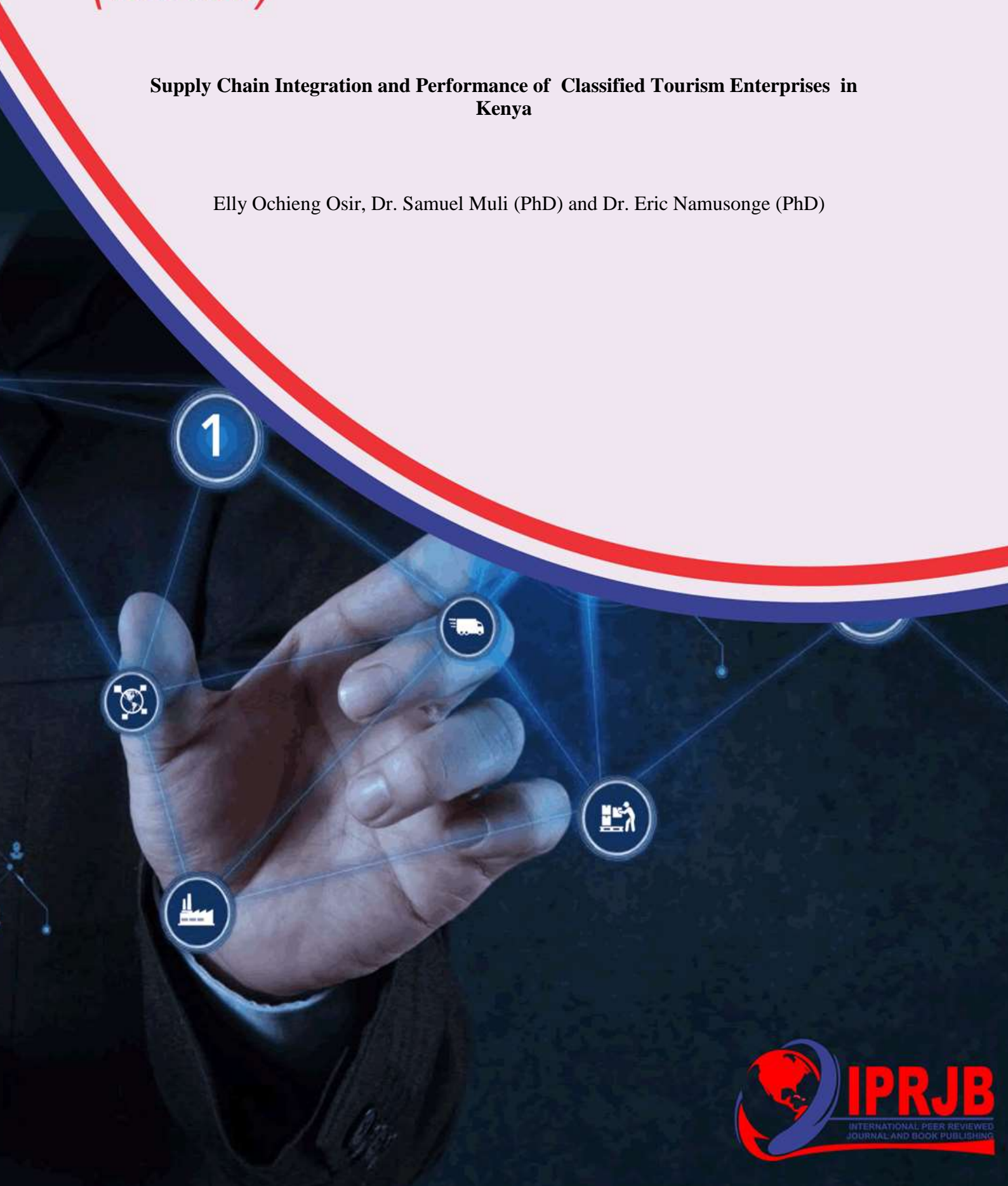


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**Supply Chain Integration and Performance of Classified Tourism Enterprises in
Kenya**

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Abstract

Purpose: Tourism enterprises in Kenya operate in hypercompetitive, complex and dynamic business environment. In order to remain a float, amidst cutthroat competition and ever increasing customer expectations, enterprises are depending on capability and excellence of their supply chain. With an aim of gaining competitive advantage; most enterprises have embraced supply chain integration (SCI). As part of supply chain ambidexterity (SCX) practices; SCI aims at establishing cohesion, enhancing linkages and collaboration between an enterprise and its trading partners; such that, rather than letting each individual function or unit exist in its own silo, disconnect in supply chain is decreased; and linkages between trading partners is established. There partners include: suppliers, customers, logistics service providers and internal user departments.

Methodology: This thesis was anchored on relevant theories; and employed a mixed research design in conducting stratified sampling targeting a population of 594 respondents made up of supply chain managers, finance managers and food and beverage managers; in each and every classified tourism enterprise in Kenya. Both primary and secondary data were collected. Structured research instrument was used to collect primary data. Construct validity method was applied in testing the adequacy of the research instrument. Further, pilot testing was conducted on data collection instruments upon which it was established that the instruments were reliable and valid. Data collected was analyzed with the help of statistical packages for social sciences version 24.

Findings: By employing supplier integration, internal integration and customer integration as predictors; with supply chain maturity level as a moderating variable; this thesis established the influence of SCI on performance of classified tourism enterprises in Kenya. The results found that SCI have a significant influence on performance of classified tourism enterprises in Kenya. Besides, supply chain maturity level was found to have a moderating effect on the relationship between predictor variables and response variables.

Unique Contribution to Theory, Practice and Policy: The thesis underscores the need for enterprises to enhance the uptake of SCI and other SCX practices to enhance their performance; and additionally, recommends further researches to be conducted on SCI targeting other industries anchoring Kenyan economy with an aim of providing policy guideline to decision makers.

Keywords: *Supply Chain Integration, Supply Chain Ambidexterity, Supply Chain Maturity, Performance, Classified Tourism Enterprise*

JEL Codes: *M15, M16, M19, M29, O32, Z30, Z32, Z38*

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INTRODUCTION

Contemporary wisdom posits that supply chain is gathering more and more recognition as a strategic aspect of enterprise management, key driver of competitive advantage, enhanced performance and differentiation to an enterprise (Nyile, 2023; Autry & Moon, 2016). Supply chain management system flourishes when there is a coordinated effort between supply chain players that include: suppliers, supplier of suppliers, manufacturers, logistic service providers and customers (Jaradat, Adams, Abutabenjeh & Keating, 2017). In this arrangement, the ultimate goal is to provide end customers with demanded finished goods and services (Tarifa-Fernandez & De Burgos-Jiménez, 2017; Nyile, Shale & Osoro, 2022). SCI aims at establishing cohesion, enhancing linkages and collaboration between an enterprise and its trading partners; such that, rather than letting each individual function exist in its own silo, disconnect in supply chain is eliminated or decreased. These partners include: suppliers, customers, logistics service providers and internal user departments (Nyile, 2023; Pakurár, Haddad, Popp, Khan & Oláh, 2019).

