Performance Measurement of Travel Agencies in Nigeria

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ABSTRACT

In decision making, performance measurement is conducted to know how well the activities of the organization have enhanced successes, showing whether they are satisfactory, favorable or unfavorable to rendering services. Performance measurement assumes the same measure of importance for travel agencies and holds a very imminent role in its entire management processes. With the current situation of things in the industry, the increased mobility has brought about increased demand just as it has given rise to competition among travel agencies, who hold the responsibility of providing customers with services to move from one place to another.

Amidst this scenario, the agencies strive to provide services that will best satisfy the expectations of customers and there are several others involved in this highly competitive business venture. Travel agency as intermediaries offer lucrative services and this is the reason performance measurement is necessary. It is in this light that this study on performance measurement in travel agencies in Lagos state was conducted to assess its influence on the decision making about service delivery. As a result, one hundred and thirty-eight (138) employees of eighteen travel agencies provided responses to the field survey conducted for this study.

The study found that efficacy and value of performance measurement in the operations of travel agencies is entrenched in the outcome of performance information. The findings further revealed the employees in the travel agencies understand the relevance of and conduct performance measurement on as often as

possible. This implies that performance information is useful for travel agencies, and effective for ensuring the successful service delivery, achieving profit objective, ensuring customer satisfaction, and to also attain global standards for travelers. Therefore performance measurement has a clear-cut relationship with service delivery, and the frequency at which travel agencies measure their performance gives rise to the productivity they experience in their operations.

Keywords: Performance Measurement, Travel Agency, Nigeria.

ÖZ

Karar verirken, performans ölçümünde organizasyonların faaliyetlerinin ne kadar başarılarını artırdıpını bilerek, bize hizmet sunumunun tatmin edici, olumlu veya olumsuz olup olmadığını göstermektedir. Performans ölçümü, seyahat acenteleri arasında aynı oranda bir öneme sahiptir ve tüm yönetim süreçlerinde çok önemli bir rol oynar. Sektördeki mevcut durumu düşünürsek, artan mobilite (hareketlilik) talebi artırmakla birlikte seyahat acenteleri arasında rekabetle beraber müşterileri bir yerden bir yere taşımak için hizmet sunumluluğunu da beraberinde getirmiştir. Bu senaryo içerisindeacenteler daha iyi bir hizmet için çaba göstererek en iyi şekilde müşterilerin beklentilerini tatmin ederek bunların yanında son derece rekabetci iş girişiminde yer alan birkaç işletme vardır. Aracı olarak seyahat acentesi karlı hizmetleri sunuyor ve bu nedenle perfomans ölçümü gereklidir. Bunların ışığında Lagos eyaletindeki seyahat acentelerinde yapılan performans ölçümü üzerinde yapılan bu çalışma, hizmet sunumunda karar verme üzerindeki etkisini değerlendirmek için yapıldı. Bunun sonucunda toplam 18 seyahat acentesinden çalışan 138(yüz otuz sekiz) kişi üzerinde yapılan saha araştırmasından yanıtları vardır. Bu çalışma etkinliği ve seyahat acentelerinin çalışmalarındaki performans ölçümünün, seyahat ecetelerine karşılıklı hizmetin sonucunda çalışanların performans ölçümünü mümkün olduğunca önemseyerek gerçekleştirdiklerini ortaya koydu. Bu bulgular seyahat acentelerinde çalışaların performans ölçümünü mümkün olduğunca önemsediğini ve performans ölçümünü mümkün olduğunca çabuk gerçekleştirdiklerini ortaya koymuştur. Bu performans bilgilerinin seyehat acenteleri için yararlı olduğunu ve başarılı hizmet sunumunun sağlaması, kar amacı güden müşteri memnuniyetini sağladığı ve seyahat edenler için küresel standartlara

ulaşmasınI sağlamaktadır.bu performan ölçümünün hizmet sunumu ile açık uçlu bie ilişki içerdiğini ve seyehat acentelerinin performanslarını ölçme sıklığı faaliyetlerinde verimliliği deneyimliyorlar.

Anahtar kelimeler: Performans Ölçümü, Seyahat Acentası, Nijerya

DEDICATION

To Almighty God

My Parents, Mr. & Mrs. Benjamin Oluwafemi

My wife, Kehinde and children Nicholas and Armstrong

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Chapter 1

INTRODUCTION

1.1 Background of the Study

Performance measurement is understood in different ways, depending on the relative context of use. The definition provided by Bourne, Neely, Mills and Platts (2000) is that several measures are put together to achieve the goal of performance measurement. This means that performance measurement comprises of processes be it financial or otherwise, which are utilized by an organisation to assess its effectiveness. Performance measurement specifically initiates measures and how they seek to achieve the anticipated objective for which it is needed.

Bourne, Neely, Mills and Platts (2003) stated that performance measurement was used right from time as criteria through which assessment was carried out; however, there is wide advocacy for a definite approach to be employed to measure performance in organizations. Notwithstanding, performance measurement is used by several organizations to find out the effectiveness of decision making processes.

In decision making, the management of an organization conduct performance measurement to know how well their activities have enhanced successes, if the said decisions are favourable to the services rendered, and if maximum satisfaction is derived. Therefore, it is safe to say that performance assumes a very imminent role in the entire management processes.

It is widely reported that performance management is simply a tool which organizations use to manage its management (van de Kooy, 2010; Ukko, Tenhunen and Rantanen, 2007; Kaplan and Norton, 2001). This process is used to conduct an observation on personalities, with particular concentration on those issues that have immediate need to improve upon. It is made possible by the information about decision making through which the organization is able to improve on its strategy.

A strategy is equally important because the vision earmarked in establishing the organization applied to reflect in the daily activities as well and decision making stages. Using a strategy in an organization makes it easy for a structure of operation to be clearly defined such that those involved in the managing available will do so effectively and with ease.

There are several researches on performance measurement and how it affirms the successes in various organizations (Braam and Nijssen, 2004; Martinez and Kennerley, 2005). Accordingly too, performance measurement makes it possible for organizations to set priority standards, improve on service delivery as in the case of travel agencies, sustain the reputation of the organization, while creating an enabling environment for business to thrive. However, the performance measurement in travel-services is an area which has not enjoyed adequate research.

In this study, particular concern is with agencies who, as intermediaries, provide travel services for those actually doing the travel, not minding the purpose for which they are done. Weaver and Lawton (2002) state that travel agencies hold the responsibility of providing customers with services to enable them move from one place to another.

With the current situation of things in the industry, the increased mobility has brought about increased demand just as it has given rise to competition among travel agents. Amidst this scenario, the agencies strive to provide services that will best satisfy the expectations of customers; and several other agencies on the other hand are providing same line of services are doing same. The role of travel agencies as intermediaries is that they offer lucrative services which are highly demanded. It is against this backdrop that it is necessary to apply performance measurement in travel agencies.

As an international practice, performance measurement is considered to be able to determine the level of service effectiveness. Simons (2000) hold the view that performance measurement is an indispensable tool which any organization can use to achieve set goals. Through performance measurement, the travel agencies are able to checkmate its activities ranging from the internal-based as well as those that are external. The necessity of carrying out performance measurement for the travel agencies is that it expedites the competitive strategies initiated towards provision of effective services (Cruz, 2007; Brander, Brown and Atkinson, 2001).

By so doing, it will be possible to ascertain the impact the decision making process in the travel agencies. The importance of performance measurement to travel agencies makes it possible for strategies to be developed on a constant basis, for the purpose of improving and/or to effect change where and when necessary. For this reason, there is an enhanced disposition towards achieving set objectives.

1.2 Statement of the Problem

In recent times, the movement of people in, around the world has grown to an immense scale (Sheller & Urry, 2006; 2016) and Nigeria is not an exception in this trend. In Nigeria, there are different forms of movement in form of emigration (departure) and immigration (influx) considered either as irregular, return and/or internal, and any of these is either voluntary or involuntarily done by citizens (Isiugo-Abanihe & IMO Nigeria, 2014). For instance, the World Travel and Tourism Council (2014) reports that domestic travel has experienced a high growth and still continues to thrive because of the increase in number of investors and indicators are that there are more prospects for investments in the travel sector.

The factors that constitute the key driving force for these various forms of movement are political, environmental, economic, conflicts, labour force, unemployment, poverty, education, health, and so on. As a result of the necessity of movement of people, the tourism sector in Nigeria is reported to account for less than 2 percent of the entire Gross Domestic Product of the economy, and available statistics of the contribution of the tourism sector as of 2015 is recorded as 4.7 billion dollars (Wroblewska, 2016).

