IMPLEMENTATION CHALLENGES OF RESOURCE BASED STRATEGY BY BARCLAYCARD KENYA

BY

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DECLARATION

I declare that the research is my own original work and has not been presented to any other University.

Signature..ISfe^............Date....!.?(..'.!95.:.

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This research has been submitted with my approval as the University Supervisor.

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DEDICATION

This project is dedicated to Joseph Kering'

my dear husband and best friend.

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I acknowledge the Almighty God for giving me the opportunity to breathe every day and the strength to continue with my endeavors.

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ABSTRACT

Resource based view strategy implementation is still a challenge in many organizations. The problem is illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies (Raps and Kauffman, 2005). The primary objectives are somehow dissipated as the resource based view strategy moves into implementation and the initial momentum is lost before the expected benefits are realized. Successful implementation is a challenge that demands patience, stamina and energy from the involved managers. This study therefore sought to determine the challenges faced by Barclaycard (Kenya) in the implementation of resource based view strategy. The study was a case study design where emphasis was given to primary data which was collected using an interview guide. The respondents were the head of strategy and functional heads in charge of finance, risk management, information technology and operations, human resources, marketing and research division, and public affairs and communication division. The collected data was thoroughly examined and checked for completeness and comprehensibility. From the findings, the most important resources that are in line with resource based strategy implementation in Barclaycard Kenya are intangible resources. Others include tangible resources, sustainable competitive strategy, human resource, suitability in delivering and organization capacity. The challenges faced in developing and implementing resource based strategy in Barclaycard Kenya include credit card crime, poor technology and infrastructure, competition from other banks, miss-selling by sales people, inadequate knowledge by customers, poor processes within the organization, economic crunch/poverty, lack of awareness and poor reputation of cards. The study therefore recommends that in order to cope with the challenges faced in developing and implementing resource based strategy in Barclaycard Kenya customers should be assured of maximum security when using the credit card, and an assurance assured that there is a legal recourse in case of any fraud or crime when using the card. ICT in rural areas should be enhanced so as to ensure that even people in the rural areas are able to use Barclaycard. Sales people should be given adequate training and skills on how to sell the card to the potential customers in order to avoid miss-selling.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

This chapter introduces the concept and the context of the study. The chapter specifically covers resource based view strategy implementation Barclaycard Kenya, the statement of the problem, objective of the study and the importance of the study.

The resource-based view (RBV) is an economic tool used to determine the strategic resources available to a firm. The fundamental principle of the RBV is that the basis for a competitive advantage of a firm lies primarily in the application of the bundle of valuable resources at the firm's disposal (Wernerfelt, 1984, pi72). To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile. Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort (Hoopes, 2003, p891). If these conditions hold, the firm's bundle of resources can assist the firm sustaining above average returns.

A subsequent distinction made by Amit & Schoemaker (1993, p35) is that the encompassing construct previously called resources can be split up into resources and capabilities. In this respect resources are tradable and non-specific to the firm, while capabilities are firm-specific and used to utilize the resources within the firm, such as implicit processes to transfer knowledge within the firm (Hoopes, Madsen and Walker, 2003, p890). This distinction has been widely adopted throughout the resource-based view literature (Makadok, 2001, p338; Barney, Wright and Ketchen, 2001, p630-31).

1.1.1 Resource based view strategy

The currently dominant view of business strategy resource-based theory or resource-based view (RBV) of firms is based on the concept of economic rent and the view of the company as a collection of capabilities. This view of strategy has a coherence and integrative role that places it well ahead of other mechanisms of strategic decision making (Kay, 2005)
Traditional strategy models such as Michael Porter's five forces model focus on the company's external competitive environment. Most of them do not attempt to look inside the company. In

contrast, the resource-based perspective highlights the need for a fit between the external market context in which a company operates and its internal capabilities. The resource-based view is grounded in the perspective that a firm's internal environment, in terms of its resources and capabilities, is more critical to the determination of strategic action than is the external environment. "Instead of focusing on the accumulation of resources necessary to implement the strategy dictated by conditions and constraints in the external environment as suggested by the Input/Output model, the resource-based view proposes that a firm's unique resources and capabilities provide the basis for a strategy. The strategy chosen should allow the firms to best exploit its core competencies relative to opportunities in the external environment."(Hitt et al., 2004)

Each organization is a collection of unique resources and capabilities that provides the basis for its strategy and the primary source of its returns. In the 21st-century hyper-competitive landscape, a firm is a collection of evolving capabilities that is managed dynamically in pursuit of above-average returns. Thus, differences in firm's performances across time are driven primarily by their unique resources and capabilities rather than by an industry's structural characteristics.

Resources are inputs into a firm's production process, such as capital, equipment, the skills of individual employees, patents, finance, and talented managers. Resources are either tangible or intangible in nature. With increasing effectiveness, the set of resources available to the firm tends to become larger. Individual resources may not yield to a competitive advantage. It is through the synergistic combination and integration of sets of resources that competitive advantages are formed.

A capability is the capacity for a set of resources to interactively perform a stretch task or an activity. Through continued use, capabilities become stronger and more difficult for competitors to understand and imitate. As a source of competitive advantage, a capability "should be neither so simple that it is highly imitable, nor so complex that it defies internal steering and control."

The fundamental principle of the resource based view is that the basis for a competitive advantage of a firm lies primarily in the application of the bundle of valuable resources at the firm's disposal (Wernerfelt, 1984, pi72; Rumelt, 1984, p557-558). To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile (Barney, 1991, pi05-106; Peteraf, 1993, pi 80). Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort (Hoopes, 2003, p891; Barney, 1991, pi 17). If these conditions hold, the firm's bundle of resources can assist the firm sustaining above average returns.

1.1.2 Strategy Implementation

The implementation of policies and strategies is concerned with the design and management of systems to achieve the best integration of people, structures, processes, and resources, in reaching organizational purposes." In a simple way, strategy implementation can be defined as a process through which a chosen strategy is put into action. It is managing of key factors that are instrumental for the success of an organization.

Noble (1999) defines strategy implementation as communication, interpretation, adoption and enactment of strategic plans. Noble makes a distinction between structural and interpersonal process views on strategy implementation. The structural perspective focuses on formal organizational structure and control mechanisms, while the interpersonal process is about understanding issues like strategic consensus, autonomous strategic behaviors, diffusion perspectives, leadership and implementation.

Formulating strategy is one thing while executing it throughout the entire organization is really the hard part. Without effective execution, no business strategy can succeed. Unfortunately, most managers know far more about developing strategy than about executing it and overcoming the difficult political and organizational obstacles that stand in their way.

