



Balanced scorecard usage for hotel and tourism small and medium enterprises growth in ESwatini (Former Swaziland): A Proposed conceptual framework

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Abstract

In the last ten years, there has been a high influx of tourists in Eswatini (Swaziland), and this has resulted in the development of the hospitality and tourism industry; more specifically the increase in the number of small and medium hotels in the country. Therefore, hotel and tourism small and medium entrepreneurs are now converting their homes and rental houses to accommodation services. However, these hotel and tourism small and medium enterprises (SMEs) seem to have no formal performance measurement system or model such as a balanced scorecard (BSC). A balanced scorecard model is a management and measurement performance tool that uses finance, customers, internal business processes, and learning and growth perspectives to evaluate performances (Kaplan & Norton, 1996). BSC is a framework that has been widely used and successfully implemented by a small and large organizations. Its successful use has changed the perception that SMEs survive and exist between 3 and 5 years (Kala & Bagri, 2014). My study reveals that these SMEs in Eswatini unconsciously employ some aspects of balanced scorecard perspectives, but some variables are ignored. The BSC conceptual framework proposed in this article motivates that hotels and tourism SMEs should use BSC performance measurement variables together with clusters, innovation, knowledge sharing, trust culture, and shared value theories, critical success factors and general factors as independent variables contributing to the improvement of their performance and growth. Literature reveals that BSC usage as performance measurement and growth tool for businesses such as the hospitality and tourism sector is essential for evaluating performance ([Awadallah & Allam, 2015](#)). Document analysis has been adopted as the main method of data collection in this paper. Hence, different publications, books, and academic journals on the BSC and cluster theory and their value and usage were used significantly as points of reference. The proposed BSC model for SMEs in this sector, being presented in this article, provides a conceptual framework that is empirically being tested in the hotel and tourism SMEs within the Manzini-Mbabane corridor, and it would not only contribute to academic scholarship, but also to the management of the sector under investigation.

Keywords: Balance scorecard, hotel, tourism, small and medium enterprises, strategies.



Introduction and background

Travel and Tourism has a significant impact on the economic and social development of countries globally (Manzo, 2018). According to Turner and Jus (2019), the tourism sector accounted for 10.4% of global gross domestic product (GDP) and 319 million jobs which are 10% of total world employment. According to Eswatini Tourism Authority, tourists from Europe had increased by 3% in the 2015-2016 financial year, but North America visitors declined by 3.8% (Authority, 2018). The decrease and increase in visitors influences hotel and tourism SMEs' growth in Eswatini. The study intended to assess the balanced scorecard (BSC) usage performance measurement for small and medium hotel and tourism growth so that they could evaluate organizational performance. Many performance measurement tools were used to analyze and report the performance and growth of any organization (Awadallah & Allam, 2015). These include the performance pyramid by Lynch and Cross, (1991), the Performance Measurement Questionnaire (PMQ) by Dixon (1990) and the performance prism by Neely and Adams, (2001). The balanced scorecard model is a management and measurement performance tool based on the four perspectives; finance, customers, internal business processes, and learning and growth was developed by Kaplan and Norton (Kaplan & Norton, 2007, Kala & Bagri, 2014). Previous critics on BSC usage argue that it is not suitable for the service sector business due to its inflexibility, and the model has its limitation in a highly dynamic business environment (Awadallah & Allam, 2015). However, Madsen and Steheim (2014) argue that BSC is flexible, and its implementation could be in line with any organization's needs and aims (Awadallah & Allam, 2015). Other critics consider the model as static in the rapidly changing environment Giannopoulos. Holt, Khansalar & Cleanthous, (2013). According to Malagueño, Lopez-ValeiraS, & Gomez-Conde. (2018), the new economic difficulties and environment competitiveness indicate that it is not enough to capture financial and nonfinancial performance measures for sustainable competitive advantages without clearly linking it with the strategy and performance measurement of an organization. BSC differentiates itself from other performance measurement systems by its focus on both financial and non-financial measurements with its four perspectives in providing the way in translating the strategy into an action plan (Sainaghi, Phillips & Corti, 2013).

