



**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE**

DEPARTMENT OF LOGISTICS AND SUPPLIES CHAIN MANAGEMENT

Examination of Food Supply Chain Practice

In the Case of Sheraton Addis and Marriott Executive Apartments Hotel

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Statement of Declaration

I Solomon Mitiku, hereby declare that the work entitled **examination of food supply chain practice** in the case of Sheraton Addis and Marriott Executive Apartments Addis Ababa hotel is the outcome of my own effort and study and that all sources of materials used for the study have been acknowledged. I have produced it independently except for the guidance and suggestion of my research advisor Tekelegeiorgis Assefa, Asst. Prof . This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the award of Master degree in Logistics and Supplies Chain Management.

Solomon Mitiku

Date

Letter of Certification

This is to certify that Solomon Mitiku has carried out this project work on the topic **examination of food supply chain practice** in the case of Sheraton Addis and Marriott Executive Apartments Addis Ababa hotel under my supervision. This work is original and suitable for the submission in partial fulfillment of the award of Master degree in Logistics and Supplies Chain Management.

Tekelegeiorgis Assefa, Asst. Prof

Research Advisor

Date

Table of Contents

Acknowledgements	i
Acronyms and Abbreviations	ii
List of Tables	iii
Abstract.....	iv
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.2 Statement of the Problem	5
1.3 Basic Research Questions	6
1.4 Objective of the Study	6
1.4.1 General Objective	6
1.4.2 Specific Objective.....	6
1.5 Significance of the Study.....	7
1.6 Scope of the Study (Delimitation).....	7
1.7 Limitation of the Study	7
1.8-Definition of Terms.....	8
1.9 Organization of thesis	8
CHAPTER TWO: REVIEW OF RELATED LITERATURE	10
2.1 Theoretical Literature Review.....	10
2.1.1 Supply Chain Management Overview.....	10
2.1.2 Supply Chain Management Definition	11
2.1.3 Supply Chain Management Practices	13
2.1.4 Benefits of Supply Chain Management	16
2.1.4 Challenges in Supply Chain Management	18
2.2. Empirical Review.....	19
2.3 Literature Gaps	20
2.4 SCM Practices Research Framework.....	21
CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY	24
3.1 Research Methodology.....	24
3.2 Research Approach	24
3.3 Data Type and Source	24
3.4 Target Population	24
3.5 Sampling Design.....	24
3.5.1 Sampling Technique.....	24
3.5.2 Sampling Size	25

3.6 Data Collection Methods/Procedure	26
3.7 Method of Data Analysis.....	27
3.8 Validity and Reliability.....	27
3.8.1 Reliability of the Questionnaires	27
3.8.2 The Validity of Questionnaires	28
3.9 Ethical Consideration	29
CHAPTER FOUR: RESULTS AND DISCUSION	30
4.1 Introduction	30
4.2 Background of the respondents	30
4.3 Frequency Distribution Analysis on SCM Practice Factors	32
4.3.1 Frequency Distribution of SC Integration for Planning and Control.....	33
4.3.2 Frequency Distribution of Information Sharing.....	34
4.3.3 Frequency Distribution of Relationship with Customer and Supplier	36
4.3.4 Frequency Distribution of support customer order	37
4.3.5 Frequency Distribution of Supply Chain Management Challenges	38
4.4 Result of Descriptive Analysis on SCM Practice Factors	39
4.4.1Statements of SCM practice Related to SC Integration for Planning and Control	40
4.4.2 Statements of SCM Practice Related to Information Sharing about Product and Target Strategies	41
4.4.3 Statements of SCM Practice Related to Relationship with Customer and Supplier	42
4.4.4 Statements of SCM Practice Related to Support Customer Order	43
4.4.5 Statements of SCM Practice Challenges	43
CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION	45
5.1 Introduction	45
5.2 Summary of the major findings	45
5.3 Conclusions	46
5.4 Recommendation	47
Reference.....	49
Questionnaires.....	54

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Acronyms and Abbreviations

A.A=Addis Ababa

HR=Human Resource

N=Number of Respondents

SPSS = Statistical Package for Social Science

SC= Supply Chain

SCM= Supply Chain Management

UN-ECA=United Nation Economic Commission of Africa

List of Tables

Table 1.1:-List of Five star hotel in A.A.....	3
Table 2.1:-Characteristics of SCM	12
Table 2.2:-SCM Practice.....	15
Table 2.3:-SCM practice principal component.....	21
Table 3.1:-Carvalho Sample Size determination.....	25
Table 3.2:-Sample size determination of study.....	26
Table 3.3:- Cronbach Alpha Determination.....	27
Table 3.4:- Alpha Coefficient for each section questioner	28
Table 3.5:- Five-Point Scale	28
Table 4.1:- Frequency distribution Demographic character.....	31
Table 4.2:- Frequency distribution of integration for planning & control.....	33
Table 4.3:- Frequency distribution of information sharing.....	35
Table 4.4:- Frequency distribution of relationship with customer & supplier.....	36
Table 4.5:- Frequency distribution of customer support order.....	37
Table 4.6:- Frequency distribution of SCM challenges.....	38
Table 4.7:- Descriptive analysis of integration for planning & control.....	40
Table 4.8:- Descriptive analysis of information sharing.....	41
Table 4.9:- Descriptive analysis of relationship with customer & supplier.....	42
Table 4.10:- Descriptive analysis of customer support order.....	43
Table 4.11:- Descriptive analysis of SCM challenges	43

Abstract

This study about the examination of food supply chain practice in Sheraton Addis and Marriott Executive Apartments hotel. Questions were asked related to supply chain management practice components like integration, information sharing, relationship and customer support and challenges on supply chain management. The study employed quantitative research design methods. Non-probability sampling method of judgmental sampling techniques was used to select the sample size from the population. Among a total of 219-food and beverage departments employee from both hotels, 50 employees were selected from them as a sample unit and 29 department heads and procurement staffs a total of 79 employee selected as a sample unit. In order to collect primary data, questionnaires were distributed to 79 employees and 62 respondents filled and replied. Data collected through questionnaire were analyzed using SPSS Window 20.0 version. The tests involved are frequency distribution and descriptive statistics. The result of the descriptive statistics indicated that the supply chain management related to integration for planning and control and relationship with suppliers and customers are below the average this means both hotels have a poor performance on two factors. Based on the findings result, it is advisable that both hotels should strength the collaboration with suppliers and customers in order to properly maintain the SCM practices. On the other way both hotels have a good experience in relation with customer and supplier and handling customer support order. It is also observed that lack of management support in supply chain and increasing competition within hotel industry considered as both hotels challenges in the implementation of supply chain management practices. This is; therefore, it is advisable for both hotel managements to give the necessary support to SCM to get the required materials at the right time, place with reasonable cost.

Keywords: Supply Chain Management, Supply Chain Integration

CHAPTER ONE: INTRODUCTION

This introductory chapter is intended to provide information concerning an overview of the study. It involves background of the study, statements of the problems and research questions, objectives, (general and specific objectives), significance, scope and limitation of the study. Also it includes the definition of important terms and the organization of thesis.

1.1 Background of the Study

The concept of Supply Chain Management (SCM) was introduced in the 1980s and today due to the attention given to Supply Chain Management the definition has gone through a substantial number of changes. Christopher and Ryals (1999) stated that an effective SCM system is a powerful tool to achieve competitive advantage for all members in the supply chain. According to Tan (2002), the ultimate goal of a SCM system is to integrate various members of the Supply Chain in a seamless manner to achieve high level of customer satisfaction and thus a long-term competitive advantage.

In today's business environment, there is an increased focus on delivery value to the customer at the lowest possible costs. Hotel companies, both big and small, star holders, or not, must focus on how to offer products and services while keeping costs low. The current recession has affected businesses from all over the world, including the hotel industry (Brodsky, 2009).

Businesses are facing tough competition and have to struggle to stay in competition. Tourism products are perishable by nature and must be consumed as and when it is ready. Thus, it is important for hotels to be able to provide their services without any problem whenever demand for it arises. Therefore, it is crucial for hotels to manage their supply chain (SC) effectively.

The hotel industry has been one of the most closely competed industries especially in the 21st century (Gundersen, Heide and Olsson, 1996). The hotel industry is growing fast in global economies; where international hotel chains are opening branches to reap the market rewards from this competitive industry. In avoiding the possibility of business failure, small to medium enterprises in developing countries are encountering intensifying compression to increase the pleasure offered to customers (Jana and Chandra, 2016). Customer satisfaction has become an important aspect of the hotel industry. Unlike other industries, the hotel industry flourishes due to its capability to retain its Customers Jana & Chandra (2016).

In situations whereby customers are satisfied with products or brands, they are most likely to become loyal customers and keep spreading good words of the hotel (Gundersen, Heide and

Olsson, 1996). Also, customers feel appreciated when they realize that the hotel is committed to improving their experience Gundersen, Heide and Olsson, 1996). Customer Satisfaction is related with the achievement of customers' requirements or needs; the customer should feel that his needs, desires and expectations have been met or exceeded (Luo and Homburg 2003). According to Jana & Chandra (2016), customer satisfaction is now the crux of the hotel industry.

Customers are now more knowledgeable and connected making customer service more thrilling in recent times, the social media, online customer reviews, messages forums and the power of internet search are tipping and shifting the balance of power in their favour, Kangogo et al (2013). Luo and Homburg (2007) resolved that customer satisfaction enhances institutional lucrativeness. Manha & Tukamushaba (2015), hold on to the assertion made above. The authors state that “customer satisfaction has become widely accepted as a critical notion in marketing and has been used as a yardstick for determining a company’s performance. Customer satisfaction is frequently used as an indicator of quality especially when determining the quality of customer service.

Many companies have invested a lot to streamline their SCs in an attempt to improve customer satisfaction and internal productivity. Christopher (1999) states that nowadays the competition is not actually among individual company instead it is between rival SCs. Therefore it is crucial to have a smooth running SC as it helps organizations to gain a sustainable competitive advantage. Thus, this study focus on the examination of food supplies chain practice in Sheraton Addis and Marriott Executive Apartments Hotel. The purpose of this research is, to show the actual supply chain management practice and challenges in Sheraton Addis and Marriott Executive Apartments Addis Ababa and to provide information for the management about the strength and weakness of the existing supply chain management components.

Ethiopia, strategically located in the Horn of Africa, has unique historical and cultural heritages, magnificent scenery, a surprisingly cool climate, rich flora and fauna, important archaeological sites and hospitable people. Ethiopia is the seat for the African Union and other international organizations thus there are many international meetings and conferences held in Ethiopia. The role of Ethiopia in Africa and the horn is growing and as a result, many international organizations have been continuously strengthening their institutions and augmenting their personnel in Ethiopia. This opportunity creates a huge demand for accommodations at an international standard and even an increase in such a demand is expected in the future.

