BENCHMARKING PRACTICES IN THE HOTEL INDUSTRY IN NAIROBI, KENYA

By

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This research project is presented in partial fulfilment of the requirements for the award of degree of Master of Business Administration of the University of Nairobi.

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DECLARATION

I, Philip A. Okombo, do hereby declare that this research project report is my original work and has not been submitted to the University of Nairobi, or any other university for academic credit.

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This research project report has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

To God, our creator:

Who gives us power to excel and make wealth;

To my dear wife, Rose Vutare:

Your love, moral and financial support to see me through the MBA programme is

invaluable;

To our children, Michelle, Sharon and Michael:

May this inspire you to realize your highest academic achievements early in life;

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To my mother, Juliah Nyangasi: for your love.

ABSTRACT

The hospitality industry is served by a variety of service organizations that need to continuously monitor the quality of services offered through various quality improvement tools, including benchmarking. This study sought to establish the extent of application of benchmarking in hotels in Nairobi, Kenya; and to determine the process metrics used in the hotel industry in Kenya. The study was conducted through a cross-sectional statistical survey in which 20 out of 30 targeted hotels returned the completed questionnaire, representing response rate of 66.67.67 per cent. The data was analysed to generate descriptive statistics presented in pie charts, frequency tables, means and correlation matrices. The study found that the majority of the hotels surveyed were aware of, and applied benchmarking in their operations. Among other perceptions, the hotels considered benchmarking to be a useful way to assess hotel performance; a means to share knowledge and enhance the quality of services. The study determined in order of importance, the various reasons that motivate hotels to adopt benchmarking as well as the benefits they hoped to gain from implementing benchmarking in their operations. The reasons considered most important were effectiveness of benchmarking in quality enhancement; helping to provide better services to guests; and maintain competitive advantage. The study identified the barriers to implementing benchmarking in hotels, with confidentiality of information being cited as the most significant. The study determined process metrics used as a basis for comparing a hotel's services with other establishments in Guest Room values, Front Office services, and Food and Beverage operations. The most important factors in guest room values were: cleanliness of the room, quietness of the room, comfort of the bed/pillow and atmosphere. In front office services, the factors considered most important were: courtesy of employees; reasonable room rates; and promptness of check-in and check-out; while in food and beverage operations, courtesy of employees; speed of service; variety/quality of food and beverages offered; and promptness of seating allocation were the most important. The study encountered some limitations in terms of methods and instrument of data collection; lack of cooperation from respondents; and absence of an up-to-date official list of classified hotels by the Kenya Hotels and Restaurants Authority. This study recommends further research on a wider scope on application of specific types of benchmarking, such as competitive benchmarking in the hotel industry in Kenya.

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CHAPTER ONE: INTRODUCTION

1.1   Background to the Study

The hospitality industry is the world's fastest growing industry, and with increased volume of travel around the world, it is bound to remain on the rise in the near future. The industry is served by a variety of service organizations, which are constantly working towards providing quality products and services to meet customers' requirements. There are a number of tools or techniques that organizations can use for ensuring quality in their business operations at strategic levels. One of the most commonly applied tools is benchmarking.

1.2   Benchmarking

The concept of benchmarking has been defined variously by different researchers and scholars. According to Min, Min and Chung (2002), benchmarking is a continuous quality improvement process by which an organization assesses its internal strengths and weaknesses; evaluates comparative advantages of leading competitors; identifies best practices of industry functional leaders; and incorporates these findings into a strategic action plan geared to gaining a position of superiority. It is a process of identifying, sharing and using knowledge and best practices by measuring against defined standards or benchmarks. In other words, it involves continuously monitoring the value customers put on the company's product and comparing it with the best.

In the hospitality industry, the benchmarking concept can be applied to a number of processes that constitute operational activities within the industry. These processes include the following: accommodation reservation process; guest check-in process;

procedure for making up a hotel guest room; and procedure for serving a meal in the restaurant. These processes and many others in the hospitality industry can be measured against some defined benchmarks. A benchmark refers to a metric or standard, which is the actual measurement or data collected to carry out the benchmarking process (Okwiri, 2010). Thus the benchmarking process leads to establishment of benchmarks. For illustration, cycle time for making up a guest room and the speed of complaint resolution are briefly explained below.

Cycle time for completing a given process or task can be a defined benchmark for process effectiveness and operational efficiency in hotel operations. For example, a hotel can carry out experiments with several room attendants to determine a realistic cycle time for making up a standard hotel room and determine a standard cycle time for the hotel. The hotel management can then use the defined standard as a basis for determining the optimal number of staff needed to service all the hotel's rooms in a given time period. A shorter cycle time means that fewer room attendants would be needed; which should translate into lower operating costs that lead to operational efficiency of the hotel's housekeeping department.

The speed of complaints resolution is another standard by which guests can put value to a hotel's services. A guest who is dissatisfied with any part of a hotel's service or product will usually raise a complaint with guest contact employees such as a room attendant, receptionist or restaurant server. The time within which the complaint is resolved can be translated into a benchmark for the hotel's complaints resolution process. This could be in terms of minutes, hours or days, depending on the nature of the complaint and the type of appropriate solution for each complaint. For example, if

a guest complains about bad food during lunch service, a solution should be offered within minutes during the meal period. A short cycle time means guest complaints are resolved quickly, leaving guests satisfied. Guest satisfaction index can be considered as a measure of process effectiveness and operational efficiency. Satisfied guests are likely to bring more business to the hotel through repeat visits or recommendation of the hotel's services to other prospective customers by word of mouth.

1.3   The Hotel Industry in Kenya

The hotel industry in Kenya is closely connected to the tourism industry as both sectors are key stakeholders in the two industries combined, and rely on each other to sustain their operations. The tourism sector has recorded impressive growth results in terms of foreign exchange earnings and international visitor arrivals to Kenya. According to the Kenya Economic Survey (2012), Kenya's foreign exchange earnings increased by 32.8 per cent from KShs.73.7 billion in 2010 to KShs.97.9 billion in 2011; while international visitor arrivals, mostly holidaymakers, rose from 1.6 million in 2010 to 1.8 million in 2011, a rise of 13.3 per cent. New hospitality establishments have also been developed in many parts of the country to cater for the increased numbers of foreign visitors as well as domestic travellers. In this regards, the hotels and restaurants sector recorded growth at 5.0 per cent in 2011 compared to 4.2 per cent in 2010 (Kenya Economic Survey, 2012).

This growth of the hotel and tourism industry can be attributed to a number of factors, including, advancements in information and communications technology that have revolutionized operations in the hotel industry. Using computers has simplified most hotel operations that were previously tedious to undertake manually such as handling

reservations for accommodation, check-in and check-out of guests, billing and accounting. Many hotels now use computerized hotel information systems such as Opera Property Management System and Micros Point of Sale System in operations.

According to the Kenya Economic Survey (2012), the following factors also contributed to the growth of tourism: promotion in new markets like Asia; repositioning the country as a high value destination through the Brand Kenya Initiative; political stability; and improved security and infrastructure in the country. In terms of employment, the labour market recorded 520,100 new jobs in 2011 compared to 498,600 new jobs in 2010, representing an increase of 4.7 per cent. In total, 74,200 new jobs were created in the modern sector (building and construction, energy, tourism, transport and financial services) in 2011 compared to 61,300 in 2010, contributing 14.3 per cent of total jobs created. Annual average nominal earnings increased by 5.3 per cent in 2011 while the real average earnings declined by 8.1 per cent due to inflation. The increased earnings have had a knock-on effect of higher levels of disposable income that enable more nationals to travel for business and/or leisure using improved, varied, faster and safer modes of travel. Domestic travel by air is now more readily available and affordable than before.

The key issues are competition from emerging tourist destinations, internal competition within Kenya, and improved communication that enables customers to obtain information very conveniently. Increased supply moves bargaining power to the consumer of tourism products. Self-catering and other substitutes mean increased demand for higher level customer experience. Cost competitiveness and agility in services and products are issues for competition among operators in the hotel industry.

1.4   Statement of the Research Problem

As a continuous quality improvement process, benchmarking involves continuously monitoring the value customers put on the company's product and comparing it with the best. For benchmarking to be undertaken effectively, standards have to be established for the various processes that constitute operational activities in the hotel industry. For example, a shorter cycle time for making up a guest room implies lower operating costs because fewer room attendants will be required; while a faster speed of resolving guest complaints means fewer dissatisfied guests. The standards so established become the defined benchmarks for process effectiveness and operational efficiency in hotel operations.

The hotel and tourism industry in Kenya has seen some significant growth in terms of visitor arrivals, foreign exchange earnings, and development of new hospitality establishments in various parts of the country in the recent past (Kenya Economic Survey, 2012). This growth can be attributed to a number of factors, including competition from emerging tourist destinations, internal competition within Kenya, and improved communication that enables customers to obtain information conveniently. Consequently, operators in the hotel industry have to maintain the quality of services and products in order to remain competitive. In this context, they could adopt benchmarking as one of the tools to achieve this operational objective.

Some empirical research has been done on performance measurement in the hotel industry in Kenya. In a study to investigate the impact of managerial characteristics on key performance indicators in the Kenyan hotel industry, Wadongo, Odhuno, Kambona, and Othuon (2010) found that majority of the managers had formal training

up to diploma level, and were relatively experienced in hospitality operations in Kenya. The study also found that performance measurement in the hotel industry was based more on financial measures than competitiveness and other non-financial measures, which the study concluded could be an indicator that performance measurement within the Kenyan hospitality industry was not balanced. In another study, Akuma, (2007) found that four types of benchmarking, namely internal, competitive/performance, external, and strategic benchmarking were currently in use as a tool for continuous improvement by parastatals in the Ministry of Agriculture. However, the parastatals faced challenges in the use of the benchmarking technique in terms of analyzing and gaining a deeper understanding of their own processes; scarcity of resources; unavailability of appropriate benchmarking partners; and government bureaucracy in running parastatals.

Other researchers have undertaken conceptual research studies on benchmarking as a tool for promoting continuous service quality improvement in hospitality operations. Yasin and Zimmerer (1995) found that organizations may innovate and learn as they respond to their competitive environment by embracing benchmarking in their operations sub-systems and service sub-systems. The focus here is on the potential benefits to be derived from the successful integration and incorporation of benchmarking into their corporate culture.

