STRATEGIES ADOPTED BY PRIVATE SECURITY FIRMS TO DEAL WITH CRIME IN NAIROBI, KENYA

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OCTOBER, 2015
DECLARATION

I declare that this research project is my original work and that the document has not previously, in its entirety or in part, been submitted to any University, College or institution of higher learning in order to obtain an academic qualification.

Signed………………………………………………..Date…………………………

Alogo, Wilfred R. O.

This research project has been submitted for examination with my approval as the university supervisor

Signature………………………………………………..Date…………………………

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DEDICATION

To the Almighty God. And to my family; Caroline, Michael and Karen. So far all great things have been because of you. The successful completion of this work is the newest addition.
ACKNOWLEDGEMENTS

Foremost gratitude goes to my supervisor, Prof. Martin Ogutu who offered patience; of professional advice, guidance and support. He made this work very manageable. To my lecturers in the entire MBA course, thank you for everything that you taught and instilled in me. To my colleagues, especially the various group members and associates, I am grateful for the consistent motivation and the collective intensive learning experiences.
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<tr>
<td>BM</td>
<td>Bob Morgan</td>
</tr>
<tr>
<td>G4S</td>
<td>Group 4 Security</td>
</tr>
<tr>
<td>IO</td>
<td>Industrial Organization</td>
</tr>
<tr>
<td>KBM</td>
<td>Knowledge Based Management</td>
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<tr>
<td>PSF</td>
<td>Private Security Firm</td>
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<td>SOP</td>
<td>Standard Operation Procedure</td>
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<td>VBM</td>
<td>Value Based Management</td>
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ABSTRACT

When strategic managers constantly analyze their competitive environment, they understand their transient business situations in changing environments. With the appraised knowledge they are able to locate and establish good competitive positions since, against threats they are able to take advantage of available opportunities to gain and sustain competitive advantage. Evaluation of the competitive environment may well be approached through application of strategic management theories such as the resource based view, the industrial organization view and the knowledge based view, among many others developed to assist in understanding the forces of competition in the business arena and hence come up with correct strategies which if adopted are capable of propelling organizations to better business positions. The purpose of this study was to assess the types of security threats prevalent in Nairobi County, and strategies adopted by private security firms in Nairobi County in countering the crimes. Possible measures to be taken into consideration to address deficiencies were also considered. The study targeted sample firms of all sizes and adopted a survey research design. Respondents were drawn from management cadre tasked with strategy formulation and implementation. Data collection was by questionnaires and the completed instruments were analyzed by statistical descriptive techniques. The study found a mismatch existing between crime prevalence and strategies adopted by private security companies. While vandalism was the highest reported crime, followed closely by theft, burglary and robbery, organized crime, gang attacks, guns and knife attacks were also significant. Vehicle theft and terrorism related crimes were moderately reported. On the other hand the most adopted strategy by private security companies was liaison with state security agents, followed by improved levels of vigilance, revised Standard Operation Procedures, additional training, use/additional technology, employment of additional personnel, pre-emptive techniques and culture change. Through the findings, the study proposed a revision of strategies adopted, prioritizing first on constant environmental analysis before coming up with requisite strategies to adopt in the face of crime growth. This was seen as the way to turn private security firms from being reactive but preemptive in the face of growing crime.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

A strategy focused enterprise is more likely to be a strong bottom line performer than a company whose management views strategy as secondary and puts its priorities elsewhere. A winning strategy fits the circumstances of a company’s external situation and its internal resource strengths and competitive capabilities, builds competitive advantage and boosts company performance. The emphasis of strategic planning in the current era is to help firms move into emerging markets, or invent the future of the firm (Thompson et al., 2008). Strategic planning should result in managerial workers throughout the organization thinking strategically and wondering about how the firm adapts to its environment and how it will cope with its future. DuBrin (2009).

This study is founded on three theories; Value Based Management (VBM), Industrial Organization (IO) and the Knowledge Based Management theories (KBM). These theories, used as strategic management tools serve to align an organization and its environment in order that it attains and sustains viable competitiveness for the sake long term survival.

Private Security Firms (PSFs) as businesses serve to prevent criminal occurrences against contracting clients; criminal tendencies in which case having attributes such as gang attacks, kidnapping, murder, vandalism and theft, etc. The police service, while charged with law enforcement obligations has evidently been overwhelmed and the public, businesses and other institutions have had to look elsewhere to enhance their protection. This has seen the resultant rapid rise in the number of PSFs over the years.
Undoubtedly PSFs play a crucial role in complementing state security services. The rapid growth of criminal incidents in Nairobi County has been matched by a marked rise in the number of private entities going into the business. In spite of this, incidents of criminal occurrences have gone up over the years and new crime types like terrorism have arrived to complicate the role and effectiveness of PSFs. Consequently, the study seeks to examine the strategy trends related to the crime prevention within the industry in Nairobi Country and to assess measures that may be taken into account to deal with shortfalls.

1.1.1 Concept of Strategy
A strategy is an integrated overall concept and plan of how an organization will achieve its goals and objectives (Hambrick & Fredrickson, 2005). According to Thompson et al (2008) a company’s strategy is management’s action plan for running the business and conducting its operations. Strategy is concerned with an organization understanding its position in its external environment. If an organization’s position in the external environment is clear then development inside the organization should aim to achieve strategic fit with the external environment (Claire 2008).

Wheelen and Hunger (2006) state that organizations that engage in strategic management generally outperform those which do not. The attainment of an appropriate match, or “fit,” between an organization’s environment and its strategy, structure, and processes has positive effects on the organization’s performance. The three most highly rated benefits of strategic management are; clearer sense of strategic vision for the firm, sharper focus on what is strategically important and improved understanding of a rapidly changing environment.
A clear and reasoned strategy is management’s game plan for pleasing customers and improving its financial performance. A powerful strategy that delivers a home run in the market place can propel a firm from a trailing position into a leading one, clearing the way for its products/services to become the industry standard. There is no escaping the fact that the quality of managerial strategy making and strategy execution has a highly positive impact on revenue growth, earning and return on investment (Thompson et al 2008).

On the overall, strategic management process has five stages; goal setting, analysis, strategy formation, strategy implementation and strategy monitoring/evaluation. Goal setting clarifies the vision for the organization while analysis puts together information needed for strategy formulation and implementation steps. Strategy monitoring/evaluation and control actions measure performance and provide a consistent review of environmental issues and making corrective actions when necessary.

1.1.2 Concept of Crime

Crime is an act or omission forbidden by law that can be punished by imprisonment and/or fine. Examples include murder, rape, robbery, burglary and drunken driving. However, Tappan (1960) defines crime as an intentional act or omission in violation of criminal law (statutory or case law), committed without defense or justification, and sanctioned by the state as a felony or misdemeanor. Criminal behaviors attribute the use of force, stealth, fraud, to acquire material or symbolic resources. Criminality is a style of strategic behavior characterized by self-centeredness, indifference to the suffering and needs of others, and low self-control (Gottfredson & Hirschi, 1990).
There are four main categories of crime; personal crimes, property crimes, inchoate crimes, and Statutory Crimes. Personal crimes are offenses against the person resulting in physical or mental harm to another person. They include assault, battery, false imprisonment, kidnapping, homicide, rape, sexual assault and other offenses of sexual nature. Property crimes are offenses against property: They do not certainly involve harm to another person but interference of another person’s right of use and enjoyment of their property, e.g. theft, robbery, burglary, arson, embezzlement, forgery, false pretenses, and receipt of stolen goods. Inchoate crimes are partially committed crimes, like attempted robbery, solicitation, and conspiracy. Statutory crimes are violation of a specific statute and can involve either property offenses or personal offense. An example includes alcohol related crimes such as drunk driving and selling alcohol to a minor.

