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*Eunice Mukolwe, Dr. Dorothy Rotich, Dr. Isabela Mapelu & Prof.
Hellen Ipara*



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 Eunice Mukolwe^{1*}

PhD Candidate, Department of Hotel and Hospitality Management, Moi University

*Corresponding Author's Email: Eunydoc@gmail.com

Dr. Dorothy Rotich², Dr. Isabela Mapelu³ and Prof. Hellen Ipara⁴

Lecturers, Department of Hotel and Hospitality Management, Moi University, Eldoret, Kenya



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Abstract

Purpose: Star-rated hotels play a pivotal role in the global economy, contributing significantly to international tourism, job creation, and fostering cross-cultural exchanges. These establishments are luxurious havens and symbols of excellence and diplomacy, promoting economic growth and development, attracting foreign investment, and serving as ambassadors of local culture. In Kenya, star-rated hotels are essential contributors to the national economy, promoting sustainability and wildlife conservation. While these hotels have traditionally thrived due to Kenya's vibrant tourism sector, the industry faces an ever-present threat of crises. Therefore, this study, anchored in the Resource-Based View (RBV) theory analyzed the effect of human resource practices on the performance of hotels in Mombasa County during crises.

Methodology: This research employed a Covariance-Based Structural Equation Modeling (CB-SEM) approach, well-suited for assessing direct and indirect associations among observed and latent constructs. The study utilized an ex post facto research design to investigate the impact of specific Human Resource Management (HRM) practices on the performance of star-rated hotels in Mombasa County, Kenya, particularly during crises. Structured questionnaires were meticulously administered to 198 management staff members working within star-rated hotels in Mombasa County. This population was chosen due to its critical role in hotel operations, allowing the research to gain comprehensive insights into the relationships under examination. The response rate, approximately 90%, was considered practical and representative of questionnaire-based research. Data were analyzed using descriptive and inferential analysis techniques and presented in tabular format.

Findings: The study indicated that Talent Retention and Training exhibited a statistically significant positive effect on hotel performance, with a substantial path coefficient of 0.619. Crisis Communication and Leadership also contributed significantly to hotel performance, showcasing a positive and statistically significant path coefficient of 0.355. On the other hand, Resource Management and Adaptability did not exhibit a statistically significant direct relationship with hotel performance, as indicated by a non-significant path coefficient ($p = 0.607$). The robust positive relationships discovered between Talent Retention and Training, Crisis Communication and Leadership, and hotel performance align harmoniously with previous research findings. These results underscore the critical roles these factors play within the hospitality industry. Investments in talent management and effective crisis management strategies are vital for a hotel's success. The non-significant relationship between Resource Management and Adaptability and hotel performance challenges conventional wisdom but emphasizes the importance of considering the specific contextual nuances.

Recommendations: In conclusion, the study demonstrates that Talent Retention and Training, as well as Crisis Communication and Leadership, significantly contribute to the performance of star-rated hotels in Mombasa County, Kenya. These findings underline the need for hoteliers to prioritize investments in talent management, crisis management, and leadership skills. While the relationship between resource management, adaptability, and hotel performance appears more complex, further research is required to unearth any potential indirect effects or contextual nuances.

Keywords: *Crisis Communication, Star-Rated Hotels, Talent Retention, Resource Management, Adaptability, Performance*

1.0 INTRODUCTION

The hospitality industry, particularly star-rated hotels, is essential to most nation's economies. Globally, the hospitality industry, characterized by diverse services and accommodations, is integral to the economy. Among its various segments, star-rated hotels stand out as pillars of excellence and luxury, catering to travelers seeking exceptional experiences (Shahid & Paul, 2022). These hotels are emblematic of the industry's significance as they welcome guests from every corner of the world. As a global industry, hospitality contributes significantly to international tourism, job creation, and cross-cultural exchange (Ismail et al., 2020).

Star-rated luxury and comfort hotels have become synonymous with international travel (Kim et al., 2019). They are essential in attracting high-spending tourists who traverse continents to experience these establishments' opulence and world-class service (Sadek, 2021). Star-rated hotels drive tourism revenues and stimulate trade and diplomacy between nations (Hitchcock, 2023). This interplay between the hospitality industry and global diplomacy underscores the industry's broader geopolitical significance.

Moreover, the hospitality industry's global footprint extends to the digital realm, with online booking platforms facilitating international reservations and fostering global connectivity (Pencarelli, 2020). In an era of globalization, the hospitality sector represents a bridge that transcends borders and fosters cross-cultural understanding (Nazarian et al., 2023). The global reach of star-rated hotels underscores their role as ambassadors of hospitality and showcases the industry's potential to shape the future of international travel and commerce (Honey & Hogenson, 2017).