None of the previous studies on benchmarking in Kenya has focussed on the hotel industry. The lack of published empirical research may be attributed to several factors such as: whether operators in the Kenyan hotel industry are aware of the benchmarking concept; the sizes of hotel establishments in Kenya compared to other

countries; and cost implications of undertaking benchmarking activities. There is also lack of, or access to, reliable competitors' information that would enable competitive benchmarking to take place. Most competitors would be reluctant to share their operations' sensitive information with other establishments (Elmuti and Kathawala, 1997; and Akuma, 2007).

In view of the limitations of the previous studies on benchmarking, the aim of this research was to investigate the applicability of benchmarking in the hospitality industry in Kenya; and to determine the factors influencing its application to realize improvements. This was intended to determine the level of perceptual understanding of the benchmarking concept within the hotel industry in Kenya. In order to achieve this purpose, this study set out to answer two questions: to what extent is benchmarking being applied in Kenyan hotels; and what constraints lie in the path of applying benchmarking to achieve or make improvements?

1.5   Research Objectives

The research questions were to be answered by achieving the following objectives:

i)   To establish the extent of application of benchmarking in hotel operations and service in Nairobi, Kenya.

ii)   To determine the common process metrics used in the hotel industry in Kenya.

1.6   Value of the Study

The aim of this research was to investigate the current position regarding the application of benchmarking in Kenyan hotels, which can be used as a tool for efficiency and effectiveness in operations. The preliminary background research to

the problem established that no empirical research had been undertaken on application of benchmarking practices in the Kenyan hotel industry. This study was undertaken to fill this information gap through the published research report.

This study is also significant as it adds to the body of knowledge in general. This research report should be a valuable source of reference for general knowledge on benchmarking in hotel operations for scholars and other stakeholders in the hospitality and tourism industry. It may also spur further research on benchmarking practices in hotels or other industries.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of literature on the concept of benchmarking as applied to the hospitality industry. The first section is dedicated to the review of literature on types of benchmarking; the second discusses benefits of benchmarking; while the third section evaluates literature on process metrics used in benchmarking in the hotel industry. The last section summarises the literature reviewed on points of agreement and clarifies issues which have not been addressed; and whether such issues could be incorporated in this study.

2.2 Types of Benchmarking

Published literature suggests different types of benchmarking with suitability depending on operational and strategic objectives. Most authors and researchers including Camp (1989), Elmuti and Kathawala (1997), and Wöber (2001) categorize benchmarking into four types as internal benchmarking, competitive benchmarking, functional benchmarking, and process benchmarking. Each type is described below.

According to Elmuti and Kathawala (1997), internal benchmarking is the simplest form that benchmarks against operations within the organization because most companies have similar functions inside their business units. It entails comparing the organization's internal activities and processes of one unit or branch against other units or branches. The main objective is to determine the internal performance standards of the organization. Other researchers have found that once the objective of establishing operating standards within the organization has been attained, internal

benchmarking assists company managers in identifying their Strengths, Weaknesses, Opportunities, and Threats (SWOT); and therefore improve economic efficiency of the company (Yasin and Zimmerer, 1995; and Wöber, 2001).

Competitive benchmarking involves the comparison of the company's products, services or processes with those of direct competitors in the same market such as comparing McDonald's versus Burger King or Kenya Breweries Ltd versus Keroche Breweries Ltd. This is undertaken mostly after an internal benchmarking activity; and the internal information has been documented and analysed so that it can be compared to external data (Camp, 1989). According to Elmuti and Kathawala (1997), this type of benchmarking is quite difficult to undertake, because access to information about competitors' processes is not easy.

Functional benchmarking is externally performed against industry leaders or the best functional operations of certain companies. It focuses on specific functions such as accounting or marketing, which are common to most organizations. The benchmarking partners usually share some common technological and market characteristics, but are not direct competitors, so they are more willing to contribute and share information (Elmuti and Kathawala, 1997).

Process benchmarking focuses on the best work processes by emphasizing on the similarity of procedures and functions rather than the business practices of the company that one is benchmarking with. This type of benchmarking can be applied to organizations from different sectors of the economy (Elmuti and Kathawala, 1997).

In another conceptual research paper with consistent findings, Bhutta and Huq (1999) describe two additional types of benchmarking: generic and strategic benchmarking. According to Bhutta and Huq, generic benchmarking compares processes against best process operators regardless of industry; while strategic benchmarking is undertaken when a company is attempting to change its strategic direction and wishes to compare its performance against the competition in terms of strategy. The major limitation of conceptual research papers is the lack of objective observation of phenomena; implying that such research cannot be replicated anywhere else. However, an empirical study would strengthen or disprove the findings reported.

In conclusion, Elmuti and Kathawala (1997) caution that each company should evaluate carefully its own perspective of benchmarking and how they wish to apply the process. The company should determine whether their focus is on financial results or on meeting customer requirements, since this is the only effective way to begin the benchmarking process.

The authors cited in the categorization of benchmarking tend to agree in their definitions of benchmarking. A closer study of these definitions leads to the conclusion that there are basically three types of benchmarking: competitive, functional, and generic benchmarking which are capable of being applied both internally and externally. For instance, competitive benchmarking may be internal if a company wishes to compare operations of two departments with similar work processes and products, such as two restaurants in the same hotel. Externally, such a comparison would be between restaurants in different hotels.

Functional benchmarking can be undertaken internally as well as externally. In a hotel set up, this could mean comparing the functions or processes in housekeeping department with those of the accounting department. Externally, it may involve benchmarking a hotel's work processes with those of a tour operator. For generic benchmarking, the internal application in hotel operations could be based on issues such as guest satisfaction index. The department that records the highest level in a given operating period can be set as the benchmark for other departments.

From this analysis, it is not easy to categorize benchmarking as strictly internal or external. It can go either way depending on one's point of reference. Two organizations in completely unrelated industries can engage in a form of generic benchmarking that may be referred to as collaborative benchmarking. For example, the University of Nairobi could benchmark its procurement work processes with those of Kenya Airways Ltd so that the two organizations can benefit from each other's input, since they are not competitors in the same industry.

2.3   Benefits of Benchmarking

From the different studies done on benchmarking, organizations can expect to derive certain benefits by applying benchmarking practices in their operations. According to Elmuti and Kathawala in their conceptual research paper, the main objective of internal benchmarking is to determine internal performance standards of an organization by enabling the sharing of a multitude of information; and opportunity to transfer them to other parts of the organization (Elmuti and Kathawala, 1997).

An organization must first understand the concept of benchmarking before applying it in its operations. From an external perspective, such an organization will become aware of what practices other companies are applying in their operations. The organization can then adopt industry best practices and incorporate them in its operations to attain superior performance (Camp, 1989).

Benchmarking that focuses on the external environment should lead the company to set its goals and objectives based on the industry's best-in-class, which ensures that the organization meets customers' needs to a level that cannot be argued against (Camp, 1989). Effective goals and objectives also enable the organization to establish methods of measuring each area in terms of units of output and cost, thus supporting the process of budgeting, strategic planning and capital planning (Elmuti and Kathawala, 1997).

Benchmarking can enable the organization to set effective and measurable goals which lead to better work processes that result in increased productivity at a lower cost. The organization would then be able to understand its own administrative operations better; identify targets for improvement; eliminate waste; and improve its market share (Elmuti and Kathawala, 1997). Thus, a hotel that achieves short cycle times for making up guest rooms can expect to employ fewer room attendants, in effect realize increased productivity at lower cost.

Benchmarking may actually contribute to improved operational performance, first through the firm's understanding of its competitive position and its strengths and weaknesses, and second through providing a systematic process for effecting change

Wöber (2001). Increased productivity should lead to improved products or services that meet or exceed customers' requirements to enable the organization remain competitive in business. In fact, the end-result of any typical work process, whether delivering a physical product or a service, should be something of value that meets the needs of the next customer in the process or those of the end-user (Camp, 1989).

Finally, the foregoing benefits of benchmarking should enable the organization that applies benchmarking to rise to a position of competitive advantage. The organization must understand the competition through competitive benchmarking of products, services or work processes; and develop effective plans to deliver those products and services competitively (Camp, 1989). That means the company must consistently deliver products or services of superior quality at a lower cost than its nearest rival to maintain its competitive advantage.

The above arguments in support of benchmarking imply that all reputable companies should be applying the concept in their operations. On the contrary, many companies do not practise benchmarking, possibly due to the following reasons. Most organizations are not aware of the benchmarking concept; difficulty of accessing information on competitors' operations renders competitive benchmarking difficult; and lack of financial and other resources to undertake the benchmarking process. This study will attempt to validate or disprove these reasons as part of its research.

2.4   Factors Affecting Application of Benchmarking in Hotels

Published literature confirms the applicability of benchmarking as tool for performance improvement in the hospitality sector. (Min et al., 2002; and Nassar,

2012). The authors identify performance elements of the industry that can be used in a benchmarking exercise (Min et al., 2002); while the views and perspectives of the sector towards benchmarking are determined (Nassar, 2012). This literature is investigated to provide a common perception of the application of the concept.

Min et al., (2002) used an empirical study to carry out external (competitive) benchmarking to prove that dynamic benchmarking can be used as a service improvement tool in hotels. The researchers used two key dimensions: guest room values and front office service attributes to determine the "best practice" hotel among Korean luxury hotels in a study carried out in Seoul, South Korea in the year 2000. Findings from this study indicate that the most important attribute in determining hotel service quality is cleanliness of a guest room; followed closely by courtesy of hotel employees; quietness of a guest room; handling of complaints; and comfort of bed/pillows. The study also found that due to increasing competition in the hotel industry, hotels need to continuously improve service standards by applying dynamic benchmarking to achieve service excellence.

In a separate study, Nassar (2012) sought to investigate the current state, understanding and opinions of benchmarking in the Egyptian hotel sector in order to establish perceived benefits, obstacles and possible improvements. The researcher used the descriptive approach with a structured self-administered questionnaire to conduct the research. Findings reveal the current benchmarking practices in three major areas. According to the research, most hotels in Egypt have benchmarking experience regardless of their location or size. The hotels demonstrate a positive attitude towards benchmarking; and perceive it to be a useful tool in assessing

performance as well as a means of increasing competitiveness and quality. The study also found that implementation of benchmarking faces some challenges, including: lack of capacity to carry out such a qualitative study; time constraints; competitive barriers; cost; resistance to change; and lack of knowledge sharing among hotels (Nassar, 2012).

