

**ORGANIZATIONAL ENVIRONMENT AND COMPETITIVE
ADVANTAGE OF REAL ESTATE PRIVATE FIRMS IN KENYA**

By

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REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER IN
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DECLARATION

I the undersigned, declare that this project is my original work and that it has not been presented to any other University or Institution for academic credit.

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DEDICATION

This project is dedicated to my loving wife Noela Fafali and wonderful two sons Myles Mvera Fafali and Carson Kasena Fafali. It is also dedicated to my caring mother Sarah Dama Chitavi. Finally, it is in memory of my brilliant cousin Eng. Nelson Shukurani who passed on being a student pursuing a Master in Business Administration

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TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENTS	iv
LIST OF FIGURES	vii
LIST OF TABLES	viii
ABBREVIATIONS AND ACRONYMS	ix
ABSTRACT	x
CHAPTER ONE: INTRODUCTION	1
1.1 Background.....	1
1.1.1 Organizational Environment.....	3
1.1.2 Competitive advantage.....	4
1.1.3 Real Estate Industry in Kenya.....	4
1.1.4 Real Estate Private Firms in Kenya.....	5
1.2 Research Problem.....	6
1.3 Research Objective.....	8
1.4 Value of the Study.....	8
1.5 Chapter Summary.....	9
CHAPTER TWO: LITERATURE REVIEW	10
2.1 Introduction.....	10
2.2 Theoretical Foundation.....	10
2.2.1 Open Systems Theory.....	10
2.2.2 Dynamic Capability Theory.....	11
2.3 Firms General Environment.....	11
2.4 Organizational Environment and Competitive Advantage.....	13
2.5 Competitive Scope and Positioning of a Firm.....	13
2.6 Environmental factors and Competitive Advantage.....	14
2.7 Chapter Summary.....	16

CHAPTER THREE: RESEARCH METHODOLOGY	17
3.1 Introduction	17
3.2 Research Design	17
3.3 Population of the Study	17
3.4 Data Collection	18
3.5 Data Analysis	18
3.5 Chapter Summary	18
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION.....	19
4.1 Introduction	19
4.2 Response Rate	19
4.3 General Information	19
4.4 Influence of Environmental Factors on Competitive Advantage	20
4.5 Summary of the results of the survey	42
4.6 Discussion of Findings	45
4.7 Chapter Summary	47
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION	48
5.1 Introduction	48
5.2 Summary	48
5.3 Conclusion and Recommendations	49
5.4 Implication of the Study	50
5.4.1 Policy	50
5.4.2 Theory	50
5.4.3 Practice.....	50
5.5 Limitations of the Study	51
5.6 Suggestions for Further Research	51
REFERENCES	52
APPENDICES	54
APPENDIX I: Questionnaire	54
APPENDIX II: Letter of Introduction	58
APPENDIX III: Real Estate Private Firms in Kenya.....	59

LIST OF FIGURES

Figure 2.1: Porters Generic Strategies	14
Figure 2.2: Value Chain Model	16
Figure 4.1: Political Stability	20
Figure 4.2: Devolved County Government.	21
Figure 4.3: Economic Growth Rate.	22
Figure 4.4: Increase in demand for housing.	24
Figure 4.5: Role of NEMA	27
Figure 4.6: Inadequate land laws	29
Figure 4.7: Staff Education and Profession	30
Figure 4.8: Honesty and Integrity of Staff.	30
Figure 4.9: Financial management and Reports	31
Figure 4.10: Training and Capacity Building.	32
Figure 4.11: Professional fees	33
Figure 4.12: Infrastructure.	34
Figure 4.13: Construction workers expertise.	34
Figure 4.14: Location of construction sites	34
Figure 4.15: Cleaning, Repair and Maintenance.	36
Figure 4.16: Security of premises.	37
Figure 4.17: Advertising	38
Figure 4.18: Facilitate transfer of titles	39
Figure 4.19: Satisfaction of current performance in generating income	41
Figure 4.20: Average Profit Margins for firms enjoying Competitive Advantage...	42

LIST OF TABLES

Table 4.1: Corruption in Government. í í í í í í í í í í í í í í í í í	22
Table 4.2: Interest on Fund from Local Bankí í í í í í í í í í í í í í í í í ..	23
Table 4.3: Interest on Funds from Offshore. í í í í í í í í í í í í í í í í ..	24
Table 4.4: Increase in Population growth. í í í í í í í í í í í í í í í í ..	25
Table 4.5: Increase in Education and Awareness. í í í í í í í í í í í í í í í í ..	25
Table 4.6: Project management software. í í í í í í í í í í í í í í í í í	26
Table 4.7: Socio Mediaí í	26
Table 4.8: Landscape. í í í í í í í í í í í í í í í í í .í í í í í í í í	28
Table 4.9: Legal fees in land mattersí ..í í .í í í í í í í í í í í ..í í í ..	28
Table 4.10: Cost of Land for Constructioní ..í í í í í í í í í í í .í í í í	32
Table 4.11: Compliance with construction rules..í í í í í í í í í í í í í	35
Table 4.12: Outsourced Marketing and Sales. í í í í í í í í í í í í í í í	37
Table 4.13: Commission on salesí í í í í í í í í í í í í í í í í ..í	38
Table 4.14: Provide Security of main gates. í í í í í í í í í í í í í í	40
Table 4.15: Extent of Organization differentiating itself and its servicesí í í ...	40
Table 4.16: Summary results of the survey.í í í í í í í í í í í í í í í .	43
Table 4.17: Ranking Environment factors and Competitive Advantageí í í í .	44

ABBREVIATIONS AND ACRONYMS

GDP:	Gross Domestic Product
HFCK:	Housing Finance Company of Kenya
KPDA:	Kenya Private Developers Association
NCA:	National Construction Authority
NHC:	National Housing Corporation
NSSF:	National Social Security Fund
PESTEL:	Political, Economic, Social, Technological, Environment, Legal
PIRI:	Prime International Residential Index
PEST:	Political, Economic, Social and Technological
PWC:	PriceWaterhouseCoopers
REPF:	Real Estate Private Firms
SWOT:	Strengths, Weaknesses, Opportunities and Threats

ABSTRACT

Organizational Environment comprise both external and internal environment which provide opportunities, threats, strength and weaknesses. This environment is dynamic and turbulent. Competitive Advantage is the ultimate component necessary for success and survival in an environment that is turbulent and chaotic. This research is about the organizational environment and competitive advantage of real estate private firms in Kenya. The real estate industry has been robust and its performance good in recent years. The last 5 years however has seen what appears to be an explosion of massive real estate developments that is unprecedented in the history of the country. Concerns have been raised whether this is a boom that is sustainable or a bubble that may soon burst. The objective of this research is to determine the influence organizational environmental factors have on competitive advantage of real estate private firms in Kenya. It will reveal what real estate firms perceive as the key organizational environmental factors that have contributed to the competitive advantage. The research endeavored to review literature already written on the subject by authoritative sources. The research adopted a survey design that was most appropriate to attaining the objective of the study. The census approach was used with a population of 92 real estate firms that were subjected to a comprehensive research questionnaire related to their firms and industry knowledge. Data was then thoroughly cleaned and analyzed using IBM SPSS software. The findings revealed organizational environmental factors have a strong influence on competitive advantage of these firms. The research also lists the key factors that have provided competitive advantage with increase in economic growth, increased demand in housing and advertising being on top of the list. Limitations of the survey include respondent who felt they could not disclose information that was confidential. The research has contributed to the theory of open system and organization capability. Recommendations have been made to policy makers and practitioners. Since the research was confined to real estate firms, suggested further work has been made to cover other industries and variables not covered in this research.

CHAPTER ONE

INTRODUCTION

1.1 Background

Business firms operate in an organizational environment that can help them succeed or have difficulty while striving for survival. The organization environment provides significant input to the firm and in return is a recipient of the outputs of these firms. Firms have therefore been described as environmental serving and environmental dependent. The organization environment provides opportunities and threats for the survival, growth and profitability of a firm depending on its internal capability. Survival is necessary for the firm because the organization environment is dynamic, complex and chaotic. Huczynski and Buchanan, (2001) described the environment as complex, chaotic, multifaceted, fluid and generally affects organizational performance. Given the many firms that exist in an industry, competition emerges as a fundamental factor in this environment. In order to remain competitive therefore, a firm needs to consider having a competitive advantage over its rivals.

Organizational theory examines firms in relation to the environment in which they operate in. According to Dunnette and Hough (1992), research on organizational environment began to assume salience in 1960s due to a number of studies that illustrated how factors in an organization environment influenced organization performance, design as well as turnover. One of the most popular organization theories is the open system theory initially developed by Ludwig von Bertalanffy in 1956. Although initially developed while studying living organisms, it was applied to several disciplines including business. Katz and Kahn (1966) adapted this general open system theory and applied it to organization behavior when he identified organizational activities that take input from the environment, transform it through a process called throughput, produces output to the environment and there is feedback from the external environment. There is an interdependence between the organization and the environment. In Organization capability theory, the capability of a firm can either be functional capability or general management capability.

According to Ansoff and McDonelli (1991), the capability profile is composed of functional capabilities: marketing, production, Research and Development, Finance as well as General management know how such as management of growth, diversification and acquisition. General management entails integrating, coordinating and directing the functional efforts towards common goals. A firm's capability will enable it to effectively use its strengths to utilize existing opportunities and counter threats while at the same time converting existing threats into opportunities.

This research of organization environment and competitive advantage of real estate private firms in Kenya has been motivated by the realization that there has been sudden increase in real estate activities and information regarding the industry is inadequate. The trade association that brings together real estate firms in the country is not vibrant to provide market information regarding industry operations. There are massive projects for both residential and commercial property being developed and indications are that these projects are successful. A notable concern is the frustration of some investors who have not succeeded in the industry and some have not even been able to penetrate the industry. This prompted the researcher to seek the underlying environmental factors that could be behind why some firms have a competitive advantage over others.

Real Estate Industry in Kenya consists of firms involved in buying or selling land with value addition activities that lead to development of residential and commercial property. According to the 2014 economic survey, the sector grew by 5.5 percent in 2013. The Industry has attracted both the public sector through the National Housing Corporation and the National Social Security Fund and the private real estate firms. The environment in which real estate firms operate has played a pivotal role in enhancing the competitive advantage of these firms. This is because existing firms are in competition with one another for their related products and substitute products. For these firms to succeed, an understanding of the environment in which they operate is essential to apply strategies that would give them a competitive advantage. This study is going to examine the organizational environment and competitive advantage of real estate private firms in Kenya.

1.1.1 Organizational Environment

The organization environment is either external or internal to the firm. External environment consists of all conditions and forces that affects its strategic options and define its competitive situation (Pearce & Robinson, 2011). Internal environment on the other hand refers to the conditions and factors that are within the firm hence controllable by the business. The analysis of the external environment brings out opportunities and threats existing to the firm. Opportunities are favorable factors, conditions or influences outside of the firm that enable the firm to succeed in meeting its objective. Threats are unfavorable factors, conditions or influences that cause a constraint or limit a firm to achieve its objectives.

According to Mintzberg, Lampel, Quinn and Ghoshal, (2003), "The environment of an organization in business, like that of any other organic entity, is the pattern of all the external conditions and influences that affect its life and development". The analysis of the internal environment brings out strengths, weaknesses, opportunities and weakness of a firm referred to as SWOT of the firm. Strengths refer to what the firm is good at doing or a characteristic that gives it enhanced competitiveness. Weaknesses on the other hand refer to what the firm is not good at doing and puts the firm at a disadvantage. It is something the firm lack or does poorly. Weakness therefore would provide a competitive disadvantage to the firm.

The external environment can also be analyzed using another acronym known as PESTEL that refers to Political, Economic, Social, Technology, Ecological and Legal forces. Another model that can be used to analyze the external environment is PEST which refers to Political, Economic, Socio and Technology. The PEST model is limited in the sense that it does not cover the Ecological and Legal factors.