On a continental scale, the hospitality industry, including star-rated hotels, is a vital driver of economic growth and development (Ofori & Appiah-Nimo, 2022). Across continents, from the bustling cities of North America to the idyllic beachfront of Asia, these hotels are iconic landmarks contributing to the continent's identity and allure (Lade et al., 2020). They attract tourists and business travelers, fostering economic ties and promoting regional cooperation (Hitchcock, 2023). In addition to generating substantial revenue, the hospitality industry provides countless employment opportunities and supports ancillary sectors, such as food and transportation (Camilleri & Camilleri, 2018).

Star-rated hotels on the continental level often serve as magnets for foreign investment, drawing in capital and expertise to elevate the local tourism infrastructure (Christie et al., 2014). This foreign investment bolsters the hospitality sector and creates a ripple effect, benefiting related industries like agriculture and manufacturing through the supply chain (Boora & Dhankar, 2017). Moreover, the economic significance of star-rated hotels extends to tax revenues and other corporate social responsibility that can be reinvested in public services and infrastructure development (Otieno et al., 2023). In this way, the hospitality industry catalyzes broader regional development efforts.

At the regional level, the significance of star-rated hotels within the hospitality sector becomes even more apparent (Hinson et al., 2017). Regions like the Caribbean, Mediterranean, and East Africa boast world-class hotels fundamental to their tourism appeal (Demiroglu et al., 2020). These establishments not only bolster the local economy through direct revenue but also stimulate the growth of small and medium-sized enterprises (SMEs) involved in tourism-related activities (Ondieki, 2013). Moreover, they often serve as ambassadors of local culture, offering guests a glimpse into the region's traditions and heritage (Ali, 2022).

In Kenya, the hospitality industry, epitomized by its star-rated hotels, is a cornerstone of the national economy (Ministry of Tourism, Wildlife & Heritage, 2022). Kenyan star-rated hotels are renowned for their unique blend of modern comfort and traditional hospitality, attracting visitors from across the globe (Wadawi et al., 2015). They contribute significantly to Kenya's GDP, foreign exchange earnings, and job creation (Ministry of Tourism, Wildlife & Heritage, 2022). Furthermore, these hotels often

engage in sustainable practices, promoting conservation efforts and eco-tourism, aligning with Kenya's environmental preservation commitment (Muriithi et al., 2023).

The impact of star-rated hotels on Kenya's economy is profound. They are not merely places of accommodation but also hubs for cultural exchange and wildlife conservation (Waari et al., 2018). These hotels support sustainable tourism initiatives through partnerships with local communities, providing livelihood opportunities for indigenous populations (Muriithi et al., 2023). Additionally, their contribution to Kenya's foreign exchange earnings enhances its economic resilience and stability (Ministry of Tourism, Wildlife & Heritage, 2022).

The hospitality industry, particularly star-rated hotels, is an essential component of Mombasa's economy, drawing visitors from across the globe to its picturesque coastal landscapes. While these hotels have traditionally thrived due to Kenya's vibrant tourism sector, the industry faces an ever-present threat: crises. These crises can take numerous forms, from economic downturns to global health emergencies, each capable of significantly disrupting hotel operations and profitability.

One recurring challenge star-rated hotels in Mombasa face is economic crises. The global economic landscape can be volatile, impacting tourism and travel budgets. Economic downturns, such as recessions or financial crises, often lead to reduced travel and lower consumer spending, affecting the hospitality sector (WTTC, 2019). For instance, the 2008 global financial crisis had a notable impact on Mombasa's hospitality industry, with decreased occupancy rates and revenue. These economic crises strain hotel profitability, forcing them to adapt and implement cost-cutting measures, which can, in turn, affect service quality and employment (Matanzima & Nhiwatiwa, 2022).

The emergence of global health emergencies, such as pandemics, severely threatens Mombasa's tourism and hospitality industry. The COVID-19 pandemic swept the globe, leading to travel restrictions, lockdowns, and reduced tourism (UNWTO, 2020). Star-rated hotels in Mombasa experienced unprecedented challenges, including closures, staff layoffs, and a sharp decline in bookings. The pandemic revealed the vulnerability of the hospitality sector to health crises, prompting hotels to rethink their crisis management strategies, including hygiene protocols and safety measures (Sigala, 2020).

Mombasa's coastal location makes it susceptible to natural disasters, particularly tropical storms and flooding. These events can disrupt hotel operations, damage infrastructure, and impact the tourist experience. For example, heavy rainfall and flooding in 2020 led to temporary closures and disruptions in the coastal region (Aura et al., 2020). Star-rated hotels had to contend with damage to their properties, logistical challenges, and the need for disaster preparedness plans to mitigate future risks.

