

Evaluating the Strategic Performance in Tourism and Hospitality Establishments in Egypt "Applied on Alexandria City"

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Abstract

Strategic performance evaluation has become an important way for ensuring the proper function of work in different establishments and organisations. It plays an important role in assessing the financial, operational and competitive performances of the establishment's work environment. Because of the importance of the tourism sector in Egypt and the vital role it plays in the Egyptian economy and the entire development process, this study aims at identifying the extent of evaluating the strategic performance in tourism and hospitality establishments in Egypt. The study depended on primary data through addressing (11) questionnaire forms to managers of four and five-star hotels in Alexandria, as well as (42) questionnaire forms to managers of travel agencies "category A" in Alexandria; distributed from October to December, 2018 in order to evaluate the strategic performance and identify how it is implemented in these important establishments. The study also depended on secondary data represented in Arabic and English books, periodicals, theses, dissertations and reports that are related to the subject of study. The findings of the study have revealed that there is no optimum implementation of the strategic performance evaluation in tourism and hospitality establishments in Egypt. The study recommends establishing an administrative department for delivering reports to the general manager regarding strategic planning, monitoring and evaluation as well as adopting regular internal and external evaluations for ensuring the level of strategic performance.

Keywords: strategy, strategic performance evaluation, KPIs, tourism and hospitality establishments.

Introduction

The world is now characterised by modernity and the speed of changes, and as a result of that the tourism and hospitality establishments became obliged to face that change and get adapted to it in order to guarantee success in work and avoid future failures (Helmy, 2014). Hence, evaluating the strategic performance in these establishments became an urgent need and effective method for achieving the desired goals. Strategic performance depends on developing a strategy in the working environment of establishments and organisations to ensure the proper function and smooth running of work (Jackson, 2015). Due to the importance of the tourism industry and the fundamental role it plays in the Egyptian economy and the Egyptian development process (Hammad, 2015), evaluating the strategic performance became without a shadow of doubt a key factor for achieving success in tourism and hospitality establishments, which reflects positively on the whole Egyptian tourism industry.

The core problem of this study emerges from the claim that there is a lack of effective evaluation of the strategic performance in some tourism and hospitality establishments.

The importance of this study focuses on how strategic performance is evaluated in tourism and hospitality establishments in Egypt 'applied on Alexandria city'.

The study aims at clarifying the concept of strategic performance and identifying to what extent strategic performance is evaluated in tourism and hospitality establishments in Egypt; applied on random samples of (11) four and five-star hotels and (42) travel agencies 'category A' in Alexandria city in Egypt. The study also aims at shedding light on obstacles facing the effective implementation of strategic performance in these vital establishments of the Egyptian tourism

sector, and gives a set of suggesting and recommendations concerning the evaluation process of strategic performance in these establishments.

Limitations of the study are divided into:

- a- Time limitations, which depended on addressing questionnaire forms to managers of (11) four and five-star hotels and managers of (42) travel agencies 'category A' in Alexandria; from October to December, 2018.
- b- Place limitations, which depended on carrying out the field study in Alexandria city in Egypt.

Literature Review

Strategic Performance and Other Related Terminologies:

The concept of strategic performance has gone through different phases and there were some concepts that led to its emergence, which seem to be slightly similar to it, as indicated in the following points:

- a- Strategy: this term was first coined by the Greeks, who linked it to military issues, and derived it from the Greek work; *strategos*, which means a plan for destroying enemies through the effective use of resources (Minardes, *et al.*, 2014). In the modern age, the concept of strategy was discussed by different researchers *e.g.* in 1962 it was defined as the process of accomplishing the basic objectives of a company, and in 1982 it was defined as a plan including some necessary policies for achieving the desired goals (Obiedat, 2013). In 1987, Henry Mintzberg put five different definitions for the strategy, which are strategy as a plan *i.e.* a plan for achieving a set of objectives, strategy as a ploy *i.e.* strategy takes the best of competitors through plotting them, strategy as a pattern *i.e.* strategy emerges from past organisational behaviours, strategy as a position *i.e.* strategy is the organisation's way to have a position in the marketplace and to develop a sustainable competitive advantage, and finally strategy as a perspective, when strategy depends on the organisation's ideology and theory of work (Mintzberg, 1987; Hammad, 2017).
- b- Strategic Thinking: it is the process of imagining, identifying and understanding possible and plausible future alternatives for the organisation, as well as using the gained knowledge to strengthen thinking about the potential options to position the organisation effectively in the external environment in the future (Conway, 2014).
- c- Strategic Objectives: they are one of the ways, which aid the organisation in achieving both of its vision and mission, once they are determined and finalised (Singh, 2017).
- d- Strategic Planning: it is continuously a changing portfolio of projects evolving towards completion (Brinkschröder, 2014). It is also a part of strategic management and one of the principal and key management tools, as it captures the needed tasks and processes to develop a strategy for the organisation's future (Berzins, 2011). The failure of strategy even after extensive planning or the inability of many organisations to read signals of change in the external environment suggest that there is something wrong or missing from the existing planning models (Brinkschröder, 2014; Conway, 2014).
- e- Strategic Management: it is the management that monitors and evaluates external opportunities and threats in light of organisation's strength and weaknesses. This is done through taking a set of managerial decisions and actions that determines the organisation's long-term performance, including an external and internal environmental scanning, as well as the strategy's formulation, implementation, evaluation and control (Wheelen and Hunger, 2012).

- f- Strategic intent: it is an ambitious and compelling attempt that provides emotional and intellectual energy for the future and the lasting process over time, which captures the essence of winning, sets goals that require personal commitment, and establishes the criterion that organisations can depend on to achieve its progress (Mburu and Thuo, 2015).
- g- Strategic Evaluation: it is the step, which a business needs to measure, whether or not strategic management, strategies and plans are able to achieve business objectives, according to the business's mission and vision (Lohrey, 2018).
- h- Strategic Performance: it is all measurements that help in assessing the organisation's ability in linking its present to its future, and evaluating its ability to exploit its human and financial resources for achieving the desired goals. This depends on evaluating the financial performance, the operational performance and competitive performance (Dalain, 2017).

