

ABSTRACT

The hotel industry alone is a multi-billion dollar and growing enterprise. Kenya has close to 500 licensed hotels of international standards to choose from. In Kisumu a number of hotels are present and others are being built. The bed capacity has risen. The hotels provide jobs and contribute to GDP of the country. But they are not without challenges. Customers have reported dissatisfaction. Revenues are dropping with workers hired on contract or temporary basis with reduced compensation levels. Attempts have been made to address these challenges but they have concentrated on infrastructure and policy of government. Focus on strategic management, particularly strategic control of these hotels has not been made when in fact; the solutions to their challenges could lie in this. Previous studies on strategic management provide wide perspectives and do not focus on strategic control in terms of its four critical areas. These areas are; influence of articulation of the strategic outcomes(SO) on performance, influence of description of the strategic activities (SA) on performance, influence of definition of methods of tracking progress(TP) on performance and influence of establishment of strategy corrective intervention mechanisms(IM) on performance. Knowledge on these is lacking. The main objective of the study was to establish the influence of strategy control on performance of hotels in Kisumu County. Specific objectives were to establish influence of articulation of the strategic outcomes on performance, establish influence of description of the strategic activities on performance, determine influence of definition of intervention mechanisms on outcomes and activities on performance and determine influence of establishment of strategy corrective intervention mechanisms on performance. The study used correlational research design. The population was 45 senior staff of the 9 star rated hotels in Kisumu. All were used for study. Reliability of instrument was established at $\alpha = .78$ and $.76$ for strategic control and performance respectively. Results showed that the four areas of control have significant positive influence on performance [SO: (B= .105, $p=.033$), SA: (B= .115, $p=.003$), TP: (B= .405, $p=.000$), IM: (B= .315, $p=.001$)]. This means that as SO, SA, TP and IM are emphasized, performance rises. It is recommended that the hotels increase focus on them. These results will help in policy frameworks for hotels and government. Researchers will find them useful to form base for further studies