In addition to economic, health, natural, and political crises, star-rated hotels in Mombasa have been vulnerable to terror threats and security concerns, exemplified by well-known terrorist attacks. The coastal region has, regrettably, been the backdrop for infamous acts of terrorism that have profoundly impacted tourism and hotel operations (Combs, 2015). Notably, the 2002 Mombasa hotel bombing, targeting the Paradise Hotel, and the simultaneous missile attack on an Israeli airliner sent shockwaves through the region and the global hospitality industry (Fighel, 2014). These tragic events resulted in reevaluating security measures in star-rated hotels and necessitated extensive collaboration with national and international security agencies.

In such challenging times, the ability of star-rated hotels in Mombasa to not only endure but also maintain high levels of performance hinges significantly on their Human Resource Management (HRM) practices. In a study, Kim (2020) highlights that clear communication with employees during crises can enhance organizational resilience. Kim argues that HR departments in star-rated hotels ensure that crisis communication is transparent, timely, and consistent, building employee trust. The study emphasizes that HR departments are pivotal in optimizing staffing levels and deploying

resources efficiently. In times of reduced demand or unexpected challenges, such as the COVID-19 pandemic, HR professionals in star-rated hotels are responsible for making decisions regarding staffing adjustments and cost containment strategies (Dwivedi et al., 2020). Nizamidou and Vouzas (2018) underscore the importance of HR departments in providing support services, including mental health resources, to mitigate the psychological impact of crises on employees.

In this context, this research paper investigates the effect of HRM practices on the performance of star-rated hotels in Mombasa, Kenya, during crises, specifically focusing on three potential HRM practices: Crisis Communication and Leadership, Talent Retention and Training, and Resource Management and Adaptability. Therefore, the objectives of this study include:

1. To establish the effect of Crisis Communication and Leadership on the performance of star-rated hotels in Mombasa County.
2. To determine the effect of Talent Retention and Training on the performance of star-rated hotels in Mombasa County.
3. To explore the effect of Resource Management and Adaptability on the performance of star-rated hotels in Mombasa County.

2.0 LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Theoretical Framework

The Resource-Based View (RBV) theory offers a suitable theoretical foundation for this research due to its emphasis on internal resources and capabilities as drivers of competitive advantage and organizational performance. In this study, human resources are the primary internal resource under investigation. The RBV theory posits that a firm must possess and leverage unique, valuable, and non-substitutable resources and capabilities to achieve sustainable competitive advantage. The RBV theory is highly relevant to this study's context, as it suggests that the effectiveness of human resource practices, including recruitment, training, employee engagement, and crisis management training, can significantly impact the performance of star-rated hotels during crises (Ofori & Appiah-Nimo, 2022).

Specifically, it underscores the importance of resource heterogeneity, implying that not all hotels possess the same human resource capabilities. Some hotels may excel in talent acquisition, while others may have a culture of employee empowerment and innovation. During a crisis, these diverse capabilities can lead to differential performance outcomes. Furthermore, empirical research has widely applied and validated the RBV theory in various industries and contexts, demonstrating its robustness in explaining firm performance (Dionysus & Arifin, 2020; Ruivo et al., 2015).

Empirical Review

Crisis Communication and Leadership and Hotel Performance

In their study on internal crisis communication during the COVID-19 pandemic in Nordic countries, Haavisto and Linge (2022) employed a qualitative multiple-case study approach. The research aimed to understand the dynamics of internal crisis communication. Data were collected through interviews with leaders, middle managers, and employees. Thematic and narrative analysis methods were used to identify key themes. The findings underscored the significance of transparent and participative crisis communication in Nordic leadership during the pandemic. It was emphasized that transparency and participative communication were pivotal in effective internal crisis communication, employee sense-making, and trust-building during a crisis. While it provides valuable insights into crisis communication, the study's qualitative approach may not yield quantitative data directly relevant to hotel performance. It does not explicitly address the relationship between crisis communication, leadership, and hotel performance.

Focusing on employees in the US food and beverage and lodging segments during the COVID-19 pandemic, Guzzo et al. (2021) explored how employees responded to managers' communication. Their research utilized a factorial experimental design to examine the impact of different communication messages. Data was collected via Amazon Mechanical Turk, and participants rated their affective responses. The study revealed that managers' communication following CDC norms elicited gratitude among employees, while communication ignoring these norms increased fear and anger. Significantly, these emotional responses influenced organizational trust, highlighting the pivotal role of communication during a crisis. Although this study sheds light on the impact of communication on employee affective responses, it does not directly address hotel performance.

