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INFLUENCE OF PUBLIC PRIVATE PARTNERSHIPS ON PERFORMANCE OF PROJECTS IN THE HOSPITALITY INDUSTRY IN KENYA

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Abstract

Purpose: The purpose of the study was to examine influence of public private partnerships on performance of projects in the hospitality industry in Kenya.

Methodology: This research study adopted a descriptive research design approach. The study preferred this method because it allowed an in-depth study of the subject. The target population was the 215 classified establishments in the hospitality industry spread over different locations in Kenya. The Hotels and Restaurants Authority (HRA) under the Ministry of Tourism is charged with the responsibility of classification. This classification brings about categories such as 5 star, 4 star, 3 star, 2 star and 1 star approved with continuous control on the quality of services offered. Structured and semi structured questionnaires were used to collect data. Data gathered from the questionnaires administered was analyzed by the help of Ms Excel and SPSS version 22, while output was presented inform of frequency tables and charts. The study used both descriptive and inferential statistics to show the relationship between variables.

Results and conclusion: The coefficient of determination also called the R2 was 0.634. R2 value of 0.634 means that 63.4% of the corresponding variation in performance of projects in the hospitality industry can be explained or predicted by (government protocol, proof of concept, value for money and vulnerability management) which indicated that the model fitted the study data. The results of regression analysis revealed that there was a significant positive relationship between dependent variable and independent variable at ($\beta = 0.634$), $p=0.000 <0.05$).
The findings of the study indicated that government protocol, proof of concept, value for money and vulnerability management have a positive relationship with performance of projects in the hospitality industry in Kenya.

Policy recommendation: Finally, the study recommended that institutions should embrace public private partnerships so as to improve performance of projects in the hospitality industry and further researches should to be carried out in other institutions to find out if the same results can be obtained.

Keywords: *government protocol, proof of concept, value for money and vulnerability management*

1.1 Introduction

Public Private Partnerships (PPPs) is a long-term contractual agreement between a public body and a private partner (or a consortium of private firms) in which the private party provides a public service and assumes substantial risk in the project for a return on their investment. The terrain of public project procurement is gradually changing in many countries as a result of innovative procurement approaches that include PPP's (Dada, 2018). The traditional procurement method has been the most common it has, however, suffered criticisms as a result of perceived drawbacks and limitations (Ojo, 2018).

According to the Public Procurement and Disposal (Public Private Partnerships) Regulations, (2013), a Public Private Partnership (PPP) is an agreement between a procuring entity (government ministries and parastatals) and a private party under which the private party undertakes to perform a public function or provide a service on behalf of the procuring entity. The private party receives a benefit for performing the function, either by way of compensation from a public fund, charges or fees collected by the private party from users or customers of a service provided to them or a combination of such compensation and such charges or fees.

Zhang (2014) acknowledged the emergence and growing popularity of innovative procurement approaches for infrastructure development through PPP's including limited time privatization based on the concept of concession or build–operate–transfer (BOT) and other variants. PPP approach can have a strong positive effect on the economic life of any country and government is no longer considered the sole provider of public works and services (Montanheiro, 2017). PPP's through the private finance initiative (PFIs) have been recognized as important approaches to solving problems for governments in providing infrastructure systems (Ho, 2016).

1.2 Statement of the Problem

Quality control and customer satisfaction costs a lot of money for the service industries as well as the government. It is therefore imperative to understand the context of quality and customer satisfaction in the hospitality industry and what its indicators are within individual organizations. Kenya's long term development agenda spelt out in the vision 2030, targets an annual growth rate of above 10% with an investment rate of 30%, hospitality industry are key drivers in this projected growth (Rotich, 2014).

Hospitality industry accounted for 20% of the country's GDP, provided employment to about five (5) million persons (IMF, 2015). However, hospitality industry in Kenya have been experiencing a myriad of problems including misappropriation and mismanagement (Regional Economic Outlook, 2013). At least 30 out of the 46 countries in Sub-Saharan Africa are currently facing a debilitating hotel infrastructural crisis (IEA, 2016). At the same time, rates of urbanization have been increasing at 3.5% a year, industrial and manufacturing sectors expanding as well, thus adding to the growing demand for hotel infrastructural facilities (UNEP, 2014).

According to an annual customer satisfaction survey by some of the hospitality industry in 2012 and 2013, carried out by a contracted supplier, it is notable that the satisfaction percentage index has been fluctuating towards more and more dissatisfaction, that is, 69% and 66% respectively (Makau, 2014). On the other hand, the hospitality industry faces a major challenge in controlling the overall sourcing costs because of the constant increase due the lack of much needed PPP's input; this is evident by posting a decrease in profit prior to tax noted (OECD, 2019).

Studies have been done world over, in the UK, previous research by Griffin, Foster and Halpin (2014) on the survey of the influence of PPP's usage in the global hospitality industry is high, while in Kenya, previous research by Githumbi (2013) on usage, show that only 33% of hospitality industry has implemented PPP's as a strategy to improving services. This has left an evident knowledge gap, which the study intends to bridge by determining the influence of public private partnerships on performance of projects in the hospitality industry in Kenya. It is against this back drop that this study sets out to investigate the influence of public private partnerships on performance of projects in the hospitality industry in Kenya.

1.3 Objectives of the Study

i. To examine the influence of government protocol on performance of projects in the hospitality industry in Kenya.
ii. To determine the influence of proof of concept on performance of projects in the hospitality industry in Kenya.
iii. To assess the influence of value for money on performance of projects in the hospitality industry in Kenya.
iv. To examine the influence of vulnerability management on performance of projects in the hospitality industry in Kenya.

