LEADERSHIP PRACTICES AND PERFORMANCE OF FIVE STAR HOTELS IN NAIROBI COUNTY, KENYA

Muteti, P. N., Muhoho, J., & Sang, W.
ABSTRACT

The study sought to establish if strategic leadership practices generally and leadership strategic direction specifically significantly influence performance of five-star hotels in Nairobi County. Using cross-sectional descriptive survey design, a complete sampling frame consisting all the 10 classified five-star hotels in Nairobi County were investigated. Given that the number of five-star hotels in Nairobi County was small and considering that they were well defined, they were all incorporated in the study. Moreover, using the whole population in the research eliminated any potential bias occurring through any sampling technique. Primary data was collected using structured questionnaires for Key informants who included management and employees from each of the hotels. One hundred and ten (110) questionnaires targeting 10 five-star hotels were prepared and dispatched. However, two (2) of the targeted hotels did not participate in the survey. In total, 88 questionnaires were returned. Secondary data was obtained from desk review of journals, books, reports and website sources. With the aid of Statistical Package for Social Sciences (SPSS) version 20, Frequency tables, charts, graphs and narratives were generated and used to present the findings. Multiple regression analysis was done, and descriptive analysis carried out. This analysis generated the requisite means and standard deviations required for interpreting the results. Moreover, inferential statistics were obtained and used to ascertain if the independent strategic leadership variable significantly influenced organizational performance (depend variable). It was established that leadership strategic direction significantly influenced organizational performance in five-star hotels in Nairobi County. The study recommended that all five-star hotels in Kenya should endeavor to implement strategic leadership strategies among other innovations as such strategies would enable them to favorably compete with other international hotel brands.

Keywords: Strategic leadership practices, Leadership strategic direction, Five-star hotels, Hotel performance

INTRODUCTION
Among the critical factors for the success of different organizations including those in the hospitality sector is leadership (Daft, 2015). The future of businesses in the hospitality industry in general, and the hotel sector in particular, is impacted largely by the extent to which leaders of these business organizations are able to adopt strategic leadership practices. Strategic leadership practice is important due to the unpredictable global as well as local business operating environment which over time has become highly unstable, indeterminate, multifaceted and uncertain. Robinson, Phillips, and Handshaw (2015) observe that for business firms to appropriately address promptly to issues relating to performance, appropriate strategic leadership practices are required. Other researchers have also pointed out that such strategic leadership practices are indispensable when dealing with the challenges of business performance (Carnall & Roebuck, 2015). Nevertheless, under the current dynamic environment, it is becoming ever more challenging for hotels to maintain their competitive advantage without superior leadership strategies. This is particularly so due to the influence of globalization.

Five-star hotels in Kenya are not only competing among themselves but also compete globally with international brands. This is because the hospitality industry in general and the hotel sector in particular has been opened up due to the rapid increase in globalization. Globalization has unlocked strong competition, which has in turn forced the local hotel industry to explore innovative ways of attracting potential customers. Some of the innovations include taking advantage of novel strategic leadership practices. Nevertheless, Globalization has led to many international hotel brands to exploit factors including acquiring inexpensive resources and labor, and more importantly, building worldwide brand recognition.

Estimates obtained from Kenya National Bureau of Statistics (KNBS), 2018 indicate that the country attracted approximately 2 million visitors in 2017. The majority of these visitors were classified as tourists and the rest were visiting the country for business or other official assignments. Studies on the hospitality industry in Kenya have ascertained that the country’s bed capacity is insufficient, even as players in the industry project that an extra 10,000 to 15,000 accommodation space (hotel rooms) will be required in the ensuing 5 to 10 years. This space is among others, required to accommodate the projected rise in the number of tourists likely to visit the country.