The success of firms is dependent on the environment in which it serves. This is because the environment provides competitiveness for which the firms can utilize. Firms are serving the environment and are dependent on the environment for competitiveness that would lead to profitability, growth and survival. The strategies that a firm adopts help the firm to gain competitive advantage that leads to success.

1.1.2 Competitive advantage

According to Porter (1985), a firm is said to possess a competitive advantage over its rivals when it sustains profits that exceed the average for its industry. Barney and Hesterly (2006) define competitive advantage as the ability of a firm to create more economic value than rival firms. Economic value in this case is the difference between perceived benefits gained by a customer that purchases a firm's products or services and the full economic costs of these products or services.

Firms in an industry are in competition with one another and success, being the primary goal of each firm depends on the ability to remain competitive. The firm that has a competitive advantage over its rivals is able to generate higher profits, grow and survive in the industry. There are two basic types of competitive advantage that a firm can possess: low cost or differentiation, (Porter, 1985). Low cost is a competitive advantage that is attained by a firm that is able to produce its goods or services at a cost lower than its competitors. The advantage is realized at the point of selling where the firm producing at lower cost is able to realize a greater profit margin if they sell at the same price. This firm has the added advantage of being able to sell at a price lower than its rival and register higher sales than its competitors. Differentiation is a competitive advantage where a firm seeks to be unique in its industry along some dimensions that are widely valued by buyers. It selects one or more attributes that many buyers in an industry perceive as important, and uniquely positions it to meet those needs, (Porter, 1985). The company that has differentiated its products or service enjoys the competitive advantage having created a perception in the minds of its customers that the attributes of its products and services are better than those of its rivals.

1.1.3 Real Estate Industry in Kenya

Kenya has seen an upsurge in real estate development with demand of its products outstripping supply. This staggering realization has conspicuously positioned Kenya to stand out as one of the leading investment destinations in real estate. According to Hass Consult Ltd, Nairobi new housing demand is 200,000 a year and Real Estate firms can only manage 15,000 units per year.

According to Knight Frank's tracking Prime International Residential Index (PIRI), out of the 71 best prime residential property locations surveyed, the Kenyan capital, Nairobi recorded the highest growth with a 25% increase for high-end residential properties followed by the Kenyan coastal resort towns which came second with a 20% increase (Kabukuru, 2012). The success story of real estate business in Kenya may not make sense to some who have made losses and others who have tried to enter the industry without success. This calls for a closer understanding of the strategic issues behind the success or failures of some firms in what is a vibrant industry experiencing rapid growth. "The housing sub-sector, recorded growth in the value of building plans approved and completed buildings in the review period. Value of plans approved showed a significant increase of 34.2 per cent from Ksh 181.1 billion in 2012 to Ksh 243.1 billion in 2013. (Economic Survey, 2014). Concerns are being raised whether the booming real estate industry is really a boom or a bubble. If indeed it's a boom, will it be sustainable in the long run and if not, then it is a bubble that would soon burst.

1.1.4 Real Estate Private Firms in Kenya

Real Estate Private Firms (REPF) in Kenya estimated to be 92 have played a significant role in the development of the Industry given that there are only 2 Government owned corporations namely: National Housing Corporation (NHC) and National Social Security Fund (NSSF). Registration of REPF is done under the Kenya Property and Real Estate Act. Once issued with a certificate under this Act, then a firm can operate real estate activities. There is a trade association referred to as Kenya Private Developers Association (KPDA) that helps Real Estate Developers on trade matters and policy issues of its members.

Although there is no regulatory authority for Real Estate Private Firms, the National Construction Authority (NCA) under the Ministry of Land, Housing and Urban Development is mandated to streamline, overhaul and regulate the construction industry and establish a code of conduct. It is Real Estate Private Firms that are engaged in competition with one another and their quest for competitive advantage is essential.

These firms will form the basis of this study and the research problem will focus on them. In the past the real estate industry used to be dominated by the Housing Finance Company of Kenya Ltd (HFCK) which is mortgage financial institution. The NHC which is fully owned by the Government has been a key player in the industry given its access to public funds. The HFCK and NHC could not cope with the increased demand for real estate development and presently, the many private firms operating in the country is evidence of the enormous potential still untapped.

These firms have recently seen the transformation of original coffee farms that were agricultural land into real estate buildings, demolished old buildings into modern commercial building, emergence of massive shopping malls, gated communities with luxurious villas and apartments among others. From the buyers' perspective, cost of acquiring property is still out of reach to many. The future strategy for firms that would have competitive advantage would be to focus on reaching to these customers that desire to own property and yet cannot afford.

1.2 Research Problem

Firms exist as open systems that are dependent on the environment and serve the environment. This input, throughput, output and feedback have created a systematic relationship of interdependence for survival, growth and profitability. The environment that firms operate in is dynamic, complex and chaotic. This calls for a clear understanding of the organizational environmental factors that can provide competitive advantage to firms. Competitive advantage helps firms to manage their costs and differentiate themselves from rival firms. The competition from other firms in the industry causes them to strive to get the attention of existing and potential customers. This environment has been dynamic, but favorable with a recent acknowledgement by the Government that real estate has grown significantly to become the fourth largest contributor to the GDP in 2013.

Although studies have been done on organizational environment and competitive advantage in real estate, more research is required. At international level, Janvatanavit, (1993) conducted a study on competitive advantage of Hong Kong Real Estate firms.

The study found a number of factors that influence the competitive advantage which are significantly different from the environment in Kenya. Heng et al. (2009) conducted a study on Competitive factors in real estate market in China. This was a case study that found that the company was competitive based on the parameters under study. The study did not cover the entire industry in China and the environment is also different from the Kenya environment. Alvarez and Marshal, (2013) conducted a study on the Competitiveness of Real Estate in New York. The environment in New York is different from Kenya. PWC, (2014) conducted a study that examined the future of real estate industry of the global market. In their study, issues related to the environment and competitiveness was addressed with 2020 being the base year of their projection. The PWC study differs from this study that focuses on Kenya.

On the local scene while studying real estate firms in Nairobi, Mwangi, (2012) researched on the strategic responses to changes in environment. In the findings, Mwangi, (2012) identified factors in the environment that have changed and the strategic responses by Real Estate firms to these changes. This study did not examine how the environment factors influenced competitive advantage. Muinde, (2010) conducted a study on strategies for achieving competitive advantage employed by National Housing Corporation (NHC). Muinde, 2010 found that NHC has adopted a number of strategies to attain competitive advantage. The study did not focus on how the firm's environment influenced this competitive advantage. Keter, (2012) conducted a survey on Competitive Advantage of Tea Industry using the Porters theory. Keter, (2012) findings identified factors that determine competitiveness, but these factors were of Tea industry and not Real Estate. This study focused on PESTEL and Porters Value chain model. Ongera, (2012) carried a study on environmental influences on competitiveness of the horticultural processing industry. This study identified some factors under the PEST model and how they influence competitiveness of the horticultural industry. The study did examine in full the entire PESTEL model and did not touch on Value chain activities as presented in this study. While acknowledging work already done and similar to this study, several gaps exist.

The studies conducted at the international scene are significantly different from the Kenyan environment. A case in point is the interest rate of borrowing funds for development in the USA is less than 10% compared to 20% in Kenya.

In regard to the studies conducted locally, they again differ significantly in context. What are the key organizational environmental factors that provide competitive advantage to Real Estate Private Firms in Kenya?

1.3 Research Objective

The objective of this study was to determine the influence of organizational environmental factors on competitive advantage of real estate private firms in Kenya.

1.4 Value of the Study

The study was intended to provide understanding of the organizational environment and influence it has on competitive advantage of real estate firms in Kenya. The Kenyan Government had to revise the compilation of 2013 GDP citing real estate figures as inaccurate. Policy makers and economist in the Government will find this study useful when revising the economic plans and formulating economic policies that relate to the real estate industry. This study therefore adds value to the work of policy makers both in the Government and other economist.

The understanding of the organizational environment and competitive advantage is primarily a concern of Real Estate practitioners both locally and internationally. This study is beneficial to current practitioners in the real estate industry and those who wish to enter the industry when they see the key environmental factors that influence competitive advantage. These practitioners include real estate developers, real estate agents, real estate consultants, real estate contractors, property valuers, businesses financing real estate development, mortgage lenders and potential investors wishing to enter the sector. The study contributes positively to the open system theory and the organization capability theory. This adds value to the open system theory that Katz and Kahn (1966) observed that an organization exists as an open system being interdependent with the environment they operate in.

The organization receives input from the environment and releases its output to the environment. The study further adds value to the organization capability theory regarding its functional and general management capabilities.

The organization capabilities are essential in enabling the firm to utilize the existing environmental factors and thereby have a competitive advantage over its rivals. This study adds to the body of knowledge already studied and assist in the work of future researchers on the same subject.

1.5 Chapter Summary

This chapter has introduced organizational environment and competitive advantage as key variables in this study. Their relationship has been applied to the real estate private firms in Kenya. The theories supporting this study are the open system theory Katz and Kahn (1966) and the dynamic capability theory. PESTEL model has been introduced as a suitable model and was used to identify variables studied in the survey.

The real estate industry has grown tremendously in the past few years and while performance of many firms has been good, some firms have struggled. Although there are a number of studies that have been conducted similar to this study, the chapter identified gaps that exist which have been addressed in this study. The research question is, "What are the key organizational environmental factors that provide competitive advantage to real estate private firms in Kenya?"

The objective of the study was to determine the influence of organizational environmental factors on competitive advantage of real estate private firms in Kenya. The study is going to add value to the policy makers in Kenya, real estate practitioners, academician and the work of other researchers.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews relevant literature that has been written by other authors on the subject of organization environment and competitive advantage. It shall summarize previous findings of studies that have been done on the organization environment and how its factors influence competitive advantage. This review is designed to provide theoretical basis and conceptual foundation that will subsequently be applied to the context of the study. The review also provides understanding of the existing literature on the subject under study and how it relates to the real estate industry in the Kenya.

2.2 Theoretical Foundation

There are a number of theories that relate to this study. The open systems theory and dynamic capability theory have been used to provide a foundational basis of the study.

2.2.1 Open Systems Theory

The open system theory is an adaptation of the organization theory that Katz and Kahn (1966) applied to business when they observed that organization exists as open systems. The theory recognizes that organization derive their input from the environment which could be in the form of; raw materials, labor, capital and land all which are converted into output that is released to the environment as finished products. The conversion done through a process referred to as throughput internal to the organization. The output released by the organizations comprises of various products that serve the environment.

Since the environment is the primary beneficiary of the organization outputs, the dynamic nature of the environment provides a feedback to the organization regarding its throughput and output produced. This theory confirms the interdependence relationship between the environment and the organization where they both need one another for success, growth and survival.

2.2.2 Dynamic Capability Theory

The ability to convert input into output is explained by the dynamic capability theory that indicates that an organization capability is either functional or general management capability, Ansoff and McDonelli (1991). The organization capability is internal to the organization and is essential in providing differentiation between firms that are faced with the same external environmental inputs available in an industry.

The ability to transform inputs into outputs is dependent on the organization capability through development and application of appropriate strategy that would give the firm the desired competitive advantage. It is the organization capability that is applied to the input, throughput, output and feedback processes that eventually brings about the competitive advantage of firms.

2.3 Firms General Environment

In understanding the general environment, Barney and Hesterly (2006) define it as "consisting of broad trends in the context within which a firm operates that can have an impact on a firm's strategic choices". The organization environment can broadly be classified as either external to an organization or internal to the organization. Whether external or internal, the general characteristic of the environment is its dynamic, chaotic and potentially turbulent nature, Huczynski and Buchanan (2001). It's imperative that an understanding of the environment is clear for the organizational capability to be applied. The understanding of the general environment is carried out through conducting an external and internal environmental analysis.