2.0 LITERATURE REVIEW

2.1 The Four Pillars Model

This model was developed by the World Bank, Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) and a number of developing countries for assessing the quality and effectiveness of national public procurement systems (OECD, 2015). The legislative and regulatory framework pillar is based on the existence, availability, quality and use of the legal and regulatory framework from the highest level (Act and Regulations) down to the more detailed operational procedures, guidelines, model tender documents, and standard conditions of contract (PPOA, 2018).

According to OECD (2015), the institutional framework and management capacity pillar is based on the procurement system as defined by the legal and regulatory framework in a country and operates through the institutions and management systems and practices that form part of the overall hospitality industry governance. Procurement operations and market practices pillar is based on the operation of the systems at the level of the implementing procuring entities as well as on the procurement market (PPRA, 2018).

This model was important in explaining the Kenya's regulatory framework which includes the PPP Act and Regulations and the procurement system in general both at the oversight and procuring entity level. Without enforcement, the rules and regulations are of no use. Explicit PPP policies and long-term political commitment which refer to the first dimension of governmental support for PPP's are crucial to create legitimacy for it as a public investment instrument which will in turn stimulate the growth and the development of a pipeline of projects. Long term policy and political commitment are seen in PPP literature as key variables with which to implement successful PPP's projects (Dehli, Palukuri, & Mahalingam, 2019).

2.2 Public Private Partnerships

2.1.1 Government Protocol

In practice and theory, PPP laws and rules have been considered as one of the most important pillars of a sound procurement system (Thai, 2018). Procurement laws and rules have led to procurement efficiency or inefficiency depending on the type of government and environment within which the system is operated. Over the past decades, policies and institutions to promote the uptake of public private partnerships (PPP's) have diffused across the world (Hodge, Greve & Boardman, 2019).

At the same time there is now a growing awareness that the development of PPP's has evolved very differently across national institutional contexts (Petersen, 2018), and national governments have responded very differently to the PPP reform trend (Verhoest, 2013). While there is growing academic and political interest in comparative issues related to PPP's and their implementation, there is an evident need for comparative analyses in order to understand the large national differences in the development of PPP policies and institutions and their consequences for uptake of PPP's across different countries

2.1.2 Proof of Concept

Proof of concept is focussed and specific. They start with a single question asking whether the idea, event or action is a viable solution and force you to focus solely on that question to the exclusion of everything else, drilling down to explore possible outcomes. Proof of concept is not the same as business plan. Proof of concept is an investigative tool that might cause you to discount an idea, whereas a business plan is call to action (Maguire & Malinovitch, 2014).

The term feasible describes an action or event that is likely, probably or possible to happen or achieved. Proof of concept is the total of the actions you take and the questions you ask to determine whether an idea, thought or plan is likely to succeed. An effective study can guide you on whether you should move forward with your idea, refine it, or scrap it altogether and go back to the drawing board (Lohrey, 2013).

2.1.3 Value for Money

Value for money means delivering the required public services with the optimal cost and benefits (Akintoye & Chinyio, 2015). It is a key indicator used by the hospitality industry to assess whether a PPP project will offer better value over other conventional procurement options. Akintoye and Chinyio (2015) stated that achieving value for money should be the benchmark strategic objective of PPP projects.

Yuan (2018) stated that the strategic objective of value for money encompasses the public client's overall strategic plan and mission objectives, private sector's long-term development and payoff strategy, the general public's requirements of quality public facilities and services. Liu, Love, Smith, Regan and Sutrisna (2014) cited Henjewele (2018) to state that meeting client's requirements should be considered as a core dimension in performance measurement of PPP's. It is common knowledge that PPP is embraced for its ability to offer value for money (Maguire & Malinovitch, 2014).

2.1.4 Vulnerability Management

Public private partnership projects usually involve higher degree of risks than conventional procurement, since they are characterized by many stakeholders, a huge amount of investments and long concession periods (Wei-hua & Da-shuang, 2016). Therefore, public private partnership

projects involve not only risks that are project-related but also risks that depend on the inner characteristics of public private partnership as a procurement method.

An equitable risk allocation and management is important to the project success of a PPP project within a rather long concession period (Zhang, 2014). Governments would state their preference as to how the project risks should be shared in the invitation of tendering, while private investors would assess their capability of taking these risks and then propose a bidding price. The contract negotiation would thereafter probably focus on the risk allocation scheme. A general principle is that each risk should be allocated to the party best able to manage it and at the least cost (Cooper, 2016)

