

**COMPETITIVE STRATEGIES ADOPTED TO ENHANCE
PERFORMANCE BY THE COUNTY GOVERNMENT OF
KAJIADO, KENYA**

MURAYA, DENNIS MWANGI

**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN
PARTIAL FUFILMENT OF THE REQUIREMENT FOR THE
MASTER OF BUSINESS ADMINSTRATION (MBA) DEGREE
SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

November, 2016

DECLARATION

I declare that this research project is my original work and has not been presented for any award in any other academic institution.

Signature Date

MURAYA, DENNIS MWANGI

D61/70110/2008

This project has been submitted for examination with my approval as the University Supervisor:

Signature Date

PROFESSOR J. MUNYOKI

Department of Business Administration

School of Business

University of Nairobi

DEDICATION

This research project is dedicated to my spouse Sylvia Nyokabi and my children Lauren Gacheri and Ben Muraya for their inspiration, encouragement, understanding and prayers towards the successful completion of this course.

ACKNOWLEDGEMENTS

My special and sincere thanks go to my supervisor Professor J. Munyoki and moderator Ms. Ngahu for their guidance, support, suggestions, useful comments and constructive critique which were all instrumental to the successful completion of this research project. I also wish to appreciate the support and encouragement from my family, my spouse Sylvia Nyokabi, my parents Sarah Muraya and Esther Ndea and friends during the tough time that I had to strike a balance between the demands of a rigorous academic program and an equally demanding work environment.

My gratitude to God Almighty, who renewed my strength at every stage of this study.

God bless you all.

ABSTRACT

Today, organizations operate in a globally competitive environment and thus have to continually seek innovative ways in which to differentiate themselves. Public sector organizations are no different. The reason for this is that a firm's chances of thriving in its operating environment is dependent upon the selection and implementation of competitive strategies that sets it apart and gives it an edge over the competition. Consequently, it is imperative that firms should continuously monitor and adapt to the environmental changes through the formulation and deployment of appropriate strategies to survive in the industry. The research objective was to establish the competitive strategies adopted to enhance performance by the County Government of Kajiado, Kenya. To meet the research objectives, a case study research design was adopted. The study employed face to face interviews as the primary data collection method. The researcher used an interview guide to aid in obtaining information from the respondents and thereafter the data obtained from the interview guide was analyzed qualitatively with the use of content analysis. The respondents were chosen purposively to include county officers who were involved in the strategic management as strategy planners, formulators and implementers. The respondents included the County Secretary, a County Executive Committee Member, a Chief Officer, Directors and an ICT official for a total of 6 respondents. Content analysis enabled the researcher to sift through large volumes of data with relative ease in a systematic fashion. The findings of the study were that the competitive strategies employed by the County Government of Kajiado were found to be delivery and distribution strategy, pricing, cost leadership, quality of services and the differentiation strategy. The findings also revealed that the utilization of internal resources by a firm, using a broad category of services was found to be an effective strategy that a firm can utilize in staying competitive. The County was able to achieve competitive advantage as a result of pursuing differentiation strategy and that the pricing strategy the County had employed was found to translate to higher performance on the revenue collection metric due to increase in customer base. In conclusion, sustainable competitiveness of a firm was found to be crucial to any organization and therefore the use of the various strategies by the firms to achieve higher performance as well as deal with environmental challenges and threats signal the organizations' intent to survive and thrive. The study concluded that the county is cognizant of the operating environment and challenges that stand as obstacles to the achievement of organizational goals. The study also concluded that adoption of appropriate competitive strategies will result in improved performance. Hence, it is imperative that in a globalized market, firms need to appreciate the importance of coming up with a multiple array of strategies and not depend on only one or a few competitive strategies. The study recommends that managers need to consider the application of competitive strategies in their industry because as the level of competition increases, the determinant factor on the level of firm performance is the strategies that it employs. The study also recommends that the county comes up with appropriate strategies that will further enhance its performance in light of higher targets and stakeholder expectations.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS	iv
ABSTRACT.....	v
TABLE OF CONTENTS	vi
ABBREVIATIONS AND ACRONYMS.....	viii
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the study	1
1.1.1 The Concept of Strategy.....	3
1.1.2 Firm Competitiveness.....	4
1.1.3 Organizational Performance.....	5
1.1.4 County Governments in Kenya	6
1.1.5 Kajiado County Government.....	7
1.2 Research problem.....	10
1.3 Objectives of the study.....	12
1.4 Value of the study	12
CHAPTER TWO: LITERATURE REVIEW.....	14
2.1 Introduction.....	14
2.2 Theoretical foundation of the study	14
2.2.1 Resource Based View (RBV) Theory	15
2.2.2 Industrial Organization (I/O) Theory	16
2.2.3 Dynamic Capabilities Theory.....	17
2.2.4 Contingency Theory	18
2.3 Strategies adopted to enhance firm performance.....	19

2.4 Organizational Performance	21
CHAPTER THREE: RESEARCH METHODOLOGY	23
3.1 Introduction.....	23
3.2 Research Design.....	23
3.3 Data Collection	23
3.4 Data Analysis	24
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS.....	25
4.1 Introduction.....	25
4.2 Respondents profile	25
4.3 Competitive Strategies employed by the County.....	26
4.4 Performance Indicators	30
4.5 Discussion of the findings.....	30
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	33
5.1 Summary	33
5.2 Conclusion	34
5.3 Limitations of the study	35
5.4 Recommendations.....	35
REFERENCES.....	37
APPENDICES	43
APPENDIX I - Interview guide	43
APPENDIX II – Alphabetical list of counties in Kenya.....	46

ABBREVIATIONS AND ACRONYMS

ASAL	Arid and Semi Arid Land
ASDSP	Agricultural Sector Development Support Programme,
ICT	Information and Communication Technologies
I/O	Industrial Organization
KPHC	Kenya Population and Housing Census
KPI	Key Performance Indicator
KNBS	Kenya National Bureau of Statistics
MCA	Member of the County Assembly
OGA	Other Government Agency
RBV	Resource Based View

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Organizations operate as open systems that affect and are affected by external conditions largely beyond their control (Pearce & Robinson, 2003). The political and business environments, both local and global are rapidly changing making it imperative for organizations to continually adapt their strategies in order to succeed. To survive in a dynamic environment their strategies need to be focused on their customers/clientele, partners, suppliers, investors etc. and deal with the emerging environmental changes necessary in the environment they are serving (Ansoff & McDonnell, 1990). A strategy is no longer just a broad vision or a plan that integrates an organizations' major goals, policies and action sequences into a cohesive whole, but the configuration of activities an organization adopts. Strategy becomes the array of activities aligned to deliver a particular mix of value to a chosen array of clientele (Porter, 1996).

The basic capabilities required by any organization for competing and remaining competitive on the current business environment are broadly categorized into two main categories; technological and organizational (Rastogi, 2000). Technological capabilities relate to the firm's productive prowess in providing goods and services to the customers in terms of globally competitive criteria of cost, quality and performance. The firm has not only to match and excel on the technological competence of its leading competitors at present but also maintain and improve its technological edge and position in the face of a changing environment. Organizational capabilities relate to the firms capacity to reconfigure its structures, systems and

business processes effectively and as often as necessary. It requires flexibility to cope with unexpected crises and developments. The firm must also deploy its resources and position its strategic responses effectively with minimum lag, its ability to compete on time. The capacity for flexibility and strategic readiness in turn implies the prerequisites of certain organizational strengths, the integrative culture and creative human resources (Rastogi, 2000).

