

# **Strategic Certification Readiness And Competitiveness Of Star-Rated Hotels In The Covid 19 Pandemic Environment In Kenya**

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## **Abstract**

Since December 2019, the Covid-19 pandemic has had a devastating impact on the total industry globally that almost impaired its competitiveness. The competitiveness found in modern organizations is increasingly determined by the strategic readiness of the intangible assets among which is certification as a mark of quality. Quality certification programs help consumers identify high-quality products or sellers in markets with information asymmetries. However, it is unclear how differences in market attributes may affect the impact of certification on consumer demand. Therefore, the purpose of this study was to find out the strategic certification readiness of the star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. The study was guided by the Chamberlain's theory of strategy and used a descriptive cross sectional survey research design targeting 138 star-rated hotels in the selected using systematic random sampling. Data was collected using questionnaires and interview schedules and were analysed using both descriptive and inferential statistical analysis and content analysis respectively. The study found that strategic certification readiness significantly influenced the competitiveness of star-rated hotels in the Covid 19 pandemic environment in Kenya. The study concluded that certification was important in sending out a readiness signal to the hospitality market both locally and internationally. It is recommended that the star-rated hotels in the country need to be more conversant with the relevant local and international certifications and comply with them in order for them to remain competitive.

**Keywords:** *Strategic Readiness, Competitiveness, Pandemic Environment, Star-rated Hotels, Covid 19*

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## **I. Introduction**

Beginning February 2020, countries globally were thrust into an unprecedented new domain of public health crisis brought about by acute respiratory illness causing novel Corona virus also known generically as Covid-19 or by its more precise scientific name, SARS-Cov-2 virus. The Covid-19 pandemic has occurred at a scale seldom experienced at the scale at which it is currently by any country on earth in the last 100 years. As at 4<sup>th</sup> April 2021 approximately 135.8 million people globally had tested positive for Covid-19. Of these, 2.93 million have died while 109.25 million have reportedly recovered and 23.6 million were classified as being actively infected with the virus (Andreadakis et al., 2020; Amawi et al., 2020). However, the active cases could be more especially in the developing countries where the testing is still not being done *en masse*.

During a global crisis like a pandemic, the hospitality industry is the first to absorb much of the impact (Faulkner, 2001; Mansour, 2013). Coppola (2010) notes that the hospitality industry is one of the most vulnerable industries for emergencies. The industry characteristically experiences a sharp drop of occupancy in the affected areas owing to travel restrictions and cancellation of flights worldwide, leading to many accommodation and catering units scaling down their operations for an indefinite period and creating second order adverse effects on other related industries such as that currently being witnessed in the Covid-19 global

pandemic. Evidently, the key to survival, recovery and competitiveness resides in the crisis preparedness of the hospitality industry. According to Albattat and Som (2019), preparedness for, response to, recovery from, and mitigation of all emergencies is important to the survival and competitiveness of hotels. As a business concept, strategic readiness emerged in a significant way with the recognition that an increased focus on innovation sets successful organizations apart from competitors (James, 2018). Strategic readiness refers to the alignment of an organization's human, information, and organizational capital with its strategy (Kaplan & Norton, 2004; Weber, Geneste & Connell, 2015). In the wake of the Covid-19 global pandemic, strategic readiness is turning out to be an important dimension for competitiveness.

Papadakis (1994 in Reisinger, Michael & Hayes, 2019) says that competitiveness is reflected by the consumer choice between two or more goods competing for the consumer's dollar. The competitive advantages found in modern corporations, non-profit making organizations, and even governmental agencies are increasingly determined by the strategic readiness or capabilities of their intangible assets (James, 2018). Some intangible assets (such as brands and intellectual property) are easier to leverage and have received considerable management attention during the past two decades. Others such as human capital, information capital, and organizational capital have received less attention and often lack significant attention in research.