Although a balanced scorecard is used for performance measurement and management tools, very few research studies have been conducted in small and medium hotels in developing countries (Elbannaa, Eidb & Kamel. 2015). Elbannaa et al. (2015), confirm that hotel and tourism SMEs in Sub Sahara Africa lacks the usage of performance measurement systems. In reviewing the past 20 years of research papers, Hoque (2014), confirmed the lack of any publications on balanced scorecard usage as a performance measurement tool in the hotel and tourism SMEs. Additionally, Sainaghi et al. (2013), argued that there are no broad theoretical frameworks developed for SMEs in the hospitality and tourism sector. The proposed conceptual framework on balanced scorecard usage for hotel and tourism small and medium enterprises growth may possibly assist hotel management and staff track performance using financial and non-financial indicators as the basis for growth in Eswatini. The model hypothesizes that critical success factors influence hotel and tourism SMEs' performance and growth. The proposed model assumes that the cluster theory, knowledge sharing, competitiveness, trust culture, and shared vision theories influence hotel and tourism small and medium enterprises' growth.

Methodology

The proposed conceptual framework has been adopted from the collection of literature on the usage of balanced scorecard and theories on clusters, innovation, shared vision, and trust culture explained in different publications, books, and journal articles. These kinds of literature were used



to develop the research questionnaires used to assess the balanced scorecard usage as a performance measurement tool for hotels and tourism SMEs in Eswatini in the study.

Literature review and theoretical framework

The literature reviewed was on cluster theory, innovation, knowledge sharing, shared vision, and trust culture theories, factors influencing hotel and tourism SMEs growth and balanced scorecard as the performance measurement tool. These are briefly described in this section.

Cluster (location)

A cluster is defined as a geographic 'concentration on competition, collaboration, and interdependent of organizations that connects to a system of market and non-market links (Kuah, 2002). Kuah (2002), describes three main elements of a cluster. Firstly, cluster groups refer to associated and interconnected firms that link vertically and horizontally. Secondly, the cluster includes proximately environmental groups of interlinked businesses that encourage the formation and enhancement of value creation benefits via interaction. Thirdly, the cluster is associated with benefits that are derived through innovation, productivity, growth with competitors.

Geographical location affects the hotels' and SMEs' performance and growth(Ahmad, Ahmad, & Abu Bakar, 2018) . Therefore, clustered geographic areas or remote rural areas have a significant impact on the growth of SMEs. Peiró-signes, Segarra-oña, Miret-pastor & Verma, (2014) found that hotels located inside the cluster have better performance than those outside. Peiró-Signes et al. (2014), further state that chain-managed hotels inside clusters outshine compared with chain-managed properties outside clusters. Peiró-Signes et al. (2014), claim that hotel owners and operators collaborate with other firms such as travel agencies, transport operators and hotels within the cluster concentration.

Collaborative and competitive interactions between local firms and service providers create geographic externalities that play an essential role when tourism destinations compete with each other (Peiró-Signes et al., 2014). On another hand, Pikkemaat et al. (2018) note that the alpine community lacks cooperation with other competitors in knowledge sharing and networks, hotels, and tourism SMEs' activities are strongly affected. Ahmad et al. (2019) claim that the budget hotels located in strategic cluster areas such as commercial areas, shopping malls, entrances, and exit points from highways perform very well. Therefore, location is considered one of the factors that contribute to the level of customer satisfaction. Hence, assessing whether the co-location cluster has an impact on customer convenience, information sharing, and networking among the hotel and tourism SMEs sector is imperative.