This study is anchored on the following theories; the resource based view theory, the industrial organization theory, the dynamic capabilities theory and the contingency theory. The dominant theory is the resource-based theory which notes that any firm is essentially a pool of resources and capabilities which determine the strategy and performance of the firm. However if all firms in the market have the same pool of resources and capabilities, all firms will create the same value thus no competitive advantage is available in the industry (Barney, 1991). All the same, these theories collectively contribute positively, directly and have practical ramifications for the firm.

Kajiado County Government was established under Chapter Eleven (Cap 11) of the Constitution of Kenya 2010 which saw the birth of 47 counties in Kenya. The county covers approximately 21,900.9 km² and has a population growth of 5.5% with a total population estimated at 807, 069 as per the government statistics of 2012. Kajiado County has natural resources which if utilized will enable it be competitive and enhance the county performance. The hides and skin sector, the land lease operations, mining of sand are resources through which the county government can achieve

competitiveness in their utilization, increasing the revenue base and positively affect its performance levels.

1.1.1 The Concept of Strategy

Operating environment can be relatively stable or turbulent and each level of turbulence has different characteristics and requires different strategic match. The strategies in turn have to be matched by appropriate organizational capacity for survival, growth and development (Ansoff & McDonnell, 1990). In order to realize sustainable competitive advantage, organizations need to embark on strategic management. Strategic management is the conduct of drafting, implementing and evaluating cross-functional decision making that will enable an organization to achieve its long-term objectives (Hofer and Schendel, 1978). It is the process of specifying the organization's mission, vision and objectives, developing policies and plans, often in terms of projects and programs, which are designed to achieve these objectives and then allocating resources to implement the policies, and plans, projects and programs. Lamb (1984) added that strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved; assesses its set goals and strategies to meet all current objectives and obligations as well as future ones; and then reassesses each strategy regularly to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technology, new competitors, a new economic environment., or a new social, financial, or political environment.

1.1.2 Firm Competitiveness

Firm competitiveness can be defined as the ability of a firm to design, produce, and market products and/or services superior to those offered by its competitors, considering price and non-price qualities (D'Cruz & Rugman, 1992). Competitive advantage stems from the many discrete activities a firm performs in delivering and supporting its products and/or services. Superiority is gained by an organization when it can provide the same value as its competitors but at a lower price, or can charge higher prices by providing greater value through differentiation. Competitive advantage results from matching core competencies to the opportunities. According to Lengyel (2004), competitiveness is defined as the ability to achieve dominance and steadiness in the competition between the individual firms and competitors. Findrik and Szilárd (2000) define competitiveness as “a sum of properties and activities of a given production unit, by means of which it can increase its market share and/or profit on a given market, during a given period”.

Buckley, Pass, and Prescott (1998) suggested a framework of competitiveness that has three parts: the competitiveness performance, competitiveness potential, and the management process. Competitiveness is a combination of assets that are inherent and created as well as processes that transfer assets into economic results. However, there are many approaches to competitiveness. One is the competency approach, which emphasizes the role of factors internal to the firm (firm strategy, structure, capability to innovate) and other tangible and intangible resources (Bartlett & Ghoshal, 1989). High performing organizations have the ability to develop and employ capabilities more effectively than competitors hence adapt to achieving competitiveness. If a firm is operationally efficient, cost effective, and quality conscious, it can provide

customers with more value and satisfaction and thus be competitive (Hammer & Champy, 1993). According to Porter (1987), productivity is a major determinant of competitiveness for firm, industry or nation. In today's rapidly changing economic environment, other qualities such as flexibility in adjusting to changes, speed, and adaptability to changes are becoming increasingly important for competitiveness (Barney et al, 2001).

1.1.3 Organizational Performance

Organizational performance reflects the competency of the organization to transform and utilize resources within its reach in an efficient manner in order to achieve its goals. Richard et al (2009) indicates that organizational performance may be classified in three levels; the individual, the group, and the organization. He further explains that there is no universal correct definition of performance but indicates that various attributes need be observed in alignment with managerial success. Parameters of performance indicators include revenue growth, customer satisfaction, market share growth, profitability and productivity (Ortega, 2010). Organizational performance has been perceived as the integration of these broad dimensions; efficiency, effectiveness and adaptability. The performance of an organization is a complex interrelationship of seven performance criteria; effectiveness, efficiency, product and/or service quality, productivity, quality of work life, innovation and profitability (McKee et al (2006). According to Richard et al (2009), organizational performance encompasses three specific areas of the organizational outcomes namely the financial performance (profits, return on assets and investments), product market performance (sales and market share) and stakeholder returns (economic value gains).

Organizational growth strategies are the cornerstone of any organizational success. Growth is reflected in a firm's good and progressive performance coupled with expansion and diversification of business as indicators of growth and prosperity. The growth factor facilitates the sustainability of the business in the industry (Beal, 2000). In order to sustain competitiveness in the future in the face of declining profit margins and sales of existing products in increasingly saturated markets, organizations' management need to envision new products and markets and create a new competitive space, articulate growth strategies which will encompass the basic organizational capabilities towards growth and success (Rastogi, 2000).

1.1.4 County Governments in Kenya

The constitution is the supreme law of the land and defines the government and governance of a country. Kenya's constitution was promulgated on 27th August 2010. Article 1(4) of the constitution establishes government at two levels; National and County. Article 6(1) divides the territory of Kenya into 47 counties which are specified in the first schedule. Article 6(2) states that governments at both levels are distinct and interdependent and shall conduct their mutual relations on the basis of consultation and cooperation.

The 47 counties are scattered all over the country and each county is endowed with disparate resources ranging from the farming zones of Kericho and Nandi counties to the oil rich counties of Northern Kenya for example Turkana County with oil reserves at Ngamia 1 and Twiga South wells in Lokichar basin (PWC, 2015). The Western Kenya counties are endowed with sugar belt plantations and maize farms in the counties of Kitale and Trans-Nzoia. The Nyanza region has Kisumu County which is rich in fish resources and tourist attractions such as the Ruma National Park, Kisii

County which is rich in food production and cash crops such as tea and coffee. The Central Kenya and Mount Kenya regions are well blessed with tourist resorts, the Aberdares, Thompson falls, and farming of tea, coffee, macadamia fruits and miraa. The County of Nairobi hosts the capital city and is the business hub for East and Central Africa. With its highly developed infrastructure, Nairobi County enjoys a rich talent in human resources, universities, international organizations, governmental and non-governmental organizations and multi-national firm

1.1.5 Kajiado County Government

Kajiado County covers 21,900 km² and is located in the southern part of Kenya. It borders the Republic of Tanzania to the South West, Taita Taveta County to the South East, Machakos and Makueni Counties to the East, Nairobi County to the North East, Kiambu County to the North and Narok County to the West. The county is divided into five administrative Sub-Counties, 17 administrative divisions, 105 locations and five parliamentary constituencies (Kajiado County, 2013). The county population as per the 2009 population census was 687,312 (345,146 males and 342,166 females). The 2012 projected population based on a growth rate of 5.5% was 807,069 (405,285 males and 401,784 females). By 2015, the population was projected to grow to 898,291 (451,093 males and 447,198 females) and to 999,819 (502,077 males and 497,742 females) by 2017 (KNBS, 2013). The increase in the overall population calls for more investment in economic and social facilities, education, agriculture, health as well as creating employment opportunities.