In the face of the economy challenges, tourism is able to withstand the unstable oil prices in the oil sector (which happens to be the mainstay of the economy) and the devaluation of the Nigerian naira against other dominant foreign currencies. The proof is that there is increased growth in the travel and particularly the hospitality sectors (Beeka & Rimmington, 2011; Lombard, 2016). The tourism and has caused so many agencies to spring up to carter for the travel needs of customers. For this

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reason, the travel sub-sector of tourism has experienced great improvement, when compared with how it started several years ago (Wawira, 2017).

As intermediaries, travel agents offer auxiliary services that are useful for travelers not minding their destinations and purpose of their journey. This has caused demand for services of travel agents to be on the increase. This study seeks to appraise how travel agencies use performance measurement to assessing their efficiency in decision making process towards rendering services to the customers.

1.3 Research Aim and Objectives

The aim of the research is to examine the performance measurement of travel agencies, particularly in Lagos State, South-West region of Nigeria. The objectives of this study as guided by the outlined aim are as follows:

1. To examine the use of performance measurement in Nigerian travel agencies.

2. To assess the effectiveness of performance measurement for travel agencies in Nigeria.

3. To identify the indicators considered for performance measurement in Nigerian travel agencies.

4. To determine the usefulness of performance information in the travel agencies.

1.4 Research Questions

This study will address the following research questions.

1. What is the use of performance measurement in Nigerian travel agencies?

2. How effective is performance measurement for travel agencies in Nigeria?

3. What are the indicators considered for performance measurement in Nigerian travel agencies?

4. How useful is performance information to the travel agencies?

1.5 Research Hypothesis

Based on the clearly outlined objectives and research questions, the following are the research hypothesis developed for this study.

1. There is a significant relationship between performance measurement and the service delivery of travel agencies in Nigeria.

2. There is a significant relationship between frequency of conducting performance measurement and agency productivity.

1.6 Significance of the Study

Contemporary studies reveal that there is an increased concern in the academics on performance measurement. However, the existing literature concentrates more on the hospitality in tourism industry, giving little attention to the travel services. This suggests that the overgeneralized literature fails to discuss in detail about travel agencies on their own as intermediaries in the tourism services chain.

Primarily, this study will enable the researcher to gain in-depth theoretical knowledge on the chosen topic. By reviewing literature, the researcher will examine ways through which performance measurement is carried out, and how best it enables organizations achieve desired intentions.

When successfully completed, this study will add to the body of literature on the performance measurement in travel agencies, especially as it related to Nigeria's travel sector and its tourism industry as a whole.

Through the findings generated from the fieldwork, the researcher will be able to understand how performance measurement facilitates managerial strategies for travel agencies in Nigeria. This will be of great benefit to other students, scholars and the general public who wish to gain knowledge on performance measurement as carried out in travel agencies.

This study will also serve operators of travel agencies, through which they will understand the significance of performance measurement and how useful it can enhance their operations to serve customers better.

There are several other studies conducted for academic purpose by students of tourism, the same way this is carried out. However, the researcher has deemed it necessary to conduct an original research to know how travel agencies make use of performance measurement as tool for organizational growth.

1.7 Structure of the Study

This research is structured in five chapters. The first chapter is the introduction, in which the background of the study is clearly provided, followed by the statement of problem, the aim and objectives of study, research questions, hypothesis and the significance it holds to the body of literature. Chapter two is the literature review which discusses of existing literature and how it best suits the topic, taking into cognizance the context of discourse. And in chapter three, a suitable frame of reference is presented. Chapter four on the other hand is the methodology; chapter

five is the discussion of results; while chapter six contains the conclusion as well as suggestions possible research areas.

Chapter 2

LITERATURE REVIEW

In the last decade, the service industry has renewed his interest in methods for measuring organizations, programs and their impact. This interest has many internal and external factors, including a desire for accountability unprecedented growth and competition within the industry. Today, there are two main forms of measurements prevalent in the sector: performance measurement and evaluation. Some practitioners use the terms interchangeably, but there are important differences. While considered the 'gold standard of the sector today, evaluation uses quantitative research to determine whether a program achieves its intended results or outcomes (Plantz, Greenway & Hendricks, 1997).

Performance measurement on the other hand measures both social impact and organizational performance, though in a less rigorous manner (McKinsey & Company, 2008). There are some scholars who argue that the preference for evaluation has skewed the field, creating a kind of tunnel vision that focuses on 'proving whether a program or initiative works, rather than on improving programs' (Kellogg, 2004).

Performance measurement is widely reported to have existed for a very long period of time. The practice makes it possible for organizations of all kinds to effectively carryout decision-making processes. In the tourism sector, it began to fain

prominence and acceptance in the 1990s with particular applicability on how to advance procedures that will enhance financial operations (Harris and Mongiello, 2006).

Recently, performance measurement has gained popularity especially as tour operators look for ways to compare organizations. The purpose of this project is to investigate performance measurement in service industry particularly the travel agency. It includes exploring how the agency actually implements a system for measuring performance, and the development of tools to increase that system's function without overburdening. When measures are integrated into a framework, the purpose is to 'track selected performance measures at regular time intervals so as to access performance and enhance pragmatic or organization's decision making, performance and accountability (Poister, 2003, p.15).

Therefore, the researcher intends to review literature as it relates to current context of discourse on performance measurement in travel agencies. The evolution and growth of performance measurement is considered, as well as its uses and importance. On a further note, related literature will also be reviewed.

2.1 Definition of Performance Measurement

Performance is when an organization constantly carries out checks to give record of the activities that lead to the advancement of set objectives. This is done systematically to measure the results of the operation initiatives. Generally speaking, the term performance measurement does not have a universally accepted definition, but several writers have come up with definitions that can be considered most suitable. For the purpose of this study, the following definitions are considered.

The notion held by Berman and Wang (2000) is that performance measurement is used to conduct an appraisal of a set of activities, which can be that of an individual or organization. According to Neely, Mills and Platts, Richards, Gregory, Bourne and Kennerley (2000) performance measurement can be viewed using three different perspectives. The first is that performance measurement is 'the process of quantifying the efficiency and effectiveness of action' and secondly as 'a metric used to quantify both the efficiency and effectiveness of action'. The third is 'the set of metrics used to quantify both the efficiency and effectiveness of actions' (p.10).

Bourne, Neely, Mills and Platts (2000) provides a definition which slightly differs from the above. According to them, performance measurement is 'the use of a multi-dimensional set of performance measures' (Bourne *et al.,* p.3). From this assertion, it is clear that performance measurement is not just carried out separately but comprises of measures that are either financial or otherwise, and whether they are internal or external. This implies that performance measurement is found useful when it is implied in a given framework upon which the results will determine its level of effectiveness. Also, performance measurement is specific on initiating what measures and how they seek to achieve the anticipated objective for which it is needed.

In some situations, it could be assumed that the term performance measurement is used to evaluate the performance of individuals (Berman and Wang, 2000: 409). According to the United States Department of Commerce (USDC), performance measurement is used to conduct an assessment of success of preset goals to know the quality and efficiency of their outputs and outcomes. The quality of the output and

outcomes in performance measurement can be determined by how services are rendered to the customers for satisfaction to be derived.

Furthermore, performance measures are defined by the 'quantitative or qualitative characterization of performance' (p.5). On another note, the White House defines performance measures as 'the indicators or metrics that are used to gauge program performance'. Altogether, they are measures which are applied to determine the output and outcome that can be obtained from activity of an organization. The United States General Accounting Office corroborate that performance measurement takes place in three-forms namely, process output and outcome. The process is explained as the measures used to address outlined activities or objectives in the performance measurement procedures. While output is the 'direct products and services delivered', outcomes remain the 'results of those products and services' (GAO 2011).

2.1.1 Origin and Evolution of Performance Measurement

The first ever tools used for the purpose of measurement in existence of human were bones, which were used to measure time intervals. However, money is the avenue in which measurement is carried out today. This started when the activities were initiated and banks kick-started operations under stipulated laws at the time. The business atmosphere makes use of measures to evaluate performance of their activities to determine the level of loss or gain, while proffering way forward on same.

This process did not just happen. According to Brudan (2010), it was the church, military and public services that upheld the concept after sailors made a first attempt in the early 15th century. It was until 19th century, that the military particularly that

of the West, was recorded to have conducted an appraisal. However, it was in the early 20th century that a book was published by William Harvey Allen on efficient democracy, in which the first mention of the term measure was identified.