Proliferation of private security providers is a result of high levels of violence and crime, combined with a lack of confidence and trust in the public police force (Abrahamsen et al 2005). At the same time, there is a perception that criminals are increasingly collaborating with law enforcement agents; an outcome of this perception shows in the overall mistrust in the police forces and ironically they are perceived as part of the problem instead of being seen as a path towards fighting crime and reestablishing the public order (Abrahamsen et al 2011). The result is an increased count of crime occurring in the country.

1.1.3 The Security Industry in Kenya

The private security industry is increasingly recognized as playing a significant role in nurturing conditions conducive to development, investment and growth in Kenya. The industry’s importance can be more defined by the way it is closing gaps left by the inabilitys of the government using its conventional security setup.
Increasingly the government also resorts to PSFs to support security activities in various departments. According to Fischer and Green (2004), most governments have limited resources and thus cannot provide one hundred percent security for her people. In spite of efforts of players in the industry it is largely unregulated, and standards of service and professionalism vary considerably.

The development of the industry has been rapid; from the days when some individuals or entities contracted guards who belonged to no organized security entity. With time and increasingly due to circumstances organized private security industry took a strong foothold to become one of the fastest growing sectors of the economy and a significant employer. Their visibility is much more in urban centers than it is in rural but the industry is well spread countrywide.

At the moment, players in the industry offer a range of services including; classical physical protection of private and public properties, close protection of VIP’s, cash-in-transit escort, safeguarding properties of strategic importance’ and security for sports and music events (Wairagu et al, 2004). Strategic trends point to a direction where the businesses and the public are continually becoming even more dependent on private security, the state security effort only being applicable on a global scale.

**1.1.4 Security Firms in Nairobi County**

Nairobi has the highest concentration of security companies in Kenya. It has as many as five hundred private security companies (Abrahamsen et al 2005). A majority of these are small to medium in size and capacity of operation. Just like in the national scenario security management in Nairobi a few decades back was almost entirely in the hands of the police.
This was nearly sufficient and the few entities that complimented their security needs used individually managed privately hired guards. The large PSFs back then were few and Securicor Kenya was the most prominent.

In the 90s there was a transition of trend. This was a period of declining economic prosperity in Kenya and as a result, the country plugged into continuous deterioration and lost the ability to deliver services, including the provision of law and order. With the police under-funded and poorly paid, even after pay rises, and resorting to extortion and corruption in order to subsidize their wages (Human Rights Watch, 2003) crime rose and trust in the police to adequately deter or manage to criminal incidents declined. As such people resorted to organized security firms to provide their immediate security. The growth of crime and police inadequacy therefore resulted in the emergence of many privately owned security firms in Nairobi.

In terms of numbers Group4Securicor (G4S), has about ten thousand guards while Radar Security employs about eight thousand. These are spread across the entire country. The other large privately owned firms include BM Security and Lavington Security, each employing several thousand guards. A majority of privately owned security firms in Nairobi are much smaller, with many of them having only up to one hundred guards in active service.

The rise of terrorism related instances in the last decade and the unabated growth in other crimes has transformed the face of private security industry in Nairobi County. Agents of PSFs man almost all commercial buildings and business entities. Use of electronic devices like cameras and body scanners (metal detectors) is growing; the general security effort has also extended to homes in the suburbs. It is not uncommon to find private security backup trucks dotting a majority of neighborhoods in a guise to offer enhanced security.
1.2 Research Problem

Appropriate business strategies implemented well alongside radical changes in operating practices, cultural norms allow organizations to renew themselves and are then able to achieve superior long-term performance (Collins & Porras, 1996). In attempting to meet security provision demands by their clients PSFs are aware that their greater motive of existence is profitability. To be successful the strategies that they adopt must therefore conform with their self serving interests while not losing sight of promise of service delivery to their clients.

The past decade has seen new crime and violence trends in Kenya; terrorist, militia and gang activities, and the apparent failure of state security agents against criminals is a sign of poor strategic management of crime and violence. The causes of crime are often linked to institutional weaknesses of society. Crime increases where the social control that operates through formal institutions (police, justice, family schools etc.) and informal institutions (civil society organizations, solidarity networks etc.) is broken or weakened (Stavrou, 2002). The wake of continuous growth of crime in Nairobi County has brought with it unprecedented challenges for PSFs in the recent past. Inasmuch as resolving the underlying causes of crime not being a domain of private security companies their existence is in security provision for the contracting clients. To achieve the goal of adequate and reliable security provision they rely upon appropriate application of strategies that they formulate.

A number of studies have been done on the private security sector. On the international front Capobianco (2005) wrote an investigative paper on private security sector’s involvement in crime prevention. The author noted that future discussions of the roles of the private sector in crime prevention must also include an examination of their involvement in many areas since all have implications for crime prevention.
Strom K et al (2010) studied various aspects of private security involvement of the private security industry as being a crucial component of security and safety in the United States and abroad. Wakefield (2005) wrote a paper on the public surveillance functions of private security, drawing on an empirical study of private security in three settings; a cultural centre, a shopping centre and a retail and leisure complex. The writer noted surveillance as being the focus of crime prevention in such scenarios and was hence central in the broad management strategies applied. Finally, Parfomak (2004) also wrote a paper entitled “Guarding America: Security Guards and U.S. Critical Infrastructure Protection” in which he addressed the lack of federal or state policy that explicitly addresses critical infrastructure guards as a distinctive group. The study indicates the extent to which private guards are in charge of facilities including critical ones despite their welfare remains poorly managed.

At the local level, Okinda (2008) researched on the strategic planning practices of PSFs. The study explored the application of strategic planning and the challenges faced. Lekolool (2010) examined the competitive strategies adopted by PSFs operating in Mombasa while Jelagat (2012) studied the competitive strategies adopted by PSFs in Kisumu Municipality. A paper written by Abrahamsen and Williams (2005) on globalization of security with Kenya as the focus assessed issues of the industry including policies and regulation, corporation in the sector and, aspects of future considerations.

The present insecurity scenario is new, added to the cases of terrorism growth due to security instability in the both the Northern Kenya and Somalia the effect is extensive in urban centers, Nairobi being among the worst hit. Evidence of unstructured response in many cases by the government has brought to scrutiny the strategies used.
On their part PSFs find themselves in the mix since many target areas are in their domain of operation.

Proper strategic management yields positive solutions against challenges that organizations face and for PSFs a balance of profitability over the creation a secure environment for customers is achievable in light of the many challenges not in the industry’s control. Local researches that have been done on the private security sector have not entirely addressed crime management as a core activity but instead focused on general peripheral business facets aimed at gaining market share over rivals for monetary gains. A gap therefore exists in knowledge of the strategies that PSFs have adopted in light of the present day crime growth. The research questions will therefore be; what are the strategies adopted by the PSFs in Nairobi county in dealing with growing crime, and what measures can be taken into account to address deficiencies?