Several reasons are frequently offered to explain or even to justify failure to implement strategy. Some are valid but many have merely gained credibility from being repeated often. Strategies can fail because the market conditions change before the strategy can take hold. Sometimes failure of buy into the strategy or poor understanding of the strategy among those who need to implement it will cause failure. Good strategic management is a function of people actively considering the strategy as they make day-to-day decisions in an ever-changing world. The key to successful implementation resides in the ability to guide and manage employee behaviors on a collective basis.

1.1.3 Barclays Bank of Kenya

Barclays Bank is one of the leading banks in Kenya having opened its doors in 1916. Barclays Bank of Kenya is currently the largest business unit in the Barclays Africa family in terms of contribution to profit and size of operations. In Kenya, it boasts of a balance sheet worth US$ 1 billion, which is equivalent to 10% of the country's GDP. Barclays Bank of Kenya was listed on the Nairobi Stock Exchange in 1986 and currently has 34,000 shareholders. Barclays Bank has the largest range of card products offering in the market and holds the largest market share. The bank's financial performance over the years has built confidence among the 48,000 shareholders, with a reputation as one of the leading blue chip companies on the Nairobi Stock Exchange. Barclays Bank has provided custodial and securities services to major institutional investors since it was started 300 years.

Barclays bank of Kenya has one hundred and seventeen branches around the country of Kenya. The financial service of this bank is of international standards. The bank is a leading institution in matters of retail market in Kenya. Almost 30% of the retail market share of Kenya is under the control of Barclays with 117 branches country wide. Computer and web linkage in'all the branches help in the smooth transactions within all the branches. The highest number of Automated Teller Machines (ATMs) in Kenya belongs to Barclays bank with over 236 ATMs spread across the country.

1.1.4 Barclaycard Kenya

Barclaycard Kenya is the credit card arm of Barclays Bank of Kenya Limited and is the oldest and largest issuer of credit cards in the country. It is divided into two sections, Issuing Business which deals with issuing and marketing of credit cards and Acquiring Business which deals with signing up and servicing of Merchant outlets. It has a wide portfolio of products issued under its brand. With over 60 percent of the Kenyan credit card market Barclaycard is the largest issuer of credit cards in Europe with over 10 million cards in circulation. The company operates in 62 countries worldwide ~ 28 countries in Africa. Barclaycard offers a wide range of credit cards providing convenient, revolving credit for customers worldwide, with flexible repayment options. Barclaycard has a wide portfolio of products issued under its brand: Barclaycard Visa Classic, Barclaycard Visa Gold, Barclays Premier League card, Barclaycard Visa Prestige, Company Visa, Nakumatt Visa Classic and Nakumatt Visa Gold.

1.2 Statement of the problem

Resource based view strategy implementation is still a challenge in many organizations. The problem is illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies (Raps and Kauffman, 2005). The primary objectives are somehow dissipated as the resource based view strategy moves into implementation and the initial momentum is lost before the expected benefits are realized. Successful implementation is a challenge that demands patience, stamina and energy from the involved managers. The key to success is an integrative view of the implementation process. Given the important role commercial banks play in the economy, it is important that in order for them to survive, the whole process of resource view strategy formulation and implementation need to be successful.

The resource based view strategy emphasizes economic rent creation through distinctive capabilities. Economic rent, or Economic Value Added (EVA), is what companies earn over and above the cost of the capital employed in their business. It is the measure of the competitive advantage, and this is the only means by which companies in competitive markets can earn economic rent.

Barclaycard Kenya has been very instrumental in employment creation in the country. It has contributed immensely to the economic growth by effectively participating in the financial sector. From the time when Barclays Bank began which is over 300 years ago, it has come along way to become a significant player in the banking industry especially with regard to its Barclaycard orientation. Several studies have been done on the resource based view strategies that the banks have employed over time (Aaltonen and Ikavalko, 2002, Bourgeois and Brodwin, 1984). However, no known study has been done to explore the challenges encountered in resource based view strategy implementation by banks in Kenya.

For instance, Kiptugen (2003) did a study to determine the strategic responses of Kenya Commercial Bank to a changing competitive environment. Since he focused mainly on strategies that can be adopted in a competitive environment; the study failed to cover the processes involved in resource view strategy implementation and challenges in the implementation phase. His study, however, does not cover the issues on resource based view strategy implementation. Given the importance of these processes, this study sought to fill the gap by seeking answers to the question; What are the challenges faced by Barclaycard Kenya in the implementation of resource based view strategy?

1.3 Objective of the study

The objective of this study was to determine the challenges faced by Barclaycard Kenya in the implementation of Resource based view strategy.

1.4 Importance of the Study

The policy makers will obtain knowledge of the financial sector dynamics and the process of resource based view strategy implementation and challenges there of. They will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector participation.

The study will provide information to potential and current scholars on Resource based view strategic management among commercial banks in Kenya. This will expand their knowledge on resource based view strategy implementation in financial institutions and also identify areas of further study.

The study will assist Managers of commercial banks in Kenya in understanding and appreciating the challenges faced in Resource based View strategy implementation and enable them make appropriate decisions and adjustments to counter these challenges and achieve optimal results.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter summarizes the information from other researchers who have carried out their research in the same field of study. The specific areas covered here are resource-based view of the firm, resource based view history, pricing of resources, the importance of judgment and resource complementarily, human resource, benefits of economic based strategies, barriers to imitation of resources, developing resources for the future and a conclusion.

2.2 Resource based strategy of the Firm

Jay Barney (1991) referring to Daft (1983) says: "firm resources include all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc; controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness (Daft, 1983)." A subsequent distinction made by Amit & Schoemaker (1993) is that the encompassing construct previously called resources can be split up into resources and capabilities. In this respect resources are tradable and non-specific to the firm, while capabilities are firm-specific and used to utilize the resources within the firm, such as implicit processes to transfer knowledge within the firm (Makadok, 2001, Hoopes, Madsen and Walker, 2003). This distinction has been widely adopted throughout the resource-based view literature (Conner and Prahalad, 1996, Makadok, 2001, Barney, Wright and Ketchen, 2001)

While this influential body of research within the field of Strategic Management was named by Birger Wernerfelt in his article A Resource-Based View of the Firm (1984), the origins of the resource-based view can be traced back to earlier research. Retrospectively, elements can be found in works by Coase (1937), Selznick (1957), Penrose (1959), Stigler (1961), Chandler (1962, 1977), and Williamson (1975), where emphasis is put on the importance of resources and its implications for firm performance (Conner, 1991, p 122; Rumelt, 1984, p557; Mahoney and Pandian, 1992, p263; Rugman and Verbeke, 2002). This paradigm shift from the narrow neoclassical focus to a broader rationale, and the coming closer of different academic fields (industrial organization economics and organizational economics being most prominent) was a particular important contribution (Conner, 1991, pi33; Mahoney and Pandian, 1992). Two publications closely following Wernerfelt's initial article came from Barney (1986a, 1986b).