Innovation

The term 'innovation' is derived from the Latin word 'Novus,' meaning new, young, or novel (Hsu, 2005). Innovation is a means of creativity and creation of invention (Gupta & Barua, 2016). The World Economic Forum has defined innovation as one of the twelve technological pillars of productivity, growth, and competitiveness of a country (Tang, Wang, & Tang, 2013). In hotel and tourism, SMEs context innovation refers to how management and staff develop new products and services (Pikkemaat, Peters, & Chan, 2018). Without innovation, the hotel and tourism SMEs sector would not survive in this fast-changing economic and social environment (Pikkemaat et al., 2018). In this respect, the proposed model incorporates innovation for SMEs to differentiate their products and services to get a competitive advantage over their competitors. In the study of developing a service innovation capability in the hotel. Tang et al. (2013) state that service



innovation capability is critical for a hotel to acquire a competitive advantage. Service innovation is the source of competitive advantage of the hotel and tourism (Quesado, Guzmán & Rodrigues, 2017). New services help to attract new customers, increase customer loyalty, build new market opportunities, and increase sales performance and growth in profitability (Tang et al., 2013).

Knowledge sharing,

Knowledge sharing has an effect on innovation in the organization (Barczak, 2016). He argues that innovation influences knowledge sharing through self-learning, fair assessment mechanism, and play a significant role in team innovation. In the study of testing the employees' innovation behavior Barczak (2016), found that balanced flows (inflow and outflow knowledge) have some effect on employees' innovative behavior. The study concluded that the highest creative behavior occurred when knowledge flows were extraordinary and balanced at the same time. For instance, the employees would share of his experience and knowledge when he knows that his contribution would be recognised and sometimes awarded in one way or the other. The performance of employees is visible during the internal business processes scorecard and learning and growth because employees would share their experiences among the team members. In the research study of business intelligence as a piece of crucial information and knowledge tool for strategic business performance management, the BSC seems to be an inseparable to vital Performance Measurement System (PMS) (Rajnoha, Štefko, Merková & Dobrovič, 2016). Nevertheless, the results indicated that there must be stronger support on the application of the knowledge business intelligent information systems. Rajnoha et al. (2016), claimed that the BSC methodology has a demonstrable effect on the company's performance.

Shared vision

The shared vision is generally defined as a common idea and commitment shared by all employees to achieve organizational goals. Tang et al. (2013), state that shared vision stands for shared values which guide individual and team actions towards achieving a standard value. Tang et al. (2013), stated that shared vision is significant for internal coordination of resources, which facilitates the efficiency and effectiveness of its usage. To foster innovation in hotel and tourism, SME management and staff should have a culture of holding meetings and exchanging ideas (Pikkemaat et al., 2018). Hoarau and Kline (2014) proposed that knowledge of innovation should be co-created with relevant stakeholders.

Trust culture

According to Tang et al. (2013), the trust culture is the critical success factor for teamwork as it fuels mutual interactions among the people. They claim that trust culture promotes knowledge sharing through removing communications barriers and willingness to support others. The balanced scorecard model proposes that the trust culture should be encouraged to stimulate employees to share their experiences, even if they are not right. In contrast, to Vila et al., (2012) and Hon (2012), Tang et al. (2013) found a relationship between the trust culture and service innovation as a confirmation of the effect of culture on services innovation in stimulating SMEs. In the trust culture, mistakes are deliberated upon openly, and employees are encouraged to learn from valuable experiences from their mistakes to improve the service innovation capability (Barczak, 2016).



Factors influencing hotel and tourism SMEs performance

According to Sainaghi et al. (2013), the lack of research on internal business processes and no broader theoretical framework on the factors influencing the hotel and tourism performance and growth strategy are the central issue of the sector. Kala and Bagri (2014), in his study of the Uttarakhand lodging establishments, observed that some hotels pay attention to both financial non-financial measures of performance. The non-financial measures include the art infrastructure, provision of regular training to employees, innovative process, satisfaction, and loyalty of guests. Their findings indicated that those hotels which combined both types of measurement tools enjoy a high percentage of room occupancy and lower staff turnover in their respective towns. The significant factors that affect the performance measurement of any hotel and tourism SMEs are financial, customer relationship, internal business process, and learning and growth factors.

