practiced in trying to achieve quality in your hotel.

☐ A team composed of representatives of every unit in the hotel that
☐ is involved in the   provision of hospitality
☐ Established measurements that are appropriate to every activity
☐ that help identify areas that need improvement
Quality awareness among members of staff
☐ Awareness among personnel on the importance of conforming to clients' specifications and cost of non-conformance
☐ Setting of goals where individuals establish improvement goals for themselves and the entire hospitality process
☐ Feedback process
Other(s) (please specify)

_____

21. Which of these tools is being used in the hotel for quality improvement?

☐ Benchmarking
☐ Flow charts
☐ Kaizen

Any other(s) (please specify)

_____

22. What percentage of your last year's expenditure was in relation to training of personnel?

☐ Below 5%
☐ 5 – 10%
☐ 10 – 20%
☐ Over 20%

23.   Indicate the type of training undertaken by ticking against the following.

	All Staff	Some Staff	No Staff
Leadership training			
Cross functional training			
Customer care			
Productivity and quality			
Training on team building			
Technical training			
Other(s) (specify)			

24.   What percentage of the training budget is used on customer care training? (Tick one)

☐ Below 5%
☐ 5 – 10%
☐ 10 – 20%
☐ Over 20%

25.   Indicate the extent to which customers complaints are handled at the following levels: - where 1 means hardly and 5 means to a great extent.

	1	2	3	4	5
Employee (e.g. waiters or front office)					
Supervisors					
Division Head					
Head of Department					
General Manager					

26. How often are the facilities maintained? (Tick as appropriate)

☐ Routinely

☐ After complaints

Any other time(s) (please specify)

_____

27. Indicate the year that the hotel was last refurbished

☐ Before 2003

☐ 2003

☐ 2004

☐ 2005

☐ 2006

☐ 2007

28. What facilities are available to clients for communication (Tick as appropriate)

☐ Telephone

☐ Internet

☐ Facsimile

Other(s) (please specify)

_____

29. Which of these processes are used by your clients to reserve accommodation (Tick one as appropriate)

☐ Travel Agents

☐ Telephone

☐ Facsimile

☐ Internet

Other(s) (please specify)

_____

30. Indicate by ticking appropriately what changes are required to successfully implement a Quality Programme through TQM.

	Very important	Important	Not important
Cultural changes			
Changes in operational processes			
Changes in organisational structure			
Any other (specify)			

31. Indicate changes, choosing from the ones above that have been undertaken by your hotel. (Tick as appropriate)

☐ Cultural changes
☐ Changes in process
☐ Changes in organisation structure
Other(s) (please specify)

_____

32. Does your hotel produce a newsletter?

☐ Yes
☐ No

33. If yes to 31, how often?
☐ Weekly
☐ Monthly
☐ Quarterly
☐ Yearly
Other(s) (please specify)

_____

34. State the recipients of the newsletter. (Tick as appropriate)

☐ Top Management

☐ Managers

☐ Suppliers

☐ Tour Operators/Agents

☐ Support Staff

☐ Clients

Other(s) (please specify)

_____

35. Does your organization have a method of ascertaining whether quality is achieved?

☐ Yes

☐ No

36. If yes to 35, state which methods are used (Tick as appropriate)

☐ Customer Surveys

☐ Guest Questionnaires

☐ Suggestion and complaint boxes

Other(s)   (please   specify)

_____

37. How are complaints and compliments communicated to staff (Tick as appropriate)

☐ Notice Board

☐ Newsletters

☐ Departmental meetings

☐ Newsletter

☐ Circulars

Other(s) (please specify)

_____

38. Has your hotel won any quality award?

☐ Yes
☐ No

39. If yes to 38, state the name(s) of the award(s).

_____

_____

_____

40. How do you get ideas for improvement? (Tick as appropriate)

☐ Benchmarking
☐ Monitoring system
☐ Customers
☐ Employees
   Other(s) (please specify)

_____

41. How often do Senior Managers interact with guests (Tick one)

☐ Daily
☐ Every two days
☐ Once a week
☐ Monthly
☐ None
   Other(s)(please specify)

_____

42. State the average number of years the personnel have served in the hotel (Tick one)

- ☐ 0 - 4 years
- ☐ 5 - 10 years
- ☐ 11 - 15 years
- ☐ Over 15 years

43. How often are personnel in the hotel appraised? (Tick one)

- ☐ Weekly
- ☐ Monthly
- ☐ Once a year
- ☐ Twice a year
- ☐ Every Quarter

Other(s) (please specify)