Even though Wernerfelt was not referred to, the statements made by Barney about strategic factor markets and the role of expectations can, looking back, clearly be seen within the resource-based framework as later developed by Barney (1991). Other concepts that were later integrated into the resource-based framework have been articulated by Lippman and Rumelt (uncertain imitability, 1982), Rumelt (isolating mechanisms, 1984) and Dierickx and Cool (inimitability and its causes, 1989). Barney's framework proved a solid foundation for other to build on, which was provided with a stronger theoretical background by Conner (1991), Mahoney and Pandian (1992), Conner and Prahalad (1996) and Makadok (2001), who positioned the resource-based view with regards to various other research fields. More practical approaches were provided for by Amit and Shoemaker (1993), while later criticism came from among others from Priem and Butler (2001a, 2001b) and Hoopes, Madsen and Walker (2003).

Until the late 1980s, the resource-based view was characterized by a rather fragmented process of development. The earliest acknowledgement of the potential importance of firm-specific resources is to be found in the work of economists such as Chamberlin and Robinson in the 1930s (Chamberlin 1933; Robinson 1933) which was subsequently developed by Penrose (1959). Rather than emphasis market structures, these economists highlighted firm heterogeneity and proposed that the unique assets and capabilities of firms were important factors giving rise to imperfect competition and the attainment of super-normal profits. For example, Chamberlin (1933) identified that some of the key capabilities of firms included technical know-how, reputation, brand awareness, the ability of managers to work together and particularly, patents and trademarks, many of which have been revisited in the recent strategy and marketing literature (Day 1994; Hall 1992).

Ansoff (1965:94-99) was the first to analyze from this perspective and therefore audited the resources of the organization. Michael E. Porter (1980) built on the structure-conduct-performance paradigm of industrial-organization economics. The essence of the model is that the structure of an industry determines the state of competition within that industry and sets the context for companies conduct, that is, their strategy. Most important, Structural forces (Porter's five forces) determine the average profitability of the industry and have a correspondingly strong impact on the profitability of individual corporate strategies.

Williamson 1996; Prahalad and Hamel 1990; Robins and Wiersema 1995). Penrose's work also provides other penetrating insights into the nature and role of resources in the firm. For example she distinguishes resources from services, arguing that it is never resources themselves that are inputs into the production process but rather it is the services that these resources can render.
Building on the RBV, Hoopes, Madsen & Walker (2003) suggest a more expansive discussion of sustained differences among firms and develop a broad theory of competitive heterogeneity. "The RBV seems to assume what it seeks to explain. This dilutes its explanatory power. For example, one might argue that the RBV defines, rather than hypothesizes, that sustained performance differences are the result of variation in resources and capabilities across firms. The difference is subtle, but it frustrates understanding the Resource based view's possible contributions (Hoopes et al., 2003: 891).

"The resource Based View's lack of clarity regarding its core premise and its lack of any clear boundary impedes fruitful debate. Given the theory's lack of specificity, one can invoke the definition-based or hypothesis-based logic any time. Again, we argue that resources are but one potential source of competitive heterogeneity. Competitive heterogeneity can obtain for reasons other than sticky resources (or capabilities)" (Hoopes et al. 2003: 891). Competitive heterogeneity refers to enduring and systematic performance differences among close competitors

2.3 Resource based view history

The resource based view has been a common interest for management researchers and numerous writings could be found for same. Resource based view explains a firms ability to reach sustainable competitive advantage when different resources are employed and these resources can not be imitated by competitors which ultimately creates a competitive barrier (Mahoney and Pandian 1992 cited by Hooley and Greenley 2005, p.96 , Smith and Rupp 2002, p.48). RBV explains that a firm's sustainable competitive advantage is reached by virtue of unique resources which these resources have the characteristics of being rare, valuable, inimitable, non-tradable, non-substitutable as well as firm specific (Barney 1999 cited by Finney et al.2004, p. 1722, Makadok 2001, p. 94). These authors write about the fact that a firm may reach a sustainable competitive advantage through unique resources which it holds, and these resources can not be easily bought, transferred, copied and simultaneously they add value to a firm while being rare. It also highlights the fact that all resources of a firm may not contribute to a firm's sustainable competitive advantage. Varying performance between firms is a result of heterogeneity of assets (Lopez 2005, p.662, Helfat and Peteref 2003, p. 1004) and RBV is focused on the factors that cause these differences to prevail (Grant-1991, Mahoney and Pandian 1992, Amit and Shoemaker 1993, Barney 2001 cited by Lopez 2005, p.662).

Fundamental similarity in these writings is that unique value creating resources will generate a sustainable competitive advantage to the extent no competitor has the ability to use same type of resources either through acquisition or imitation. Major concern in the RBV is focused on the ability of the firm to maintain a combination of resources that can not be possessed or build up in a similar manner by competitors. Further such writings provide us the base to understand that the sustainability strength of competitive advantage depends on the ability of competitors to use identical or similar resources that makes the same implications on a firm's performance. This ability of a firm to avoid imitation of their resources should be analysed in depth to understand the sustainability strength of a competitive advantage. However, first mover advantage is active in evolutionary technological transitions which are technological innovations based on previous developments (Kim and Park 2006, p, 45, Cottam et al. 2001, p. 142).

Some authors further argue that revolutionary technological changes (changes that significantly disturb the existing technology), will eliminate the advantage of early entrants. Such writings elaborate that though early entrants enjoy certain resources by virtue of the forgone time periods in the markets, rapidly changing technological environments may make those resources obsolete and curtail the firm's dominance. Late entrants may comply with the technological innovativeness and increase pressure of competition, hence, seek for a competitive advantage through making the existing competences and resources of early entrants invalid or outdated. In other words innovative technological implications will significantly change the landscape of the industry and the market, making early mover's advantage minimum. However, in a market where technology does not play a dynamic role, early mover advantage may prevail.