The stock of hotels in Ethiopia has increased sharply over the last few years and currently is growing at a large scale. In Ethiopia Tourism is becoming one of the fastest growing economic

and business sectors that generates foreign currency, offers job opportunities for the youth, and extends widely the service-providing sector. Briefly, it is generating economic and social benefits to the country. In order to visit the magnificent features of the country many visitors are coming every year to Ethiopia. Thus, hotel industry of the city of Addis Ababa plays an important role in the growth of tourism (AHA, 2014). For many obvious reasons indicated above hotel groups in the capital of Ethiopia, Addis Ababa, are expanding partially because the diplomats and corporate clients coming are growing very largely. The Ministry of Culture and Tourism has the vision to make Ethiopia by 2020 a top five-tourist destination in Africa (AHA, 2014). While tourists and visitors accommodation and service delivery is available as the major attraction, then significant improvements as well as new constructions are taking place in the capital. Ethiopia has much to offer to international tourists and travelers or international conferences and meetings participants, including researchers of academic institutions and business people from different parts of the world. All clients, customers, visitors, and beneficiaries of hotel services request adequate and standard service deliveries that meet their satisfaction of interests at least equivalent to what they pay.

List of Five Star Hotels in Addis Ababa

According to Ministry of Culture and truisms currently there are eight five star hotels. Among those, five of them are international hotels.

Table 1.1 List of five star hotels in Addis Ababa.

Sr.#	Name of Hotel	Star	Hotel Type
1	Sheraton Addis Hotel	5	International
2	Capital Hotel	5	Local
3	Ellele Internaional Hotel	5	Local
4	Marriott Executive Apartments Hotel	5	International
5	Radisun Blu Hotel	5	International
6	Golden Tulip Hotel	5	International
7	Gatefam Hotel	5	Local
8	Hayyat Regency Hotel	5	International

To conduct this research among the listed five star hotels, the researcher selected two of the five star international hotel Marriott International families. These are Marriott Executive Apartments Addis Ababa and Sheraton Addis Hotel.

Marriott International is an American multinational diversified hospitality company that manages and franchises a broad portfolio of hotels and related lodging facilities. Founded by J. Willard Marriott, the company is now led by his son, executive chairman Bill Marriott, and president and chief executive officer Arne Sorenson. Marriott International is the third largest hotel chain in the world. It has 30 brands with 7,200 properties in 131 countries and territories around the world.

Marriott Executive Apartments which is Located in the heart of Ethiopia's capital, the Marriott Executive Apartments Addis Ababa is just off Meskel Square in Bole, and is adjacent to the UN-ECA headquarters and conference center. It is a ten-minute drive away from Bole International Airport, the African Union headquarters and the Ethiopian National Museum.

Marriott Executive Apartments Addis Ababa is the first Marriott Executive Apartments Property in Africa, appeal to both business and family travelers with 108 fully serviced apartments offering space, feel and the privacy of residential living enabling a comfortable stay away from home and it started operation on September 2015.

Sheraton Addis opened on 29 February 1998, and has been considered one of the country's leading hotels. The hotel is located between two palaces, the National Palace (formerly the Jubilee Palace), which is the residence of the President of Ethiopia, and the Menelik Palace, residence of the Prime Minister of Ethiopia.

The hotel has hosted countless high-profile events, including Pan-African and African Union summits, as well as New Year's Eve celebrations with special performances by world-renowned artists such as Beyonce, Ludacris, The Black Eyed Peas, Rihanna and Akon, among other guests.

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The hotel has over 1,500 square meters of function space over 11 conference rooms, allowing for a capacity of 1,500 person at events. The hotel provides an array of dining options including Italian, French, Indian restaurants, as well as a poolside restaurant and all-day dining international restaurant with 5 bars and lounges.

The hotel's health club, the Aqva Club, includes outdoor swimming pools, sauna, massage and Jacuzzi. A special feature of the pool is its underwater music. Within the Aqva Club is also found the special Simba Club, the children's playground. However, the health club has been criticised in many reviews as having minimal facilities, leading to expansion plans.

The hotel has a nightclub, called The Gaslight. The Sheraton Addis is the only hotel in Ethiopia to have a water treatment plant using an ultra-violet water sterilization system, which ensures sterilization and bacteria free purification of water. It has a number of generators, meaning that the hotel is never affected by the power cuts and load shedding that plague Addis Ababa

1.2 Statement of the Problem

Addis Ababa is the educational and administrative center of Ethiopia. It is the site of Addis Ababa University (1950) and contains several teacher-training colleges and technical schools. Also located in the city are the Museum of the Institute of Ethiopian Studies (operated by the university), the National School of Music, the National Library and Archives, palaces of former emperors, and governmental ministries. Several international organizations have their headquarters in the city; the most important are the African Union and the United Nations Economic Commission for Africa, both located in Africa Hall. Many international meetings and conferences are held in Addis Ababa. This creates a huge demand for accommodation of international standards in the five star hotels. With more companies opening their regional head offices in Addis Ababa, the demand for accommodation is expected to increase in the future. The hotel industry has seen many entrants and exits of many five star hotel players. This has resulted to competitive pricing and numerous market wars in the hotel industry. Political anxiety, turbulent tourism industry, unfavorable weather conditions, technological advancement and the global changes are other challenges that have negatively affected the growth of the hotel industry.

The challenges portrayed above cannot be ignored because the hotel industry plays a significant role in the economy. These roles include contribution to the local economy as foreign exchange earners, employers of labor, outlets of products from other industries and source of social amenities. To ensure sustained operational efficiency, SCM practices have to be put in place in the five star hotel industries.

Organizations involve in supply chain management in order to control product quality, inventory levels and expenses and at the same time focusing on long term performance of individual contributors or supply chain as a whole. However, the organizations have only recently recognized that performance of the people in the supply chain directs the success of the supply

chain. A highly integrated supply chain demands an efficient workforce with the right organizational attributes to function at internal and external levels.

The food supply chain needs effective management, integration, knowledge, and due attention throughout the supply chain. If properly implemented SCM can improve the company's responsiveness, flexibility and efficiency (Olsson and Skjolde, 2008).

According to the data obtained from Marriott International global source (<https://mgs.marriott.com/>) guest voice satisfaction table year to date 2019 the food quality of Marriott Executive Apartments and Sheraton Addis Ababa are below the benchmark.

It was evident that from the previous studies there were no major studies that had looked at SCM practices adopted by five star hotels in Ethiopia. Thus, this research tried to fill this gap via examining food supply chain management practice.

1.3 Basic Research Questions

In line with the research problem, this study addressed the following research questions:-

1. What are the supply chain management practice factors preferred by the hotels?
2. What challenges encountered while implementing supply chain management?
3. How is the hotels management practice their supply chain to satisfy their customers?

1.4 Objective of the Study

The study has both general and specific objectives, both of them are described as follows.

1.4.1 General Objective

The main objective of this research was to assess the existing hotel food supply chain practices and to provide possible ways to be competent, profitable and a leading figure in the industries as well as to full fill the guest satisfactions.

1.4.2 Specific Objective

In the way of addressing its major objectives, the research specific objectives were-

1. To determine the supply chain management practices preferred by the hotels.
2. To determine the challenges encountered while implementing supply chain management.
3. To determine the hotels management practice their supply chain to satisfy their customers

1.5 Significance of the Study

The importance of this research help the management of Marriott Executive Apartments Addis Ababa and Sheraton Addis as a primary concerned body to satisfy hotel guests and competent in the industry by assessing the food supply chain management practice and challenges encountered while implementing supply chain management and to recommend proper means of addressing them, accordingly. In addition, the following benefits were obtained from the research:

- The result can give lesson to the situation of other similar hotels in the sector;
- It can contribute to the existing knowledge and practice of supply chain management practice in the context of both local and international Ethiopian hotels;
- It serves as a baseline for subsequent researches on the supply chain management practice in hotel industry an examination of food supply chain.

1.6 Scope of the Study (Delimitation)

The study has some delimitation. In view of the limited resources & time available at the disposal of the researcher, this particular study specifically delimited to SCM practices in two international five star hotels in terms of topic. SCM encompasses vast areas of managerial practices. However, it was be difficult and unmanageable to conduct the study in all areas that summarizes SCM in terms of time, finance, and research manageability. Even if hotel SCM encompasses many things, this research planned to focus only the food supply chain management practice.

1.7 Limitation of the Study

Although this study tried to cover the food supply chain management practices in Marriott Executive Apartments and Sheraton Addis, it may have some limitations. The first limitation is associated with the sample itself. There is a possibility that sample units might not express the actuality of the total population. Other limitation expected like some sample units who are very loyal to the Hotel might hide the limitation from the organizations' side, and some sample units expected to hide some facts. The other one is few respondents was not able to return a questionnaire in due time, the current pandemic diseases COVID 19 also the major reason not to get the questioners with in the intended period of time due to this it was a difficult task to wait until all return as intended. Hence, these limitations have a negative impact on the quality of the subject study. The supply chain management strategy of one hotel brand may differ from the

other brand; as a result, it may be difficult to generalize the findings of the study to other hotels in Ethiopia.

1.8-Definition of Terms

Integration: - is the process of combining or coordinating separate function processes, or producers and enabling them to interact in a seamless manner (Sunil, 2004).

Supply chain:- is all inter-linked resources and activities needed to create and deliver products and services to customers (Sunil, 2004).

Supply Chain Management: - is the systemic, strategic coordination of the traditional business functions and the tactics across these business functions within a particular company and across business within the supply chain, for the purpose of improving the long term performance of the Individual companies and the supply chain as a whole (Mentzer et al 2001).

Supplier-are participants in supply chain that act as the link between producers, processors and markets. The distributors source either fresh produce or processed food from the processors and then distribute it through various channels to reach the final consumer. (Smithers, R 2014).

Customers: - is the final entity in the food supply chain. The economic sustainability of the chain depends upon the consumers buying the products and providing the necessary cash to travel upstream through the supply chain. (Smithers, R 2014)

Upstream activity in supply chains:-includes suppliers of raw materials which are materials not processed. Transporting the raw materials to the plant is an example of upstream activity.

Downstream activity in supply chains:-downstream from the assembly plant are distributors, shipping partners and point of sale stops along the way such as wholesalers and retailers. One important downstream activity is inventory management.

1.9 Organization of thesis

The study consists of five chapters in each chapter issue has been discussed in detail. Chapter one is an introduction that concerning the various important parts such as study background, statement of the problem, clarification of the general and specific objectives of the study, scope, significance and limitation of the study. Chapter two covers a review of related literatures which includes; definition, types, Understanding the Concept of Supply Chain Management, Supply Chain Management practice, benefits of SCM, challenges of SCM. Chapter three contains

research methodology which involves research design, data type and source, study population, sampling techniques, data analysis, and variable and measurement description. The result of analysis and findings developed are presented in Chapter four. The final chapter, chapter five encompasses a summary of the study and findings and recommendations for the organizations and further study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1 Theoretical Literature Review

2.1.1 Supply Chain Management Overview

According to (Tan , 1999) Supply Chain Management (SCM) is the systemic, strategic coordination of the traditional business functions within a particular company and across businesses within the supply chain for the purpose of improving the long-term performance of the individual companies and the supply chain as a whole. A supply chain consists of all parties involved, directly or indirectly in fulfilling a customer request. The supply chain not only includes the manufacturer and the supplier but also transporters, warehouses, retailers, and customers themselves. Within each organization, such as a manufacturer, the supply chain includes all the functions involved in receiving and filling a customer request. A typical supply chain may involve a variety of stages.