According to Pearce and Robinson (2011), "the external environment is made up of factors that are beyond the control of the firm that influence its choices of direction and action, organization structure, and internal processes. These factors can further be divided into remote environment, industrial environment and operating environment." The analysis of the external environment helps the firm to identify existing opportunities and threats. The opportunities and threats face all the firms in the industry. The Internal Environment of a firm consists of factors that are within the control of the firms and are unique to its operations and decisions.

The analysis of the internal environment puts focus on the organization resource capability that identifies strength, weaknesses, opportunities and threats. The acronym SWOT analysis has been used to describe this study. The importance of understanding the internal environment is to assist in determining the organizations capability. There are two approaches that can be used to conduct the internal analysis: One is the functional approach that disaggregates the firm into its functional lines of Finance, Production and Marketing. Two is the value chain approach where the organization activities are disaggregated into primary and secondary activities, Porter (1990). The analysis focuses on the cost and value each activity contributes.

According to the complexity theory and Chaotic theory, Huczynski and Buchanaan (2001), the world in which organization exist is highly complex and unpredictable. Managers therefore do not know about the complexity and cannot predict its effects. The Chaos theory holds that the world we live in is chaotic and turbulent that it is not possible to predict what will happen and when. These theories are an indication of the influence the dynamic environment can have on the organization performance.

The link between dealing with a complex environment and performance is having an appropriate strategy emanating from the organization capability that would provide a firm with competitive advantage. Studies have been done to show that strategy enhance performance. Thune and House (1970) conducted a study that revealed companies which engage in long term planning have historically out- perform informal planners. Caeldries and Dierdonk (1988) conducted a similar study and one of their findings is that strategy safeguards a firm's competitive position. Although Greenley, (1986) suggests that studies on strategy and performance are inconclusive, it suffices to say given the complexity of the environment, it is necessary to have an appropriate strategy to enhance competitive advantage and the firm's performance. The findings of Awino, Muturia and Oeba, (2012) revealed that the correlation between strategic planning and planned outcomes is both positive and significant. This is the case even when the environment is turbulent. According to Aosa (2011), where the external environment is changing rapidly, managers have to constantly re-examine and change their product/market scope if organizations have to remain successful.

2.4 Organizational Environment and Competitive Advantage

The organization environment provides several factors that could provide sources of competitive advantage or disadvantage. Opportunities are available to all firms and so do threats. The ability of a firm to have a competitive advantage depends on the organizational capability to deal with the existing opportunity or threats provided by the environment. The essence of understanding the environment is the influence it has on a firm's ability to adopt competitive strategies that would give cost advantage or differentiation advantage, Porter (1990). A firm that sustains profits that exceed the average for its industry is said to have competitive advantage, Porter (1985). Barney and Hesterly (2006) define competitive advantage as the ability of a firm to create more economic value than rival firms.

According to Porter (1990), "In any industry, whether it is domestic or international, the nature of competition is embodied in the five competitive forces: one is threat of new entrants, two is threat of substitute products or services, three is bargaining power of suppliers, four is bargaining power of buyers and five is rivalry among existing competitors. The success of business is ensuring that it attains higher profitability, growth and survival in a competitive environment. This calls for a clearer analysis of the environment and adopting strategies that would give competitive advantage over rival firms.

2.5 Competitive Scope and Positioning of a Firm

Besides competitive advantage, Porter (1990) identifies competitive scope as an important variable in positioning. Competitive scope refers to the breath of the firms target within its industry which is either broad target or narrow target. "A firm is therefore expected to determine its distribution channels, products varieties, geographic areas it will serve, and related industries in which it will also compete. The success of a firm in an industry that is competitive requires that it chooses a position within in the industry. At the heart of positioning is competitive advantage. In the long run, firms succeed relative to their competitors if they possess sustainable competitive advantage" Porter (1990).

In a competitive environment therefore, Porter (1990) has advanced the notion of generic strategies that a firm can adopt depending on the type of advantage and the scope of advantage. In the generic strategy, four distinct strategies emerge: one is lower cost and broad target referred to as the cost leadership, two is the differentiation advantage in a broad target referred to as differentiation, three is the lower cost advantage on a narrow target referred to as cost focus and fourth is the differentiation advantage on narrow target referred to as focused differentiation.

Porter (1990) points out that where a firm adopts the differentiation strategy, it is hard to lower cost as differentiation come with added costs. It is hard for a firm to have differentiation advantage at the same time maintain low cost. The figure 2.1 below illustrates the four generic strategies.

		COMPETITIVE ADVANTAGE	
		Lower Cost	Differentiation
COMPETITIVE SCOPE	Broad Target	Cost Leadership	Differentiation
	Narrow Target	Cost Focus	Focus Differentiation

Source: Porter, M. E. (1990). *The Competitive Advantage of all Nations*.

Figure 2.1: Generic Strategies.

2.6 Environmental factors and Competitive Advantage

According to Johnson, Scholes and Whittington (1998), environmental influence is categorized under the PESTEL model into six main types: one is political, two is economic, three is social, four is technological, five is environmental and lastly legal. Political factors that can influence a firm's competitive advantage include: Government stability, taxation policy and foreign trade regulations among others. Economic factors include: GNP trends, Interest rates, Money supply, Inflation, Unemployment and Disposable income among others.

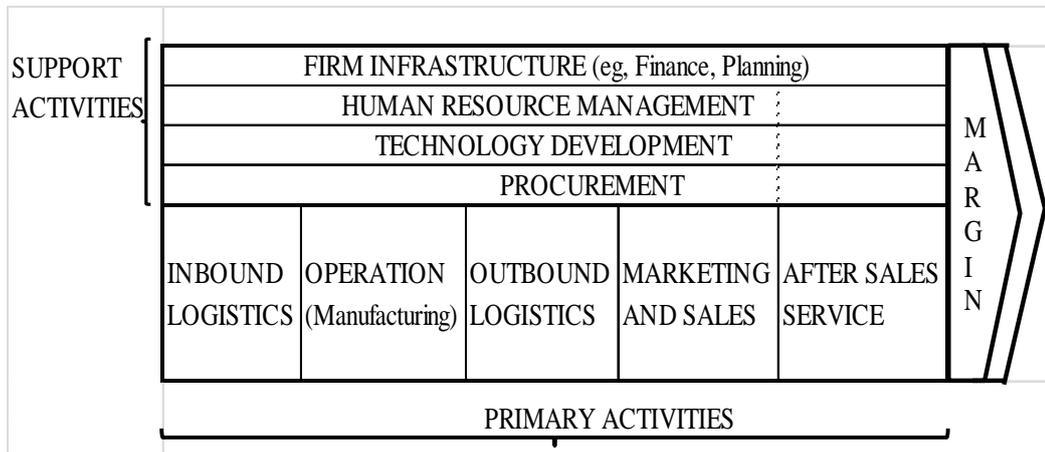
Social cultural factors that can affect a firm's competitive advantage include: Population demographics, Income distributions, Social mobility, Attitudes to work and leisure, consumerism and level of education. Technological factors that can influence a firm's competitive advantage include: Government spending on research, Government and Industry focus on technological effort, new discoveries, speed of technology transfer and rates of obsolescence. Environmental factors that can influence a firm's competitive advantage include: Environment protection laws, waste and disposal and energy consumption. Legal factors that can influence a firm's competitive advantage include: competition law, Employment law, Health and Safety and Product safety.

Although these environmental factors are available to all firms, Ansoff and McDonelli (1991) observe it is the firm's managerial and functional capability that helps it to succeed. In utilizing opportunities and safe guard against threats, the internal analysis of the firm through the value chain approach is key to being a source of competitive advantage to the firm.

According to Porter (1990), "competitive advantage grows out of the way firms organize and perform its discrete activities and thereby create value for their buyers. The ultimate value a firm creates is measured by the amount buyers are willing to pay for its products or services. A firm is profitable if this value exceeds the collective cost of performing all the required activities. To gain competitive advantage over rivals, a firm must either provide comparable buyer value, but perform activities more efficiently than its competitors (lower cost) or perform activities in a unique way that creates greater buyer value and commands a premium price (differentiation)". In order to gain the competitive advantage over rivals, the firm should therefore consider the current and future environment it operates in and carry out its value chain activities taking into consideration lower cost and differentiation when competing with its rivals.

The value chain activities listed by Porter (1990) have been classified as either support activities or primary activities. Support activities include: firms infrastructure (finance, accounting, planning), human resource management, technology development and procurement. Primary activities include: inbound logistics, operations, outbound logistics, marketing and sales and after sale service.

These activities are internal to firms and by large have a greater contribution to providing competitive advantage to firm. The figure 2.2 below illustrates this.



Source: Porter, M. E. (1990). *The Competitive Advantage of Nations*.

Figure 2.2: Value Chain Model.

2.7 Chapter Summary

This chapter has identified the open system theory Katz and Kahn (1966) as the theoretical foundation of the relationship between organizations and environment. The capability theory explains the ability of a firm to utilize its internal managerial and functional capability in dealing with the environment, Ansoff and McDonelli (1991). It noted that the organization environment is both complex and turbulent, Huczynski and Buchanan, (2001)

The PESTEL has explained the external environmental factors while the value chain model provided an adequate tool to understand the internal capability of the organization. It is the PESTEL and Value chain elements that have been identified herein that formed the basis of further study on their influence on competitive advantage of real estate firms in Kenya. The environmental factors that have been studied in this research are based on the PESTEL model and Value Chain (Porter, 1985)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides the research methodology that was used in conducting the survey. It includes the research design that was used, the description of the population, data collection methods that was used and how the data was analyzed.

3.2 Research Design

The type of study that was used for this research was the cross-sectional survey. This is because it provided a statement of account detailing the key environmental factors and how they influence the competitive advantage of real estate firms in Kenya. It involved a systematic collection and analysis of data designed to address the research question concerning the current status of the activities in the defined context.

In time scope, it was a cross sectional survey which Olsen and George 2004 indicated that it collects information about a subject that is gathered to represent what is going on in a particular point in time. The primary data collected was based on the current period of time that was relevant for the survey.

3.3 Population of the Study

The population that was researched in this survey included all the well-established Real Estate Private Firms registered and are practicing in Kenya. It was estimated there are 92 Registered Real Estate Private Firms that are well established and given the number in the population, data collection was targeted to all these firms with physical addresses, telephone lines and Internet websites.

The firms that were considered in the population are those that practice real estate activities classified as real estate agents, real estate developers, real estate contractors or combination of all or some these activities. The key products they deal with are either residential property or commercial building or a combination of both.

3.4 Data Collection

The data that was used in the survey was primary data. The primary data was collected using questionnaires that contained both open and closed questions. The questionnaire was addressed to the Chief Executives of the Real Estate Companies and was administered using a hard copy that was hand delivered to the organization's premises. This is the 'drop and pick' later method that was more effective in obtaining a large proportion of the questionnaires being filled. Emails were sent to firms that were either too far or logistically difficult to access.

Secondary data was used to obtain additional understanding concerning the Real Estate Industry from publications of materials related to the environment and performance of the Industry. This was extracted from websites, brochures and magazines among others.

3.5 Data Analysis

Data analysis was carried out using IBM SPSS, a statistical software that was suitable in analyzing the data and generating various reports, tables and figures. Data that was analyzed was that which had been collected from the questionnaire circulated to real estate private firms. The questionnaires were coded and checked for accuracy before analysis was done for descriptive statistics.

In data analysis, descriptive statistics were used as the most suitable form of analysis. Measures of central tendencies which include the mean, standard deviation and frequencies were used. The analysis generated tables, pie charts and graphs use to report findings of the survey.

3.5 Chapter Summary

This chapter has provided the research design, population of the study, data collection and how the analysis was done. The study was a cross sectional survey with a population of 92 real estate private firms.

Questionnaire were distributed using the 'drop and pick later' method. The data was analyzed using IBM SPSS software that generated descriptive statistics. Frequencies, mean and standard deviation were produced together with pie charts and graphs

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

In this chapter, results collected from the respondents will be presented, analyzed and discussed. The results of the data collected was based on the objective of determining the influence organizational environmental factors have on competitive advantage of real estate private firms in Kenya. The data collected using questionnaires addressed to the respondents was cleaned, coded, analyzed and tabulated using IBM SPSS software.