To cover the high cost of establishing a hotel, access to finance is the primary constraint to the development of tourism in Sub-Sahara Africa, (Christie, Fernandes, Messerli & Twining-Ward, 2013). In their findings of the report on Tourism in Africa, Christie; et al. (2013), assert that the hotel and tourism SMEs have a challenge in accessing finance and high development costs. On the study of factors affecting the performance of small and medium enterprises in the Jua Kali Sector In Nakuru Town, Kenya, Kinyua (2014) found that access to finance and management skills affects the performance of SMEs. He claimed that the number of years in business operations of SMEs increases their performance.

Customer perception of hotel accommodation standards affects the performance and growth of small and medium enterprises in sub-Sahara Africa (Christie et al., 2013). They claim that unbranded guesthouses and lodges face the challenge of attracting guests to their establishments. The critical performance indicator influences hotel and tourism SMEs' (Sitawati, 2015). Positive service quality is one of the factors that attracts customer attention through its effect on customer satisfaction and loyalty (Chen et al., 2011). Customer satisfaction would result in positive word of mouth in the recommendations of the product and services to his friends and relatives (Sitawati, 2015). Hotel and tourism SMEs that use both financial and non-financial like customer satisfaction and loyalty had gained more momentum over the years, and they improved performance and growth (Kala & Bagri, 2014).

Kinyua (2014), indicates that hotel and tourism lack resources to acquire appropriate management skills such as financial, marketing, and entrepreneurial skills. These are contributing factors influencing the performance and growth of small and medium enterprises. For Mohammed Sani Abdullahi et al. (2015), finance, government policy, product marketing are the main factors that harm the performance of SMEs. Muzenda (2014) investigated the conceptual Model on the Determinants of Performance in the Tourism sector of SMEs in South Africa. His findings indicate that there is a significant relationship between entrepreneur attributes, firm characteristics, external environment, and SMEs' performance.

Management skills, entrepreneurship skills, and pieces of training affect Small and Medium enterprises (Thaimuta & Moronge, 2014). Thaimuta and Moronge (2014), found that management skills, entrepreneurship skills, and training affect their performance and growth in Matatu Pratransit venture for Small and Medium in Nairobi, Kenya. One of the constraints of the tourism sector in Sub Sahara Africa, according to Christie et al. (2013), is the low level of tourism and hospitality management skills. Senior managers of the sector need to encourage the employees to engage in career development programs (Kala & Bagri, 2014). These studies show that the assessment of performance in hotels would have a higher probability of retaining existing customers and become more successful shortly.



Furthermore, Kala and Bagri (2014), find that some hotel properties are more prone to non-financial measures of performance. The non-financial measures include infrastructure, service quality, regular staff training, and retention. As a result, hotels which pay attention to these non-financial measures tend to benefit from fully booked rooms, more guests, and a high level of employee satisfaction, retention, goodwill, and increasing market share in their respective towns.

Balanced Scorecard Model

The balanced scorecard (BSC) is the performance measurement tool that looks at how the strategic objectives and key performance indicators (KPI) measures evaluate the hotel and tourism SMEs (Kala & Bagri, 2014). The BSC is useful when organizations implement and assess their strategy (Kaplan and Norton, 2001). The BSC model has a critical result area (KRAs), strategic objectives, and the Critical Success Factors (CSFs and the model groups the four dimensions (Quintano, 2016). There are few studies conducted on the usage of BSC in the hotels and tourism SMEs (Awadallah & Allam, 2015). Shadbolt et al., (2013) examined the application of the BSC to small-scale organizations as a strategic management tool, and they found that BSC assists hotel and tourism SMEs to minimize organization failure. The performance measurement tool is essential for small and medium hotel and tourism enterprises since it would improve the performance and possibilities of survival present and in the future, (Kirsten, Vermaak & Wolmarans, 2015).