One of the critical yet often overlooked area in preparedness is certification. Certification is a procedure held by an independent organization to determine whether there is an adequate degree of certainty that a properly marked product, process or service meets a particular standard or other standardization documents (Walas & Celuch, 2014). Accreditation is a confirmation of authority within a determined scope of works, whereas certification is a confirmation of conformity to specified requirements. Certification may be an increasingly useful means of "vertical" differentiation as horizontal product market competition intensifies; alternatively consumers may view the additional benefits to a particular product's certification as having a fixed value, unrelated to the number of other products in a category (Rooney, 1999). Certification sets and monitors voluntary standards, and can encompass systems engaging in a wider range of activities in policy, advocacy, and capacity building, and in building markets and supply chains, to make business production socially sustainable and trade fairer (Oy et al, 2017). Accordingly, institutions use certification as a mark of standardization to demonstrate their readiness in the market. As such, most subscribe to local and international standards regarding various operational issues the most common being ISO. In the star rated hotels, apart from the classification by the regulator as a star-rated hospitality facility, there are other certifications that hotels pursue.

Extant literature highlights the benefits accruing to a firm that obtains third-party certifications (Polidoro, 2013). A certificate brings numerous benefits: it is conducive to earning the trust of stakeholders, especially guests which builds the grounds for stable business relations; it gives an edge in the competitive market since not all entities may have such certificates; it increases the opportunity of winning new markets and ensures for effective management of the hotels and ease of achievement of the designated objectives; it increases specific hotels prestige on the market and raise the employees morale and more recognition from business partners; it triggers the need for changes, new initiatives and favours the establishment of new creative attitudes; it reduces the need for customer audits since by simply being certified gives enough sough after credibility and eliminates the need further conduct audits (Polidoro, 2013; Qijun, & Batt, 2016; Di Noia & Nicoletti, 2016; Oy et al, 2017; Desai, 2018). Certifications provide reputational benefits that increase stakeholders' confidence in a firm's prospects, thereby increasing the firm's ability to garner critical resources.

Empirical studies suggest that some ISO 9001 certified firms have improved their performance, whereas others have not. For example, studies using objective or secondary data suggest that certification has clear operational benefits, such as, improvement of efficiency, customer and employee satisfaction, service quality and profitability (Häversjö, 2000; Mak, 2011). Those that are premised on subjective data reveal that certified firms have improved their financial performance (Chow-Chua *et al.*, 2003; Mokhtar & Muda, 2012). Those that use both objective and subjective data conclude that certification does not have an influence on a firm's performance (Rahman, 2001; Martínez-Costa, *et al.*, 2009; Lo *et al.*, 2011). As such, Boiral (2011) asserts that while these benefits are not automatically connected with receiving a quality certification, a proper application of quality certification has positive effects on performance. Further, some researchers (such as, Dick *et al.*, 2008; Heras-Saizarbitoria & Boiral, 2013) continue to question whether certification is only sought by high performance firms. Star-rated hotels are among the high performance firms.

Kenya relies heavily on the travel and tourism industry of which the hotel industry plays a critical role. Hotel industry is a significant income generating sector for many countries in the world including Kenya and is also highly competitive. Hotels in Kenya are grouped into different categories based on the quality of services offered. These categories are Five Star Deluxe, Five Star, Four Star, Three Star Two Star and One Star Hotels to suit various types of travelers. Star rating of hotel is done by the Tourism Regulatory Authority (TRA). According to the TRA (2018), there were 211 One-Star to Five-Star rated hotels in Kenya. Most of these hotels are located in major towns across the country and in some of the best and popular tourist destinations (Muriithi, 2017). According to the Ministry of Tourism and Wildlife statistics, Kenya is the third largest travel and tourism

economy in Africa after South Africa and Nigeria. In addition, the industry injects KShs. 200B into the economy most of it derived from hotel receipts. The competitiveness of the hotels is also largely leveraged on the product offerings and service quality that are designed to suit customers tastes and preferences.

These star-rated hotels are also dependent on certification as mark of quality. Quality certification programs help consumers identify high-quality products or sellers in markets with information asymmetries (Elfenbein, Fisman & McManus, 2015). However, it is unclear how differences in market attributes may affect the impact of certification on consumer demand. With the challenges brought about by the Covid-19 pandemic, recertifications and reconfigurations have become important in the industry which deal with both local and international clients. However, the effect of certifications on their competitiveness remain underexamined. A key question would be how has certification (or recertification) made the hotels strategically ready and competitive in the Covid-19 pandemic era?