According to the 2009 KPHC report, 40,299 persons (21,042 male and 19,257 female) were seeking employment. This is 10.45 percent of the productive county population (KNBS, 2013). Currently, there are limited employment opportunities in the county

and efforts need to be intensified to create off-farm employment through establishment of small-scale enterprises and livestock diversification. Land is mainly used for livestock rearing and crop growing. There is a significant change in land use in the urban areas where industrial and commercial use is gaining momentum. Only 16% (3,468.4 km²) of the total county land is arable, with the average land holding size being approximately 9 ha on small scale and 70 ha on large scale (ASDSP, n.d; Kajiado County, 2013). There is growing level of land speculation in the urban areas of the county, leading to excessive subdivision of land to small and sometimes uneconomical plots.

The county has a total forest area of 16,866.9 ha comprising of indigenous and exotic forests. A total of 15,626.8 ha of the forest land is gazetted forest while 1,240 ha is trust land. The local forest area has been diminishing rapidly because of excessive logging for firewood and also heavy destruction by wild animals congested in the parks and animal conservation centres (ASDSP, n.d). The county is the main supplier of soda ash in Kenya. Lake Magadi is the main source of soda ash manufactured by Tata Chemicals (formally Magadi Soda Company). The company provides employment opportunities as well as other corporate social responsibility initiatives. Approximately 720,000 tonnes of soda-ash is harvested per year in Magadi (Kajiado County, 2013). Quarrying in Kitengela, sand harvesting in Kajiado River, limestone and marble in the county can be enhanced subject to an environmental impact assessment. Sand harvesting is active in Mashuuru, Isinya and Kajiado central in all rivers which are seasonal. There is also small scale mining of gypsum, limestone and salt in the county, other activities include quarrying in Sholinke, Ngurunga and Noompopom, ballast mining in Kitengela and sand harvesting in Kajiado River.

Grazing, charcoal burning, extraction of fuel wood and cultivation are the major causes of vegetation reduction. In the lower parts of Mt. Kilimanjaro, indigenous trees have been cleared to create room for agriculture (Kajiado County, 2013).

Most parts of the county are ASAL with livestock rearing being the predominant economic activity. Most of the land is not arable, with a small proportion of the population undertaking subsistence farming. The main food crops produced in the county are maize, beans, potatoes, cassava and vegetables. Commercial farming of cotton, onions and tomatoes is done throughout the county though some are grown in small quantities. Horticulture is also gaining popularity through irrigation schemes mainly in Kajiado East and Kajiado North Sub-Counties (ASDSP, n.d). The total acreage under food crops is 1,055 ha and the acreage under cash crops is 60 ha. Most people have small farms which are irrigated in productive areas of Loitokitok, Isinya and Ngong. Large farms of more than 50 acres are mostly for rain fed agriculture although this is slowly becoming unpopular because of irregular rainfall patterns (ASDSP, n.d; Kajiado County, 2013).

Pastoralism is the main source of livelihood to majority of rural households in the county. The main livestock types are sheep, goat, beef and dairy cattle, commercial chicken, indigenous chicken, donkeys and pigs. Livestock products in the county include beef, milk, skins and hides. The number of group ranches has greatly reduced following major sub-divisions and sale of land. Parts of the population has embraced bee keeping as an alternative to livestock farming, an effort that is bearing fruit. Fish farming is also being promoted in various parts of the county (ASDSP, n.d; Kajiado County, 2013).

1.2 Research problem

The essence of understanding and practicing strategy and strategic management is to achieve competitiveness. The more sustainable the competitive advantage an organization has, the more difficult it is for competitors to neutralize the advantage. This gives an organization an edge over its rivals and an ability to generate greater value for the organization and its stakeholders. Private sector firms use their capabilities to add value by using these capabilities in a proactive way and by demonstrating appropriateness, or the ability to realize the benefits of a distinctive capability for the benefit of the firm itself, rather than its customers, suppliers or competitors. Traditionally, the main measures of competitiveness are in financial or marketing terms. A competitive firm might be expected to achieve higher growth rate than competitors, higher than average net profit margin, higher than average return on investment, high market share, the strongest brand reputation in the market, a clearly defined unique selling point or significant access to, or control of distribution channels in the market (Porter, 1996).

According to Bates and Holton (1995), performance is a multi-dimensional construct, the measurement of which varies according to a variety of factors. They argue that performance should be viewed in a behavioral or objective manner. Performance should be defined as the outcome of work because it provides the strongest linkage to the strategic goals of an organization, customer satisfaction and economic contributions. There is a strong input of competitive approaches on performance. Sustainability and organizational outcomes are interlinked and expressed as success or effective performance.

Kajiado County Government was created to develop and deliver service for the benefit of the populace. The county is mandated to fulfill responsibilities of government and is expected to cooperate in the policy development and the delivery of services. Its purpose is not for commercial transactions to benefit a few, but to develop a sustainable capability of the industry in terms of efficiency and effectiveness. Kajiado County Government is substantially funded by the central government where the constraints of a largely 'fixed pie' creates competition with other counties and OGAs for funding. Kajiado County Government is expected to have resources and capabilities and must take into account its environment and negotiate with relevant sources of funding including Ministry of Finance (Treasury) for (extra) resources. In this sense the county is largely dependent on its environment for resources.

There are many studies on competitiveness and factors affecting it, but mainly on regional, country, industry or firm level, based on industry and macro sphere factors (Leachman et. al, 2005). Kagume (2013) undertook a study on competitive strategies adopted by private real estate developers in provision of affordable housing in Nairobi County. Odongo (2015) researched on strategic positioning and performance of the National Bank of Kenya. His findings were that the bank has strategically positioned itself in the local market through branding and various repositioning strategies such as opening up more outlets in terms of branch networks and establishing agency banking practices. Muturi (2003) conducted a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment with a focus on evangelical churches in Nairobi. Arumonyang (2009) conducted a survey on strategy implementation challenges facing regional development authorities in Kenya. Kagori

(2010) did a study on challenges of strategic planning in public organizations in Kenya while Akello (2010) undertook a study on challenges of implementing competitive strategies in insurance industry in Kenya. Akingbade's (2014) study focused on competitive strategies and improved performance of selected Nigeria telecommunication companies while Kamau (2015) researched on competitive strategies adopted to drive performance by firms in the telecommunications industry in Kenya. Arasa & Gathinji (2014) researched on the relationship between competitive strategies and firm performance, a case study of mobile telecommunication companies in Kenya

Arising from the above, it is evident that there are no studies conducted on competitive strategies and performance in the County Government of Kajiado. This study therefore seeks to address this gap by addressing the question; what competitive strategies have been adopted by the County Government of Kajiado and do how they enhance performance?

1.3 Objectives of the study

The study has one objective which is to determine the strategies adopted to enhance performance by Kajiado County Government.