The two studies (Min et al., 2002 and Nassar, 2012) employed empirical research, which involved observable phenomena. According to Min et al., (2002) the specific service metrics used are comparable across the hospitality industry as well as in other service settings such as hospitals and the banking sector. This confirms the views of the people in the industry. Nassar (2012) addresses attitudinal issues with regard to awareness of the benchmarking concept in the hotel industry, which can be greatly influenced by the culture of a place. This implies that these studies can be replicated in other industries or regions, where results might vary due to cultural differences between the different regions. Nevertheless, these empirical research findings are consistent with those of a conceptual research by Elmuti and Kathawala (1997).

2.5   Summary of Literature Review

From the literature reviewed, it appears that benchmarking has been applied in some context in the evaluation of competitive benchmarking among Korean luxury hotels as well as in the determination of current benchmarking practices in the Egyptian hotel sector. The findings reveal that the factors affecting implementation of benchmarking constitute the process metrics that are comparable across industries. They form a credible process for benchmarking activities that are applicable to most front office services, and to some back office processes such as purchasing, receiving, storing, and

issuing that cut across different industries. This implies that the same can be applied to benchmarking activities in any industry in Kenya, including hotels. However, it is difficult to predict which type of benchmarking can be applied, or is being applied in Kenyan hotels without a survey of the industry.

There is a consensus among the authors on the different types of benchmarking that can be applied, the major ones being internal, competitive, functional, and process benchmarking. The last three can be easily applied by all types of organizations since the organization is always comparing itself against some external entity. On the other hand, internal benchmarking depends on the size of the organization; it must be large enough with many departments or have several units in different geographical locations to compare against each other. Attitudinal aspects as seen from the positive views of the people in the industry indicate the readiness of organizations to adopt benchmarking, especially if its effectiveness could be proven in their operations.

The empirical research carried out on competitive benchmarking in hotels in other regions focussed on room values and front office services; there appears to be a gap on food and beverage services. Could this research incorporate this section of hotel operations in its study? The answer was yes, as this was likely to bring out vital findings in benchmarking practices in food and beverage services. Hence, this research extended data collection to include food and beverage services within the hotel. On this score, this exploratory research sought to address the limited availability of literature on benchmarking practices in the hotel industry in Nairobi, Kenya. This formed an important guide to the research methodology.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1   Introduction

This chapter presents the procedures that the researcher followed in carrying out the research for this study. It describes the research design; the target population; data collection; and data analysis, presentation, and interpretation.

3.2   Research Design

This research followed the descriptive approach as the study sought to establish the current situation regarding the extent to which benchmarking was being applied in Kenyan hotels; and to determine the factors affecting its application to achieve improvements. The research was conducted as a statistical study based on several cases to achieve generalizability to the industry. In terms of time dimension, the study used a cross-sectional study, which entails the collection of data at a single point in time (Bryman and Bell, 2007).

3.3   Target Population

For the choices made above, the researcher obtained information for this study from classified hotels of varying sizes found within the localized geographical area of Nairobi city. This geographical area was targeted because it fitted in well with the time dimension selected for the study. The list of hotels surveyed (Appendix 1), was compiled with reference to the Kenya Gazette (2003) and a website: http://www.kenyaspace.com/Hotels.htm, (25/06/2013), where 25 hotels within Nairobi were listed. The researcher was also aware of hotels that have been constructed recently, and added them to the population frame on the basis of

knowledge of their operating, so no bias was intended. The list comprised hotels of different classifications from 2 stars to 5 stars; and different sizes by number of rooms and by number of employees. Data was collected from these hotels in a survey to enable performance of a realistic analysis from which the findings could be generalized to the hotel industry in Kenya.

3.4   Data Collection

Primary data for this study was gathered using the drop and collect self-administered questionnaire as it was considered most convenient with regard to cost and the time dimension selected. The request for information was directed to the chief operating officer or operations manager in each establishment. The questionnaire was accompanied by an introductory letter (Appendix 2) to inform the respondent about the nature and purpose of the study, and to request them to complete the questionnaire. The questionnaire in Appendix 3 collected basic information about the establishment; awareness of benchmarking; reasons and benefits of adopting benchmarking; barriers to implementing benchmarking; and the importance of various service attributes for comparing a hotel's services with other establishments.

Items for the questionnaire were obtained from past studies on benchmarking by different researchers from different regions, and adapted for this study. Questions to determine awareness and perception of benchmarking; and quality improvement tools were adapted from Nassar (2012). The researcher drew questions on reasons for, and barriers to adopting benchmarking from both Nassar (2012) and Magd (2008), while factors for gauging the importance of perceived benefits of benchmarking were

adapted from Magd (2008). Question items to obtain data on how hotels compare their services with other establishments were adapted from Min et al. (2002).

Data on basic information was rated on nominal scale, while data for the rest of the questions was rated using ordinal and interval scales. Respondents were required to indicate their degree of agreement with given statements using the Likert scale of 1 to 5; while they were asked to rank other variables in order of importance.

3.5   Data Analysis, Presentation and Interpretation

The completed questionnaires were checked for completeness and consistency; and coded for analysis. Data was coded and categorized based on means and standard deviations for question items that were measured using the Lickert scale of 1 to 5. This descriptive statistics are used to identify the presence or absence of the variable. A mean score above the median value of 3.0 would be a significant indication of the presence of the variable being measured. Ranking items were coded and categorized based on mode to signify the level of usage or importance of the variable being measured. The degree of usage or measure of importance was categorized as being high, medium or low. The analysed data is described using pie charts, and a variety of tables in the next chapter.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter reports on data analysis and findings of the study. The research objectives were to establish the extent of application of benchmarking in hotel operations and service in Nairobi, Kenya, and to determine the common process metrics used in the hotel industry in Kenya. The data was analyzed to generate descriptive statistics as described in this chapter.

Out of thirty (30) hotels within the city of Nairobi to which the questionnaires were distributed for this study, only twenty (20) validly completed questionnaires were returned, representing a response rate of 66.67 per cent. The hotels were categorized according to their star rating as shown in Figure 1, where nine (9) were classified as 3 star hotels; five (5) were in the 4 stars class; while six (6) were 5-star hotels.

Figure 1: Participating Hotels by Classification
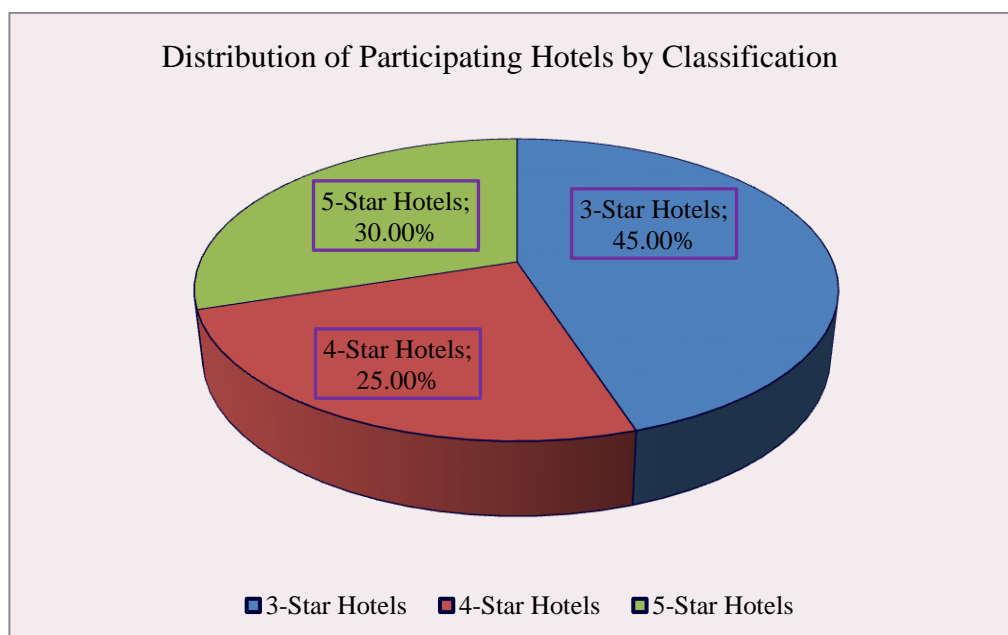
Source: Research Data (2013)

The hotels were also categorized into different sizes based on number of rooms. This categorization is shown in Figure 2 as follows: eight (8) hotels were small size (up to 100 rooms); eleven (11) were medium size hotels (101 – 300 rooms) and one (1) hotel was large size (more than 300 rooms).

Figure 2: Participating Hotels by Size

Distribution of Participating Hotels by Size

Large (Above 300 Rooms); 5.00%

Small (Up to 100 Rooms); 40.00%

Medium (101 - 300 Rooms); 55.00%

■Small (Up to 100 Rooms) ■Medium (101 - 300 Rooms) ■Large (Above 300 Rooms)
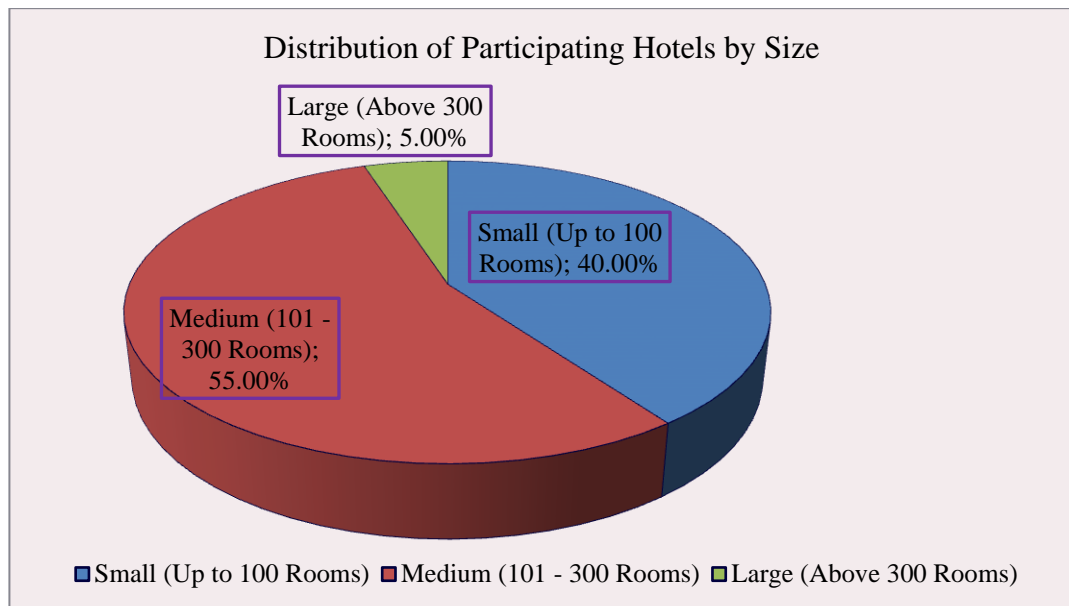
Source: Research Data (2013)

4.2 Results

To determine the extent of application of benchmarking in hotels in Nairobi, specific indicators were sought from the participating firms. The results obtained are presented based on awareness of benchmarking; perception of benchmarking; barriers to benchmarking; methods preferred for benchmarking; and metrics most used for benchmarking in the hotel industry.