These supply chain stages includes,

1. Customers
2. Retailers
3. Wholesalers/Distributors
4. Manufacturers
5. Component / Raw-material suppliers

Supply Chain Management over the past few years, more emphasis has been placed on gaining competitive advantage by organizations locally and internationally by incorporating supply chain management practices in their operations. Many organizations have realized the importance of creating an integrated relationship with their suppliers and customers. This simultaneous integration of customer requirements, internal processes and upstream supplier performance is referred to as supply chain management Tan (1999). SCM is still evolving and as a result many other definitions have emerged. Although perspective can be different, they are same in terms of the main philosophy.

As a discipline, supply chain management first appeared in the mid 1980s. According to Sherer (2005), the term SCM was created by Keith Oliver in 1982 and has its roots in the control of fulfillment activities that support the linear physical flow of goods from suppliers to manufacturers to distributors to retailers. However, the term is now commonly used to encompass every effort involved in producing and delivering a final product or service, from supplier's supplier to the customer's customer.

Adopting supply chain management practices is a key aspect that ensures sustained growth in

the five star hotel industries. Coyle, Bardi, and Langley (1996) assert that the main objective of supply chain management is to improve a company's competitive position in the global marketplace and to sustain that position despite the competitive forces and the rapidly changing consumer needs. The growth of supply chain aims to improve profitability, customer response and ability to deliver value to the customers and also to improve the interconnection and interdependence among firms.

Supply Chain Management in the five star hotel industry can be viewed to comprise of relationships of hotels with their suppliers (backward-linkage) and tourism intermediaries (forward-linkage). Failure of one entity in the hotel supply chain will consequently affect performance of the whole hotel supply chain. For instance, hotels will be affected by the poor inputs from their suppliers. Moreover, the performance of travel intermediaries who are responsible for promoting, bringing and selling the products to customers and managing the activities of carrying the customers to the hotels will affect the performance of the five star hotels even though the products and services of the hotels are of high-quality.

2.1.2 Supply Chain Management Definition

The term 'Supply Chain Management' is relatively new. It first appeared in logistics literature in 1982 as an inventory management approach with an emphasis on the supply of raw materials. Around 1990, academics first described SCM from a theoretical standpoint to clarify how it differed from more traditional approaches to managing the flow of materials and the associated flow of information (Cooper and Ellram, 1993; see Table 2.1). Literature on SCM stresses the need for collaboration among successive actors, from primary producer to final consumers, to better satisfy consumer demand at lower costs (see, for example, Bechtel and Jayaram, 1997; Lambert and Cooper, 2000). A driving force behind SCM is the recognition that sub-optimisation occurs if each organisation in a supply chain attempts to optimise its own results rather than to integrate its goals and activities with other organisations to optimise the results of the chain (Cooper et al., 1993). SCM focuses on the management of relationships. SCM can be defined as follows:

SCM is the integrated planning, co-ordination and control of all business processes and activities in the supply chain to deliver superior consumer value at less cost to the supply chain as a whole whilst satisfying requirements of other stakeholders in the supply chain . Value is the amount consumers are willing to pay for what a company provides and it is measured by total revenue. The concept 'value-added activity' originates from Porter's 'value chain' framework and characterizes the value created by an activity in relation to the cost of executing it (Porter, 1985).

Table 2.1 Characteristics of SCM according to Cooper and Ellram (1993)

Element	Traditional Management	Supply Chain Management
Inventory management approach	Independent efforts	Joint reduction in channel inventories
Total Cost Approach	Minimize firm cost	Channel-wide cost efficiencies
Time horizon	Short term	Long term
Amount of information sharing and monitoring	Limited to needs of current transaction between channel pairs	As required for planning and monitoring purposes
Amount of co-ordination of multiple levels in the channel	Single contact for the transaction between channel pairs	Multiple contacts between levels in firms and levels of channel
Joint planning	Transaction-based	On-going
Compatibility of corporate philosophies	Not relevant	Compatible at least for key relationships
Breadth of supplier base	Large to increase competition and spread risk	Small to increase co-ordination
Channel leadership	Not needed	Needed for co-ordination focus
Amount of sharing of risks & rewards	Each on its ow	Risks & rewards shared over longer term
Speed of operations, information and inventory flows	Warehouse' orientation (storage, safety stock). Interrupted by barriers to flows. Localised to channel pairs	DC' orientation (turnover speed). Interconnecting flows; JIT, Quick Response across the channe

It is worth noting that a growing number of terms are being utilized by individuals and organizations' that are presented as being more appropriate, comprehensive and/or advanced than SCM. Such terms include demand chain management (to distinguish it from the type of management in which 'supply' begins and drives the chain of activities), and value chain management or value networks (to emphasise the value-added focus on processes). Since in our view the essence of these terms is alike, we will employ the most commonly used term SCM in this chapter as a representative for all these terms

2.1.3 Supply Chain Management Practices

SCM practices have been defined as a set of activities undertaken in an organization to promote effective management of its supply chain. Studying SCM practices can contribute to finding a better understanding about SCM. While interest in SCM is increasing day-by-day, there is no consensus about the set of indicators that can adequately address the topic Supply Chain Management Practices Tan (1999)

Various studies have been conducted to identify these different SCM practices. Koh , (2007) determined the underlying dimensions of SCM practices and tested empirically a framework identifying the relationship among SCM practices, operational performance and SCM-related organizational performance for SMEs in Turkey. The set of twelve SCM practices identified were: close partnerships with suppliers; close partnerships with 8 customers; supply chain benchmarking; JIT supply; e-procurement; few suppliers; many suppliers; strategic planning; outsourcing; subcontracting; holding safety stock and 3PL. Li, (2006) also attempted to develop and validate a measurement instrument for SCM practices. Their instrument had six empirically-validated and reliable dimensions which included strategic supplier partnership; customer relationship; information sharing; information quality; internal lean practice and postponement. Another study by Chin (2004) examined the practices in developing and implementing SCM strategies for Hong Kong manufacturers. The five SCM practices used were: building customer supplier relationship; employing information and communication technologies; reengineering material flows; changing corporate culture and identifying performance measures.

Chen and Paulraj (2004) study on the development of SCM practices identified a set of four reliable and valid practices significant to SCM. These practices were: Supplier base reduction; long-term relationship; cross-functional teams and supplier involvement. Ulusoy (2003) identified four SCM practices while assessing the supply chain and innovation management in the manufacturing industries of Turkey. They are: logistics, supplier relations, customer relations and production. Similarly a study conducted by Lee and Kincade (2003) proposed six major dimensions of SCM: partnership; information technology; operational flexibility; performance measurement; management commitment and demand characterization.

Kuei (2001) on the other hand used eleven supply quality-management practices to study and test manager's perception on the association between supply-chain quality management practices and organizational performance. The eleven factors were: top management leadership; training; product design; supplier quality management; process management; quality data reporting; employee's relations; customer's relations; benchmarking; supplier selection; and supplier participation.

Based on the highest incidences in the definition of SCM, on the discussion of SCM practices

and previous research topics, Ana. (2011) study on measuring supply chain management practices summarized the supply chain management practices as shown in the below table 2.2.

Table 2.2 Supply Chain Management Practices

CONSTRUCT	PRACTICE	MEANING	CODE
Supply chain integration	Customer integration	Integration of the products development in the downstream supply chain (customer)	V1
	Supplier integration	Integration of the products development in the upstream supply chain (suppliers)	V2
	Customer involvement in the plans	Involvement of the downstream supply chain in products/services/marketing plans	V3
	Supplier involvement in the plans	Involvement of the upstream supply chain in products/services/marketing plans	V4
	Supplier collaboration demand forecasting	Collaboration of the upstream supply chain members with demand forecasting	V5
	Customer collaboration demand forecasting	Collaboration of the downstream supply chain members with demand forecasting	V6
	Supplier collaboration stock planning	Collaboration of the upstream supply chain members with stock planning	V7
	Customer collaboration stock planning	Collaboration of the downstream supply chain members with stock planning	V8
	Supplier collaboration production planning	Collaboration of the upstream supply chain members with production planning	V9
	Customer collaboration production planning	Collaboration of the downstream supply chain members with production planning	V10
	Creation of multifunctional teams	Creation of multifunctional logistics and quality teams that include members of other teams	V11
Information sharing	Cost information sharing customer	Formal information sharing about production costs with customers	V12
	Information sharing product launching supplier	Formal information sharing about new products launching with suppliers	V13
	Participation in customer marketing	Participation in the customers' marketing effort	V14
	Customer future needs	Determine customer future needs	V15
	Supplier communication future strategy	Communicate suppliers of future strategies	V16
Customer service management	Customer feedback	Obtain final customers feedback on services adequacy	V17

Customer relationship	Customer support new product decision	Consult customers to support decisions about new products	V18
	Consult customer production programming	Consult customers about production programming changes	V19
Supplier relationship	Consult supplier production programming	Consult suppliers about production programming changes	V20
	Supplier support product development	Consult customer to support new products development	V21
Postponement	Assembly near customer	Assembly products near final customer	V22

Strategic supplier partnership represents the long-term relationship between the organization and suppliers. A strategic partnership emphasizes direct, long-term association and encourages mutual planning and problem solving efforts (Gunasekaran, 2001). Strategic supplier partnership enables companies to work more effectively with a few important suppliers who are willing to share responsibility for the success of the product. Effective supplier partnership can be a critical component of a leading edge supply chain (Noble, 1997). Eventually effective supplier partnership will help an organization to focus on utilizing their suppliers' processes, technology and capability to enhance competitive advantage. Increasing competitive pressure and the rapid pace of technological change are motivating companies to focus on partnership with suppliers as a means of distributing risks and enhancing business processes, through the development of joint skills and shared inter-organizational routines (Anderson & Christensen, 2000; Trent & Monczka, 1999).

Customer relationship comprises the entire array of practices that are employed for the purpose of managing customer complains, building long-term relationships with customers and improving customer satisfaction (Tan, 1999). The good relationship with customers is required to ensure effective supply chain management. Close customer relationship allows an organization to differentiate its products from the competitors and sustain customer loyalty.

Information sharing refers to the extent to which critical and proprietary information is communicated to one's supply chain partner Monczka (1998). Information sharing has two aspects: quantity and quality and both of aspects are important for SCM practice (Morberg , 2002, Li, 2006). While information sharing is important, the significance of its impact on SCM depends on what information is shared, when and how it is shared and with whom (Holmberg, 2000). Companies need to view their information as a strategic asset and ensure that it flows with minimum delay and distortion (Li, 2006).

Quality of information sharing includes such aspects as the accuracy, timeliness, adequacy and credibility of information exchanged (Li, 2006; Moberg, 2002). A lot of companies emphasize quality as a means to stay competitive in the marketplace over the long run. They have a

reputation of high quality as representing future market share for new customers and maintaining market share for existing customers over their lifetime. Furthermore, improving quality can provide long-term financial savings (Franca, 2010). Information sharing is necessary to reduce uncertainty and lower inventory levels. The overall goal of an information technology (IT) system is to improve a company's communication capability.

Postponement is the delayed differentiation of products on the supply chain. It allows an organization to be flexible in developing different versions of the products in order to meet changing customer needs, and to differentiate a product or to modify a demand. Postponement needs to match the type of products, market demands of a company and structure or constraints within the manufacturing and logistics system (Pagh and Cooper, 1998). To achieve this, supply chain partnership among companies and the coordination of the partners is very important.