Figure 1: Strategic Performance



Strategic Performance Evaluation

Performance means competitiveness, achievement, success, action and continuous effort through optimising the present and protecting the future. The performance concept was analysed in time, being directly influenced by its criteria of evaluation (Avram and Luminita, 2013), and was determined as a successful outcome of an action (Dobrin *et al.*, 2012). In today's competitive environment, many factors have greatly influenced on the business environment *e.g.* technology, innovation and globalisation, and in order to face a series of challenges, organisations need to shape their core competencies and sustain their competitive advantage. Definitely, strategy and organization's performance have become a top priority of leaders and more serious issues than they have been in the past to attain organisational goals (Zia-ud-in, *et al.*, 2017). Therefore, strategic performance became applicable to organisations regardless of their size or type of business, as it depends on methods that aim at facilitating the development and the continuous review of an organisation's strategy. Moreover, it helps in providing a method of co-ordinating the organisation's business activities with that strategy and allows the organisation to monitor its performance according to its strategic objectives and direction (Saad, 2001; Dalain, 2017). Most organisations already apply various forms of performance systems *e.g.* KPI; Key Performance Indicators (Saad, 2001). When it comes to key performance indicators, it must be determined which performance indicators are important to a particular organisation *i.e.* which indicators are suitable for the organisation to manage its business. Therefore, many organisations tend to receive financial performance indicators, by depending on communicating strategies *e.g.* maximising customer experience, or attracting and retaining the best and the most ingenious people. The right choice of KPIs enables the organisation to assess progress and test its strategies by measuring the degree in which the organisation operates. So, for instance, a company in the retail industry might use sales per square foot and customer satisfaction as key performance indicators, whereas other companies might choose measures for exploring success *e.g.* the value. Thus, the choice of KPIs should be relevant to that particular business and the management should explain their choice of KPIs in the context of the implemented strategies and objectives

(Elwin and Hirst, 2007). Hence, the organisation can determine its performance indicators to evaluate its strategic performance and the proper function of work through measuring some dimensions of the overall business performance, which are a. the quality of the offered product or service, b. the flexibility of the organisation to perform multiple tasks at the given level of resources, c. the time of executing the organisation's tasks for gaining a competitive advantage over its competitors, c. safety of performing organisational tasks in comparison with accidents' rates and employees' physical risks at the place of work, d. cost measures through relating the internal performance measures to the external ones by relying on costs for performing the required tasks, e. employees satisfaction, which measures if employees are satisfied with the organisation's internal policy or not, g. learning and growth, which gives the organisation a competitive advantage over its competitors by providing it with new technological advancement, and h. customer satisfaction, which reflects whether the organisation's customers are satisfied with its outputs or not (Bhatti *et al.*, 2013). Therefore, strategic performance evaluation can create a common language for the organisation's various parts for an effective interaction (Chandrashekhar, 2017).

Importance of Strategic Performance Evaluation Systems

Modern strategic performance systems are important to guarantee the organisation's success and achieve the desired goals, because they are meant to a. make everyone completely responsible for the organisation's performance, b. encourage completely the transparent reporting, c. recognise and build on what already exists, d. facilitate the ongoing development of the organisation's strategy, e. provide an accurate technique for implementing that strategy, f. provide a clear approach that aligns all of the organisation's activities with the organisation's strategy, g. develop conceptual measures, and h. encourage and promote the continuous improvement through a detailed observation of the organisation's performance (Saad, 2001).

Key Elements for Strategic Performance Evaluation

The evaluation process of strategic performance depends basically on four key elements, which are: a. creating a clear line of sight that links and integrates all the organisation's levels for aligning strategic objectives to day-to-day operational objectives and evaluating the entire progress towards the organisation's vision and strategic goals, b. implementing the balanced scorecard, which measures both of financial and non-financial aspects of the business by capturing measures of performance against four dimensions, which are finance, customer, internal business or operations, and innovation towards growth, c. making performance measurement easy and a part of daily life by presenting senior executives with weekly, monthly, and quarterly reports that focus on metrics that matter, which executives can review; and d. providing a method for the senior leadership to test and validate organisational changes and strategic business decisions (Chandrashekhar, 2017). Effectiveness of the strategic performance evaluation system is determined by several factors, including some main drivers, which are the criteria used in the evaluation, the priority level or weight of each criterion, the process utilised in performing the evaluation and determining who is conducting the evaluation and how it is done. Hence, the evaluation system should be able to realise three main conditions, which are a. measuring both of the strategic and operating control systems to identify whether the organisation's strategy is implemented as planned and whether it succeeded in attaining the desired goals, b. directing management to improve or reengineer the process that add the most important value to the business and c. transforming the strategy into actions at the

lower levels by linking the financial budgets with the strategic goals in the planning phase and then communicating both corporate objectives to employees in the implementation phase (Saad, 2001). There are many forms and models for the strategic performance evaluation that establishments and organisations do apply. The Tableau de Bord model is one of the models applied in the strategic performance evaluation in hotels. This model was first used in France by focusing on improving production performance through a deeper understanding of production systems and processes. Accordingly, plenty of managers depended on that model in order to get a perspective on their business in a clear and precise way for taking the right decisions (Nunes, 2014). On the other hand, some establishments apply the CIPP model, which stands for context, input, process and product. This model which was first adopted in the United States of America and afterwards it has been transferred to many countries around the world. It was applied in various sectors and service areas for having a precise evaluation of personnel and products as well as the included projects, programmes, and systems. The CIPP model is a decision-oriented evaluation approach, which aims at taking good decisions through delineating, gathering, and providing important and relevant data and information concerning the organisation. It also depends on some forms of evaluation for taking the right organisational decisions *e.g.* a. context evaluation for decisions' planning, b. input evaluation for decisions' structuring, and c. process evaluation for decisions' implementation (Quezada, 2005).