Analyzing the above developed framework for resource based view, it reflects a unique feature which is that sustainable competitive advantage is achieved in an environment where competition doesn't exist. According to the characteristics of the Resource based view rivalry firms may not perform at a level that could be identified as a considerable competition for the incumbents of the market since they do not possess the required resources to perform at a level that creates a threat hence create competition. Through barriers to imitation incumbents ensure that rivalry firms do not reach a level to perform in a similar manner to them. In other words, the sustainability of the winning edge is determined by the strength of not letting other firms compete in the same level. The moment competition becomes active competitive advantage becomes ineffective since two or more firms begin to perform at a superior level evading the possibility of single firm dominance. Ma (2003, p.76) agrees stating that by definition, the sustainable competitive advantage discussed in the resource based view is anti-competitive. Further such sustainable competitive advantage could exist in the world of no competitive imitation (Barney 1991, Petref 1993 cited by Ma 2003, p.77, Ethiraj et al., 2005, p. 27).

2.3.1 Tangible Resources

These are the easiest to identify and are often found in the organizations balance sheet as assets. They refer to the physical assets that an organization possesses and can be categorized as physical resources, financial resources and human resources. They therefore include assets such as real estates, raw materials, land buildings, machines, plant, inventory and money (Andriessen, 2004). To add value this resources must be capable of responding flexibly to changes in the market place.

2.3.2 Intangible Resources

These may be embedded in routines and practices that have developed over time within the organization. They include an organization's reputation, its culture, its knowledge and its brands. It includes knowledge, patents and trademarks, and accumulated experience within an organization. While they are not assets that you can touch or see, they are often critical in creating competitive advantage. (Lev, 2001).

2.3.3 Distinctive Capabilities

Kay (1993) argues that it is distinctive capabilities of an organization's resources that are important in providing it with competitive advantage. However, an organization's capabilities are only distinctive when they emanate from a characteristic which other firm's do not have. Furthermore, possessing a distinctive characteristic is a necessary but not sufficient criterion for success; it must also be sustainable and appropriable. For it to be appropriable it needs to benefit primarily the organization which holds it rather than its employees, its customers, or its competitors. These in turn are linked to relationships between an organization and its stakeholders: its employee's and customers, shareholders, and suppliers as well as a group of collaborating firms which it may network. It is this relationship which allows an organization's resources to provide it with distinctive capabilities through the conduit of its architecture, reputation, and innovation.

2.3.4 Sustainable Competitive Strategy

According to this view, a company's competitive advantage derives from its ability to assemble and exploit an appropriate combination of resources. It occurs when an organization is implementing a value creating strategy that is not being implemented by current or potential competitors and when these competitors are unable to duplicate the benefits of this strategy. According to this view, a company's competitive advantage derives from its ability to assemble and exploit an appropriate combination of resources. Sustainable competitive advantage is achieved by continuously developing existing and creating new resources and capabilities in response to rapidly changing market conditions. Resources should be assessed and reevaluated relative to the resources held by competitors. It's important to recognize that only resources that contribute to competitive superiority are valuable (Collis and Montgomery, 1995).

2.3.5 Suitability

This is the ability of the firm to deliver on its desired positioning strategy therefore building on key resources necessary for a given strategy will enhance the firm's effectiveness in achieving its strategic desires. Value of unique asset reside in many areas i.e. customers, suppliers, employees and therefore need to pay attention in developing those people. (Kay, 1994).

2.3.6 Characteristics of these resources

The resources of the firm must be durable. This can be ensured through continued innovation especially in the phase of changing environment. The slower a resource depreciates the more valuable it is. Tangible assets, like commodities or capital, can have their depletion measured. Intangible resources, like brand names or organizational capabilities, present a much more difficult depreciation challenge. (Ingemar Dierickx and Karel Cool, 1989).

A resource that competitors can easily copy or imitate can only generate temporary value. It cannot generate long-term competitive advantage because imitability doesn't last forever. Competitors will match or better any resource as soon as they can. It is obvious, then, that the firm's ability to forestall this eventuality is very important. The resource based view has four major mechanisms that make resources difficult to imitate (Ingemar Dierickx and Karel Cool, 1989). An organization which has unique resources or a unique location will be able to add value to its products which allows it to generate superior returns. A one of a kind real estate location, mineral rights, and patents are examples of resources that are difficult to imitate.

We have resources in the some organizations which are path-dependant. These are very difficult to imitate because of the difficult "path" another firm must follow to create the resource. They are the resources that cannot be instantaneously acquired but rather must be created over time in a manner that is frequently very expensive and always difficult to accelerate. (Ingemar Dierickx and Karel Cool, 1989).

We have situations where it is difficult for competitors to understand exactly how a firm has created the advantage it enjoys. This is known as casual ambiguity and it is very difficult to imitate. Competitors cannot figure out exactly the uniquely valuable resource is, or how the resources are combined to create the competitive advantage. Casually ambiguous resources are often organizational capabilities that arise from subtle combinations of tangible and intangible assets and culture, processes, and organizational attributes the firm possesses. (Ingemar Dierickx and Karel Cool, 1989).

2.4 Pricing of resources

In a much cited paper, RBV scholars Ingemar Dierickx and Karel Cool (1989) argued that as a general rule, priced resources could not be expected to contribute to competitive advantage, exactly because they are priced. Although Dierickx and Cool were not entirely forthcoming about the logic of this conclusion, their argument implicitly assumes such a degree of market efficiency and bargaining power on the supply side of factor markets that the supply side can appropriate any surplus that a resource may create when deployed to any firm on the demand side of the market. Although this is clearly an extreme argument, it is one that is echoed in much contemporary strategic management theory. Thus, Lippman and Rumelt (2003a: 1085) argue that "the heart of business management and strategy concerns the creation, evaluation, manipulation, administration, and deployment of unpriced specialized resource combinations." While we agree wholeheartedly with the emphasis on "the creation of... specialized resource combinations" as the crux of strategy, we fail to see the importance of these combinations being "unpriced." Perhaps all Lippman and Rumelt mean is that the "resource combination" in question is indeed so specialized that no market exists for it, and that the "synergies" produced by the combination are not "priced away."

The existence of such resource combinations is, of course, completely consistent here with the emphasis on entrepreneurial search and judgment in a search space defined by multiple combinations of capital goods. However, it seems to be of no fundamental significance whether "specialized resource combination^" are priced per se; what matters is how close to the DNPV of the specialized resource combination relevant prices are. We have stressed throughout that entrepreneurs search for resource combinations that are high in appropriable value and that they exercise judgment concerning the choice of such bundles. The search that entrepreneurs perform depends on their prior experience and the theories they hold of the architecture of the landscape they search over. These are highly subjective, as is entrepreneurial judgment itself.