4.2.1 Awareness and Application of Benchmarking

To determine the awareness benchmarking within hotels in Nairobi, respondents were asked to indicate on a scale of 1 to 5, the level of awareness of benchmarking in their

establishments. The participants' responses are summarized by way of mean scores and standard deviations based on hotel classification as shown in Table 1.

Table 1: Awareness of Benchmarking by Hotel Classification

Awareness of Benchmarking by Hotel Classification				
	Hotel Classification	N	Mean	Std. Deviation
Hotel is aware of what benchmarking is all about	3 Stars	9	4.44	0.73
	4 Stars	5	4.40	1.34
	5 Stars	6	4.83	0.41
	Total	**20**	**4.55**	**0.83**
Hotel has applied benchmarking at least once in the last five years	3 Stars	9	4.33	1.00
	4 Stars	5	4.00	1.73
	5 Stars	6	4.83	0.41
	Total	**20**	**4.40**	**1.10**
Hotel regularly compares performance with other hotels	3 Stars	9	4.56	0.88
	4 Stars	5	5.00	0.00
	5 Stars	6	5.00	0.00
	Total	**20**	**4.80**	**0.62**

Source: Research Data (2013)

The individual mean scores for all indicators based on the three hotel classifications are well above the median value of 3.00 as seen from Table 1. The overall mean and standard deviation for awareness of benchmarking is 4.55 and 0.83 respectively. Benchmarking application registered a mean of 4.40 and standard deviation of 1.10, while comparing a hotel's performance with other establishments attained a mean of 4.80 and standard deviation of 0.62. The high mean scores for the different classes indicate a high level of awareness of benchmarking across hotels of all classes.

A test for correlation between the indicators for benchmarking awareness is shown in the correlation matrix in Table 2. There is high correlation between awareness of benchmarking and application of benchmarking at 0.85, which is way above the significance level of 0.70. This confirms that respondents who are well aware of benchmarking are likely to be applying it in their operations.

Table 2: Benchmarking Awareness Correlation Matrix

Correlations - Awareness of Benchmarking			
	Hotel is aware of what benchmarking is all about	Hotel has applied benchmarking at least once in the last five years	Hotel regularly compares performance with other hotels
Hotel is aware of what benchmarking is all about	1.00		
Hotel has applied benchmarking at least once in the last five years	0.85*	1.00	
Hotel regularly compares performance with other hotels	0.23	0.13	1.00
* Correlation is significant at the 0.01 level (2-tailed).			

Source: Research Data (2013)

4.2.2 Perceptions of Benchmarking

The study sought to elicit views from the participants on their perception of the concept of benchmarking. Respondents were presented with several statements on general perceptions of benchmarking obtained from existing literature and asked to indicate their extent of agreement on a scale of 1 to 5, where 1 represents "extremely disagree" and 5 represents "extremely agree". The results presented in Table 3 indicate the means and standard deviations for variables which scored above the median value of 3.00. The results indicate a very high perception of benchmarking among the hotels as most of the scores are way above the significance level.

Table 3: General Perceptions of Benchmarking

Perceptual Statement	N = 20		Significance (Above 3.00)
	Mean	Std. Deviation	
Benchmarking is a useful way to assess hotel performance	4.80	0.41	Sig.
Benchmarking is a means to share knowledge	4.80	0.41	Sig.
Benchmarking is a means to enhance quality of services	4.70	0.47	Sig.
Benchmarking is for competitive strategy	4.65	0.59	Sig.
Benchmarking is a means of connecting to other players in the sector	4.60	0.60	Sig.
Benchmarking is a means to understand how others operate	4.45	0.94	Sig.

Source: Research Data (2013)

Respondents were asked to rate a number of statements as the reasons for adopting benchmarking. The results are shown in Table 4 below. Most of the statements were rated above the median score of 3.00, implying that most respondents agreed with these statements as reasons that drive them to adopt benchmarking in their operations.

Table 4: Reasons to Adopt Benchmarking

Reasons to Adopt Benchmarking	N = 20		Significance (Above 3.00)
	Mean	Std. Deviation	
Proven to be effective in quality enhancement	4.75	0.44	Sig.
Helps to provide better services for guests	4.75	0.44	Sig.
Maintain and increase competitive advantage	4.70	0.47	Sig.
Achieve continuous improvement in quality	4.60	0.75	Sig.
Learn other processes	4.40	0.75	Sig.
Increase profits/profitability	4.30	0.98	Sig.
Approved by top hotel management	3.75	1.41	Sig.
Management chain company recommends it	3.65	1.42	Sig.
Ensure uniformity in operations	3.55	1.36	Sig.

Source: Research Data (2013)

The study also sought to establish the perceived benefits of benchmarking by determining the level of importance that respondents attached to each benefit. In a list of statements derived from existing literature that describe benefits of benchmarking, respondents were asked to rate each perceived benefit in terms of importance on a

scale of 1 to 5, where 1 represents "unimportant" and 5 represents "very important".

The results showing the mean scores and the standard deviations are presented in

Table 5. All the benefits were perceived to be important or very important by the

majority of the respondents as depicted by the high mean scores.

Table 5: Perceived Benefits of Benchmarking

Benefits of Benchmarking	Total (N = 20)		Significance (Above 3.00)
	Overall Mean	Std. Deviation	
Improved customer satisfaction	4.90	0.31	Sig.
Quality improvement	4.70	0.47	Sig.
Improved response rate (to customer concerns)	4.65	0.67	Sig.
Process improvement	4.65	0.67	Sig.
Improvement in people management	4.55	0.69	Sig.
Setting of internal standards	4.55	0.51	Sig.
Influencing the strategic decision-making process	4.50	0.69	Sig.
More effective and efficient management of resources	4.45	0.76	Sig.
Innovative approaches to business improvement	4.25	0.91	Sig.

Source: Research Data (2013)

A test for correlation between the variables for determining the perception of

benchmarking was done using the Pearson correlation; the results are presented in

correlation matrices in Table 6, Table 7 and Table 8.

Under benchmarking perceptions (Table 6), there were significant correlations

between several factors. The highest positive correlation was observed between

benchmarking as a useful way to assess hotel performance and benchmarking as a

means of connecting to other players in the sector (0.729); and between benchmarking

as a means to share knowledge and benchmarking for competitive strategy (0.568).

Table 6: Benchmarking Perceptions Correlation Matrix

Benchmarking is:	A useful way to assess hotel performance	A means of connecting to other players in the sector	Expensive	Only usable for large/chain hotels	A means to understand how others operate	A means to share knowledge	For competitive strategy	A means to enhance quality of services
Pearson Correlation Coefficients								
A useful way to assess hotel performance	1							
A means of connecting to other players in the sector	0.729**	1						
Expensive	-0.246	-0.107	1					
Only usable for large/chain hotels	-0.398	0-.455*	-0.036	1				
A means to understand how others operate	-0.027	0.242	0.095	0.130	1			
A means to share knowledge	0.062	0.086	-0.022	0.265	0.109	1		
For competitive strategy	0.349	0.479*	0.012	-0.070	0.014	.568**	1	
A means to enhance quality of services	0.491*	0.487*	-0.127	-0.174	0.439	.491*	.553*	1
**Correlation is significant at the 0.01 level (2-tailed).								
*Correlation is significant at the 0.05 level (2-tailed).								

Source: Research Data (2013)

Table 7: Reasons for Benchmarking Correlation Matrix

Reason to Benchmark	Maintain and increase competitive advantage	Increase profits/ profitability	Achieve continuous improve-ment in quality	Pressure from or external agencies	Learn other processes	Ensure uniformity in operations	Manage-ment company recommends it	Approved by top hotel manage-ment	Provide better services for guests	Effective in quality enhance-ment
Pearson Correlation Coefficients										
Maintain and increase competitive advantage	1									
Increase profits/ profitability	0.206	1								
Achieve continuous improvement in quality	0.683**	0.243	1							
Pressure from external agencies	0.000	0.176	-0.076	1						
Learn other processes	0.505*	0.257	0.111	0.304	1					
Ensure uniformity in operations	0.107	0.186	-0.082	0.127	0.185	1				
Management company recommends it	0.306	-0.072	-0.039	0.362	0.284	0.296	1			
Approved by top hotel management	0.357	-0.210	0.149	0.326	0.099	0.213	0.898**	1		
Provide better services for guests	0.630**	0.303	0.471*	0	0.629**	0.328	0.187	0.063	1	
Effective in quality enhancement	0.378	-0.061	0.471*	0.258	0.157	0.066	0.187	0.315	-0.067	1
**Correlation is significant at the 0.01 level (2-tailed).										
*.Correlation is significant at the 0.05 level (2-tailed).										

Source: Research Data (2013)

Table 8: Benefits of Benchmarking Correlation Matrix

Benefits of Benchmarking	Improved customer satisfaction	Improved response rate (to customer concerns)	Quality improve-ment	Process improve-ment	Influencing the strategic decision-making process	Setting of internal standards	Innovative approaches to business improve-ment	More effective and efficient management of resources	Improve-ment in people manage-ment
				Pearson Correlation Coefficients					
Improved customer satisfaction	1								
Improved response rate (to customer concerns)	0.841**	1							
Quality improvement	0.509*	0.651**	1						
Process improvement	-0.178	0.064	0.484*	1					
Influencing the strategic decision-making process	-0.248	0.171	0.325	0.399	1				
Setting of internal standards	0.369	0.438	0.724**	0.438	0.375	1			
Innovative approaches to business improvement	0.282	0.582**	0.799**	0.409	0.714**	0.708**	1		
More effective and efficient management of resources	-0.023	0.119	0.251	0.119	0.655**	0.414	0.666**	1	
Improvement in people management	0.274	0.554*	0.538*	0.326	0.501*	0.443	0.779**	0.611**	1
**Correlation is significant at the 0.01 level (2-tailed).									
*Correlation is significant at the 0.05 level (2-tailed).									