The hospitality industry in Kenya has a number of players and stakeholders who include the Kenya Association of Hoteliers and Caterers (KAHC), Kenya Association of Tour Operators (KATO) and Kenya Association of Travel Agents (KATA) who are basically lobby groups for the industry (Kinyili & Omwenga, 2016). Among the issues these lobby groups have been agitating for are putting pressure to government to consider extending some sort of tax holidays to the hospitality industry and especially to hotels owned by indigenous Kenyans with the objective of shielding the industry from international competition. Given that hotels are an integral part of the Kenyan tourism industry, which is an important pillar of the Kenyan economy, a review into the dimensions that affect the industry is justified. Moreover, according to Kinyili and Omwenga (2016), there is need to harmonize hospitality standards including hotel rating across the Eastern Africa Region. Such a move would excite competition and trigger shareholders to rebrand their hotels thus ensuring top of the range services, a move that would see more tourists including conferencing attracted to the region. This move would give Kenya as a county and Nairobi Five-star hotels in particular, competitive advantage given that they are centrally located in the region.
Problem Statement
Many studies have shown that the hospitality industry generally faces a problem of performance. Northouse and Lee (2015) suggest that there is low performance rate in organizations due to poor applications of leadership practices. Ongori, Iravo and Munene (2015) conducted a study on how some selected management practices impacted on the performance of hotels and restaurants in Kenya with specific reference to Kisii County and isolated some strategic management practices which influenced performance.

Studies have shown that some five-star hotels in Kenya have reported better performance compared to other hotels of their status. Such findings have triggered questions as to what factors could be responsible for such discrepancy (Marques & Dhiman, 2016). This inconsistency in performance as identified in literature has motivated the researcher to investigate whether organizational performance may be attributed to leadership practices amongst five-star hotels in Nairobi County. Indeed, performance and quality are among the considerations that the Tourism Regulatory Authority applies when classifying hotels into the various stars. Decline in performance and quality may prompt the Authority to strip the affected establishments of their current star rating. The findings of this study could therefore influence five-star hotels in Nairobi County.

Research Objectives
The general objective of this study was to assess the influence of strategic leadership practices on the performance of five-star hotels in Nairobi County. The specific objective of the study was to determine the influence of leadership strategic direction on organizational performance of five-star hotels in Nairobi County.

LITERATURE REVIEW
While defining leadership as the capacity of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization, Northouse (2013) contends that Leadership is arguably one of the most observed, yet least understood phenomena. According to Ciulla (2012), leadership entails motivating others to take a particular course of action as a result of a leader’s influence. How best a given person accomplishes in any leadership position depends on a combination of different factors including the information they have, their attitudes towards others, their expertise and other personal. Indeed, there are as many other diverse viewpoints of leadership as there are traits that define them. Moreover, there is no particular limitations (Kahiga, 2017), the same is yet to be tested against five-star hotels in Nairobi County. Besides, literature review showed that most studies in Kenya had examined the influence of strategic management practices on performance of organizations as opposed to the influence of strategic leadership practices on performance of the same. However, the two management practices relied on different theoretical frameworks and variables. Nevertheless, despite the need for superior strategic leadership practices generally in the hotel sector in Kenya, there was little, if any, studies focusing on the same. This study therefore sought to add to new knowledge in this area by establishing strategic leadership practices affecting performance in five-star hotels in Nairobi County.
style of leadership that can be considered universal. Nevertheless, there are various theories on leadership largely falling under the following perspectives: leadership as a process (relationship), leadership as a combination of traits (personality characteristics) and leadership as certain behaviors (leadership skills).

A number of leadership theories have been cited. Among them, Behavioral Leadership Theory; Action Goal Oriented Leadership Theory; Transformational Leadership Theory; Virtuous Leadership and Path Goal Leadership. While the earlier of these focused on the qualities that distinguish leaders from followers, later theories looked at other variables including situational factors and skill levels. Though the debate on whether leaders are born or nurtured, it is not in contention that to be a good leader, a person must have among others knowledge, commitment, stamina, and most importantly the skill to influence and work with others to achieve set objectives.

Though there are a wide variety of theoretical viewpoints that could be used to study the subject of the current study, the trait theories was selected as the most appropriate.