1.3 Research Objectives

This research aimed to achieve two objectives:

i. To assess the types of security threats prevalent in Nairobi County

ii. To establish strategies adopted by PSFs to deal with growing crime in Nairobi County.

1.4 Value of the Study

This research will add a significant knowledge on the viability of growth and performance of PSFs in terms of quality of strategic planning towards their core function of preventing growing crime. This will assure the much needed growth in the body of knowledge in the security sector.
While past studies have not investigated strategies adopted in addressing crime this research is done in the backdrop of a phenomenal escalation of crime. It is a reality that public and private agents involved in security management do not have clearly defined avenues to counter the growing menace, this research will attempt to increase awareness of existing private security management.

PSFs will gain from the findings of this study by refining strategies where advised, or by redefining individual standard operation procedures in the wake of gaps identified by the research to adequately address growing crime. Based on findings of this research as background, it will be possible to conduct in depth studies to point needed changes in strategy to counter crime growth.

In terms of managerial practice in the sector the study hopes to bring to light the commonalities in strategies adopted by PSFs in addressing growing crime. This knowledge will be useful to the industry associations in the creation of frameworks to guide member security firms.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter begins with a look at the existing theories and opinions of various authors and writers whose arguments support the body upon which this research is based. This is followed by an inquiry on both the environment and the organization interface, defining the environmental challenges, including organizational reactions to the environment based on Ansoff’s model of organizational capability. Finally, there are response strategies; including strategic and operational reactions of organizations to counter the effects of the environment as ways of making adjustments that aim towards the strategic goals of organizations.

2.2 Theoretical Foundation

Achieving a competitive advantage position and enhancing firm performance relative to competitors are the main objectives that business organizations strive to attain. Raduan et al (2009) notes that firms with planning systems more closely resembling strategic management theory generally exhibit superior long term financial performance relative to their industry. Strategic management theories therefore exemplify justifications for why firms industries differ in performance.

The evolution of strategic management has been pegged on theories of management. As such, this study is based on three theories; Resource Based View, Industrial Organization View and the Knowledge Based View. While the internal environment perception is supported by the Resource Based View, the Industrial Organization view leans on the external perspective.
The Knowledge Based View arises out of the Resource Based View and focuses on the perception that more and more organizations rely on information at the core of decision making towards strategic positioning aimed at competitiveness.

2.2.1 Resource Based View

Firm resources can be classified into three categories, physical capital resources, human capital resources and organizational capital resources (Barney 1991). These resources are not homogeneous and are limited in mobility. An organization endeavors to translate the resources and capabilities to its strategic advantage as long as they are valuable, rare, and non-imitable and the organization is willing to exploit available opportunities.

The Resource Based View emphasizes strategic choice, charging the firm's management with the important tasks of identifying, developing and deploying key resources to maximize returns (Fahy, 2000). According to Ainuddin et al. (2007), certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance. Firm resources including all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm can enable the firm to conceive and implement strategies that improve its efficiency and effectiveness (Barney, 1991). He says that all the resources that the firm has access to may not be strategically relevant but only some resources may lead it to implement strategies that reduce its effectiveness and efficiency. While a competitive advantage arises when an organization is implementing a value creating strategy that is not also being implemented by current or potential competitors a sustained competitive advantage occurs when competitors are unable to replicate the benefits of this strategy.
According to Barney (1991) there are certain conditions that resources must present to enable the firm to sustain its competitive advantage: rareness, value, imperfect imitability and non-substitutability. The resources must have four attributes; they must be valuable, in the sense that the firm exploits opportunities and/or neutralizes threats in its environment; they must be rare among a firm’s current and potential competition; they must be imperfectly imitable; and there cannot be strategically equivalent substitutes for this resource.

2.2.2 Industrial Organization Theory

Industrial organization builds on the theory of the firm, a set of economic theories that describe, explain and attempt to predict the nature of a firm in terms of its existence, behavior, structure and its relationship to the market. It is about organizational designs and organizational structures, relationship of organizations with their external environment, and the behavior of managers and technocrats within organizations.

Industrial organization views the organization’s external market positioning as the critical factor for attaining competitive advantage, which means the traditional Industrial Organization perspective offers strategic management a systematic model for assessing external competition within an industry. The structure of a market, how a market is functioning, is the concept behind the industrial organization theory (Tirole, 1988), rather than the conversion process, products and costs of an individual organization (Ramsey, 2001). Bain (1959) provided the Structure Conduct and Performance Paradigm which is used as an analytical framework, to make relations amongst market structure, market conduct and market performance. The market structure will determine its conduct and thereby its performance.
The Industrial Organization theory puts a focus on the market a company operates in, rather than the company itself (Ramsey, 2001). It is reflected in the structure conduct performance model, which claims that there is a “causal link between the structure of a market in which a company operates, the organization’s conduct and in turn the organization’s performance in terms of profitability” (Ramsey, 2001). Thus the industrial organization theory focuses on the whole industry and market conditions of a company (Ramsey, 2001) and the central analytical aspect can be used to identify strategic choices, which firms have in their respectively industry (Porter, 2008).

2.2.3 Knowledge Based View

Knowledge based capabilities are considered to be the most strategically important ones to create and sustain competitive advantage (DeNisi et al, 2003). The sustainability of the knowledge based competitive advantage depends on the following association; knowing better certain aspects than the competitors, along with the time limitations competitors have to acquire similar knowledge despite the amount of money they are willing to invest to achieve it (Zack, 2002).

The change from manufacture to services in the majority of developed economies is based on the manipulation of information and symbols and not on the use of physical products (Fulk and DeSanctis, 1995). The economic change of material based production to information based production created a revaluation of the firm workers. Increasingly we find knowledge workers at the core of the organization functions; concept and technology designers, as well as finance and management people. Other individuals are considered to be in the firm’s periphery, as a consequence their responsibilities change permanently and they are defined by the tasks they perform at the moment. This way, a new differentiation in labor arises (Child & McGrath, 2001).
The Knowledge Based View of the firm is an extension of the Resource Based View of the firm because it considers that organizations are heterogeneous entities loaded with knowledge (Hoskisson et al, 1999). The invisible assets, like tacit knowledge or trust, cannot be transacted or easily replicated by competitors, as they are usually founded in organizational history (Amit & Schoemaker, 1993). According to Curado (2006) knowledge is considered to be a very special strategic resource that does not depreciate in the way traditional economic productive factors do, and can generate increasing returns. The nature of most knowledge based resources is mainly intangible and dynamic, allowing for idiosyncratic development through path dependency and causal ambiguity, which are the basis of the mechanism for economic rent creation in the Knowledge based view of the firm. As such knowledge is therefore an explicit resource that stands at the very core of an organization.

2.3 Environment and Organization Interface

In the last half century there has been a widespread agreement between academics and practitioners in the literature that business environments have become increasingly multidisciplinary and complex and that a major escalation of environmental turbulence has taken place (D’Aveni, 1994; Day and Reibstein, 1997; Eisenhardt & Brown, 1998; Normann, 2001; Galbraith, 2002).