Following the Covid-19 pandemic developments, all restaurants, hotels and spas in Kenya have been required to reapply for licences as part of stringent reopening measures (KNHCR, 2020). All the hospitality entities are required to fill application forms available on the county's website as well as in sub-county facilities.

Upon application, the facilities are inspected and vetted, certificates of compliance issued and approval granted for re-opening once all requirements have been met. There is continuous monitoring by a multi-agency team, led by the County Health Departments. However, according to a report by KIPPRA (2021), the costly requirements for a Covid-19 compliance certificate to re-open businesses have slowed down the operations of the hotels and forced them to work under reduced capacity, or worse still close-down. Further, it had not yet been established whether certification could catalyze the return to competitiveness of the hotel industry in the country. Therefore, the objective of the study is to determine the effect of certification readiness of star-rated hotels—on competitiveness in the Covid 19 pandemic environment in Kenya. Alongside this objective, the study also explores the following hypothesis;

**H01:** Certification readiness does not significantly affect the competitiveness of star-rated hotels in the Covid 19 pandemic environment in Kenya

## **II. Literature Review**

### **2.1 Signaling Theory**

Signaling Theory is often applied in the the domain of information economics, however, it can be found in a variety of settings, such as, job markets, real estate markets, insurance, or individual and organizational commerce. The signalling theory can thus be useful in examining the certification or recertification of hotels and a signal in the hospitality industry. The theory's main applications is explaining the effects of information (i.e. signals) on one party provided by the other party of a transaction. Drawing on this theory, recognized certifications are modeled as signals. Connelly et al. (2010) distinguish two key characteristics of effective signals: signal observability, representing the degree to which external parties are able to recognize a signal, and signal cost which are the related costs to send a certain signal. Aiken and Boush (2006) found that internet trust marks, compared to consumer ratings of the provider and investments in advertising, have the strongest influence on the firm's trustworthiness and willingness to provide personal information. Aiken et al. (2014) further elaborated that, expert-based certificates are more effective in South Korea compared to in the United States. However, in the United States, consumers rely more on government-affiliated certification than consumers in South Korea do. Van Baal (2015) on the contrary postulates no significant effectiveness on purchase probability of two tested third-party seals in Europe. Yet, a study in the US revealed that varying web assurance seals (i.e. TRUSTe, BBBOnline, and Verisign) all significantly affect willingness to provide personal information (Wang et al., 2004). Other authors like Mavlanova et al., (2016) claim that external signals (e.g. third-party issued certification) have a stronger effect on consumers' trust compared to internal signals (e.g. self-developed assurance statements).

Readiness is an important signal in the market. For the hotel industry readiness to provide quality and risk-reduced products and services especially in times of crisis is an important signal to the international client who often has limited information on the developments in the local context of the hotel. Therefore, this study hypothesized that certification (especially Internationally recognized certifications) as a readiness signal would serve the function of reducing the information assymetry regarding the quality of the hotel product and lead to more competitiveness in the current era of Covid-19 pandemic.

### **2.2 Certification Readiness of the Hotel Industry for Competitiveness**

The relationship between quality certification and performance is a topic that has been extensively examined; arguably without producing any conclusive results. Although some studies have not found a connection between quality certification and performance (Singels *et al.*, 2001; Lo *et al.*, 2011), others have shown a positive relationship in manufacturing and service organizations (Naveh & Marcus, 2005; Terziowski &

Power, 2007) and in hotels (Nield & Kozak, 1999; Alonso-Almeida *et al.*, 2012). Among these studies, some also point out that larger firms are more likely to implement and certify these quality systems (Bayo-Moriones *et al.*, 2010). Nevertheless, the studies on quality systems and size have also found inconclusive results. The mixed results on the link between quality certification and performance, and between quality certification and size, the limited number of studies on such issues in the hotel industry and the fact that quality issues are important for the hotel industry to improve performance and competitiveness (Fernández-Barcala *et al.*, 2010; Alonso-Almeida *et al.*, 2012; García, 2013) provide the motivation for this study.