Trait theory was first propagated by several scholars including Allport (1961), Cattell (1965) and Eysencks (1967). One of the pioneers of formal personality psychology is Gordon Allport who is considered as the father of the trait approach of the description of personalities. Allport argued that Traits are the basic units of personality (Kanodia & Sacher, 2016). As further observed by Kanodia and Sacher (2016), trait theory identifies and measures the personality traits including repetitive patterns of thoughts and behavior including anxiety, pessimist and optimistic thoughts and openness to new ideas.

Leaders who have shown success are said to have specific sets of traits and characteristics (Bhatia, 2009). Such traits include though not limited to social traits, unique physical characteristics including some that are inborn, and which enable the leader to be successful. Northouse (2013) argues that experimental research in support of trait theory have established particular qualities that lead to efficiency and enhanced outputs in organizations.

<table>
<thead>
<tr>
<th>Leadership Strategic Direction</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>Customer satisfaction</td>
</tr>
<tr>
<td>Mission</td>
<td>Improved profit margins</td>
</tr>
<tr>
<td>Objectives</td>
<td></td>
</tr>
<tr>
<td>Core Values</td>
<td></td>
</tr>
</tbody>
</table>

Independent variables

Figure 1: Conceptual Framework

Empirical Literature Review

Using cross sectional data of 301 SMEs in Kenya, Nyamao (2016) examined the connection between strategic leadership and organization performance. The findings showed a significant relationship between the two variables. This particular study used descriptive research design where a mix of both qualitative as well as quantitative data was used. However, use of qualitative data is prone to subjectivity and therefore might not give objective findings Creswell (2014). Nevertheless, these findings are in line with the previous empirical study by Monte (2016) who reviewed the effect of strategic leadership on performance of commercial banks in Kenya.

By the application of a causal research design and targeting companies listed in the Nairobi Securities Exchange (NSE), Ogwoka, Namada, and Sikalieh
explored the influence of consumer relations on performance of listed firms in Kenya. The study found out that a significant relationship existed between consumer perceptions and performance in organizations. The finding of the study also indicated that performance is enhanced when firms offer quality and suitable services to their customers, are welcoming and have adequate knowledge and information on the services the organization offers. However, this study relied exclusively of financial performance measures, Return on Assets (ROA).

One of the most critical strategic leadership practices identified in literature is offering strategic direction which includes crafting a vision, mission, objectives and values. According to Mutia (2015), when giving strategic direction, leaders must clearly explain the mission and vision, of the organization. Moreover, they must design appropriate strategic objectives and come up with a strategic plan which should include core values with clear codes of conduct and ethical practices. In support, Ireland (2016) asserts that determining the strategic direction of organizations is the mandate of the strategic leader.

According to Ng’ang’a, Waiganjo and Njeru (2017), strategic direction shows where the organization wants to be in future. Strategic intent, vision, mission and objectives are some of the prominent indicators that may be applied to explain if a particular leader is offering strategic direction. Developing the strategic direction variable would be measured by getting responses on the perceptions of the employees on their organization’s strategy including the vision, mission and objectives guiding them.

Dugan (2017) argues that performance measures such as calculating bed occupancy percentages either daily, weekly or monthly may be short term in nature. Nonetheless, they may determine customer loyalty and employee satisfaction levels in the long run. In addition, Ongori, Iravo and Munene (2015) argue that evaluation of performance in organizations is essential as a means of ensuring continuous improvement, including finding out whether or not the organizations are meeting their objectives. Nevertheless, it is clear that the traditional performance measurement approaches and models are no longer adequate (Elbanna, Eid & Kamel, 2015). Amanchukwu, Stanley, and Ololube (2015) citing Daft (2014) posits that their inadequacy has posed a new challenge as hotels would want to appropriately gauge their performance with a view to positioning themselves strategically as they strive to attain strategic competitive advantage (Namusonge, 2014).

