Abstract

Over the last 10 years, there have been many changes in the Kenyan economy. These changes have had a considerable impact on all industries and the oil industry is no exception having been liberalized in October, 1994. This research project was a census survey to determine the factors that influence the paradigm shift in the oil industry. Specifically, the study was investigating the nature and impact of the paradigm shifts on the goals, and behaviors of oil companies in Kenya. The study emphasized on why companies behave the way they do in responding to environmental influences. The study results established that the industry had encountered paradigm shifts such as, competitive pricing, differentiation, mergers, acquisitions and exit. The factors that influence these paradigm shifts are pressure for change, government actions and restructuring, technology and culture factors. The study also established that the companies do this for survival, growth, profitability and public image. Last but not least, the study established it is important for companies to adopt paradigm shifts if they are to survive in the market. The turbulent nature of the environment most of these oil companies operate necessitate them to adopt shifts in their strategies to be able to compete effectively with other companies. Finally, I recommended further research on paradigm shifts to be done. This will provide reference of knowledge to enable companies to remain more competitive in the market. I recommend further study on what roles these Paradigm shifts will play in future and how oil companies can adopt specific departments in their companies to deal with these as this concept is becoming more and more evident in today's environment.