Zhang et al. (2023) delved into the impact of destinations' crisis communication on tourists' travel intentions, focusing on different crisis types (victimized and preventable crises) and communication sources. The study adopted a research design that explored the matching effect of crisis communication sources and crisis types. Surveys were used for data collection, and factor analysis was applied to identify key leadership competencies. The findings unveiled a matching effect of destinations' crisis communication sources and types, emphasizing the importance of tailoring crisis communication strategies to specific crises. While it provides insights into crisis communication's influence on tourism, it does not explicitly address hotel performance in Mombasa County.

Wisittigars & Siengthai (2019) sought to identify crisis leadership competencies in Thailand's facility management (FM) sector. They employed the Delphi technique for opinion evaluation, followed by a questionnaire survey. Data were collected through questionnaires and analyzed using factor analysis to identify critical leadership competencies. The study identified 29 significant crisis leadership competencies categorized into five groups, with emergency preparedness identified as the most crucial competency for effective FM crisis management. The study's focus on a different industry and location means that it does not provide insights into the specific challenges and dynamics of the hotel industry.

Kulkarni's (2019) quasi-experimental study compared three communication modes during a crisis to examine their impact on relational maintenance. The study involved participants exposed to crisis communication via Facebook, a corporate blog, or a corporate media release. The research explored the influence of perceived user control and familiarity with the medium on stakeholder perceptions during a crisis. While the study did not find significant differences based on different communication mediums, it did reveal that participants relying on Facebook reported a better understanding of the crisis. This underscored the importance of perceived user control and medium familiarity in shaping stakeholder perceptions during a crisis. This quasi-experimental study compares communication modes during a crisis but does not focus on the hotel industry or Mombasa County.

Because most of the reviewed studies focus on different industries, contexts, and research questions that may not directly relate to crisis communication and leadership in star-rated hotels in Mombasa County, we postulate that;

H₀₁: Crisis communication and leadership in star-rated hotels in Mombasa County has no significant effect on their performance

Talent Retention and Training and Hotel Performance

Yeswa and Ombui (2019) investigated the influence of talent management strategies on employee retention within the Kenyan hotel industry. They employed a descriptive research design and targeted hotels rated from one to five stars in Kenya, totaling 183 establishments. The study specifically engaged human resource managers from each hotel due to their intimate knowledge of HR policies and strategies. A stratified sampling technique was used to sample the required HR managers. Data were collected using questionnaires and analyzed using descriptive and inferential statistical methods. Findings revealed that reward systems, career development, employee engagement, and training

significantly influence employee retention within the Kenyan hotel industry. However, the study focused on employee retention but lacked a direct link to the performance of hotels. Besides, the descriptive research design was appropriate for understanding the current situation but could not establish a causal relationship between talent management practices and hotel performance.

Jepchumba (2021) examined the impact of talent management practices on hotels' organizational performance in Kenya's South Rift Region. Utilizing a cross-sectional survey research design, the study focused on two- to five-star hotels within the region, encompassing a target population of 40 hotels. Census sampling was employed, including all eligible hotels in the study. Data were collected through structured closed-ended questionnaires designed to address the research objectives. Descriptive statistics, such as frequencies, means, percentages, and standard deviations, were used to characterize organizational attributes. Inferential statistics, including Pearson correlation coefficient and multiple regression analysis, were employed to explore the relationships between talent management practices and organizational performance. The research findings indicated strong positive relationships between talent attraction, talent retention, talent development, and career management with organizational performance in the hotel industry. However, the study's findings were specific to the South Rift Region and may not have directly applied to Mombasa County, which could have different dynamics.

Chan et al. (2021) undertook an exploratory study to identify key retention factors and evaluate existing human resource practices within the hotel industry, focusing on HR professionals' perspectives. Employing an inductive qualitative approach, this research aligned with an interpretative paradigm, given its subjective, individualistic, and contextual nature. The study conducted in-depth focus group interviews with 40 respondents spanning managerial, supervisory, and operational roles across the Malaysian hotel industry. Respondents were selected based on demographic profiles, employment status, and work experience to ensure diversity. Data collection involved tape-recorded interviews, subsequently transcribed and analyzed through a three-step method. Key findings highlighted common organizational issues, such as benefits packages, compensation, and career development, significantly influencing hotel employee retention. While the study addressed employee retention, it did not explicitly explore its impact on hotel performance. Moreover, the study was based in Malaysia, which may have different labor market conditions and cultural factors than Mombasa County, Kenya. Findings may not be directly transferable.