**METHODOLOGY**

A cross-sectional descriptive survey design was used to the current study. This kind of survey design was found useful when collecting and analyzing the required data. The population of this study comprised all the 10 five-star hotels within the Nairobi county as classified by the Tourism Regulatory Authority (Bryman & Bell, 2011). It is from the population where the target population respondents of the study were drawn from. The hotels under study were The Boma Hotel Nairobi, The Sarova Stanley; Intercontinental Nairobi; Dusit D2; Radission Blue Hotel Nairobi; Tribe Hotel; Fairmont the Norfolk; Sankara hotel; Hemingway’s Nairobi and Villa Rosa Kempinski. The respondents targeted in this study were: the top management of the 10 five-star hotels (represented by the General Manager or a Senior Manager). The study used structured information collection instruments. Self-administered questioners that were structured were used to collect primary data. Data analysis was executed using both descriptive and inferential statistics while the results were presented in charts and tables. SPSS version 20 was used to analyze collected data while qualitative information/data from key informants were manually processed.
FINDINGS

The research data was gathered exclusively through questionnaires as the primary research instrument.

The questionnaires were designed in line with the research objectives of the study.

Table 1: Total Number of Employees in the Hotel

<table>
<thead>
<tr>
<th>No. of Employees</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 50</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>51-100</td>
<td>1</td>
<td>12.5</td>
</tr>
<tr>
<td>101-150</td>
<td>2</td>
<td>25.0</td>
</tr>
<tr>
<td>151-200</td>
<td>1</td>
<td>12.5</td>
</tr>
<tr>
<td>201-250</td>
<td>1</td>
<td>12.5</td>
</tr>
<tr>
<td>251-300</td>
<td>3</td>
<td>37.5</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Research Findings (2019)

The number of employees in the hotels shown in Table 1 indicated that none of the Five-star hotels in Nairobi County had employees below 50. 12.5% (1) had 51-100 employees, 25% (2) had 101-150 employees, 12.5% of the hotels had 151-200 employees, while another 12.5% of the hotels had 201-250 employees. Moreover, 37.5% of the hotels under study had between 251 and 300 employees. This finding indicated that five-star hotels in Nairobi County were major employers.

Table 2: Approximate Annual gross turnover in Kenya shillings

<table>
<thead>
<tr>
<th>Annual gross turnover in Kenya Shillings</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 100 Million</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>101-500 Million</td>
<td>1</td>
<td>12.5</td>
</tr>
<tr>
<td>501-1 Billion</td>
<td>4</td>
<td>50.0</td>
</tr>
<tr>
<td>Over 1 Billion</td>
<td>3</td>
<td>37.5</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Research Findings (2019)

Table 2 indicated that the annual gross turnover of 50% (4) of the hotels was between Kshs. 501 Million and Kshs. 1 Billion, while 37.5% (3) of the five-star hotels surveyed in Nairobi County had annual gross turnover of over Kshs. 1 Billion. 12.5% (1) of the Five-star hotels had a gross annual turnover of between Kshs. 101 million and Kshs. 500 million. None of the five-star hotels under study registered annual turnover of below Kshs.100 million. This demographic indicated that majority of five-star hotels in Kenya could be classified as medium scale businesses within Kenyan standards.

Table 3: Extent of the influence of Leadership strategic direction on the hotel’s performance

<table>
<thead>
<tr>
<th>Description</th>
<th>Weighted Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I know and understand the vision of this hotel</td>
<td>2.4381</td>
<td>1.56232</td>
</tr>
<tr>
<td>I know and understand the mission of this hotel</td>
<td>2.0762</td>
<td>1.34232</td>
</tr>
<tr>
<td>I know and understand the strategic objectives of this hotel</td>
<td>2.3905</td>
<td>1.45110</td>
</tr>
<tr>
<td>I know and understand the core values of this hotel</td>
<td>2.4286</td>
<td>1.42678</td>
</tr>
<tr>
<td>Average mean/standard deviation</td>
<td>2.33</td>
<td>1.44</td>
</tr>
</tbody>
</table>

Source: Research Findings (2019)
To evaluate the significance of leadership strategic direction influence on the hotels’ performance four areas were considered: employees know and understand the vision of this hotel (M=2.43); employees know and understand the mission of the hotel (M=2.07); employees know and understand the strategic objectives of this hotel (M=2.39); and employees know and understand the core values of this hotel (M=2.42). The overall mean rating for the impact of leadership strategic direction on the hotel’s performance was 2.33, with a standard deviation of 1.44, which implied that the influence of Leadership strategic direction on the institution’s performance was positive. This was consistent with Mutia (2015), who argues that leaders offering strategic direction must clearly explain the organization’s strategic direction as represented by the vision, mission and the set organizational objectives including adopting core values with clear codes of conduct and ethical practices.