Challenges facing the strategic performance evaluation

According to (Brinkschröder, 2014; Kaguri *et al.*, 2014; Leskaj, 2017), there are some challenges that can hinder the process of strategic performance evaluation, as indicated in the following points:

- a- The inability of linking the organisation's strategic planning efforts to other critical decision making processes.
- b- The vague strategy, the inflexible strategy and the lack of strategic consensus can hinder the smooth running of work.
- c- The unclear or pale organisational values, which can result in an inappropriate behaviour of employees, in accordance with the organisation's mission.
- d- The weak involvement of the organisation's members in the strategic planning stages, which can reduce their motivation during the implementation of strategy.
- e- The inadequate financial resources, which can prevent organisations from carrying out their tasks effectively.

When it comes to KPIs, some challenges can also emerge, as indicated in the following points (CITO Research; Popa, 2015):

- a- Problems with data; KPIs require gathering data together from different sources. So, if there is inability of implementing KPIs that reflect the real world, this will result in a poor evaluation of the strategic performance.
- b- Problems with consistency; consistency is important when utilising KPIs, as everyone across the organisation must measure the same items in the same way; otherwise the dialogue centres on the validity of data rather than what it means. Therefore, if systems represent data in different ways or do not capture it consistently, inconsistencies can be created.
- c- Problems with KPI tools, a number of tools on the market are designed to help with KPI creation. Some of these tools require an information technology support. Therefore, implementing a platform that offers a KPI that allow users to understand how the organisation operates and identify appropriate actions to take, is a key factor for assessing the

organisation's strategic performance. If the implemented KPIs are irrelevant, confusion and overloaded data can be created, which affects negatively on the performance.

Methodology

Considering the importance of the human factor in tourism and hospitality establishments, this study depended on utilising a mixed methodology through incorporating both of primary and secondary data. The secondary sources were discussed above and included Arabic and English books, periodicals, theses, dissertations and reports concerning the subject of study. The primary data were gathered and presented after distributing a questionnaire form addressed to managers of a random sample of (11) four and five-star hotels in Alexandria out of a total number of (16) hotels; representing 69% (Egyptian Hotels Association, 2016). On the other side, the primary data also depended on distributing a questionnaire form addressed to managers of a random sample of (42) travel agencies 'category A' in Alexandria out of a total number of 80 travel agencies 'category A'; representing 53% (Egyptian Chamber of Tourism Establishments, 2017). Because of the importance of Alexandria as a key tourism destination and the wide range of tourism and hospitality establishments it has (Twigger, 2016), it was chosen to be the place for carrying out the field study. The questionnaire forms consisted of three sections. The first section was designed to obtain demographic data of managers. This section included two questions, which intended to reveal data such as gender and years of experience. The second section was designed to obtain general data for measuring the acquaintance with strategic performance evaluation in the mentioned tourism and hospitality establishments. The second section included seven questions aimed to identify the strategic performance and its levels of implementation, identify if the mentioned establishments have separate departments for strategic management, identify the organisational goals and the applied strategies in these establishments, evaluate the current performance in the mentioned establishments and finally identify the system of strategic performance evaluation. The third section was designed by posing five-point Likert-type scale questions; "strongly agree = 5, agree =4, neutral = 3, disagree = 2 and strongly disagree = 1" in order to determine levels of agreement with the investigated statements as well as identify managers' perception towards strategic performance evaluation and the level of its practices. The range of each level of agreement was calculated as follow:

$$5 - 1 / 5 = 0.8$$

- Strongly disagree = from 1 to 1.80
- Disagree = 1.81 to 2.60
- Neutral = from 2.61 to 3.40
- Agree = from 3.41 to 4.20
- Strongly agree = from 4.21 to 5

A pre-test was carried out to test wording, layout and completion time. After the forms had been adjusted, they were eventually carried out in three months; from October to December, 2018. Results from the valid questionnaire forms were statistically analysed by using the SPSS programme version 22. The analysed data helped in revealing some important facts concerning the subject of study. They were presented in tables and graphically illustrated whenever needed.

Results and Discussion

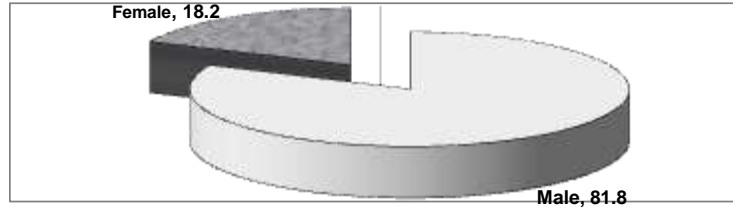
Hotels' Questionnaire Analysis:

Section One:

Question No. 1 Gender:

The purpose of this question is to know the percentage of employees' gender working in the hotels sector as illustrated in figure (2). With regard to gender, the data state that males are more than females; as 81.8% of all respondents were males (no. 9) in comparison with only 1.2% females. There was highly statistical significant difference amongst the gender type ($P < 0.001$).

Figure 2: The Gender of Respondents



Question No. 2 Years of Experience:

The aim of this question is to identify managers' working experience in the hotels' field. The data presented in table (1) show that the majority of managers' years of working experience are from 5 to 10 years. The managers' years of experience that is more than 10 to 15 year represents 27.3% of all respondents, whereas 18.2% of them have a working experience that is less than 5 years and more than 15 years.

Table 1: Managers' Work Experience

Attributes	Frequency	Percent
Less than 5 years	2	18.2
More than 5 to 10 years	4	36.4
More than 10 to 15 years	3	27.3
More than 15 years	2	18.2
<i>Total</i>	<i>11</i>	<i>100</i>

Section Two

Question No. 1 Managers' Acquaintance with the Strategic Performance Evaluation:

The aim of this question was to identify the level of manager's acquaintance with the concept of strategic performance evaluation. As indicated in table (2), the majority of managers answered 'to some extent' representing 63.6%. This means that the majority of managers have a little information regarding the process of strategic performance evaluation. Only 27.3% have information about strategic performance evaluation, whereas 9.1% have no idea about that concept.