Studies on quality certification and performance in the hotel industry have shown that quality in hotels may reduce staff turnover and waste, and may improve enthusiasm, cooperation and communication, image, and financial performance (Birdir & Pearson, 1998; Wang *et al.*, 2012; Talib *et al.*, 2013). This evidence suggests that quality can actually influence both internal performance (increase in productivity, improvement in efficiency, and cost and waste reduction) and external performance (increasing sales and market share, keeping tourism relationships, finding new tourists, achieving higher tourist satisfaction levels and improving the corporate image). In addition, a company could have several business units which could be certified or not. Consequently, based on these ideas, a positive relationship could be expected between a higher propensity to certify the different business units of the same company and the performance levels. For example, in the hotel industry, where a chain has several hotels, it would be interesting to analyse whether chains with a higher percentage of certified hotels (that is, a higher propensity to certify) achieve better performance levels.

Pennington-Gray *et al.*, (2013) carried out a study on travelers' perceptions of crisis preparedness certification in the United States. The study aimed to understand travelers' perceptions about the benefits of tourism crisis preparedness certification and its potential to positively influence the travelers' destination decision-making process. A survey of U.S. households revealed that, in general, potential travelers were more inclined to visit certified tourist destinations. The main predictors of likelihood to travel to a certified tourism prepared destination were as follows: I have a great deal of confidence in such a crisis certification process; I would feel safer when visiting a certified crisis prepared travel destination; A certified crisis prepared destination would be safer to visit than one that is not; and a crisis prepared certification benefits the visitor. The findings imply a need for a clear definition and conceptualization of tourism crisis preparedness certification. By extension, the benefits of certification should be articulated to travelers so they can make informed travel decisions.

Rodríguez-Antón and Alonso-Almeida (2020) investigated the COVID-19 impacts and recovery strategies using the case of the hospitality industry in Spain. The study used case analysis of systematic literature on the hotel industry in Spain. The findings revealed that the five large Spanish hotel chains have taken advantage of the period of total closure of the economy (period March to June) to carry out studies aimed at making their facilities free of COVID-19 so that, during their stays, their clients are not contagious. One of the main factors for the recovery of tourism is the confidence of the tourist in the destination and in the hotel company. The five have deployed collaboration strategies with certifying entities specialised in the field of security, in general, and health security, in particular. In the specific case of Meliá, it has had the support of Bureau Veritas, an entity that certifies the restart of activity in establishments, complying with the new security measures due to COVID-19 in relation to the protection of people, to processes and facilities. Iberostar and NH relied on SGS (Société Générale de Surveillance), an entity that provides inspection, verification, testing and certification services related to COVID-19. Riu had the participation of the Preverisk Group, an international consultancy firm specialised in consulting, auditing and training in health and safety in the tourism sector. Finally, Barceló used the protocols and recommendations issued by Cristal International Standards, providers of security and risk management solutions from Biolinea, a company specialised in the field of public health and tourism, as benchmarks against COVID-19, Bio 9000, a food consulting company, and Biolab, a company that performs biological tests, mainly in the area of toxicology and microbiology.

Spenceley (2017) reviewed the current status of certification and certified hotels on the African continent, and to discuss the implications for mainstreaming sustainable tourism on the continent. The research design used both a desktop survey and online survey. The survey was used to consult stakeholders on options for incentives, and future interventions, which was distributed to 80 stakeholders from the government, certification bodies, intergovernmental agencies and NGOs. The survey resulted in 41 complete responses from 18 countries. Information from the literature review on existing tourism certification programmes operating in Africa and the number of accommodations that they had certified, and existing incentives for tourism certification were collated to establish statistics for the continent. In terms of ratings of the likely effectiveness of new incentives in encouraging greater use of certification in the accommodation sector, tallies of those where more than 50 per cent of respondents "strongly agreed" that the incentive would be effective were recorded. Short case studies to illustrate certification application in Africa were compiled from the literature review, coupled with information provided by representatives of institutions involved in the case (i.e. the certification programme, certified accommodation and associated NGOs).