1.4 Value of the study

The study will add value to theory by forming a basis upon which further research on issues of strategic management shall be undertaken by academicians. It will therefore be of use to both students and tutors as a point of reference. This study will also facilitate drafting of sessional papers and policy guidelines. The study will also enhance policy formulation as a point of reference by policy makers in the field of

strategic management. It will guide policy makers in public service to design policies that lead to achievement of strategic goals. In addition, it will also enrich the practical understanding of the use of competitive strategies to enhance organizational performance and attain organizational success. This will be useful to Kajiado County Government executive and legislative arms, chief officers and managers, other counties, the general public as well as other players in the public sector, both locally and regionally.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews studies with regards to strategy and competitive advantage. An organization's strategy is all about competitive advantage. Organizations need strategies in order to ensure that resources are allocated in the most effective way. Many studies of strategies and a lot literature have been carried out that outline the importance of strategies in managing the organizations successfully. The goal of much of organizations strategy is to achieve a sustainable competitive advantage. According to Porter (1987), a firm can gain competitive advantage if it is able to create value for its clientele. For example, if a firm wishes to pursue the strategy of cost leadership, it has to be the low cost producer. A firm may gain cost advantage through economics of scale, proprietary technology, cheap raw materials, etc. The strategy of differentiation involves offering a different product, a different delivery system, or using a different marketing approach. And it is up to the management of the organization to decide which factors it wants to emphasize in order to gain competitive advantage (Porter, 1987). The right choice depends on contingency variables such as the size and age of the organization and the power of key decision makers.

2.2 Theoretical foundation of the study

There are several theories concerned with how firms create and sustain competitive advantage including but not limited to Resource-Based View of the firm (RBV), the Industrial Organization (I/O), Dynamic Capabilities and Contingency Theory which are reviewed in this study.

2.2.1 Resource Based View (RBV) Theory

This theory was put forward by Jay B. Barney, who is recognized as one of the leading contributors to the resource-based theory literature. This theory presents the case for making the resources and capabilities of the firm the foundation for its long term strategy and rests upon two premises; first, the firm's internal resources and capabilities provide the basic direction for a firm's strategy and secondly, the firm's resources and capabilities are the primary source of competitiveness for the firm. It addresses the fundamental research question of strategic management; Why is it that some firms persistently outperform others? Resource-Based Theory provides a considered overview of this theory, analyses the potential of a firm's resources for generating sustained competitive advantages. In broad terms it offers an alternative to Michael Porter's approach, focusing more on the competences and capabilities of the firm, rather than it's positioning in its chosen markets.

Resource-based theory is based on the assumption that firms are fundamentally heterogeneous regarding their resources and internal competencies. It deals with the problem of how firms can exploit their internal resource base and capabilities to obtain sustained competitive advantages (Barney, 1991). According to Barney (1991), a firm is argued to have a competitive advantage when it is implementing a value creating strategy which a current or potential competitor is not implementing at the same time. Moreover, a firm is argued to have a sustained competitive advantage when it is implementing a value creating strategy which a current or potential competitor is not implementing at the same time and when these other firms are unable to duplicate the benefits of this strategy (Barney, 1991). However, in order for a resource to have the potential of being a sustained competitive advantage, it must contain the following four

attributes: Firstly, it must be valuable, in the sense that it exploits opportunities and/or neutralizes threats in a firm's environment, secondly, it must be rare among firm's current and potential competition; thirdly, it must be imperfectly imitable and fourthly, there cannot be any strategically equivalent substitutes for this resource that are valuable but neither rare or imperfectly imitable (Barney, 1991).

2.2.2 Industrial Organization (I/O) Theory

This has been the dominant school of thought in strategic management, where the relationship between the firm and the industry is essential. A principal model of this school has been Michael Porter's (1987) "five competitive forces" for analyzing industry structures. In this model, a firm's profitability is influenced by its relative size compared to its industry rivals, suppliers and customers (Porter, 1987). Accordingly, the industry forces in which the firm operates requires that the firm adapts to these requirements in order to survive in the long run. In addition, the firms that fail to adapt to these requirements will be forced to exit from the industry/market. The models within this school of thought are based on the following two assumptions: first, organizations in an industry are identical in terms of the strategically relevant resources they control and the strategies they pursue (Porter, 1987). Secondly, resources in an industry are identical because an organization's resources, which they use to implement strategies are highly mobile in the market (Barney, 1991). Within this school of thought the key to sustained competitive advantage is choosing an appropriate industry and positioning itself within that industry.

Consequently, this paradigm regards competitive advantage as a position of superior performance that a firm can achieve through one of the following generic strategies; cost leadership, differentiation or focus (Porter, 1987). Cost leadership is the

achievement of the lowest unit cost base of the industry, whereas differentiation is the ability to charge a premium price for offering some perceived added value to the customer (Porter, 1987). The focus strategy is the concentration of a narrow segment and within that segment attempt to achieve either a cost advantage or differentiation (Porter, 1987).

2.2.3 Dynamic Capabilities Theory

Dynamic capability is defined by Teece et al. (1997) as "the firm's ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments". Originally, dynamic capabilities were distinct from operational capabilities, which pertain to the current operations of an organization. Dynamic capabilities, by contrast, refer to "the capacity of an organization to purposefully create, extend, or modify its resource base" (Helfat et al., 2007). The basic assumption of the dynamic capabilities framework is that core competencies should be used to modify short-term competitive positions that can be used to build longer-term competitive advantage. The academic literature on dynamic capabilities grew out of the resource-based view of the firm and the concept of routines in evolutionary theories of organization. It thus provides a bridge between the economics-based strategy literature and evolutionary approaches to organizations.

The main difference between the resource-based view of the firm and dynamic capabilities view is the fact that the latter focuses more on the issue of competitive survival rather than achievement of sustainable competitive advantage. This focus appears to be closer to contemporary business realities, the latter being more high-velocity than the case in previous decades. The demise of companies like Nokia shows that the more pressing issue is competitive survival. Strategy scholars Gregory

Ludwig and Jon Pemberton (2011), in one of the rare and therefore important empirical studies on the topic, emphasize the need to focus on the actual process of dynamic capability building rather than generate further abstract definitions of dynamic capabilities. It is of key importance to focus on different industry contexts to further advance this emerging area of research. In many industries, changing the entire resource base in response to external changes is simply unrealistic. At the same time, ignoring external change altogether is not an alternative. Senior managers are therefore forced to engage with the complex task of dynamic capability building in order to facilitate competitive survival in the light of depreciating value of resource bases available within the firm.

2.2.4 Contingency Theory

The term contingency theory was first mentioned in the literature by Lawrence and Lorsch in 1967, in the context of organizational structure and played a leading role in the organizational practice of the 1970s. It typically examined the relationship between organizational structure and the operating conditions that is, the contextual totality of contingency factors, using the method of empirical comparative analysis. This analytic approach emphasizes the interaction between the organization and the environment and the importance of adaptation to the environment. The hypotheses are that the formal organizational structure has a significant effect on an organization's effectiveness, there is no universally effective organizational structure and the effectiveness of different structures are empirically analyzable. Contingency theories dealing with organizational structure consider the environment, the organizational size and the strategy of the organization as contingency factors.