In business environment that is constantly changing and influenced by economic uncertainty like tourism landscape in Kenya, embracing SCI is inevitable for enhancement of performance (Sessu, Jahruddin & Santoso, 2020). This performance is reflected in the form of improved collaboration, visibility and increased flexibility; efficacy in balancing supply and demand; elimination of waste in the supply chain and enhanced agility which enables enterprises to respond effectively to economic changes and unpredictability (Shukor, Newaz, Rahman & Taha, 2021). In view of these efficiencies, SCI is viewed as an innovation that focusses on linking up all valued supply players via a technology (Lin & Fan, 2024). SCI is thus conceptualized as the span of integration that include: internal integration of the focal organization and the integration of the focal organization with suppliers, logistics service providers and customers (Shahzad, Masudin, Zulfikarijah, Nasyiah & Restuputri 2024). As such, SCI is vital enhancer of performance of tourism enterprises due to its ability to enhance improve efficiency, customer satisfaction, and cost savings through: streamlining processes which can reduce operational costs and ensure timely delivery of services; deliver consistent quality of services and products can lead to higher tourist satisfaction and repeat business; enables data integration which can lead to cost savings through enhanced supply chain visibility, streamlined processes, improved forecasting, and better collaboration with partners; increases collaboration since many areas are linked; enables waste reduction and reduction of response time (Sessu, *et al*, 2020).

Global Perspective of Supply Chain Integration

Studies on SCI suggests that much of the waste and losses in enterprises is as a result of fragmented supply chain (Shukor, *et al*, 2021). In view of this, scholars identified four levels of integration needed for an effective SCI. These include: a) internal cross-functional integration which entails linkages between various functions in an organization (Pérez-Luño, Bojica & Golapakrishnan, 2019); b) backward integration with valued first-tier suppliers (Dümpelfeld 2020); c) forward integration with valued first-tier customers (Sibasa, 2013); and finally d) complete backward and forward integration, which entails linkages that stretches from the supplier's supplier to the customer's customer' in supply chain (Li & Chen, 2020).

By making a simultaneous pursuit of exploration and exploitation paradigms; an enterprise ensures an integrated supply chain by creating compatible communication and information system with its suppliers, internal user departments, customers and logistics service providers (Tarigan, *et al*, 2021); creating a centralized data with its supply chain members which enabling

it gain insights on how to improve supply chain efficiency; and finally, establishing connectivity across the entire supply chain thereby enabling the enterprise to increase cross-operational visibility (Le, *et al*, 2021). Additionally, Tarigan, Andreani & Basana, (2021) scrutinized the effect of SCI on hotel performance and found that SCI is critical in enhancing contractual commitments between an enterprise and its trading partners; boosting efforts of joint planning between an enterprise and its supply chain partners (Le, *et al*, 2021); and finally, enhancing coordination of internal processes and strategic alliance between an enterprise and its trading partners (Tarigan, *et al*, 2021).

By virtue of establishing cohesion, enhancing linkages and collaboration between an enterprise and its trading partners; SCI has been heralded by proactive enterprises operating in hypercompetitive and dynamic environments witnessed travel and tourism industries due to its ability to enhance performance by increase rapid response to changes in customer demand (Yu, Jacobs & Chavez, 2020); facilitate shared decision-making between the enterprise and its suppliers and customers (Le, *et al*, 2021); and finally, increasing cross-operational efficiency by making coordination of activities across the supply chain easy (Yu, *et al*, 2020).

Further, studies on supply chain performance evaluation models explains that establishment of the level of maturity of a supply chain is a critical step towards enhancing corporate performance of an enterprise (Estampe, Lamouri, Paris & Brahim-Djelloul, 2013). Since SCI is ambidextrous, it is critical in enhancing corporate performance of an enterprise by making a supply chain attain higher levels of maturity thus allowing it to be more agile, flexible and highly adaptive to changes and uncertainties in the business environment as alluded by Kang and Moon, (2016). Major distinguishing feature of a supply chain with a high maturity level is the availability of a linking pin between an enterprise and its suppliers, customers, logistics service providers and internal functions; thus the need for supply chain integration (Tarigan, *et al*, 2021). SCX practices alluded by Kariuki, (2018) enhances performance of enterprises operating in hyper-competitive and hyper-dynamic business environment in multiple fronts. In line with this backdrop, studies show that SCI profits an enterprise by enabling integrations that include: supplier integration internal integration and customer integration (Espino-Rodríguez & Taha, 2022).

Pakurár, Haddad, Nagy, Popp and Oláh, (2019) scrutinized the impact of SCI and internal control on financial performance of firms in Jordan. The scholars identified two types of SCI, which include: (i) internal integration; and (ii) external integration, which consists of customer integration and supplier integration. Findings show that internal control, internal and external supply chain integration has a direct positive significant effect on financial performance of enterprises. Likewise; Zhang, Lettice, Chan and Nguyen, (2018) identified three types of supplier integration that has a significant positive association on performance of enterprises in Vietnam. These include: information supplier integration, process and strategic supplier integration. However, the study divulges that even though internal integration advances the impact of process integration with suppliers; it does not have a propensity to moderate the influence of strategic integration and information integration with suppliers. This sentiment was also shared by Errassafi, Abbar and Benabbou, (2019) who explored the supply chain integration and found that internal integration has a positive significant impact on flexibility of enterprises.

Additionally, De Vass, Shee and Miah, (2018) was motivated to explore the effect of “Internet of Things” on supply chain integration and performance of enterprises in Melbourne, Australia.

Findings disclosed that the application of “Internet of Things” technology on SCI significantly and positively impacted on both the internal and external integration of process; thus, positively influences supply chain and ultimately, organizational performance. Similarly; Kumar, Chibuzo, Garza-Reyes, Kumari, Rocha-Lona and Lopez-Torres, (2017) scrutinized the impact of supply chain integration on performance with an evidence from the UK food sector. The scholars identified four constructs of integration, which include: customer integration, supplier integration, internal and information integration. Findings revealed that all the foregoing integration constructs positively impacted supply chain performance by enhancing inventory turns, total logistics costs, order fulfillment rate and production flexibility.

Likewise; Mostert, Niemann and Kotzé, (2017) investigated the supply chain integration in the product return process with a focus on enterprises in South Africa. Findings revealed a positive significant influence of SCI on performance of enterprises. This was as a result of the efforts enterprises made to enhance both internal and external integration thus boosting information availability, inter-organizational relationships and aligning of cross functional processes and operations. This finding was also supported by Uwamahoro, (2018) in his study of the effects of supply chain integration on performance of enterprises in Rwanda. The scholar viewed SCI as the degree to which a firm collaborates with players in supply chain strategically and manages its intra-organizational and inter-organizational processes collaboratively. The study also divulged that SCI has a direct significant impact on firm performance as suggested by Mostert, *et al*, (2017); with internal and customer integration influence on the performance than supplier integration more (Tarigan, *et al*, 2021). Further; having noted that tourism enterprises in Kenya do not work in a vacuum, researchers realized the need to have a tightly integrated supply chain to foster information sharing, linkages and interactions with supply chain players with the aim of remaining competitive (Namusonge, Mukulu & Kirima, 2015). This would ensure operational flexibility and rapid responses to external events; provide visibility not only in their own operations but also into their suppliers and downstream customers hence allowing collaborations with parties on cost reduction efforts (Okore & Kibet, 2019).

Regional Perspective of Supply Chain Integration

Africa emerges as a priority for multinational enterprises due to its strong fundamentals, prompting a reevaluation of the continent's business potential (Ndikumana, 2015). Enterprises in Africa face unique and evolving challenges in their supply chains, necessitating creativity and innovation for competitiveness and sustained growth; thus making SCX adoption inevitable (Aslam, Khan, Rashid & Rehman, 2020). Since these enterprises depend on excellence of their supply chain to enhance their competitiveness, adoption of ambidexterious supply chain practices like SCI is inevitable (Aslam, Khan, Rashid & Rehman, 2020). As part of SCX practices, studies highlight the varied impacts of SCI on enterprise performance in different African regions (Dametew, Beshah & Ebinger, 2021).