Source: Research Data (2013)

Under reasons for benchmarking (Table 7), the highest level of correlation was observed between approval by top hotel management and recommendation by management company at 0.898; followed by correlation between maintaining and increasing competitive advantage and achieving continuous improvement in quality at 0.683. Other correlations were noted between providing better services for guests and learning other processes at 0.629.

Among the benefits of benchmarking, (Table 8), correlation was highest between improved response rate to customer concerns and improved customer service at 0.841; followed by correlation between innovative approaches to business improvement and quality improvement at 0.799; and between improvement in people management and innovative approaches to business improvement at 0.779.

The high levels of correlation indicate that the respondents were quite knowledgeable about the benchmarking concept. The variables with high correlations were essentially asking the same question differently, so a respondent with good understanding of the variables would provide corroborative responses.

4.2.3 Methods Preferred for Benchmarking

Respondents were required to indicate the methods they regularly used to collect information for comparing their hotel's performance with other establishments. The respondents were asked to rank four commonly used methods order of usage by assigning most used method rank 1 and the least used rank 4. The results are categorized on the basis of modal rank in Table 9 and in Table 10.

Table 9: Methods Preferred for Benchmarking by Hotel Classification

Hotel Classification	3 Stars (N=9)		4 Stars (N=5)		5 Stars (N=6)	
Method Used	Mode Rank	Freq.	Mode Rank	Freq.	Mode Rank	Freq.
Personal visits to observe	1	5	2	4	1	4
Solicit our guests' experience at other hotels	2	3	3	2	4	3
Established information sharing arrangements	3	4	1	2	3	4
Shopper Services	4	5	1	2	4	3

Source: Research Data (2013)

According to the results in Table 9, the methods most used to collect information for benchmarking vary across the different hotel classifications. Personal visits to observe operations was ranked first by 3-star and 5-star hotels, but ranked second by 4-star hotels. Soliciting guests' experiences at other hotels was ranked second by 3-star hotels, but ranked third by both 4-star and 5-star hotels. Established information sharing arrangements was placed third among the 3-star and 5-star hotels but in placed first by 4-star hotels; while shopper services was more popular among 4-star hotels than among both 3-star and 5-star hotels.

Table 10: Methods Preferred for Benchmarking by Hotel Size

Hotel Size	Small (N=8)		Medium (N=11)		Large (N=1)	
Method Used	Modal Rank	Freq.	Modal Rank	Freq.	Modal Rank	Freq.
Personal visits to observe	1	4	2	6	1	1
Solicit our guests' experience at other hotels	2	3	3	4	4	1
Shopper Services	4	4	4	5	2	1
Established information sharing arrangements	4	4	3	5	3	1

Source: Research Data (2013)

Table 10 shows the results for methods preferred for benchmarking based on hotel size. From Table 10, it can be seen that personal visits to observe operations was ranked highest by hotels of all sizes. Soliciting guests' experiences at other hotels was

ranked second by small hotels; ranked third by medium hotels, and ranked last by large hotels. Shopper services was ranked second by large hotels, but ranked fourth by both the small and medium size hotels. Established information sharing arrangements was placed in third place by the medium and large hotels but placed fourth by the small hotels.

The analysis has shown mixed results without any consistent pattern of usage among the different hotel classifications or sizes. Except for personal visits to observe operations, which is ranked highest by most respondents, the degree of usage of the other three methods is varied among the hotel classes and sizes. Therefore, the method most used does not depend on either the class or the size of the hotel.

4.2.4 Barriers to Implementation of Benchmarking

This study sought to determine whether the establishments faced any barriers in the process of implementing benchmarking in their operations. Respondents were presented with a number of possible barriers and asked to indicate their extent of agreement with them on a scale of 1 to 5, where 1 is "extremely disagree" and 5 is "extremely agree" with the statement. The responses are reported in Table 11, where only the barriers with mean scores above the median value of 3.00 are listed and categorized based on hotel classification. From the analysis, confidentiality of sharing information with benchmarking partners, and lack of qualified staff to undertake benchmarking activities were the most significant barriers to benchmarking. Other barriers, including hotels' unwillingness to share information; benchmarking being just another performance tool; and involving too much quantitative data collection, were considered to be less significant.

Table 11: Barriers to Benchmarking by Hotel Classification

Barriers to Benchmarking					
	Hotel Class	N	Mean	Std. Deviation	Significance
Confidentiality	3 Stars	9	3.78	1.20	Sig.
	4 Stars	5	3.80	1.10	
	5 Stars	6	3.67	1.37	
	Total	**20**	**3.75**	**1.16**	
Not having qualified staff	3 Stars	9	4.00	0.87	Sig.
	4 Stars	5	3.40	1.82	
	5 Stars	6	3.50	0.84	
	Total	**20**	**3.70**	**1.13**	
Hotels do not share information/ knowledge	3 Stars	9	3.67	1.00	Sig.
	4 Stars	5	3.80	1.10	
	5 Stars	6	3.00	1.55	
	Total	**20**	**3.50**	**1.19**	
Just another performance assessment tool	3 Stars	9	3.89	0.33	Sig.
	4 Stars	5	3.20	1.64	
	5 Stars	6	3.00	1.26	
	Total	**20**	**3.45**	**1.10**	
Too much quantitative data collection	3 Stars	9	3.44	0.88	Sig.
	4 Stars	5	2.80	1.64	
	5 Stars	6	3.33	1.03	
	Total	**20**	**3.25**	**1.12**	

Source: Research Data (2013)

4.2.5 Process Metrics Used in the Hotel Industry

The second objective of this study was to determine the common process metrics used in the hotel industry as measures of service quality. The study used three key dimensions, that is, guest room service values, front office service attributes, and food and beverage service factors to determine the process metrics used by hotels for comparing their services with those of other establishments. Ten service attributes were identified from existing literature for each key dimension. The respondents were asked to rank the attributes in terms of importance on a scale of 1 to 10, by assigning rank 1 to the factor considered most important. The overall results for each operational area were categorized using the mode to determine the most important

factors as follows: attributes with modal rank 1 – 3 were categorized as being high in importance; those with modal rank 4 – 6 were assigned medium importance; while those with modal rank 7 – 10 were considered to be of low importance to the hotel. The results are reported for each operational area in the following sections.

The results for guest room values for all participating hotels are presented in Table 12.

Table 12: Guest Room Values Frequency Table

Guest Room Values Frequency Table			
Service Attribute:	Mode Frequency (N=20)	Modal Rank	Significance
Cleanliness of the room	14	1	High
Quietness of the room	6	2	High
Comfort of bed/pillows	7	2	High
Atmosphere	5	3	High
Quality and sufficiency of fixtures	4	4	Medium
Room size	5	6	Medium
Convenience of a working table	6	7	Low
Internet/fax connection	7	8	Low
Complimentary items	10	9	Low
Free local calls	10	10	Low

Source: Research Data (2013)

From Table 12, the attributes with high importance were determined to be cleanliness of the guest room, quietness of the room, comfort of bed/pillows, and the atmosphere of the room. Quality and sufficiency of fixtures, and room size are the metrics that fell in the category of medium importance; while convenience of a working table, internet/fax connection, complimentary items, and free local calls made the category of low importance.

In front office operations, respondents were given ten factors considered important in providing front office services to guests. They were asked to rank them in order of importance as a means of comparing the hotel's services with those of other

establishments. The ranking results for all the respondents are shown in Table 13 categorized into modal rank in order of importance.

Table 13: Front Office Service Attributes Frequency Table

Front Office Service Attributes - Frequency Table			
Service Attribute	Mode Frequency (N=20)	Modal Rank	Significance
Courtesy of employees	9	1	High
Reasonable room rates	5	1	High
Promptness of check-in and check-out	6	2	High
Thoughtful consideration of repeat guest	6	4	Medium
Flexibility of hotel policy on accommodation issues	5	4	Medium
Convenience of reservation	5	5	Medium
Handling of complaints	6	6	Medium
Variety/quality of sports and recreational facilities	6	8	Low
Efficiency of a business centre	6	8	Low
Hotel and tour guide	7	10	Low

Source: Research Data (2013)

From Table 13, it can be observed that courtesy of employees, reasonable room rates,, and promptness of check-in and check-out were assigned high significance. Thoughtful consideration of repeat guests; flexibility of hotel policy; convenience of reservation; and handling of complaints were rated as being of medium significance. The factors rated at low significance include variety/quality of sports and recreational facilities; efficiency of business centre; and hotel and tour guide.

The metrics used in food and beverage operations were determined by asking respondents to rank, in order of importance, ten attributes that contribute to the quality of service in food and beverage operations on a scale of 1 to 10, where rank 1 was assigned to the attribute considered most important, and 10 to the least important. The overall results are presented in Table 14 categorized based on modal ranks.

Table 14: Food and Beverage Service Attributes – Frequency Table

Food & Beverage Service Factors - Frequency Table			
Service Attribute	Modal Frequency (N=20)	Modal Rank	Significance
Courtesy of employees	10	1	High
Speed of service	4	1	High
Variety/quality of food and beverages offered	7	2	High
Promptness of seating allocation	3	3	High
Convenience of table reservation	7	5	Medium
Handling of complaints	5	6	Medium
Thoughtful consideration of repeat guests	6	7	Low
Ambiance/atmosphere of food and beverage outlet	5	8	Low
Reasonable price (meals and drinks)	6	9	Low
Flexibility of hotel policy on food and beverage issues	14	10	Low

Source: Research Data (2013)

From the results in Table 14, the respondents regarded four attributes to be highly significant. These were courtesy of employees, speed of service, variety or quality of food and beverages offered; and promptness of seating allocation. Those regarded to be of medium significance were convenience of table reservation; and handling of complaints. Four attributes were ranked low in importance. These were thoughtful consideration of repeat guests; ambiance/atmosphere of food and beverage outlet; reasonable price (meals and drinks); and flexibility of hotel policy on food and beverage issues.