2.3 Strategies adopted to enhance firm performance

Lamb (1984) define competitive strategy as a process whereby a firm's portfolio of products and services is designed to bring together its unique resources and capabilities to gain advantage in the marketplace. According to Porter (1996), the myriad activities that go into creating, producing, selling, and delivering a product or service are the basic units of competitive advantage. In order to achieve superior performance and sustainable competitive advantage(s), firms need to adopt strategic positioning through the creation of a unique and valuable position, involving a different set of activities. Competitive strategy is the basis for much of modern business strategy. In his classic work, Michael Porter presents his five forces and generic strategies, then discusses how to recognize and act on market signals and how to forecast the evolution of industry structure. Porter (1987) argues that a firm's relative position within its industry determines whether a firm's performance is above or below the industry average. The fundamental basis of above average performance in the long run is sustainable competitive advantage. There are two basic types of competitive advantage a firm can possess: low cost or differentiation. The two basic types of competitive advantage combined with the scope of activities for which a firm seeks to achieve them, lead to three generic strategies for achieving above average performance in an industry; cost leadership, differentiation, and focus. The focus strategy has two variants, cost focus and differentiation focus.

In cost leadership, a firm sets out to become the low cost producer in its industry in order to gain a competitive advantage (Hyatt, 2001). The sources of cost advantage are varied and depend on the structure of the industry. They may include the pursuit of economies of scale, proprietary and/or superior technology, preferential access to

raw materials which helps to lower costs (Bauer and Colgan, 2001). Other factors include low cost manufacturing, and a workforce committed to the low cost strategy (Malburg, 2007). The organization must be willing to discontinue any activities in which they do not have a cost advantage and should consider outsourcing activities to other organizations with a cost advantage (Malburg, 2007). For an effective cost leadership strategy, a firm must have a large market share (Hyatt, 2001). A low cost producer must find and exploit all sources of cost advantage. If a firm can achieve and sustain overall cost leadership, then it will be an above average performer in its industry, provided it can command prices at or near the industry average. In a differentiation strategy a firm seeks to be unique in its industry along some dimensions that are widely valued by buyers (Bauer and Colgan, 2001). It selects one or more attributes that many buyers in an industry perceive as important, and uniquely positions itself to meet those needs leading to high customer loyalty (Hlavacka et al., 2001). In a differentiation strategy, it is imperative to determine what makes a product or service different from a competitor's (Reilly, 2002). It is uniqueness that is rewarded with a premium price (Hyatt, 2001). To the customer, the price of the product or service is also an important consideration, only it is not the main focus. Since customers perceive the product or service as unique, they are loyal to it and willing to pay the higher price (Hlavacka et al., 2001).

The generic strategy of focus rests on the choice of a narrow competitive scope within an industry (Davidson, 2008). The focuser selects a segment or group of segments in the industry and tailors its strategy to serving them to the exclusion of others (Hyatt, 2001). The focus strategy has two variants. In cost focus, a firm seeks a cost advantage in its target segment, while in differentiation focus, a firm seeks

differentiation in its target segment. Both variants of the focus strategy rest on differences between a focuser's target segment and other segments in the industry (Porter, 1987). The target segments must either have buyers with unusual needs or else the production and delivery system that best serves the target segment must differ from that of other industry segments. Cost focus exploits differences in cost behaviour in some segments, while differentiation focus exploits the special needs of buyers in certain segments.

Competitive advantage is an important concept because it defines the uniqueness of an organization. It's a set of factors or capabilities that enable the organization to demonstrate better performance compared to its competitors. The strategy by which the sustainable competitive advantage is gained is known as business level strategy of the organization. The internal resources and capabilities of the organization that are a source of competitive advantage are collectively known as the core competency of the organization. According to Porter (1987), competitive advantage is at the heart of a firm's performance and is about how a firm actually puts the generic strategies into practice, translating to value a firm is able to create to its clientele. The value created by a firm in the course of providing goods or services is the difference between the perceived benefits gained by the clients and the economic cost to the enterprise in delivering the goods or services.

2.4 Organizational Performance

Organizational performance encompasses the actual output measured against the intended outputs. It incorporates the ability of the organization to successfully fulfill its mandate in terms of mission and vision. Good and sound governance practices promote positive output (Pickton and Broderick, 2005). Mjos (2002) narrates that

organizational performance can be judged in terms of whether an organization achieves its various objectives. The aims of measuring and assessing performance include creation of new products, reduction in operational costs and increase in overall revenue, improvement in customer service and workforce productivity as well as financial and non-financial metrics. Richard et al (2009) clearly spells out the issue of performance in that it encompasses the specific areas of the firm's namely financial performance, product performance and shareholder returns. McKee et al (2006) state that the foundation of long term performance is lifetime customer value i.e. the revenues customers generate over their lives less the cost of acquiring, converting and retaining them.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights the research design method that was used in the study, data collection method and how data was analyzed and presented.

3.2 Research Design

This study was conducted using a case study design .A case study is a research design where data is collected from one or a few study units only. Importance of the case study method is emphasized by Kothari (1990) alludes that the case study was a powerful form of qualitative analysis that involves a careful and complete observation of a social unit, irrespective of what type of unit is under study. Further, Kothari stated that it's a method of study in depth rather than breath and places more emphasis on full analysis of a limited number of events or conditions and their interrelations. Therefore, in this case a case study approach was considered appropriate because of the unique nature of the phenomenon under study. The case study was carried out in Kajiado County Government headquarters in Kajiado Town. This is where strategies are formulated and drafted before being implemented in the sub counties.

3.3 Data Collection

The study involved collection of primary data. Primary data is data generated first time for purposes of the research at hand. This being a case study, the focus was on carrying out a study of the strategies adopted by Kajiado County Government to enhance its performance. An interview guide was used to interrogate the people being interviewed. An interview guide is a conversation between two or more people where questions are asked by the interviewer to elicit facts or statements from the

interviewees. The interview guide has unstructured questions which were used to encourage the respondents to give an in depth response without feeling held back in the revealing of any information. With unstructured questions, a respondent's response may give an insight to his feelings, background, hidden motivation, interests and decisions and give as much information as possible without holding back.

The respondents were limited to mid and top management who are involved in the strategic planning and implementation. These are the Governor or the Deputy Governor, the County Secretary, the County Executive Member for Finance and Economic Planning, Chief Officer for Finance and Economic Planning, Directors in the Ministry of Finance and Economic planning and an ICT official. The mode of selection was purposeful or judgmental, as it was based on selection of individuals who are involved in the strategic planning as initiators and/or implementers of the strategy.

3.4 Data Analysis

This study used content analysis to analyze the primary data that was collected. Content analysis is a systematic qualitative description of objects, items or materials of study. Content analysis enables researchers to sift through large volumes of data with relative ease in a systematic fashion. It allows inferences to be made which can then be corroborated using other methods of data collection.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

The research objective was to establish the competitive strategies adopted to enhance performance by the County Government of Kajiado in Kenya. This chapter presents the analysis and findings with regard to the objective and discussion of the same from the interview guide distributed to the respondents. Qualitative data was analyzed using content analysis and findings presented in prose form.

4.2 Respondents profile

This part of the interview guide was intended to assess the capacity of the respondents to answer the questions on the interview guide and also whether they are versed with the subject matter of the study. The researcher aimed at interviewing seven officials at the county executive who are tasked with strategy formulation and implementation. One of the respondents was on a very tight schedule and travelled frequently on official duties and was therefore unavailable for the interview in the time frame available to the researcher. Therefore six respondents were finally interviewed and this represented 86% response rate. Mugenda (2003) posits that a 50% response rate is adequate, 60% is good and above 70% is rated very well. The response was therefore rated very well.