In South Africa, Mofokeng and Chinomona, (2019) explored Supply chain partnership, supply chain collaboration and SCI as the antecedents of supply chain performance. Likewise; Mostert, Niemann and Kotzé, (2017) investigated the SCI with a focus on firms in South Africa; result show that enterprises only made reasonable efforts to enhance the internal and external integration thus leaving other areas unaddressed. In Ghana, Aduku and Ayertey (2015) find significant influences of supply chain management integration on hotel performance in Ghana's hospitality industry. Likewise; Mostert, Niemann and Kotzé, (2017) investigated the SCI with a focus on firms in South Africa; result show that enterprises only made reasonable

efforts to enhance the internal and external integration thus leaving other areas unaddressed.

Reserchers divulge that SCI can help diversify economies, create jobs, and boost wages in African countries (Chinomona,2019). This is due to the fact that Africa has a large potential for renewable energy, particularly solar power, which can reduce production costs and reliance on fossil fuels; support small and medium-sized enterprises by ensuring collaboration with larger firms through vertical integration or horizontal integration; boost usage of usage technology, which ultimately improve supply chain visibility, inventory management, and real-time tracking; enable tourism enterprises in African to form strategic alliances, thus, enabling local partners to provide expertise and networks that can help enterprises to navigate cultural nuances and regulatory environments (Ndikumana, 2015; Chinomona,2019; Mostert, *et al*, 2017).

Local Perspective of Supply Chain Integration

Tourism industry in Kenya has experienced significant growth, contributing substantially to the country's economy (Njoya & Seetaram, 2018). Besides being popular for its pristine beaches, inordinate national parks and wildebeest migration; Kenya continues to receive global recognition for its rich leisure, hospitality and tourism destination (Njoya & Seetaram, 2018). According to research by World Travel and Tourism Council, 2018; Travel and Tourism in Kenya grew faster than the regional average and significantly above other economies in Sub-Saharan Africa (Nyasha, Odhiambo & Asongu, 2021; Sindiga, 2018). This industry grew by 5.6 per cent to contribute Kenya Shillings 790 billion and 1.1 million jobs to the Kenyan economy (World Travel & Tourism Council, 2019).

Tourism and travel have increasingly attracted both foreign and local investors in the industry thus making investments in tourism enterprises in Kenya very competitive (Ikiara,2001; Nawaz & Hassan, 2016). According to Kenya National Bureau of Statistics, (2020), Travel and Tourism sector contributed \$ 718 million to the country's gross domestic product for the year 2019, recording over 10.0 per cent gross domestic product growth rate; however, this gross domestic product growth rate declined by 9.3 per cent in the first quarter of year 2020 in comparison to a growth of 11.0 per cent of the year 2019 in similar quarter. The decline in gross domestic product growth rate was mainly attributed to adverse effect of Covid-19 pandemic that saw movement restrictions/travel bans being imposed in nearly all countries, international travel either being cancelled or suspended, tourism enterprises closing or scaling down their activities for indefinite period (KNBS, 2020).In order to gain competitive advantage and enhance their performance, tourism enterprises are depending on excellence of their supply chain (Fontoura & Coelho,2022). Thus, making supply chain both a pillar and driver of attaining competitive advantage to the enterprises (Mentzer,2004; Asree, 2016).

Researches on tourism enterprises in Kenya by scholars like Kichanja, (2023), Maina, (2021) and Nyakwaka, (2021) accentuated the prominence of SCI in faciliating collaboration with various players such as raw material providers, transporters, distributors, and retailers, was seen as essential for operational flexibility and rapid responses to external events (Mutwiri, Marendi, Riro & Ratemo, 2019). Contrary to tourism enterprises in the global arena that experiences enhanced performance on adoption of SCI; tourism enterprises in Kenya continue to experienced mixed results in their performance, despite implementing SCI as one of the ambidexterious supply chain practices (Nduta,2021; Kichanja, 2023). Additionally, a comparative study between Kenya and South Africa on factors affecting tourism performance by scholars such as Sikawa, (2019), Fwaya and Kesa, (2018) highlighted that Kenyan tourism

enterprises lags behind in performance compared to former; attributing this output to challenges in the supply chain function.

Classified Tourism Enterprises

Classified Tourism enterprises in Kenya operate in a business environment that is hyper competitive, regulated and highly dynamic (Bii, Akuku, Geoffrey & Onyango,2023). Business environment encompasses a set of conditions and forces both inside and outside the boundaries of an enterprise that have the probability of influencing the way firms run; thus, an understanding of the environment within which an enterprise operate in is critical for its success at any place (Aldrich,2008).Vohra,(2015) explains that business enterprises are confronted with four main categories of environments classified by Emery and Trist (1965), as cited by Eraslan and Altindag, (2021) in their research on effects of organizational ambidexterity and justice on organizational learning. These categories of environments include: placid-randomized, placid-clustered, disturbed-reactive and turbulent-field environments (Lawlor & Sher, 2023).

Classified tourism enterprises denotes establishments that have been categorized into classes and licensed to operate and run tourism and hospitality related business in the Kenyan tourism sector with an aim of making profit (Section 122 of the Tourism Act 2011 laws of Kenya).The government regulates the tourism industry through a corporate body known as Tourism Regulatory Authority (TRA) which was established in pursuant to section 4 of the Tourism Act No.28 of 2011; and mandated to regulate the tourism sector in Kenya by developing regulations, standards and guidelines that are essential for ensuring an all-round quality service delivery in the tourism sector. Periodically, TRA carries out National classification of all regulated tourism activities and services with a view of ensuring high standards and quality of services in the sector. The classification exercise is overseen by a standardization and classification committee made up of members from both the private sector and public sector. This exercise is guided by an approved criterion for each category of establishment (9th Schedule of Tourism Act 2011 laws of Kenya).

As a result of a foregoing legal framework; confidence to invest on tourism enterprises by both foreign and local investors in the industry has increased; thus making investments in tourism enterprises very competitive (Ndung'u, Thugge & Otieno, 2011).In order to gain competitive advantage and enhance their performance, tourism enterprises in Kenya are depending on the success and excellence of their supply chain (Mogire, 2011). Thus, making supply chain management a driver of attaining competitive advantage to the enterprises (Sun, Sarfraz, Khawaja & Abdullah, 2022).Since tourism enterprises in Kenya operates in hypercompetitive, complex and hyperdynamic environment characterized by heightened regulatory requirements, ever-changing customer demand in addition to SC disruptions (Mayaka & Prasad, 2012); with a goal of achieving an enhanced performance and remaining competitive as alluded by Espino-Rodríguez and Gebril Taha, (2023) in their exploration on the absorptive capacity and supply chain integration and their impact on hotel service performance. In light of the foregoing, and as alluded by Mostert, *et al*, (2017) SCI can help tourism enterprises to address regulatory challenges by creating a single system that brings together multiple stakeholders in the supply chain process; thus leading to greater efficiency and cost savings.