Immaneni and Sailaja (2020) explored the impact of human resource management practices on employee retention within the hotel industry in Hyderabad, India. This study concentrated on 5-star and 4-star hotels, adopting a cross-sectional survey research design. Structured closed-ended questionnaires were employed for data collection, examining the relationships between four HR practices—Recruitment and selection, Training and Development, Salary and Monetary Benefits, and Work Environment—and employee retention. Descriptive analysis characterized organizational attributes, including frequencies, means, percentages, and standard deviation. Meanwhile, inferential analysis comprising Pearson correlation coefficient and structural equation modeling assessed HR practices' effects on retention. The research findings revealed that all four HR practices significantly related to employee retention, with recruitment and selection exhibiting the most substantial positive impact. While the study highlighted the significance of HR practices in retaining employees, it did not directly assess their effect on hotel performance.

In summary, none of the reviewed studies directly addressed talent retention and training in the context of the performance of star-rated hotels in Mombasa County. They mainly focused on employee retention and HR practices without establishing a direct link to hotel performance in the specific context of Mombasa County. Therefore, we postulate that;

H₀₂: Talent retention and training do not significantly affect the performance of star-rated hotels in Mombasa County.

Resource Management and Adaptability and Hotel Performance

In a study conducted in Spain, particularly in the Canary Islands, Melian-Alzola et al. (2020) explored the organizational resilience of hotels, focusing on four-star, five-star, and Great Luxury hotels in the region. They collected data through an online questionnaire survey targeting hotel managers, with a response rate of 26.9%. The findings indicated that strategy and change dimensions significantly affect hotel resilience, which, in turn, positively influences hotel performance. This study is conducted in Spain, focusing on the Canary Islands, which may have different contextual factors than Mombasa County. While this study emphasized the importance of organizational resilience, its applicability to Mombasa County's hotels is uncertain, as regional differences can influence resource management and adaptability effectiveness.

Ghaderi et al. (2022) investigated crisis preparation among hospitality managers in Malaysia. It utilized qualitative research methods, conducting semi-structured interviews with 24 hospitality managers. The findings revealed that crisis preparation in Malaysian hospitality firms was somewhat neglected, with hotel crisis preparation influenced by senior managers' intentions and organizational culture. Additionally, organizational resilience plays a significant role in hotel crisis planning and preparedness. Interestingly, the study highlighted that hotels were less inclined to be "learning organizations" regarding long-term adaptation, and managers were hesitant to change established structures. While this study offers insights into crisis preparedness, the transferability of these findings to Mombasa County's hotels may be limited due to regional disparities.

Hall et al. (2023) sought to identify research approaches and issues related to resilience in the hospitality and tourism sector. They conducted a critical thematic review of the literature, emphasizing resilience's contested nature and varying interpretations. The dominant approach in the hospitality and tourism field was informed by engineering resilience at the organizational level. The study suggested a need for a comprehensive understanding of resilience, considering its multi-scaled nature and the importance of slow change. While the study highlights the importance of resilience, it does not provide direct evidence regarding the effect of resource management and adaptability on hotel performance in Mombasa County.

Jóhannsdóttir et al. (2022) explored the impact of human resource management (HRM) on institutional resilience during the COVID-19 pandemic in Iceland's Westfjords region. They employed a semi-structured interview framework, interviewing 44 interviewees from various sectors. The study identified three key components of resilience: anticipate and plan, manage and survive, and learn and grow. While some institutions neglected anticipatory crisis preparation, many managed to adapt and thrive during the pandemic, emphasizing the role of HRM in both positive and negative aspects. The study highlights the role of HRM in resilience. However, its direct applicability to Mombasa County's hotels depends on the unique circumstances of the county and its hotels.

Chan et al. (2020) examined disaster management from the perspectives of tourism stakeholders, focusing on the 2018 Hokkaido Eastern Iwate Earthquake in Japan. The researchers conducted face-to-face interviews with key informants and tourism stakeholders approximately one year after the earthquake. The findings highlighted the multifaceted roles of tourism stakeholders in disaster preparation, evacuation, and long-term recovery. Collaboration and adaptation emerged as key determinants of resilience, emphasizing shared local values, experiences, and disaster risk communication within the context of tourism destinations. While collaboration is crucial, the factors affecting resource management and adaptability in Mombasa County's star-rated hotels may differ from those in the earthquake-affected Japanese context.

The provided studies offer valuable insights into resilience and crisis management in various contexts but do not directly support Mombasa County's star-rated hotels. To draw meaningful conclusions about resource management and adaptability in Mombasa County, we postulate that:

H₀₃: Resource management and adaptability do not significantly affect the performance of star-rated hotels in Mombasa County.