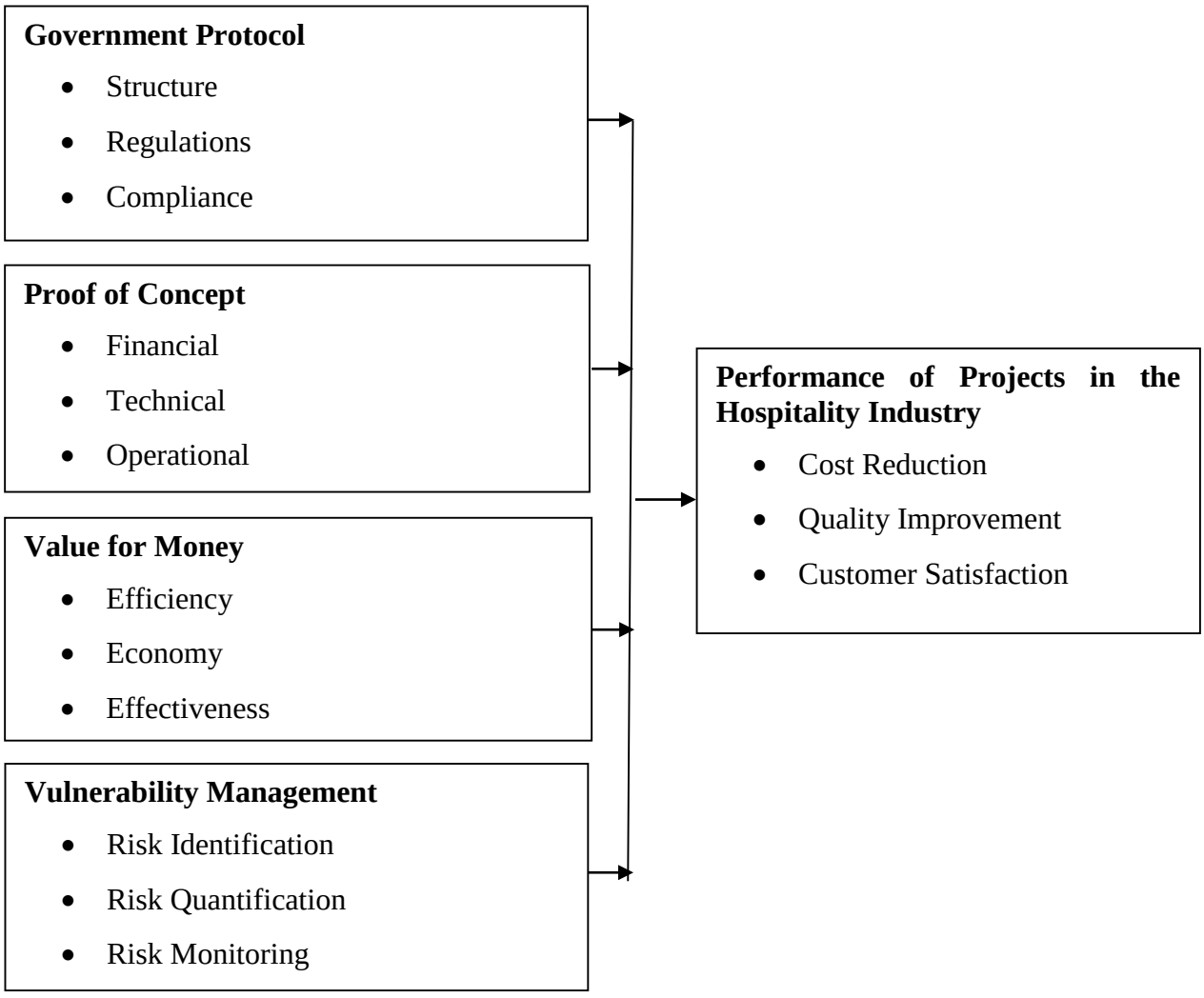

Figure 1: Conceptual Framework

3.0 METHODOLOGY

This research study adopted a descriptive research design approach. The study preferred this method because it allowed an in-depth study of the subject. The target population was the 215 classified establishments in the hospitality industry spread over different locations in Kenya. The Hotels and Restaurants Authority (HRA) under the Ministry of Tourism is charged with the responsibility of classification This classification brings about categories such as 5 star, 4 star, 3 star, 2 star and 1 star approved with continuous control on the quality of services offered. Structured and semi structured questionnaires were used to collect data. Data gathered from the questionnaires administered was analyzed by the help of Ms Excel and SPSS version 22, while output was presented inform of frequency tables and charts. The study used both descriptive and inferential statistics to show the relationship between variables

The research used a multiple regression model.

$$Y= \beta 0+ \beta 1X1+\beta 2X2+\beta 3X3 +\beta 4X4 + \varepsilon$$

Where:

$$Y=\beta o+\beta 1X1+\beta 2X2+\beta 3X3+\beta 4X4+\varepsilon$$

Where:
Y= Performance of Projects in the Hospitality Industry
βo= Constant Coefficient
X1= Government Protocol
X2= Proof of Concept
X3= Value for Money
X4= Vulnerability Management
ε = Random Error Term

4. 0 RESULTS FINDINGS

4.1 Descriptive Statistics

4.1.1 Government Protocol

The first objective of the study was to examine the influence of government protocol on performance of projects in the hospitality industry in Kenya. The respondents were asked to indicate to what extent government protocol influence performance of projects in the hospitality industry. Results indicated that majority of the respondents 46% agreed that it was effective, 41% said that it was very effective, 8% said it was ineffective, somehow effective was at 5%.