Table 2: Managers' Acquaintance with the Strategic Performance Evaluation

Attributes	Frequency	Percent
Yes	3	27.3
To some extent	7	63.6
No	1	9.1
<i>Total</i>	<i>11</i>	<i>100</i>

Question No. 2 Implementation of Strategic Performance Evaluation:

The purpose of this question is to determine whether the investigated hotels have a strategic performance evaluation system in all time or not. As indicated in table (3), all managers do implement the strategic performance evaluation. Answers regarding this question also showed that the majority of managers often representing 36.4% do implement the strategic performance evaluation, whereas the same percent of them representing 36.4% sometimes implement the

strategic performance evaluation. On the other side, 18.2% of managers always do implement the strategic performance evaluation and 9.1% of them rarely implement it.

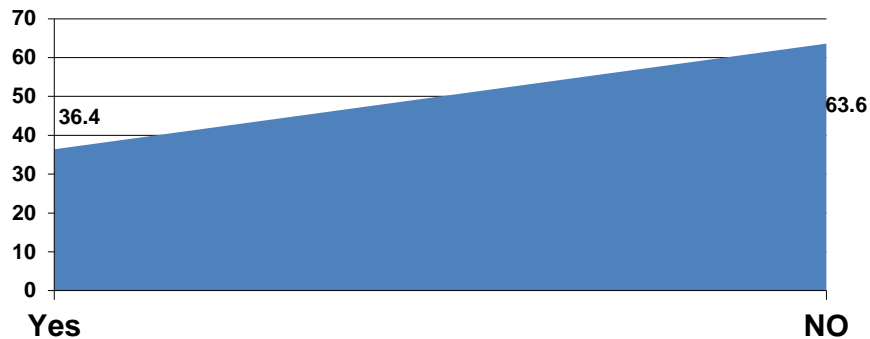
Table 3: Implementation of Strategic Performance Evaluation

Attributes	Frequency	Percent
Always	2	18.2
Often	4	36.4
Sometimes	4	36.4
Rarely	1	9.1
Never	0	0
Total	11	100

Question No. 3 The Availability of a Separate Department for Strategic Management and Strategic Performance Evaluation:

The purpose of this question is to determine whether the investigated hotels have a separate department for strategic management and strategic performance evaluation or not. Figure (3) illustrates the managers' answers regarding this question. It is clearly noticed that only 36.4% (no.4) of hotels have a separate department for strategic management and strategic performance evaluation, whereas the majority of them representing 63.6% (no. 7) do not have.

Figure 3: The Availability of a Separate Department for Strategic Management and Strategic Performance Evaluation



Question No. 4 Methods for Achieving Goals:

This question was designed to identify the method that hotels use to achieve their goals. Table (4) clearly demonstrates that the majority of hotels focus on the needs of customers, whilst 81.8% focus on the employees' needs and only 18.2% focus on the community needs.

Table 4: Methods for Achieving the Establishment Goals

Attributes	Response				Total
	Yes		No		
	Freq.	%	Freq.	%	
Customers' needs	11	100	0	0	11
Employees' needs	9	81.8	2	18.2	11
Community needs	2	18.2	9	81.8	11

Question No. 5 The Focus of Hotels' Strategies:

This question was designed to explore the focus of strategies that hotels implement to achieve their goals. As illustrated in table (5), the majority of hotels, representing 72.7% focus on the customers' satisfaction and the quality representing 72.7% for each one of them, followed by the focus on the innovation representing 45.5%, followed by the focus on employees' satisfaction and the cost representing 36.4 for each one of them, and finally come the focus on the hotel's growth and expansion representing 9.1%.

Table 5: The Focus of Travel Agencies' Strategies

Attributes	Response				Total
	Yes		No		
	Freq.	%	Freq.	%	
Customers' satisfaction	8	72.7	3	27.3	11
Employees' satisfaction	4	36.4	7	63.6	11
Quality	8	72.7	3	27.3	11
Cost	4	36.4	7	63.6	11
Innovation	5	45.5	6	54.5	11
Growth and expansion	1	9.1	10	90.9	11

Question No. 6 Measures of Hotels' Performance:

This question is designed to identify the measures that hotels apply to evaluate their performance. As indicated in table (6), all hotels evaluate their performance by making a performance comparison. The majority of hotels representing 54.5% from the total sample evaluate their performance by comparing it with their pervious performance, whereas evaluating the performance regarding the performance of the other competitive hotels represents 45.5%.

Table 6: Measures of Travel Agencies' Performance

Attributes	Frequency	Percent
The previous performance	6	54.5
The competitive hotels' performance	5	45.5
There is no any comparison	0	0
Others	0	0
Total	11	100

Question No. 7 The Applied Systems for Evaluating the Strategic Performance:

This question is designed to explore the applied systems for evaluating the strategic performance. Table (7) illustrates that all hotels evaluate their performance, but no one of them depends only on the external evaluation. On the other side, 45.5% of them depend on the internal evaluation of their performance as a key performance indicator, whereas 54.5% of them evaluate their performance by depending on both of external and internal evaluation.

Table 7: The Applied System for Evaluating the Strategic Performance

Attributes	Frequency	Percent
Internal evaluation	5	45.5
External evaluation	0	0
Both of internal and external	6	54.5
Performance is not	0	0

evaluated		
<i>Total</i>	<i>11</i>	<i>100</i>

Section Three:

Table 8: Managers' Perceptions towards Strategic Performance Evaluation and the Level of its Practices