4.3 Data Analysis and Discussions

The data was subjected to variance analysis using one way ANOVA to test for statistical significance of values being above the median value of 3.00. The tests were conducted separately for various sets of variables used in the survey. The results of analysis are discussed in the following sections.

4.3.1 Tests for Statistical Significance of Values

The computed statistics for differences between means of the indicators used to determine the awareness and perceptions of benchmarking are presented in separate tables for different sets of indicators. Table 15 depicts the differences between means for the indicators of benchmarking awareness and application.

Table 15: Variance Analysis for Benchmarking Awareness

ANOVA - for Awareness of Benchmarking						
Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Hotel is aware of what benchmarking is all about	Between Groups	0.694	2	0.347	0.482	0.626
	Within Groups	12.256	17	0.721		
	Total	12.950	19			
Hotel has applied benchmarking at least once in the last five years	Between Groups	1.967	2	0.983	0.802	0.465
	Within Groups	20.833	17	1.225		
	Total	22.800	19			
Hotel regularly compares performance with other hotels	Between Groups	0.978	2	0.489	1.336	0.289
	Within Groups	6.222	17	0.366		
	Total	7.200	19			

Source: Research Data (2013)
Note:
For all ANOVA tables, df = degrees of freedom; Sig. = calculated *p* value; standard *p=0.05*

The results in Table 15 show the significance levels for all the variables to be greater than the standard value of 0.05; this implies that there were no statistically significant differences between groups as determined by one-way ANOVA.

The computed statistics for differences between means of the different sets of variables on perceptions of benchmarking are presented as follows: Table 16 for general perceptions of benchmarking; Table 17 for reasons to adopt benchmarking; and Table 18 for benefits of benchmarking.

Table 16: Variance Analysis for Perceptions of Benchmarking

ANOVA - for Perceptions of Benchmarking						
Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Benchmarking is a useful way to assess hotel performance	Between Groups	0.367	2	0.183	1.100	0.355
	Within Groups	2.833	17	0.167		
	Total	3.200	19			
Benchmarking is a means of connecting to other players in the sector	Between Groups	0.544	2	0.272	0.740	0.492
	Within Groups	6.256	17	0.368		
	Total	6.800	19			
Benchmarking is expensive	Between Groups	1.094	2	0.547	0.390	0.683
	Within Groups	23.856	17	1.403		
	Total	24.950	19			
Benchmarking is only usable for large/chain hotels	Between Groups	1.528	2	0.764	0.801	0.465
	Within Groups	16.222	17	0.954		
	Total	17.750	19			
Benchmarking is a means to understand how others operate	Between Groups	1.317	2	0.658	0.716	0.503
	Within Groups	15.633	17	0.920		
	Total	16.950	19			
Benchmarking is a means to share knowledge	Between Groups	0.367	2	0.183	1.100	0.355
	Within Groups	2.833	17	0.167		
	Total	3.200	19			
Benchmarking is for competitive strategy	Between Groups	0.194	2	0.097	0.260	0.774
	Within Groups	6.356	17	0.374		
	Total	6.550	19			
Benchmarking is a means to enhance quality of services	Between Groups	1.144	2	0.572	3.184	0.067
	Within Groups	3.056	17	0.180		
	Total	4.200	19			

Source: Research Data (2013)

The analysis results in Table 16, indicate that the levels of significance for all the variables under general perceptions of benchmarking were greater than 0.05, so there were no statistically significant differences between the groups as determined by one-way ANOVA.

Table 17: Variance Analysis for Reasons for Benchmarking

ANOVA - for Reasons to Adopt Benchmarking						
Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Maintain and increase competitive advantage	Between Groups	1.144	2	0.572	3.184	0.067
	Within Groups	3.056	17	0.180		
	Total	4.200	19			
Increase profits/ profitability	Between Groups	6.478	2	3.239	4.697	0.024
	Within Groups	11.722	17	0.690		
	Total	18.200	19			
Achieve continuous improvement in quality	Between Groups	2.411	2	1.206	2.443	0.117
	Within Groups	8.389	17	0.493		
	Total	10.800	19			
Pressure from government or external agencies	Between Groups	0.278	2	0.139	0.150	0.862
	Within Groups	15.722	17	0.925		
	Total	16.000	19			
Learn other processes	Between Groups	2.411	2	1.206	2.443	0.117
	Within Groups	8.389	17	0.493		
	Total	10.800	19			
Ensure uniformity in operations	Between Groups	0.594	2	0.297	0.147	0.864
	Within Groups	34.356	17	2.021		
	Total	34.950	19			
Management chain company recommends it	Between Groups	4.828	2	2.414	1.217	0.321
	Within Groups	33.722	17	1.984		
	Total	38.550	19			
Approved by top hotel management	Between Groups	10.417	2	5.208	3.239	0.064
	Within Groups	27.333	17	1.608		
	Total	37.750	19			
Helps to provide better services for guests	Between Groups	0.417	2	0.208	1.062	0.367
	Within Groups	3.333	17	0.196		
	Total	3.750	19			
Proven to be effective in quality enhancement	Between Groups	0.694	2	0.347	1.932	0.175
	Within Groups	3.056	17	0.180		
	Total	3.750	19			

Source: Research Data (2013)

Except for one variable in Table 17, the levels of significance for all the other variables were greater than 0.05. That means there were no statistically significant differences between groups for these variables as determined by one-way ANOVA. For the exception variable, that is, increase profits or profitability, the significance level as determined by one way ANOVA was ($F(2,17) = 4.697$, $p = .024$), thus there was a statistically significant difference between the groups for this variable.

Table 18: Variance Analysis for Benefits of Benchmarking

ANOVA - for Benefits of Benchmarking						
Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Improved customer satisfaction	Between Groups	0.244	2	0.122	1.336	0.289
	Within Groups	1.556	17	0.092		
	Total	1.800	19			
Improved response rate (to customer concerns)	Between Groups	0.694	2	0.347	0.751	0.487
	Within Groups	7.856	17	0.462		
	Total	8.550	19			
Quality improvement	Between Groups	0.644	2	0.322	1.541	0.243
	Within Groups	3.556	17	0.209		
	Total	4.200	19			
Process improvement	Between Groups	0.994	2	0.497	1.119	0.350
	Within Groups	7.556	17	0.444		
	Total	8.550	19			
Influencing the strategic decision-making process	Between Groups	0.244	2	0.122	0.237	0.791
	Within Groups	8.756	17	0.515		
	Total	9.000	19			
Setting of internal standards	Between Groups	0.817	2	0.408	1.679	0.216
	Within Groups	4.133	17	0.243		
	Total	4.950	19			
Innovative approaches to business improvement	Between Groups	0.328	2	0.164	0.181	0.836
	Within Groups	15.422	17	0.907		
	Total	15.750	19			
More effective and efficient management of resources	Between Groups	0.428	2	0.214	0.346	0.713
	Within Groups	10.522	17	0.619		
	Total	10.950	19			
Improvement in people management	Between Groups	0.028	2	0.014	0.026	0.974
	Within Groups	8.922	17	0.525		
	Total	8.950	19			

Source: Research Data (2013)

From the table above, it can be observed that the levels of significance for all the variables were greater than the standard of 0.05. This implies that there were no statistically significant differences between the groups as determined by one way ANOVA.

4.3.2 Differences Between Means - Barriers to Benchmarking

A test for statistical significance was performed for the variables under barriers to benchmarking using one way ANOVA. The results are displayed in Table 19 below.

Table 19: Variance Analysis for Barriers to Benchmarking

ANOVA - Barriers to Benchmarking						
Dependent Variable		Sum of Squares	df	Mean Square	F	Sig.
Not having qualified staff	Between Groups	1.500	2	0.750	0.562	0.580
	Within Groups	22.700	17	1.335		
	Total	24.200	19			
Too much quantitative data collection	Between Groups	1.394	2	0.697	0.530	0.598
	Within Groups	22.356	17	1.315		
	Total	23.750	19			
Too much complicated work	Between Groups	2.917	2	1.458	1.190	0.328
	Within Groups	20.833	17	1.225		
	Total	23.750	19			
Hotels do not share information/ knowledge	Between Groups	2.200	2	1.100	0.754	0.486
	Within Groups	24.800	17	1.459		
	Total	27.000	19			
Just another performance assessment tool	Between Groups	3.261	2	1.631	1.408	0.272
	Within Groups	19.689	17	1.158		
	Total	22.950	19			
Data comparability is difficult	Between Groups	2.444	2	1.222	0.676	0.522
	Within Groups	30.756	17	1.809		
	Total	33.200	19			
Lack of resources	Between Groups	1.167	2	0.583	0.275	0.763
	Within Groups	36.033	17	2.120		
	Total	37.200	19			
Sufficient organizational practices	Between Groups	0.667	2	0.333	0.231	0.796
	Within Groups	24.533	17	1.443		
	Total	25.200	19			
Staff resistance	Between Groups	1.928	2	0.964	0.655	0.532
	Within Groups	25.022	17	1.472		
	Total	26.950	19			
Confidentiality	Between Groups	0.061	2	0.031	0.020	0.980
	Within Groups	25.689	17	1.511		
	Total	25.750	19			

Source: Research Data (2013)

It is observable from Table 19 above that the significant values for all the variables were greater than the standard of 0.05, meaning there were no statistically significant differences between groups.

4.3.3 Metrics Used in the Hotel Industry in Kenya

The study sought to determine the different metrics used in the hospitality industry as indicators of service quality for purposes of comparing hotel's services with other establishments. The researcher obtained various service attributes from past studies and adapted them for this study. The attributes were assessed under three key dimensions of Guest Room Values, Front Office Services and Food and Beverage Operations. The research sought to determine the level of importance the respondents attached to each metric as a measure for comparing their services with other establishments.

For Guest Room Values (Table 12), the attributes that received the highest ranking by the respondents were: cleanliness of the guest room, ranked first by 14 out of 20 respondents; followed by quietness of the room; comfort of the bed/pillows; and room atmosphere as the most important factors on which hotels compare their services with other establishments. Convenience of a working table; internet/fax connection; complimentary items; and free local calls were rated as the least important metrics.

In Front Office Services (Table 13), the factors accorded high importance were courtesy of employees, reasonable room rates, and promptness of check-in and check-out; whereas thoughtful consideration of repeat guests, flexibility of hotel policy on accommodation, convenience of reservation, and handling of complaints were assigned medium importance as factors for comparison of services with other establishments. Variety and quality of sports and recreational facilities, efficiency of a business centre, and hotel and tour guide were ranked the lowest in importance.