4.2 Response Rate

The survey targeted 92 Registered Real Estate Private Firms (REPF) that are well established, with physical address, telephone lines and Internet website. Out of the 92 REPF, 48 respondents returned their questionnaire that were authentic and contained Company's rubber stamp.

This number of responses represents 52% of the targeted population that according to Mugenda & Mugenda (2003) is adequate for analysis and reporting. The rate could have been higher, but a significant number of responses lacked company rubber stamps in the questionnaires that were returned rendering them unauthentic to be analyzed in this survey.

4.3 General Information

The survey sought to ascertain the general information from the respondents regarding their firms. The results of the survey showed that the average number of employees in a REPF is 32 and the highest number of employees found in a firm was 200. The REPF are currently dominated by local firms being 96% of the respondents. The respondents also indicated that 92% have been operational for more than 5 years. Most of the firms are Real Estate Agents forming 79% of the respondents involved in property sales, property management and property valuation.

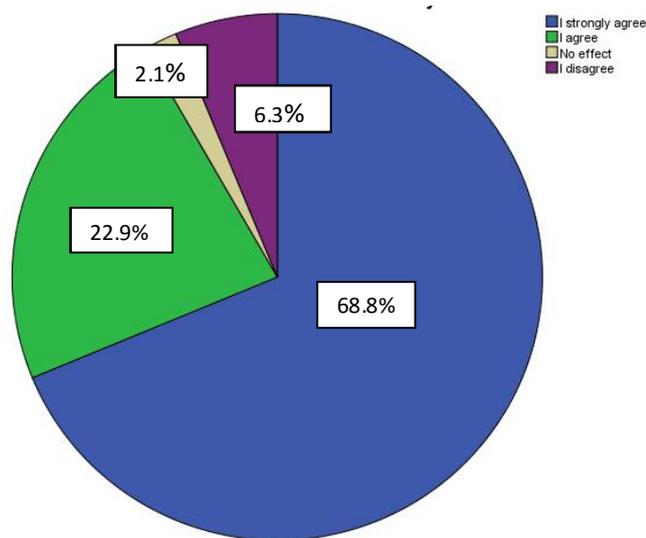
The majority of the respondents deal with both low quality and high quality products being represented by 69% of the respondents. The percentage of respondents that target low, medium and high income earners is 71%. On target market by location, 52% of the respondents target urban cities and towns while the remaining 48 percent target both urban and rural areas.

4.4 Influence of Environmental Factors on Competitive Advantage

The survey identified several environment factors under the PESTEL and Value Chain models which respondents indicated the extent of their agreement or disagreement on whether these factors have a positive competitive advantage or not. A disagreement response indicated that the factor had a competitive disadvantage.

4.4.1 Political Stability

The ratio of those who indicated that they strongly agreed that political stability has provided a positive competitive advantage was 68.8%. Those who agreed that it has a competitive advantage were 22.9% which brings a total of those in agreement to 91.7%. Respondents indicating that political stability has a competitive disadvantage were 8.3%.

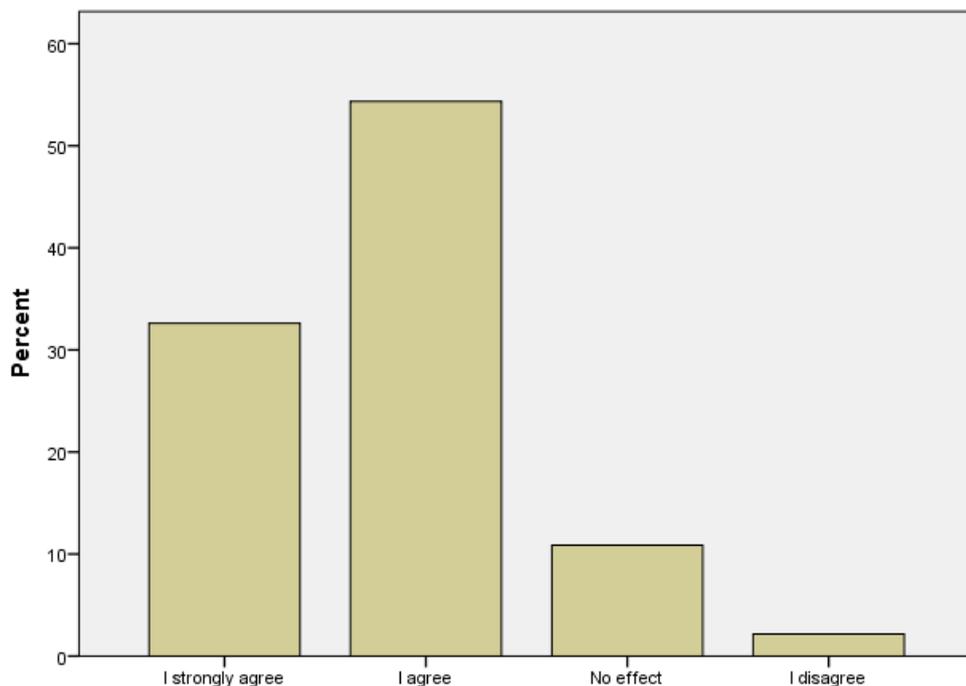


Source: Primary data from survey, 2015

Figure 4.1: Political Stability.

4.4.2 Devolved County Government

The ratio of those who indicated that they strongly agreed that devolved county Government has provided a positive competitive advantage was 32.6%. Those who agreed that it has a competitive advantage were 52.1% which brings a total of those in agreement to 87%. The respondents who indicated it has a competitive disadvantage were 2.2% and those who indicated it had no effect were 10.9%.



Source: Primary data from survey, 2015

Figure 4.2: Devolved County Government.

4.4.3 Corruption in Government

The ratio of those who indicated that they strongly agreed that corruption in Government provides a positive competitive advantage was 25.5%. Those who agreed that it has a competitive advantage were 25.5% which brings a total of those in agreement to 51.1%. The respondents who indicated it has a competitive disadvantage were 34.0% and those who indicated it had no effect were 14.9%.

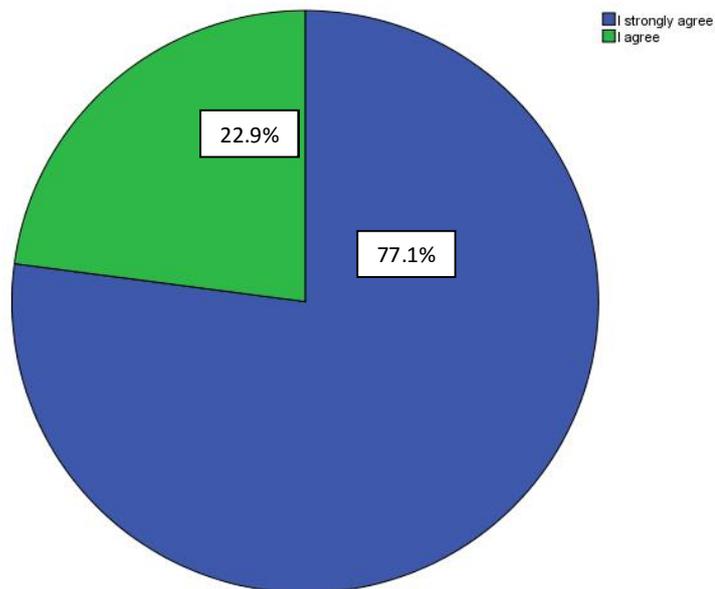
Table 4.1: Corruption in Government.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	12	25.5	25.5
I agree	12	25.5	51.1
No effect	7	14.9	66.0
I strongly disagree	9	19.1	85.1
I disagree	7	14.9	100.0
Total	47	100.0	

Source: Primary data from survey, 2015

4.4.4 Economic Growth Rate

The ratio of those who indicated that they strongly agreed that the Economic growth rate has provided a positive competitive advantage was 77.1%. Those who agreed that it has a competitive advantage were 22.9% which brings a total of those in agreement to 100%.



Source: Primary data from survey, 2015

Figure 4.3: Economic Growth Rate

4.4.5 Interest on Borrowing Local Funds for Development

The ratio of those who indicated that they strongly agreed that Interest on borrowing local funds has provided a positive competitive advantage was 42.6%. Those who agreed that it has a competitive advantage were 40.4% which brings a total of those in agreement to 83%. The respondents who indicated it has a competitive disadvantage were 14.9% and those who indicated it had no effect were 2.1%.

Table 4.2: Interest on Funds from Local Banks.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	20	42.6	42.6
I agree	19	40.4	83.0
No effect	1	2.1	85.1
I strongly disagree	4	8.5	93.6
I disagree	3	6.4	100.0
Total	47	100.0	

Source: Primary data from survey, 2015

4.4.6 Interest on borrowing offshore Funds

The ratio of those who indicated that they strongly agreed that Interest on borrowing offshore funds has provided a positive competitive advantage was 21.3%. Those who agreed that it has a competitive advantage were 38.3% which brings a total of those in agreement to 59.6%. The respondents who indicated it has a competitive disadvantage were 12.7% and those who indicated it had no effect were 27.7%.

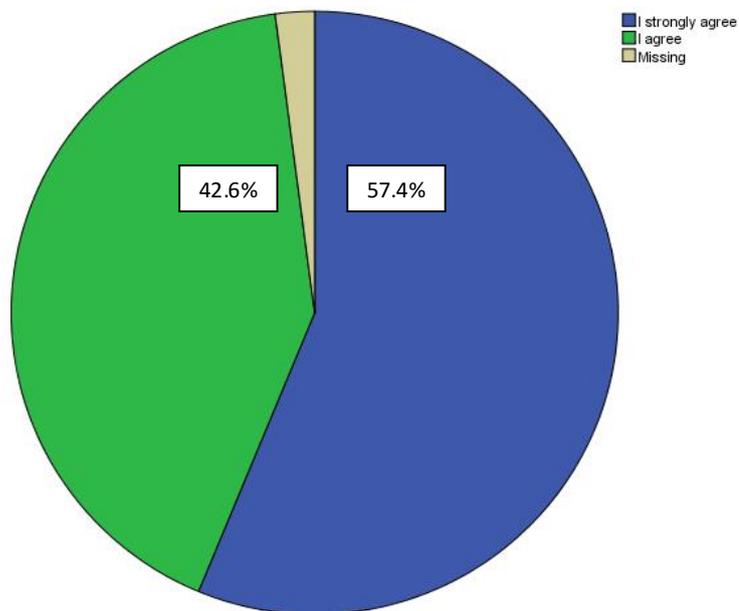
Table 4.3: Interest on Funds from Offshore.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	10	21.3	21.3
I agree	18	38.3	59.6
No effect	13	27.7	87.2
I strongly disagree	1	2.1	89.4
I disagree	5	10.6	100.0
Total	47	100.0	

Source: Primary data from survey, 2015

4.4.7 Increase in demand for Housing

The ratio of those who indicated that they strongly agreed that increase in demand for housing has provided a positive competitive advantage was 57.4%. Those who agreed that it has a competitive advantage were 42.6% which brings a total of those in agreement to 100%.



Source: Primary data from survey, 2015

Figure 4.4: Increase in demand for housing.

4.4.8 Increase in population growth

The ratio of those who indicated that they strongly agreed that population growth has provided a positive competitive advantage was 58.3%. Those who agreed that it has a competitive advantage were 37.5% which brings a total of those in agreement to 95.8%. The respondents who indicated it has no effect were 4.2%.

Table 4.4: Increase in Population Growth

Response	Frequency	Percent	Cumulative Percent
I strongly agree	28	58.3	58.3
I agree	18	37.5	95.8
No effect	2	4.2	100.0
Total	48	100.0	

Source: Primary data from survey, 2015

4.4.9 Increased Education and Awareness

The ratio of those who indicated that they strongly agreed that increased education and awareness has provided a positive competitive advantage was 45.8%. Those who agreed that it has a competitive advantage were 43.8% which brings a total of those in agreement to 89.6%. The respondents who indicated it has no effect were 10.4%.