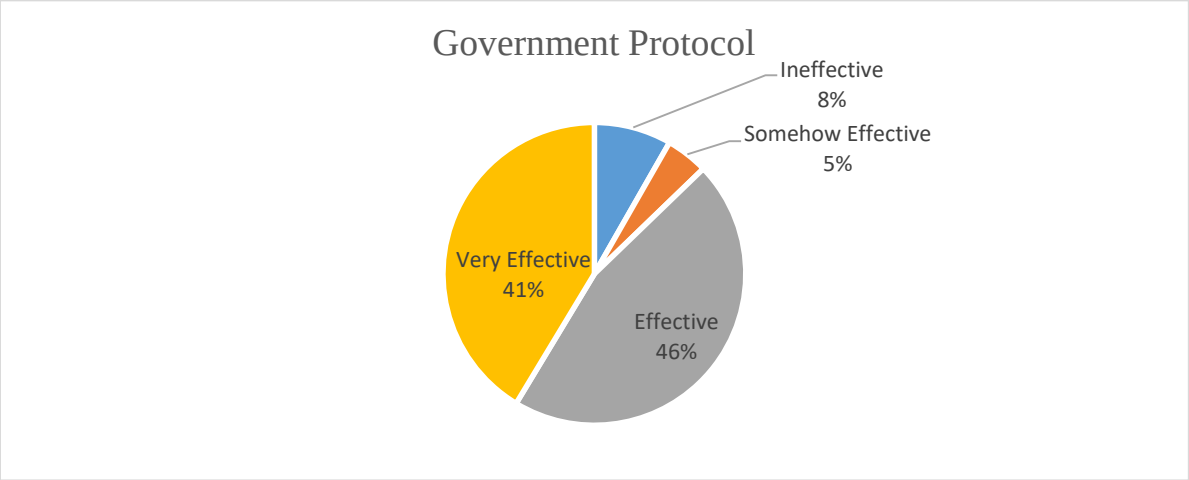

Figure 2: Government Protocol

The respondents were also asked to comment on statements regarding government protocol influence on performance of projects in the hospitality industry in Kenya. The responses were rated on a likert scale and the results presented in Table 1 below. It was rated on a 5 point Likert scale ranging from; 1= strongly disagree to 5= strongly agree. The scores of ' strongly disagree' and 'disagree' have been taken to represent a statement not agreed upon, equivalent to mean score of 0 to 2.5. The score of 'neutral' has been taken to represent a statement agreed upon, equivalent to a mean score of 2.6 to 3.4. The score of 'agree' and 'strongly agree' have been taken to represent a statement highly agreed upon equivalent to a mean score of 3.5 to 5.

The result in table 4.3 revealed that majority of the respondents with a mean of (3.86) agreed with the statement that structures of PPP's have a significant influence on cost reduction. The measure of dispersion around the mean of the statements was 0.928 indicating the responses were varied. The result revealed that majority of the respondents as indicated by a mean of (3.85) agreed with the statement that regulations of PPP's have a significant influence on cost reduction. The standard deviation for the statement was 0.883 showing a variation. The result revealed that majority of the respondent (3.83) agreed with the statement that compliance of PPP's rules have a significant influence on cost reduction. The results were varied as shown by a standard deviation of 0.906.

The result revealed that majority of the respondents as shown by a mean of (4.47) indicated that they agreed with the statement that structures of PPP's have a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.501. The result revealed that majority of the respondents with a mean of (4.44) indicated that they agreed with the statement that regulations of PPP's have a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.656. The result revealed that majority of the respondents (4.47) indicated that they agreed with the statement that compliance of PPP's rules have a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.544.

The result revealed that majority of the respondents (4.44) indicated that they agreed with the statement that structures of PPP's have a significant influence on customer satisfaction. The responses were varied as measured by standard deviation of 0.752. The result showed that

majority of the respondents (4.02) indicated that they agreed with the statement that regulations of PPP's have a significant influence on customer satisfaction. The responses were varied as measured by standard deviation of 0.826. Further, the results indicated that a majority of the respondents (4.4) agreed with the statement that compliance of PPP's of rules have a significant influence on customer satisfaction. There was a standard deviation of 0.717 indicating a variation of responses. The average response for the statements on government protocol was 4.19. The findings agree with Montanheiro, (2017) that elaborate government protocol is necessary for the performance of projects in the hospitality industry.

Table 1: Government Protocol

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Deviation
Structures of PPP's have a significant influence on cost reduction	1.50%	1.50%	36.80%	29.30%	30.80%	3.86	0.928
Regulations of PPP's have a significant influence on cost reduction	0.80%	2.30%	36.10%	33.10%	27.80%	3.85	0.883
Compliance of PPP's rules have a significant influence on cost reduction	1.50%	1.50%	36.80%	32.30%	27.80%	3.83	0.906
Structures of PPP's have a significant influence on quality improvement	0.00%	0.00%	0.00%	52.60%	47.40%	4.47	0.501
Regulations of PPP's have a significant influence on quality improvement	1.50%	0.00%	0.00%	49.60%	48.90%	4.44	0.656
Compliance of PPP's rules have a significant influence on quality improvement	0.00%	0.80%	0.00%	51.10%	48.10%	4.47	0.544
Structures of PPP's have a significant influence on customer satisfaction	2.30%	0.80%	0.00%	45.10%	51.90%	4.44	0.752
Regulations of PPP's have a significant influence on customer satisfaction	0.00%	0.00%	33.10%	32.30%	34.60%	4.02	0.826
Compliance of PPP's of rules have a significant influence on customer satisfaction	1.50%	1.50%	0.00%	49.60%	47.40%	4.4	0.717
Average						4.19	0.745

4.1.2 Proof of Concept

There was also need to examine how proof of concept influences performance of projects in the hospitality industry in Kenya. The respondents were also asked to comment on statements regarding how proof of concept influenced performance of projects in the hospitality industry in Kenya. Results showed that 49% of respondents indicated it was effective, 36% that it was very effective, 9% ineffective while 6% somehow effective.