Within any industry, the shifts of turbulence can be caused by four defining factors which move concurrently; the strategic budget level, unpredictability of change, novelty of change, and frequency of change. The turbulence level within an industry can vary from; steady turbulence, in which the environment remains in a constant, to; shift in turbulence, which is a rapid departure from one level to another; and finally, drift in turbulence, in which the transition of turbulence from one level to another is gradual (Kipley & Lewis, 2009).
In the wake of environmental complexities, planning models allow for anticipation of the future. The models, complemented with analysis of the organization’s culture, strengths and weakness can be used to define requisite strategic issues useful in outlining the organization’s future. Because of constant changes in the environment deriving the strategic plans is an iterative one. There is strong empirical support linking a positive causal relationship between formalized strategic planning and achieving optimal financial success of a business organization (Ansoff, Brandenburg, & Radosevich, 1971).

Against environmental turbulences, Ansoff’s matrix on organizational capability provides a useful strategic planning tool to link organizational marketing strategy with the general strategic direction. It provides a framework that allows growth opportunities to be identified through the consideration of new or existing markets or products.

**Figure 1: The Ansoff Matrix**

```
<table>
<thead>
<tr>
<th>Markets</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing</td>
<td>Existing</td>
</tr>
<tr>
<td></td>
<td>Market Penetration</td>
</tr>
<tr>
<td>New</td>
<td>Market Development</td>
</tr>
</tbody>
</table>
```

*Source: Internet*
The four sequences of strategy employed in the matrix include; market penetration strategies (selling products and services to the existing market in order to achieve growth in the organization’s market share), market development strategies (developing new market segments for existing products or services), product development strategies (developing new products and services for the existing market), and diversification strategies (developing new products and services for new markets).

As a strategic planning tool, the Ansoff Matrix links marketing strategy with the general strategic direction of the organization. It assists in highlighting the risks that a singular growth strategy may expose the organization to as efforts shift from one matrix segment to another.

2.4 Response Strategies

Strategic responses are the set of decisions and actions that result in the formalization and implementation of plans designed to achieve a firm’s objectives (Pearce & Robinson, 2010). Dean and Sharfman (1996) explain response strategies as those choices made by managers that commit important resources, set important precedents and/or direct important firm-level actions besides shaping a firm’s direction. The appropriate response strategies guarantee a competitive edge that ensures the organizations remain relevant (Ndung’u, Machuki & Murerwa, 2014).

There is need to understand the challenges, opportunities and threats that are provided by the external environment, so that the organization can take advantage of the opportunities and avoid threats (Xu et al, 2003) through the application of appropriate response strategies.
For effective strategic responses continuous scanning of both internal and external environment is a prerequisite so as it keeps abreast of all environmental variables underpinning current and future business operations of the firm (Thompson & Strickland, 2003). It is only those firms that have put in place appropriate response strategies that will survive and achieve sustainable competitive advantage (Mathooko & Ogutu, 2014).

The environment in which organizations operate is never constant and given its composition and forces therein, it presents unique challenges to organizations and their management and hence the need for crafting of appropriate and sustainable response strategies (Mathooko & Ogutu, 2014). A major escalation in environmental turbulence means a change from the familiar world to that of new things, new technologies, new competition, new customers and a new dimension of social control (Ansoff & McDonnell, 1990).

Although several explanations of strategic action/responses have been developed, two views have been particularly dominant – industry structure and managerial cognition. The industry structure view assumes complete rationality on the part of strategic decision makers and contends that industry structure influences the timing and effectiveness of strategic actions. In contrast, the managerial cognition literature suggests that bounded rationality prevents top managers from developing a complete understanding of their environment (Nadkarni & Barr, 2008). If an organization’s strategy is not matched to its environment, then a strategy gap arises. The degrees to which response are viable will also vary considerably depending on the region or country involved. The implications of specific response will depend on its social, environmental, and economic context (Grant, 2011).
2.4.1 Strategic Responses

Strategic response is about restructuring by adopting new strategies that match the challenges from the environment (Johnson, Scholes, & Whittington, 2008); bringing about alterations to the extensive organizational goals, purpose, strategy or mission. According to Ross (2011) strategic responses are the decisions that are concerned with the whole environment in which the firm operates, the entire resources and the people who form the company and the interface between the two. Strategic responses consider what the organization needs in the future to achieve its desired aims and establish an approach to change considering the key players, barriers and enablers of change. They focus on the effectiveness of the entire organization and require more resources to implement. It is through strategic responses that an organization is able to position and relate itself to the environment to ensure its continued success and also secure itself from surprises brought about by the changing environment (Denis, Lamothe & Langley, 2001).

Often organizations find strategic responses difficult to handle especially when the external environment brings with it extreme turbulences. A rethink of ways of going about responses is essential. Products or services offers, target customer segments or markets, products or services distribution, position in the economy etc. These are some strategic aspects that organizations find themselves having to deal with. According to Pearce and Robinson (2011) executives of firms employ response strategies in order to deal effectively with everything that affects the growth and profitability of the firm so that it can position itself optimally in its competitive environment by maximizing the anticipation of environmental change.
An organization is considered efficient and operationally effective if it is characterized by coordination between objectives and strategies. Therefore, there has to be an integration of the parts into a complete structure, that is, operates as a system.

PSFs are facing huge crime challenges. And as much as they are usually first line against many criminal tendencies, the industry is turbulent and changing very first given the rising number of competing entities that are entering service in the industry and the rising levels of criminal tendencies. To survive, therefore firms need to put in place sustainable response strategies in order to weather the storms of turbulences.

2.4.2 Operational Responses

An operational strategy is the total pattern of decisions which shape the long term capabilities of any type of operations and their contribution to the overall strategy through the reconciliation of market requirements with operation resources (Pitt, 2000). According to Ross (2011) operational responses involve actions that are taken to improve operations in an organization. This could be through designing and controlling the processes of production and redesigning business (Ross, 2011). An organization is considered efficient and operationally effective if it is characterized by coordination between objectives and strategies. Therefore, there has to be an integration of the parts into a complete structure, that is, operates as a system (Mathooko & Ogutu, 2014). It involves crafting and implementing operation strategies which specify the policies and plans for using the organization resources to support its long term competitive strategy (Johnson, Scholes & Whittington, 2008).

The responses applied depend on the managers’ understanding of relevant contingencies, including contextual factors that affect competitors’ resources as well as their own (Holcomb et al., 2009).
According to Ross (2011), operational responses include; product or service, process, research and development, location, inventory management, quality, capacity and human resource responses. However, all firms even in the same industry grouping; do not respond to operating environment in the same way (O’Regan et al., 2012).

Ansoff and McDonnell (1990) assert that the management system used by a firm is a determining component of the firm’s responsiveness to the environmental changes because it determines the way that management perceives the environment, the impact on the firm and decides what to do through implementation. These operational responses are responsible for ensuring that business operations are efficient in terms of using as few resources as needed, and effective in terms of meeting customer requirements. In essence, operational responses are technical decisions which help execution of strategic responses.