Table 4.5: Increased Education and Awareness

Response	Frequency	Percent	Cumulative Percent
I strongly agree	22	45.8	45.8
I agree	21	43.8	89.6
No effect	5	10.4	100.0
Total	48	100.0	

Source: Primary data from survey, 2015.

4.4.10 Project Management Software

The ratio of those who indicated that they strongly agreed that project management software provided a positive competitive advantage was 34%. Those who agreed that it has a competitive advantage were 38.3% which brings a total of those in agreement to 72.3%. The respondents who indicated it has no effect were 27.7%.

Table 4.6: Project management software.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	16	34.0	34.0
I agree	18	38.3	72.3
No effect	13	27.7	100.0
Total	47	100.0	

Source: Primary data from survey, 2015.

4.4.11 Socio Media

The ratio of those who indicated that they strongly agreed that socio media has provided a positive competitive advantage was 34%. Those who agreed that it has a competitive advantage were 53.2% which brings a total of those in agreement to 87.2%. The respondents who indicated it has no effect were 12.8%.

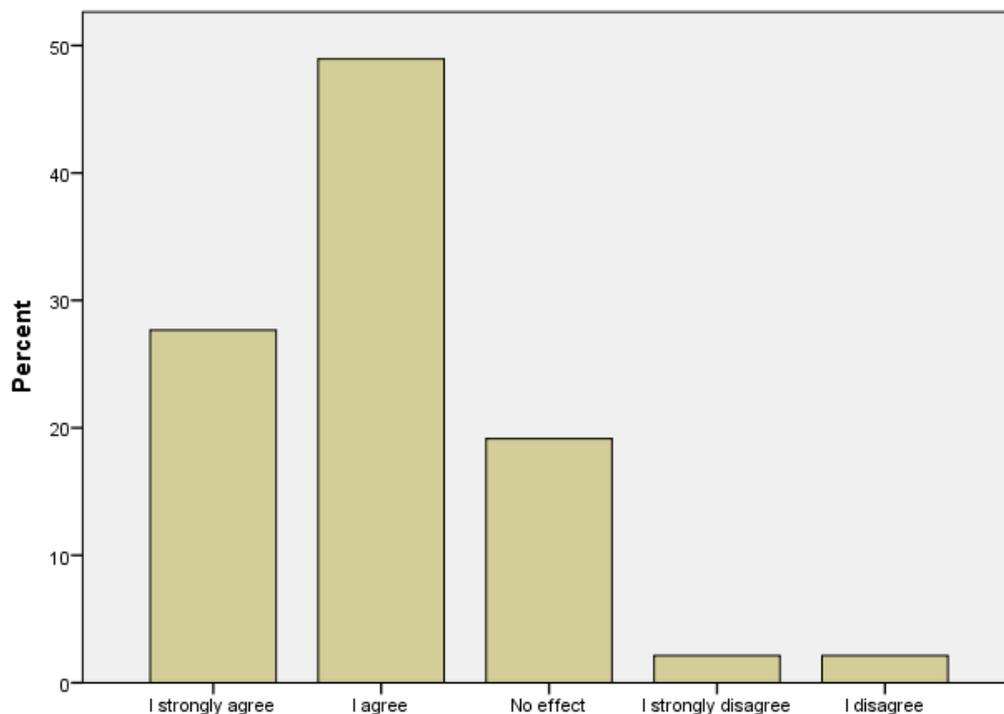
Table 4.7: Socio Media

Response	Frequency	Percent	Cumulative Percent
I strongly agree	16	34.0	34.0
I agree	25	53.2	87.2
No effect	6	12.8	100.0
Total	47	100.0	

Source: Primary data from survey, 2015.

4.4.12 Role of NEMA

The ratio of those who indicated that they strongly agreed that the role of NEMA has provided a positive competitive advantage was 27.3%. Those who agreed that it has a competitive advantage were 48.9% which brings a total of those in agreement to 76.6%. The respondents who indicated it has a competitive disadvantage were 4.2% and those who indicated it had no effect were 19.1%.



Source: Primary data from survey, 2015

Figure 4.5: Role of NEMA.

4.4.13 Landscape for Construction

The ratio of those who indicated that they strongly agreed that the Landscape has provided a positive competitive advantage was 21.3%. Those who agreed that it has a competitive advantage were 61.7% which brings a total of those in agreement to 83%. The respondents who indicated it has a competitive disadvantage were 6.4% and those who indicated it had no effect were 10.6%.

Table 4.8: Landscape for construction.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	10	21.3	21.3
I agree	29	61.7	83.0
No effect	5	10.6	93.6
I disagree	3	6.4	100.0
Total	47		

Source: Primary data from survey, 2015

4.4.14 Legal Fees in Land Matters

The ratio of those who indicated that they strongly agreed that the Legal fees in land matters have provided a positive competitive advantage was 40.4%. Those who agreed that it has a competitive advantage were 34% which brings a total of those in agreement to 74.5%. The respondents who indicated it has a competitive disadvantage were 17% and those who indicated it had no effect were 8.5%.

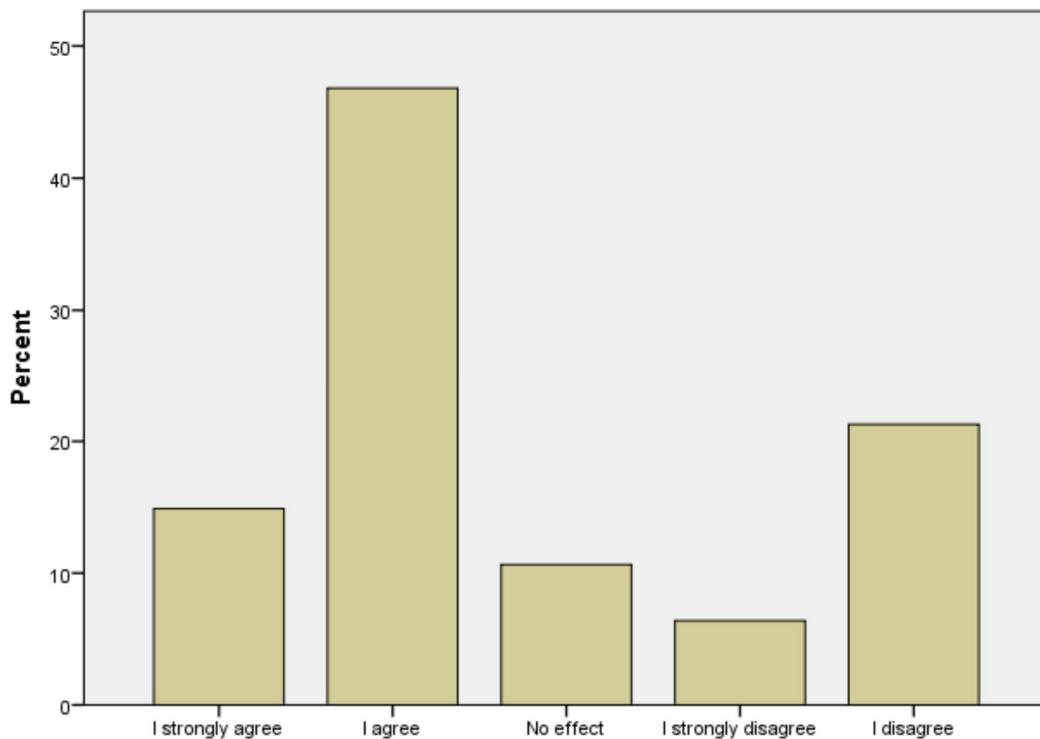
Table 4.9: Legal Fees on Land matters

Response	Frequency	Percent	Cumulative Percent
I strongly agree	19	40.4	40.4
I agree	16	34.0	74.5
No effect	4	8.5	83.0
I strongly disagree	3	6.4	89.4
I disagree	5	10.6	100.0
Total	47		

Source: Primary data from survey, 2015

4.4.15 Inadequate Land Laws

The ratio of those who indicated that they strongly agreed that Inadequate land laws have provided a positive competitive advantage was 14.9%. Those who agreed that it has a competitive advantage were 46.8% which brings a total of those in agreement to 61.7%. The respondents who indicated it has a competitive disadvantage were 27.7% and those who indicated it had no effect were 10.6%.

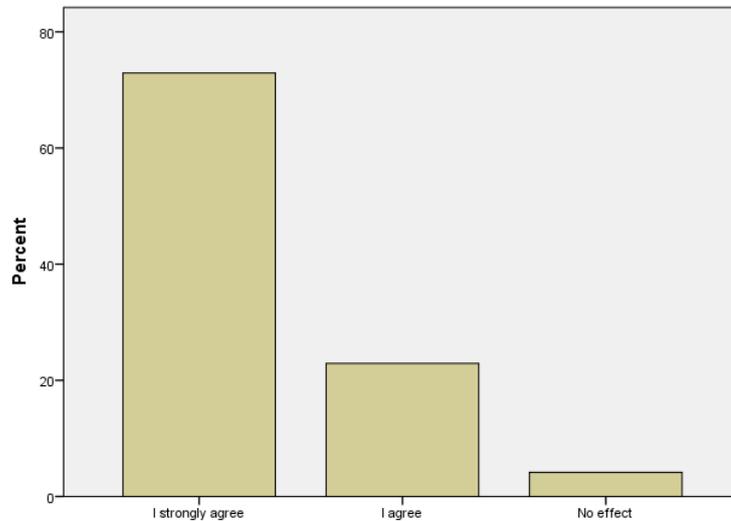


Source: Primary data from survey, 2015

Figure 4.6: Inadequate land laws

4.4.16 Staff Education and Profession

The ratio of those who indicated that they strongly agreed that Staff education and profession have provided a positive competitive advantage was 72.9%. Those who agreed that it has a competitive advantage were 22.9% which brings a total of those in agreement to 100%. The respondents who indicated it has no effect were 4.2%.

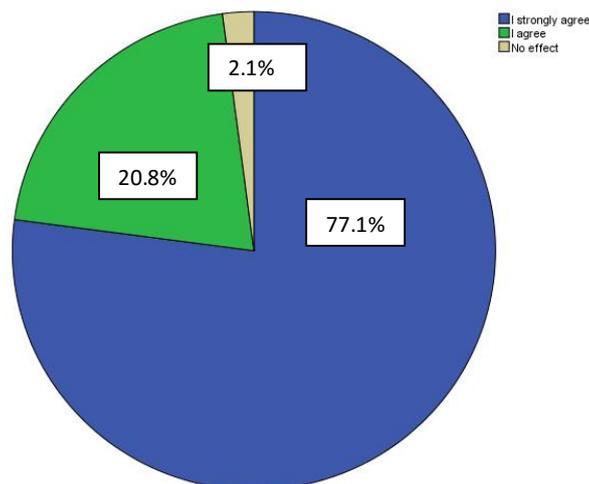


Source: Primary data from survey, 2015.

Figure 4.7: Staff Education and Profession.

4.4.17 Honesty and Integrity of Staff

The ratio of those who indicated that they strongly agreed that Honesty and Integrity of staff has provided a positive competitive advantage was 77.1%. Those who agreed that it has a competitive advantage were 20.8% which brings a total of those in agreement to 97.9%. The respondents who indicated it has no effect were 2.1%.