Because of the subjective nature of theories, experience, and judgment, agents very likely hold divergent expectations concerning the values of resources. Entrepreneurs that have engaged in search may hold expectations concerning resource values that are superior to those of the market, which implies that they may beat the market in terms of acquiring resources at a price below the

DNPV. This may be sorted under the rubric of "asymmetric information" (Barney, 1986; Rumelt, 1987; Makadok and Barney, 2001); however, the state of asymmetric information existing between the entrepreneur and the market is the outcome of a process of searching and judging.

2.5 The importance of judgment and resource complementarity.

Even highly specialized resource combinations consist of resources, many of which are in fact priced. Much three quarter and at the limit: all three quarter of the rent of such a combination may be priced away by pricing the resources that make up the combination. However, the entrepreneurial perspective adopted here implies that this is not likely to happen for many specialized resource combinations. Entrepreneurship (as the exercise of judgment) is an unpriced resource (or at least one that is highly costly to trade over markets).

In one interpretation, Knight (1921) argued that firms exist because it is usually prohibitively costly to trade judgment; hence, the entrepreneur needs to start his own firm to earn rents from his judgment (Langlois and Cosel, 1993; Foss et al., 2006). However, judgment also holds the key to understanding why not all "synergies" are priced away: First, the particular "specialized resource combination" is a product of the judgment of entrepreneurs. They are likely to have unique insight into the value of this combination and may therefore "beat the market" (as suggested above). Second, the judgment of entrepreneurs is itself a necessary complementary resource. The other resources in the combination derive part of their value from their being in the combination with the entrepreneur's judgment. However, the value of the entrepreneur's judgment cannot easily be assessed, if at all (if it could, judgment would trade in markets). Therefore, the values of complementary resources are also hard to assess. In sum, "synergies" may not be priced away because of complementarities to non-traded entrepreneurial judgment.

2.6 Human resource

From a resource-based view, human resources are the productive service human beings offer the firm in terms of their skills, knowledge and reasoning and decision-making abilities. Economists refer to these resources as "human capital', which emphasizes the fact that they are durable and created through investment in education and training.

Identifying and appraising the stock of human capital within a firm is complex and difficult. Human resources are appraised at the time of recruitment where qualifications and experience are used as indicators of performance potential, and in employment, typically through annual performance reviews. The limitations of qualifications, personal recommendation, and traditional performance reviews as indicators of an individual's potential to contribute to the performance of the organization have increasingly been recognized. Assessment methods have difficulty taking into account that most employees work in teams. This means, first, that a critical skill area is the ability to work co-operatively with others; second, that individual performance cannot be directly observed and measured. As a result, firms rely heavily on indirect and perceptual approaches to assessing performance and potential: Does Ms. Jones seem to be enthusiastic; is her demeanor "professional", does she "fit in"

2.8 Barriers to imitation of resources

Resources are the inputs or the factors available to a company which helps to perform its operations or carry out its activities (Amit and Shoemaker 1993, Black and Boal 1994, Grant 1995 cited by Ordaz et al.2003, p.96). Also these authors state that resources, if considered as isolated factors doesn't result in productivity hence coordination of resources is important. The ways a firm can create a barrier to imitation is known as "isolating mechanisms" and are reflected in the aspects of corporate culture, managerial capabilities, information asymmetries and property rights (Hooley and Greenlay 2005, p.96, Winter 2003, p. 992). Further, they mention that except for legislative restrictions created through property rights, other three aspects are direct or indirect results of managerial practices.

King (2007, p. 156) mentions inter-firm causal ambiguity may results in sustainable competitive advantage for some firms. Causal ambiguity is the continuum that describes the degree to which decision makers understand the relationship between organizational inputs and outputs (Ghinggold and Johnson 1998, p. 134, Lippman and Rumlet 1982 cited by King 2007> p. 156, Matthyssens and Vandenbempt 1998, p.46). Their argument is that inability of competitors to understand what causes the superior performance of another (inter-firm causal ambiguity), helps to reach a sustainable competitive advantage for the one who is presently performing at a superior level. What creates this inability to understand the cause for superior performance of firm? Is it the intended consequence of a firm's action? Holley and Greenley (2005, p.96) state that social context of certain resource conditions act as an element to create isolating mechanisms and further mentions that three characteristics of certain .resources underpins the causal ambiguity scenario which are tacitness (accumulated skill-based resources acquired through learning by doing) complexity (large number of inter-related resources being used) and specificity (dedication of certain resources to specific activities) and ultimately these three characteristics will consequent in a competitive barrier.

Referring back to the definitions stated previously regarding the competitive advantage that mentions superior performance is correlated to resources of the firm (Christensen and Fahey 1984, Kay 1994, Porter 1980 cited by Chacarbaghi and Lynch 1999, p.45) and consolidating writings of King (2007, p. 156) stated above we may derive the fact that inter-firm causal ambiguity regarding resources will generate a competitive advantage at a sustainable level. Further, it explains that the extent to which competitors understand what resources are underpinning the superior performance, will determine the sustainability strength of a competitive advantage. In a scenario that a firm is able to overcome the inter-firm causal ambiguity it does not necessarily result in imitating resources. As to Johnson (2006, p.02) and Mahoney (2001, p.658), even after recognizing competitors valuable resources, a firm may not imitate due to the social context of these resources or availability of more pursuing alternatives. Certain resources like company reputation are path dependent that are accumulated over time and a competitor may not be able to perfectly imitate such (Zander and Zandre 2005, p. 1521, Santala and Parvinen 2007, p. 172).

They argue on the base that certain resources, even imitated may not bring the same impact since the maximum impact of same is achieved over longer periods of time. Hence, such imitation will not be successful. In consideration of the reputation fact as a resource, does this imply that a first mover to a market always holds a competitive advantage? Can a late entrant exploit any opportunity for a competitive advantage? Kim and Park (2006, p.45) mentions three reasons new entrants may be outperformed by early entrants. First, early entrants have a technological know how which helps them to perform at a superior level. Secondly, early entrants have developed capabilities with time that enhances their strength to perform above late entrants. Thirdly, switching costs incurred to customers if decided to migrate, will help early entrants to dominate the market evading the late entrants opportunity to capture market share. Customer awareness and loyalty is a rational benefit early entrants enjoy (Liberman and Montgomery 1988, Porter 1985, Hill 1997, Yoffie 1990 cited by Ma 2004, p.914, Agrawal et al. 2003, p. 117).