Neely *et al* (2000) account that 20th century ushered the initiative of three brothers to come together for the purpose of establishing small enterprises. By the year 1910, several skills metamorphosed into what is used today to run conglomerates. Along the way, approaches developed such as 'quality control, motion-time study, variety reduction' (Bititci, Garengo, Dörfler and Nudurupati, 2012). However, the late 20th century ushered an upheaval in performance measurement, which can be credited to the advocacy as well as criticism imbibed by academics. Another dimension according to Neely (2005) is that the growth in the business environment paved way for increased competition, and resourcefulness which boosted the societal hassles.

Pavlov and Bourne (2011) further argues that the early 21st century introduced a modern trend, through with particular focus has now been placed on: 'improving performance to formulating measurement frameworks and systems, and finally to the issues of implementing and using performance measurement systems to manage organizational performance' (p.105).

2.2 Types of Performance Measures

The United States Department of Health and Human Services (2012) report that performance measurement is not used in isolation, but combined with other measures to achieve the desired results. Metzenbaum (2006) further provides that in provision of services; process, outcome, balancing and structure of care measures are used.

Several other classifications of performance measures are available (for example, Narkhede and Bhangale, 2014; Bellman, Droemer, Lohmann and Miller, 1994). These are not considered as universal, as they can be used to achieve different objectives by different organisations. The broad classifications are listed (Narkhede and Bhangale, 2014) as:

'*Effectiveness*: a process characteristic indicating the degree to which the process output (work product) conforms to requirements. *Efficiency*: A process characteristic indicating the degree to which the process produces the required output at minimum resource cost. *Quality*: The degree to which a product or service meets customer requirements and expectations. *Timeliness*: Measures whether a unit of work was done correctly and on time. Criteria must be established to define what constitutes timeliness for a given unit of work. The criterion is usually based on customer requirements. *Productivity*: The value added by the process divided by the value of the labor and capital consumed. *Safety*: Measures the overall health of the organization and the working environment of its employees' (Narkhede and Bhangale, 2014, p.15).

Three key measures, widely used in performance measurement, namely: output, efficiency and outcome measures (Ammons, 2007; Metzenbaum, 2006). These are discussed below. Others are provided in addition by Wholey, Hatry and Newcomer (2010) as cost effectiveness, customer satisfaction and service quality measures.

Output Measures

Output is defined as 'the efficiency with which resources are transformed into goods and services' (United States Department of Commerce). The output measure is

quantifiable and so the activity, effort or process can be calculated, recorded in form of results and using figures. In other words, it is useful in measuring the aggregate end result of the activities carried out by an organization. The level of success attained using this mode of evaluation is done against the background of the intended objectives.

This measure is very reliable because 'these statistics are relatively simple to compile and report' (Ammons, 2007, p.4), however, when used independent of any other, the result it will give will not be satisfactory. In most instances, organizations are reported to concentrate more on output, which fails to make mention of quality of services neither does it address the efficiency of services rendered by the organization. By concentrating on activity, 'the message conveyed by a department or program cannot be we are efficient or we provide quality services…the only message is we are busy' (Ammons, 2007, p.4).

Efficiency Measures

The efficiency measures accounts for the existing relationship between 'resources used and services produced which is expressed in terms of unit cost or unit of service or ratio of outputs' (Ammons, 2007, p.4).

As the name implies, these set of measures are concerned with efficiency by relating the output to input with particular focus on the relationship with cost of the utilized resources. These measures lay emphasis on the financial implication of creating particular results, using productivity indicators to ascertain work efficiency and so on (Wholey *et al*, 2010).

Outcome Measures

The outcome measures can also be referred to as the effectiveness measures. Outcomes can be referred to as 'the results of a program activity compared to its intended purpose' (United States Department of Commerce). Outcome measures 'gauge the quality of services and the extent to which a program's objectives are being achieved' (Ammons, 2007, p.4). The outcome measures make it possible for an organization to get details

Cost Effectiveness Measures

The cost effectiveness measures compliment the outcome measures, to know the effect of certain actions that were implemented. An effective measure makes it possible for an organization to easily conduct cost b

enefit analysis and the need the monetize outcomes and output.

Customer Satisfaction Measures

The customer satisfaction measures are put in place to complement service quality and outcomes. When independently outlined, it focuses on performance ability of those who are involved in the production and rendering of services. In other words, a particular interest is pointed directly or indirectly to service quality, satisfaction and efficiency (Wholey *et al*, 2010).

Service Quality Measures

This is commonly applied to public-based measures to ascertain how accurate, thorough, accessible, convenience and safe the quality of services. The service quality measures function to balance output measures to define the quality level of

the output. Service quality measures have indicators also do not function on its own, but with other performance measures to determine the how they comply with reputable patterns.

2.3 Characteristics and Purpose of Performance Measures

Performance measurement is widely accepted and applied in ensuring quality growth and credibility of organizations. As a management practice, information derived through this process makes it possible for details such as the financial implication of rendering services and its effectiveness, to be known (David, Coe and Lombardo, 2001).

Wholey *et al* (2010) argues that the criteria to know that a performance measurement measure is good when it has 'high degree of *validity* , which is an indicator representing accuracy what is intended to be measured, and *reliability* , which concerns consistency in data collection' (p.107). This means that the measure must convey widespread meanings in a timely way that can be clearly understood, while giving room for balance, goal translation and useful cost concerns.

In Yang and Holzer (2006), there is clear argument that performance measurement creates the likelihood for outputs and outcomes to be clearly established. For Ham (2009), 'the information from performance measurement is needed for accountability, including accountability to elected representatives. Thus, performance-based measurement can help to improve accountability between the public and public-funded bodies and improve the quality of the policy making and decision making processes' (Ham, 2009, p.37).

There are several purposes for which performance measurement is used in the various sectors of the economy. As the name implies, it can simply be stated as such, but the different organizations have varied objectives, so for this purpose, there is hardly any single purpose. Basically, several reports hold that performance is used to appraise the outcomes brought about by activities an organization embarks upon.

Another account held by the United States Department of Health and Human Services (2012) is that organizations turn to performance measurement because of the reliability of the procedure to determine how well the entity is functioning. Other needs include accountability, transparency and inspection of the organization's activities. Typically, the USDHHS (2012) provides the following motives for performance measurement: 'to distinguish what appears to be happening from what is really happening; to establish a baseline, that is, measure before improvements are made; to make decisions based on solid evidence; to demonstrate that changes lead to improvements; to allow performance comparisons across sites; to monitor process changes to ensure improvements are sustained over time; and to recognize improved performance' (USDHHS, 2012, p.2).

Bhen (2003) provides the purposes which best explain the purpose for which performance measurement is done. These are to evaluate, control, motivate, budget, promote, learn, improve and celebrate. Apart from outcomes, assessment is done for the processes and inputs as well, to make sure the entire system is effective. Evaluation is important because an organization is able to make use of their clearly defined establishment objectives to ascertain if successes have been recorded or otherwise.

Ingraham and Kneedler (2000) argue that performance measurement is significant because of its ability to device means through which monitoring can be ensured. This will go a long way in giving way for control to take place, staff motivation and commitment, promote organization's goals, enhance organization's credibility and accountability, and so on. This is done bearing in mind other critical elements of performance measurement such as decision making, program modification, performance comparisons and information sharing.

For the purpose of building organizational accountability, performance measurement is handy as a tool. A sophisticated performance measurement exercise utilizes the necessary measures to achieve the purpose for which it was conducted. Ammons (2007) listed some of these resources for performance measurement as communication, support for budgeting and planning, catalyst for improved operations, evaluation, re-allocation of resources, monitoring and benchmarking (p.2).

According to Bhen (2000), 'performance measures can reveal not only whether an agency is performing well or poorly, but also to know what (and if, why) it is contributing towards excellent, fair, or organization's performance' (p.589). Ham (2009) supports the notion held by the National Academy of Public Administration that information generated from performance measurement must not be utilized for the purpose of accomplishing temporary goals only. This is because it will go a long way in enhancing improvement in service delivery as well as a sustained development for organisations if appropriately applied.

Other than corporate organisations, there are several other party, for whom the performance measurement process is relevant to, for example, government agencies, nonprofit foundations (those advocacy based), customers, and other individuals (Hatry, 2006; Poister, 2003).

2.4 Performance Measurement Model

A performance measurement model according to Daintith (2004) is very significant in accessing the success of any organization. This is because a measurement model provides understanding an organization's operation should function to achieve desired results. Using a measurement model, management is able to understand whether decisions taken have yielded effective and/or efficient results or otherwise. The management further searches for solutions on how the bottlenecks will be eliminated and how best successes will be sustained.

Uses of Performance Measurement Model

The performance measurement model serves various purposes, four as provided by Simmons (2000) are considered relevant to current discourse. These are decision making, control, communication and learning.