2.1.4 Benefits of Supply Chain Management

Firms need to know when and where to provide what customers desire in order to win customer loyalty. Maintaining close relationships with suppliers can lead to special orders in times of high demand, thereby satisfying customer expectations. Additional benefits are market responsiveness, added economic value, capital utilization, decreased product time to market, and logistics cost reduction (Lee, 2000; Mentzer et al., 2001; Tyndall et al., 1998; Christopher and Ryals, 1999). There is also a rise in the revenue of the business which occurs as a result of increased responsiveness occurring at low costs as a result of using fewer assets leading to stellar performance.

A range of benefits has been attributed to SCM, including increased market share and sales, and solid customer relations (Ferguson, 2000). Other benefits include:

- Improved strategic sourcing-strategically source direct and indirect materials and can better manage vendors, leading to material cost savings
- Improved customer service
- Information transparency while using SCM
- Improved inventory management that is there are reduced inventory levels and a rise in inventory turns across the network which decreases the overall costs
- Enhance delivery service and minimize delays.
- New efficiencies
- Higher profits
- Lower costs and increased collaboration

SCM enables companies to better manage demand, carry the right amount of inventory, deal with disruptions, keep costs to a minimum and meet customer demand in the most effective way

possible. These SCM benefits are achieved through choosing effective strategies and appropriate software to manage the growing complexity of today's supply chains.

Through SCM, firms can decrease operational expenses planning for procurement; manufacturing and transportation can be done at the right time. Better order, product and execution tracking tend to enhance performance and quality.

SCM enables firms to connect with trading partners thus helps the firm to keep their SC in line with current business strategies and priorities which ultimately lead to improved firms' overall performance and achievement of goals

SCM helps an organization to create and sustain a competitive advantage. The intense global competition of the 1980s forced world-class organizations to offer low cost, high quality and reliable products with greater design flexibility (Tan , 2001). SCM has continued to be adopted by organizations as a medium for creating and sustaining a competitive advantage (Ireland & Webb, 2007). Christopher (1992) says the central objective of effective SCM is to create a major source of competitive advantage for the organization to differentiate itself in the eyes of its customers from its competitors by operating at lower cost.

Many organizations implement SCM with the aim of improving customer service through increased frequency of reliable product deliveries. SCM is a strategic management tool used to enhance overall customer satisfaction that is intended to improve a firm's competitiveness and flexibility (Giunipero & Brand, 1996). Fisher (1997) says that SCM focuses on the organization's total capabilities towards satisfying its customers better than its competitors. Companies that can effectively manage and share information within the supply chain have a significant customer service tool. Information is key to a company's ability to provide excellent service. An open communication channel between buyers and suppliers is necessary to receive feedback on customer service. Information must be accessible and usable by the entire supply chain to ensure proper customer service levels.

SCM helps in efficient management of inventory. The current business trend is to reduce or eliminate inventory wherever possible, but it is important to understand the balance between customer service and inventory. SCM strives to minimize the uncertainty involved in business transactions among firms in the supply chain which leads to building safety stock inventory (Coyle, Bardi & Langley, 1996). Reducing uncertainty can lower inventory levels held within the supply chain by reducing the number of suppliers a firm deals with and enhancing the relationships with the remaining firms. Sharing information about anticipated demand, orders, and production schedules reduces uncertainty and can lead to lower safety stock inventory (Coyle, Bardi & Langley, 1996). Information sharing helps to reduce uncertainty and leads to

lower inventory levels. It is not necessary that all channel members have access to the same information, but only the information which is needed for them to better manage their supply chain linkages (Cooper & Ellram, 1993).

SCM is an incentive to establish partnerships among parties in the chain and implies that most or all members of the channel coordinate their efforts (Giunipero & Brand, 1996; Cooper & Ellram, 1993). The shift to close partnerships has resulted in more long-term agreements and thus an overall reduction of suppliers used by a company. Developing partnerships is a current trend in maintaining a competitive advantage. Involvement from all supply chain participants allows for better products to be marketed because everyone has input. The fundamental idea behind SCM is the management of information. It encourages organizations to adopt current information, process and product technologies in enhancing the organization's performance. This ensures the organization is not rendered technologically obsolete in its business operations (Krajewski & Ritzman, 1999). This will give an organization a competitive edge over its competitors in the market since information is an important asset.

2.1.4 Challenges in Supply Chain Management

Despite the increasing popularity of SCM, most organizations have not fully implemented it to exploit the benefits. Most challenging aspect of SCM is the lack of understanding of the supply chain management concept. However, supply chain management is a long, complex and dynamic process. Its successful implementation needs to be associated with a thorough understanding of the concept itself (Whiple & Frankel, 2000; Savage, 1990; Neely, 1998). It requires new organizational arrangements and culture that in most cases requires high investment in resources and more time to develop. This emphasizes the need of co-ordination and development of more effective and long term relationships amongst supply chain partners. The success of any supply chain is associated with a new culture based on shared learning, greater transparency and trust. With the increasing fierce competition and reliance on outsourcing, SCM faces a challenge of how to sustain and continuously improve co-ordination and integration of all supply chain members. Information can be more readily shared and knowledge disseminated through-out the organizations in the chain (Mowery, 1998). This has led to increasing adoption of partnerships and inter-organizational alliances to exploit mutual benefits of sharing information, resources and other key assets. However, its implementation is closely dependent on the ability to create, manage and reshape relationships amongst the supply chain members.

The holistic approach is associated with the effective management of interfaces between all organizations involved (Von Hippie, 1996) and the integration of both upstream and downstream processes (Harland et al., 1999; Christopher & Juttne, 2000). SCM has shifted from

internal structure of organizations to external linkages and processes which is dependent on interaction between the organization and its environment. The increasing interest of organizations to compete globally has led to need for organizations to ascribe to international standards to have a competitive advantage.

In conclusion, the need for supply chain management is quite evident but very few researches have been recorded for the Ethiopia situation. Supply chain management as a discipline is taught as a supplementary subject by most universities in Ethiopia, which clearly indicates the lack of professionals in the industry.

2.2. Empirical Review

Many Authors did research on the area of supply chain management practice. They used different mix of factors' of supply chain practices.

Among the researchers who studied on the supply chain management practice includes Supalak Akkarangoon (2010), Prof. Raghavendra A.N.1& Dr. Nijaguna G(2015), Mrs. H.S.Sethu(2016), Admaw (2010), Dereje(2012), Belay (2011) and Mesfin(2007):-These researchers investigated in their research that:-

A study carried out by Mrs. H.S.Sethu(2016) conduct a research on supply chain management in hospitality industry. The finding of the research was upstream functions of purchase department such as procuring the right products from the right suppliers at the right time and maintaining good relationships with the suppliers.

Prof. Raghavendra A.N.1& Dr. Nijaguna G(2015) addressed their study on supply chain management in hospitality industry: impact on service quality in mcdonald's restaurants, Bangalore. There is significant relationship between the supply chain practices and the service quality of the restaurant. The implications of the results for practising managers are also offered. The results suggest that supply chain managers should consider the practices identified in this study while deciding on the appropriate level of supply chain integration in the five service quality dimensions in their strategic planning efforts.

A study made by Supalak Akkarangoon (2010) Hotel foodservice is characterised by low exploitation of information technology and manual-based supply chain activities with a high level of dependency on head chefs regarding supply chain performance. There is low level of implementation of supply chain initiatives among hotels in this study and the reason for this may be the products and production characteristics, which differ from those in the retail sector. Although supplier cooperation and relationships between head chef and suppliers were found, there was an overall low level of collaboration between buyer and supplier. Consumer usage

information was underutilised and under cultivated. Traditional arms-length buyer-seller relationships were commonly found in-group hotels at both company level and property level. Overall hotel food SCM practice still displays traditional management characteristics and price-led decisions being apparent. An exception was found in high-end foodservice outlets and some outlets with chef sourcing strategies, where close long-term relationships between chefs and suppliers were found.

Admaw (2010) studied the practice of SCM for Ethiopian textile firms. It was found that, SCM practices in Ethiopian textile firms are weak and not considering SCM as a strategic tool for competition. Business managers of the textile firms didn't give attention for SCM theories and practices. Also Dereje, (2012) studied the impact of SCM al performances in metal and 19 engineering industries. The result of the study shows that the implementation of SCM in this industry is weak. Also the SCM practices don't have any relationship with organizational performances except internal lean practices. In addition, Belay, (2011) studied the practices of SCM in cement industries. The result of the thesis shows similar to other industries in the country i.e. the practice of SCM in cement industry is almost poor. There seems that since the demand outweighs the supply of the cement, which contributes for not using SCM as a competitive strategy.

Mesfin (2007) studied the SCM and model development study as a case study of Mesfin Industrial Engineering plc. The result of this study shows that most of the employees of the company don't have awareness of SCM. The company also don't use supply chain cost analysis rather than using the traditional accounting system. Also there are problems in their warehouses. Besides to the above machine handling problem, ageing, poor preventive maintenance, lack of proper operation, and wear of spare parts are the main reasons for the breakage of machines in Mesfin industrial engineering.

2.3 Literature Gaps

The measurement of SCM practice may vary from company to company. The companies administration, policies and regulations affect supply chain management practices. Some of the empirical studies mentioned in the above sections were focused mostly in the manufacturing industries. Thus, it was evident that from the previous studies there were no major studies that had looked at SCM practices adopted by five star hotels in Ethiopia. This is; therefore, this research tried to fill this gap via examining food supply chain management practice in hotel industries.

2.4 SCM Practices Research Framework

Because the concept of SCM is still in development, there are several theoretical frameworks and research methodologies need to be developed in the study of SCM (Tage, 1999). Based on Li et al. (2005) and other previous studies, Ana et al. (2011) came up with a SCM practices research framework which has four principal SCM components (factors) as shown in table 2.2 below.

Table 2.3 SCM practices principal components

	Supply Chain Management Components/ Factor			
	Factor 1	Factor 2	Factor 3	Factor 4
Labels	SC integration for PPC support	Information sharing about products and targeting and targeting strategies	Strategic relationship with customer and supplier	Support customer order
Constructs	Supplier collaboration stock planning(V7)	Consult customer production planning (V19)	Supplier involvement plans (V4)	Assembly near customer (V22)
	Supplier collaboration production planning (V9)	Consult supplier production planning (V20)	Customer involvement plans(V3)	Cost information sharing customer(V12)
	Customer collaboration stock planning(V8)	Decision support new customer product (V18)	Customer marketing participation (V14)	Multifunctional team creation (V11)
	Customer collaboration production planning (V10)	Customer feedback (V17)	Customer future needs (V15)	
	Customer collaboration demand forecast (V6)	Supplier support product development (V21)	Supplier integration (V2)	
	Supplier collaboration demand forecast (V5)	Supplier communication future strategy (V16)		
	Customer integration (V1)	Information sharing product launching supplier (V13)		

Source Ana (2011)

The four principal components are based on the highest incidences in the definition of SCM, on the discussion of SCM practices and current research topics (integration, relationship, information exchange, matching of supply and demand). The four principal components combine various SCM practices. Component one (Supply chain integration for production planning and control) combines supply chain practices related to supply chain integration. They support the production planning and control support (PPC). Component two (Information sharing about products and targeting strategies) combines supply chain practices related to information sharing, customer service management, customer relationship and supplier relationship. On the other hand, component three (strategic relationship with customer and supplier) comprises of supply chain practices related to supply chain integration and information sharing. Component four (support customer order) consists supply chain practices on postponement, information sharing and supply chain integration.