However, first mover advantage is active in evolutionary technological transitions which are technological innovations based on previous developments (Kim and Park 2006, p, 45, Cottam et al. 2001, p. 142). Same authors further argue that revolutionary technological changes, that are changes that significantly disturb the existing technology, will eliminate the advantage of early entrants. Such writings elaborate that though early entrants enjoy certain resources by virtue of the forgone time periods in the markets, rapidly changing technological environments may make those resources obsolete and curtail the firm's dominance.

Late entrants may comply with the technological innovativeness and increase pressure of competition, hence, seek for a competitive advantage through making the existing competences and resources of early entrants invalid or outdated. In other words innovative technological implications will significantly change the landscape of the industry and the market, making early mover's advantage minimum. However, in a market where technology does not play a dynamic role, early mover advantage may prevail.

Analyzing the above developed framework for resource based view, it reflects a unique feature which is, sustainable competitive advantage and is achieved in an environment where competition doesn't exist. According to the characteristics of the resource based view rivalry firms may not perform at a level that could be identified as a considerable competition for the incumbents of the market since they do not possess the required resources to perform at a level that creates a threat hence create competition. Through barriers to imitation incumbents ensure that rivalry firms do not reach a level to perform in a similar manner to them. In other words, the sustainability of the winning edge is determined by the strength of not letting other firms compete in the same level. The moment competition becomes active competitive advantage becomes ineffective since two or more firms begins to perform at a superior level evading the possibility of single firm dominance hence no firm will enjoy a competitive advantage.

Ma (2003, p.76) agrees stating that by definition, the sustainable competitive advantage discussed in the Resource based view is ant-competitive. Further such sustainable competitive advantage could exist in the world of no competitive imitation (Barney 1991, Petref 1993 cited by Ma 2003, p.77, Ethiraj et al., 2005, p. 27).

2.9 Developing resources for the future

Based on the empirical writings stated above RBV provides us the understanding that certain unique existing resources will result in superior performance and ultimately build a competitive advantage. Sustainability of such advantage will be determined by the ability of competitors to imitate such resources. However, the existing resources of a firm may not be adequate to facilitate the future market requirement due to volatility of the contemporary markets. There is a vital need to modify and develop resources in order to encounter the future market competition.

An organization should exploit existing business opportunities using the present resources while generating and developing a new set of resources to sustain its competitiveness in the future market environments, hence an organization should be engaged in resource management and resource development (Chaharbaghi and Lynch 1999, p.45, Song et al., 2002, p.86). Their writings explain that in order to sustain the competitive advantage, it's crucial to develop resources that will strengthen their ability to continue the superior performance. Any industry or market reflects high uncertainty and in order to survive and stay ahead of competition new resources becomes highly necessary.

Morgan (2000 cited by Finney et al.2004, p. 1722) agrees stating that, need to update resources is a major management task since all business environments reflect highly unpredictable market and environmental conditions. Building on the RBV, Hoopes, Madsen & Walker (2003) suggest a more expansive discussion of sustained differences among firms and develop a broad theory of competitive heterogeneity. "The RBV seems to assume what it seeks to explain. This dilutes its explanatory power. For example, one might argue that the RBV defines, rather than hypothesizes, that sustained performance differences are the result of variation in resources and capabilities across firms. The difference is subtle, but it frustrates understanding the RBV's possible contributions (Hoopes et al., 2003: 891).

"The RBV's lack of clarity regarding its core premise and its lack of any clear boundary impedes fruitful debate. Given the theory's lack of specificity, one can invoke the hypothesis-based logic any time. Again, we argue that resources are but one potential source of competitive heterogeneity. Competitive heterogeneity can obtain for reasons other than sticky resources (or capabilities)" (Hoopes et al. 2003: 891). Competitive heterogeneity refers to enduring and systematic performance differences among close competitors (Hoopes et al., 2003: 890).

2.10 Conclusion

The resource based view strategy emphasizes economic rent creation through distinctive capabilities. Economic rent, or Economic Value Added (EVA), is what companies earn over and above the cost of the capital employed in their business. It is the measure of the competitive advantage, and competitive advantage is the only means by which companies in competitive markets can earn economic rent. The objective of Barclaycard is to increase its economic rent, rather than its profit as such. "A company which increases its profits but not its economic rent - as through investments or acquisitions which yield less than the cost of capital - destroys value

The resource based view strategy has a coherence and integrative role that places it well ahead of other mechanisms of strategic decision making. After thirty years or so, the subject of strategy is genuinely acquiring what can be described as a paradigm - to use the most overworked and abused term in the study of management.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methodology that was used in gathering the data, analyzing the data and reporting the results. Here the researcher aimed at explaining the methods and tools used to collect and analyze data to get maximum information related to the subject under study.

3.2 Research Design

This was a case study design. A case study is an in-depth investigation of an individual, institution or phenomenon (Mugenda and Mugenda, 2003). According to Yin (1989) a case study allows an investigation to retain the holistic and meaningful characteristics of real life events. Mugenda and Mugenda, (1999) noted that a case study involves a careful and complete observation of social units. It is a method of in depth study rather than breadth and places more emphasis on the full analysis of a limited number of events or conditions and other interrelations. Primarily data collected from such a study is more reliable and up to date. The primary purpose of a case study is to determine factors and relationships among the factors that have resulted in the behavior under study. Since this study sought to identify the Resource based view strategies implementation by Barclaycard Kenya, a case study design was deemed the best design to fulfill the objectives of the study.

3.3 Data Collection

In this study, emphasis was given to primary data. The primary data was collected using an interview guide. Interview guides were designed and administered through interviews and discussions withkey informants. The interview guide comprised open ended questions. Mugenda and Mugenda (1999) notes that such questions allow for a greater depth of response. It made it possible to obtain data required to meet specific objectives of the study. The respondents were the head of strategy and functional heads in charge of finance, risk management, information technology and operations, human resources, marketing and research division, and public affairs and communication division.

The researcher sought to utilize the respondents since they are more versed with implementation challenges of resource based strategy by Barclaycard Kenya issues for it is them that formulate and oversee the implementation of strategy. They are thus experienced in that area and are aware of the challenges they experience in the implementation. Given that those who were interviewed are not so many and the researcher required getting in-depth information on issues resource based strategy implementation challenges in Barclaycard Kenya, interviews were regarded as the best method and the interview guide gave a clear guidance on what questions to ask.