The study identified nine African certification programs, and nine international certification programs operating in Africa. Collectively, the African and international certification programs have certified at least 715 accommodation facilities in 19 African countries, against their environmental, social and economic criteria. So only a very small proportion of all hotels in Africa have been certified (certainly less than 3.4 per cent) and that these are patchily distributed across the continent. A number of incentives have been used in Africa, including marketing and promotion; interest free loans for new technologies; preferential inclusion in tour itineraries; free or discounted application processes; and technical support. Consultees suggested that hotels were generally motivated to seek certification to: promote their achievements to environmentally conscious clients and avoid negative criticism, and save money by conserving resources. However, hotels do not understand the financial benefits of sustainable practices.

The study by Spenceley (2017) while underscoring the effect of certification in the hotel industry in the continent failed to explicitly link certification with competitiveness. The aspect of certification readiness was also not explored. Also the study was done right in the period before the Covid-19 pandemic outbreak and curiously there was no disaster anticipation mentioned in the study. Rodríguez-Antón and Alonso-Almeida (2020) whose study was carried out in the hospitality industry in Spain during the Covid-19 pandemic, was able to show certification efforts as part of the recovery strategies used by the hotel to mitigate the impact of the industry. However, the study did not show how this led to competitiveness of the hotels. Pennington-Gray et al., (2013) study focused on travelers' perceptions of crisis preparedness certification in the United States. However, the study while showing the importance of preparedness certification in the hospitality industry, was not done in Covid-19 pandemic settings, hence, the findings were not able to explain the pandemic dimensions in hotel industry recovery on the basis of preparedness certification.

### **III. Research Methodology**

The study applied both qualitative and quantitative approaches in cross-sectional study design to assess the strategic certification readiness of the star-rated hotel for competitiveness in the Covid 19 pandemic environment in Kenya. The study focused on star-rated hotels due to their international and local competitiveness, their size (Bayo-Moriones *et al.*, 2010) and also their longevity in the hotel sector in the region and specifically in Kenya. There are 211 Star-rated hotels in Kenya according to data from Kenya's Tourism Regulatory Authority (TRA) (2017). The hotels which range from 1-star to 5-star are located in a total of 19 out of the 47 counties of Kenya. Therefore, the unit of analysis was the Star-rated hotels while the unit of observation was the hotel managers. To obtain the required sample size, the study used the Israel (1992) formula which yielded a sample size of 138 star-rated hotels. The study used systematic random sampling to select the star-rated hotels while purposive sampling was used to select the managers (Oso & Onen, 2009). With the systematic random sample, there is an equal chance (probability) of selecting each unit from within the population when creating the sample (Black, 2004). According to Ames, Glenton and Lewin (2019), purposive sampling of primary studies for inclusion in the synthesis is one way of achieving a manageable amount of data. Purposive sampling allows for key informant selection.

Questionnaires and interview schedules were used for data collection and were administered to the top management as data collection instruments in the study. The constructs used in the instruments were derived from the literature review on certification, preparedness and competitiveness. Following Veal (2017), the study used both instruments after pilot testing them for correctness and accuracy on 14 non-participating (10% of the sample size), non-star-rated hotels sample from different counties in Kenya. Gathii *et al.*, (2019) explained that concerns often arise in analysis owing to the validity of the instruments that can affect the internal and external validity of the study. The instruments were, therefore, then given to independent experts for evaluation for face and content validity as well as for conceptual clarity and investigative bias. The constructs had a communality value of more than 0.49 and were therefore, all retained. The internal consistency method was used to determine the reliability of the questionnaire whereby the Cronbach's alpha coefficient for all the sections of the questionnaire was calculated, resulting in an overall reliability index of 0.825. All the current study variables reached the threshold of 0.7, and the questionnaire qualified for data collection in the final study. Reliability for the interview schedules was also achieved through content analysis. The reliability of the content analysis manifests itself through the coding process and usually ascribes to three forms; stability, reproducibility and accuracy (Miller & Whacker, 1999). The accuracy reliability method was used as it closely corresponded to the standard for assumed truth and was the strongest of all the three forms (Krippendorff, 2004).