Decision Making

In the performance measurement process, decision making is believed to be done without any form of routine but require the management to show commitment towards achieving organizational goals. According to Henri (2006) those who are saddled with decision making duty 'must constantly manage strategic issues and require information to support processes concerning issues in which they are taking the lead and to also explore ideas proposed by others' (p.81). Decision making is all

about developing ideas as a result of planning effort to achieve organization's strategic target using available resources.

Control

A performance measurement model is relevant for control in an organisation. Henri (2006) clearly asserts that the values of control are 'predictability, stability, formality rigidity and conformity. For the control values to be effective, there is need for flexibility, whose values are 'spontaneity, change, openness, adaptability and responsiveness' (p.77). The primary activity in control is to ensure that strategy is implemented in the organizations activities in order to achieve maximum output.

Learning

The management of any organization must endeavour to be conversant with the internal atmosphere as much as that which is external. In doing so, decision making that affects both environments will not be misunderstood and should there be changes, effective decisions can be made to salvage the situation.

Communication

Communication is very effective in an organizational setting, so a performance measurement model makes it possible for management to communicate directives, values and preferences on how best to carryout tasks. This flow of information can be within the organization otherwise the internal as well as with external stakeholders.

2.5 Travel and Tourism Industry

The tourism is a broad industry, with vast kinds of business activities. According to Alhroot (2013), there is no known date recorded as when tourism started but the

nearest description is the beginning of mankind. In the earlier times, people are said to have traveled to look for shelter and food to eat despite the absence of networked roads, means of transportation and technology. However, when the transportation system opened up, it became a lot easier for people to travel farther distances and more freely too.

By the 18th century, it became very unique and the declaration for the use of tourism came in the following century (Walker, 2004; Page & Connel, 2009; Sezgin & Yolal, 2012). From then, the demand for tourism has continued to soar as a result of factors inclined to social, economic, political, cultural occurrences. It is difficult to ignore the relevance of the tourism industry because its growth has resulting to boost in economies across the global terrain.

The travel and tourism industry constitutes majorly of hospitality, transportation and destination alternatives. The hospitality is believed to be the fastest growing sector and offers services such as accommodation, food or catering services, as well as other hospitality operations. The transportation services available in the travel and tourism chain has travel agencies, transporters, visa consultants, airlines, and other transport related services. The destination is yet another component of the chain, which includes activities of tour operators, tourists, tour guides, amusements and so on.

Tourism has economic relevance for the activities by people who move from one place to another, patronize services and facilities to ensure that they experience comfort away from their original homes (Cook, Yale & Marqua, 2006; Ghosh, 2010; UNWTO 2014). The movement can be for leisure, business, healthcare, education,

and several other reasons decided upon by the travelers for temporary stays. In modern day tourism, people move for different reasons, depending upon their personal or professional reasons either locally or internationally. For this reason, there is an increase in number of people offering services as well as operating facilities that will benefit the travelers (Salazar 2009; Sausmarez, 2013).

Performance Measurement in Hospitality

The practice of performance measurement is also relevant in tourism industry, the same way it benefits several other organizations in other industries of the economy. In the past, performance measurement is reported to have led to misleading information for organizations (Ivankovic, Jankovic & Persic, 2010). However, the increased innovations and research development (occasioned by increase in global market competitions, demand for product and services, as well as technological advancements) has necessitated the use of various performance measurement systems to foster the objectives for several, if not, all organizations today. This has further been enhanced by giant strides by industry professionals and the researches in the academia.

Based on existing literature, performance measurement practices enable all kinds of organizations to clearly plan strategies to carry out their objectives for establishment (Zairi, 1996; Kaplan & Norton, 2001; Onyango, Edwin, Ouma & Lucas, 2010). However, it is clear that performance measurement is proven to be more active for hospitality sector and less or almost no literature is found to exist for transportation and destination sectors (Yilmaz & Bititci, 2006; Yasin & Gomes 2010; Stienmetz, Maxcy & Fesenmaier, 2015).

Kosar, Raseta & Kosar (2016) highlighted the importance of performance because it is suitable to management quality of services. Using the balanced scorecard perspective, Phillips & Louvieries (2005) found that performance measurement in hotels is relevant for organisations to have total control of their budget, raise total revenue, improve service delivery, and retain customers. These are relevant because of the nature of the tourism industry, which requires various agents to collaborate with others. This is why financial performance is necessary for organizations to carryout budget control.

Adongo & Jagongo (2013) found a positive relationship (value-added means) between budget control and financial performance. To do so, hospitality organizations need to set target to be able to strengthen budget and assess performance to know whether set objectives are attained (Joshua & Mohammed, 2013). In another viewpoint, Kala & Bagri (2014) examined prevailing performance measurement practices used by hotel managers to assess the recorded progress, and found out that despite using measures to assess performance, no outright system is adopted. This clearly emphasizes that hotels need to put in place effective strategies to ensure performance measurement system live up to the continuously changing tourism environment.

The various organizations involved in hospitality services need success in how to effectively maximize and sustain a stable revenue. Dolasinski (2016) explored the contribution of performance measurement in hotels and found that it is possible for hotels to improve the efficiency of services only if they are able to develop effective approach. This study supports Beck, Knutson, Cha, & Kim (2011), whose assertion

is that developing and implementing effective models though multifarious, is very essential in hotels because it will enable them ascertain their level of performance.

Focusing on the need for hotels to improve hospitality services, there is a clear indication that revenue management and marketing strategies also have a role to play. According to research, hotel or hospitality performance has been explored and found significant for accurate business improvement (Anderson & Xie, 2010; Chawla, 2014; Kwaru, 2016). To do so successfully, hotels need to also adopt innovative business and technological strategies (Hua, Morosan, and DeFranco, 2015). This is because customers are becoming more sophisticated and tend to cling to the various self-help electronic options available with the use of information technologies (Green & Lomanno, 2012; Ling, Guo and Yang, 2014; Masiero & Law, 2015; Gomezelj, 2016).

Based on the above literatures, it is clear that performance measurement in hospitality sector is done using financial and non-financial indicators (Gesage, Kuira, & Mbaeh, 2015; Dolasinski, 2016). There are various researches which have used the context of different countries to assess performance measurement, using the different indicators. For example, decision making in European hotels (Harris & Mongiello, 2001), developing countries (Avci, Madanoglu & Okumus, 2011; Ng & Kee, 2012), Australia (Patiar & Mia (2009), Jordan (Zeglat & Zigan, 2013), leadership competency and organization's culture (Asree, Zain & Razalli, 2010), intangible resources (Zigan & Zeglat, 2010; Ng, Kee & Brannan, 2011; Casenueva, Gallego, Castro & Sancho, 2014), financial (Kotane, 2012) and teaching hotels (Lai & Choi, 2015).

Chapter 3

RESEARCH METHODOLOGY

This study sets out to conduct an evaluation of performance measurement in travel agencies in Nigeria, using Lagos State as a particular region. The outlined research questions are four: What is the use of performance measurement in Nigerian travel agencies? How effective is performance measurement for travel agencies in Nigeria? What are the indicators considered for performance measurement in Nigerian travel agencies? How useful is performance information to the travel agencies?

This chapter sets the study in a clearly defined research methodology and provides a research design, rationale for research approach, research context, selected sample size, data sources, methods of data collection and analysis as well as the criteria for the choice of study, which is guided by the outlined research questions.

3.1 Research Design

This study used the quantitative research method. The qualitative research method is a very important approach, whose procedures stand out as very viable for studies on social reality. According to Denzin & Lincoln (2005), the quantitative method enables a researcher ask questions for the purpose of getting answers to outlined questions. A research design is very important because it offers the entire study a conceptual structure to follow (Bryman, 2006; Kothari, 2009).

Using quantitative research techniques, it is possible to acquire data, which will eventually be analyzed and used in case of making generalizations. The researcher preferred to use field survey primarily because it is simple to quantify. Going by the fact that a large population cannot be easily covered, procedures are adopted to clearly select a reachable sample size (Levine, 2009).