### 2.5 Empirical Studies and Knowledge Gap

A number of empirical studies have been carried relating to relating to strategy in PSFs. Ambogo (2014) investigated the effect of remuneration in private security companies on the control of property crimes in urban areas in Kenya, specifically, of Nairobi central business district. The study attempted to assert the increasing numbers of PSFs and the revenues against stagnant remuneration of personnel as contributing to increased crime and insecurity. Oanda (2013) researched on the challenges of strategy implementation in private security companies in Kenya while Nguchu (2012) explored the challenges of strategy implementation in PSFs operating in Nairobi.
For PSFs a balance of profitability over the creation a secure environment for customers is achievable in light of the many challenges not in the industry’s control. Researches that have been done on the private security sector have not entirely addressed crime management as a core activity but instead focused on general peripheral business facets aimed at gaining competitive advantage over rivals for profitability. Against the backdrop of rising crime and terrorism as a new phenomenon, a gap in studies therefore exists in knowledge of the strategies that PSFs have adopted in light of the present day alarming crime growth.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

A chronological outline of the methodology of the research is discussed in this chapter. It begins with a highlight of the research design, followed by a look on the study population. Next, the sample design and the data collection method used are discussed. The chapter closes with the description of data analysis techniques employed.

3.2 Research Design

Research design describes the combination of ways in which study groups are formed, and the timing of the measurement of the variables (Welman, Kruger & Mitchel, 2006). Based on the listed objectives, a descriptive survey design was be used for the purposes of the study. The choice was fortified by Mugenda and Mugenda (2003) who portrays descriptive research design as systematic empirical inquiring into which researchers does not have direct control of independent variables as their manifestation has already occurred and cannot be manipulated. Hence descriptive research was more appropriate. The research employed cross-sectional survey carried out employing a questionnaire as data collection method.

As an example, Oanda (2013) used a similar design to investigate the challenges of strategy implementation in private security companies in Kenya. Stavrou (2002) adopted the same research design in the study of Crime in Nairobi (Results of a Citywide Victim Survey).
3.3 Population of the Study

The population area chosen for the study is Nairobi County, including the Central Business District, industrial area and the suburbs within the perimeter of the county. The population includes PSFs securing business, residential and institutional (government and private) areas.

A population size of 533 PSFs covering both local and multinational firms will be considered among small, medium and large PSFs. This is the total population of PSFs that are currently operation in the county.

3.4 Sample Design

Each organization will provide one respondent for the purpose of the questionnaire survey and a sample size of 54 out of a population of 533 is chosen for the study using stratified sampling method. The strata are divided into three categories; Small, Medium and Large to represent security firm types. Proportionate sampling is used to generate a sampling fraction which is then applied to each stratum. The selection detail is illustrated in the table below.

Table 1: Sampling of respondent firms by size

<table>
<thead>
<tr>
<th>Firm Type</th>
<th>Population</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>416</td>
<td>42</td>
</tr>
<tr>
<td>Medium</td>
<td>92</td>
<td>9</td>
</tr>
<tr>
<td>Large</td>
<td>25</td>
<td>4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>533</td>
<td>54</td>
</tr>
</tbody>
</table>
3.5 Data Collection

Quantitative data from primary sources has been used in this study and the collection method was through a structured questionnaire with both open and closed ended questions. The targeted respondents were the top and mid-level management personnel within the population sample with pertinent knowledge of strategic approaches adopted by their PSF.

The questionnaire was administered by the researcher where possible in order to capture issues. This helped in avoiding low response rates. Where necessary self-administered questionnaires were used; this was via a drop-and-pick later method.

3.6 Data Analysis

Data analysis for the research was descriptive. Data from fieldwork was checked for completeness, consistency, uniformity and accuracy. Appropriate coding followed to ease the process of analysis using suitable software. The expected yields were simple parametric inferential statistics, including means, medians, modes, frequencies and percentile measures to be used in the descriptive analysis.
4.1 Introduction

Research findings and analysis are hereby presented. The chapter begins with the types of crimes that PSFs in Nairobi County face in their undertakings. This is followed by the strategies adopted by PSFs in the county. The research targeted a sample population of PSFs within the country of Nairobi, representing small, medium and larger ones. 54 PSFs were selected out of an entire population of 533, representing some 10% of the overall population including small, medium and large PSFs. A response rate of 100% was achieved; this was because of the simplified questionnaire carrying straightforward questions. Where necessary they were quickly guided to understand the demands of any question.

The objectives of the study were two-fold; to assess the types of security threats prevalent in Nairobi County, and to establish strategies adopted by PSFs to deal with crime within the same location. A questionnaire used to collect data bearing a Likert scale was adopted.

4.2 Background Information

The study gathered background information of respondent organizations to bring out a clear understanding of the field of operation of PSFs within Nairobi County. Aspects like organization size and membership to private security organizations, overall breadth of operations; size of operations within the Nairobi County; awareness of growth of crime as well and, formal or non-formal strategy formulation within individual firms were assessed.
From Table 2, of all the PSFs small ones, up to 500 guarding personnel are the majority at 76%, medium sized ones, up to 1000 personnel constitute 17% while the large ones (greater than 1,000 guarding personnel) take the remaining 7%. Some of these PSFs operate beyond the county; hence the numbers are the overall representatives.

**Table 2: Overall size of PSFs**

<table>
<thead>
<tr>
<th>Size of firm</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (up to 500 guards)</td>
<td>41</td>
<td>76</td>
</tr>
<tr>
<td>Medium (up to 1,000 guards)</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Large (more than 1,000 guards)</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From Table 3, a majority of the operational PSFs, 93% are of local origin while multinationals constitute only 7% of the total.

**Table 3: Breath of operation of PSFs**

<table>
<thead>
<tr>
<th>Local/Multinational</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>50</td>
<td>93</td>
</tr>
<tr>
<td>Multinational</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

As depicted in Table 4, a majority of PSFs, 63% do not belong to any local private security organization in the country. Only 39% have membership.

**Table 4: Membership to private security organizations**

<table>
<thead>
<tr>
<th>Organization Membership</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members</td>
<td>20</td>
<td>37</td>
</tr>
<tr>
<td>None Members</td>
<td>34</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Of the respondent 54 PSFs, 39% operate beyond Nairobi Country. The rest, 61% have operations limited within the county, Table 5.
Table 5: Area of operational coverage

<table>
<thead>
<tr>
<th>Level of operation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>21</td>
<td>39</td>
</tr>
<tr>
<td>Nairobi</td>
<td>33</td>
<td>61</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Operational size of PSFs in Nairobi County show that 87% of them are small ones, medium firms are 6% while the large PSF form 7%. See Table 6 below.

Table 6: Size of operational personnel

<table>
<thead>
<tr>
<th>Nairobi Operational Size</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (up to 500 guards)</td>
<td>47</td>
<td>87</td>
</tr>
<tr>
<td>Medium (up to 1,000 guards)</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Large (more than 1,000 guards)</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From Table 7, in terms of awareness of growth of crime only 2% agree to a little extent of crime growth, 35% agree to a moderate extent, 31% agree to a great extent while 31% of the total PSFs agree to a great extent growth of crime in the county.

Table 7: Awareness of crime growth

<table>
<thead>
<tr>
<th>Crime growth awareness</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little extent</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Moderate extent</td>
<td>19</td>
<td>35</td>
</tr>
<tr>
<td>Great extent</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>Very great extent</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

In terms of formality of strategy 57% of PSF claim adoption of formal strategy formulation as opposed to 43% who do not. See Table 8.