No.	Attributes		Responds					Mean	Standard Deviation
			1	2	3	4	5		
1	The hotel has a written and approved strategy	Freq.		3	1	6	1	3.45	1.03
		%		27.3	9.1	54.6	9.1		
2	The senior management is convinced with the importance of business strategies in the hotel	Freq.		1	1	6	3	4.00	0.89
		%		9.1	9.1	54.5	27.3		
3	The hotel has a clear written mission and vision	Freq.		1	1	4	5	4.18	0.98
		%		9.1	9.1	36.4	45.5		
4	The hotel has clear specific and measurable strategic goals	Freq.		1	4	4	2	3.64	0.92
		%		9.1	36.4	36.4	18.2		
5	The hotel has training programmes for strategic thinking	Freq.		3	5	2	1	3.09	0.94
		%		27.3	45.5	18.2	9.1		
6	The hotel has an incentive system for employees linked with the achieved strategic goals	Freq.		3	4	3	1	3.18	0.98
		%		27.3	36.4	27.3	9.1		
7	There is a co-operation amongst managements for carrying out strategies	Freq.			6	5		3.45	0.52
		%			54.5	45.5			
8	Strategic planning is only confined to the senior management of the hotel	Freq.	1	4	1	5		2.91	1.13
		%	9.1	36.4	9.1	45.5			
9	The senior management presents strategic plans to all managements before approving it	Freq.	2	3	5	1		3.45	0.93
		%	18.2	27.3	45.5	9.1			
10	The hotel includes skilled and qualified employees who have acquaintance with strategies	Freq.		3	1	4	3	3.64	1.20
		%		27.3	9.1	36.4	27.3		
11	The hotel seeks out specialists in the field of strategies.	Freq.	1	3	5	2		2.73	0.90
		%	9.1	27.3	45.5	18.2			

12	The hotel's culture encourages the implementation of strategies	Freq.	2		5	4		3.00	1.09
		%	18.2		45.5	36.4			
13	The organisational structure can be adjusted to fit the new strategies	Freq.		4		5	2	3.45	1.21
		%		36.4		45.5	18.2		
14	The hotel has an effective system for the management information	Freq.			2	5	4	4.18	0.75
		%			18.2	45.5	36.4		
15	The hotel has a department for gathering the environmental data and carrying out the environmental analysis	Freq.		2	3	3	3	3.64	1.12
		%		18.2	27.3	27.3	27.3		
16	The hotel has key performance indicators.	Freq.	1	2	1	4	3	3.55	1.36
		%	9.1	18.2	9.1	36.4	27.3		
17	The hotel has clear criteria for the strategic evaluation.	Freq.		3	2	5	1	3.36	1.02
		%		27.3	18.2	45.5	9.1		
18	The hotel has a regulatory system to make sure that all activities are operated in accordance with the existed plans	Freq.		2	4	5		3.27	0.78
		%		18.2	36.4	45.5			
19	The hotel benefits form the results of the strategic evaluation that is carried out in the establishment <i>i.e.</i> feedback	Freq.		3		6	2	3.64	1.12
		%		27.3		54.5	18.2		
20	There is a coordination between annual goals and strategic goals for implementing the strategy	Freq.		2	6		3	3.36	1.12
		%		18.2	54.5		27.3		
21	The current and future financial, human, organisational and technical potentials are studied when there is a need to make a strategic planning	Freq.	1		5	4	1	3.36	1.02
		%	9.1		45.5	36.4	9.1		
22	The hotel depends on the existed plan for accomplishing its tasks	Freq.		2	4	5		3.27	0.78
		%		18.2	36.4	45.5			
23	The hotel's senior management has suitable	Freq.		2	4	4	1	3.36	0.92
		%		18.2	36.4	36.4	9.1		

	strategic alternatives for carrying out strategies								
24	There is a flexibility in strategies in response to internal and external variables	Freq.		5	5	1	3.64	0.67	
		%		45.5	45.5	9.1			
25	The strategic performance evaluation is an urgent need of a positive impact on the establishment's performance	Freq.		2	5	4	4.18	0.75	
		%		18.2	45.5	36.4			
Average							3.48	0.89	

The previous table (8) revealed some important facts concerning the managers' perception towards strategic performance evaluation and the level of its practices, as indicated in the following points:

- Regarding "the hotel has a written and approved strategy", the majority of respondents agreed on that; representing a mean of 3.45.
- Regarding "the senior management is convinced with the importance of business strategies in the hotel", the majority of respondents agreed on that representing; a mean of 4.00.
- Regarding "the hotel has a clear written mission and vision", the majority of respondents agreed on that; representing a mean of 4.18.
- Regarding "the hotel has clear specific and measurable strategic goals", the majority of respondents agreed on that; representing a mean of 3.64.
- Regarding "the hotel has training programmes for strategic thinking", the majority of respondents were neutral; representing a mean of 3.09.
- Regarding "the hotel has an incentive system for employees linked with the achieved strategic goals", the majority of respondents were neutral; representing a mean of 3.18.
- Regarding "there is a co-operation amongst managements for carrying out strategies", the majority of respondents agreed on that; representing a mean of 3.45.
- Regarding "strategic planning is only confined to the senior management of the hotel" the majority of respondents were neutral; representing a mean of 2.91.
- Regarding "the senior management presents strategic plans to all managements before approving it, the majority of respondents agreed on that; representing a mean of 3.45.
- Regarding "the hotel includes skilled and qualified employees who have acquaintance with strategies", the majority of respondents agreed on that; representing a mean of 3.64.
- Regarding "the hotel seeks out specialists in the field of strategies", the majority of respondents were neutral; representing a mean of 2.73.
- Regarding "the hotel's culture encourages the implementation of strategies", the majority of respondents were neutral; representing a mean of 3.00.
- Regarding "the organisational structure can be adjusted to fit the new strategies", the majority of respondents agreed on that; representing a mean of 3.45.
- Regarding "the hotel has an effective system for the management information", the majority of respondents agreed on that; representing a mean of 4.18.
- Regarding "the hotel has an effective system for the management information", the majority of respondents agreed on that; representing a mean of 4.18.