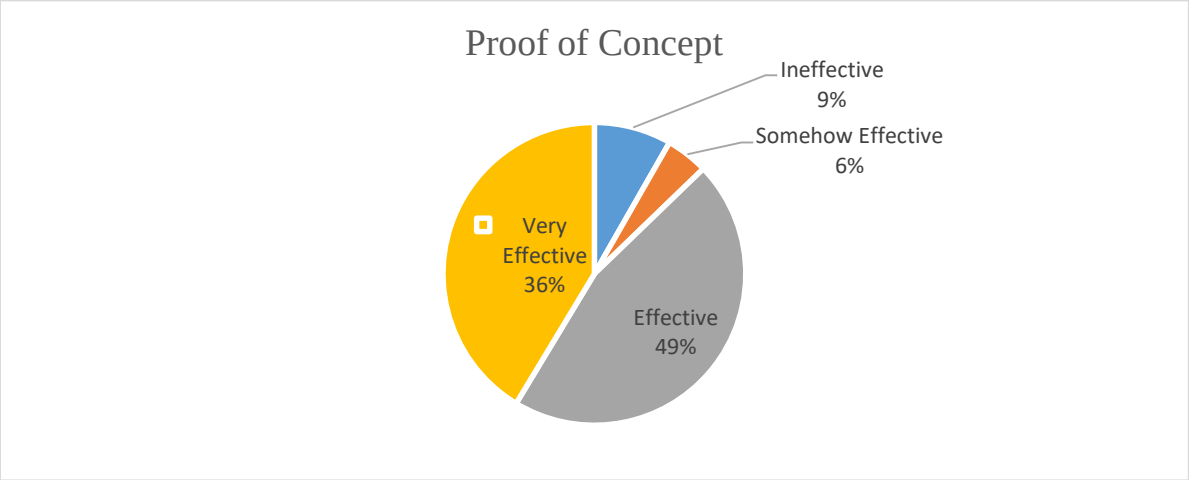

Figure 3: Proof of Concept

The result in table 2 revealed that majority of the respondent (4.56) agreed with the statement that financial has a significant influence on cost reduction. The responses were varied as shown by a standard deviation of 0.499. The result revealed that majority of the respondent (4.48) agreed with the statement that technical have a significant influence on cost reduction. The responses were varied as shown by a standard deviation of 0.502. The result revealed that majority of the respondent (4.39) agreed with the statement that operational has a significant influence on cost reduction. The responses were varied as shown by a standard deviation of 0.672.

The result further revealed that majority of the respondent (4.44) agreed with the statement that financial has a significant influence on quality improvement. The responses were varied as shown by a standard deviation of 0.742. The result further revealed that majority of the respondent (4.51) agreed with the statement that technical has a significant influence on quality improvement. Responses were varied as shown by a standard deviation of 0.502. The result further revealed that majority of the respondent (4.47) agreed with the statement that operational has a significant influence on quality improvement. Responses were varied as shown by a standard deviation of 0.501.

The result revealed that majority of the respondent (4.37) agreed with the statement that financial has a significant influence on customer satisfaction. The responses were varied as shown by a standard deviation of 0.691. The result revealed that majority of the respondent (4.5) agreed with the statement that technical have a significant influence on customer satisfaction. The responses were varied as shown by a standard deviation of 0.502. The result revealed that majority of the respondent (4.51) agreed with the statement that operational has a significant influence on customer satisfaction. The responses were varied as shown by a standard deviation of 0.502. The average response for the statements on proof of concept was 4.47. The findings agree with Mwaengo (2012) that proof of concept is necessary for the performance of projects in the hospitality industry.

Table2 : Proof of Concept

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Deviation
Financial has a significant influence on cost reduction	0.00%	0.00%	0.00%	44.40%	55.60%	4.56	0.499
Technical have a significant influence on cost reduction	0.00%	0.00%	0.00%	51.90%	48.10%	4.48	0.502
Operational has a significant influence on cost reduction	0.00%	2.30%	3.80%	46.60%	47.40%	4.39	0.672
Financial has a significant influence on customer satisfaction	1.50%	1.50%	1.50%	42.90%	52.60%	4.44	0.742
Technical have a significant influence on customer satisfaction	0.00%	0.00%	0.00%	48.90%	51.10%	4.51	0.502
Operational has a significant influence on customer satisfaction	0.00%	0.00%	0.00%	52.60%	47.40%	4.47	0.501
Financial has a significant influence on quality improvement	0.80%	1.50%	3.00%	49.60%	45.10%	4.37	0.691
Technical have a significant influence on quality improvement	0.00%	0.00%	0.00%	49.60%	50.40%	4.5	0.502
Operational has a significant influence on quality improvement	0.00%	0.00%	0.00%	48.90%	51.10%	4.51	0.502
Average						4.47	0.568

4.1.3 Value for Money

There was also need to assess the influence of value for money on performance of projects in the hospitality industry in Kenya as the third objective. The respondents were asked to comment on extent of value for money influence on performance public private partnership hospitality industry in Kenya. Results indicated that majority of the respondents 50% agreed that it was effective, 42% said that it was very effective, 4% said it was somehow effective and ineffective at 4%.

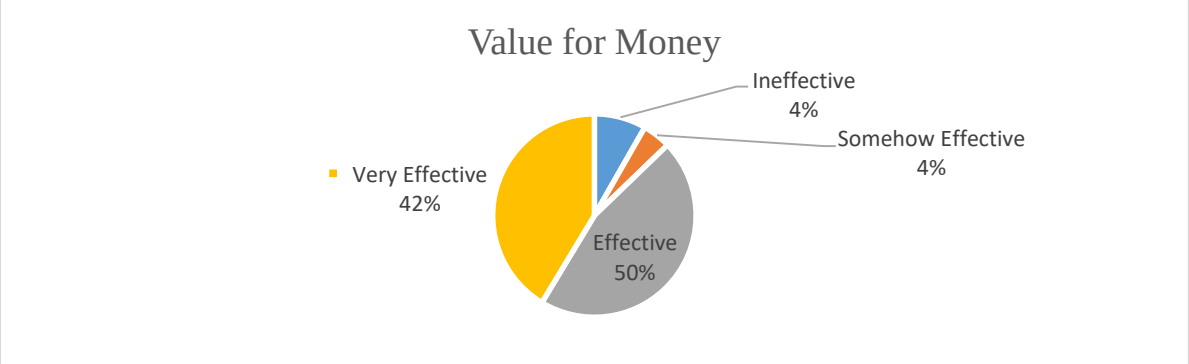

Figure 4: Value for Money

The respondents were asked to indicate their levels of agreement on statements regarding value for money. The results in table 4.5 revealed that majority of the respondent (4.14) agreed with the statement that efficiency in public private partnerships has a significant influence on cost

reduction. The responses were varied as shown by the standard deviation of 0.818. The result revealed that majority of the respondent (3.87) agreed with the statement that economy in public private partnerships has a significant influence on cost reduction. The measures of dispersion around the mean were 0.783. The result revealed that majority of the respondent (3.86) agreed with the statement that effectiveness in public private partnerships has a significant influence on cost reduction. The measures of dispersion around the mean were 0.955.