Table 8: Type of strategy formulation

<table>
<thead>
<tr>
<th>Strategy formulation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal</td>
<td>31</td>
<td>57</td>
</tr>
<tr>
<td>Not formal</td>
<td>23</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3 Security Threats in Nairobi

Respondents were presented with eleven types of prevalent crimes faced by PSFs in Nairobi County in their line of duty. A five point Likert scale was selected to guide responses as follows; 1 = not at all, 2 = little extent, 3 = moderate extent, 4 = great extent and 5 = very great extent. Table 9 represents the results of crime prevalence in the county.

Table 9: Type of crimes experienced by PSFs

<table>
<thead>
<tr>
<th>Types of Crimes</th>
<th>Cases</th>
<th>Mean Score</th>
<th>Standard. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vandalism</td>
<td>54</td>
<td>4.5</td>
<td>0.64</td>
</tr>
<tr>
<td>Theft, burglary and robbery</td>
<td>54</td>
<td>4.4</td>
<td>0.63</td>
</tr>
<tr>
<td>Organized crime gang attacks</td>
<td>54</td>
<td>4.1</td>
<td>0.70</td>
</tr>
<tr>
<td>Guns and knife attacks</td>
<td>54</td>
<td>4.0</td>
<td>0.71</td>
</tr>
<tr>
<td>Vehicle theft</td>
<td>54</td>
<td>3.7</td>
<td>1.05</td>
</tr>
<tr>
<td>Terrorism related crimes</td>
<td>54</td>
<td>3.4</td>
<td>0.90</td>
</tr>
<tr>
<td>Alcohol/drug related crimes</td>
<td>54</td>
<td>3.3</td>
<td>1.05</td>
</tr>
<tr>
<td>Assault and battery</td>
<td>54</td>
<td>3.3</td>
<td>0.92</td>
</tr>
<tr>
<td>Murder</td>
<td>54</td>
<td>2.5</td>
<td>0.77</td>
</tr>
<tr>
<td>Kidnappings</td>
<td>54</td>
<td>2.0</td>
<td>0.88</td>
</tr>
<tr>
<td>Rape and sexual assault</td>
<td>54</td>
<td>2.0</td>
<td>0.94</td>
</tr>
<tr>
<td><strong>Grand Mean</strong></td>
<td></td>
<td><strong>3.4</strong></td>
<td></td>
</tr>
</tbody>
</table>

The Table 8 carries a mean score of 3.4 for prevalent crimes for all cases agreement on the moderate prevalence of the eleven crimes types experienced by PSFs in Nairobi County. Vandalism represented the highest crime registered with mean score of 4.5.
Following is theft, burglary and robbery with a mean score of 4.4; organized crime and gang attacks with a mean score of 4.1 and, guns and knife attacks with a mean value of 4.0. Not far from these was vehicle theft and terrorism related crimes with respective means of 3.7 and 3.4 representing a moderate towards a great extent of prevalence.

The least crimes reported were kidnappings and, rape and sexual assault cases at a mean of 2.0, giving a range of 2.5 between the maximum and minimum of the mean of occurrences, a median of 3.4 and a mode of 3.3.

**4.4 Strategies Adopted for Security**

Respondents were presented with twelve types of strategies commonly adopted by PSFs towards crime prevention. A five point Likert scale was selected to guide responses as follows; 1 = not at all, 2 = little extent, 3 = moderate extent, 4 = great extent and 5 = very great extent. Table 10 below represents the results of strategies adopted by PSFs in Nairobi County.

**Table 10: Strategies adopted by PSFs**

<table>
<thead>
<tr>
<th>Strategies adopted</th>
<th>Cases</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liaison with state security agents e.g. police</td>
<td>54</td>
<td>4.5</td>
<td>0.79</td>
</tr>
<tr>
<td>Improved levels of vigilance</td>
<td>54</td>
<td>3.7</td>
<td>0.99</td>
</tr>
<tr>
<td>Revised Standard Operation Procedures</td>
<td>54</td>
<td>3.3</td>
<td>1.30</td>
</tr>
<tr>
<td>Additional training</td>
<td>54</td>
<td>3.2</td>
<td>1.16</td>
</tr>
<tr>
<td>Use/additional technology (Scanners, CCTVs, etc)</td>
<td>54</td>
<td>3.2</td>
<td>1.49</td>
</tr>
<tr>
<td>Employment of additional personnel</td>
<td>54</td>
<td>3.2</td>
<td>1.03</td>
</tr>
<tr>
<td>Pre-emptive techniques</td>
<td>54</td>
<td>3.2</td>
<td>1.08</td>
</tr>
<tr>
<td>Culture change</td>
<td>54</td>
<td>3.1</td>
<td>1.04</td>
</tr>
</tbody>
</table>
From Table 10, the mean score of all cases is 3.4; an agreement on above moderate adoption of strategies by PSFs. Liaison with state security agents is represented by a mean score of 4.5 adopted strategies by PSFs. The least adopted strategies were the use of security dogs to compliment guards and the use/enhancement of backup services, each with a mean score of 2.3. The range between the high and least scores is 2.2 while the median is 3.2 and the mode similarly 3.2.

**4.5 Discussion**

It is apparent that while vandalism stands out as the most prevalent crime (Table 9) in Nairobi County, complimented almost equally by high levels of theft, burglary and robbery, and organized crime gang attacks. This is in relative harmony with Musoi et al (2012) who found theft, closely followed by robbery to be the most common types of crime perpetrated in Nairobi. Most PSFs thus prefer liaison with the state security agents such as the police as a foremost strategy to counter crime (Table 10). This is in agreement with a study by Cohen (1985) which found instances of contracting of state functions to private organizations, reinforcing the belief of monopoly of the state over overall policing.
Accordingly, this relationship is never strong and according to Ambogo (2014), even though the collaboration between the Police and PSFs is important, this relationship has been influenced by both lack of any clear regulatory framework for the private sector and the absence of a clear and consistent policy framework. This relationship however is important as it entails cooperation based principally on the exchange of information and services to facilitate exclusion of known offenders and suspicious characters.

Ostensibly, the PSFs most likely deal with aftermaths of crimes more and not instituting deterrent approaches against criminal threats. This corresponds with the finding of Ombati (2011a) of poor armament of guards against criminals (baton and whistle) against criminals armed firearms, machetes and other crude weapons. Guards are therefore not able to face up to criminals, choosing to hide and respond by reporting the aftermaths of the crime.

Table 10 shows the corresponding leading strategies adopted including; improved levels of vigilance, revision of SOPs and, additional training. These conform in part with the findings of Ambogo (2014) on property crimes, stressing on enhanced levels of supervision for key controllers followed by the improvement of collaboration between the Police and PSFs, reduction of the number of entrances and exits, reviewing legal instruments positively and enforcing laws, combating easy availability of small arms and light weapons, and increasing the use of alarm response services.
While PSFs exist to prevent criminal occurrences there appears to be a glaring divergence between leading criminal tendencies and the strategies adopted to counter them. Culture change, improved remuneration of personnel, use of security backup services, installation and remote monitoring of alarm systems stand at the bottom of adopted strategies yet they embody efforts that should aid in criminal deterrence in light of growth of crime. Low in the list of strategies adopted by PSFs is collaborative effort with other security firms. But because criminal activities tend to have glaring commonalities, joint efforts would help in mapping trends and smoke out culprits. In the absence of such collaboration criminals easily beat deterrent efforts by moving between domains manned by different PSFs to perpetrate crimes without much concern.