- Regarding "the hotel has a department for gathering the environmental data and carrying out the environmental analysis", the majority of respondents agreed on that; representing a mean of 3.64.
 - Regarding "the hotel has key performance indicators", the majority of respondents agreed on that; representing a mean of 3.55.
 - Regarding "the hotel has clear criteria for the strategic evaluation", the majority of respondents were neutral; representing a mean of 3.36.
 - Regarding "the hotel has a regulatory system to make sure that all activities are operated in accordance with the existed plans", the majority of respondents were neutral; representing a mean of 3.27.
 - Regarding "the hotel benefits form the results of the strategic evaluation that is carried out in the establishment *i.e.* feedback", the majority of respondents agreed on that; representing a mean of 3.64.
 - Regarding "there is a coordination between annual goals and the strategic goals for implementing the strategy", the majority of respondents were neutral; representing a mean of 3.36.
 - Regarding "the current and future financial, human, organisational and technical potentials are studied when there is a need to make a strategic planning", the majority of respondents were neutral; representing a mean of 3.36.
 - Regarding "the hotel depends on the existed plan for accomplishing its tasks", the majority of respondents were neutral; representing a mean of 3.27.
 - Regarding "the hotel's senior management has suitable strategic alternatives for carrying out strategies", the majority of respondents were neutral; representing a mean of 3.36.
 - Regarding "there is a flexibility in strategies in response to internal and external variables", the majority of respondents agreed on that; representing a mean of 3.64.
 - Regarding "the strategic performance evaluation is an urgent need of a positive impact on the hotel's performance", the majority of respondents agreed on that; representing a mean of 4.18.
- Therefore, there was a general agreement on managers' perception towards strategic performance evaluation and the level of its practices; representing a mean of 3.48.

Travel Agencies' Questionnaire Analysis

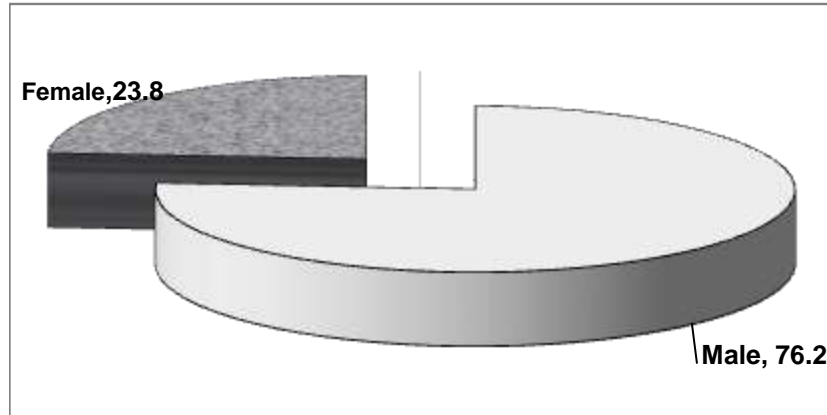
Section One:

Question No. 1 Gender:

The purpose of this question is to know the percentage of employees' gender working in the travel agencies 'category A', as illustrated in figure (4).

With regard to gender, the data state that males are more than females, representing 76.2% to 23.8% females. There was highly statistical significant difference amongst the gender types ($P < 0.001$).

Figure 4: The Gender of Respondents



Question No. 2 Years of Experience:

The aim of this question is to identify the managers' working experience in the travel agencies. The data presented in table (9) show that the majority of managers' years of working experience are from 10 to 15 years. The managers' years of experience that is more than 5 to 10 year represents 35.7% of all respondents, whereas 0% of them have work experience that is less than 5 years and more than 15 years.

Table 9: Managers' Work Experience

Attributes	Frequency	Percent
Less than 5 years	0	0
More than 5 to 10 years	15	35.7
More than 10 to 15 years	27	64.3
More than 15 years	0	0
Total	42	100

Section Two

Question No. 1: Managers' Acquaintance with the Strategic Performance Evaluation:

The aim of this question was to identify the level of the manager's acquaintance with the concept of strategic performance evaluation. As indicated in table (10), the majority of managers have no acquaintance with the strategic performance evaluation representing 71.4% of respondents, whereas only 11.9% of them know what is meant by the strategic performance evaluation and 16.7% have a little information regarding the strategic performance evaluation.

Table 10: Managers' Acquaintance with the Strategic Performance Evaluation

Attributes	Frequency	Percentage
Yes	5	11.9
To some extent	7	16.7
No	30	71.4
Total	42	100

Question No. 2: Implementation of Strategic Performance Evaluation:

The purpose of this question is to determine whether the investigated travel agencies have a strategic performance evaluation system in all time or not. As indicated in table (11), the answers regarding this question showed that all of managers do implement the strategic performance

evaluation. Only 11.9% of them always do implement the strategic performance evaluation, whereas 69% of them often do implement it. The table also illustrates that 19% of managers sometimes implement the strategic performance.

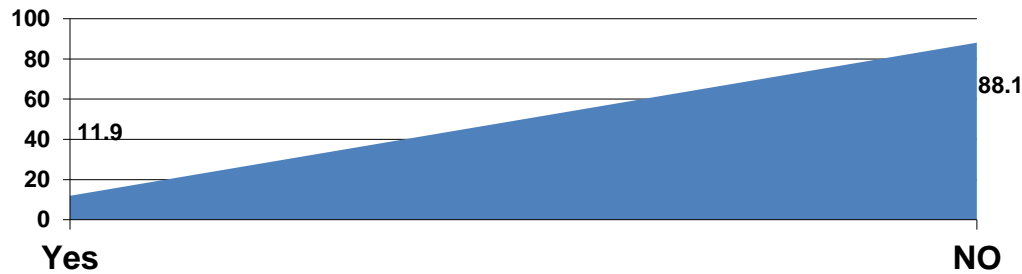
Table 11: Implementation of Strategic Performance Evaluation

Attributes	Frequency	Percent
Always	5	11.9
Often	29	69
Sometimes	8	19
Rarely	0	0
Never	0	0
Total	42	100

Question No. 3: The Availability of a Separate Department for Strategic Management and Strategic Performance Evaluation:

The purpose of this question is to determine whether the investigated travel agencies have a separate department for strategic management and strategic performance evaluation or not. Figure (5) illustrates the interviewees' answers regarding this question. It is clearly noticed that only 11.9% (no.5) of travel agencies have a separate department for strategic management and strategic performance evaluation, whereas the majority of them representing 88.1% (no. 37) do not have.

Figure 5: The Availability of a Separate Department for Strategic Management and Strategic Performance Evaluation



Question No. 4 Methods for Achieving Goals:

This question was designed to identify the method that the travel agencies focus on to achieve their goals. Table (12) clearly demonstrates that the majority of travel agencies; representing 81% focus on the needs of customers, whilst 14.3% focus on the community needs and only 4.8% focus on the needs of their employees.