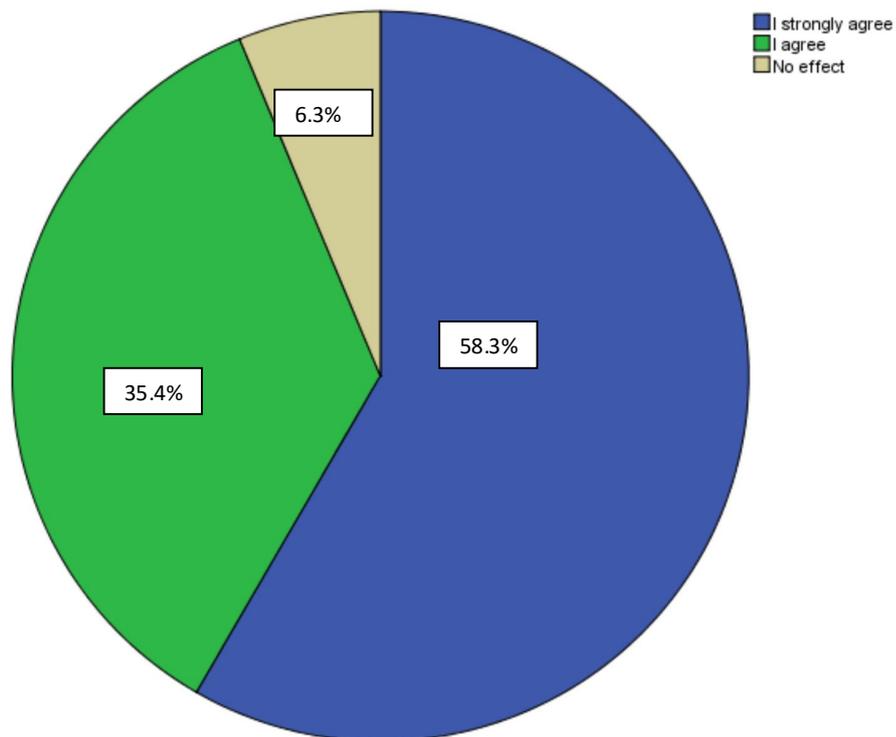


Source: Primary data from survey, 2015

Figure 4.8: Honesty and Integrity of Staff.

4.4.18 Financial and Management Reports

The ratio of those who indicated that they strongly agreed that Financial management and reports have provided a positive competitive advantage was 58.3%. Those who agreed that it has a competitive advantage were 35.4% which brings a total of those in agreement to 98.3%. The respondents who indicated it has no effect were 6.3%.

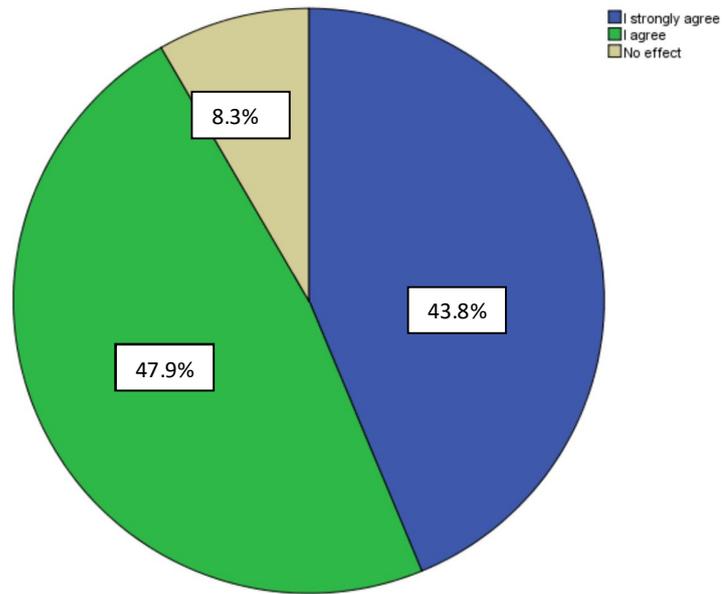


Source: Primary data from survey, 2015

Figure 4.9: Financial management and Reports.

4.4.19 Training and Capacity Building

The ratio of those who indicated that they strongly agreed that training and capacity building have provided a positive competitive advantage was 43.8%. Those who agreed that it has a competitive advantage were 47.9% which brings a total of those in agreement to 91.7%. The respondents who indicated it had no effect were 8.3%.



Source: Primary data from survey, 2015

Figure 4.10: Training and Capacity Building.

4.4.20 Cost of Land for Construction in Kenya

The ratio of those who indicated that they strongly agreed that the Cost of land have provided a positive competitive advantage was 59.6%. Those who agreed that it has a competitive advantage were 21.3% which brings a total of those in agreement to 80.9%. The respondents who indicated it has a competitive disadvantage were 12.8%.

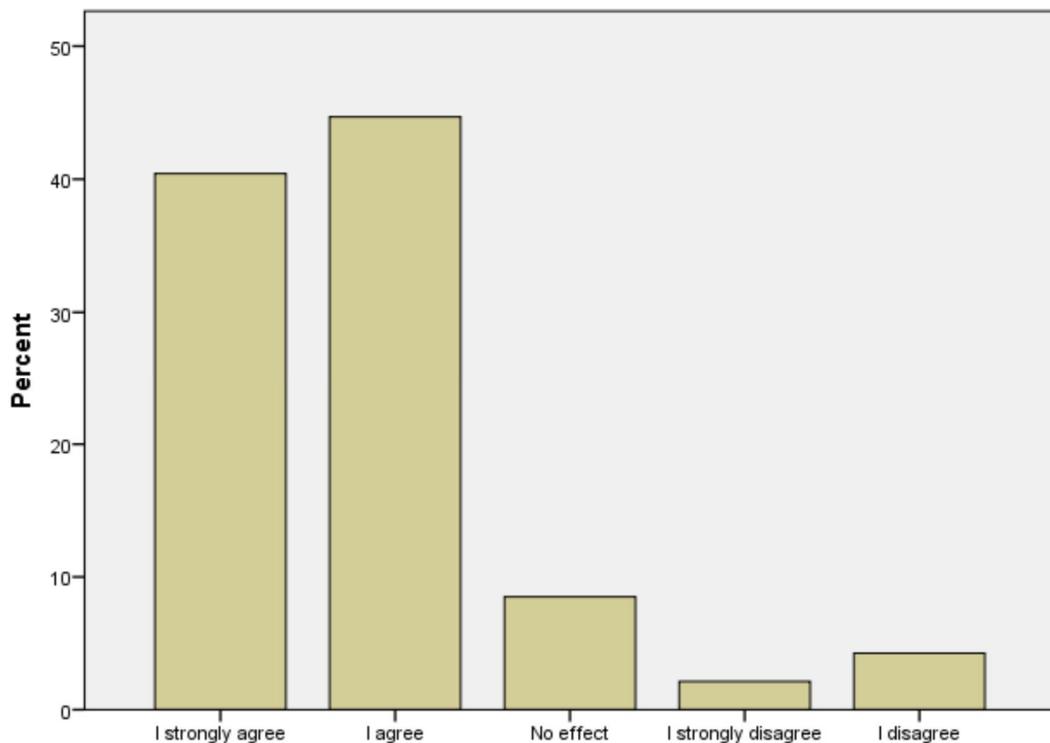
Table 4.10: Cost of Land for Construction in Kenya

Response	Frequency	Percent	Cumulative Percent
I strongly agree	28	59.6	59.6
I agree	10	21.3	80.9
I strongly disagree	3	6.4	87.2
I disagree	6	12.8	100.0
Total	47		

Source: Primary data from survey, 2015

4.4.21 Professional Fees to Consultants

The ratio of those who indicated that they strongly agreed that Professional fees have provided a positive competitive advantage was 40.4%. Those who agreed that it has a competitive advantage were 44.7% which brings a total of those in agreement to 85.1%. The respondents who indicated it has a competitive disadvantage were 6.4%. The respondents who indicated it had no effect were 8.5%.

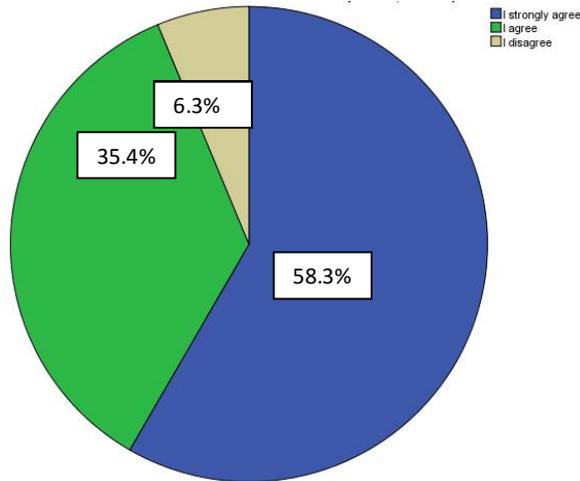


Source: Primary data from survey, 2015

Figure 4.11: Professional fees to consultants

4.4.22 Infrastructure in Kenya

The ratio of those who indicated that they strongly agreed that Infrastructure (Water, Electricity) provided a positive competitive advantage was 58.3%. Those who agreed that it has a competitive advantage were 35.4% which brings a total of those in agreement to 93.8%. The respondents who indicated it has a competitive disadvantage were 6.2%.

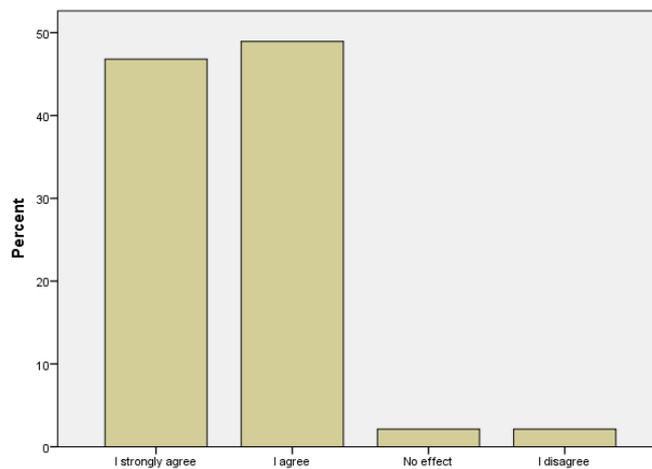


Source: Primary data from survey, 2015.

Figure 4.12: Infrastructure in Kenya.

4.4.23 Construction Workers Expertise

The ratio of those who indicated they strongly agreed that Construction workers expertise has provided a positive competitive advantage was 46.8%. Those who agreed that it has a competitive advantage were 48.9% which brings a total of those in agreement to 95.7%. The respondents who indicated it has a competitive disadvantage were 2.1%. The respondents who indicated it had no effect were 2.1%.



Source: Primary data from survey, 2015

Figure 4.13: Construction workers expertise.

4.4.24 Compliance with Construction Rules

The ratio of those who indicated they strongly agreed that Compliance with construction rules has provided a positive competitive advantage was 38.3%. Those who agreed that it has a competitive advantage were 48.9% which brings a total of those in agreement to 87.2%. The respondents who indicated it has a competitive disadvantage were 4.3%.

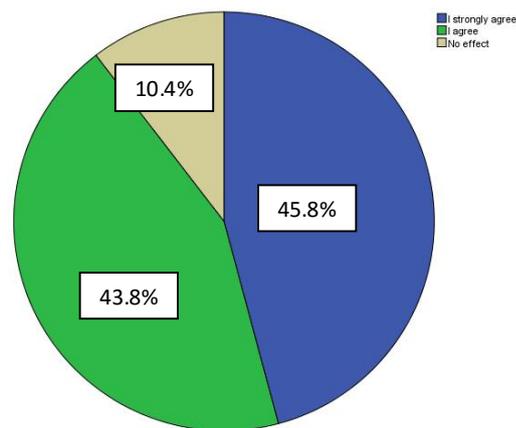
Table 4.11: Compliance with construction rules.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	18	38.3	38.3
I agree	23	48.9	87.2
No effect	4	8.5	95.7
I disagree	2	4.3	100.0
Total	47		

Source: Primary data from survey, 2015

4.4.25 Location of Construction Sites

The ratio of those who indicated they strongly agreed that Location of construction sites provided a positive competitive advantage was 45.8%. Those who agreed that it has a competitive advantage were 43.8% which brings a total of those in agreement to 89.6%. The respondents who indicated it has a no effect were 10.4%.