The respondents had different academic backgrounds and had worked in various capacities in the course of their careers both within and without the county. Two of the respondents had also worked in the defunct local authorities, one was from academia, and three were from the private sector. Five of the respondents had

undertaken or are pursuing post graduate management studies. Of the five, one of the respondents had a doctorate degree, two were doctorate students, and one had a master's degree while the other was pursuing a master's degree. The sixth respondent had a bachelor's degree. Four of the respondents were male while two were female and have been working in the county at since the organization was formed.

The respondent's academic and professional backgrounds varied from education, ICT, finance and business administration. Further, they all had secured their positions in the organization by virtue of their competence and experience in their respective functions and amongst themselves, they had a accumulative relevant working experience of 67 years. Three of the respondents were members of the highest decision making organ of the county in terms of strategy formulation, two were mid-level managers and the other played a supervisory role in the organization. With their solid backgrounds, academic and professional qualifications in the affairs of the organization, the respondents were found to be knowledgeable on the subject matter of the research and therefore were a great help in the realization of the research objective.

4.3 Competitive Strategies employed by the County

The set of questions in this section of the interview guide were aimed at establishing the competitive strategies that the county employs in its activities. Competitive strategies are designed for situations where only partial information is available, whereas an optimal solution would require complete knowledge of all circumstances, or of the future. A firm can choose to employ different strategies to remain competitive. The respondents indicated that the county has employed a number of strategies which include distribution strategy, product quality strategy, low cost

pricing strategy and pricing differentiation strategy and resource optimization strategy.

The respondents were in agreement that the vision of the county revolves around global competitiveness and sustainable development and for this to be possible, the county is taking a proactive approach to developing strategies to ensure the same. It was also noted that the mission of the county aims to promote equitable and sustainable socio-economic development through efficient resource utilization and inclusive participation. This resonates well with the resource optimization strategy the county is pursuing. Two respondents, having worked in the private sector before, highlighted that they borrow a leaf on competitive strategies from the profit making organizations and that they strive to focus their efforts on activities and initiatives that offer the citizens of the county maximum return on the funds which are in the control of the county executive. The county believes that it understands better the needs of the citizens better and is best placed to address them.

The respondents pointed out that county has better placement and distribution of points of contact and service delivery points all the way down to the sub-counties and wards. Customers are able to obtain most services without the need to travel to the headquarters hence better customer service. This distribution strategy works in tandem with the low cost strategy since the total cost our customers pay to access county services is a factor of our price plus the travelling costs and time taken to access the service. If we take the services closer to the people, it means that they will spend less to acquire the services. Without this distribution of county facilities and resources, the low cost strategy would not work.

The respondents intimated that with regards to resource allocation and utilization, resources are allocated to areas that have been identified through a consultative process with the citizens to identify what projects are to be undertaken where and when. Resources are only allocated through the budgeting process which is all inclusive involving the citizens, MCAs and any other interested party. For example, for development projects, it's the citizens that identify what they require e.g. schools, boreholes and subject to laid down processes and procedures such as cost, benefit and risk analysis, resources are allocated. Hence resources cannot be spent on activities that are not budgeted for. This goes a long way in cost management as we are now better placed to manage our expenses. The goal here is optimal resource utilization hence maximum returns which are not necessarily in monetary terms. Returns could also be in the number of children getting an education as a result of schools we have built, number of patients treated at county health facilities etc.

Two of the respondents reported that the county has full control on the pricing of the services it offers. These respondents had served in the defunct local authorities and reported that in the local authorities, the pricing of services had to get the approval of the central government. The county has put in place a price differentiation strategy whereby in the remote and under developed regions of the county, prices are lower than in other regions that are better off. The county also offers more products and services as a result of the devolvement of the same from the national government. Also, the county has full control over the bouquet of services it offers to the citizens. In addition, four of the respondents revealed that cost and quality are the main selling points for the county services. The services that the county provides are also offered by the private sector as well as our neighboring counties such as Machakos, Nairobi,

Makueni and Kiambu. They reported that they very aware of the fact that the being very near to other well developed cities and urban areas, the county has to offer services that match or exceed the quality offered next door else their customers will prefer to get these services there. In spite of this, there is need to keep the pricing favorable to the customers. The respondents indicated that their strategy is to offer the services at similar or better quality at pocket friendly prices as close to the citizens as possible. This will prevent people from going to hospitals or schools in other places if we can offer the same services.

Every year, the county runs promotions as well. This is targeted at people who own land in the county where by the accrued interest on unpaid land rates is waived as long as the land owners make full payments on the principal amount within the promotional period. Also business owners who are required to pay for trade license at the beginning of every year are given a three month holiday in which they can conduct their business without the need for a license. Furthermore, the respondents highlighted the importance of the changed structure of governance that Kenya is subject to, from a centralized to devolved governance structure. The changing operating environment required the organization to change its culture and modernize its operation through automation of its services that had become synonymous with too much paper work. In addition to the automation of the organizations processes, the respondents also noted that the organization had to improve its customer service with all the stakeholders especially with the public. As a result, five of the respondents, noted that the county had taken a deliberate move to put in place mechanisms of identifying and effectively utilizing its strategic capabilities as a source of competitiveness.

4.4 Performance Indicators

The set of questions in this section of the interview guide were aimed at establishing the key performance indicators that the county uses to evaluate the efficacy of the competitive strategies it has employed. The aim of competitive strategies is to improve the level of competitiveness and consequently overall firm performance. Firms with well conceived and effective strategic activities observe the achievement of typical organizational objectives such as higher revenue, customer satisfaction, better resource allocation and utilization as well as competitive advantage.

The respondents reported that the key performance indicators are the amount of revenue collected, provision of education, health and water services. Also, inline with the county's mission of efficient resource utilization and improved service delivery, the level of automation is also a KPI. The county has already automated some of their processes such as payroll processing and expenditure processes and is in the process of automating the revenue collection processes. The county has already built and or renovated over 300 schools in the last three years, the hospitals are well equipped with medicines and able medical personnel in the quest for quality services. Since the county government came to be, we have more than doubled our revenue collection from about Kenya shillings 300 million three years ago to the present 650 million.

4.5 Discussion of the findings

The competitive force perspective argues that a firm's competitive advantage lies on its correct positioning in a market. It further points that the sustainability of a firm's competitive advantage stems from such a position and how it adjust to environmental forces that the firm encounters. In addition, the resource based view approach observes that firms with superior systems and structures tend to achieve higher

performance because they have markedly lower costs or offer markedly higher quality or product performance. All these can be gained through a firm having an effective strategy to face the challenges arising from the business environment that the firm operates in. It was in this basis that the research sought to find out the effect of the competitive strategies adopted by the county on its performance as measured by different KPIs.

Having a wide array of strategies was found to be an effective strategy that an organization can employ in order to achieve higher performance. The findings were that the various strategies aimed at addressing various organizational objectives bore fruit. As postulated by Ortega (2010), higher performance is achieved by not only offering services that meet consumers' needs in terms of price and quality and delivering them efficiently, but creating an atmosphere and overall experience that is satisfying.

Another effective strategy that was used by the county was adopting a competitive price for the services it offers. As Kotler (2006) found out, when setting product prices, firms must follow a six step procedure that entails selecting the pricing objective, determining demand, estimating costs, analyzing competitors' costs, prices, and offers, selecting a pricing method, and selecting the final price. Organizations should appreciate that when setting prices of their products it is important to consider its effect on top line. The results indicate that the county was able to achieve higher performance on the revenue collection metric as a result of pursuing pricing strategy. As noted by Varki and Colgate (2001), the role of price, as parameter of

competitiveness, may have a direct effect on customers' satisfaction and behavioral intentions which affects an organizations' performance.