3.2 Population and Sample Size

Nigeria has about 180million population of people in six geopolitical zones. Lagos state is situated in south-west region of the country with over 16 million population. This listed number of registered travel agencies in Lagos is 124, with the total number of 940 staffs working with the registered agencies (Association of Travel Agency, Lagos state chapter). The population of this study was travel agencies in Nigeria. Due to the large number of travel agencies existing in the country, Lagos was purposively selected, which happens to the researcher's state of residence. As at the time of conducting this research, there were no known number of existing travel agencies. The selected participating travel agencies in six (6) areas, which are considered to be some of the areas with the most concentrated business activities in the travel sub-sector in Lagos State. The travel agencies were eighteen (18), namely:

1. Travel Start Limited
2. Travel Beyond
3. Wakanow
4. Dantol Travels
5. Aspon Travel and Tours
6. Travel Den
7. Travel Trust
8. Fincet Glow Limited
9. Finchglour limited
10. Express Inn Travels and Tours
11. Travel Better Nigeria Limited
12. Ajala Travels and Tours
13. Isobor Integrated Services
14. Blue Ocean Travels
15. Bon Voyage
16. Tribet Travels and Tours
17. Topshot All Travels
18. Nogle Travels

Purposive sampling was applied because it makes it possible for respondents to be considered based on their relevance (Gray, 2013). Most importantly, the respondents have unique characteristics such as years of experience, knowledge on the topic of research and can be used to represent the larger population. The researcher preferred purposive sampling because it was necessary to rely on self-judgment to arrive at the respondents.

The researcher administered questionnaires to all staff of the travel agencies which were perceived as the most popularly patronized. Those who responded to the questionnaire were made workers who held positions as managing director, operational manager, secretary, tour operator, visa officer, ticketing officer, protocol officer, media executive, accountant, ICT officer, administrative officer, marketing executive, supervisor, and travel officer.

3.3 Data Collection Method

The instrument was the questionnaire, through field survey. The researcher considered that conducting a field survey was more flexible because of the nature of the activities and terrain of the population. A survey research is quantitative-based and targeted to respondents for the purpose of obtaining responses to questions provided in the questionnaire.

The questionnaire was reliable tool, through which primary data can be collected for this research. A 42 item questionnaire was prepared in English to get answers from respondents. The researcher allowed the respondents to freely respond to the questions because the language used was not difficult for them to read and understand.

The questions were asked in two forms, structured and unstructured. First, dichotomous questions were asked; secondly, the use of multiple choice questions was done. Thirdly, questions based on level of measurement, such as a 5-point Likert scale type and lastly, open ended questions. This questionnaire was prepared to suit the need to respond to the various research objectives and questions established at the beginning of the study.

The researcher reviewed literature on performance measurement using existing definitions and studies. Kothari (2009) defines secondary data as existing publications, which other scholars have researched and published in form of articles, books and papers. The main sources for the secondary data were peer reviewed articles, book chapters, conference papers as well as different forms of web materials. In this study, the researcher cited the various scholars and acknowledgements were adequately made.

3.4 Data Analysis

For data analysis, the Statistical Package for Social Sciences (SPSS) was used by the researcher the impute data and do analysis using statistical presentations and interpretations. The demographic data of respondents were presented and descriptive statistics to analyze results to provide answers to the outlined research questions on the effectiveness of performance measurement in travel agencies.

3.5 Reliability of Instrument

The researcher first tested the clarity of the field survey instrument with randomly selected twenty staff of travel agencies. After that, some questions were clearly elaborated, while others had to be eliminated to properly arrive at the final questions on the research instrument. This made it possible for duplication to be deleted, with

the sole aim to ensure that the variables to be used in data analysis were not too numerous. This process also helped the researcher to use very simple terms to direct questions to the respondents. These items were promptly vetted by my thesis supervisor whose vast experience in the area of research ensures that my survey research questionnaire conformed to the original research objective.

Chapter 4

DATA ANALYSIS

In this chapter, the data that was collected by means of questionnaire will be analyzed. Out of the total of 160 questionnaires administered, 145 returned but only responses from 138 respondents were adequately completed and found relevant. The researcher has the primary aim to examine the performance measurement in travel agencies in Nigeria. For this reason, eighteen (18) travel agencies were considered. The researcher will statistically analyze this data and answer the constructed research questions.

4.1 Demography of Respondents

The demography of respondents in this study contains information on the gender, age, job position and years of work experience of respondents.

Table 1: Respondent's gender

Gender	Frequency	Percent	Valid Percent
Male	71	51.4	51.4
Female	67	48.6	48.6
Total	138	100.0	100.0

Source: Survey 2017

In Table 1 above, data shows that 71 of the respondents representing 51.4% were male, and 67 respondents representing 48.6% were female. This means there were more male respondents in this survey on travel agencies in Nigeria. The researcher

did not purposefully choose more male respondents, but the reason for this margin is because there were more male employees in the sampled travel agencies.

Table 2: Respondent's age

Age	Frequency	Percent	Valid Percent
up to 30 years	37	26.8	26.8
31-40 years	74	53.6	53.6
41-50 years	27	19.6	19.6
50 years and above	-	-	-
Total	138	100.0	100.0

Source: Survey 2017

Table 2 shows that the respondents who are up to 30 years were 37 represented as 26.8%, those between 31-40 years were 74 represented as 53.6%, 41-50 years were 27 represented as 19.6% and there were no respondents who is 50 years and above. This implies that there were more respondents in the age range of 31-40 years old, then next is those who are up to 30 years old and lastly 41-50 years old. The data shows that most of the people working in the travel agencies are between the age of up to 30 and 40 years. At this age, individuals are considered at the peak of their youth and very hardworking, and in many other cases can be in the middle of their career attainment.

Table 3: Respondent's job position

Position	Frequency	Percent	Valid Percent
Operational manager	8	5.8	5.8
Travel officer	11	8.0	8.0
Admin Officer	9	6.5	6.5
ICT personnel	5	3.6	3.6
Accounts officer	9	6.5	6.5
Managing director	2	1.4	1.4
Secretary	2	1.4	1.4
Tour operator	1	.7	.7
Staff	10	7.2	7.2
Protocol officer	2	1.4	1.4
Ticketing officer	15	10.9	10.9
Supervisor	12	8.7	8.7
Visa officer	9	6.5	6.5
Customer care	5	3.6	3.6
Media/Publicity	3	2.2	2.2
Direct sales/ Marketing	35	25.4	25.4
Total	138	100.0	100.0

Source: Survey 2017

The job position of respondents was considered a very important demographic item in this study. In table 3 above, 35 respondents representing 25.4% were direct sales and marketing personnel, 15 respondents representing 10.9% were ticketing officers, 12 respondents representing 8.7% were supervisors, 11 respondents representing 8% were travel officers, while 10 respondents representing 7.2% identified themselves as agency staff. Also, 9 respondents representing 6.5% were administrative officers, accounting officers and visa officers respectively, 8 respondents representing 5.8% were operation managers, 5 respondents representing 3.6% were ICT personnel and customer care officers respectively, 3 respondents represented as 2.2% were for media and publicity, 2 respondents represented as 1.4% held the positions of

managing director, secretary and protocol officers respectively while 1 respondent represented as 0.7% was a tour operator. This implies that those who were available to participate in this survey were mostly those who worked as direct sale and marketing officers in the sampled travel agencies.

Table 4: Respondent's year of experience

Years of experience	Frequency	Percent	Valid Percent
1-3 years	35	25.4	25.4
4-6 years	67	48.6	48.6
7-9 years	30	21.7	21.7
10 years and above	6	4.3	4.3
Total	138	100.0	100.0

Source: Survey 2017

The researcher also sought to know the years of experience of the respondents. Data in table 4 above shows that 67 respondents represented as 48.6% had 4-6 years working experience, followed by 35 respondents represented as 25.4% with 1-3 years' experience, 30 respondents represented as 21.7% had 7-9 years' experience while 6 respondents represented as 4.3% had experience for 10 years and above. This implies that those who responded to this study had from 4 years' experience up to 10 years above, which made up 74.6% of the total respondents. Therefore, most of the respondents have reasonable work experiences in the travel agencies.

4.2 Data of selected Travel Agencies

The data about the selected travel agencies is presented below.

Table 5: Name of travel agency and year of incorporation

Travel Agency	Year of incorporation	No. of respondents	Percent
Travel Start Limited	1999	15	10.9
Travel Beyond	2014	8	5.8
Wakanow.com	1998	6	4.3
Dantol Travels	2015	6	4.3
Aspon Travels & Tours	2012	5	3.6
Travel Den	2013	7	5.1
Travel Trust	2000	7	5.1
Fincet Glow Limited	2011	5	3.6
Finchglour Limited	2011	8	5.8
Express Inn Travels & Tours	2006	7	5.1
Travel Better Nigeria Limited	2010	5	3.6
Ajala Travels & Tours	2010	8	5.8
Isobor Integrated Services	2005	10	7.2
Blue Ocean Travels	2009	8	5.8
Bon Voyage	1999	7	5.1
Tribet Travels & Tours	2012	7	5.1
Topshot All Travels	2007	10	7.2
Nogle Travels	2016	9	6.5

Source: Survey 2017

The researcher administered questionnaires in 18 travel agencies. In table 5 above, the selected travel agencies are listed, alongside the year in which they were registered. These travel agencies are all located in Lagos State Nigeria, and their localities are Ikeja, Ikoyi, Ajah, Lekki, Ogba and Victoria Island. There were 15 respondents represented as 10.9% in Travel Start Limited, 10 respondents represented as 7.2% in Isobor Integrated Services and Topshot All Travels

respectively, 9 respondents represented as 6.5% in Nogle Travels and 8 respondents represented as 5.8% in Ajala Travel & Tours, Blue Ocean Travels, Travel Beyond and Finchglour Limited respectively. Also, 7 respondents represented as 5.1% in Express Inn & Travels, Bon Voyage, Tribet Travels & Tours, Travel Den and Travel Trust respectively. There were also 6 respondents represented as 4.3% in Wakanow.com and Dantol Travels respectively, while there were 5 respondents represented as 3.6% in Travel Better Nigeria Limited, Aspon Travels & Tours and Fincet Glow Limited respectively.