Data was analyzed using both descriptive and inferential statistical methods aided by the Statistical Package for Social Sciences (SPSS) software. Descriptive statistical analysis was done using frequencies, percentages, means and standard deviations to describe the basic characteristics of the data. Inferential data analysis was done using the bivariate regression analysis to assess the relationship between variables. The bivariate regression equation was assumed to hold under;

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \dots \dots \dots (i)$$

Where, Y is the dependent variable- Competitiveness of the star-rated hotels in the Covid-19 pandemic environment in Kenya.

$B_0$  is the intercept

$\beta_1$  are the coefficients of the independent variables

$X_1$  represents Strategic Certification Readiness

For the interview schedules, data was analyzed using content analysis with the aid of NVivo software. Relevance index for the constructs and sub-themes were computed in response to the coding which produced the range of responses along the four-point continuum.

## IV. Results

### 4.1 Certification readiness of star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya

The third objective of the study was to examine the Certification readiness of star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. This variable was assessed in terms of; public health, environmental safety and ISO certification readiness of the hotels staff in relation to the Covid 19 pandemic environment. The findings are presented in Table 1.

**Table 1**  
*Certification readiness of star-rated hotels for competitiveness*

Statement	SA %	A %	N %	D %	SD %	Mean	Std. Dev	$\chi^2$	P- Value
The hotel is restructuring its operations to fit into the new public health model brought about by the pandemic	18	51	24	5	2	3.81	0.51	27.78	0.001
The hotel has partnered with healthcare institutions to improve its readiness to handle health emergencies	11	51	11	20	7	3.68	0.814	27.32	0.001
The hotel is working on certifications that will enable it to operate as a minimum public health risk establishment during and after the pandemic	11	54	14	15	6	3.71	0.773	36.86	0.001
The hotel abides by health safety protocols to ensure safety of our clients and employees	31	49	11	6	3	4.04	0.831	26.4	0.001
The hotel engages qualified consultants to carry out regular health safety audits	23	37	14	14	12	3.58	0.748	35.94	0.001
The hotel regularly recertifies its environmental safety according to local and international standards	19	45	20	10	6	3.61	0.712	35.48	0.001
The hotel has invested in quality management systems as prescribed by ISO	35	17	14	19	15	3.79	0.603	37.02	0.001
The hotel engages consultants regularly to audit its quality management systems in accordance with ISO requirements	14	82	2	1	1	4.07	0.456	38.56	0.001
The hotel ensures its ISO certification is in conformity with its quality management practices	17	56	23	2	2	3.84	0.824	40.1	0.001
Aggregate Score						3.414	0.6968		

Table 1 shows that there was low variation on the agreement with the certification readiness of star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya (Aggregate Mean = 3.414; SD = 0.6968). Majority of the hotels were restructuring their operations to fit into the new public health model brought about by the pandemic (mean = 3.81). Most hotel were partnering with healthcare institutions to improve their readiness to handle health emergencies (mean = 3.68) and were also working on certifications that will enable them to operate as minimum public health risk establishments during and after the pandemic (mean = 3.71). There was strong agreement (31%) and mean = 4.04 that the hotels were abiding by health safety protocols to ensure safety of their clients and employees. As such, majority of the hotels engage qualified consultants to carry out regular health safety audits (mean = 3.58). Most hotels regularly recertify their environmental safety standards according to local and international standards (mean = 3.61). The findings also

suggest that there was a strong agreement by 35% of the respondents and a mean of 3.79 that most of the hotels have invested in quality management systems as prescribed by ISO. Majority of the hotels also regularly engage consultants regularly to audit its quality management systems in accordance with ISO requirements (mean = 4.07). Also, most hotels ensure that their quality management practices are in conformity with their ISO certification.

**4.2 Competitiveness of Star-rated Hotels in the Covid 19 Pandemic Environment in Kenya.**

The study also sought to determine the competitiveness of star-rated hotels in the Covid 19 pandemic environment in Kenya. The status of this variable was described in terms of due diligence, auditing procedures and risk management. The results are presented in Table 2.