Statement of the Problem

Tourism industry in Kenya has experienced significant growth, contributing substantially to the country's economy (Njoya & Seetaram, 2018). Besides being popular for its pristine beaches, inordinate national parks and wildebeest migration; Kenya continues to receive global recognition for its rich leisure, hospitality and tourism destination (Njoya & Seetaram, 2018). According to research by World Travel and Tourism Council, 2018; Travel and Tourism in Kenya grew faster than the regional average and significantly above other economies in Sub-Saharan Africa (Nyasha, Odhiambo & Asongu, 2021; Sindiga, 2018). As a result, Tourism and Travel industry in Kenya have increasingly attracted both foreign and local investors; thus making investments in tourism enterprises in Kenya very lucrative and competitive (Ikiara, 2001; Nawaz & Hassan, 2016). According to Kenya National Bureau of Statistics, (2020), Travel and Tourism sector contributed \$ 718 million to the country's gross domestic product for the year 2019, recording over 10.0 per cent gross domestic product growth rate; however, this gross domestic product growth rate declined by 9.3 per cent in the first quarter of year 2020 in comparison to a growth of 11.0 per cent of the year 2019 in similar quarter. The decline in gross domestic product growth rate was mainly attributed to adverse effect of Covid-19 pandemic that saw movement restrictions/travel bans being imposed in nearly all countries, international travel either being cancelled or suspended, tourism enterprises closing or scaling down their activities for indefinite period (KNBS, 2020). In order to gain competitive advantage and enhance their performance, tourism enterprises are depending on excellence of their supply chain (Fontoura & Coelho, 2022). Thus, making supply chain both a pillar and driver of attaining competitive advantage to the enterprises (Mentzer, 2004; Asree, 2016).

Ministry of Tourism and Wildlife, (2020) surveyed Twenty-nine (29) tourism enterprises with a view of establishing the impact of hotel sector on the Kenyan economy. Findings revealed that total direct expenditure of tourism enterprises amounted to \$ 77,588,812 (which is approximately Kenya Shillings. 7,992,453,894.00) in the year 2019; thus, alluding that every tourism enterprise surveyed spent \$ 2.7 million through supply chain management activities. The findings also divulged that major expenditure was incurred on procurement of food and beverage items amounting to \$ 22 million; and least amount spent on procurement of uniform at \$ 0.18 million, equipment at \$ 0.6 million, insurance services at \$ 0.74 million and marketing services at \$ 0.12 million (Ministry of Tourism & Wildlife, 2020).

Despite the colossal amount of investment in tourism enterprises in Kenya, major problems contributing to dismal performance of these enterprises have not been addressed adequately (Murimi, Wadongo & Olielo, 2021). These performance hindrances include: lack of connectivity across functional units within the enterprise and linkages between the focal enterprise and its suppliers and downstream customers (Ondoro, 2018); lack of resilience to handle supply chain disruptions as a result of the effect of pandemic, political turmoil and poor climatic conditions (Odeny, Kurauka & Kurauka, 2020); inadequate means of enabling data-driven decisions at operational, tactical and strategic levels; inaccurate demand forecasting and poor order visibility due to lack of insights and intelligence voluminous amount of data related supply chain; and lack of management commitment (Odeny, *et al*, 2020). Likewise, studies indicate that tourism enterprises in Kenya are impacted with obstacles such as: the sector faces challenges impacting the performance of tourism enterprises. These challenges include: insufficient connectivity across functional units within enterprises, vulnerability to supply chain disruptions, inadequate means of enabling data-driven decisions, inaccurate demand

forecasting, and a lack of management commitment (Kichanja, 2023; Osinde, Iravo, Munene & Omayio, 2013; Nyakwaka, 2021). In response to these challenges, tourism enterprises in Kenya have turned to SCI to enhance their performance and competitiveness (Odhiambo & Nassiuma, 2017; Ondoro, 2018; Nyakwaka, 2021). SCI eliminates silos in supply chain by facilitating supplier integration, internal integration and customer Integration (Lii & Kuo, 2016; Wong, Wong & Boon-Itt, 2013).

Further, Mosiara, (2021) alluded that the Kenyan economy is strongly driven by prosperity of the tourism sector and performance of enterprises operating in the said industry. In order to enhance their performance and competitiveness; tourism enterprises hang on the excellence of their supply chain (Mwangi & Kagiri, 2016). These has compelled most tourism enterprises to consider ambidexterious supply chain practices like SCI due to its potential in enhancing enterprise performance and value by bridging the gap between internal and external players in supply chain ecosystem and networks (Nyakwaka, 2021; Dragan, Kramberger & Topolšek, 2015). While studies of SCI in the global and regional arena demonstrates positive impact of SCI on enterprise performance, the situation in Kenya presents varied results, with some enterprises achieving only mixed to moderate performance (Espino-Rodríguez & Taha, 2022; Le, Wu & Zhong, 2021; Kichanja, 2023; Odhiambo & Nassiuma, 2017; Kwennah, 2017; Chesaro, 2016; Maina, 2021; Nyakwaka, 2021). This study therefore aims at bridging the gap by exploring the influence of SCI on performance of classified tourism enterprises in Kenya.

Study Objectives

General Objective

The main objective of this study was to establish the influence of supply chain Intergration on performance of classified tourism enterprises in Kenya.

Specific Objectives

The specific objectives of the study were:

- a) To determine the influence of supply chain integration on performance of classified tourism enterprises in Kenya.
- b) To determine the moderating effect of supply chain maturity in the relationship between supply chain intergration and performance of classified tourism enterprises in Kenya.

Research Hypotheses

The research null hypotheses were as follows:

- a) H_{01} : Supply chain integration has no significant influence on performance of classified tourism enterprises in Kenya
- b) H_{05} : Supply chain maturity has no significant moderating effect on the relationship between supply chain intergration and performance of classified tourism enterprises in Kenya.

Significance of the Study

The study holds significant value in various dimensions, including optimizing the supply chain performance of classified tourism enterprises, shaping policy options for the tourism supply chain, and contributing to the research body of knowledge. For classified tourism enterprises, the findings can be utilized to improve supply chain performance by enhancing service

delivery, reducing costs while maintaining quality, ensuring compliance with standards and regulations, fostering interconnectivity with chain partners, managing big data and order visibility, mitigating supply chain disruptions, and increasing responsiveness to dynamic tourism market conditions. Policy makers can leverage the study results to formulate regulations that enhance the competitiveness and resilience of enterprises in the tourism sector. Researchers can be inspired to conduct similar studies for validation and to generate new recommendations for improving the performance of tourism enterprises in Kenya. Academicians in the tourism industry will benefit from the study's contributions to both theoretical and practical knowledge, aiding in handling supply chain disruptions and ensuring resilience in the tourism sector.

Theoretical Framework

The theoretical framework of the study mainly entails theories underpinning the existence of the research problem and provides a structure to support the research study's theory. Defined by Swanson and Chermack (2013) as a coherent group of tested propositions commonly regarded as correct, a theory offers principles for explanation and prediction of phenomena. In examining theories related to supply chain ambidexterity and enterprise performance, the study integrates Resource-Advantage Theory and Resource Dependence Theory. Proposed by Perdana, Ciptono and Setiawan, (2019); this combination addresses gaps in the focus of SCI studies, emphasizing not only internal integration and the integration of suppliers and customers but also incorporating logistics service providers.

Resource Advantage Theory, as explained by Hunt, (1997) directs managerial attention to external considerations, emphasizing industry structure; while Resource Dependence Theory, rooted in Pfeffer and Salancik, (2015) work, underscores how external resources influence a firm's behavior. The synthesis of these theories is deemed essential in bridging various players in the supply chain, aligning with the four levels of integration needed for an effective supply chain: internal cross-functional integration, backward integration with valued first-tier suppliers, forward integration with valued first-tier customers, and complete backward and forward integration (Sweeney, 2006). Thus, the combined Resource Dependency Theory and Resource Advantage Theory serve as a robust foundation for comprehensively anchoring the study's aspects related to SCI and performance of classified tourism enterprises. Besides, the combination of Resource-Advantage Theory and Resource Dependence Theory addresses gaps in the focus of SCI researches, emphasizing not only internal integration and the integration of suppliers and customers but also incorporating logistics service providers; which are the main gaps hindering performance of tourism enterprises in Kenya.