Mathooko and Ogutu (2014) contended that there has to be a deliberate and coordinated leaning to a gradual systematic realignment between the environment and the organization’s strategic orientation that results in improvement in performance, efficiency and effectiveness. In order for an organization to remain successful in its business, there is need to understand the challenges, opportunities and threats that are provided by the external environment, so that the organization can take advantage of the opportunities and avoid threats (Xu, Lahaney, Clarke and Duan, 2003) by applying appropriate response strategies. As such when environments become uncertain a strategy analysis should be carried out to examine the economic environment, the market environment and the competitive environments; this should help to evaluate the foremost strategy alternatives available to the firm. The results of the analysis would drive the basic view behind the business thinking as captured in the strategy statements and the business model.
A SWOT analysis can be carried out frequently to enhance understanding of strengths, weaknesses against opportunities and threats facing PSFs to counter environmental uncertainties. Security managers and policy makers in PSFs would then be in a better position to face up with crime in ways that are appropriate to return more suitable, predictable and sustainable results. The results of the study indicate that PSFs operate with a clear disregard of environmental shifts.

With respect to their external environments, the adoption of strategies by PSFs is reactive. The mismatching comparative results in Tables 9 and 10 point to the fact that the external environmental factors have shifted over time while the PSFs have not adjusted strategic approaches to counter emanating issues. As a forte of this study the IO theory emphasizes on external market positioning as a critical factor for attaining competitive advantage. Its perspective offers a systematic model for assessing external competition within an industry. PSF managers aligning with this theory should be better placed to position their activities to meet security threats as they come. On its part, knowledge resources are particularly important to ensure that competitive advantages are sustainable, as these resources are difficult to imitate they are the foundation for sustainable differentiation (Wiklund & Shepherd, 2003). PSFs that acquire unique knowledge of their market blend it with their distinctive resources to enhance their understanding of the market. The result is competitiveness which if sustained propels a firm to a position of market leadership. With regard to crime trends, the environment changes drastically depending of many factors, economic or otherwise. Depicted in figure 1, the Ansoff matrix is useful in strategic planning as it allows firms to tie marketing strategy with the general strategic direction. Its framework enables growth opportunities identification via contemplation of new or existing markets or products.
In the end strategies can be developed for market positioning, alternatives for achieving greater market penetration, curtailing risks in market development strategy, creating approaches to brand extension that can maximize success opportunities while minimizing risks and finally, it can help organizations to create ways of diversifying into new markets with new products.

A superior strategic analysis of the environment of operation based on concise and clear knowledge would hence bring to light the appropriate strategies that if adopted would deter criminal incidents. Such a PSF would be noted for its adeptness in the industry and its growth will be assured.
CHAPTER FIVE

SUMMARY, CONCLUSIONS, RECOMMENDATIONS

5.1. Introduction

This chapter contains a summary of the research findings, the conclusions drawn and recommendations. The objectives of the study were to assess the types of security threats prevalent in Nairobi County and to establish strategies adopted by PSFs to deal with growing crime in Nairobi County.

5.2. Summary of Findings

With respect to types of criminal threats prevalent in Nairobi the study found vandalism to be the leading crime experienced by PSFs. Theft, burglary and robbery, organized crime and gang attacks, guns and knife attacks were found to be closely rampant while other significant crimes were vehicle theft and terrorism related crimes. The least reported crimes included kidnappings, rape and sexual assaults. To counter these crimes PSFs adopted liaison with state security agents as a leading strategy. Other strategies adopted include improved levels of vigilance, revised Standard Operating Procedures, additional training of personnel, use/additional technology and employment of additional personnel, pre-emptive techniques, culture change, as well as the application of new defensive techniques. Use of security dogs to compliment guards, backup services was the least adopted strategies.
On measures that can be employed to address deficiencies in strategies adopted, PSFs need to spend more effort on strategic analysis of their operational and general business environments. This would assist in cultivating a better understanding of trends and dynamics in the industry in order to come up with appropriate strategies that if adopted would be bring forth effective crime prevention. Such analysis should align with appropriate business theories and model if success and growth have to be assured.

5.3 Conclusions

The study found that many PSFs adopt strategies that do not adequately help deter prominent crimes. Vandalism was the most prominent crime, followed by possibly violent cases of theft, burglary and robbery, gun and knife attacks as well as other organized crime gang attacks. For any society prevalence of such crimes border on anarchy and loss of order, depicting a situation of moral loss. But without adequate policing in Nairobi County, PSFs still resort to involve law enforcement in their dealings; most almost certainly to deal with aftermaths of such occurrences. This is supported by the known lack of working relationships between the police and PSFs in any given day. The result is even more proliferation of crimes since beside lack of cooperation, deterrent strategies are rarely employed. Ostensibly, while the growth of PSFs stems from the inadequacy of the police to tame criminal incidents the same firms mostly resort to involving the same police service to mitigate crime incidents.
5.4 Recommendations and Implication on Practice, Policy and Theory

When teams pull together they have a better understanding of the expected outcomes. Hitherto uncertainties become clearer in the long run and meeting challenges and shortcomings are easier to address positively. The PSF industry has had innumerable strategy challenges over the years and these affect outcomes of their operations and successes.

5.4.1 Recommendations of the study

This study found lack of cohesion between PSFs towards addressing crime. While PSFs might be in competition commonalities should push them to work together in approaching the basic ground. This relationship should be based on, among other things, swapping of background information in their environments of operation. Beyond this, individual firms can then refine individual strategies as needed.

An extension of collaboration needs to be enhanced between the police and PSCs. This is especially important since, beside the police being the legally tasked law enforcement agency PSFs alone are ill prepared to deal with violent crime types but are more spread out than the police. Cooperation would greatly enhance proper crime management in the County.

Among the strategies adopted by PSFs culture change needs to be at the core. Like with other industries, culture has a huge impact on the success of implementation of adopted strategies. Where change is not managed successfully good strategies adopted will always come a cropper.
Finally, PSF managers need to build on exhaustive strategic analysis developing strategies to adopt against criminal tendencies. PSF managers should to be constantly scanning their environments for changes and to adjust strategy when needed to. In doing so they are able to correctly adopt strategies that address crime in the way that the environment presents itself.

5.4.2 Implication on Practice

When environments change culture change often becomes paramount. A core focus on culture change within the internal environment of all organizations enables effective implementation of adopted strategies with a common understanding of the expected outcomes. This study results show how much changes in situations should change culture of operation of organizations that strive to remain relevant. Firms should therefore be designed to be fluid and in resonance with their environment.

5.4.3 Implication on Policy

With 76% of all PSFs being small in size, and with less than 500 personnel the implication is that many of the firms are small time operators whose abilities to invest in new relevant crime prevention training and employment of technology to augment typical prevention methods are curtailed. The study results are able to complement creation of overall universal standards and expectations to strive to, either by the government or umbrella bodies that cover private security entities.
The findings of this study are helpful to strategic managers in understanding the effect of lapses of adopted strategies in the face of business and general operational challenges. This is in light of failure to properly assess the environment of business existence. Addressing these lapses would map challenges to appropriate strategies and hence help in correctly addressing the challenges correctly with the correct tools and methodologies.