_____

44. What has been your staff turnover in the last five years (in percentage terms)?

- ☐ Less than 5%
- ☐ 5 – 15%
- ☐ Over 15%

45. What percentage of your customers were repeat guests in the last five years?

		2002	2003	2004	2005	2006
	Less than 10 %					
	21 – 35 %					
	36 – 50 %					
	Over 50 %					

46. What has been the growth in sales in percentage terms in the last five years

		2002	2003	2004	2005	2006
	Below 0%					
	0-5%					
	6-10%					
	11-15%					
	16% and above					

47. What was the average occupancy rate in the last five years?

		2002	2003	2004	2005	2006
	Less than 20 %					
	21 – 50 %					
	Over 50 %					

48. In your opinion, what has led to the growth in sales / occupancy rate? (If any)

_____

_____

_____

_____

Thank You for Your Co-Operation

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QUESTIONNAIRE – B

(To be filled by Supervisor / Staff deployed in Rooms / Food & Beverages Departments)

1. What is the name of the hotel?

    _____

2. In which department| section are you deployed?

    ☐ Front Office
    ☐ Reservation Rooms
    ☐ Restaurant
    ☐ Bar
    ☐ Conference
    Other(s) (please specify)

    _____

3. What is the nature of your job? (Tick one)

    ☐ Supervisor
    ☐ Waiter
    ☐ Receptionist

    Other(s) (please specify)

    _____

4. For how long have you been working in this hotel? (Tick one)

    ☐ Less than five years
    ☐ 5 – 10 years
    ☐ Over 10 years

5. Please answer the following questions by ticking appropriately for the job you are involved in.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
People in my unit understand the quality of work required					
People in my unit see continuous improvement as essential					
People in my unit contribute willingly to quality improvement					
People in my unit emphasize on doing things right the first time					
People in my unit are allowed to resolve customer complaints					

6. What do you think about the following statements?   Managers in my organisation: -

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Are committed to providing top quality work					
Regularly review the quality of work produced					
Involve employees in deciding on ways to improve work production					
Follow up suggestions on improvement					

7. Does your job involve working in groups?

- ☐   Yes
- ☐   No
- ☐   If yes, answer 8, if no proceed to 9

8. People in my group: -

	Always	Occasionally	Never
Are challenged by the supervisor to find ways to improve their work			
Are paid fairly for the work they do			
Are promoted because they have earned it			
Are able to exchange information with their supervisors regarding work			
Are the appropriate personnel to get the job done (i.e. Adequately)			
Are equipped with training/the right tools, equipment and materials to get the job done			
Are well balanced in terms of work distribution			
Are recognized for outstanding performance as individuals or teams			

9. Do you agree with the following statements? People in my work unit: -

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Understand how emphasis on quality leads to more productive use of resources.					
Know who their customers are					
Care about their customers both within the hospitality process and outside					
Rely on grapevine or rumors for information					
Have work goals and standards that are generally realistic					
Resolve customer complaints themselves					
Appraise their own performance					

10. What do you think about the following statements? True or false?

     i. The supervisors in my unit: -

	True	False
Make continuous improvement of work a priority		
Request employees opinion		
Do a good job of setting work expectations		

ii. Almost all workers in my work unit: -

	True	False
Can specify, if asked, what goals or objectives they are working towards		
Are invited to participate in setting goals or objectives related to their work		
Know how the goals/objectives they are working toward relate to their groups' mission		
Do a good job in achieving the set goals for the unit		

iii. Managers at the top: -

	True	False
Hold regular meetings with juniors to identify opportunities for improvement		
Analyze new ideas from workers and implement them		
Encourage new ideas		
Allow people to contribute freely and be creative		
Reward new ideas that work		
Have the authority to try a new approach that looks promising		
Approve trials of new promising approaches		

APPENDIX II: THE DEMING PHILOSOPHY

1. Create and publish the aims and purposes of the organisation.
2. Learn the new philosophy.
3. Understand the purpose of inspection.
4. Stop awarding business based on price alone.
5. Improve constantly and forever the system.
6. Institute training.
7. Teach and institute leadership.
8. Drive out fear, create trust and create a climate.
9. Optimise the efforts of teams, groups and staff areas.
10. Eliminate exhortations for the work force.
11 Eliminate numerical quotas for the work force.
12 Eliminate management by objective.
13. Remove barriers that rob people of pride of workmanship.
14. Encourage education and self-improvement.
15. Take action to accomplish the transformation.