To further probe the influence of leadership strategic direction on organizations performance, respondents were asked to state their opinions on statements below:

Table 4: Influence of Leadership strategic direction on organizations performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Weighted Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My contribution to the hotel’s performance has been enhanced by my understanding of the hotel’s vision</td>
<td>1.1333</td>
<td>1.40785</td>
</tr>
<tr>
<td>My contribution to the hotel’s performance has been enhanced by my understanding of the hotel’s mission</td>
<td>2.9714</td>
<td>1.57783</td>
</tr>
<tr>
<td>My contribution to the hotel’s performance has been enhanced by my understanding of the hotel’s objectives</td>
<td>2.8476</td>
<td>1.26560</td>
</tr>
<tr>
<td>My contribution to the hotel’s performance has been enhanced by my understanding of the hotel’s core values.</td>
<td>2.3619</td>
<td>1.48145</td>
</tr>
<tr>
<td>Average mean/standard deviation</td>
<td>2.3285</td>
<td>1.4307</td>
</tr>
</tbody>
</table>

Source: Research Findings (2019)

An additional evaluation of the influence of Leadership strategic direction on the hotels performance was accessed across five components namely: (1) if employees contribution to the hotel’s performance had been enhanced by their understanding of the hotel’s vision; (2) if employees contribution to the hotel’s performance had been enhanced by their understanding of the hotel’s mission; (3) if employees contribution to the hotel’s performance had been enhanced by their understanding of the hotel’s objectives; and (4) if employees contribution to the hotel’s performance had been enhanced by their understanding of the hotel’s core values. These four areas measured the level of contribution of employees to the performance of their hotels as a result of their understanding of the vision, mission, objectives, core values. Among the four areas assessed, the employees contribution to the hotel’s performance being enhanced by their understanding of the hotel’s vision received the highest rating (M=1.13) followed by the employees contribution to the hotel’s performance being enhanced by their understanding of the hotel’s core values (M=2.36) and employees contribution to the hotel’s performance being enhanced by their understanding of the hotel’s objectives (2.84). The lowest rating was recorded on the employees’ contribution to performance due to their understanding of the hotel’s mission (2.97). The average mean rating of the four statements was 2.3285 with a standard deviation of 1.43. This finding was supported by Ireland (2016), who argues that conceptualized vision, mission, objectives and core values can only be useful in organizations if they are translated from the idea to reality. Moreover, for the
vision, mission and objectives to succeed, an organization must have the right leadership with the right capabilities and employees who are willing to apply what they learn from their leadership.

To establish performance levels of the targeted hotels, Questions aimed at finding out if strategic leadership practices put in place by the establishments’ leadership led to increase in customer levels, customer satisfaction and improved profit margins were asked. Moreover, respondents were requested to state to what extent they agreed with the statements and gave their response as shown below:

Table 5: Customer Satisfaction Performance Measure as Respondent by Management

<table>
<thead>
<tr>
<th></th>
<th>Weighted Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of customers has increased as a result of</td>
<td>2.6571</td>
<td>1.47953</td>
</tr>
<tr>
<td>employing appropriate strategic leadership practices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The level of customer satisfaction is high as a result of</td>
<td>2.5238</td>
<td>1.40120</td>
</tr>
<tr>
<td>employing appropriate strategic leadership practices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit margins have improved as a result of adopting</td>
<td>2.6095</td>
<td>1.47084</td>
</tr>
<tr>
<td>appropriate strategic leadership practices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average mean/standard deviation</td>
<td>2.61</td>
<td>1.43</td>
</tr>
</tbody>
</table>