The result revealed that majority of the respondent (3.98) agreed with the statement that efficiency in public private partnerships has a significant influence on quality improvement. The measures of dispersion around the mean were 0.802. The result revealed that majority of the respondent (3.82) agreed with the statement that economy in public private partnerships has a significant influence on quality improvement. The measures of dispersion around the mean were 1.029. The result revealed that majority of the respondents as shown by a mean of (4) indicated that they agreed with the statement that effectiveness in public private partnerships has a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.816.

The result revealed that majority of the respondents with a mean of (2.86) indicated that they agreed with the statement that efficiency in public private partnerships has a significant influence on customer satisfaction. The responses were varied as measured by standard deviation of 1.476. The result revealed that majority of the respondents (4.44) indicated that they agreed with the statement that economy in public private partnerships has a significant influence on customer satisfaction. The responses were varied as measured by standard deviation of 0.498. The result revealed that majority of the respondents (4.53) indicated that they agreed with the statement that effectiveness in public private partnerships has a significant influence on customer satisfaction. The responses were varied as measured by standard deviation of 0.501. The average response for the statements on participative style of leadership was 3.94. The findings agree with Lakomy-Zinowik (2017) that observing if each activity has value for money is necessary for the performance of projects in the hospitality industry.

Table 3: Value for Money

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Deviation
Efficiency in public private partnerships has a significant influence on cost reduction	0.00%	0.00%	27.10%	31.60%	41.40%	4.14	0.818
Economy in public private partnerships has a significant influence on cost reduction	0.00%	0.00%	37.60%	37.60%	24.80%	3.87	0.783
Effectiveness in public private partnerships has a significant influence on cost reduction	0.00%	6.80%	33.10%	27.80%	32.30%	3.86	0.955
Efficiency in public private partnerships has a significant influence on quality improvement	0.00%	0.00%	33.10%	36.10%	30.80%	3.98	0.802
Economy in public private partnerships has a significant influence on quality improvement	3.80%	3.80%	29.30%	33.10%	30.10%	3.82	1.029
Effectiveness in public private partnerships has a significant influence on quality improvement	0.00%	0.00%	33.10%	33.80%	33.10%	4	0.816
Efficiency in public private partnerships has a significant influence on customer satisfaction	26.3%	18.80 %	15.00%	21.80%	18.00%	2.86	1.476
Economy in public private partnerships has a significant influence on customer satisfaction	0.00%	0.00%	0.00%	56.40%	43.60%	4.44	0.498
Effectiveness in public private partnerships has a significant influence on customer satisfaction	0.00%	0.00%	0.00%	46.60%	53.40%	4.53	0.501
Average						3.94	0.853

4.1.4 Vulnerability Management

The last objective of the study was to determine the influence of vulnerability management on performance of projects in the hospitality industry in Kenya. The respondents were asked to indicate to what extent vulnerability management influenced performance public private partnership projects in Kenya. Results indicated that majority of the respondents 48% agreed that it was very effective, 44% said that it was effective, 5% said it was ineffective, while somehow effective was at 3**%.**

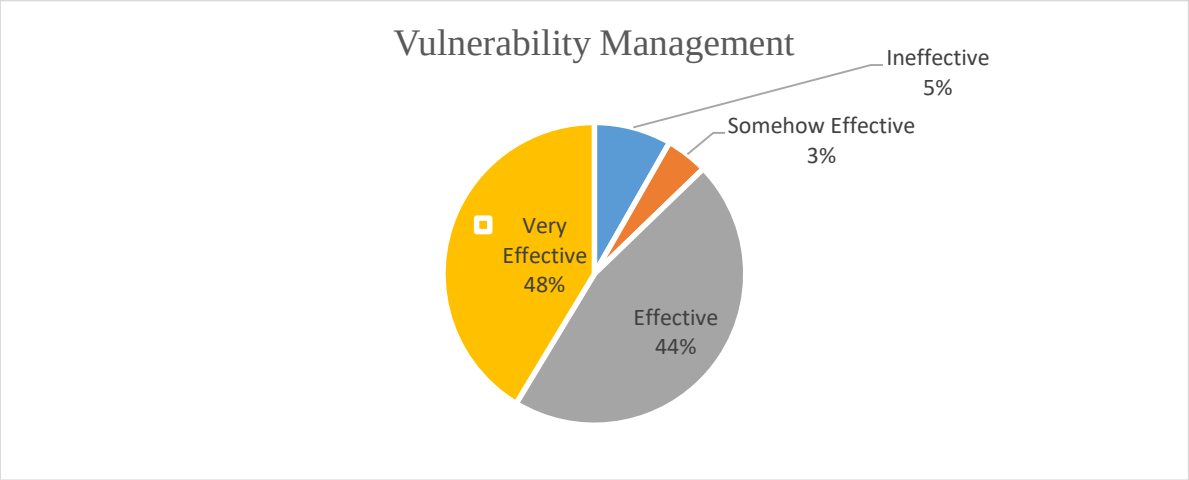

Figure 5: Vulnerability Management

The respondents were also asked to comment on statements regarding how vulnerability management influenced performance of projects in the hospitality industry in Kenya. The respondents were asked to indicate descriptive responses for vulnerability management. The result in table 4 revealed that majority of the respondents as indicated by a mean of (3.98) indicated that they agreed with the statement that risk identification has a significant influence on cost reduction. The responses were varied as measured by standard deviation of 0.83. The result revealed that majority of the respondents as shown by a mean of (3.9) indicated that they agreed with the statement that risk quantification has a significant influence on cost reduction. The responses were varied as measured by standard deviation of 0.815. The result revealed that majority of the respondents with a mean of (4.05) indicated that they agreed with the statement that risk monitoring has a significant influence on cost reduction. The responses were varied as measured by standard deviation of 0.847.