Financial perspectives refer to how management should create value for shareholders. It refers to the company's financial performance, whether the strategy adopted and implemented has contributed to the bottom line of the company's balance sheet (Kaplan & Norton, 1996). The organization needs to first identify the critical success factors or strategic objectives on how to create values for their shareholders (Kala & Bagri, 2014). Secondly, they need to develop performance measures that compare the result with the previously set standard. Some critics claim that financial performance measures do not influence customer and employee satisfaction. As a result, it discourages management from using them as a measurement of its strategic vision (Elbanna et al., 2015). Kaplan and Norton (2001) reveal that the BSC performance measurement system has a significant impact on financial growth. They include net operating profit percentage, gross margin percentage, cost reductions, return on investment, and return on capital employed.

Ngwenya (2013), found that hotels in Zimbabwe use both financial and non-financial strategies in achieving shareholders' value and increase in earnings per share (EPS). He confirms that small and medium hotels and tourism businesses should enhance their financial performance through a higher level of exploitative innovation (Malagueño et al., 2018). Few conceptual frameworks published between 2001 and 2009 focused on management accounting systems, information technology, and budget participation. Moreover, accounting based on financial measures such as operating margins and financial ratios, while competitive results relate to the average daily rate, occupancy, and REVPAR. There is evidence that research topics centered around accounting and business performance measurement systems, and competitive strategies are declining (Sainaghi et al., 2018).

The customer perspective focuses on the customers' attitude to the company and how the company wants to be viewed by its customers (Kaplan & Norton, 2007). Kaplan and Norton (2007), state that the overall aim of the organization is to accomplish its vision and mission. Therefore, the customer perspective implies that management and staff are perceived by customers to offer quality services. To measure the critical success factor, the organization should employ the performance indicators that enhance customer satisfaction (Kala & Bagri, 2014).



Customers are usually cognisant about quality, tie performance, service, and cost. Therefore, an entity like the SMEs in the hospitality industry should align its targets based on the four elements and eventually transform these targets into specific measures (Kaplan & Norton, 1992). Al-Azzam (2016), states that financial performance alone could not offer a full understanding of Customer Relationship Management (CRM) without employing a balanced scorecard as a performance measurement tool. The study concludes that hotels in Jordan should measure performance using customers, internal processes, and learning and growth perspectives. These perspectives create long-term performance measurement and management growth of the institution (Al-Azzam, 2016; Mohammed et al., 2013).

The study carried out in Malaysian usage of modern social media to improve customer interaction. They find that customers' growth has increased in the hotel and the SME sector (Gesage, Kuira & Mbaeh, 2015). Furthermore, Abdullah, Jayaraman, & Kamal, (2016), claim that travelers like to log in online to browse the website for information search only but also to make the hotel bookings. Abdullah et al. (2016), state that only 22% of Malaysian people are using the internet for reservations. These scholars' conceptual model was to assess the rationality for hotel and tourism SMEs' refusal to adopt hotel bookings online. Customer perception of hotel accommodation standards affects the performance and growth of small and medium enterprises in sub-Saharan Africa (Christie; et al., 2013). The scholars claim that unbranded guesthouses and lodges fail to attract new customers and maintain loyal guests (Sitawati, 2015). Through social networking, loyal and potential customers make comments on the product or service the hotel and tourism SMEs product and service offered (Ahmad, Ahmad & Abu Bakar, 2018). Social networks assist management on how to satisfy customers on the product or service. In turn, customers make suggestions on how the products or services of the organization could be improved. Ahmad et al. (2018) indicate that small and medium enterprises in the Middle East adopted social media to network with hotel customers. The source feedback and suggestions quickly from customers about the product or service help to promptly attend to customers' concerns.