The study found that the differentiation strategies employed in the county include pricing differentiation as well as offering reputable quality services that are distinct from competitors. The results are consistent with the findings by McKee et al (2006), that the key step in devising a differentiation strategy is to determine what makes an organization different from a competitor's. Factors including quality of services, the size of the organization, the image of the organization, geographical reach, service delivery systems and channels, and the marketing approach have been suggested to differentiate a firm.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The research findings reveal that formulation and implementation of appropriate competitive strategies by a firm has an impact on the firms' performance. The county government of Kajiado was found to employ multiple competitive strategies. The application of multiple strategies by the county was found to be consistent with earlier studies for firms operating in other industries. The competitive strategies used by the county were found to be delivery and distribution strategy, pricing, cost leadership, quality of services and the differentiation strategy. The findings reveal that the utilization of internal resources by a firm, using superior systems and structures to deliver better services, offer lower prices, offer better distribution results in improved performance. All these can be gained through a firm having an effective strategy to face the challenges arising from the business environment that the organization operates in.

In addition, the results indicate that the county was able to achieve higher performance on the revenue collection metric as a result of pursuing pricing strategy. Application of the price differentiation strategy was found to increase the customer base. Firms using differentiation strategies either introduce different varieties of the same basic product under the same name into a particular product category therefore covering the range of products available in that category or introduce different pricing bands for the same product or service depending on various factors such as delivery point, delivery channel etc. In the case of Kajiado county, a different subsidized price

was offered to the remote regions of the county that were not economically well off thereby increasing the customer base that contributes positive cash flows to the county's coffers.

The results to a large extent further proves that the strategies adopted by the county positively influenced its service delivery, cash flow and liquidity of the county, customers level of satisfaction, reduced the cost of operations which ultimately affected the performance and level of competitiveness. However, the sustainability of the competitive advantage that stems from such a position critically depends on the relative influence of the environmental forces that the firm encounters. The firm's competitiveness will be enhanced through adoption of strategies that are proactive relative to environmental opportunities, be aggressive toward competitors, take risks and utilize their limited resources better.

5.2 Conclusion

From the research findings and the answers to the research question, some conclusions can be drawn from the study. The study showed that the county is cognizant of the operating environment and challenges that stand as obstacles to the achievement of organizational goals. The county also realizes that adoption of appropriate competitive strategies will result in improved performance. Hence, it is imperative that in such a globalized market, firms will need to appreciate the importance of coming up with a multiple array of strategies and not depend on only one or a few competitive strategies. However, while considering all these factors, the level of customer expectations are met and these include good customer service, strategic location of service delivery points and ensuring that the prices they charge are competitive.

5.3 Limitations of the study

This study used interview guides as the only instrument for collecting data. The researcher did not have much control on the respondent in regard to the information they provided during the interview. Also, the verifiability of some of the information given during the interview was hampered by long bureaucratic processes required before the organization could release some information that was not yet in the public domain. However, the county being a public organization is required to avail audited and verified information to the public and the researcher relied on this to verify some of the information gathered during the interview. Since the unavailable information was not yet audited and verified, the researcher did not rely on it to make conclusions and this did not affect the findings of the study.

5.4 Recommendations

The current study confirms the mainstream findings on the employment of competitive strategies by a firm. It also gives a consistent positive effect of competitive strategies on the performance of firms. There is need for managers to consider actively, the application of these strategies in the industry because as the level of competition increases, the determinant factor on the level of firm performance is the strategies that it employs. The county will have to come up with appropriate strategies that will further enhance its performance in light of higher targets and stakeholder expectations.

This research serves as a reference point for those studying the competitive strategies adoption in county governments in Kenya. Other researchers can test other moderators to the effective implementation competitive strategies and identifying which of the variables have the most significant effect on the performance of a firm.

Other studies should consider introduction of other moderating variables such as government policy existing in a country.

REFERENCES

- Agricultural Sector Development Support Programme (ASDSP) (n.d). Kajiado County: *County Profile*. Retrieved from <http://www.asdsp.co.ke/index.php/kajiando-county>
- Akello, L.A (2010) “Challenges of implementing competitive strategies in the insurance industry in Kenya”, Unpublished MBA Project, University of Nairobi
- Akingbade, W. A. (2014). Competitive strategies and improved performance of selected Nigeria telecommunication companies. *Journal of Entrepreneurship, Management and Innovation*, 10(4), 143.
- Ansoff, H. I. and McDonnell J.E. (1990). *Implanting Strategic Management 2nd Edition* England; Prentice Hall Europe
- Arasa, R. & Gathinji, L. (2014). The relationship between Competitive Strategies and Firm Performance: A Case of Mobile Telecommunication Companies in Kenya. *International Journal of Economics, Commerce and Management*, 2(9).
- Arumonyang, J.L (2009) “A survey of strategy implementation challenges facing regional development authorities in Kenya”, Unpublished MBA Project, University of Nairobi
- Barney, J., Wright, M., & Ketchen, D. J. (2001). The resource-based view of the firm: Ten years after 1991. *Journal of Management*, 27(6), 625–641.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120.

Barney, J. B. (1997) *Gaining and Sustaining Competitive Advantage*. New York: Addison-Wesley Publishing Company.

Bartlett, A. & Ghoshal, S. (1989). *Managing Across Borders*. Boston, MA: Harvard Business School Press.

Bates, R. A. & Holton III, E. F. (1995). Computerized Performance Monitoring: A Review of Human Resource Issues. *Human Resource Management Review*, 5(4), 267.

Bauer, C., and Colgan, J., (2001), "Planning for electronic commerce strategy: an explanatory study from the financial services sector", *Logistics Information Management*, 14(1/2), pp.24-32.

Baum, B. & Oliver, J. (2011). Firm Resources and Sustained Competitive Advantage. *Journal of Management* 17(1), 99-120.

Beal, R.M. (2000). Competing Effectively: Environmental scanning, competitive strategy and organizational performance in small manufacturing firms. *Journal of Small Business Management*, 38(1), 18-24.

Buckley, P. J., Pass, C. L., & Prescott, K. (1998). Measures of international competitiveness: A critical survey. *Journal of Marketing Management*, 4(2), 174–200.

D’Cruz, J. R. & Rugman, A. M. (1992). *New compacts for Canadian competitiveness*. Toronto, Canada: Kodak Canada Inc.

Teece, D.J., Pisano, G. & Shuen, A. (1997). "Dynamic Capabilities and Strategic Management". *Strategic Management Journal (Wiley-Blackwell)* 18 (7): 509–533.

Davidson, S., (2008). *Seizing the competitive advantage*, *Community Banker*, 10(8), pp.32-4.

Findrik, M. & Szilárd, I. (2000). *International competitiveness: Competition of capabilities*. Budapest, Hungary:

Hammer, M. & Champy, J. (1993). *Re-engineering the Corporation*. New York, NY: Harper Business.

Helfat, C.E. et al. (2007). *"Dynamic Capabilities: Understanding strategic change in organizations"*, Oxford: Blackwell.

Hlavacka, S., Ljuba, B., Viera, R., and Robert, W. (2001), "Performance implications of Porter's generic strategies in Slovak hospitals", *Journal of Management in Medicine*, 15(1), pp.44-66

Hofer, C.W and Schendel, D. (1978). *Strategy Formulation: Analytical Concepts*. West Publishing Company

Hyatt, L., (2001), *A simple guide to strategy*, *Nursing Homes*, 50(1), pp.12-3.