In Food and Beverage Operations (Table 14), four factors, namely: courtesy of employees; speed of service; variety and quality of food and beverages offered; and promptness of seating allocation, were considered to be of high importance as factors for comparing services with other establishments. Two factors rated as medium in importance were convenience of table reservation, and handling of complaints. The remaining four factors were ranked low in importance. These include, thoughtful consideration of repeat guests, ambiance/atmosphere of food and beverage outlet, reasonable price (meals and drinks), and flexibility of hotel policy on food and beverage issues.

4.4   Discussions and Interpretation

This study was undertaken with a view to achieving two objectives: to establish the extent of application of benchmarking in hotel operations and service in Nairobi, Kenya; and to determine the common process metrics used in the hotel industry in Kenya. This section covers discussions and interpretation of the results on the basis of the research objectives.

4.4.1   Benchmarking Awareness and Application

The results and analysis of data on awareness revealed high levels of benchmarking awareness and application across hotels of all sizes and classes. Awareness and application of benchmarking recorded overall mean scores of 4.55 and 4.40 respectively. The correlation matrix showed a high correlation between the two variables at 0.85. The result confirms that the objective of the study to determine the extent of application of benchmarking in the hotel industry in Nairobi has been achieved. This finding is consistent with that of Nassar (2012) that benchmarking

experience across the Egyptian hotel sector was not dependent on hotel size or location, but rather benchmarking experience was confirmed among hotels of different sizes and in different locations.

On the other indicators of benchmarking awareness, this study found that most respondents perceived benchmarking to be a useful tool for assessing hotel operations; a means to share knowledge, and enhance quality of services; and as a tool for competitive strategy. By sheer coincidence, these findings correspond in similar order of rating to those of Nassar (2012), who observed that understanding of benchmarking was intended to be a learning process as well as a means of increasing competitive advantage.

On reasons for adopting benchmarking, this study found that most hotels in Nairobi indicated that they would adopt the concept if its effectiveness in quality enhancement could be proven; helps to provide better services to guests; and helps maintain competitive advantage. The finding is consistent with that of Magd (2008) in the study of benchmarking in Egyptian organizations, where these indicators scored highly in levels of importance as reasons for adopting benchmarking (Table 4). In addition, this study found that hotels in Nairobi have adopted benchmarking because of the expected benefits, which included the following: improved customer services; quality improvement in services; improved response rate to customer concerns (Table 5). Again, these findings agree with those of Magd (2008) that improved customer satisfaction; improved response rate to customer concerns; and quality improvement were ranked highest in level of importance.

In this study, the following were rated as the most significant barriers to implementation of benchmarking. Confidentiality was ranked highest, followed by lack of qualified staff; and unwillingness by hotels to share information or knowledge. These findings are consistent with Nasser (2012) where the same variables were rated as significant barriers to implementation of benchmarking. In another study, Magd (2008) found that confidentiality was rated the least significant barrier to implementation of benchmarking as compared to this study (Table 11). Confidentiality seems to be quite prominent, probably out of fear by organizations that engaging in a benchmarking partnership might lead to giving out sensitive information about one's operations to competitors. On the contrary, Nassar (2012) commented that such partnerships may in fact benefit all stakeholders involved by establishing standards of good practice in key areas, and increase the implementation of benchmarking. This finding is supported by Bhutta and Huq (1999) and Elmuti and Kathawala (1997).

4.4.2 Process Metrics Used in the Hotel Industry

In the second objective, this study set out to determine the process metrics used in the hotel industry in Kenya. The study used three key operational areas: guest room values, front office services and food and beverage operations to determine the importance hotels attached to these service attributes as factors for comparing services. In the findings of guest room values, cleanliness of the room, quietness of the room, comfort of the bed/pillow, and atmosphere were given the highest significance in comparing services with other establishments. These findings concur with those of Min et al., (2002) in a research on dynamic benchmarking of Korean luxury hotels.

In front office services, this study found that courtesy of employees; reasonable room rates; promptness of check-in and check-out; and thoughtful consideration of a repeat guest were the most important factors on which comparison of services with other establishments was based. This finding corresponds with that of Min et al., (2002), where the same attributes were ranked highest in order of importance (although not in similar order) as attributes of determining hotel service quality. Handling of complaints was ranked much lower in order of importance by the hotels in Nairobi compared to the study by Min et al., (2002).

This study included food and beverage operations in determining process metrics used in the hospitality industry. This area was not covered by any of the previous studies cited in the literature review. Nevertheless, the findings of this study show that courtesy of employees; speed of service; variety/quality of food and beverages offered; and promptness of seating allocation were considered the most important factors on which to compare services with other establishments. Some of these factors such as courtesy of employees and handling complaints have been used in employee-customer contact situations like in front office services, and the results are not too dissimilar (Min et. al., 2002).

Overall, on the strength of the findings reported, it can be concluded that the two objectives of this study have been achieved. This is can be attributed to the high mean scores recorded for variables used to test for this. The study has also determined the process metrics used in the hotel industry in terms of importance that is consistent with findings from other studies elsewhere.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the study findings and derives conclusions from the findings on application of benchmarking in the hotel industry in Nairobi; and the common process metrics used in the industry. Limitations of the study are highlighted and some recommendations for further research are offered.

5.2 Summary

Data was collected from twenty (20) out of thirty (30) hotels of different classifications and sizes within the city of Nairobi. This represents a response rate 66.67 per cent. The data was analysed, discussed and interpreted on the basis of the study objectives, which were to establish the extent of application of benchmarking in hotel operations and service in Nairobi, Kenya; and to determine the common process metrics used in the hotel industry in Kenya.

In the first objective, this study set out to determine the extent to which benchmarking was being applied in hotel operations in Nairobi. The findings have revealed a high level of awareness and application of benchmarking among hotels of different classes and sizes, with overall mean scores of 4.55 and 4.40 respectively. The findings also revealed a high level of correlation at 0.85 between the variables testing for awareness and application of benchmarking.

Indicators of perceptions of benchmarking returned findings that the majority of respondents in the study had a wide experience of benchmarking. The respondents agreed with most of the statements on perception of benchmarking; as well as reasons for and perceived benefits of benchmarking. The variables were highly rated on a scale of 1 to 5, where most of variables achieved mean scores above the median score of 3.00. These findings were confirmed with tests of significance performed on different sets of variables as presented in chapter four. Additionally, the results of correlation tests performed on different sets of variables returned significant correlations between different variables, further confirming reliability of the survey results.

The study findings reported mixed results among the different hotel classes and sizes on methods of collecting information for benchmarking purposes. Only one method, personal visits to observe operations in other establishments, was consistently ranked highly by all hotels regardless of class or size. The preference of other methods seems to have no bearing on hotel class or size as no distinct pattern could be observed in the way the respondents ranked them.

The study also sought to determine the process metrics used in the hotel industry in Kenya by measuring the importance hotels attached to the various service attributes in guest room values, front office services and in food and beverage operations. The findings on these attributes have shown a high level of consistency with the findings from previous studies in other regions and from which these attributes were adapted. This level of consistency confirms that it is possible to replicate a given study in a different setting of the same industry and obtain similar results.

5.3   Conclusion

From the findings of this study, some conclusions can be arrived at concerning awareness, application, and perception of benchmarking in the hotel industry in Nairobi. The findings indicate a high level of awareness and application of benchmarking. The findings on other variables, including perceived benefits of benchmarking, and barriers to benchmarking, are consistent with findings from previous studies done in different regions. This study concludes that operators in the hotel industry value benchmarking as an important continuous improvement tool.

In determining the process metrics used in the hotel industry, the study has revealed a high level of appreciation of the attributes among the majority of hotels. The consistency of findings from this study with previous studies confirms that it is possible to replicate a given study in the same industry with a different set of respondents and obtain similar results. The similarity of findings on service factors in front office services to findings of the same in food and beverage operations show a similarity of perceptions in most employee-customer service encounters. From this, it can be concluded that some process metrics such as courtesy of employees, and handling of complaints, and reasonable rates or prices, apply in different service areas.

5.4   Limitations of the Study

This study encountered limitations in the methods of data collection, research instrument, and context of the study. The study was based on cross-sectional design to collect data at a single point in time from many subjects. Delays by some of the respondents in completing the questionnaires within the limited time resulted in many questionnaires not being retrieved for inclusion in data analysis.

The limitation with the research instrument arose from the fact that it was a self-administered drop and collect questionnaire. It was not practically possible to seek clarifications where respondents failed to provide responses in the expected manner. Two questionnaires were omitted from the analysis because responses to the ranking questions were not appropriately indicated. The data collection aspect also lacked sufficient cooperation from some of the participants. In some establishments, it was difficult to access the appropriate officer to complete the questionnaire. In one case, the questionnaire was returned without responses because the "manager" was too busy; while one hotel that is part of an international chain declined to participate in the survey because they perform internal benchmarking between their units.

The study also faced a limitation in context. This study was designed to survey establishments in a limited geographical area, which essentially limited population size for the study. Coupled with the less than 100 per cent response rate, it diminished the results to be generalizable to the whole hotel industry in Kenya.

5.5 Recommendations

From the findings and conclusions of this study, some recommendations are made as follows. A higher level of cooperation from the operators in the hotel industry would go a long way in enabling research and development of knowledge in general for the industry. It is also recommended that operators in the industry develop open channels of communications between themselves and other stakeholders, as both stand to benefit from the knowledge base that would result from regular research and reporting on issues affecting the hotel industry.

The hotel classifications indicated in the results may not reflect the correct class of each hotel that participated in the survey due to lack of an official classification record from the Kenya Hotels and Restaurants Authority. Indeed, some hotels indicated their class to be 3-stars in the research instrument, yet they were identified as 2-star hotels in Appendix 1. It is recommended that the Kenya Hotels and Restaurants Authority regularly updates the list of classified hospitality establishments in the country. This would ensure that any research carried out in the hospitality industry based on classification would reflect the true status of the establishments studied.