The result revealed that majority of the respondents (4.46) indicated that they agreed with the statement that risk identification has a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.5. The result revealed that majority of the respondents (4.58) indicated that they agreed with the statement that risk quantification has a significant influence on quality improvement. The responses were varied as measured by standard deviation of 0.496. The result showed that majority of the respondents (2.99) indicated that they agreed with the statement that risk monitoring has a significant influence on quality improvement. The responses were varied as measured by standard deviation of 1.459.

The result revealed that majority of the respondents as shown by a mean of (2.96) indicated that they agreed with the statement that risk identification has a significant influence on improving customer satisfaction. The responses were varied as measured by standard deviation of 1.489. The result revealed that majority of the respondents with a mean of (3.56) indicated that they agreed with the statement risk quantification has a significant influence on improving customer satisfaction. The responses were varied as measured by standard deviation of 1.117. The result revealed that majority of the respondents (3.71) indicated that they agreed with the statement that risk monitoring has a significant influence on improving customer satisfaction. The responses were varied as measured by standard deviation of 1.07. The average response for the statements

on vulnerability management was 3.79. The findings agree with Marques (2018) that exemplary vulnerability management is necessary for the performance of projects in the hospitality industry.

Table 4: Vulnerability Management

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Deviation
Risk identification has a significant influence on cost reduction	0.00%	0.00%	35.30%	31.60 %	33.10%	3.98	0.83
Risk quantification has a significant influence on cost reduction	0.00%	0.00%	38.30%	33.10 %	28.60%	3.9	0.815
Risk monitoring has a significant influence on cost reduction	0.00%	0.00%	33.10%	28.60 %	38.30%	4.05	0.847
Risk identification has a significant influence on quality improvement	0.00%	0.00%	0.00%	54.10 %	45.90%	4.46	0.5
Risk quantification has a significant influence on quality improvement	0.00%	0.00%	0.00%	42.10 %	57.90%	4.58	0.496
Risk monitoring has a significant influence on quality improvement	21.8%	20.3%	15.00%	22.60 %	20.30%	2.99	1.459
Risk identification has a significant influence on improving customer satisfaction	24.1%	17.3%	19.50%	16.50 %	22.60%	2.96	1.489
Risk quantification has a significant influence on improving customer satisfaction	0.00%	24.1%	21.10%	29.30 %	25.60%	3.56	1.117
Risk monitoring has a significant influence on improving customer satisfaction	0.00%	18.0%	21.10%	32.30 %	28.60%	3.71	1.07
Average						3.79	0.958

4.3 Correlation Analysis

Correlation analysis was used to determine both the significance and degree of association of the variables and also predict the level of variation in the dependent variable caused by the independent variables. The results of the correlation analysis are summarized in Table **5**

Table 5: Summary of Pearson's Correlations

Correlations		Government Protocol	Proof of Concept	Value for Money	Vulnerability Management	Performance of Projects in the Hospitality Industry
Government Protocol	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	171				
Proof of Concept	Pearson Correlation	.558**	1			
	Sig. (2-tailed)					
	N	171	171			
Value for Money	Pearson Correlation	.532**	.546**	1		
	Sig. (2-tailed)					
	N	171	171	171		
Vulnerability Management	Pearson Correlation	.570**	.845**	.613**	1	
	Sig. (2-tailed)					
	N	171	171	171	171	
Performance of Projects in the Hospitality Industry	Pearson Correlation	.714**	.728**	.714**	.737**	1
	Sig. (2-tailed)	0	0	0	0	
	N	171	171	171	171	171

**** Correlation is significant at the 0.05 level (2-tailed).**

The correlation summary shown in Table 6 indicated that the associations between each of the independent variables and the dependent variable were all significant at the 95% confidence level. The correlation analysis to determine the association between government protocol and performance of public private partnerships the hospitality industry in Kenya, Pearson correlation coefficient computed and tested at 5% significance level. The results indicate that there was a positive relationship (r=0.714) between government protocol and performance of public private

partnerships the hospitality industry in Kenya. In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.000, <0.05).

The correlation analysis to determine the relationship between proof of concept and performance of public private partnerships the hospitality industry in Kenya, Pearson correlation coefficient computed and tested at 5% significance level. The results indicated that there was a positive relationship (r=0.728) between proof of concept and performance of public private partnerships the hospitality industry in Kenya. In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.000, <0.05).

The correlation analysis to determine the relationship between values for money and performance of public private partnerships the hospitality industry in Kenya, Pearson correlation coefficient computed and tested at 5% significance level. The results indicate that there was a positive relationship (r=0.714) between value for money and performance of public private partnerships the hospitality industry in Kenya. In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.000, <0.05).

The correlation analysis to determine the relationship between vulnerability management and performance of public private partnerships the hospitality industry in Kenya, Pearson correlation coefficient computed and tested at 5% significance level. The results indicate that there was a positive relationship (r=0.737) between vulnerability management and performance of public private partnerships the hospitality industry in Kenya. In addition, the researcher found the relationship to be statistically significant at 5% level (p=0.000, <0.05).

4.4 Regression Analysis

In this study multivariate regression analysis was used to determine the significance of the relationship between the dependent variable and all the independent variables pooled together. Regression analysis was conducted to find the proportion in the dependent variable (performance of projects in the hospitality industry) which can be predicted from the independent variables (government protocol, proof of concept, value for money and vulnerability management). Table 4.8 presented the regression coefficient of independent variables against dependent variable. The results of regression analysis revealed there was a significant positive relationship between dependent variable and the independent variable.