Based on theory on SCM practices in the hotel industry, Ana (2011) research framework adequately covers the SCM practices in the hotel industry. Therefore, this SCM practices research framework will be adopted to determine the extent to which SCM practices have been adopted in the five star hotels in Ethiopia.

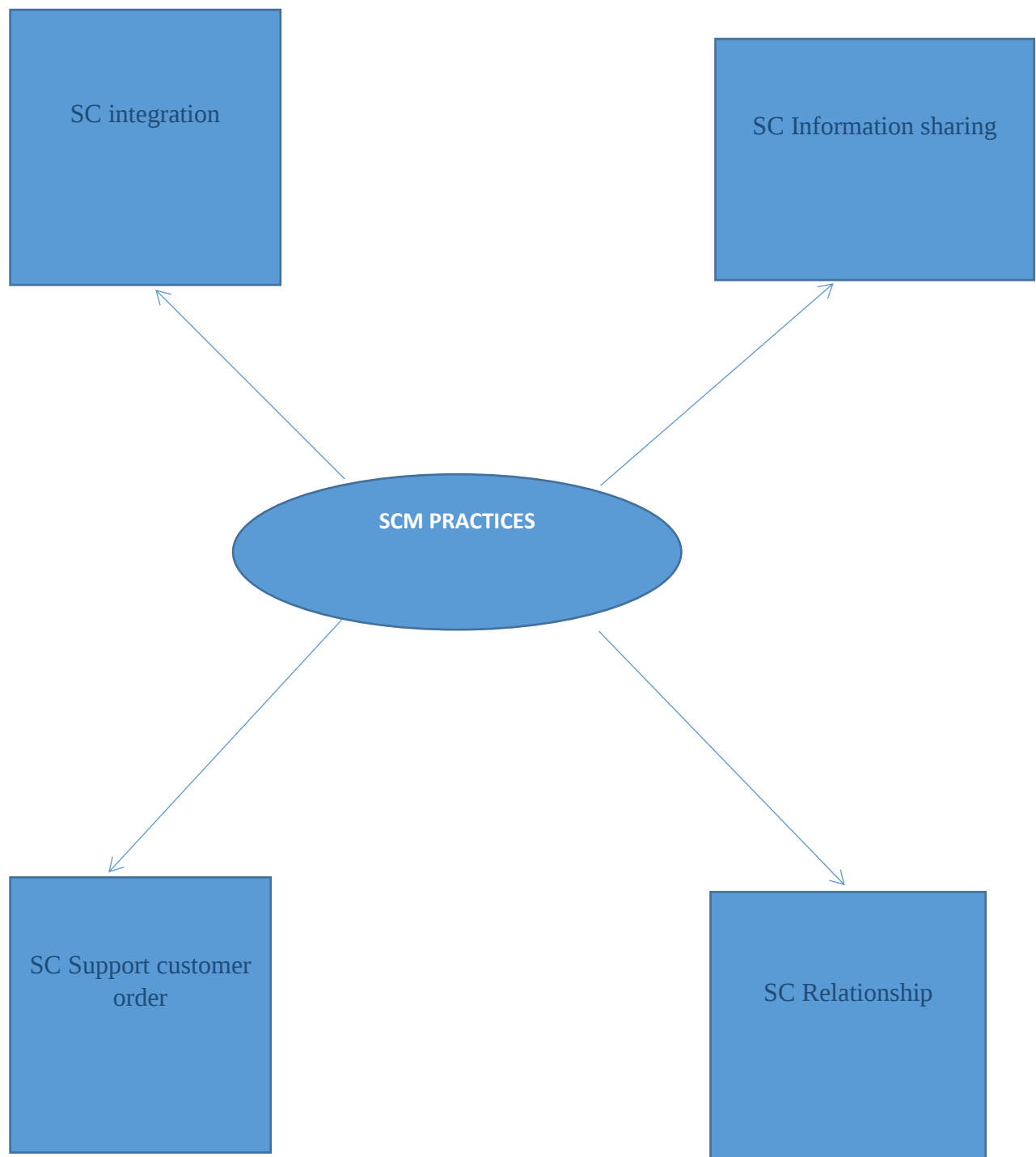


Figure 2.1 Study model SCM practice framework. Source: Ana, (2011)

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Research Methodology

In this part a description of the research design and methodology used in the study. It also provided an overview of the research study, a description of the instrument used for data gathering, targeted population, sampling procedure, sources of data, and methods of data analysis, presentation and interpretation.

3.2 Research Approach

The study was applied empirical investigation with descriptive research design since the major focus of the research is assessing the existing food supply chain management practices of Sheraton Addis and Marriott Executive Apartments Addis Ababa.

Descriptive research studies are those studies, which are concerned with describing the characteristics of a particular individual, or of a group. Studies concerned with specific predictions, with narration of facts and characteristics concerning individual, group or situation are all examples of descriptive research studies (Kothari, 2004,).

3.3 Data Type and Source

Data collection was done through primary resources. Primary data was collected through a structured questionnaire.

3.4 Target Population

The study considered those employees who have a direct relationship with the food supply chain and key staff members responsible for planning, implementing, managing and controlling supply chain management. Based on this the target population of this study was, selected employee of food and beverage departments, all department heads and all procurement department staffs of Marriott Executive Apartments and Sheraton Addis.

3.5 Sampling Design

3.5.1 Sampling Technique

There are two types of sampling techniques probability and Non-probability sampling Techniques.

Non-probability sampling is that sampling procedure which does not afford any basis for estimating the probability that each item in the population has of being included in the sample.

Non-probability sampling is also known by different names such as deliberate sampling, purposive sampling and judgment sampling. In this type of sampling, items for the sample were selected deliberately by the researcher; his choice concerning the items remains supreme. In other words, under non-probability sampling the organizers of the inquiry purposively chosen the particular units of the universe for constituting a sample on the basis that the small mass that they so select out of a huge one could be typical or representative of the whole (Creswell, 2009). Therefore, the sample units of the research were chosen based on the non-probability sampling method of judgmental sampling. The reason why the researcher preferred to use judgmental sampling method is aiming to collect comprehensive and reliable information from the sources having relevant knowledge and/or experience directly related to the subject of the study. Accordingly, Supply chain/ Procurement and Food and Beverage professionals and other key staff members responsible for planning, implementing, and managing and controlling supply chain management in the above-mentioned organizations was selected as a sample unit of the present study.

3.5.2 Sampling Size

Malhortra and Peterson (2006) and Zikmund (2003) stated that, the larger the sampling size of a research, the more accurate the data generated. However, due to time and financial limitations and the nature of the population, sample determination method developed by Carvalho (1984) preferred to be used by researcher as a method to determine a sample size.

Table 3.1: Carvalho's Sample Size Determination

Population size	Small	Medium	Large
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10,000	80	200	315
10,001-35,000	125	315	500
35,001-150,000	200	500	800

Source: Carvalho (1984)

As per the information obtained from the selected Marriott Executive Apartments and Sheraton Addis hotel HR/Human Resource Departments the total numbers of Food and Beverage employees of Marriott Executive Apartments and Sheraton Addis is 51 and 168 respectively

and the total number of department heads 9 for Marriott Executive Apartments and 14 for Sheraton Addis and there is two procurement staff at Marriott and four at Sheraton Addis. Based on Carvalho's sample determination method, out of 219 e and beverage department the larger sample size 50 employees was taken as a sample unit in addition to twenty-nine department heads and procurement staff a total of 79 samples was taken.

Table 3.2 Sample Size Determination of the study

Description	Hotel Name	Number of Employee		
Number of Procurement Staff	MEA	2		
	Sheraton	4		
Department Heads	MEA	9		
	Sheraton	14		
Total Number		29		
Description	Hotel Name	Number of Employee	Employee Percentage	Sample size from each Hotel
Food and Beverage department employee	MEA	51	0.23	12
	Sheraton	168	0.77	38
Total		219	1.00	50
Based on Carvalho's sample determination method, out of 219 employees of Food and Beverage Department the larger sample size 50 employees was taken as a sample unit.				

3.6 Data Collection Methods/Procedure

The questionnaires was planned to gather quantitative data relating to demographic, supply chain integration for planning and control, information sharing, relationship with customer and suppliers, support of customer order and challenges of supply chain management practices. Before the questionnaire was prepared and distributed for collecting data, feedback was gathered from the advisor. Respondents were selected based on the non-probability sampling method of judgmental sampling. Data collection using questionnaire was checked for its consistency and completeness before analysis made and finally the questionnaire be annexed.

3.7 Method of Data Analysis

The questionnaire was one of the main tools for collecting data from respondents in the study and it was the main instrument for gathering the appropriate data. .

After gathering the data the researcher used quantitative methods of analysis by checking the questionnaires for correct completion and entries checked for consistency and accuracy. Then it was arranged to simplify coding and tabulation descriptive statistics was used by way of percentages, proportions, tables and frequency distributions to analyze the data by the help of statistical software called SPSS version 20.

3.8 Validity and Reliability

3.8.1 Reliability of the Questionnaires

The reliability of the questionnaire was tested by using Cronbach's Alpha or called Alpha Coefficient to show the internal consistency of the questionnaire.

The Cronbach Alpha testing used as it is the most well accepted reliability test tools applied by social researcher (Sekaran, 2003). In Cronbach's Alpha reliability analysis; the closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability.

- Reliability less than 0.6 considered poor.
- Reliability in the range 0.7 is considered to be acceptable.
- Reliability more than 0.8 are considered to be good.

A commonly accepted rule of thumb for describing internal consistency using Cranach's alpha is as follows (Cronbach LJ (1951))

Table 3.3 Cronbach's Alpha determination

Cranach's Alpha	Internal Consistency
$\alpha \geq 0.9$	Excellent (High-Stakes testing)
$0.7 \leq \alpha < 0.9$	Good (Low-Stakes testing)
$0.6 \leq \alpha < 0.7$	Acceptable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

In this study, all four supply chain practice components met the above requirement. The alpha value for each question is identified and summarized in Table-3.4 as shown below.

Table 3.4 Alpha Coefficient for Each Section of Questionnaire

S/n	Section	No. of Items	Alpha Value
1	Statements of supply chain practice related to integration for planning and control	7	.923
2	Statements of supply chain practice related to information sharing about product and target strategies	7	.869
3	Statements of supply chain practice related to relationship with customer and supplier	5	.951
4	Statements of SC practice related to support customer order	3	.948
5	Statement of supply chain practice challenges	5	.847

Source Research Questionnaire 2020

3.8.2 The Validity of Questionnaires

Validity is the accuracy of a measure or the extent to which a score truthfully represents a concept. It refers to the extent to which an instrument measures what it is supposed to measure. Good measures should be both consistent and accurate. If a measurement is valid, it is also reliable (Joppe, 2000). The validity of the data collection instrument was determined through discussing the research instrument with the research experts in the field of study, academicians, and especially research supervisor. The valuable comments, corrections, suggestions given by them definitely assist the validation of the instrument.