5.6   Suggestions for Further Research

This study has established that hotels in Nairobi do practise benchmarking in general. However, the study was limited in scope and size; hence, it may not be statistically appropriate to generalize the findings of this study to the hotel industry in Kenya. This exploratory study set out to determine the extent of benchmarking application in the hotel industry in general. Respondents were not asked to specify the type of benchmarking being applied. It is suggested that future research could be undertaken to determine the different types of benchmarking being applied, such as internal, competitive, functional or process benchmarking. The research could also be expanded to cover a wider geographical area, so that with data from a larger population size it would be statistically significant to generalize the results to the whole industry.

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APPENDICES

Appendix 1: List of Hotels for Survey

No.	Hotel Name	Star Rating
1	Hotel Ambassadeur	2 Stars
2	Kenya Comfort Hotel	2 Stars
3	Mvuli House B & B	2 Stars
4	Parkside Hotel- Kenya	2 Stars
5	Meridian Court Hotel	3 Stars
6	Oakwood Hotel	3 Stars
7	Marble Arch Hotel- Kenya	3 Stars
8	Red Court Hotel	3 Stars
9	Sentrim Boulevard Hotel	3 Stars
10	Silver Springs Hotel - Kenya	3 Stars
11	West Breeze Hotel	3 Stars
12	Hill Park Hotel	4 Stars
13	Jacaranda Hotel	4 Stars
14	Ole Sereni Hotel	4 Stars
15	Westhouse One Degree South Hotel	4 Stars
16	Sarova Panafric Hotel	4 Stars
17	Sentrim Six-Eighty Hotel	4 Stars
18	Southern Sun Mayfair Hotel, Nairobi	4 Stars
19	Crowne Plaza Hotel	5 Stars
20	Fairmont, The Norfolk	5 Stars
21	Hilton Hotel, Nairobi	5 Stars
22	InterContinental Hotel, Nairobi	5 Stars
23	Laico Regency Hotel, Nairobi	5 Stars
24	Nairobi Safari Club – Kenya	5 Stars
25	Nairobi Serena Hotel	5 Stars
26	Safari Park Hotel and Casino	5 Stars
27	The Boma Hotel, Nairobi	5 Stars
28	The Sarova Stanley	5 Stars
29	The Tribe Hotel	5 Stars
30	Winsor Golf Hotel and Country Club	5 Stars

Adapted from *The Kenya Gazette (2003) and http://www.kenyaspace.com/Hotels.htm, 26/06/2013*

Appendix 2: Letter of Introduction

Philip Alinyo Okombo
P O Box 59857 – 00200
Nairobi

28th August 2013

Dear Respondent,

RE: BENCHMARKING PRACTICES IN THE HOTEL INDUSTRY IN NAIROBI

I am a student undertaking studies for the degree of Master of Business Administration (MBA, Operations Management) at the University of Nairobi. I am conducting a study to determine the extent of application of the benchmarking concept in hotels in Nairobi. Your establishment was selected to participate in this study as a stakeholder in the hotel industry.

I would appreciate your honesty and willingness to take a few minutes to complete the attached questionnaire on the concept of benchmarking and its application in your hotel's operations. Please respond to all questions appropriately to assist me to complete my research project.

Your participation is important to this study, and will contribute to our knowledge and understanding of the benchmarking concept in the hotel industry. I would like to assure you that this survey is being undertaken for educational purposes. All information provided will be treated strictly confidential; and will be used only for the intended purpose. If you wish to obtain a copy of the research report, an electronic copy may be provided upon request.

Thanking you in advance for your participation, I remain,

Yours sincerely

Philip Alinyo Okombo

Telephone No.: 0720 732062; Email: okombo.pao@gmail.com

Appendix 3: Research Questionnaire

BENCHMARKING PRACTICES IN THE HOTEL INDUSTRY IN NAIROBI, KENYA

A.   General establishment information

Establishment ID Number [ ]   (Case number)

1.   Hotel Classification – please tick one option:

2 Stars [ ]   3 Stars [ ]   4 Stars [ ]   5 Stars [ ]

2.   Affiliation/Management of the hotel – please tick one option:

Independent [ ]   Part of International Chain: [ ]   Local Chain [ ]

3.   Number of rooms – please tick one option:

Under 50 [ ]   51 – 100 [ ]   101 – 200 [ ]   201 – 300 [ ]   Above 300 [ ]

4.   Number of Employees – please tick one option

Under 50 [ ]   51 – 100 [ ]   101 – 200 [ ]   201 – 300 [ ]   Above 300 [ ]

B.   Please indicate the extent to which you agree or disagree with the following statements by putting a tick in the appropriate box using the scale below:
1 = Extremely Disagree   **2 = Somewhat Disagree**   **3 = Not Sure**
4 = Somewhat Agree   **5 = Extremely Agree**

		Extremely Disagree	Somewhat Disagree	Not Sure	Somewhat Agree	Extremely Agree
5	In our hotel we are aware of what benchmarking is all about					
6	In our hotel, we have applied benchmarking at least once in the last five years					
7	In our hotel, we regularly compare how we perform with other hotels					

C. Study the 4 methods of collecting information for comparing your hotel's standards with those of other establishments, and then rank the methods by assigning rank 1 to the method most used in your establishment such that the least used method is ranked 4. For purposes of this study, no two methods should share a rank.

		Rank
8	Personal visits to observe	
9	Shopper services	
10	Solicit our guests' experience at other hotels they have stayed at	
11	Established information sharing arrangements	

D. How frequently do you use each method below in collecting information for comparing your hotel's standards with those of other establishments? Tick the appropriate box using the scale below:
1 = Never   2 = Rarely   3 = Sometimes   4 = Often   5 = Always

		Never	Rarely	Sometimes	Often	Always
12	Personal visits to observe					
13	Shopper services					
14	Solicit our guests' experience at other hotels they have stayed at					
15	Established information sharing arrangements					

E. To what extent do you agree with each of the statements below regarding the perception of benchmarking in your hotel? Tick the box that applies to you on the scale below:
1 = Extremely Disagree   2 = Somewhat Disagree   3 = Not Sure
4 = Somewhat Agree   5 = Extremely Agree

		Extremely Disagree	Somewhat Disagree	Not Sure	Somewhat Agree	Extremely Agree
16	Benchmarking is a useful way to assess hotel performance					
17	Benchmarking is a means of connecting to other players in the sector					
18	Benchmarking is expensive					
19	Benchmarking is only usable for large/chain hotels					
20	Benchmarking is a means to understand how others operate					
21	Benchmarking is a means to share knowledge					
22	Benchmarking is for competitive strategy					
23	Benchmarking is a means to enhance quality of services					

F. Indicate the extent to which you agree with the statements below as reasons to adopt or continue to adopt benchmarking. Tick the box that applies to you on the scale below:

1 = **Extremely Disagree** 2 = **Somewhat Disagree** 3 = **Not Sure**

4 = **Somewhat Agree** 5 = **Extremely Agree**

		Extremely Disagree	Somewhat Disagree	Not Sure	Somewhat Agree	Extremely Agree
24	Maintain and increase competitive advantage					
25	Increase profits/profitability					
26	Achieve continuous improvement in quality					
27	Pressure from government or external agencies					
28	Learn other processes					
29	Ensure uniformity in operations					
30	Management chain company recommends it					
31	Approved by top hotel management					
32	Helps to provide better services for guests					
33	Proven to be effective in quality enhancement					

G. How important are the following to your establishment as benefits that may accrue from benchmarking? Tick the box that applies to you using the scale below:

1 = **Unimportant** 2 = **Of Little Importance** 3 = **Moderately Important**

4 = **Important** 5 = **Very Important**

		Unimportant	Of Little Importance	Moderately Important	Important	Very Important
34	Improved customer satisfaction					
35	Improved response rate (to customer concerns)					
36	Quality improvement					
37	Process improvement					
38	Influencing the strategic decision-making process					
39	Setting of internal standards					
40	Innovative approaches to business improvement					
41	More effective and efficient management of resources					
42	Improvement in people management					

H. To what extent do you agree or disagree with each of the statements below as barriers to carrying out benchmarking in hotels? Tick the box that applies to you using the scale below:

1 = Extremely Disagree   2 = Somewhat Disagree   3 = Not Sure
4 = Somewhat Agree   5 = Extremely Agree

		Extremely Disagree	Somewhat Disagree	Not Sure	Somewhat Agree	Extremely Agree
42	Not having qualified staff					
43	Too much quantitative data collection					
44	Too much complicated work					
45	Hotels do not share information/knowledge					
46	Just another performance assessment tool					
47	Data comparability is difficult					
48	Lack of resources					
49	Sufficient organizational practices (no need for benchmarking)					
50	Staff resistance					
51	Confidentiality					

I. Study the following Guest Room service factors that may be used as a basis for comparing your hotel's services with those of other establishments. Rank the factors in terms of their importance, by assigning position 1 to the most important such that the least important will have position 10. For purposes of this study, no two factors should share a rank.

		Rank
52	Cleanliness of the room	
53	Quietness of the room	
54	Comfort of bed/pillows	
55	Quality and sufficiency of fixtures	
56	Atmosphere	
57	Room size	
58	Convenience of a working table	
59	Internet/fax connection	
60	Complimentary items	
61	Free local calls	

J. Study the following Front Office service factors that may be used as a basis for comparing your hotel's services with those of other establishments. Rank the factors in terms of their importance, by assigning position 1 to the most important such that the least important will have position 10. For purposes of this study, no two factors should share a rank.

		Rank
62	Courtesy of employees	
63	Handling of complaints	
64	Promptness of check-in and check-out	
65	Thoughtful consideration of repeat guest	
66	Convenience of reservation	
67	Reasonable room rates	
68	Variety/quality of sports and recreational facilities	
69	Hotel and tour guide	
70	Efficiency of a business centre	
71	Flexibility of hotel policy on accommodation issues	

K. Study the following Food and Beverage service factors that may be used as a basis for comparing your hotel's services with those of other establishments. Rank the factors in terms of their importance, by assigning position 1 to the most important such that the least important will have position 10. For purposes of this study, no two factors should share a rank.

		Rank
72	Courtesy of employees	
73	Handling of complaints	
74	Promptness of seating allocation	
75	Thoughtful consideration of repeat guest	
76	Convenience of table reservation	
77	Reasonable price (meals and drinks)	
78	Variety/quality of food and beverages offered	
79	Ambiance/atmosphere of food and beverage outlet	
80	Speed of service	
81	Flexibility of hotel policy on food and beverage issues	

The End

Your participation in this survey is highly appreciated. Thank you for your time!!!