Furthermore, scholars assert that social interactions such as Facebook Whatsapp, Twitter, and YouTube adoption are strategic marketing choices for small and medium-sized enterprises. There was excellent performance improvement on customer satisfaction performance for small and medium enterprises who had adopted social media as a platform to market their products and services (Ahmad et al., 2018). The results of performance measurement on customer perspective increased between 2007 and 2011 for five-star hotels in Nairobi, after they introduced the balanced scorecard as a performance measurement tool (Gesage et al., 2015). The highest performance rate was 93% in the year 2011. The internal business process scorecard uses to improving suppliers' relations, quality of service process, and delivery of customer services (Kala and Bagri, 2014). Hotel and tourism improve customer satisfaction and financial growth through employee innovation and customer attract (Malagueño et al., 2018). The performance measurement for the internal process is standards operating procedures (SOP's), creating new ways of carrying out activities (innovation) and Audit of processes (Gesage et al., 2015). Gesage et al. (2015), find that 24% of managers in Nairobi's five-star hotels adopted the balanced scorecard as performance measurement and growth. Among the four perspectives adopted, 62% of respondents of Nairobi's hotels use internal business processes (Gesage et al., 2015).

The internal business process has a significant effect on customer service, which then influences financial performances (Ngwenya, 2013). However, Cristina and Naguit (2017), find that internal business and learning and growth scorecard are the least usage perspectives in the Province of Pampanga. Nevertheless, the study reveals that large enterprises with more than 20 years and having 200 people are mostly adopters of the balanced scorecard. Small and medium enterprises with five years of existence with less than 100 employees have not yet adopted the BSC practices

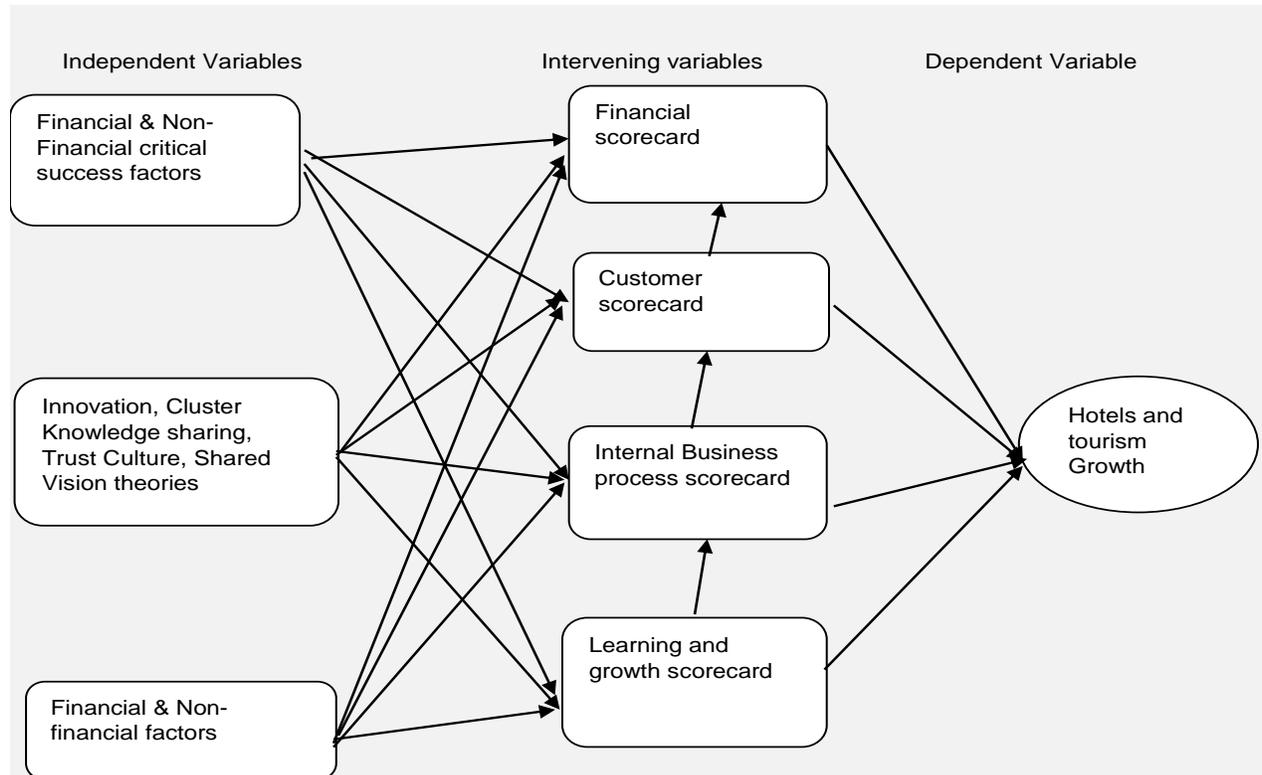
to improve their business performances. The large enterprises in the Philippines used BSC practices to improve the(Christie; et al., 2013, Cristina and Naguit, 2017).