The five-point scale is used to measure the level of the factors as shown in Table 3.5. The respondents were required to choose to what the extent he/she agrees or disagrees with each of the statement, with 1 being strongly disagreed and 5 being strongly agreed. The rating scale is shown in the table below.

Table-3.5: Five-Point Scale

S/n	Choices	Score
1	Strongly Disagree	1
2	Disagree	2
3	Neutral	3
4	Agree	4
5	Strongly Agree	5

3.9 Ethical Consideration

Confidentiality and privacy are some of the most corner stone of field research activities in order to get relevant and appropriate data. The researcher assured the purpose of the research paper and confidentiality of any information gathered through questionnaire on the introductory part of the paper. During data gathering some respondents didn't show willingness to respond to the questionnaire but, the researcher approached and explained the purpose and assured the confidentiality and finally they were positive to give response.

CHAPTER FOUR: RESULTS AND DISCUSION

4.1 Introduction

In this chapter the data obtained from the structured questionnaires were analyzed, presented and interpreted by percentages, proportions, tables and frequency distributions via SPSS version 20.

Among the distributed 79 questioners 50 for the selected Food and Beverage department employees, 6 for all procurement department employee and 23 for all department heads; 37 respondents from employee of Food and Beverage department, 19 from department heads and all the six from procurement department were returned and analyzed. All in all 78.5% questionnaires were returned, compiled and analyzed.

4.2 Background of the respondents

This section describes the frequency distribution of respondents' personal or demographic characteristics. Demographic characteristics like sex, age, marital status, education level and working experience described by using frequency and percentage.

Table 4.1: Frequency Distribution demographic Characteristic

S/n	Item	Response Category	Freq.	Percentage	
				Valid %	Cumulative %
1	Sex	Male	27	59.7	59.7
		Female	25	40.3	100
		Total	62	100	-
2	Age	Less than 20	2	3.2	3.2
		21 – 30	31	50.0	53.2
		31 – 40	21	33.9	87.1
		41 – 50	8	12.9	100.
		51 – 60	-		100
		More than 61	-	-	100
		Total	62	100	-
3	Marital Status	Single	30	48.4	48.4
		Married	31	50.0	98.4
		Divorced	1	1.6	100.0
		Widow	-	-	100
		Total	62	100	-
4	Educational Qualification	Certificate	8	12.9	12.9
		Diploma/ Level III/IV	34	54.8	67.7
		Degree	19	30.6	98.4
		Master	1	1.6	100
		Total	62	100	-
5	Working Experience	Less than 5 year	6	9.7	9.7
		6 – 10 years	21	33.9	43.5
		11 – 15 years	26	41.9	85.5
		16 – 20 years	6	9.7	95.2
		21 – 25 years	3	4.8	100.0
		More than 26 years	-	-	100
		Total	62	100	-

Source: Research Questionnaire, 2020

Table-4.1 shows the summary of respondents' demographic factors. Accordingly, item-1 of the table indicates out of 62 respondents, 59.7% is male and the rest 40.3% is female. Based on the information, we can infer that the majority of respondents are male.

Item-2 of the table specifies age distribution of the respondents. As the result indicates that half of the respondents are under the age group of 21 to 30, followed by respondents age 31 to 40 that is 33.9% of the respondents. The least age group found under the age of 20 years which is 3.2% of the respondent's. Only 12.9% of the respondents are under the age group of 45-50 and there is no respondent age greater than 50 years. So, the majority of respondents' are young and mature active enough professionals.

Item-3 of the table also points toward the marital status of the respondents. Accordingly, almost there is equal distribution of single and married respondents which is 48.4% and 50% from the entire respondents. The rest 1.6% of the respondents is divorced. Thus, based on the respondents response obtained, it can be possible to generalize that respondents of the organizations are mostly married and being married.

Item-4 of the table is concerning the educational qualification of the respondents. Consequently, the largest numbers of the respondents are Diploma/ Level III/IV holders which is 54.8% of the respondents followed by degree holder 30.6% whereas 12.9% are certificate and 1.6% master holder. Depending on the respondents' response, one can conclude that the majority of employees in the organizations are professional enough for the hospitality industries.

Item-5 of the table is regarding the working experience or service years of the respondents in the hotels. It indicates that 90.3% of respondents have been working in the organizations for more than 5 years, 33.9% for 6 to 10 years, 41.9% for 11 to 15 years, 9.7% for 16 to 20 years, and 4.8% for 21 to 25 whereas only 9.7% have been working for less than years. Therefore, the majority of the respondents have been working for more than five years in the organizations. So, this is significant for the soundness of the data that provided by the respondents since those who have more stayed in the organizations know more about the organizations supply chain practice and assumed to be they can offer precise information.

4.3 Frequency Distribution Analysis on SCM Practice Factors

In this section, the supply chain management practice factor components data was collected, entered and reported by using SPSS. The frequency distribution value of each SCM practice factor with respect to respondents' category is analyzed and presented.

4.3.1 Frequency Distribution of SC Integration for Planning and Control

Table 4.2 SCM practice related to supply chain integration for planning and control

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	There is a collaboration with suppliers during stock planning	Strongly Disagree	-	-	-
		Disagree	3	4.84	4.84
		Neutral	11	17.74	22.58
		Agree	48	77.42	100.00
		Strongly Agree	-		
		Total	62	100	-
2	There is a collaboration with supplier during demand forecasting	Strongly Disagree	-	-	-
		Disagree	16	25.8	25.8
		Neutral	15	24.2	50.0
		Agree	31	50.0	100.0
		Strongly Agree	-	-	
		Total	62	100	-
3	There is a collaboration with customer during demand forecasting	Strongly Disagree	-	-	-
		Disagree	28	45.2	45.2
		Neutral	24	38.7	85.9
		Agree	10	16.1	100.0
		Strongly Agree	-		
		Total	62	100	-
4	Your hotel has integration with customer during product development	Strongly Disagree	-	-	-
		Disagree	36	58.1	58.1
		Neutral	21	33.9	91.9
		Agree	5	8.1	100.0
		Strongly Agree	-	-	
		Total	62	100	-
5	There is a collaboration with customer during production planning	Strongly Disagree	5	8.1	8.1
		Disagree	40	64.5	72.6
		Neutral	10	16.1	88.7
		Agree	7	13.3	100.
		Strongly Agree	-	-	
		Total	62	100	-
6	There is a collaboration with supplier during stock production	Strongly Disagree	3	4.8	4.8
		Disagree	28	45.2	50.0
		Neutral	10	16.1	66.1
		Agree	21	33.9	110.0
		Strongly Agree	-		
		Total	62	100	-
7	There is customer collaboration during stock planning	Strongly Disagree	1	1.6	1.6
		Disagree	33	53.2	54.8
		Neutral	19	30.6	85.5
		Agree	9	14.5	100.0
		Strongly Agree	-		
		Total	62	100	-

Source: Research Questionnaire, 2020

As indicated in the above table the result of the data that gather from the respondents; 77.42% of the respondents believed that there is a collaboration with suppliers during stock planning whereas 4.84% of the respondents against on the majority of the respondents the rest 17.74% didn't know whether both hotels have a collaboration with suppliers during stock planning or not.

On the side of collaboration with supplier during demand forecasting, half of the respondents said there is collaboration with supplier during demand forecasting. 25.8% feel that the non-existence of collaboration with supplier during demand forecasting & 24.2% of the respondents were on the neutral side.

45.2% of respondents said that there is no collaboration with customer during demand forecasting, whereas 16.1% are on the opposite side of them the rest 38.7% are on the neutral side.

The result of the above table 4.2 indicated that more than 72% of the respondents' believed that there is no collaboration with customer during production planning the rest 16.1% not quite sure about the existence of collaboration with customer during production planning and the remaining 13.3% respondents agreed about the collaboration of customer during production planning.

Half of the population agreed about the non-existence of collaboration with supplier during stock production whereas 33.9% agreed about the existence of collaboration with supplier during stock production the rest on the dilemma.

From the research, finding 54.8% of the respondents said that there is no customer collaboration during stock planning while 14.5% agreed on the customer collaboration during stock planning the remaining 30.6% respondents are on the biased situation.

4.3.2 Frequency Distribution of Information Sharing

Table 4.3 SCM practice related to information sharing about product and target strategies

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	Your hotel consult customer about production programming change	Strongly Disagree			
		Disagree	4	6.5	6.5
		Neutral	6	9.7	16.1
		Agree	51	82.3	98.4
		Strongly Agree	1	1.6	100.0
		Total	62	100	-
2	Your hotel consult suppliers about production programming changes	Strongly Disagree	-		
		Disagree	-		
		Neutral	9	14.5	14.5

		Agree	47	75.8	90.3
		Strongly Agree	6	9.7	100.0
		Total	62	100	-
3	Your hotel can get final customer feedback on service adequacy	Strongly Disagree			
		Disagree	1	1.6	1.6
		Neutral	4	6.5	8.1
		Agree	15	24.2	32.5
		Strongly Agree	42	67.7	100.0
		Total	62	100	-
4	There is an assessment on customer decision about new products	Strongly Disagree	-		
		Disagree	-		
		Neutral	5	8.1	8.1
		Agree	38	61.3	69.4
		Strongly Agree	19	30.6	100.0
		Total	62	100	-
5	Your hotel consult customer during new product development	Strongly Disagree			
		Disagree	3	4.8	4.8
		Neutral	17	27.4	32.3
		Agree	37	59.7	91.9
		Strongly Agree	5	8.1	100.0
		Total	62	100	-
6	Your hotel communicate with suppliers on future strategies and new product launch	Strongly Disagree			
		Disagree	3	4.8	4.8
		Neutral	-	-	4.8
		Agree	53	85.5	90.3
		Strongly Agree	6	9.7	100.0
		Total	62	100	-
7	There is a communication with supplier about future strategies	Strongly Disagree	-	-	-
		Disagree	-	-	-
		Neutral	4	6.5	6.5
		Agree	57	91.9	98.4
		Strongly Agree	1	1.6	100.0
		Total	62	100	-

Source: Research Questionnaire, 2020

As indicated in table 4.3 the result of the data that gather from the respondents; more than 83% of the respondents believed that both hotels consult customer about production programming change while 6.5% of the respondents are on the reverse side of the majority of the respondents. The remaining 9.7% of the respondents do not stand on both side.

The result showed that 85.5% of the respondents believed that both Marriott and Sheraton consult suppliers about production programming changes. The rest 14.5% did not know whether both hotels consult customer about production programming change.

On the side of getting final customer feedback on service adequacy only one respondents don't believe this actually occur in both hotel & 6.5% of the respondents on the neutral side on the other side 67.7% respondents strongly agree and 24.2% respondents agree on the existence of getting final customer feedback on service adequacy.

Regarding about the assessment on customer decision about new products no one disagree, 61.3% agree, 30.6% strongly agree and the remaining 8.1% on the mid place.

Only 4.8% of the respondents do not believe on the consult of customer during new product development, 27.4% of the respondents on the neutral side whereas the majority of the respondents agreed on the consult of customer during new product development.

The result indicated that more than 95.0% of the respondents' believed that on the communication with the suppliers on future strategies and new product launch whereas the rest on the opposite side of them.

As per the result obtained both hotels has a good communication with supplier about future strategies, more than 93% of the respondents' strength this argument and the rest on the neutral side.