Source: *Research Findings (2019)*

Strategic leadership practices and performance in the hotels was measured by three measures: (1) the increase in the number of customers as a result of employing appropriate strategic leadership practices; (2) level of customer satisfaction as a result of employing appropriate strategic leadership practices; and improvement in profit margins as a result of adopting appropriate strategic leadership practices. The mean ratings were 2.65, 2.52 and 2.60 respectfully. The overall mean rating for Strategic leadership practices and performance in the hotels was 2.61 and a standard deviation of 1.43. This result agreed with the argument by Luthra and Dahiya (2015) asserted that leadership as a variable significantly impact organizational performance components like profitability and share prices.

To further probe the performance of the hotels from the perception of Customers, a second proxy variable for organization performance (the depended variable) was introduced. Questions under this category aimed at finding out if strategic leadership practices put in place by the establishments’ leadership ensured staff were tidy and the hotel facilities clean; staff were polite and welcoming; staff provident prompt service; complaints and queries were resolved promptly; and staff were empowered with knowledge and information to answer customers’ questions. Moreover, respondents stated the extent to which they agreed with the statements as given below:

Table 6: Performance measurement of customer satisfaction from the perception of Customers

<table>
<thead>
<tr>
<th></th>
<th>Weighted Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff are tidy and the hotel facilities are clean</td>
<td>2.1143</td>
<td>1.26578</td>
</tr>
<tr>
<td>The Hotel staff are polite and welcoming</td>
<td>2.5333</td>
<td>1.42820</td>
</tr>
<tr>
<td>Staff provide prompt service</td>
<td>2.6286</td>
<td>1.40915</td>
</tr>
<tr>
<td>Queries and complaints are resolved promptly</td>
<td>2.6381</td>
<td>1.44198</td>
</tr>
<tr>
<td>Staff are empowered with knowledge and information to answer customer questions</td>
<td>2.1143</td>
<td>1.26578</td>
</tr>
<tr>
<td>Average mean/standard deviation</td>
<td>2.23</td>
<td>1.35</td>
</tr>
</tbody>
</table>
The performance measurement of customer satisfaction which is one of the proxies of the hotel’s performance was assessed by five statements. These statements were (1) staff were tidy and the hotel facilities were clean (M=2.11); (2) Hotel staff were polite and welcoming (M=2.53); (3) Staff provided prompt service (M=2.62); (4) Queries and complaints were resolved promptly (M=2.63); and, (5) Staff were empowered with knowledge and information to answer customer questions (M=2.11). The overall mean rating of customer satisfaction was 2.23 with a standard deviation of 1.35. The results indicated that hotels did implement measures to ensure enhanced customer satisfaction. These results were in line with the study by Ogwoka, Namada, and Sikalieh (2017) which found a significant association between consumer perceptions and organizations performance. The study concluded that organizational performance was likely to be enhanced when they give high quality services to their customers, are welcoming and have adequate knowledge and information on the services the organization offers.

### Table 7: Analysis of Variance (ANOVA)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Square</th>
<th>Df</th>
<th>Mean of square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>2.233</td>
<td>6</td>
<td>0.373</td>
<td>3.131</td>
<td>.048</td>
</tr>
<tr>
<td>Residual</td>
<td>28.293</td>
<td>98</td>
<td>0.329</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>30.526</td>
<td>104</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the Analysis of Variance (ANOVA) statistics in the table above, the processed data, which was the population parameters, had a significance level of 0.048 which translated to 4.8% which showed that the data was ideal for making a conclusion on the population’s parameters as the value of significance (p-value) was less than 5%. The F critical value at 5% level of significance was 3.131. Since F calculated was greater than the F critical (value – 1.684), this showed that the overall model was significant.