3.4 Data Analysis and Presentation

The collected data was thoroughly examined and checked for completeness and comprehensibility. The completed interview guides were edited for completeness and consistency before processing the responses. Being a case study, content analysis was found to be most useful. Mugenda and Mugenda (1999) describe it as any technique used to make inferences by systematically and objectively identifying specific characteristics and messages. This was the best method of analyzing the qualitative data that was collected from the interviews and discussions.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATIONS

4.1 Introduction

This chapter presents the findings of the study and the analysis of the data collected from the interview guide which was administered to the selected respondent at Barclays bank Ltd from various departments of the bank. The interviewees to the interview guide were head of strategy and functional heads in charge of finance, risk management, information technology and operations, human resources, marketing and research division, and public affairs and communication division. According to the data found, seven out of all the eight heads of department projected in the previous chapter to be interviewed were interviewed which makes a response rate of 88%. The commendable response rate was achieved at after the researcher made frantic effort at booking appointments with the head of department and the senior managers despite their tight schedules. Phone calls were also made to remind them of the interview.

4.2 General Information

The study, in an effort to establish the interviewees' competence and conversance with matters regarding Barclaycard Kenya in regard to implementation challenges, asked a question on their highest level of education. According to the interviewees' responses most of them had university degrees while others had master's degrees. Further on the question on the years that the interviewees had worked for the bank. According to the interviewees' response, all of them had worked for the organization for six to ten years as most promotions are internal, within the bank. The interviewees' responses hence had the advantage of good command and responsibility being that they head departments and had experience and aptitude owing to their level of education and years of experience in the bank. From the study, the findings revealed that most of the respondents were females as shown by 53.3%, while males were shown by 46.7%. This information implies that most of the employees and especially in the Barclaycard department were females.

4.3 **Implementation of Resource Based Strategy by Barclaycard Kenya**

According to the findings, the study found from most of the respondents indicated that the responsibility of determining the strategic resources available in the credit card department in the bank was with the senior managers as shown by 60% of the respondents, while 40% of the respondents reported that the responsibility was with the CEO.

The study also sought to establish the strategic resources available to the credit card department bank. From the study, these strategic resources were finances, company reputation, technology, assets and other tangible resources, capabilities of Barclays Bank to externalities, well advanced organizational processes and practices, Past or accumulated knowledge, strong brand. Barclaycard is well known because of sponsorship of the British Premier League, reliability of the card, the internationally recognized 'VISA' sign and talented employees. Other respondents said that the strategic resources available included partnership with other organizations such as Nakumatt Holdings, many years of experience, a strong sales force, and strong consumer base.

The interviewees indicated that the important resources that aid in the implementation of Barclaycard as a resource based strategy in at the bank include tangible resources which are physical resources, financial resources and human resources; intangible resources like services, value, quality, implicit processes; organization capacity to implement and maintain implementations; sustainable competitive strategy and ability to remain competitive; human resource and efficient workforce

On the question of how Barclaycard as a resource based strategy implemented is in Barclays Bank of Kenya, the interviewees indicated that the goals and objectives are stated for the resource-based view strategies; the strategy is discussed by CEOs and advisors; the measures of performance is identified and then each measure of resource based strategy is critically discussed and roved by top management. According to some interviewees, Barclaycard as a resource is considered before critical evaluation in the Bank is done

To the question on the characteristics or qualities of Barclaycard that enable it achieve a competitive edge, the interviewees pointed out that Barclaycard Kenya is capable of responding flexibly to changes in the market place. It is a card which is difficult to imitate. The respondents said that a lot of time and resources have been put into developing Barclaycard into what it is today thereby making if difficult for competitors and new entrants to copy. They also indicated that Barclaycard Kenya has been encouraging innovation and diversification as an organization.

The researcher also sought to find out whether Barclaycard enjoys competitive advantage in the credit cards industry According to the study, the respondents felt that Barclaycard enjoys competitive advantage in the credit card industry. This was because it is the most used credit card in the Kenyan market; it leads with a 60% market share. They suggested that it is the strongest credit card and it can be used for a variety of purposes. The interviewees indicated that the competitive advantage was because the Barclaycards unlike other cards offered good level of customer service, no annual charges, the application process is fast and straightforward, it has a worldwide assistance, covers travel services, has free text alerts, has online account services, emergency card replacement and cash advance, identity protection service, fraud monitoring, purchase delivery protection, retailer discounts great purchase protection and extended warranty.

The study also found that all the respondents agreed unanimously that incentives were provided to Barclaycard customers as a competitive strategy. According to the study, this was done by promotional materials such as T-sliirts, caps, pens, preferential rates to customers which include 50-days of interest free credit, good marketing, customer events, joint ventures with Nakumatt Holdings. Other incentives indicated include Travel Service, which will also give a five per cent discount on the holiday price, free emergency card replacement and cash advance service.

To the question on how Barclays managed to sustain a competitive advantage as a resource based strategy, the interviewees indicated that Barclays managed to sustain a competitive advantage by assembling an appropriate combination of resources, exploiting an appropriate combination of resources, Implementation of value creating strategy and continuously developing existing and creating new resources and capabilities.

The interviewees indicated that the human resources that aid in the implementation of resource based strategy Barclaycard Kenya included professional competence and skills by the staff, quality services and advanced knowledge in information technology. The managers of Barclaycard Kenya had good reasoning and decision-making abilities

4.4 Implementation Challenges of Resource Based Strategy by Barclaycard Kenya

The interviewees indicated that the challenges facing human resource as a resource in Barclaycard implementation included limitations of qualifications, lack of prior experience, management problems and traditional performance reviews as indicators of an individual's potential.

The interviewees indicated that the solutions to the challenges include good formulation and effective communication of vision, mission and values, commitment to projects and business results that will fulfill on the mission, creation of tactics and short-term goals at the local level and effective action in a context of accountability.

The interviewees were further requested to comment on the implementation of the Barclaycard as a resource based view at Barclays bank. According to the interviewees, the existing resources are not adequate to facilitate the future market requirement due to changing external environment of the markets and there is need to modify the Barclaycard in order to counter the future market competition from other local and international cards.

CHAPTER FIVE: DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gives the discussions of the findings from chapter four, gives conclusions and recommendations of the study based on the objective of the study. The objective of this study was to determine the challenges faced by Barclaycard Kenya in the implementation of resource based view strategy.

5.2 Discussion

The study found that in most cases, the responsibility of determining the strategic resources available in the credit card department in the bank was with the senior managers. According to the study, the strategic resources available to the credit card department in the bank were finances, company reputation, technology, brand i.e. Barclaycard is well known because of sponsorship of the premier league, reliability of the card the internationally recognised'VISA' sign, talented employees, partners such as Nakumatt Holdings, many years of experience, strong sales force, and strong consumer base.