4.3.3 Frequency Distribution of Relationship with Customer and Supplier

Table 4.4 SCM practice related to relationship with customer and supplier

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	You have an integration with suppliers during product development	Strongly Disagree	2	3.2	3.2
		Disagree	19	30.6	33.9
		Neutral	7	11.3	45.2
		Agree	33	53.2	98.4
		Strongly Agree	1	1.6	100.0
		Total	62	100	-
2	Your hotel involves customers in services/marketing plans	Strongly Disagree	5	8.1	8.1
		Disagree	33	53.2	61.3
		Neutral	18	29.0	90.3
		Agree	5	8.1	98.4
		Strongly Agree	1	1.6	100.0
		Total	62	100	-
3	Your hotel involves suppliers in services/marketing plans	Strongly Disagree	6	9.7	9.7
		Disagree	29	46.8	56.5
		Neutral	12	19.4	75.8
		Agree	15	24.2	100.0
		Strongly Agree	-		
		Total	62	100	-
		Strongly Disagree	6	9.7	9.7

4	Your Hotel participates in the customers' marketing effort	Disagree	36	58.1	67.7
		Neutral	6	9.7	77.4
		Agree	14	22.6	100.0
		Strongly Agree	-		
		Total	62	100	-
5	Your hotel determines customer future needs	Strongly Disagree	4	6.5	6.5
		Disagree	22	35.5	41.9
		Neutral	10	16.1	58.1
		Agree	22	35.5	93.5
		Strongly Agree	4	6.5	100.
		Total	62	100	-

Source: Research Questionnaire, 2020

As per the above table result obtained from the respondents, 54.8% of them thought there is an integration with suppliers during product development. Whereas 37.1% do not believe about the integration of supplier during product development, the remaining on the neutral side.

Based on the respondents' answer more than half of the respondents said that both hotels Sheraton and Marriott do not involve customers in services/ marketing plans while 8.1% agrees, 1.6% strongly agree on the involvement of customers in service/ marketing plan. The rest 29% are on mid side. On the same way 56.5% respondents said both hotels do not involve the suppliers in the service/ marketing plan. Only 24.2% respondents agree on the supplier involvement in service or marketing plan the remaining respondents on the neutral side.

Referring to table 4.4 result 9.7% strongly disagree, 58.1% disagree, 9.7% neutral and 22.6% agree on the participants of both hotels in the customer marketing effort. Regarding about determines of customer future needs equal number of respondents on the opposite side.

4.3.4 Frequency Distribution of support customer order

Table 4.5 SCM practice related to support customer order

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	Your hotel creating multifunctional logistics and quality teams that include members of other departments	Strongly Disagree	-	-	-
		Disagree	-	-	-
		Neutral	2	3.2	3.2
		Agree	42	67.7	71.0
		Strongly Agree	18	29	100.00
		Total	62	100	-
2	Your hotel has formal information sharing with customers about production costs	Strongly Disagree	-		
		Disagree	3	4.8	4.8
		Neutral	8	12.9	17.7
		Agree	31	50	67.7

		Strongly Agree	20	32.3	100.0
		Total	62	100	-
3	There is an assemble products near final customer	Strongly Disagree	-	-	-
		Disagree	-	-	-
		Neutral	1	1.6	1.6
		Agree	50	80.6	82.3
		Strongly Agree	11	17.7	100.0
		Total	62	100	-

As indicated in the above table 4.5 the result of the data that gather from the respondents only 4.8% of the respondents gave negative answer about the applicable of supply chain practice related to support customer order. Among the 62 respondents, three of them said there is no formal information sharing with customer about production cost. Many of the respondents believed that there is a high trend in the support of customer order.

4.3.5 Frequency Distribution of Supply Chain Management Challenges

Table 4.6 SCM challenges

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	There is a lack of management support in supply chain	Strongly Disagree	-	-	-
		Disagree	2	3.2	3.2
		Neutral	7	11.3	14.5
		Agree	36	58.1	72.6
		Strongly Agree	17	27.4	100.0
		Total	62	100	-
2	Lack of understanding supply chain management concept	Strongly Disagree	15	24.2	24.2
		Disagree	38	61.3	85.5
		Neutral	9	14.5	100.0
		Agree	-		100.0
		Strongly Agree	-		100.0
		Total	62	100	-
3	Lack of government support	Strongly Disagree	8	12.9	12.9
		Disagree	27	43.5	56.4
		Neutral	15	24.3	80.7
		Agree	12	19.3	100.0
		Strongly Agree	-		
		Total	62	100	-
4	Lack of qualified supply chain management personnel	Strongly Disagree	14	22.6	22.6
		Disagree	31	50.0	72.6
		Neutral	9	14.5	87.1
		Agree	8	12.9	100.0
		Strongly Agree	-		
		Total	62	100	-
		Strongly Disagree	-	-	-

5	Increasing in competition within the hotel industry.	Disagree	2	3.2	3.2
		Neutral	3	4.8	8.0
		Agree	18	29.0	37.0
		Strongly Agree	39	63.0	100.
		Total	62	100	-

Source: Research Questionnaire, 2020

According to the data obtained from the respondents about the supply chain management practice challenges. 85.5% of the respondents believed that there is a lack of management support in supply chain, only 3.2% of the respondents agreed on the management support in supply chain whereas the remaining 11.3% are on the neutral side.

More than 85% of the respondents thought there is an understanding of supply chain management concept in Sheraton and Marriott Executive Apartment while only 14.5% don't stand on either of side In the meantime majority of the respondent's agreed on the support of the government whereas 19.3% respondents said the government doesn't give support on supply chain management. The remaining 24.3% of the respondents don't know whether the government gives support or not on supply chain management.

As per the information obtained from the 72.6% of the respondents there are qualified personnel in supplies chain management in both hotels. Whereas 12.9% of the respondents said there is a lack of man power in supplies chain. 92% of the respondents said that the increased in hotel competition is considered as a supply chain management only 3.2% of the respondents are on the opposite side of this arguments whereas 4.8% are on the neutral side.

4.4 Result of Descriptive Analysis on SCM Practice Factors

In this section, the collected data was entered and reported by using SPSS. The mean value of each supply chain practice factors is analyzed and presented.

The analyses were on Supply chain management practices like Collaboration /integrated supply chain management, information sharing about product and target strategies, relationship with customer and supplier, Customer service support and Challenges of SCM.

The above listed items are the most critical parts of the conceptual framework and basic research variables of this paper. Therefore, the discussion of the above conceptual framework components were answered the basic research questions and meets the stated objectives of this study. The mean value of the respondents has considered as an important indicator to the extent of the hotels practices on each items. The mean and group mean statistical values less than 3.00

is poor performance, 3.00, average/moderate and above 3.00 indicates good performance of the company on that particular item and variable respectively.

4.4.1 Statements of SCM practice Related to SC Integration for Planning and Control

Table 4.7 Mean Value of Integration

Descriptive Statistics SC Integration				
Description	N	Minimum	Maximum	Mean
There is a collaboration with suppliers during stock planning	62	2	4	3.73
There is a collaboration with supplier during demand forecasting	62	2	4	3.24
There is a collaboration with customer during demand forecasting	62	2	4	2.71
Your hotel has integration with customer during product development	62	2	4	2.50
There is a collaboration with customer during production planning	62	1	4	2.31
There is a collaboration with supplier during stock production	62	1	4	2.79
There is customer collaboration during stock planning	62	1	4	2.58
GROUP MEAN				2.83

Source: Research Questionnaire, 2020

The above table describe about the mean value of the SCM practice related to supply chain integration for planning and control. Accordingly, the group means is 2.83, which is below the average this indicates that both hotels are under performance with respect to the overall measurement of collaboration.

Specifically the mean value of collaboration with customer during demand forecasting, integration with customer during product development, collaboration with customer during production planning, collaboration with supplier during stock production and customer collaboration during stock planning is 2.71, 2.50, 2.31, 2.79 and 2.58 respectively. These, mean both hotels are weak in the collaboration of participating suppliers and customers.

Whereas there is a good practice in the collaboration of supplier during stock planning and collaboration with supplier during demand forecasting.

4.4.2 Statements of SCM Practice Related to Information Sharing about Product and Target Strategies

Information sharing refers to the extent to which critical and proprietary information is communicated to one's supply chain partner (Monczka , 1998; Li., 2006). Information sharing has two aspects: quantity and quality and both of aspects are important for SCM practice (Morberg , 2002, Li, 2006). While information sharing is important, the significance of its impact on SCM depends on what information is shared, when and how it is shared and with whom (Holmberg, 2000).

Table 4.8 Mean Value of Information sharing
Descriptive Statistics SC Information Sharing

Description	N	Minimum	Maximum	Mean
Your hotel consult customer about production programming change	62	2	5	3.79
Your hotel consult suppliers about production programming changes	62	3	5	3.95
Your hotel can get final customer feedback on service adequacy	62	2	5	4.58
There is an assessment on customer decision about new products	62	3	5	4.23
Your hotel consult customer during new product development	62	2	5	3.71
Your hotel communicate with suppliers on future strategies and new product launch	62	2	5	4.00
There is a communication with supplier about future strategies	62	3	5	3.95
GROUP MEAN				4.03

Source: Research Questionnaire, 2020

Above table 4.6 indicates, the mean value of each items and group mean that can generalize the information sharing practice of the case company with its up and down-stream supply chain partners.

The result of the group mean value as well as the individual factors mean is above the average this shows that both hotels has a very good practice in up and down stream supply chain partners. That includes formal information sharing about production costs with customers, new products launching with suppliers, participation in the customers' marketing effort and determine of supplier future strategies.

4.4.3 Statements of SCM Practice Related to Relationship with Customer and Supplier

Customer relationship comprises the entire array of practices that are employed for the purpose of managing customer complains, building long-term relationships with customers and improving customer satisfaction (Tan, 1998; Claycomb., 1999; Li., 2006). The good relationship with customers is required to ensure effective supply chain management. Close customer relationship allows an organization to differentiate its products from the competitors and sustain customer loyalty.

Table 4.9 Mean Value of Relationship with customer and supplier

Descriptive Statistics Relationship with Customer & Supplier

Description	N	Minimum	Maximum	Mean
You have an integration with suppliers during product development	62	1	5	3.19
Your hotel involves customers in service /marketing plans	62	1	5	2.42
Your hotel involves suppliers in service /marketing plans	62	1	4	2.58
Your hotel participates in the customers marketing effort	62	1	4	2.45
Your hotel determines customer future needs	62	1	5	3.00
GROUP MEAN				2.73

Source: Research Questionnaire, 2020

As per the above table the group mean of relationship with customer and supplier is below the average and this indicates both hotels do not have a good relationship with supplier and customer in service or marketing plan, marketing effort and customer future needs. Both Suppliers and Customers are the integral part of any business organization success. A loyal customer is not a onetime customer it is an all-time customer, this comes through the good relationship. In the meantime the relationship with supplier should be based on the good relationship in order to get the desired materials as per the standard of the hotels with the best price for the long period of time.

4.4.4 Statements of SCM Practice Related to Support Customer Order

Customer always expects great service. They are giving money to a company to perfectly satisfy their needs to get a product on time. If a problem does arise, they want the company to have the transparency to show why it occurred and the necessary measures to fix the problem.