Conceptual Framework

The conceptual framework of this study delineates the researcher's understanding of the interconnectedness of variables and serves as a synthesis of relevant literature to elucidate the phenomenon under investigation (Tamene,2016). Represented visually to enhance clarity (Imenda, 2014); the framework examines the impact of SCI on performance of classified tourism enterprises; with SCI as independent variables and performance of classified tourism enterprises as the dependent variable. Moreover, the study explores the moderating effect of supply chain maturity levels on the relationship between SCI and performance. The model, depicted in Figure 1.1, illustrates the relationships among independent, moderating, and dependent variables, where supply chain maturity levels moderate the relationship between SCI and the performance of classified tourism enterprises, measured by market share, customer

satisfaction, and profitability.

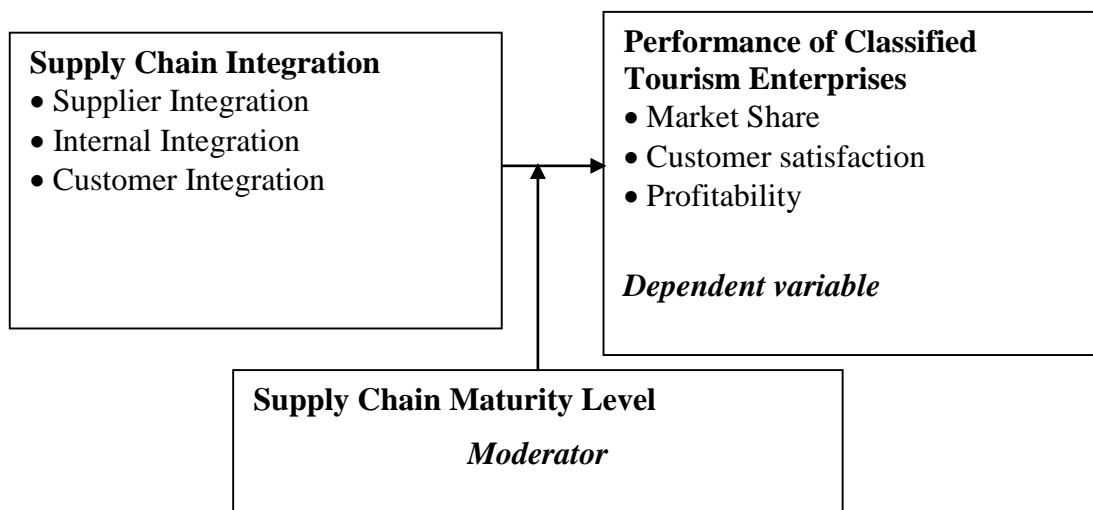


Figure 1: Conceptual Framework

LITERATURE REVIEW

SCI is a pivotal strategy aimed at fostering cohesion, collaboration, and linkages among an enterprise and its key stakeholders, including suppliers, customers, logistics service providers, and internal departments (Hendijani & Saeidi Saei, 2024). Proactive enterprises, particularly in dynamic and uncertain environments such as the travel and tourism industries, invest in SCI to enhance performance by reducing disconnects in the supply chain and promoting efficient communication and collaboration (Dragan, Kramberger & Topolšek, 2015). SCI is seen as an innovation that connects valued supply chain players through technology, fostering internal and external integration (Yu, Jacobs, Salisbury & Enns, 2013). As such, SCI is a critical factor for enterprises aiming to navigate changes and uncertainties by improving collaboration, visibility, flexibility, and balancing supply and demand effectively ((Dragan, *et al*, 2015).

Studies on supply chain integration on hotel performance suggests that it strengthens contractual commitments, encourages joint planning, and enhances coordination of internal and external processes and strategic alliances with supply chain partners (Espino-Rodríguez & Taha, 2022).The maturity level of a supply chain is crucial for enhancing corporate performance, with high maturity levels enabling greater agility, flexibility, and adaptability (Childerhouse, Deakins, Böhme, Towill, Disney & Banomyong, 2011). Anchored in resource advantage and resource dependence theories, the study recognizes SCI as a critical construct for classified tourism enterprises in Kenya in enhancing their performance.

Supply Chain Maturity Level

Any maturity level infers that in the continuous representation a group of process areas have reached certain capability levels (Constantinescu & Iacob,2007; Hansali, Elrhanimi & Elabbadi,2022). Achieving a maturity level sets a solid basis for the entire enterprise improvement towards the next maturity level(McCormack,Bronzo Ladeira & Paulo Valadares de Oliveira, 2008).In the context of the uncertain and hypercompetitive business environment witnessed in the tourism sector, it is imperative for tourism enterprises to enhance their performance through the pursuit of higher levels of supply chain maturity as alluded by scholars like Cheshmberah and Beheshtikia,(2020).

Supply chain maturity, characterized by stages of development, plays a crucial role in improving an enterprise's performance by facilitating effective responses to environmental changes, ensuring better control, accuracy in forecasting, and increased responsiveness (Benrqya, Chetioui & Jerboui, 2024). Higher maturity levels of supply chain enable enterprises to build a resilient and agile supply chain, respond to customer needs, and reduce the bullwhip effect through real-time data sharing and enhanced communication across the supply chain (Ho, Kumar & Shiwakoti, 2016). To measure supply chain maturity, the capability maturity model integration is employed, which categorizes maturity stages into five levels (Constantinescu & Iacob, 2007; Hansali, Elrhanimi & Elabbadi, 2022).

Constantinescu and Iacob, (2007) divulges that in stage one (also known as initial), sporadic improvement activities may be underway in a few areas; in stage two (also known as managed), informal approach deployed in a few areas with varying degrees of effectiveness and sustainment; stage three (also known as defined) is characterized by a systematic approach/methodology deployed in varying stages across most areas, facilitated with metrics, good sustainment; in stage four (also known as quantitatively managed), on-going refinement and continuous improvement across the enterprise is witnessed and improvement gains are sustained; and finally, stage five (also known as optimizing) is characterised by exceptional, well-defined, innovative approach is fully deployed across the extended enterprise (across internal and external value streams); recognized as best practice.

Similarly, in an attempt to demonstrate the progression of activities toward effective supply chain integration witnessed in supply chain maturity model, McCormack, (2001) investigated the supply chain maturity and explained that stage one (ad hoc) of supply chain maturity is characterized by supply chain management practices which are unstructured and ill defined, process measures are not in place and the jobs and structures in the organization are based upon the traditional functions, not horizontal supply chain processes; in stage two (defined); basic supply chain processes are defined and documented, order commitment, procurement and other processes, for instance, are available in flow charts, and changes to these processes must now go through a formal procedure, jobs and organizational structures include supply chain management, but remain basically traditional (McCormack, Bronzo Ladeira & Paulo Valadares de Oliveira, 2008).

In stage three (linked or the breakthrough level) however; managers employ supply chain management with strategic intent and results, broad supply chain management jobs and structures are put in place outside of traditional functions, cooperation between intracompany functions, vendors and customers takes the form of teams that share common supply chain management measures and goals that reach horizontally across the supply chain (McCormack, 2001). In Stage four (integrated) of supply chain maturity advanced supply chain management practices take shape; the company, its vendors and suppliers, take cooperation to the process level, organizational structures and jobs are based on supply chain management procedures, and traditional functions, as they relate to the supply chain, begin to disappear altogether, supply chain management measures and management systems are deeply imbedded in the organization ((McCormack, *et al*, 2008; Aryee, Naim & Lalwani, 2008); and finally, in stage five (extended), a horizontal, customer-focused, collaborative culture is firmly in place; competition is based upon multi-firm supply chains, collaboration between legal entities is routine to the point where advanced supply chain management practices that allow transfer of responsibility without legal ownership are in place, trust and mutual dependency are the glue

holding the extended supply chain together (McCormack, 2001).