The learning and growth scorecard measures the competences and skills of the hotel and tourism SMEs require for their sustainability in growth (Gesage et al., 2015; Kala & Bagri, 2014). Competencies and skills development is the critical success factor for organizational change and sustainability in growth (Kaplan & Norton, 1992). The research of five-star hotels in Nairobi reveals that 73% of the respondents measure performance using learning and growth balanced scorecard perspective through employee development, career succession, and employee training. 11% of respondents in the five-star hotels of Nairobi use learning and growth as a performance measurement tool to grow their businesses, and the respondents indicate that the performance reviews occur once a year (Gesage et al., 2015). Kala and Bagri (2014), reveal that selected hotels are not only focusing on financial performance measures but also paying attention to non-financial measures. The performance measures include the state-of-the-art infrastructure, qualified hotel staff members, and regular training to improve their professional skills, innovative processes, error-free services, and guest satisfaction and retention.

Proposed conceptual framework

Based on the reviewed literature, the proposed theoretical framework (Figure 1) aims to evaluate performance for hotel and tourism SMEs growth using the balanced scorecard. The model focuses on the application of the balanced scorecard as a performance measurement tool. It hypothesized to develop strategies that would grow the hotel and tourism SMEs sector in the Kingdom of Eswatini.

Figure 1. Proposed Eswatini hotel and tourism SMEs conceptual framework: Wilson Bafana Dlamini 2019



Financial and non-financial critical success factors



The conceptual framework also assumes that financial and non-financial critical success factors variables influence hotel and tourism SMEs' growth variables. The influence is, as a result, intervening in financial, customers, internal business process, and learning and growth scorecard. The framework hypothesized that hotel and tourism growth is associated with critical success factors with intervening of the four perspectives of the balanced scorecard as a performance measure for growth. The conceptual framework hypothesizes that the hotel and SMEs' growth depends on accommodation rates, facilities, free ancillary services, such as Wi-Fi, accuracy billing, payment system, cost of food, and beverages. The mediation of critical success factors is also the four balanced scorecard performance measures used to assess the rate of growth.

The conceptual framework hypothesis that hotel and tourism SMEs growth is associated with non-financial critical success factors for customer services. The model proposes customer critical success factors, which include customer satisfaction, customer loyalty, repeat customers, facilities attractiveness, known brand, and convenient location. The model assumes that customers' performance measures influence hotel and tourism small and medium enterprises' growth in Eswatini. The influence of customer critical success factors variable is mediated by the intervening of the four balanced scorecard performance measures for small and medium enterprises growth.