Table 4.10 Mean Value of Customer support order

Descriptive Statistics of Customer Order Support				
Description	N	Minimum	Maximum	Mean
Your hotel creating multifunctional logistics and quality teams that include members of other departments	62	3	5	4.26
Your hotel has formal information sharing with customers about production cost	62	2	5	4.10
There is an assemble products near final customer	62	2	5	4.16
GROUP MEAN				4.17

Source: Research Questionnaire, 2020

The above table showed that both the group and individual mean factors are above the average. This shows that both hotels Sheraton Addis and Marriott Executive Apartments are working effectively to satisfy their customer needs.

4.4.5 Statements of SCM Practice Challenges

Efficient supply chain management is crucial for market success. Companies in the food and beverage industry face many logistics and supply chain management challenges. The volatile commodity prices, competition in industry, regulatory norms, political situation, skilled labor, new entrants in the market, and complex manufacturing constraints further add to the afflictions of the company. Such challenges lead to a reduction in sales, profit margins, and customer loyalty. Companies must understand the consequences of bad supply chain management in order to devise effective supply chain strategies. This study tried to examine supply chain management practice challenges like management support, government support, skilled labor and competition in the industry.

Table 4.11 Mean Value of SCM challenges

Descriptive Statistics of SC Challenges				
Description	N	Minimum	Maximum	Mean
There is a lack of management support in SC	62	1	5	4.03
Lack of understanding SCM concept	62	1	3	1.90
Lack of government support	62	1	4	2.50
Lack of qualified SCM personnel	62	1	4	2.18
Increasing in competition within the hotel industry	62	2	5	4.52
GROUP MEAN				3.03

Source: Research Questionnaire, 2020

The result showed that the management support and increasing competition in the hotel industry is the major challenge for both hotels in the implementation of supply chain management, this means that effective supply chain management has been hindered by the management support and increased competition in the hotel industries. On the other hand, understanding of supply chain management concept, government support and qualified personnel could not be a challenge in the application of supply chain management practices. However, the overall group mean of supply chain management practice challenge is almost in the neutral value. This is; therefore, keeping the good practices and improving the drawbacks helps both hotels to full fill all the required materials for the hotels and to satisfy the guest needs and wants. As a result, both hotels become profitable and stay on the competition as well as in the industries.

CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

This chapter presents the summary of the results and the findings based on the analysis conducted throughout the entire study. Suggestions are also presented in order to guide future researchers examining the supply chain practice. Subsequently the chapter ends with conclusions and some relevant recommendations for both the management as well as for future researchers

5.2 Summary of the major findings

The main aim of this study was to examine the existing food supply chain practice and challenges. The study saw the supply chain management practice factors like integration, information, relationship and support customer order. This study attempted to answer the following objectives:

- To determine the supply chain management practices preferred by the hotels.
- To determine the challenges encountered while implementing supply chain management.
- To determine the hotel management practice their supply chain to satisfy their customer.

Based on the data analysis and interpretation made in the preceding chapter the most important findings are summarized as follows.

- The group mean of supply chain management practice related to supply chain integration for planning and control is below the average this means the current practice of collaboration with supplier and customer in planning and control is weak.
- Regarding about the information sharing about product and target strategies both Sheraton and Marriott Hotels has a good trend that helps the applicable of SCM practice.
- The descriptive analysis of the relationship with customer and supplier shows that there is a weakness in both hotels to participate suppliers and customers in product development, marketing plan and customers future needs.
- There is a very good practice in supply chain management customer support order in both hotels. Customers are important because they drive revenues; without them, businesses have nothing to offer. Customer is always right because happy customers are more likely to award repeat business to companies who meet or exceed their needs. As

a result, many companies closely monitor their customer relationships to solicit feedback on methods to improve product lines.

- The major challenges of both hotel in the execution of supply chain management are lack of management support and increasing competition in the hotel industries. According to the result of descriptive analysis both hotels don not have a problem in understanding of supply chain management concept and also they have a good government support as well as they have a well-qualified personnel.

5.3 Conclusions

Based on the major findings explained in the above, the following conclusions were drawn.

- With respect to supply chain management integration for planning and control both hotels has a poor experience in collaboration with suppliers and customers. If there is a lack of collaboration with supplier and customers in the stock planning, demand forecasting, production planning and stock production, it is difficult to having the required materials with required quantity, quality and cost this leads supply shortage and poor food quality. Finally unable to satisfy the guest needs and want this leads the company revenue decreasing.
- The result of group mean of relationship with customer and supplier is 2.73, which is below the average this means there is a poor relationship with customers and suppliers in product development, marketing plan and customer future needs. A good relationship is the one that is mutually dependent or interdependent. A good reason to depend on each other is survival. Without suppliers, it is unable to get the materials that need to operate the daily tasks. In the meantime unless and otherwise preparing things as per the customer needs and want it will be a loss for any company. This is; therefore, having a good relationship with supplier and customer is the critical one to accomplish the hotels goals and objectives.
- In referring to the challenges of supply chain management, both hotels have a challenge in management support and increasing competition in the hotel industries. Challenges are the obstacles to do the job properly. So in order to practice effectively the supply chain management both hotels concerned stakeholders should help them in all aspects. Since supply chain, management is an integral part of most businesses and is essential to company success and customer satisfaction.
- The group mean value of information sharing about product and target strategies is 4.03, this indicates both hotels have good practice in information sharing with suppliers and

customers. Since information is, a key factor for gathering guest satisfaction and needs both hotels should keep their strength.

- The result indicates that both hotels have a good performance in the support of customer order keep on going this truck to accomplish their goals and objectives.

5.4 Recommendation

In general satisfying customers, profit making and staying in the business constantly are some of the purposes of business organization in order to accomplish these purposes, to compete well and to gain competitive advantages from competitors having the required materials at the required time and place with reasonable cost is the major one.

In present days due to the advancement of hospitality industries in Ethiopia a lot of local and international hotels have been opened so to be able to competent, profitable and to satisfy customers and also to attain the intended objectives effectively, the hotel management should engage properly in in the supply chain management practice.

Thus, in line with the summary of findings, the following recommendations are given in order to minimize or decrease the problem identified

- ❖ Both hotels should strength the collaboration with suppliers and customers in order to properly maintain the SCM practices. Supply chain collaboration is a two or more independent firms working jointly to plan and execute supply chain operations. It can deliver substantial benefits and advantages to its partners. It has been known as a cooperative strategy when one or more companies or business unit's work together to create mutual benefits. Having a good collaboration has the below benefits:-
 1. Lower inventory levels and higher inventory turns
 2. Lower transportation and warehousing costs
 3. Lower out-of-stock levels
 4. Shorter lead times
 5. Improved customer service metrics
 6. Visibility into customer demand and supplier performance
 7. Earlier and quicker decision-making
- ❖ Without supplier and customer, any business organization cannot do their task adequately. Since both supplier and customer an integral part of business organization, the relationship with supplier and customer must be maintained properly. This is; therefore, both hotels Sheraton and Marriott should apprise their relationship with their customer and supplier.

- ❖ The management of both hotels should give necessarily support to the supply chain management like training,

Recommendation for future research

Future research can be carried out to determine the assessment supply chain management practice on the performances of the hotels it is better also includes upstream and downstream members of supply chain.

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SCHOOL OF GRADUATE STUDIES
MA IN LOGISTICS AND SUPPLIES CHAIN MANAGEMENT

Questionnaires

Questionnaires to be filled by Associates and Department Heads of Marriott Executive Apartments and Sheraton Addis

Dear respondents;

This questionnaire is designed to collect data on the supply chain management practice in hotel Industry an examination of hotel food supply chain in Marriott Executive Apartments and Sheraton Addis which will be used as an input for a thesis in partial fulfillment of the award of Master degree in Logistics and Supplies Chain Management from Addis Ababa University School of Commerce. I assure you that, all your responses will be kept in absolute confidentiality and you will not be held responsible for the research outcome. Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in filling the questionnaire honestly and responsibly.

NB.

- + No need of writing your name.
- + Put the [✓] mark in the box provided.
- + Please respond as accurately as possible and at your earliest possible time.

Should you have any enquiries please contact the researcher at the following addresses:

Name:-Solomon Mitiku

Telephone number:-251-911437819

Email:-solemitiku@gmail.com/solemitiku@yahoo.com

Part-I: Demographic Information of Respondents please put the [✓] mark in the box provided

1. Sex

☐ Male ☐ Female

2. Age (Years)

☐ Less than 20 ☐ 21-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐ More than 61

3. Marital status

☐ Single ☐ Married ☐ Divorced ☐ Widow

4. Education Level

☐ Certificate ☐ Diploma/Level III/IV ☐ Degree ☐ Masters

5. Work Experience

☐ Less than 5 years ☐ 6-10 years ☐ 11- 15 years ☐ 16-20 years
☐ 21-25years ☐ More than 25 years

Part-II: Issues Related to SCM practice principal components

1. The following statement relates to your hotel Supply chain management practices that your hotel has implemented to support supply chain integration for product planning and control. Please indicate your level of agreement/disagreement by ticking [✓] in the box for your exact feeling based on the scale below.

N.B:-

5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

No.	Statements of SCM practice related to supply chain integration for planning and control	Scale				
		1	2	3	4	5
1	There is a collaboration with suppliers during stock planning.					
2	There is collaboration with supplier during demand forecasting					
3	Your hotel has integration with customer during product development					
4	There a collaboration with customer during production planning					
5	There is collaboration with supplier during stock production					

2. The following statement relates to your hotel Supply chain management practices that your hotel has implemented to support information sharing about product and target strategies. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

No.	Statements of SCM practice related to information sharing about product and target strategies	Scale				
		1	2	3	4	5
6	Your hotel Consult customers about production programming changes					
7	Your hotel Consult suppliers about production programming changes					
8	Your hotel can get final customer feedback on services adequacy					
9	There is an assessment on customers decisions about new products					
10	Your hotel Consult customer during new products development					
11	Your hotel Communicate with suppliers on future strategies and new product launch					
12	There is a communication with supplier about future strategies					

3. The following statement relates to your hotel Supply chain management practices that your hotel has implemented to support strategic relationship with customer and supplier. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

No.	Statements of SCM practice related to relationship with customer and supplier	Scale				
		1	2	3	4	5
12	You have an integration with suppliers during product development					
13	Your hotel involves customers in services/marketing plans					
14	Your hotel involves suppliers in services/marketing plans					
15	Your Hotel participates in the customers' marketing effort					
16	Your hotel determines customer future needs					

4. The following statement relates to your hotel Supply chain management practices that your hotel has implemented to support customer order. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

No.	Statements of SCM practice related to support customer order	Scale				
		1	2	3	4	5
18	Your hotel Creating multifunctional logistics and quality teams that include members of other departments					
19	Your hotel has formal information sharing with customers about production costs					
20	There is an assemble products near final customer					

5. The following statements relates to the challenges encountered in the hotel supply chain management practice. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

No.	Statements of challenges in implementation of supply chain management practice	Scale				
		1	2	3	4	5
21	There is a lack of management support in supply chain					
22	Lack of understanding supply chain management concept					
23	Lack of government support					
24	Lack of qualified supply chain management personnel					
25	Increasing in competition within the hotel industry.					