Table 12: Methods for Achieving the Establishment Goals

Attributes	Response				Total
	Yes		No		
	Freq.	%	Freq.	%	
Customers' needs	34	81	8	19	42
Employees' needs	2	4.8	40	95.2	42
Community needs	6	14.3	36	85.7	42

Question No. 5 The Focus of Travel Agencies' Strategies:

This question was designed to explore the focus of strategies that travel agencies implement to achieve their goals. As illustrated in table (13), the majority of travel agencies, representing

45.2% focus on the customers' satisfaction, then comes the focus on the company's growth and expansion; representing 23.8%, followed by the focus on the cost of the services provided, followed by the focus on the quality of the services provided, followed by the focus on the innovation in the travel agency services, and finally comes the focus on the employees' satisfaction.

Table 13: The Focus of Travel Agencies' Strategies

Attributes	Response				Total
	Yes		No		
	Freq.	%	Freq.	%	
Customers' satisfaction	19	45.2	23	54.8	42
Employees' satisfaction	0	0	42	100	42
Quality	3	7.1	39	92.9	42
Cost	8	19	34	81	42
Innovation	2	4.8	40	95.2	42
<i>Growth and expansion</i>	10	23.8	32	76.2	42

Question No. 6 Measures of Travel Agencies' Performance:

This question is designed to identify the measures that travel agencies apply to evaluate their performance. As indicated in table (14), all travel agencies evaluate their performance by making a performance comparison. The majority of travel agencies representing 52.4% from the total sample evaluate their performance by comparing it with their pervious performance, whilst evaluating the performance regarding the performance of other competitive travel agencies represents 47.6%.

Table 14: Measures of Travel Agencies' Performance

Attributes	Frequency	Percent
The previous performance	22	52.4
The competitive travel agencies' performance	20	47.6
There is no any comparison	0	0
Others	0	0
<i>Total</i>	42	100

Question No. 7 The Applied System for Evaluating the Strategic Performance:

This question is designed to explore the applied systems for evaluating the strategic performance. Table (15) also illustrates that all travel agencies do evaluate their performance. The majority of them representing 61.9% depend on the internal evaluation of their performance as a key performance indicator, whilst 16.7% depend on the external evaluation and 21.4% depend on both internal and external evaluation.

Table 15: The Applied System for Evaluating the Strategic Performance

Attributes	Frequency	Percent
Internal evaluation	26	61.9
External evaluation	7	16.7
Both of internal and external	9	21.4
Performance is not evaluated	0	0
<i>Total</i>	42	100

Section Three:

Table 16: Managers' Perceptions toward Strategic Performance Evaluation and the Level of its Practices

No.	Attributes		Responds					Mean	S.D
			1	2	3	4	5		
1	The travel agency has a written and approved strategy.	Freq.		37		5		2.24	0.65
		%		88.1		11.9			
2	The senior management is convinced with the importance of business strategies in the travel agency	Freq.				42		4.00	0.00
		%				100			
3	The travel agency has a clear written mission and vision	Freq.				42		4.00	0.00
		%				100			
4	The travel agency has clear specific and measurable strategic goals	Freq.		10	27	5		2.88	0.59
		%		23.8	64.3	11.9			
5	The travel agency has training programmes for strategic thinking	Freq.			37	5		3.12	0.32
		%			88.1	11.9			
6	The travel agency has an incentive system for employees linked with the achieved strategic goals	Freq.		8	28	6		3.83	0.37
		%		19.0	66.7	14.3			
7	There is a co-operation among managements for carrying out strategies	Freq.		8	28	6		2.95	0.58
		%		19.0	66.7	14.3			
8	Strategic planning is only confined to the senior management of the travel agency	Freq.			31	11		3.26	0.44
		%			73.8	26.2			
9	The senior management presents the strategic plans to other managements before approving it	Freq.			37	5		3.12	0.32
		%			88.1	11.9			
10	The travel agency includes skilled and qualified employees who have acquaintance with strategies	Freq.			34	7	1	3.21	0.47
		%			81.0	16.7	2.4		
11	The travel agency seeks out specialists in the field of strategies.	Freq.			31	11		3.26	0.44
		%			73.8	26.2			
12	The travel agency's culture	Freq.		1	41			2.98	0.15

	encourages the implementation of strategies	%		2.4	97.6				
13	The organisational structure can be adjusted to fit the new strategies	Freq.		3	34	5		3.05	0.43
		%		7.1	81.0	11.9			
14	The travel agency has an effective system for the management information	Freq.		1	2	39		3.90	0.37
		%		2.4	4.8	92.9			
15	The travel agency has a department for gathering the environmental data and carrying out the environmental analysis	Freq.			33	9		3.21	0.41
		%			78.6	21.4			
16	The travel agency has key performance indicators.	Freq.			2	40		3.95	0.21
		%			4.8	95.2			
17	The travel agency has clear criteria for the strategic evaluation.	Freq.			37	5		3.12	0.32
		%			88.1	11.9			
18	The travel agency has a regulatory system to make sure that all activities are operated in accordance with the existed plans	Freq.		3	33	6		3.07	0.46
		%		7.1	78.6	14.3			
19	The travel agency benefits form the results of the strategic evaluation that is carried out in the establishment <i>i.e.</i> feedback	Freq.		3	34	5		3.05	0.43
		%		7.1	81.0	11.9			
20	There is a coordination between annual goals and strategic goals for implementing the strategy	Freq.			33	6	3	3.29	0.59
		%			78.6	14.3	7.1		
21	The current and future financial, human, organisational and technical potentials are studied when there is a need to make a strategic planning	Freq.			36	6		3.14	0.35
		%			85.7	14.3			
22	The travel agency depends on the existed plan for accomplishing its tasks	Freq.			34	6	2	3.24	0.53
		%			81.0	14.3	4.8		
23	The travel agency's senior management has suitable strategic alternatives for carrying out strategies	Freq.			32	6	4	3.33	0.65
		%			76.2	14.3	9.5		