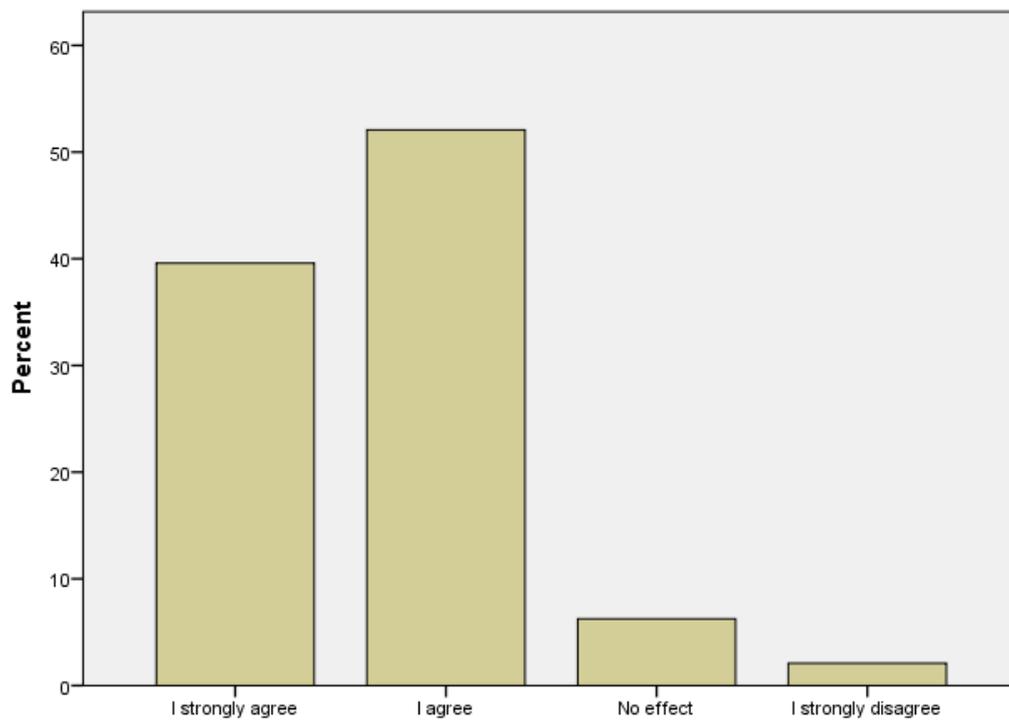


Source: Primary data from survey, 2015.

Figure 4.14: Location of construction sites.

4.4.26 Cleaning, Repair and Maintenance

The ratio of those who indicated they strongly agreed that cleaning, repair and maintenance of premises has provided a positive competitive advantage was 39.6%. Those who agreed that it has a competitive advantage were 52.1% which brings a total of those in agreement to 91.7%. The respondents who indicated it has a competitive disadvantage were 2.1% while those who indicated it has no effect were 2.1%.

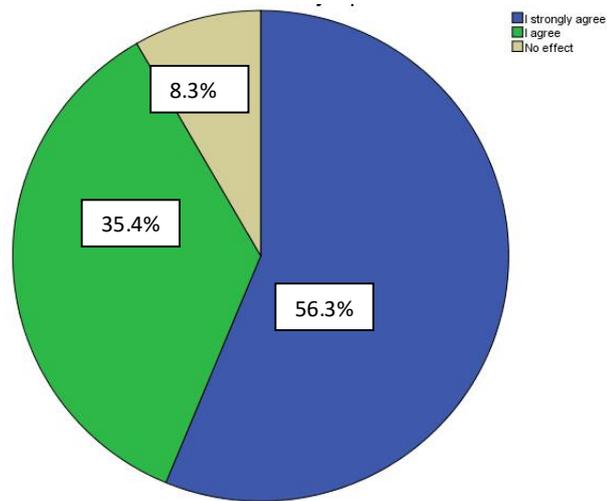


Source: Primary data from survey, 2015.

Figure 4.15: Cleaning, Repair and Maintenance.

4.4.27 Security of Premises

The ratio of those who indicated they strongly agreed that providing security of premises has provided a positive competitive advantage was 56.3%. Those who agreed that it has a competitive advantage were 35.4% which brings a total of those in agreement to 91.7%. Those who indicated it has no effect were 8.3%.



Source: Primary data from survey, 2015.

Figure 4.16: Security of premises.

4.4.28 Outsourced Marketing and Sales

The ratio of those who indicated they strongly agreed that outsourcing marketing and sales has provided a positive competitive advantage was 35.4%. Those who agreed that it has a competitive advantage were 60.4% which brings a total of those in agreement to 95.8%. The respondents who indicated it has a competitive disadvantage were 2.1% while those who indicated it has no effect were 2.1%.

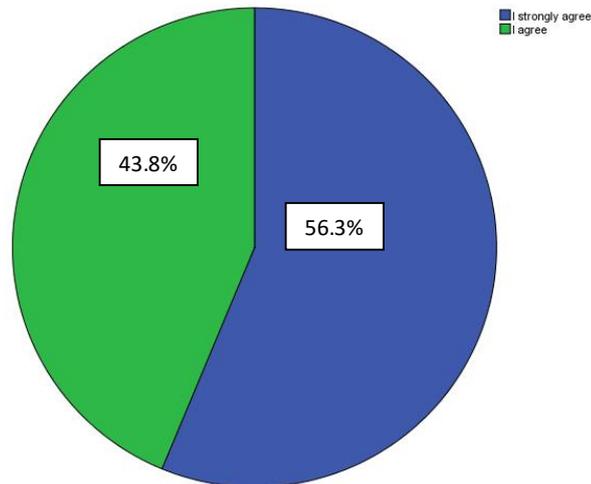
Table 4.12: Outsourced Marketing and Sales.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	17	35.4	35.4
I agree	29	60.4	95.8
No effect	1	2.1	97.9
I disagree	1	2.1	100.0
Total	48	100.0	

Source: Primary data from survey, 2015.

4.4.29 Advertising

The ratio of those who indicated they strongly agreed that Advertising has provided a positive competitive advantage was 56.3%. Those who agreed that it has a competitive advantage were 43.8% which brings a total of those in agreement to 95.8%.



Source: Primary data from survey, 2015

Figure 4.17: Advertising

4.4.30 Commission on sales

The ratio of those who indicated they strongly agreed that paying commission of sales has provided a positive competitive advantage was 39.1%. Those who agreed that it has a competitive advantage were 56.5% which brings a total of those in agreement to 95.7%. Those who indicated it has no effect were 4.3%.

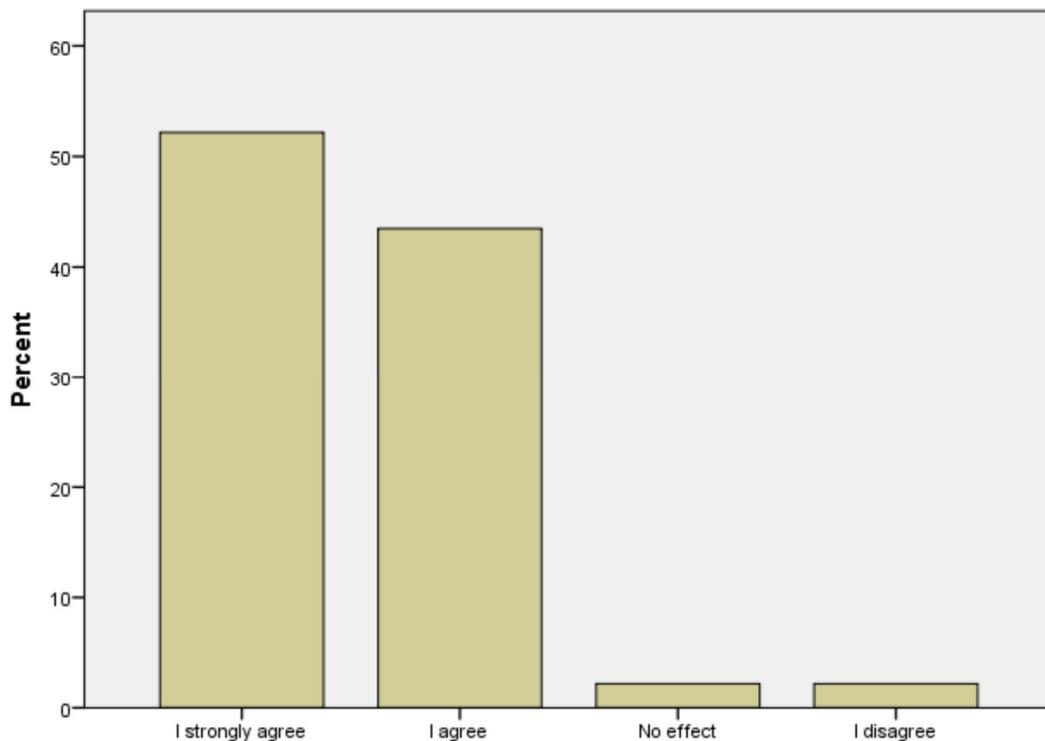
Table 4.13: Commission on sales

Response	Frequency	Percent	Cumulative Percent
I strongly agree	18	39.1	39.1
I agree	26	56.5	95.7
No effect	2	4.3	100.0
Total	46		

Source: Primary data from survey, 2015.

4.4.31 Facilitate Transfer of Land Titles

The ratio of those who indicated they strongly agreed that Facilitating transfer of title deeds has provided a positive competitive advantage was 52.2%. Those who agreed that it has a competitive advantage were 43.5% which brings a total of those in agreement to 95.7%. The respondents who indicated it has a competitive disadvantage were 2.2% while those who indicated it has no effect were 2.2%.



Source: Primary data from survey, 2015.

Figure 4.18: Facilitate transfer of titles.

4.4.32 Provide Security of main gates

The ratio of those who indicated they strongly agreed that providing security of main gates has provided a positive competitive advantage were 44.7%. Those who agreed that it has a competitive advantage were 53.2% which brings a total of those in agreement to 97.9%. Those who indicated it has no effect were 2.1%.

Table 4.14: Provide Security of main gates.

Response	Frequency	Percent	Cumulative Percent
I strongly agree	21	44.7	44.7
I agree	25	53.2	97.9
No effect	1	2.1	100.0
Total	47		

Source: Primary data from survey, 2015.

4.4.33 Extent to which organization has differentiated itself and its services

The ratio of those who indicated they have averagely differentiated themselves and their services from those of other firms was 26.1%. Those who indicated that they have successful differentiated themselves were 56.5%. Those that indicated they have very successful differentiated themselves were 17.4%. Since differentiation provides competitive advantage, those that indicated have a competitive advantage were 100%.

Table 4.15: Extent of organization differentiating itself and its services.