Source: Deming, W.G., (1986) Out of a Crisis, MIT press (Cambridge MI)

i. Essential Items for Hotel Classification

Vacation Hotels	Town Hotels	Lodges
Menu	**Menu**	**Menu**
Service Staff	Service Staff	Service Staff
Bar Staff	Bar Staff	Bar Staff
Wash Hand Basin	Wash Hand Basin	Wash Hand Basin
Fume Extraction	Fume Extraction	Fume Extraction
Waste Disposal	Waste Disposal	Waste Disposal
Drainage	Drainage	Drainage
Kitchen Staff	Kitchen Staff	Kitchen Staff
Numbering of Rooms	Kitchen Staff	Kitchen Staff
Change of Linen	Change of Linen	Change of Linen
Safe Deposit	Safe Deposit	Safe Deposit
Front Office Staff	Front Office Staff	Staff
Refuse Disposal	Refuse Disposal	Refuse Disposal
Sewage	Sewage	Sewage Treatment and Disposal
Vermin Proofing	Vermin Proofing	Vermin Proofing
Water Supply	Water Supply	Water Supply
Electrical Safety	Electrical Safety	Electrical Safety
First Aid	First Aid	First Aid
Safety of Swimmers	Safety of Swimmers	Safety of Swimmers
Qualification Of Management Staff	Qualification Of Management Staff	Qualification Of Management Staff
Departmental Heads	Departmental Heads	Departmental Heads
Qualification Of Operative Staff	Staff	Staff
Medical Examination	Medical Examination	Medical Examination
Hotel Insurance	Hotel Insurance	Lodge Insurance

ii. Hotel Classification System

Star(s)	Description of Facilities
*	- Hotels with basic facilities and services meeting the quality standards - In harmony and conformity with locality - Separate and independent access for the hotel guests and delivery - Reception staff in uniform and presentable - At least ten lettable rooms - 100 per cent private bathrooms - At least one restaurant that is well furnished and lit - One meeting room of not less than 40 Sqms - Glass washing and drying machine shall be available - Enough storage capacity for water to last at least one day in case of a breakdown in supply - Drinking water must be safe and potable and shall meet WHO standards - Lifts shall be provided for buildings of four or more storeys including ground floor
**	**Same as one star but:** - With comfortable facilities, offering some services and amenities - Some claim to style and beauty - Good quality and harmony of colours - Enough storage capacity for water to last at least three days in case of a breakdown in supply
***	**Same as two stars but with excellent facilities, offering a wider array of services and amenities:** - All rooms to be approached through a corridor except for cottages - Good quality uniforms - Restaurant should be same as in One star but with a coffee shop or snack bar in addition - Provision for smoking and non smoking area - At least one percent of suites shall be suites

	• Safe deposit available though not necessarily in the rooms
	• Enough storage capacity for water to last at least five days in case of a breakdown in supply
****	**Same as three stars but should be:**
	• Hotels with superior facilities, offering a wide range of services and amenities
	• Mosquito nets available
	• High quality furniture and fittings
	• Drinking water must be safe and potable and shall meet WHO standards
	• Lifts shall be provided for buildings of four or more storeys including ground floor
*****	**Same as for four stars but should be:**
	• Hotels with exceptional facilities, offering a full range of services and amenities
	• Locality and environment of high international standards
	• Building wholly detached
	• Exceptionally high quality of furnishings
	• Enough storage capacity for water to last at least one week in case of a breakdown in supply
	• Lifts shall be provided for buildings of four or more storeys including ground floor and a service lift provided

Source: Government of Kenya, Ministry for Tourism, Kenya Gazette Supplement No. 9, (Legislative Supplement 9), February 16, 2005.

Where:

*	-	One Star
**	-	Two Star
***	-	Three Star
****	-	Four Star
*****	-	Five Star

APPENDIX IV: 3 - 5 STAR CLASSIFICATION HOTELS IN NAIROBI

Five Star

- Hotel Intercontinental
- Grand Regency Hotel
- Hilton hotel
- The Norfolk Hotel
- Nairobi Serena
- The Stanley
- Safari Park Hotel
- Windsor Golf and Country Club

Four Star

- Fairview Hotel

Three Star

- The Bounty Hotel
- Marble Arch Hotel
- Landmark Hotel
- Holiday Inn
- Nairobi Safari Club
- Utalii Hotel
- Six Eighty Hotel
- Silver Springs Hotel
- Ambassador Hotel