Abstract:

Corporate success derives from a competitive advantage which is based on distinct capabilities, which is most often derived from the unique character of a firm's relationships with its suppliers, customers, or employees, and which is precisely identified and applied to relevant markets. Corporate success is not the realization of visions, aspirations, and missions the product of wish driven strategy but it is the result of a careful appreciation of the strengths of the firm and the economic environment it faces. The study aimed at establishing organizational capabilities as a source of competitive advantage at Airtel Kenya. In attempting to achieve the objectives of the study, a case study research design was adopted. An interview guide was used to collect data on strategic capabilities used by the organization in gaining competitive advantage. The data obtained from the interview guide was analyzed qualitatively using content analysis. The study established that the company’s strategic capabilities that gave it a competitive advantage over the other mobile companies was in the human resource, physical infrastructure and the distribution network, strong brand, technology, market research, innovation and manpower development and talent nurturing. The respondents noted that the company has put in place mechanisms to safeguard its capabilities through confidentiality agreement to the staff and the partners, stringent policy on company assets, firewalls on information technology infrastructure, bonding policy on training. The company carries out an audit to ensure competitive advantage through weekly and monthly audit reviews on performance in various key result areas while benchmarking against others in the sector as well as among departments.