In light of the foregoing, this study employs supply chain maturity level as a moderator to explore the influence of SCI on performance of classified tourism enterprises in Kenya. The staged representation of a supply chain maturity provides a roadmap to efficiently focus on improving process and process areas, with milestones for bringing the entire enterprise in a coherent and uniform way from the initial level to the optimizing level, ensuring a robust incremental improvement (Aryee, Naim & Lalwani, 2008; Netland, Alfnes & Fauske, 2007). Further, the staged demonstration is also seen as a good choice when starting a process improvement initiative lacking precise directions towards the areas that need improvement (Vaidyanathan & Howell, 2007; Constantinescu & Iacob, 2007).

Performance of Classified Tourism Enterprises

Hotel industry environment in Kenya has become more complex and hypercompetitive and dynamic due to increased competition, innovations and rapid advances in technology (Fredrick & Authority, 2019). As a result, tourism enterprises have faced several challenges, which include: stiff competition, unfavourable government regulation, shortage of qualified staff, poor infrastructure, insecurity, lack of strategic planning and poor organizational processes among others (Ragui, 2014). These factors have affected the performance of classified tourism enterprises and the hotel industry at large; thus making these enterprises resort to developing various competitive capabilities with a view of enhancing their strategic performance (Kibe & Okello, 2015; Nyile, 2023).

Classified tourism enterprises in Kenya, licensed by the government under the Tourism Act of 2011, operate in a highly competitive and dynamic business environment (Kibe & Okello, 2015; GOK, 2011). To navigate this environment, enterprises in the global arena have embraced supply chain ambidexterity practices like SCI with the aim of enhancing performance in terms of profitability, market share, growth, customer satisfaction, and revenue (Kariuki, 2018; Aslam, Blome, Roscoe & Azhar, 2018). Leveraging supply chain maturity as a moderating variable, the research aims to investigate the influence of SCI on the performance of classified tourism enterprises in Kenya. Alluded by scholars like: Pnevmatikoudi & Stavrinoudis, (2016); Otto, Szymanski and Varadarajan (2020); and Eklof, Podkorytova and Malova, (2020); performance metrics of this study included: profitability, market share, growth, customer satisfaction, and revenue, measured over the past five years, with 2017 as the base year. Thus, SCI guarantees tangible performance of tourism enterprises by reducing disconnects in the supply chain and promoting efficient communication and collaboration (Dragan, Kramberger & Topolšek, 2015). Further, SCI is seen as an innovation that connects valued supply chain players through technology, fostering internal and external integration (Yu, Jacobs, Salisbury & Enns, 2013). As such, SCI is a critical factor for enterprises aiming to navigate changes and uncertainties by improving collaboration, visibility, flexibility, and balancing supply and demand effectively ((Dragan, et al, 2015).

METHODOLOGY

Research methodology encompassed a range of activities, including research design, target population, sampling frame, sample and sampling technique, data collection instrument, data collection procedure, pilot testing, data analysis, and presentation (Devi, 2017; Bhattacharyya, 2006). In terms of research design, this study opted for a mixed methods approach, integrating both qualitative and quantitative research methods. This decision was grounded in the belief

that combining these two types of data would yield a more comprehensive understanding of the research problem, as emphasized by Hesse-Biber, (2010) and Brannen, (2017). The features of a mixed methods research design, involving the collection and analysis of both quantitative (closed-ended) and qualitative (open-ended) data, were outlined, underscoring the advantages such as addressing contradictions between results and capturing participant perspectives.

In this study, the discussion on the target population defined the specific group of interest, comprising 198 tourism enterprises in Kenya classified by the Tourism Regulatory Authority. Similarly, the unit of observation encompassed supply chain managers, finance managers, and food and beverage managers in each enterprise, totaling 594 respondents. The determination of the sample size, guided by Slovin's formula, led to the selection of 239 respondents as the appropriate sample size for the study. Additionally, subsequent sections delved into the sampling frame, sample size determination, research instrument, data collection procedure, and pilot testing. The sampling frame was derived from the national classification register generated by the Tourism Regulatory Authority, with all 198 enterprises in the register being targeted. The research instrument, a structured questionnaire, was chosen for its ease of administration and standardization. Data collection procedures involved self-administration and drop-off/pick-up techniques to enhance response rates and reduce costs. Pilot testing, conducted on a small subset of respondents representing approximately 8% of the target population, aimed to identify potential issues with the methodology.

The sections on validity and reliability in this study addressed the validity of the research instrument and the reliability of the research instrument. Construct validity was scrutinized through factor analysis, while reliability underwent testing using Cronbach's Alpha. The data processing and analysis section underscored the utilization of both qualitative and quantitative methods, including descriptive and inferential statistics, for analyzing the data. The study employed SPSS software for data entry and analysis, presenting the results through tables, graphs, and charts. This study concluded with a discussion of data presentation, drawing on various statistical measures, and introduced the utilization of multiple regression analysis to investigate the relationship between supply chain ambidexterity variables and the performance of classified tourism enterprises in Kenya. In summary, the research methodology chapter established a robust framework for conducting the study, aligning with established research principles and methodologies cited in the literature.

FINDINGS AND DISCUSSION

In this research findings and discussion chapter, the study employed both descriptive and inferential methods of data analysis using SPSS. Descriptive statistics, such as frequencies, means, standard deviation, and percentages, were initially utilized to summarize the data. The inferential analysis involved Pearson correlation and linear regression analyses to explore relationships between independent variable (SCI and supply chain maturity level) and the dependent variable (performance of classified tourism enterprises). The section begins by outlining the techniques and procedures, followed by an exploration of pilot study results, response rate and statistical inference.

Pilot Study

The pilot study in this study, was conducted on a small subset of respondents, aimed at identifying potential issues with the data collection instruments, ensuring their validity and

reliability. The subsequent sections delved into the reliability and validity of the research instrument. Reliability, assessed through Cronbach's alpha, demonstrated good internal consistency across variables, with all standardized alpha coefficients exceeding the recommended threshold of 0.7. The reliability tests encompassed various dimensions, including SCI, supply chain maturity level, as well as the performance of classified tourism enterprises. The overall reliability coefficient was found to be 0.800, affirming the instrument's reliability. Validity was assessed through construct validity, involving expert opinions and factor analysis. The latter aimed to confirm that observed variables measured the intended constructs, with satisfactory factor loadings obtained. Table 1 represent the findings.

Table I: Reliability and Validity

Variables	Chronbar bar alpha	Standardized cronch bar alpha	Factor Loads	No of items
Supply Chain Integration	.905	.912	0.652	11
Supply Chain Maturity	.831	.830	0.648	20
Performance Of Enterprises	.763	.771	0.661	11
Overall	0.774	0.800	0.654	42

Response Rate

The response rate analysis in Table 2 indicates that 78.66% of the total surveys and questionnaires distributed received responses, totaling 188 returned responses. Conversely, 22.34% of the attempts remained unreturned, accounting for 51 responses. The overall response rate, combining both returned and unreturned categories, reached 100%, aligning with the considered 50%, 60%, 70% response rate range deemed appropriate in research. Scholars like Hardigan, Popovici, and Carajal (2016) and Creswell and Creswell (2017) have suggested varying response rate benchmarks, with the study's 78.66% rate deemed adequate. Factors contributing to the high response rate included respondent awareness, sufficient time for data collection, efficient research assistants, and the simplicity of the research instruments. This response rate supports the researcher's ability to draw meaningful conclusions from the data, as indicated by the established benchmarks.