Table 6: Type of ownership, size and objective of travel agency

Type of ownership	Frequency	Percent	Valid Percent
Sole proprietorship	47	34.1	34.1
Partnership	61	44.2	44.2
Corporation	30	21.7	21.7
Cooperative	-	-	-
Total	138	100.0	100.0
Size of agency	Frequency	Percent	Valid Percent
Small	53	38.4	38.4
Medium	85	61.6	61.6
Large	-	-	-
Total	138	100.0	100.0
Agency primary objective	Frequency	Percent	Valid Percent
Profit	41	29.7	29.7
Profit and customer service	70	50.7	50.7
Global travel solution	21	15.2	15.2
Travel and tour provider	6	4.3	4.3
Total	138	100.0	100.0

Source: Survey 2017

Table 6 shows three items through which the researcher got data about the ownership, size and objective of the travel agencies. For ownership, there were 47 represented as 34.1% were sole proprietorship, 61 represented as 44.2% were partnership while 30 represented as 21.7% were considered as corporations. The size of the travel of agency showed that small sized ones were 53 represented as 38.4%,

medium size were 85 represented as 61.6%. The responses for the primary objective in these travel agencies showed that 41 travel agencies represented as 29.7% were solely or profit, 70 travel agencies represented as 50.7% were profit and customer service, 21 travel agencies represented as 15.2% were for global travel solution while 6 travel agencies represented as 4.3% were travel and tour providers.

Table 7: Agency services

Major services	Frequency	Percent	Valid Percent
travel, tourism	6	4.3	4.3
events, recreation, entertainment	8	5.8	5.8
travel, tourism, events, recreation, entertainment	20	14.5	14.5
travel, tourism, consultancy, insurance	36	26.1	26.1
travel, tourism, accommodation, transport rental	55	39.9	39.9
all of the above	13	9.4	9.4
Total	138	100.0	100.0
Most patronised	Frequency	Percent	Valid Percent
travel, tourism	59	42.8	42.8
events, recreation, entertainment	8	5.8	5.8
accommodation, transport rental	15	10.9	10.9
travel, tourism, events, recreation, entertainment	7	5.1	5.1
travel, tourism, consultancy, insurance	29	21.0	21.0
travel, tourism, accommodation, transport rental	20	14.5	14.5
Total	138	100.0	100.0

Source: Survey 2017

In table 7, the type of services are presented. There are 6 travel agencies represented as 4.3% for travel and tourism, 8 travel agencies represented as 5.8% for events, recreation and entertainment, 20 travel agencies represented as 14.5% for travel, tourism, events and recreation and entertainment, 36 travel agencies represented as 26.1% for travel, tourism, consultancy and insurance, 55 travel agencies represented

as 39.9% for travel, tourism, accommodation and transport rental, 13 travel agencies represented as 9.4% for all the listed services. The most patronized option is that of travel and tourism with 59 travel agencies represented as 42.8%, followed by travel tourism, consultancy and insurance with 29 travel agencies represented as 21%, travel, tourism accommodation and transport rental has 20 travel agencies represented as 14.5%, accommodation, transport and rental has 15 travel agencies represented as 10.9%, events, recreation and entertainment has 8 travel agencies represented as 5.8, while travel, tourism, events, recreation and entertainment has 7 travel agencies represented as 5.1%.

Table 8: Yearly period of work

Work all year	Frequency	Percent	Valid Percent
Yes	123	89.1	89.1
No	15	10.9	10.9
Total	138	100.0	100.0
Not all year	Frequency	Percent	Valid Percent
July-September	6	4.3	4.3
October-December	9	6.5	6.5
All of the above	123	89.1	89.1
Total	138	100.0	100.0
Peak period	Frequency	Percent	Valid Percent
January-March	10	7.2	7.2
April-June	21	15.2	15.2
July-September	85	61.6	61.6
October-December	22	15.9	15.9
Total	138	100.0	100.0

Source: Survey 2017

Table 8 shows the period of the year within which all the travel agencies work, and their peak periods. Responses show that 123 travel agencies represented as 89.1%

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agreed to work all year while 15 travel agencies represented as 10.9% do not work all year round. Out of the 15 that do not work all year has 6 travel agencies who work for the period from July to September, while 9 of them work from October to December. Responses for the peak period show that 10 travel agencies represented as 7.2% experience peak period from January to March, 21 travel agencies represented as 15.2% experience peak period from April to June, 85 travel agencies represented as 61.6% experience peak period from July to September, while 22 travel agencies represented as 15.9% experience peak period from October to December.

Table 9: Type of tourist

Type of tourist	Frequency	Percent	Valid Percent
Ordinary tourists	21	15.2	15.2
Commercial travellers	75	54.3	54.3
Private travellers	35	25.4	25.4
All of the above	7	5.1	5.1
Total	138	100.0	100.0

Source: Survey 2017

Data in table 9 shows that 21 travel agencies represented as 15.2% specialize render services to ordinary tourists, 75 travel agencies represented as 54.3% are for commercial travelers, 35 travel agencies represented as 25.4% for private travelers, while 7 travel agencies represented as 5.1% render their services for all types of tourists.

4.3 Analysis Data on Performance Measurement

The researcher used eight statements in 5-point Likert Scale of strongly agree to strongly disagree to ask respondents about the frequency of performance

measurement in their travel agencies. The statements were provided in the
questionnaire as items 25-26 and 28-33 as follows.

Table 10: Descriptive statistics for satisfaction of performance measurement

Statement	Mean	Std. Deviation	Variance
Meaning of performance measurement	1.00	.000	.000
Agency conducts performance measurement	1.93	.860	.739
Agency does not conduct performance measurement	3.13	1.464	2.143
PM helps agency with information regarding performance	1.88	.688	.474
PM helps agency carryout analysis on performance	1.99	.759	.577
PM helps agency prepare reports to ascertain performance	1.83	.754	.568
PM makes possible to record productivity	1.70	.646	.418
PM contributes to agency service delivery	1.70	.000	.000

Source: Survey 2017

In table 10 above, the means are derived from responses on the understanding and
satisfaction of performance measurement in travel agencies. The descriptive mean
used is 2.57. The mean for the meaning of performance measurement is 1, agency
conducts performance measurement is 1.93, agency does not conduct performance
measurement is 3.13, performance measurement helps agency carryout analysis by
1.99, performance measurement provides information about recorded productivity
with 1.70 and successful service delivery by 1.70. So some of these responses fall
below while others are above average. This implies that travel agencies conduct
performance measurement. Also, this clearly shows there is satisfaction among the
respondents on the process of performance measurement in their travel agencies.

Table 11: Frequency of performance measurement

Statement	Mean	Std. Deviation	Variance
Agency often conducts performance measurement	2.19	.760	.577
Agency conducts PM quarterly	2.09	1.093	1.195
Agency conducts PM bi-annually	2.41	.964	.929
Agency conducts PM yearly	2.53	1.379	1.901

Source: Survey 2017

The calculated means in table 11 above shows that responses on the frequency correspond with earlier view that the travel agencies conduct. The statement that it is often has recorded 2.19, those who agree to quarterly indicated 2.09, bi-annually has 2.41, while yearly has 2.53. This implies that the sampled travel agencies conduct performance measurement on a frequent basis.

4.4 Testing Research Hypothesis

In order to validate the developed research hypothesis for this study, Pearson correlation and regression was conducted. The hypothesis are two: to know if there is a significant relationship between performance measurement and the service delivery of travel agencies in Nigeria; and to also find out, if there is a significant relationship between frequency of conducting performance measurement and agency productivity.