**Table 2**  
*Competitiveness of Star-rated Hotels in the Covid 19 Environment in Kenya*

Statement	SA %	A %	N %	D %	SD %	Mean	Std. Dev
We have been able to open new hotel branches in areas with high visitor potential	10	9	11	45	25	2.86	1.26
Our new branches are fully resource independent	7	12	8	44	30	2.65	0.957
We have been able to acquire hotels from other investors and rebrand them successfully	12	4	30	43	11	2.82	0.719
Our growth strategies have led to good returns on investment	13	20	23	39	5	3.04	1.258
Our hotels are attracting more international visitors of late	5	16	14	27	38	2.91	1.006
Our bookings outlook has improved considerably	5	15	15	40	24	2.89	1.256
Investors are showing considerable interest in partnering with us	3	25	17	21	34	2.87	0.962
We have been able to absorb many new employees while maintaining a low staff turnover rate	7	22	13	46	12	3.09	0.922
We have been able to increase our product portfolio	9	15	8	29	39	2.8	0.843
<b>Average</b>						<b>2.881</b>	<b>1.020</b>

Table 2 indicates that with an aggregate mean of 2.881 and standard deviation of 1.020, most of the hotels were performing below average in terms of competitiveness. This could be majorly attributed to the pandemic effect that led to the slowing down of the industry. Most hotels had not been able to open new hotel branches in areas with high visitor potential (mean = 2.86) and, were also not been able to acquire hotels from other investors and rebrand them successfully (mean = 2.82). The bookings outlook were still low (mean = 2.89) and fewer investors were showing considerable interest in partnering with most of the hotels (mean = 2.87). Most hotels also had not been able to increase their product portfolio (mean = 2.80).

**4.2 Regression analysis of technological systems readiness on competitiveness of hotels**

Bivariate regression analysis was carried out to evaluate the relationships between the dependent and independent variable. The findings are summarized in Table 3.

**Table 3**  
*Regression Analysis*

Model Summary	R	R Square	Adjusted R Square	Std. Error of the Estimate	
	0.311a	0.0967	0.0813	6.76458	
ANOVAa	Sum of Squares	df	Mean Square	F	Sig.
Regression	285.611	1	285.611	6.24155	.000b
Residual	4530.2	99	45.7596		
Total	4815.81	100			
Model Coefficients	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta		
(Constant)	9.918	2.114		4.69158	0.000
Certification readiness	0.311	0.117	0.256	2.65812	0.008

a Dependent Variable: Competitiveness of the star-rated hotels

Table 3 indicate that certification readiness of star-rated hotels significantly influenced competitiveness in the Covid 19 pandemic environment in Kenya ( $\beta = 0.256, p < 0.05$ ). The results further suggest that the model with certification readiness as the independent variable could explain 8.13% (adjusted R-Square) of the variations in the dependent variable, competitiveness. The results were then used to test the corresponding hypothesis stated for the study. The decision rule was to accept the hypotheses if the corresponding p-values were greater than  $p > 0.05$  and reject otherwise. The hypothesis was tested under the null hypothesis;

**H<sub>03</sub>: Certification readiness does not significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya**

Looking at the results in Table 4.16, it is evident that there was no significant association between the variables ( $\beta = 0.256, p < 0.05$ ). This meant that the null hypothesis was not valid and was, thus, we fail to accept it. Therefore, it can be inferred that Certification readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. These results concur with those of Häversjö (2000); Lee *et al.*, (2009); Mak, (2011) who held that certification improves competitiveness. The results also agreed with Boiral (2011) that proper application of quality certification has positive effects on performance. The findings, however, disagree with Rahman (2001), Martínez-Costa, *et al.*, (2009) and Lo *et al.*, (2011) who asserted that certification did not have any significant effect on performance.

**4.3 Qualitative Analysis of Certification readiness of the star-rated hotels for Covid 19 pandemic**

The respondents were asked to explain; how ready was their hotel in terms of certification and standards for Covid-19 pandemic coping? and how the hotels were going about standardizing and certifying their operations during Covid-19 pandemic? Table 4 shows the most common responses from the respondents.