### Table 8: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Un standardzed</th>
<th>Standardized coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.298</td>
<td>.453</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.237</td>
<td>.160</td>
<td>.198</td>
<td></td>
</tr>
</tbody>
</table>

From the data in the above table the established regression equation was,

\[ Y = 0.298 + 0.237 X_1 \]

It was revealed that holding strategic direction to a consistent zero, hotel performance would be at 0.298, while a unit increase in strategic direction would lead to increase in hotel performance by a factor of 0.237. At 5% level of significance and 95% levels of confidence, strategic direction had a 0.012 level of significance.

The regression analysis therefore indicated that the independent variable significantly influenced the dependent variable.

### CONCLUSION

The overall mean rating for the indicators meant to ascertain the level of influence of leadership strategic direction on the hotel’s performance was
2.33, with a standard deviation of 1.44, which implied that the impact of Leadership strategic direction on the performance of the hotels under study was positive. The outcome of this analysis indicated that continued and improved leadership strategic direction would further foster the performance of the hotels.

Regression analysis indicated that a unit increase in strategic direction would lead to increase in hotel performance by a factor of 0.237. Moreover, at 5% level of significance and 95% levels of confidence, strategic control had a 0.012 level of significance, making it the second most significant factor after Human capital.

The findings revealed that for a five-star hotel to be successful, it must differentiate itself by applying superior strategic leadership practices. By so doing, the establishments would be able to offer value and utmost satisfaction to their customers besides gaining brand loyalty from them in the long run.

RECOMMENDATIONS
Based on results of the study, several suggestions for improved hotel operations were provided. Supporting all activities related to strategic direction should be a shared responsibility between management and employees in organizations.

The leadership of organizations should continuously adopt their application. Application of such strategic leadership practices would help in managing leadership challenges faced by the five-star hotels within Nairobi County and the country (Kenya) at large.

The study also recommended that all five-star hotels in Kenya should endeavor to fully implement strategic leadership strategies among other innovations. This would enable them to compete with other international hotel brands. Moreover, hotels should apply strategic leadership practices with an objective of making sure that their establishments perform financially well besides ensuring that their customers receive the best services and products possible.

Both the Government and the high-end hospitality facilities must intensify and refine their strategy of encouraging local tourism. Such a strategy is likely to see hotels remain afloat even in low seasons when the tourists’ flows are at their lowest or when countries issue travel advisories for one reason or another. This strategy calls for diversifying the mass markets while upholding the same levels of hospitality and without losing focus on customer satisfaction. In order to encourage more investments, the Kenyan government should work to ensure both the political and the economic environment was conducive enough.

Suggestions for Further Research
This study opened up possibilities of extensive studies on strategic leadership practices and their influence on the performance in the hotel sector and especially among hotels in the other 46 counties of Kenya. This immediate suggestion for further research would lead to getting a bigger picture on the strategic leadership of hotels in the country.

Furthermore, there was need to re-evaluate other factors beyond the leadership strategic direction such as human capital, strategic control, government policies as well as the prevailing internal and external environment among others.

The study also recommended longitudinal studies, in addition to the cross-sectional studies to investigate the influence of strategic leadership on performance of organizations. This was recommended because the variable in question (leadership strategic direction) is expected to experience periodic changes, hence the need for constant studies on the same. This would in turn keep the hotels on course in respect to meeting both their employees and their customers’ satisfaction levels leading to high hotel performance.

Comparative studies could be done with five-star hotels in other areas within and outside Kenya. Such
studies would help validate and possibly refine the variables which define strategic leadership practices. Furthermore, due to the small sample size (only 8 establishments surveyed) and cross-sectional design, further research is required to cross-validate or challenge the measurement scale developed in the study. This might be achieved by replicating the present study with different samples in order to refine existing factors and indicators. The hotel industry in other sections, countries or regions might be the choice for cross-validation.

Future research should consider using additional data collection methods including interviews and semi-structured questionnaires which enables the researcher to probe deeper for appropriate information. Lastly, given that the hotel industry is a unique business that possesses its own unique characteristics in the business process, comparative studies can be conducted in other industries or different sectors of the tourism industry to further verify whether strategic leadership practices have the same influence or not.

REFERENCES