In analyzing the performance of travel agencies, it is necessary to find out the relationship existing between the service delivery and productivity respectively. Based on previous studies conducted in other countries, it is clear that several attempts have been made to examine service delivery and productivity as they related to the performance in travel agencies. Performance measurement enables travel agencies to obtain information for the various systems of analysis, which guides

them towards proper service delivery and productivity (Barros, Dieke & Santos, 2010). For instance, Fuentes & Alvarez-Suarez (2012) and Peypoch (2007) found that there are varied components of the productivity in travel agencies in Spain which neutralizes any possible negative effects on their performance. Alvarez-Suarez & Fuentes (2011) revealed that the statistical data on proof that performance measurement is dutifully carried out in travel agencies is the sole reason why there is an increasing lack of practice.

As a very important activity in the tourism service sector, this study seeks to ascertain the relevance of performance measurement in travel agencies in Nigeria and the outlined hypothesis are discussed below.

Hypothesis One

The Table 12 below shows result of Pearson correlation between performance measurement and service delivery. This supports the first hypothesis which sought to know the relationship between performance measurement and the service delivery of travel agencies in Nigeria.

Table 12: Correlation between performance measurement and service delivery

		PM	SD
Performance measurement	Pearson Correlation	1	.315[**]
	Sig. (2-tailed)		.000
	N	138	138
Service delivery	Pearson Correlation	.315[**]	1
	Sig. (2-tailed)	.000	
	N	138	138

The result above is correlation test used to find the relationship between performance measurement and service delivery. R = .315, p = .000. This shows that there is a significant effect of performance measurement on service delivery.

Table 13: Regression of performance measurement and service delivery

Predictor	R	R^2	Adjusted R^2	se
Service delivery	.315	.100	.093	.14072

Regression was used to assess the correlation between performance measurement and service delivery. The result shows that there is a significant effect of performance measurement on service delivery. Using the R value of .315, 10% of the success of service delivery in travel agencies can be credited to performance measurement. In table 14 above, the regression showed that the adjusted R square is 9.3% less than the 10% of the varied. This predictive is quite meaningful but not very huge because only 10% of the service delivery is accounted for by performance measurement. Going by the available sample size, there is not much difference between the R value (10%) and the adjusted R square (9.3%) of the variability, therefore, it is trivial. In terms of predicting the values, the standard error is accurately represented for the model. There is clear indication in the correlation that at .315, there is statistical significance with an f value of 15.034.

Table 14: Regression of performance measurement and service delivery

Predictor	b	se	Beta	t	Sig.
Service delivery	.419	.127	.315	3.877	.000

Based on this result, if there is increase in performance measurement, there is the likelihood that service delivery will also tend to increase. This does not seem like

much of an increase but since the intercept value is .739, performance measurement has positively influenced service delivery. From this analysis we are able to infer that performance measurement contributes to agency service delivery. Therefore, hypothesis one, which states that 'there is a significant relationship between performance measurement and the service delivery of travel agencies in Nigeria' cannot be rejected.

Hypothesis Two

The Table 15 below shows result of Pearson correlation between performance measurement and travel agency productivity. This supports the second hypothesis which sought to know the relationship between the frequency of performance measurement and productivity of travel agencies in Nigeria.

Table 15: Correlation between performance measurement and service delivery

		PM	Prod.
Performance measurement	Pearson Correlation	1	-.143[**]
	Sig. (2-tailed)		.095
	N	138	138
Productivity			
	Pearson Correlation	-.143[**]	1
	Sig. (2-tailed)	.095	
	N	138	138

The result in table 15 above is correlation test used to find the relationship between performance measurement and level of productivity in the travel agencies. R = -.143, p = .095. This shows that the effect of performance measurement on the productivity of travel agencies is not significant.

Table 16: Regression of performance measurement and service delivery

Predictor	R	R^2	Adjusted R^2	se
Productivity	.143	.020	.013	.14677

In table 16 above, regression was used to find out if there is no significant relationship in the frequency at which travel agencies conduct performance measurement and productivity recorded. The result shows that there is no significant effect of performance measurement on productivity. Using the R value of .143, 20% of the productivity in travel agencies can be credited to performance measurement. In the above table, regression showed that the adjusted R square is 1.3% less is far less than the 20% of the varied. This predictive is quite meaningfully very huge because only 20% of the productivity is accounted for by performance measurement.

Going by the available sample size, there is much difference between the R value (10%) and the adjusted R square (9.3%) of the variability, therefore, it is significant. There is clear indication in the correlation that at -.143, there is statistically no significant relationship between performance measurement and productivity in travel agencies.

Table 17: Regression of performance measurement and service delivery

Predictor	b	se	Beta	t	Sig.
Productivity	-.151	.090	-.143	-1.681	.095

Based on this result, whether the travel agencies carryout performance measurement or not, they will still experience productivity, however, there is still the likelihood that productivity will also tend to increase if performance measurement is

introduced. Therefore, hypothesis two, which states that 'there is a significant relationship between frequency of conducting performance measurement and agency productivity' is rejected.

4.5 Findings

This study primary aimed to examine performance measurement in travel agencies in Nigeria. The researcher chooses to focus on performance measurement in travel agencies to be able to know the usefulness, effectiveness, and role played by performance information in travel agencies in Nigeria. There are two research hypotheses, which were developed from the beginning. First, there is a significant relationship between performance measurement and the service delivery of travel agencies in Nigeria. Secondly, there is a significant relationship between frequency of conducting performance measurement and agency productivity.

Based on the results discussed above, the selected travel agencies have clearly defined objectives which primarily is profit making, alongside efficient customer service delivery, and other options are to attain global travel standards. These objectives are suitable for the type of services the travel agencies render, which are listed as travel, tourism, events, recreation, entertainment, accommodation, transport, rental, consultancy and insurance. This option is important because the objective of any organization is necessary as part of planning, which tends to have positive impact on the decision making processes as well as performance of employees.

By extension, this also influences other organizational activities such as reviewing, reporting, rewarding and improved service delivery, as it is in the case of travel agencies. This is also another way to say that the objective of the agencies enables

effectiveness, because it is what is used to initiate the performance measurement process.

Looking at the size of the travel agencies, the study found that most of them are medium with a high 61.1% over the small sized ones. These travel agencies were also considered to be more of partnership with 44.2% over those which were said to be sole proprietorship and cooperation. In a study by Pansiri (2008), the travel sector is dominated by partner alliances, and proves to have ensured high level of satisfaction in market share, profit, trust and overall performance. Therefore, that the travel agencies in Nigeria have a practice of partnering is a good indication for successful service delivery.

The size of this travel agency does not have a negative effect on the services delivery, provided their objectives are adequately adhered to. The type of customers that patronize these travel agencies are listed as ordinary tourists, commercial travelers, private travelers, and all other types. The respondents strongly agree and agree respectively that the objectives of the travel agency are reflected in their daily running by 92.8% and service delivery with 95.7%. According to a study by Caro & Garcia (2008), service quality is a very viable factor in the success of any travel agency, therefore, current study affirms the need for multidimensional service quality model.

The two very important factors for analysis are the year of experience of employees and the year of incorporation of the selected travel agencies. In Nigeria, usually travel agencies are considered registered when their owners meet the conditions for issuance of the certificate of incorporation. The oldest incorporated travel agency is

Wakanow.com in 1998, and the most recent is that of Nogle Travels in 2016. However, the years for the registration of these travel agencies did not hinder the analysis because the complimenting factor is the years of experience of employees. There is clear indication that the years of work experiences of the employees significantly has supported the study.

The results on years of experience showed that those who have from 4-10 and above experience constituted 74.6% of the total respondents. This is significantly useful and places the respondent in a right position to assess the performance measurement of their employing agency. This findings affirms earlier study conducted by Ying (2012), whose position revealed that the experience of employee is an asset for any employer. Therefore, conducting performance measurement is good for and tend to enhance the motivation and commitment of employees to service delivery.

The data shows that the employees understand what performance measurement means, and agree that their agencies conduct by 73.9%. However, the highest affirmation is that performance measurement is conducted on a quarterly basis by 70.3% over those done bi-annually with 52.9% and yearly with 47.8%. This is implies that the employees are satisfied with the disposition to performance measurement in their travel agencies. This findings affirms the assertion by Huang (2008) that travel agencies need to adopt the practices and processes of performance measurement because it will enable them enjoy competitive advantage in the travel sector.

Based on the findings, it is clear that there is a significant relationship between performance measurement and the service delivery of travel agencies in Nigeria,

therefore, the first hypothesis is confirmed. Also, the study found that the frequency at which performance measurement is conducted influences the productivity of travel agencies in Nigeria, thereby confirming the second hypothesis which states that there is a significant relationship between frequency of conducting performance measurement and travel agency productivity.