Furthermore, the conceptual framework proposes the growth of hotel and tourism SMEs with internal business processes critical success factors variables. The CSF variables rely on mediating with balanced scorecard performance measures to evaluate the effect. Moreover, the model hypothesizes that internal business critical success factors such as quality products or service offered, effective reservation process, the standard of food, beverages, facility cleanness, and overall quality service influence hotel and tourism SMEs' growth. Again the critical internal business process requires the intervention of a balanced scorecard as performance measures to influence hotel and tourism SMEs' growth. Lastly, the conceptual framework hypothesizes that hotel and tourism SMEs depend on learning and growth critical success factors variables with the intervening variables of balanced scorecard influence growth. The model suggests that learning and growth critical success influences the hotel and tourism SMEs' growth with the mediation of four balanced scorecard perspectives. The framework proposes learning and growth critical success factors variables such as experienced staff members, useful and productive management, staff appearance to customers, well-trained employees, low staff turnover, satisfied employees, and continuous advancement in information and technology to have a significant influence in the business and financial growth.

Innovation, cluster, knowledge sharing, trust culture, and shared vision theories

The conceptual framework hypothesizes that innovation, cluster, knowledge sharing, trust culture, and shared vision theories are associated with hotel and tourism growth. The balanced scorecard performance measures are mediating variables of the balanced scorecard. The conceptual framework hypothesized that hotel and SME growth rely on these theories. The proposed model indicates that innovation theory variables are associated with staff creativity, offering other services, touring facilities, and customer feedback which a balanced scorecard performance measures rely on hotel and tourism SMEs growth.

The conceptual framework also proposes that hotel and SMEs growth with intervening of balanced scorecard variables rely on the Shared Vision Theory. The shared vision variables relate to staff commitment and share ideas among themselves. The model proposes that information and knowledge sharing throughout sections and departments of hotels and small medium have a significant impact on growth. With the intervening of a balanced scorecard, the conceptual



framework also proposes that hotel and tourism growth is associated with trust culture among employees. On the other hand, the model suggests that trust culture variables influence the growth of hotel and tourism SMEs through knowledge sharing and staff members' willingness to support each other.

The conceptual framework also hypothesizes that hotel and tourism SMEs' growth is associated with the cluster location. The location within the Manzini – Mbabane corridor is the central cluster for accommodations and tourism in Eswatini. This location makes the accommodation establishments and other tourism sectors to easily collaborate and interact with each other. As a result, most hotels and tourism SMEs had organized themselves to ensure that there is information sharing among the members.

Therefore, being within the Manzini-Mbabane corridor, the conceptual framework presumes that hotels and tourism in this cluster grow faster than those outside the cluster. The theoretical framework hypothesizes that environmental factors easily influence establishments within Manzini-Mbabane location cluster. However, access to the Internet, website, and others social communication tools make customers to book online easily. The internet connection in the clusters impacts communication and access to the hotels, and keep customers connected to their base (social or business) which are motivating factors to use the hotels and even stay longer, thus boosting business.

Financial and non-financial factors

The conceptual framework proposes that financial and non-financial factors also have a significant influence on hotel and tourism growth. The financial factors affecting performance and growth include the sale of the products and services and management of business costs. The non-financial factors influencing growth include customers, internal business, and learning and growth factors. The customer factors influencing hotel and tourism SMEs could be customer services and customer entertainments. The conceptual framework assumes that internal business process factors influence SMEs' growth. They include skill shortage, management expertise, time to respond to customer needs, and money for purchasing equipment and machinery. The conceptual framework presumes that learning and growth factors are associated with hotel and tourism growth with the intervening of the balanced scorecard. These factors include research and development of new products or services, management, and entrepreneurial skills, employees' training and engagement of a range of stakeholders such as government, suppliers, environment and employees who invariably influence hotel and tourism growth.

Conclusion

The proposed model is being tested in the 35 hotel establishments, with approximately a 350 staff complement, who are participating in the study. The model examines how critical success factors, innovation, knowledge sharing, trust culture, and shared vision, and other general factors are influencing small and medium enterprises for growth. The proposed conceptual framework contributes to the body of knowledge by increasing the number of research publications on BSC adoption practical usage and effect in the hotel and tourism SME sector. The conceptual framework is being empirically tested in the hotel and tourism SMEs within the Manzini-Mbabane corridor and those within a 10km radius from this corridor from it.



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