Kagori, J.N (2010) "Challenges of Strategic Planning in Public organizations in Kenya", Unpublished MBA Project, University of Nairobi

Kagume, S.K (2013) "Competitive strategies adopted by private real estate developers in provision of affordable housing in Nairobi County", Unpublished MBA Project, University of Nairobi

Kajiado County, (2013). County Integrated Development Plan. Retrieved from <https://www.kajiado.go.ke/downloads/>

Kamau, W.A (2015) “Competitive Strategies Adopted To Drive Performance by Firms in the Telecommunications Industry In Kenya”, Unpublished MBA Project, University of Nairobi

Kenya National Bureau of Statistics (KNBS), (2013). Exploring Kenya's Inequality: *Pulling Apart or Pooling Together*. Retrieved from http://www.knbs.or.ke/index.php?option=com_phocadownload&view=category&download=660:kajiado-county&id=115:county-report&Itemid=599

Kothari, C. R. (1990). *Research Methodology method & Techniques* - Second Edition

Kotler, P. (2006). *Marketing Management*. Millennium Edition, Prentice Hall, New York.

Lamb, R. (1984). *Competitive Strategic Management*, Englewood Cliffs, NJ: Prentice-Hall, 1984

Leachman, C., Pegels, C. C., & Shin, S. K., (2005). Manufacturing performance: Evaluation and determinants. *International Journal of Operations & Production Management*, 25(9), 851–874.

Lengyel, I. (2004). The pyramid model: *Enhancing regional competitiveness in Hungary*. *Acta Oeconomica*, 54(3), 323–342.

Ludwig, Gregory and Pemberton, Jon (2011). "A managerial perspective of dynamic capabilities in emerging markets: the case of the Russian steel industry", *Journal of East European Management Studies*, 16(3), pp. 215–236. ISSN 0949-6181

- Malburg, C., (2007). *Competing on costs, Industry Week*, 249(17), pp.31.
- McKee, D. O., Varadarajan, P., & William, M. P., (2006). Strategic Adaptability and Firm Performance: A Market-Contingent Perspective, *Journal of Marketing*, 53, 21-35.
- MJos, K. (2002). Cultural Changes in a Norwegian Airline. *Scandinavian Journal of Psychology*
- Mugenda, O. M. & Mugenda, A. G. (2003). *Research methods: Quantitative and qualitative Approaches*. Nairobi: African Centre for Technology Studies.
- Muturi, J.G (2003) “Strategic responses of Christian churches in Kenya to changes in the external environment: a case of Evangelical Churches in Nairobi”, Unpublished MBA Project, University of Nairobi
- Odongo, D (2015) “Strategic positioning and performance of the National Bank of Kenya”, Unpublished MBA Project, University of Nairobi
- Ortega, M.J.R (2010). Competitive Strategies and firm performance: Technological capabilities' moderating roles. *Journal of Business Research*, 63(12), 1273-1281.
- Pearce, J. A., and Robinson Jr., R. B. (2003). *Strategic Management: Formulation, Implementation and Control*. 8th Edition, Business Week, McGraw-Hill Companies Inc., New York, N.Y.
- Pickton, D. & Broderick, A. (2005). *Integrated marketing communications*. Financial Times Prentice Hall, <http://books.google.com>

Porter, M. E. (1996). *Competitive Strategy*. Harvard Business School Press.

Porter, M.E (1987). From Competitive Advantage to Corporate Strategy. *Harvard Business Review May-June* (3): 43–59

PricewaterhouseCoopers (PwC) Audit Reports 2015

Rastogi, P. N (2000), 'Knowledge management and intellectual capital - The new virtuous reality of competitiveness', *Human Systems Management*, 19, 1, p. 39-48.

Reilly, T., (2002). Be a champion of the solution, *Industrial Distribution*, 91(5), pp.62.

Richard, P., Devinney, T., Yip, G. & Johnson, G. (2009). Measuring Organizational Performance: Towards Methodological Best Practice. *Journal of Management*, 35(3), 718-804.

Varki, S., & Colgate, M. (2001). The role of price perception in an integrated model behavioral intention, *Journal of Service Research*, 3(3), 232-41

APPENDICIES

APPENDIX I - Interview guide

Competitive strategies adopted to enhance performance by the County Government of Kajiado, Kenya

Section A: Background Information

- i. Name of Respondent
- ii. Position in the County.....
- iii. Years of continuous service in current position
- iv. Years of service in the County government
- v. Maximum academic qualification
- vi. Gender.....

Section B: Competitive strategies

1. Kindly state the organizational unit you work in, its objectives and the specific job you do.
2. Please explain county's vision and mission statements and how it guides your organizational unit's operations.
3. Who is/was involved in the preparation of the mission and vision statements, and their upgrade?
4. Could you discuss the key factors (internal and external) that shape the direction and actions of the county's mission and vision?
5. Are there certain factors that determine how the county reacts to the critical factors identified earlier? What are they and how are they overcome if they become too limiting?

6. In your understanding, what are the things that Kajiado County Government does better than other counties, central government and former local authorities in the following areas?
 - a. Customer service, resource allocation, cost management, HR policies, CSR programs, internal control mechanisms, systems and services.
 - b. Coverage of the marketing principles such as price, product, distribution, promotion, etc.
7. What strategies does Kajiado County Government employ to sustain the mentioned activities across functions and departments? Do you consider them effective?
 - a. Prompt on all competitive strategy models
 - b. Prompt on linkage between external environmental factors and how they are overcome using internal resources.
8. How are the overall county strategies implemented within your organizational unit? In your experience, what are some of the challenges faced during implementation and how are they overcome?

Section C: Performance indicators

9. What are some of the significant performance areas identified by the county?
For example service delivery, resolution of public complaints, operations and business process automation
10. What support (in terms of nature, extent and timing) does the county expect from its partners to facilitate achievement of performance targets?
11. To what extent has the adoption of various competitive strategies by the county affected the aforementioned performance indicators?

12. What are some of the factors (internal and external) that have and/ or could have affect the performance of your organizational unit?

Thanks a lot for your time and valuable responses

APPENDIX II – Alphabetical list of counties in Kenya

1. Baringo County
2. Bomet County
3. Bungoma County
4. Busia County
5. Elgeyo/Marakwet County
6. Embu County
7. Garissa County
8. Homa Bay County
9. Isiolo County
10. Kajiado County
11. Kakamega County
12. Kericho County
13. Kiambu County
14. Kilifi County
15. Kirinyaga County
16. Kisii County
17. Kisumu County
18. Kitui County
19. Kwale County
20. Laikipia County
21. Lamu County
22. Machakos County
23. Makueni County
24. Mandera County
25. Marsabit County
26. Meru County
27. Migori County
28. Mombasa County
29. Murang'a County
30. Nairobi County
31. Nakuru County
32. Nandi County
33. Narok County
34. Nyamira County
35. Nyandarua County
36. Nyeri County
37. Samburu County
38. Siaya County
39. Taita Taveta County
40. Tana River County
41. Tharaka Nithi County
42. Trans Nzoia County
43. Turkana County
44. Uasin Gishu County
45. Vihiga County
46. Wajir County
47. West Pokot County