Chapter 5

CONCLUSION

This chapter contains is the conclusion of current study. Other issues discussed are recommendations, limitations and suggestions for future studies.

5.1 Conclusion

This study was set to examine performance measurement of travel agencies in Nigeria, specifically to discern the efficacy, value, and role of performance information in these travel agencies. The researcher chose travel agencies because very little previous researches have been done in Nigeria.

The researcher found that performance measurement significantly influences successful service delivery. Based on the research findings, there is clear indication that the employees in the travel agencies understand the relevance of and conduct performance measurement on as often as possible. The indicators used to determine the level of effectiveness of performance measurement in the travel agencies are finance, customers, and process of service delivery. This implies that performance information is useful for travel agencies, and effective for ensuring the successful service delivery.

The results of the study also showed that the objectives of these travel agencies are profiteering, which is reflected in the daily running. Though profit making is the aim of most of the travel agencies, the satisfaction of customers and need to attain global

standards for travelers is ensured. This study's findings showed that all the other accomplishments in the agencies like reviewing, reporting, rewarding and improved service delivery are enhanced through performance information.

The outlined research questions for this study were answered and it was established that performance measurement is important for travel agencies in Nigeria, particularly in their mode of operation and customer satisfaction. To a large extent also, travel agencies are able to find performance measurement useful for profit making, competitive advantage, good service delivery and decision making. This enabled the researcher to conclude that performance measurement gives travel agencies the enforcement to provide services to give their customers satisfaction.

In this study, clear-cut relationship between performance measurement and service delivery, and relationship between the frequency of conducting performance measurement and agency productivity was established. Using the year the travel agencies were incorporated to start operation, and the years of experience of the employees, the study was able to establish these relationships. This implies that the travel agencies use performance information to substantiate service delivery and enables the travel agencies to be dynamic in their management and service strategies. This was supported by other economic variables such as age, job positions, gender, size and type of travel agencies, all of which influence the effective use of performance information among travel agencies.

Apart from the relationships between performance measurement, productivity and service delivery, it is clear that the services rendered by the travel agencies are desirous and patronized throughout the year. This is evident in the results which

showed that most of the agencies to not have fixed period of working, despite the varied peak travel periods. This existing influence on service delivery of performance information shows its need in travel agencies.

5.2 Limitations of the Study

The area of study for this research is Nigeria, however, the researcher was unable to cover a substantial number of travel agencies due largely to proximity. Nigeria have wide geographical landscape which cuts across thirty-six states and its federal capital territory. Even within Lagos State alone it was not possible to adequately administer questionnaires in all the registered travel agencies. Also, the researcher intended to administered questionnaires in twenty-five travel agencies, but only eighteen was possible. Out of the one hundred and sixty (160) questionnaires administered, only 138 were returned. The entire of data collection posed a challenge for the researcher. In the context of Nigeria, there are very few existing literature on travel agencies and so the researcher use mostly the available literature in other country contexts. Another limitation of this study is the rejection of hypothesis two, because no significant relationship was found between performance measurement and productivity in the travel agencies. This makes it clear that whether performance measurement is conducted by travel agencies or not, productivity will still be recorded.

5.3 Recommendations and Suggestions for Future Research

This study primarily set to examine the practices of performance measurement of travel agencies in Nigeria. Those who responded to the survey were employees, both top management and other cadre of staff in the selected travel agencies. Since this research has established that travel agencies use performance measurement to boost service delivery and productivity, other future research endeavours may deem it fit to

find out the various strategies employed by the travel agencies. Such researches will focus on the management personnel, with the aim of finding out how performance measurement and/or performance information influences decision making processes.

For future researches, the viability of specific type(s) performance measurement should also be considered. This will enable the travel agencies know which particular type is the most effective in the Nigerian landscape, since there is no single universal type of performance measurement strategy suitable for travel agencies.

Another suggestion is for prospecting researches to consider the findings in current study, to possibly identify any gap found, such that, the relationship that has been established between performance measurement, productivity and service delivery can be explored, using other factors deemed necessary. Lastly, the entire hospitality industry in Nigeria is a very viable area to seek themes for research such as travel agencies, hospitality, transportation, tour operators, and many others.

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APPENDICES

Appendix A: Questionnaire

Dear Respondent,

I am a graduate student in the Faculty of Tourism at the Eastern Mediterranean University, North Cyprus. I am conducting a study on the topic; 'Performance Measurement of Travel Agencies in Nigeria: A study of Lagos State'. This questionnaire is prepared to solicit data from the managerial staff of selected travel agencies. The study is to fulfill the requirement for the award of a Master of Science degree.

Kindly respond the following questions. You can be assured that your responses will treated as confidential, and used for the purpose of this study only.

Thanks for your cooperation.

Olaleye Oluwafemi

Please fill in your answer and tick where necessary.

1. Name of Travel Agency:-_____

2. Year of incorporation:-_____

3. Position:-_____

4. Address:-_____

5. Age: a) up to 30 years b) 31-40 years c) 41-50 years d) 51 years and above

6. Gender: a) Male   b) Female

7. Years of experience: a) 1-3 years b) 4-6 years c) 7-9 years d) 10 years and above

8. What type of ownership is your travel agency? a) sole proprietorship b) partnership c) Corporation d) Cooperative e) Other, please specify_____

9. What is the size of your agency? a) micro b) small c) medium d) large

10. What services does your travel agency render? (tick as many options as apply to you) a) travel, tourism b) events, recreation, entertainment c) consultancy, insurance d) accommodation, transport rental e) a and b above f) a and c above g) a and d above k) all of the above

11. Which of the services are most patronized? (tick as many options as apply to you) a) travel, tourism b) events, recreation, entertainment c) consultancy, insurance d) accommodation, transport rental e) a and b above f) a and c above g) a and d above k) all of the above

12. Do you work all year round? a) Yes b) No

13. If No (in question 12) what quarter of the year do you work? a) January to March b) April to June c) July to September d) October to December

14. What quarter of the year is your peak period? a) January to March b) April to June c) July to September d) October to December

15. What type of tourists do you handle? a) ordinary tourists b) commercial travelers c) private travelers d) Other, please specify _____

16. Does your agency serve as intermediary agent for other travel companies? a) Yes b) No

17. If yes (in question 16), how profitable is such arrangement for your agency? a. Never profitable b. rarely profitable c. sometimes profitable d. often profitable e. always credible

18. Does your agency have intermediary agents? a) Yes b) No

19. If yes (in question 18), how profitable is such arrangement for your agency? a. Never profitable b. rarely profitable c. sometimes profitable d. often profitable e. always profitable

20. Does your agency serve as a broker for accommodation and transportation providers? a) Yes b) No

21. If yes (in question 20), how profitable is such arrangement for your agency? a. Never profitable b. rarely profitable c. sometimes profitable d. often profitable e. always profitable

22. What would you say are the primary objectives of your agency? _____

_____

(Please tick the appropriate) Note: SA-1-strongly agree; A-2- Agree; U-3-undecided;

D-4-Disagree; SD-5-strongly disagree

S/N	Statement	SA	A	U	D	SD
		1	2	3	4	5
23.	The objectives of the agency are reflected in the daily running					
24.	The objectives of the agency are reflected					

	in the service delivery					
25.	I know what performance measurement is					
26.	The agency conducts performance measurement					
27.	The agency often conducts performance measurement					
28.	The agency does not conduct performance measurement					
29.	PM helps the agency to collect information regarding the performance of the agency					
30.	PM helps the agency to carry out analysis regarding the performance of the agency					
31.	PM helps the agency to prepare reports to ascertain the performance of the agency					
32.	The agency conducts PM quarterly					
33.	The agency conducts PM bi-annually					
34.	The agency conducts PM yearly					
35	PM has made it possible for the agency to record more productivity					
36.	PM contributes to agency service delivery					

37. What are the performance measures and indicators your travel agency uses in measuring performance? a) financial b) customer c) process d) people

38. How has the performance information influenced decision making processes in your travel agency? a) Not at all b) Minor effect c) Neutral d) Moderate effect e) Major effect

39. Does your travel agency have competitive advantage as a result of performance measurement? How? a) Not at all b) Minor effect c) Neutral d) Moderate effect e) Major effect

40. How has performance measurement changed your organization's strategy in operation? a) Not at all b) Minor effect c) Neutral d) Moderate effect e) Major effect

41. What can you say are the challenges of the agency's effective performance measurement? a) lack of information on performance measurement strategy b) unbefitting performance measurement strategy c) failure to implement the performance measurement strategy d) lack of a performance measurement strategy e) Lack of staff orientation on performance measurement f) Other, please specify_____