Table 2: Response Rate

Response Rate	Frequency	Percent
Returned	188	78.66%
Unreturned	51	22.34%
Overall	239	100.00%

Descriptive Statistics

Descriptive statistics represents brief informational coefficients (for either the entire population or sample of a population) which provides summary of a given data set (George & Mallery, 2018). The descriptive statistics for the various aspects of SCI, supply chain maturity, and the performance of classified tourism enterprises provided valuable insights into the perceptions of the respondents, as presented in Table 3. Supplier integration, internal integration, and customer integration within the SCI framework received mean scores of 3.585, 3.438, and 3.571, respectively, indicating a generally positive outlook and agreement among respondents regarding the integration levels in their supply chains. The overall mean for SCI aspects, at 3.531, reflected a balanced and favorable perception, aligning with existing literature that underscores the significant contribution of SCI to performance improvement. These findings were supported by studies by Van Staden, Niemann, and Meyer (2020) and Espino-Rodríguez

and Taha (2022), emphasizing the critical role of SCI in enhancing agility, lead time, and sustainable performance across industries.

Concerning supply chain maturity level, respondents rated total level 3 (defined) the highest, with a mean score of 3.868, indicating a well-defined and structured supply chain. The overall aspects of supply chain maturity received a mean score of 3.651, reinforcing a positive evaluation of maturity levels. These findings were consistent with recommendations from Correia, Garrido-Azevedo and Carvalho (2023) and the conclusions drawn by Netland and Alfnes (2008), who emphasized the importance of maturity models in helping enterprises benchmark their operations against industry best practices. Cislighi, Wegner, and Vieira (2022) also supported the idea of maturity models as tools for identifying areas of improvement and evolving governance and relational rents during the maturity stages of supply chains.

Finally, the Performance of Enterprises, assessed through Market Share, Customer Satisfaction, and Profitability, yielded mean scores of 3.512, 3.476, and 3.489, respectively, indicating a moderately positive assessment of enterprise performance. Low standard deviations across all aspects reflected a consistent and stable response pattern among respondents, enhancing the reliability of the data. Overall, these findings indicated a generally positive past perception of supply chain elements and the performance of enterprises among the surveyed individuals. These observations resonated with previous studies by Camisón and Forés, (2015), Situm, (2023); Hossain, Kannan and Raman Nair, (2021) highlighting factors like higher capital intensity, competitive rivalry, leverage, and risks impacting the hospitality and tourism industries. Further, Chang, Ellinger, Kim and Franke, (2016) and Rai, Patnayakuni and Seth, (2006) also supported the positive impact of SCI on enterprise performance by improving order fulfillment, reducing delays, and increasing profitability through effective demand forecasting efforts.

Table 3: Descriptive Statistics for Supply Chain Integration, Supply Chain Maturity Aspects of Performance of Enterprises

Aspects of Supply Chain Integration		Mean	Std. Dev	N
1	Supplier Integration	3.585	0.986	188
2	Internal Integration	3.438	0.966	188
3	Customer Integration	3.571	0.930	188
Overall Aspects of Supply Chain Integration		3.531	0.961	188.
Aspects of Supply Chain Maturity		Mean	Std. Dev.	N
1	Total Level 1 Initial	3.558	0.736	18
2	Total Level 2: Managed	3.431	0.897	43
3	Total level 3 Defined	3.868	0.833	60
4	Total level 4 Managed	3.712	0.832	52
5	Total Level 5: Optimizing	3.583	1.015	15
Overall Aspects of Supply Chain Maturity		3.651	0.881	188
Aspects of Performance of Enterprises		Mean	Std. Dev	N
1	Market Share	3.512	0.844	188
2	Customer Satisfaction	3.476	0.798	188
3	Profitability	3.489	0.739	188
Overall Aspects of Performance of Enterprises		3.492	0.794	188

Using secondary data in assessing the performance of classified tourism enterprises in terms of profitability, various financial metrics were employed, including Return on Assets (ROA), Return on Investment (ROI), and Profit Growth Rate. For ROA, the mean over the years was 6.9%, with a standard deviation of 1.8, indicating moderate variability. The lowest and highest ROA values were observed in 2010 (4.2%) and 2019 (9.1%), respectively. Despite a consistent upward trend from 2010 to 2019, there was a decline in ROA in 2020 and 2021, attributed to the impact of the COVID-19 pandemic. These findings align with Muragu, Nyadera, and Mbugua (2023), emphasizing the effect of the COVID-19 crisis on tourism enterprises in Kenya. Regarding ROI, the mean was 6.0%, with a standard deviation of 1.3, suggesting substantial variability.

The lowest and highest ROI values were recorded in 2021 (4.1%) and 2019 (7.5%), respectively. The stable trend from 2010 to 2019 saw a significant decrease in ROI in 2020 and 2021 due to the pandemic, consistent with insights from Kimunio and Maingi (2022) highlighting the need for recovery strategies post-COVID-19.

For Profit Growth Rate, the mean was 2.6%, with a standard deviation of 6.6, indicating moderate variability. The lowest and highest values were -10.5% and 6.3%, respectively, with a consistent upward trend from 2010 to 2019 and a sharp decline in 2020 and 2021, reflecting the pandemic's impact. These findings resonated with Ondicho (2021), emphasizing the repercussions of COVID-19 on tourism in Kenya and suggesting recovery strategies. The data in Table 4 further details these insights, providing a comprehensive overview of the performance metrics over the years.

Table 4: Descriptive Statistics on Measures of Performance in Terms of Profitability of Classified Tourism Enterprise in Kenya

Year	ROA (%)	ROI (%)	Profit Growth Rate (%)
2010	4.2	4.1	-
2011	5	4.6	3.2
2012	6.1	5.1	4.4
2013	7.6	6.1	5.7
2014	7.9	6.4	6.3
2015	8.2	6.7	5.9
2016	8.5	6.9	6.1
2017	8.7	7.1	5.8
2018	8.9	7.3	5.6
2019	9.1	7.5	5.4
2020	4.7	4.1	-10.5
2021	4.9	4.3	-12.2
2022	6	7.4	5.2
Mean	6.9	6	2.6
STD	1.8	1.3	6.6
Min	4.2	4.1	-12.2
Max	9.1	7.5	6.3

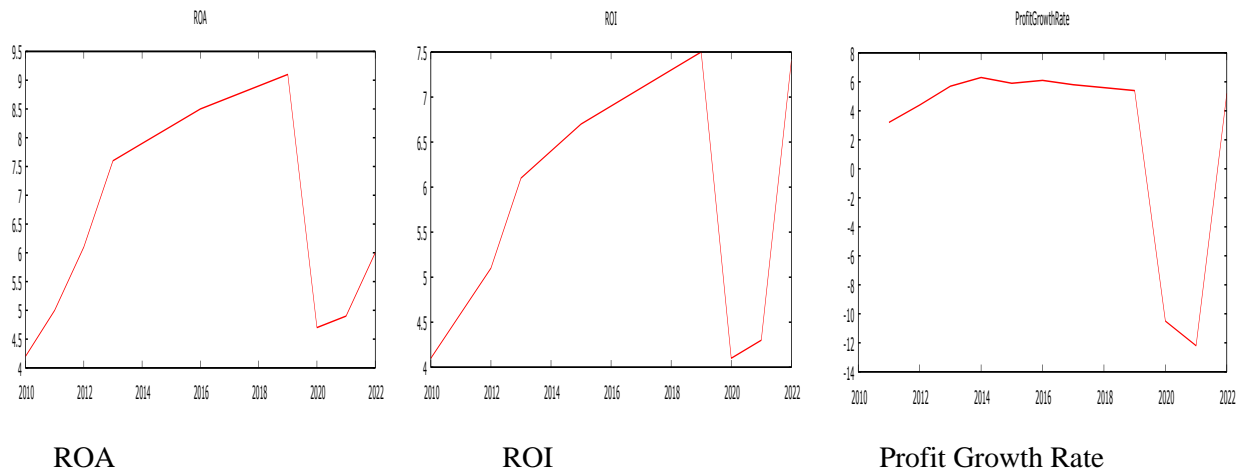


Figure 2: Line Graphs for Performance Measures of Classified Tourism Enterprises in Kenya