The independent variables reported R value of 0.796 indicating that there was perfect relationship between dependent variable and independent variables. The coefficient of determination also called the R^2 was 0.634. R^2 value of 0.634 means that 63.4% of the corresponding variation in performance of projects in the hospitality industry can be explained or predicted by (government protocol, proof of concept, value for money and vulnerability management) which indicated that the model fitted the study data. The results of regression analysis revealed that there was a significant positive relationship between dependent variable and independent variable at ($\beta = 0.634$), p=0.000 <0.05).

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.796[a]	0.634	0.622	0.203452

a) Predictors: (Constant), Government Protocol, Proof of Concept, Value for Money and Vulnerability Management
b) Dependent Variable: Performance of Projects in the Hospitality Industry

Table 7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.167	4	2.292	71.63	.000[b]
	Residual	5.298	166	0.032		
	Total	14.465	170			

a) Predictors: (Constant), Government Protocol, Proof of Concept, Value for Money and Vulnerability Management
b) Dependent Variable: Performance of Projects in the Hospitality Industry

The significance value is 0.000 which is less than 0.05 thus the model is statistically significance in predicting how government protocol, proof of concept, value for money and vulnerability management influence performance of projects in the hospitality industry in Kenya. The F critical at 5% level of significance was 25.65. Since F calculated which can be noted from the ANOVA table above is 71.63 which is greater than the F critical (value =25.65), this shows that the overall model was significant. The study therefore establishes that; government protocol, proof of concept, value for money and vulnerability management influence performance of projects in the hospitality industry. These results agree with Jooste (2018) results which indicated a positive and significant influence of government protocol, proof of concept, value for money and vulnerability management on performance of projects in the hospitality industry.

Table 9: Coefficients of Determination

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.967	0.218		9.022	0.000
	Proof of Concept	0.358	0.049	0.568	7.327	0.000
	Government Protocol	0.132	0.056	0.152	2.364	0.000
	Value for Money	0.121	0.032	0.27	3.835	0.020
	Vulnerability Management	0.05	0.05	0.074	0.998	0.030

Predictors: (Constant), Government Protocol, Proof of Concept, Value for Money and Vulnerability Management
Dependent Variable: Performance of projects in the Hospitality Industry

The regression equation is;

$$Y=1.967+ 0.358X_1 + 0.132X_2 + 0.121X_3 + 0.05X_4$$

The regression equation above has established that taking all factors into account (government protocol, proof of concept, value for money and vulnerability management) constant at zero, performance of projects in the hospitality industry will be an index of 1.967. The study found that a unit increase in proof of concept will lead to a 0.358 increase in the performance of projects in the hospitality industry. The P-value was 0.000 and hence the relationship was significant since the p-value was lower than 0.05.

The findings presented also shows that taking all other independent variables at zero, a unit increase in government protocol will lead to a 0.132 increase in the performance of projects in the hospitality industry. The P-value was 0.02 which is less 0.05 and thus the relationship was significant.

In addition, the study found that a unit increase in value for money will lead to a 0.121 increase in the performance of projects in the hospitality industry. The P-value was 0.000 and thus the relationship was significant because the p-value was less than 0.05. The study also found that a unit increase in vulnerability management will lead to a 0.05 increase in performance of the hospitality industry. The P-value was 0.03, which is less than 0.05 and thus the relationship was significant.

5. 0 Summary, Conclusion And Recommendations

5.1 Summary of Findings

The study sought to examine the influence of public private partnerships on performance of projects in the hospitality industry in Kenya. The study targeted heads of procurement in the hospitality industry. A total of 171 employees participated. The summary of the study findings presented herein followed the research objectives formulated in chapter one of the study. The study endeared to determine influence of public private partnerships on performance of projects in the hospitality industry in Kenya. The regression results revealed that public private partnerships drivers identified in the study, that is, government protocol, proof of concept, value for money and vulnerability management combined could explain approximately 63.4% of the variations in the performance of projects in the hospitality industry. The other 36.6% may be attributed to other strategies not explained by the model or the variables.

5.2 Conclusion

Based on the study findings, the study concludes that performance of projects in the hospitality industry can be improved by government protocol, proof of concept, value for money and vulnerability managementFirst, in regard to government protocol, the regression coefficients of the study show that it has a significant influence on performance of projects in the hospitality industry. This implies that increasing levels of embracing government protocol by a unit would increase the levels of performance of projects in the hospitality industry. This shows that government protocol has a positive influence on performance of projects in the hospitality industry.

In regard to the second objective, the regression coefficients of the study show that it has a significant influence on performance of projects in the hospitality industry. This implies that increasing levels of proof of concept by a unit would increase the levels of performance of

projects in the hospitality industry. This shows that proof of concept has a positive influence on performance of projects in the hospitality industry. With regard to value for money, the regression coefficients of the study show that it has a significant influence on performance of projects in the hospitality industry. This implies that increasing levels of value for money by a unit would increase the levels of performance of projects in the hospitality industry. This shows that value for money has a positive influence on performance of projects in the hospitality industry.

Lastly, in regard to vulnerability management, the regression coefficients of the study show that it has a significant influence on performance of projects in the hospitality industry. This implies that increasing levels of vulnerability management by a unit would increase the levels of performance of projects in the hospitality industry. This shows that vulnerability management has a positive influence on performance of projects in the hospitality industry. Drawing on this research, lack of government protocol, proof of concept, value for money and vulnerability management among hospitality industry is leading to poor performance of projects in the hospitality industry.

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