**Table 4**  
***Certification Readiness of the Star-rated Hotels for Covid 19 Pandemic***

A. <i>How ready is your hotel in terms of certification and standards for Covid-19 pandemic coping?</i>	No. of Respondents
We have already complied with Ministry of Public Health certification requirements	4
We are complying with the guidelines given by the Ministry of Public Health	4
We are observing all the necessary Covid-19 measures	4
We have Covid-19 protocols put in all corners of the hotel	2
Very ready	2
Public Health officials inspected the premises and approved it for operations	1
Our certification is up to date and we are following the protocols keenly	1
B. <i>How do you go about standardizing and certifying your operations during Covid-19 pandemic?</i>	
We ensure we comply with the set protocols and ensure all staff are informed of the same	4
Through inspection by the Public Health Department	4
By making sure we give the right services as per the Covid-19 protocols	4
Through strict adherence to the MOH Covid-19 protocols	3
By making sure product offering is according to daily advisory by MoH	2
By observing high standards of hygiene and cleanliness at all times	2
Through application to the County department of Health	1
We usually invite Public Health officers to advice on matters of Covid-19 regulations	1
Through customer feedback	1
Specific personnel have been appointed to oversee compliance	1
Through frequent auditing to ensure we comply with the set standards	1

Table 4 indicates that the public health guidelines informed the certification requirements for the hotels. As evidenced by statements like; “We have already complied with Ministry of Public Health certification requirements,” and “We are complying with the guidelines given by the Ministry of Public Health.” Some hotels claimed that they were ready and had already complied with the certification requirements for operations as indicated by statements such as; “Public Health officials inspected the premises and approved it for operations.” The hotels achieved standardization of practice as per the new pandemic protocols by adhering to the ministry guidelines and also “by making sure product offering is according to daily advisory by MoH.” Other measures were, “Through inspection by the Public Health Department,” inviting “... Public Health officers to advice on matters of Covid-19 regulations.” and operations also “Through frequent auditing to ensure we comply with the set standards” the hotels were able to uphold standards set for their operations.

These findings indicate that the hotels had been readying themselves through public health certification from the country’s ministry of health. According to a survey of U.S. households by Pennington-Gray *et al.*, (2013) potential travelers (most who end up using hotels) were more inclined to visit certified tourist destinations. Aiken *et al.* (2014) further elaborated that, in some contexts, such as in the United States, consumers rely more on government-affiliated certification than other third party expert-based certification. In



Kenya where the Ministry of Health has the mandate of managing the Covid-19 pandemic affairs, certification by the ministry sends a strong signal of safety and government approval to the market. Therefore, it is possible that the certification readiness sent a better signal to domestic clients and clients from Western countries such as the US, hence, leading to competitiveness of the product. Theoretically, while the signal processing costs were high in the industry based on KIPRA (2021) report, the effective signal observability (Connelly et al. 2010) more likely offset the signal costs and provide future promise of quality and safety that the star-rated hotels depended on for their local and international markets. The finding that “customer feedback” was also important in helping standardize and certify the operations corresponds with the Signaling Theory assumption that the receiver of a signal recognizes and understands informational signals (Kimery and McCord, 2006; McCoy et al., 2009). Therefore, apart from meeting the Ministry of Health requirements, the hotels also sought validation from their customers.

## V. Conclusions

Basing on the results above, the study concludes that Certification readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. Theoretically, certification was important in sending out a readiness signal to the hospitality market both locally and internationally. However, the signaling came at a cost arising from the strict stipulations by the Ministry of Health that the hotels meet certain certification requirements in order for them to be allowed to open and operate and also adhere to the Ministry’s guidelines on Covid-19 protocols and measures. Majority of the hotels were, therefore, restructuring their operations to fit into the new public health model brought about by the pandemic. Most hotels were partnering with healthcare institutions to improve their readiness to handle health emergencies and were also working on certifications that will enable them to operate as minimum public health risk establishments during and after the pandemic. The customer also played an important role in standardization of operations in the new operating environment.

## VI. Recommendations

There was much focus by the star-rated hotels on the MoH guidelines and certifications as opposed to other quality certifications. Therefore, the study recommends that the star-rated hotels in the country need to pursue other international public health safety standards and also develop a peer review mechanism that will enable them maintain high standards of public health safety. Towards this end the hotels need to be more conversant with the relevant local and international certifications and comply with them in order for them to remain competitive.

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