5.4.4 Implication on Theory

This study contributes necessary knowledge that should inspire scholars and researchers to think beyond the findings to expand research in strategy formulation and adoption. Future researchers are also able to exploit the findings of this study as a resource to build upon. Other future comparative researches may be carried based on the parallels of this research.

5.5 Limitations of the Study

While strategic management has other constituent facets this study’s focus was on strategies that PSFs have adopted against crime. Planning, formulation, implementation, monitoring and evaluation stages have not been addressed. It is true that planning has a bearing on strategy adoption and that implementation, control, monitoring and evaluation have a huge impact on the success of any strategy. Ignoring these can obviously give a false bearing of findings.

The study assumed that all PSFs in the study have similar operational and human resource capabilities. In reality this is not true and reflects on why certain strategies are not adopted by some firms. Capacities and capabilities have a bearing on choice of strategies adopted in many cases.
While the researcher managed to capture the projected number of respondents as per the sample design some key respondents were not willing to be interviewed. This resulted in the researcher making changes in the list of respondents. On a number of cases the researcher only managed to get responses for personnel without clear knowledge of strategy bearing of the PSFs. This was mostly so for small firms.

5.6 Suggestions for Further Research

This research focused on strategies adopted by PSFs to deal with crime in Nairobi. While the growth in numbers of such firms in Kenya is high, a majority of them remain small and are poorly positioned for growth. In the end they either stall at the same points or die out. There is need to research on how small PSFs position themselves for growth, especially in the competitive urban setups in Kenya. This study is suggested in light of the continuous reliance of PSFs by private and public setups.
REFERENCES


APPENDIX 1

INTRODUCTION LETTER

DATE 01/07/2015

TO WHOM IT MAY CONCERN

The bearer of this letter WILFRED ALOGO

Registration No. 261/64/622/2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

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 Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

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.

Thank you.

PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS
APPENDIX 2
QUESTIONNAIRE

This questionnaire is divided into three parts:

Section A: Background information

Section B: Types of crimes

Section C: Strategies adopted to deal with crimes

Name of organization (optional): _________________________________________

Position of respondent within the organization: ______________________________

SECTION A: BACKGROUND INFORMATION

This section captures general information on the organization pertinent to the research issues. Please, tick in the box to indicate applicability.

1. In terms of security related personnel numbers how do you classify your company?
   Up to 500 [ ] Between 500 - 1,000 [ ] Over 1,000 [ ]

2. Is your company a member of any local security organization?
   Yes [ ] No [ ]
   If Yes, which one(s) ___________________________________________________

3. In relation to operational coverage where do you classify your company?
   Local [ ] Multinational [ ]

4. Does your organization also operate outside Nairobi County?
   Yes [ ] No [ ]

5. In terms of personnel deployment numbers within Nairobi County, classify your organization.
   Up to 500 [ ] Between 500 - 1,000 [ ] Over 1,000 [ ]

6. What is your organization’s awareness of growing criminal activities in Nairobi County?
   Not at all [ ] Little extent [ ] Moderate extent [ ] Great extent [ ] Very Great extent [ ]

7. Does your organization make use of a formal strategy?
   Yes [ ] No [ ]
SECTION B: TYPES OF CRIMES

Below is a list of types of crimes that common in different metropolis. Please, indicate to which extent they are reported in your organization. Use the scale of 1-5 where 1 = not at all, 2 = little extent, 3 = moderate extent, 4 = great extent and 5 = very great extent.

<table>
<thead>
<tr>
<th>Types of Crimes</th>
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<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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</thead>
<tbody>
<tr>
<td>1. Alcohol/drugs related crimes</td>
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<td>2. Assault and battery</td>
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<td>3. Organized crimes gang attacks</td>
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<td>4. Gun and Knife attacks</td>
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<td>5. Kidnapping</td>
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<td>6. Murder</td>
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<td>7. Rape and sexual assault</td>
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<td>8. Terrorism related crimes</td>
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<td>9. Theft, burglary and robbery</td>
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<td>10. Vandalism</td>
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<td>11. Vehicle theft</td>
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SECTION C: STRATEGIES ADOPTED TO DEAL WITH CRIMES

To what extent does your private security firm adopt each of the following strategies to deal with growing crime? Use the scale of 1-5 where 1 = not at all, 2 = little extent, 3 = moderate extent, 4 = great extent and 5 = very great extent.

<table>
<thead>
<tr>
<th>Strategy</th>
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<tbody>
<tr>
<td>1. Culture change</td>
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<td>2. Additional training</td>
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<td>3. Use/additional technology (scanners, CCTVs, etc.)</td>
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<td>4. Employment of additional personnel</td>
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<td>5. Pre-emptive techniques</td>
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<td>Strategy</td>
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<td>1. Culture change</td>
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<td>6. New defensive techniques</td>
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<td>7. Liaison with state security agents e.g. police</td>
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<td>8. Reviewed Standard Operating Procedures</td>
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<td>9. Improved remuneration for personnel</td>
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<td>10. Increase in levels of vigilance</td>
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<td>11. Collaborative effort with other security firms</td>
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<td>12. Use of security dogs to compliment guards</td>
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<td>13. Use/enhancement of backup services</td>
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<tr>
<td>14. Installation and remote monitoring of Alarm systems</td>
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</table>

**THANK YOU!**
APPENDIX 3

LIST OF TARGET POPULATION

1. Absolute Security
2. Access Systems
3. Affiliated Security Services
4. Alba Security Services
5. Allan Brown Security Services
6. Alpha Guards Services
7. Apache Guards
8. Atlas Security Services
9. Bobby Guards
10. First Force Security Services
11. Brinks Security Services
12. Charton Security Services
13. Phoenix Protection
14. Corner Stone Security Services
15. Delta Security Services
16. EARS Group
17. Eveready Security
18. Fimbo Security Services
19. Forbes Security Services
20. Forbes Security Services
21. Galana Security Guards
22. Gallant Security Services
23. Gyto Security Services
24. Inter Security Services
25. Kali Security Services
26. Kenya Shield Security
27. Milimani Security Guards
28. Panda Security And Alarms Services
29. PG Security
30. Perimeter Protection
31. PG Security
32. Rapid Security Services
33. Securex Agencies (K)
34. Securicor Security Services Kenya
35. Security Group Africa – Kenya (SGA)
36. Security Guards
37. Secutron (Kenya)
38. Senaca EA
39. Tandu Alarm Systems
40. Tango Security Guards & Private Investigators
41. Total Security Surveillance
42. Ultimate Security
43. Nine One One Group Security Services
44. Absolute Security
45. Factory Guards
46. Falcon Security
47. Gilly’s Security & Investigation Services
48. Hatari Security Guards
49. Bob Morgan – BM Security
50. Riley Wells Fargo
51. Well Fargo Security Services
52. G4S Security Services
53. Lavington Security
54. Radar Limited
55. KK Security

Source: Kenya Security Industry Association (2014) and the Internet