24	There is a flexibility in strategies in response to internal and external variables	Freq.			33	5	4	3.31	0.64
		%			78.6	11.9	9.5		
25	The strategic performance evaluation is an urgent need of a positive impact on the establishment's performance	Freq.			34	6	2	3.24	0.53
		%			81.0	14.3	4.8		
Average								3.27	0.34

The previous table (16) revealed some important facts concerning the managers' perception towards strategic performance evaluation and the level of its practices, as indicated in the following points:

- Regarding "the travel agency has a written and approved strategy", the majority of respondents disagreed on that; representing a mean of 2.24.
- Regarding "the senior management is convinced with the importance of business strategies in the travel agency", the majority of respondents agreed on that; representing a mean of 4.00.
- Regarding "the travel agency has a clear written mission and vision", the majority of respondents agreed on that; representing a mean of 4.00.
- Regarding "the travel agency has clear specific and measurable strategic goals", the majority of respondents were neutral; representing a mean of 2.88.
- Regarding "the travel agency has training programmes for strategic thinking", the majority of respondents were neutral; representing a mean of 3.12.
- Regarding "the travel agency has an incentive system for employees linked with the achieved strategic goals", the majority of respondents agreed on that; representing a mean of 3.83.
- Regarding "there is a co-operation amongst managements for carrying out strategies", the majority of respondents were neutral; representing a mean of 2.95.
- Regarding "strategic planning is only confined to the senior management of the travel agency" the majority of respondents agreed on that; representing a mean of 3.26.
- Regarding "the senior management presents the strategic plans to other managements before approving it, the majority of respondents were neutral; representing a mean of 3.12.
- Regarding "the travel agency includes skilled and qualified employees who have acquaintance with strategies", the majority of respondents were neutral; representing a mean of 3.21.
- Regarding "the travel agency seeks out specialists in the field of strategies", the majority of respondents were neutral; representing a mean of 3.26.
- Regarding "the travel agency's culture encourages the implementation of strategies", the majority of respondents were neutral; representing a mean of 2.98.
- Regarding "the organisational structure can be adjusted to fit the new strategies", the majority of respondents were neutral; representing a mean of 3.05.
- Regarding "the travel agency has an effective system for the management information", the majority of respondents agreed on that; representing a mean of 3.90.
- Regarding "the travel agency has an effective system for the management information", the majority of respondents agreed on that; representing a mean of 4.18.
- Regarding "the travel agency has a department for gathering the environmental data and carrying out the environmental analysis", the majority of respondents were neutral; representing a mean of 3.21.

- Regarding "the travel agency has key performance indicators", the majority of respondents agreed on that; representing a mean of 3.95.
- Regarding "the travel agency has clear criteria for the strategic evaluation", the majority of respondents were neutral; representing a mean of 3.12.
- Regarding "the travel agency has a regulatory system to make sure that all activities are operated in accordance with the existed plans", the majority of respondents were neutral; representing a mean of 3.07.
- Regarding "the travel agency benefits from the results of the strategic evaluation that is carried out in the establishment *i.e.* feedback", the majority of respondents were neutral; representing a mean of 3.05.
- Regarding "there is a coordination between annual goals and strategic goals for implementing the strategy", the majority of respondents were neutral; representing a mean of 3.29.
- Regarding "the current and future financial, human, organisational and technical potentials are studied when there is a need to make a strategic planning", the majority of respondents were neutral; representing a mean of 3.14.
- Regarding "the travel agency depends on the existed plan for accomplishing its tasks", the majority of respondents were neutral; representing a mean of 3.24.
- Regarding "the travel agency's senior management has suitable strategic alternatives for carrying out strategies", the majority of respondents were neutral; representing a mean of 3.33.
- Regarding "there is a flexibility in strategies in response to internal and external variables", the majority of respondents were neutral; representing a mean of 3.31.
- Regarding "the strategic performance evaluation is an urgent need of a positive impact on the travel agency's performance", the majority of respondents were neutral; representing a mean of 3.24.

Therefore, the total answers on the managers' perception towards strategic performance evaluation and the level of its practices, were neutral; representing a mean of 3.27, which means that there is no perfect implementation of strategic performance evaluation in the investigated establishments.

Conclusion

This paper has presented an investigation into evaluating the strategic performance in tourism and hospitality establishments in Egypt; applied on four and five-star hotels and travel agencies 'category A' in Alexandria. It was found out that strategic performance evaluation is quite an important way for achieving the desired goals and ensuring success of establishments and organisations. Although there is an implementation of strategic performance evaluation and the existence of some kinds of its practices in the investigated hotels and travel agencies, the majority of managers do not have the enough knowledge about its precise terminology, particularly in travel agencies. Furthermore, the majority of managers either of hotels or travel agencies who have a long working experience were confused in understanding the precise meaning of the term; strategic performance evaluation. The main goal of managers in these establishments is focused on making profits through customers. The process of strategic performance evaluation is carried out without having a separate department of an obvious plan in the establishment for precisely assessing the strategic performance. Therefore, the findings validate that despite the importance that strategic performance evaluation has for establishments and organisations, there is no optimum implementation of it in the tourism and hospitality establishments in Egypt.

Recommendations Addressed to Tourism and Hotels Establishments in Alexandria City

According to the findings of the literature review and the field study, the following recommendations could be suggested:

- a- Reinforcing the concept of strategic performance evaluation starting from the senior management and ending with beginners in the establishment.
- b- Establishing an administrative department for delivering reports to the general manager concerning strategic planning, monitoring and evaluation.
- c- Conducting specific training programmes for enhancing the performance of employees as well as their practical skills.
- d- Adopting regular internal and external evaluations for ensuring the level of strategic performance.
- e- Taking part of all managements with the top management in the strategic planning process of the establishments as well as in setting goals and providing key indicator factors.
- f- Engaging consultants and experts of the strategic thinking in developing and implementing strategies of the establishment.
- g- Supporting the strategic thinking depending on the establishment's culture and paying attention to all suggestions from the different managerial levels.
- h- Considering the value of employees as an asset for the proper function of work.

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