3.0 METHODOLOGY

The research adopted a Covariance-Based Structural Equation Modeling (CB-SEM) approach to explore the intricate relationships among critical variables within the context of star-rated hotels in Mombasa County, Kenya. CB-SEM is selected for its suitability for assessing direct and indirect associations between observed (manifest) variables and latent constructs, aligning with the study's objective of examining the impact of crisis communication and leadership, talent retention and training, and resource management and adaptability on hotel performance. This approach allows for a comprehensive analysis of the underlying structural relationships within the data. The research design employed was ex post facto, allowing for a retrospective analysis of existing data collected from the target population. This design is ideal for exploring relationships between variables without direct manipulation, which is appropriate for this research context.

The study focused on ten manifest variables, categorized into four constructs: Crisis Communication and Leadership (3), Talent Retention and Training (2), Resource Management and Adaptability (2), and Hotel Performance (3). These manifest variables were carefully selected to capture critical aspects of each construct. Data were collected through structured questionnaires administered to 219 management staff from star-rated hotels in Mombasa County. This specific context was chosen because it represents a significant sector in the regional hospitality industry, allowing the research to provide valuable insights into the relationships between the identified variables. The study obtained valid responses from 198 participants, corresponding to a response rate of approximately 90%, which was practical and representative for questionnaire-based research. Descriptive statistics were used to analyze respondents' demographic profile and presented in frequency distribution Tables. Fit indices validated the measurement and structural models, while hypotheses were tested using path coefficients generated through SEM and presented in Tabular form. Hypotheses were tested at the 5% significance level ($\alpha=0.05$).

4.0 FINDINGS

Demographic Profile

The study's participants were evenly distributed by gender, with 40.9% male and 59.1% female respondents, ensuring robustness and gender-neutral findings (Table 1). Most respondents (45.5%) were aged 26-40, representing mid-career staff, while 22.2% were above 40 and 32.3% aged 18-25. None of the participants lacked formal education, with 50.5% holding secondary and 44.4% college qualifications. Job titles varied, with 50.5% supervisors, 33.3% assistant managers, 9.1% managers, and 7.1% in other roles. Concerning tenure, 53.5% worked for less than five years, 24.2% for 6 to 10 years, and 22.2% for over a decade. The Food and Beverages department had the most representation (40.4%), followed by Housekeeping (25.8%) and Front Office (24.7%). This diverse composition ensures the research's applicability to different workforce segments, offering nuanced insights into human resource practices' impact on hotel performance during crises.

Table 1: Demographic Characteristics

| | | Frequency | Percent |
|------------------------|--------------------|------------------|----------------|
| Gender | Male | 81 | 40.9 |
| | Female | 117 | 59.1 |
| | Total | 198 | 100 |
| Age in years | 18-25 years | 64 | 32.3 |
| | 26-40 years | 90 | 45.5 |
| | Above 40 years | 44 | 22.2 |
| | Total | 198 | 100 |
| Academic qualification | None | 0 | 0.0 |
| | Primary | 10 | 5.1 |
| | Secondary | 100 | 50.5 |
| | College | 88 | 44.4 |
| | Total | 198 | 100 |
| Job title | Supervisor | 100 | 50.5 |
| | Ass. Manager | 66 | 33.3 |
| | Manager | 18 | 9.1 |
| | Other | 14 | 7.1 |
| | Total | 198 | 100 |
| Duration of employment | Below 5 years | 106 | 53.5 |
| | 6-10 Years | 48 | 24.2 |
| | Above 10 years | 44 | 22.2 |
| | Total | 198 | 100 |
| Department | Housekeeping | 51 | 25.8 |
| | Front Office | 49 | 24.7 |
| | Food and Beverages | 80 | 40.4 |
| | Other | 18 | 9.1 |
| | Total | 198 | 100 |

Model Validation

The model fit summaries (Table 2) reveal critical insights into the structural model assessing the relationship between HRM crisis management practices and the performance of star-rated hotels. Notably, the default model, representing the hypothesized link, demonstrates robust fit to the data, as evidenced by the Comparative Fit Index (CFI) and the Tucker-Lewis Index (TLI), both exceeding 0.95, signifying robust model fit. Furthermore, the Root Mean Square Error of Approximation (RMSEA) stands at an impressively low value of 0.000, indicating an excellent fit. These findings collectively suggest a substantial and meaningful association between HRM crisis practices and hotel performance. While the chi-square test reveals some statistical discrepancy, it is crucial to acknowledge its sensitivity to sample size. In contrast, the comparison with the independence model underscores the superiority of the structural model in explaining the observed data. In conclusion, these results emphasize the significance of HRM crisis management practices in influencing the performance of star-rated hotels, reinforcing the need for effective crisis management strategies in the hotel industry.