Regression Analysis

In investigating the influence of SCI on the performance of classified tourism enterprises in Kenya, the study employed a simple linear regression analysis to test the null hypothesis, which posited no positive significant relationship between the two variables. The preliminary findings, as presented in Table 5, indicated a positive effect of Supply Chain Integration on the performance of these enterprises. The R-square values of 0.194 and 0.216 in the absence and presence of a moderator (Supply Chain Maturity), respectively, suggested that 19.4% and 21.6% of the performance variance was explained by SCI. The Analysis of Variance (ANOVA) further supported these results (in Table 6), with a p-value of 0.000, signifying a significant relationship between SCI and enterprise performance. The coefficient table (Table 8) confirmed the significance, revealing a regression equation $Y = 2.612 + 0.096X_1$, indicating that for every unit increase in Supply Chain Integration, the performance of classified tourism enterprises in Kenya changed by 0.096. When incorporating the moderating variable (Supply Chain Maturity), the model became $Y = 2.447 + 0.098X_1 + 0.40X_1 * z$. These results, in agreement with Hendijani and Saeidi Saei, (2024) and Abdelilah, El Korchi, and Amine Balambo (2023), led to the rejection of the null hypothesis, affirming that SCI significantly influences the performance of classified tourism enterprises in Kenya.

Table 5: Model Summary for Regression Analysis for Supply Chain Integration and Performance of Classified Tourism Enterprises in Kenya

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.441 ^a	.194	.190	.20510	1.756
2	.465 ^a	.216	.207	.20289	1.768

a. Predictors: (Constant), Supply Chain Integration and Supply Chain Integration *z(moderator) model 1 and 2

b. Dependent Variable: Performance of classified tourism enterprises in Kenya.

Table 6: ANOVA for Supply Chain Integration (X₁)

Model		Sum of Squares	Degree of freedom	Mean Square	F	P-value
1	Regression	1.887	1	1.887	44.870	.000 ^b
	Residual	7.824	186	.042		
	Total	9.712	187			
2	Regression	2.096	2	1.048	25.456	.000 ^b
	Residual	7.616	185	.041		
	Total	9.712	187			

a. Response Variable: Performance of classified tourism enterprises in Kenya.

b. Predictors: (Constant), Supply Chain Integration and Supply Chain Integration *z(moderator) model 1 and 2

Table 7: Coefficients for Supply Chain Integration (X₁)

Model		Unstandardized Coefficients		Standardized Coefficients	t	P-value
		B	Std. Error	Beta		
1	(Constant)	2.612	.052		49.953	.000
	Supply Chain Integration	.096	.014	.441	6.699	.000
2	(Constant)	2.447	.089		27.364	.000
	Supply Chain Integration	.098	.014	.447	6.862	.000
	Supply Chain Integration *z	.040	.018	.147	2.250	.026

a. Dependent Variable: Performance of classified tourism enterprises in Kenya.

Based on the above analysis, the entire null hypothesis was rejected that is SCI, for model 1 where the moderator was lacking and had no significant effect on the performance of classified tourism enterprises in Kenya. Similarly, for model 2 the null hypothesis was also rejected and the conclusion was that the explanatory variable; SCI, in the presence of supply chain maturity as a moderator had a significant effect on the performance of classified tourism enterprises in Kenya. The study concludes that classified tourism enterprises have integrated compatible communication and information systems, and centralized data systems with sufficient connectivity across the entire supply chain for collaboration, cohesion and supply chain linkages necessary for increasing cross-operational efficiency and enhancing the supply chain function. The study deduces that there are controls, specific units, continuous monitoring and thorough process in the tourism enterprises which are responsible for the tourism enterprises' performance. In view of this findings, it is apparent that SCI boosts performance by reducing disconnects in the supply chain and promoting efficient communication and collaboration as echoes by Dragan, *et al*, (2015); besides, SCI is seen as an innovation that connects valued supply chain players through technology, fostering internal and external integration as explained by Yu, *et al*, (2013). As such, SCI is a critical factor for enterprises aiming to navigate changes and uncertainties by improving collaboration, visibility, flexibility, and balancing supply and demand effectively as alluded by Dragan, *et al*, (2015).

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study deduces that the five levels of supply chain maturity are characterized by definite features that become more refined as the enterprises advance in supply chain maturity levels.

According to the study findings, classified tourism enterprises in the initial stage of supply chain maturity have processes that have proven to yield positive results in terms of work completion at higher rates. These processes are however prone to reactivity unpredictability and uncontrollable to effectively respond and enhance employees' contributions. From the research, the enterprises within the second stage of supply chain maturity have developed basic supply chain processes which are often reactive to specific aspects of performance. These processes are usually focused on similar projects within a given period of time after which they are reviewed and refocused.

The study further concludes that classified tourism enterprises in the defined level of supply chain maturity have more advanced supply chain processes founded on corporate standards, integrated, elaborate, compatible and high quality approaches for efficiency of the enterprises. The study also established that quantitatively managed level of supply chain maturity is more specific and measurable and intensive to allow technological applications, meet customer needs and realized optimal organizational outcomes. The optimizing level of supply chain maturity entails continuation and improvement of supply chain process based on reviews, outcomes and insights from the customers and users.

The study concludes that most of the classified tourism enterprises operate below their levels of operations as compared to the period prior to the COVID-19 pandemic. Prior to COVID-19 pandemic, the tourism enterprises had growing market shares, had increasing profits, customer rating improved consistently, products offered to customers surpassed customer expectation, had growing occupancy rate, sales improved consistently, and realized growing overall performance. This is an indication of the retrogressive effects of the pandemic on this industry which is heavily dependent on travel and accommodation.

Recommendations

From the study findings and conclusions, the classified tourism enterprises in Kenya have adopted SCI in their operations. The study recommends for enhanced utilization of supplier integration approaches to enhance performance of enterprises in reducing not only the transactional cost but also improving process efficiency. The SCI should be focused on to achieve the desired influence including but not limited to customer interactions, frequent follow-ups with customers for quality /service feedback, periodic interdepartmental meetings among functions and integrative inventory management. Through integration with suppliers, enterprises share order and inventory information with suppliers, cross-functional integration of key business processes helps suppliers prepare high-quality materials and services on time which ultimately enhances enterprise performance. The study also recommends for the strategic use of internal integration and customer integration as a policy tool for coordination, production planning and scheduling, customer order management, and demand planning in order to enhance performance of enterprises.

Suggestions for Further Research

This thesis has investigated the the supply chain integration and performance of the tourism enterprises in Kenya. The tourism sector in Kenya however consists of various other tourism organizations spread across the 47 counties which differ in their way of management and have different settings all together. This warrants the need for another research which would ensure generalization of the study findings for all the tourism sector in Kenya and hence pave way for new policies. The study therefore recommends another research be done with an aim of

investigating the the influence of supply chain intergration on performance of organisations in the tourism sector in Kenya.

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