The study also found that the resources that were important in line with resource based view strategy implementation in the organization were the intangible resources, tangible resources, sustainable competitive strategy, human resource, suitability in delivering and organization capacity. Most of the respondents also were in agreement that in reference to Barclaycard resource based view strategy Barclaycard is considered before critical evaluation, each measure of resource based view strategy is critically discussed and a approved by top management, the goals and objectives are stated for each of the resource based view strategies, each resource-based view is discussed by CEOs and advisors and also for each resource-based view strategy the measures of performance is identified.

From the study, Barclaycard enjoys competitive advantage in the credit card industry. This is because it is the most used credit card in the Kenyan market; it leads with a 60% market share. It is the strongest credit card which can be used for a variety of purposes.

The study also found that incentives were provided to Barclaycard customers as a competitive strategy. This was done by promotional materials such as T-shirts, caps, pens, preferential rates to customers like 50-days of interest free credit, good marketing, customer events, joint ventures with Nakumatt Holdings.

According to the study, the challenges faced in developing and implementing Barclaycard as a resource based strategy in the credit card department in the bank were credit card crime, poor technology and infrastructure in the rural areas, competition from other banks, miss-selling by selling people, inadequate knowledge by customers, poor processes within the organization, fear by customers, economic crunch and poverty, lack of awareness and poor reputation of cards, poor credit card culture.

5.3 Conclusion

From the findings, the study concludes that the resources that are important in line with resource based view strategy implementation in credit card department are intangible resources, tangible resources, sustainable competitive strategy, human resource, suitability in delivering and organization capacity. The study also concludes that Barclaycard as a resource based view is considered before critical evaluation, each measure of resource based view strategy is critically discussed and a approved by top management, the goals and objectives are stated for each of the resource based view strategies, each resource-based view is discussed by CEOs and advisors and also for each resource-based view strategy the measures of performance is identified.

The study also concludes that there are some challenges faced in developing and implementing Barclaycard as a resource based view strategy in the credit card department. These challenges include credit card crime, poor technology and infrastructure like poor Information Communication and Technology(ICT) in the rural areas, competition from other banks, miss-selling by selling people, inadequate knowledge by customers, poor processes within the organization, fear by customers, economic crunch/poverty, lack of awareness and poor reputation of cards, poor credit card culture.

5.4 Recommendations

The study therefore recommends that in order to cope with the challenges faced in developing and implementing resource based strategy in Barclaycard Kenya, the customers should be assured of maximum security when using the credit card. Further they should also be assured that there is a legal recourse in case of any fraud or crime when using the card.

An awareness campaign should be carried out among customers so that they understand the credit card and its use. This will eliminate fears and myths that customers in Kenya have on the use of credit cards and generally improve the credit card culture. The Government should improve the ICT infrastructure to enable people in the rural areas access credit card facilities. The sales people in Barclaycard should be well trained and equipped with adequate knowledge and skills on Barclaycard. This will eliminate instances of miss-selling by sales people which from the study is one of the challenges faced by Barclaycard Kenya.

5.5 Limitations of the Study

There were limitations that contributed to the researcher getting either inadequate information or receiving responses which were totally different from what the researcher expected.
The main limitations of this study were: Some respondents refused to be interviewed. This reduced the probability of reaching a more conclusive study. Others were reluctant to participate and had to be really convinced that it was an academic exercise However, conclusions were made with this response rate.

There was time and financial constraints which limited the number of responses to only 30. Most of the heads of departments were busy and kept turning down the appointments. If more time was available more responses would have been obtained with the results being more robust.

5.6 Suggestions for Further Research

The researcher suggests that further research should be conducted to establish the impacts of resource based strategy on Barclaycard Kenya. Further research should also be conducted in other types of organizations to establish the challenges of implementing resource based strategies in those organizations.

5.7 Implications of the study 011 Policy and Practice

The relevant Barclaycard Kenya departments should be involved in facilitating sustainability and adopting improvements of the resource based view strategy. Lessons learnt during the process should be documented. The resource based strategy implementation success reviews should be conducted by the programme coordination team in collaboration with the respective consultants and other stakeholders.

The study also identified that for any success in the resource based strategy implementation to be achieved there is need for good formulation and effective communication of the vision and the mission of the organization. There should be commitment to projects and business results that will fulfill the mission. In addition, the Barclaycard department should create tactics and short-term goals at the local level in order to continuously monitor the success of the resource based implementation. The bank should also win the support of key individuals within the organization. In Barclaycard Kenya the top management to introduce and clearly explain the need for the success of the resource based strategy.

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TO WHOM IT MAY CONCERN

The bearer o f this letter....^^. . . . . .I'fr....!^^)

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is a Master of Business Administration (MBA) student of the University of Nairobi.

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He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We |would like the students to do their projects on real problems affecting firms! in K^nya. We would, therefore, appreciate if you assist him/her by allowing Iriim/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

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Thank you.

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APPENDIX II: INTERVIEW GUIDE

PART A: GENERAL INFORMATION

1) Highest level of education

2) Number of years that you have worked for the bank

1 - 5	[ ]
5 - 10	[ ]
10- 15	[ ]
15 - 20	[ ]
Above 20 years	[ ]

3) What is your Position in Barclaycard department? Tick appropriately

General Manager	[ ]
Branch Manager	[ ]
Employee .	[ ]

4) What is your gender? (Please tick)

Male	[ ]
Female	[ ]

PART B: SPECIFIC INFORMATION

1. Who is responsible for determining the strategic resources available in your credit card department in the bank?

a. Board of Directors [ ]

b. CEO [ ]

c. Senior Managers [ ]

d. Others (Specify)

2. Which are the strategic resources available to the credit card department bank? (Indicate Briefly)

3. In Line with Resource Based view Strategy implementation in your bank which are the important resources that aid in the implementation of Barclaycard as a resource based view strategy?

4. How is Barclaycard as a resource based strategy implemented in Barclays Bank Ltd?

5. Does Barclaycard enjoy competitive advantage in the credit cards industry?

If your answer is yes, briefly explain.

6. What are the characteristics/qualities of Barclaycard that enable it achieve a competitive edge?

7. Do you provide incentives to your Barclaycard customers as a competitive strategy?

Yes [ ] No [ ]

If answer is yes above, how (explain)

8. How has Barclaycard Kenya managed to sustain a competitive advantage?

10. Which are the human resources that aid in the implementation of Barclaycard as a resource based strategy at Barclays bank?

11. What are the challenges facing human resource as a resource in Barclaycard implementation?

12. What challenges have you faced in developing and implementing the Barclaycard as a resource based view strategy in your credit card department in the bank? Briefly explain

13. What are the possible solution to the challenges?

13. What other comment do you have on the implementation of Barclaycard as a resource based in your organization?