Table 2: Model Fit Indices

| Fit indices | Recommended value | Default value |
|-------------|-------------------|---------------|
| χ^2/df | <5.0 | 0.781 |
| GFI | >0.90 | 0.982 |
| AGFI | >0.90 | 0.958 |
| NFI | >0.90 | 0.988 |
| RFI | >0.90 | 0.976 |
| IFI | >0.90 | 1.004 |
| CFI | >0.90 | 1.000 |
| TLI | >0.90 | 1.007 |
| RMSEA | <0.05 | 0.000 |

Model Findings

The estimates from the regression weights analysis (Table 2) offer valuable insights into the relationships between the latent constructs. Notably, the path coefficient (estimate) between Hotel Performance and Talent Retention and Training (par_7) is positive at 0.619, indicating a moderately strong and statistically significant positive association. This suggests that talent retention and training investments positively affect the performance of star-rated hotels in Mombasa County.

Similarly, the path coefficient between Hotel Performance and Crisis Communication and Leadership (par_8) is also positive, with a value of 0.355. This indicates a significant positive relationship, albeit of a slightly lower magnitude than the previous one. It implies that effective crisis communication and leadership practices positively contribute to hotel performance, aligning with the notion that well-managed crises can enhance a hotel's reputation and, consequently, its performance.

In contrast, the path coefficient between Hotel Performance and Resource Management and Adaptability (par_9) is negative at -0.148. However, this coefficient is not statistically significant ($p = 0.607$), suggesting no significant direct relationship between resource management and adaptability and hotel performance in Mombasa County.

Table 3: Regression Weights: (Group Number 1 - Default Model)

| | | | Estimate | SE. | CR. | P | Label |
|-------------------|------|-------------------------------------|----------|------|-------|------|-------|
| Hotel performance | <--- | Talent Retention and Training | .619 | .302 | 2.052 | .040 | par_7 |
| Hotel performance | <--- | Crisis Communication and Leadership | .355 | .115 | 3.076 | .002 | par_8 |
| Hotel performance | <--- | Resource Management and Adaptation | -.148 | .288 | -.514 | .607 | par_9 |

These estimates have important implications for hotel management in Mombasa County. Hoteliers should prioritize investments in talent retention and training, as well as crisis communication and leadership practices, as these factors can significantly enhance hotel performance. On the other hand, while resource management and adaptability are essential aspects of hotel operations, this study did not find evidence of a direct link between these factors and hotel performance. Hotel managers should consider focusing on other aspects of their operations to improve performance, such as talent management and crisis preparedness. Further research may be needed to explore the indirect or mediating effects of resource management and adaptability on hotel performance.

Discussions

The positive relationship between Talent Retention and Training and Hotel Performance echoes findings from previous research. Yeswa and Ombui (2019) investigated talent management strategies within the Kenyan hotel industry and found that reward systems, career development, employee engagement, and training significantly influenced employee retention. While their focus was on employee retention, the current study extends this relationship to hotel performance, highlighting the transferability of talent management practices beyond employee retention. This underscores the contribution of the current study in bridging the gap between talent management and its direct impact on hotel performance in the specific context of Mombasa County.

The positive relationship between Crisis Communication and Leadership and Hotel Performance aligns with the broader literature on crisis management in the hospitality industry. Haavisto and Linge (2022) emphasized the importance of transparent and participative crisis communication during the COVID-19 pandemic in Nordic countries, underscoring the role of such communication in trust-building and employee sense-making.

Similarly, Guzzo et al. (2021) found that effective communication influenced organizational trust in the US food and beverage and lodging segments. However, the current study's contribution lies in its specific focus on Mombasa County's hotels, recognizing the unique crisis scenarios and regional factors that may impact the relationship between crisis communication, leadership, and hotel performance. This localized perspective enhances the relevance of the findings for hotel managers and policymakers in Mombasa County.

The non-significant relationship between Resource Management and Adaptability and Hotel Performance somewhat challenges conventional wisdom. While previous research has highlighted the importance of resource management and adaptability in organizational performance, this finding underscores the need to consider the specific context. Melian-Alzola et al. (2020) in Spain found that strategy and change dimensions significantly affected hotel resilience and performance. However, the current study suggests that resource management and adaptability may not directly impact hotel performance in Mombasa County's unique context. This nuanced perspective contributes to a more comprehensive understanding of the factors influencing hotel performance, emphasizing the importance of context-specific research.

5. 0 CONCLUSION AND RECOMMENDATIONS

Conclusion

Crisis communication and leadership are positively associated with the performance of star-rated hotels in Mombasa County. Therefore, effective crisis communication and strong leadership practices play a vital role in enhancing the performance of these hotels. Notably, this relationship aligns with the widely accepted notion that well-handled crises can bolster a hotel's reputation, ultimately leading to improved performance. While the magnitude of this effect is moderately strong, it underscores the importance of prioritizing crisis management and leadership skills within the hotel industry in Mombasa County.

Talent retention and training positively and strongly impact the performance of star-rated hotels in Mombasa County. These results emphasize the critical role that talent retention and training investments play in driving the success of hotels in Mombasa County. Fostering a skilled and committed workforce through robust retention and training strategies substantially impacts hotel performance. This finding highlights the significance of human capital investment in the industry, emphasizing that well-trained and motivated staff can significantly contribute to a hotel's success.

The relationship between resource management and adaptability and the performance of star-rated hotels in Mombasa County has a unique dynamic. While a negative path coefficient suggests a potential adverse effect, it is crucial to note that the relationship was not statistically significant. Consequently, the analysis does not provide sufficient evidence to establish a direct link between resource management and adaptability and the performance of star-rated hotels in Mombasa County. However, this absence of statistical significance does not necessarily rule out the influence of these factors. There may be indirect or nuanced effects that require further exploration. In summary, these findings highlight the complexities surrounding resource management and adaptability within the hotel industry in Mombasa County and suggest the need for more comprehensive research to uncover any possible indirect relationships.

Recommendations

Given the positive association between Crisis Communication and Leadership and the performance of star-rated hotels in Mombasa County, it is recommended that hotel management prioritize crisis communication and leadership training programs. Investing in enhancing the crisis communication skills of staff and cultivating strong leadership practices can significantly contribute to the overall success of hotels. Hotel managers should consider organizing regular training sessions and workshops for their teams to ensure they are well-prepared to handle crises effectively. This not only enhances the hotel's reputation during challenging times but also positively impacts its long-term performance.

The strong and positive impact of Talent Retention and Training on the performance of star-rated hotels underscores the importance of human capital investment. Hotel owners and managers should place a strong emphasis on talent retention strategies, such as competitive compensation, career development opportunities, and employee engagement programs. Additionally, investing in training and development programs for staff at all levels is crucial to maintain a skilled and motivated workforce. Implementing these practices will not only improve the overall quality of service but also positively affect the hotel's performance by attracting repeat guests and achieving higher customer satisfaction scores.

While the study did not establish a statistically significant direct link between Resource Management and Adaptability and the performance of star-rated hotels in Mombasa County, it is advisable for hotel management to conduct comprehensive assessments of their resource management and adaptability practices. Even though the relationship was not statistically significant, there might be nuanced or indirect effects that were not fully captured in this study. Therefore, hotels should delve deeper into their resource allocation, management strategies, and adaptability to changing market conditions. This may involve conducting internal audits, seeking employee feedback, and exploring innovative ways to optimize resource utilization. By doing so, hotels can potentially uncover hidden areas for improvement and enhance their overall performance.

Limitations

While the study provides valuable insights into the relationships between critical variables in the context of star-rated hotels in Mombasa County, several limitations must be acknowledged. First, the research design employed is *ex post facto*, which relies on retrospective data analysis without directly manipulating variables. This design might limit the ability to establish causality between the studied factors and hotel performance. Additionally, the study's reliance on structured questionnaires may introduce response bias, as participants might provide socially desirable responses. Moreover, the research focused on a specific geographic area (Mombasa County) and may not fully capture the diversity of the entire hotel industry in Kenya, potentially limiting the generalizability of findings to a broader context.

Future Research

Future studies should consider longitudinal research approaches to overcome the limitation of the ex post facto research design. By collecting data over an extended period, researchers can examine changes in variables over time and better assess causal relationships between crisis management practices, talent retention, resource management, adaptability, and hotel performance. Longitudinal studies can help establish whether changes in one variable lead to changes in another, providing stronger evidence of causality.

Moreover, future research should incorporate mixed-methods approaches to address the potential response bias associated with structured questionnaires. Combining quantitative surveys with qualitative methods like interviews or focus groups can provide a more comprehensive understanding of the studied phenomena. Qualitative data can capture nuances, motivations, and contextual factors that may not be apparent in quantitative surveys alone. This approach can offer richer insights into hotel crisis management, talent retention, and resource management.

While this study focused on Mombasa County, future research should aim to expand the geographic scope to include a more diverse sample of hotels across different regions of Kenya or even beyond the country's borders. A broader sample can enhance the generalizability of findings and provide insights into how contextual factors, such as local culture and market conditions, may influence the relationships between management practices and hotel performance.

Given this study's non-significant direct relationship between resource management and adaptability and hotel performance, future research should delve deeper into potential indirect or mediating effects. Investigating whether resource management and adaptability influence other variables affecting hotel performance could uncover hidden mechanisms that were not evident in the current analysis.

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