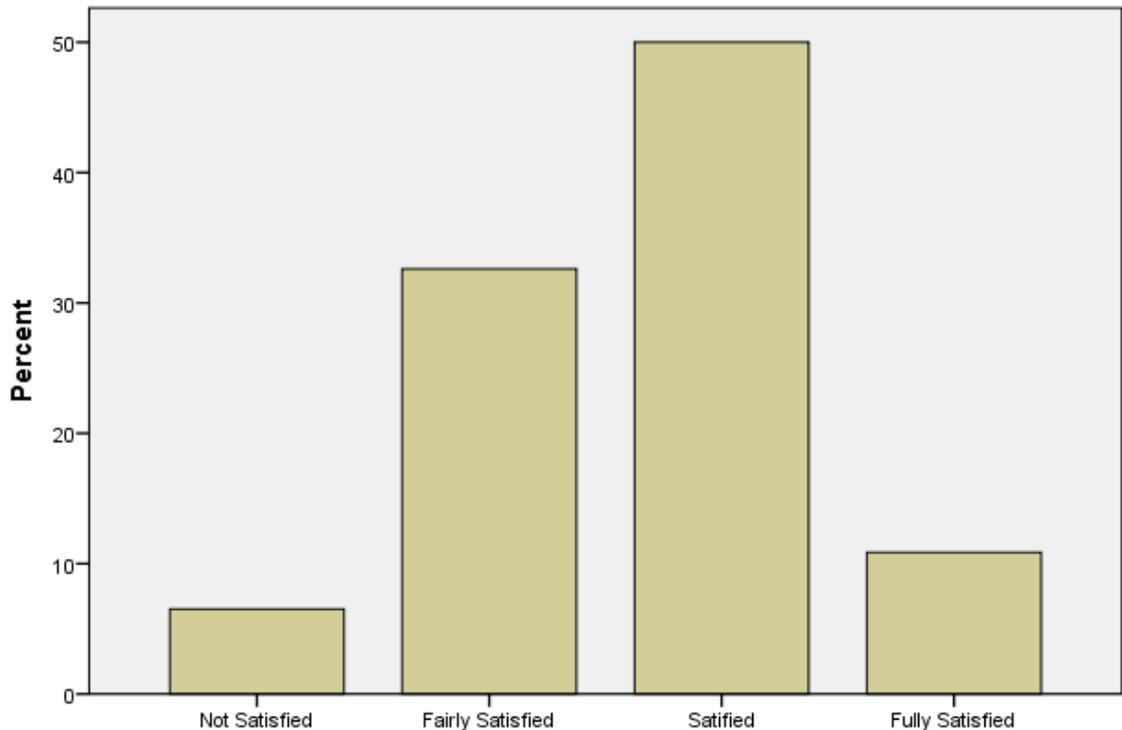
Response	Frequency	Percent	Cumulative Percent
Average successful	12	26.1	26.1
Successful	26	56.5	82.6
Very Successful	8	17.4	100.0
Total	46		

Source: Primary data from survey, 2015.

4.4.34 Level of Satisfaction in Current Performance in Income Generation

The ratio of respondents who indicated they are fully satisfied with their current performance in generating income was 10.9%. Those who indicated they are satisfied with their performance were 50%.

Those who indicated they are fairly satisfied were 32.6% which brings a total of those satisfied with their performance to 93.5%. The respondents who indicated they are not satisfied were 6.5%.

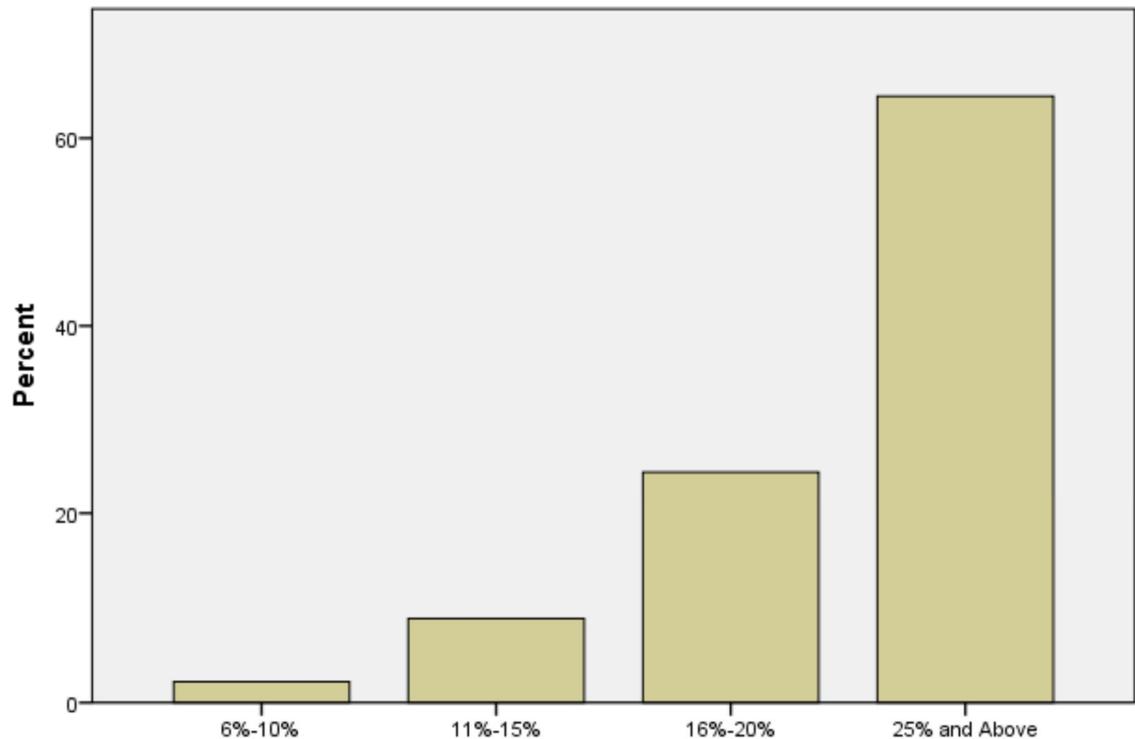


Source: Primary data from survey, 2015.

Figure 4.19: Satisfaction of current performance in generating income.

4.4.35 Average Profit Margin for Firms Enjoying Competitive Advantage

The ratio of respondents who indicated that a firm enjoying competitive advantage should have a profit margin of 25% and above is 64.4%. Those that indicated that the profit margin should be 16%-20% was 24.4%. This brings the total of firms that responded to competitive advantage profit margins to be 16% and above to 88.8%. The respondents that indicated that average profit margin for a firm that enjoys competitive advantage should be 15% and below were 11.1%. The figure below depicts this representation.



Source: Primary data from survey, 2015.

Figure 4.20: Average Profit Margins for firms enjoying Competitive Advantage.

4.5 Summary of the results of the survey

The results of the survey have been summarized below herein for ease of understanding and comparison of the variables on the perception of the respondents to the variables in the questionnaire. The data that has been summarized takes into consideration all the entries that respondents had filled correctly.

In summarizing the results of the study, Table 4.16 provides the response rate to the degree of influence a particular variable factor has on the competitive advantage indicated by respondents whether they strongly agree, agree, no effect, strongly disagree or disagree. From this table, the average response from the respondents that indicated they \neq strongly agree \neq the environmental factors have on competitive advantage were 45.8%, \neq agree \neq was 41.4%, \neq no effect \neq was 8.6%, \neq strongly disagree \neq was 6.1% and \neq disagree \neq was 7.3%.

Table 4.16: Summary Results of the Survey.

	Environment Factor	Strongly Agree %	Agree %	No Effect %	Strongly Disagree %	Disagree %
1	Political stability	68.8	22.9	2		6.3
2	Devolved Government	32.6	54.3	10.9		2.2
3	Corruption in Government	25.5	25.5	14.9	19.2	14.9
4	Economic Growth rate	77.1	22.9			
5	Interest on funds -Local	42.6	40.4	2.1	8.5	6.4
6	Interest on funds -Offshore	21.3	38.3	27.7	2.1	10.6
7	Increase in Demand for Housing	57.4	42.6			
8	Population growth	58.3	37.5	4.2		
9	Increased Education & Awareness	45.8	43.8	10.4		
10	Project management software	34	38.3	27.7		
11	Socio Media (Facebook, Whatsapp)	34	53.2	12.8		
12	Role of NEMA	27.7	48.9	19.2	2.1	2.1
13	Landscape	21.3	61.7	10.6	6.4	
14	Legal fees land matters	40.4	34	8.6	6.4	10.6
15	Inadequate land laws	14.9	46.8	10.6	6.4	21.3
16	Staff Education and Profession	72.9	22.9	4.2		
17	Honesty and Integrity of Staff	77.1	20.8	2.1		
18	Financial and Management Reports	58.3	35.4	6.3		
19	Training and Capacity Building	43.8	47.9	8.3		
20	Cost of Land	59.6	21.3	6.3		12.8
21	Professional Fees (Architect)	40.4	44.7	8.5	2.1	4.3
22	Infrastructure (Architect etc)	58.3	35.4	6.3		
23	Construction workers expertise	46.8	49	2.1		2.1
24	Compliance construction rules	38.3	48.9	8.5		4.3
25	Location construction rules	45.8	43.8	10.4		
26	Cleaning, Repair & Maintenance	39.6	52.1	6.2	2.1	
27	Security of premises	56.3	35.4	8.3		
28	Outsourced marketing and sales	35.4	60.4	2.1		2.1
29	Advertising (Print/Electronic)	56.3	43.7			
30	Commission on sales	39.1	56.5	4.4		
31	Facilitate title of transfer	52.2	43.5	2.1		2.2
32	Provide security of main gates	44.7	53.2	2.1		
	COUNT	32	32	29	9	14
	AVERAGE	45.8	41.4	8.6	6.1	7.3
	STANDARD DEVIATION	16.0	11.6	6.8	5.5	5.9
	MAXIMUM VALUE	77.1	61.7	27.7	19.2	21.3

Source: Primary data from the survey, 2015.

Table 4.17 presents summarized results in ascending order of the environmental factors perceived to be of key significance. In this table, the ‘strongly agree’ response has been combined with the ‘agree’ response to give the total positive influence on the competitive advantage. The same applies to the ‘strongly disagree’ and ‘disagree’ have been combined to give the total negative influence on competitive advantage.

Table 4.17: Ranking environment factors on Competitive Advantage

	Environment Factor	+ VE Competitive Advantage	No Effect	- VE Competitive Advantage
1	Economic Growth rate	100	0	0
2	Increase in Demand for Housing	100	0	0
3	Advertising (Print/Electronic)	100	0	0
4	Provide security of main gates	97.9	2.1	0
5	Honesty and Integrity of Staff	97.9	2.1	0
6	Staff Education and Profession	95.8	4.2	0
7	Population growth	95.8	4.2	0
8	Construction workers expertise	95.8	2.1	2.1
9	Outsourced marketing and sales	95.8	2.1	2.1
10	Facilitate title of transfer	95.7	2.1	2.2
11	Commission on sales	95.6	4.4	0
12	Financial and Management Reports	93.7	6.3	0
13	Infrastructure (Architect etc)	93.7	6.3	0
14	Cleaning, Repair & Maintenance	91.7	6.2	2.1
15	Political stability	91.7	2	6.3
16	Training and Capacity Building	91.7	8.3	0
17	Security of premises	91.7	8.3	0
18	Increased Education & Awareness	89.6	10.4	0
19	Location construction rules	89.6	10.4	0
20	Socio Media (Facebook, Whatapp)	87.2	12.8	0
21	Compliance construction rules	87.2	8.5	4.3
22	Devolved Government	86.9	10.9	2.2
23	Professional Fees (Architect)	85.1	8.5	6.4
24	Interest on funds -Local	83	2.1	14.9
25	Landscape	83	10.6	6.4
26	Cost of Land	80.9	6.3	12.8
27	Role of NEMA	76.6	19.2	4.2
28	Legal fees land matters	74.4	8.6	17
29	Project management software	72.3	27.7	0
30	Inadequate land laws	61.7	10.6	27.7
31	Interest on funds -Offshore	59.6	27.7	12.7
32	Corruption in Government	51	14.9	34.1
	COUNT	32	32	32
	AVERAGE	87.3	7.8	4.9
	Maximum Value	100	27.7	34.1

Source: Primary data from the survey, 2015.

4.6 Discussion of Findings

The objective of the study was to determine the influence of organizational environmental factors on competitive advantage of real estate private firms in Kenya. This study carefully selected 32 environmental factors that respondents were required to indicate the level of their influence in providing competitive advantage to these firms. The findings of this study have shown that the environment has an influence in providing competitive advantage to these firms. This influence has in particular provided a positive competitive advantage to most of the firms. This finding confirms the open systems theory, Katz and Kahn (1966) that recognized that businesses exist as open systems that interact and are interdependent on the environment. According to the open system theory, firms exist as open systems that depend on the environment for their success and survival. They derive their input from the environment and provide their output to the environment. The process of converting the input to output depends on the organizational capability that is internal to the firm.

The findings of this study are also similar to that of the dynamic capability theory. According to the dynamic capability theory, an organization should be able to adapt to changes in its environment using its functional or managerial capability for optimal functioning. This study used the Value Chain Model Porter (1990) to identify 17 value chain activities that formed variables which respondents concurred that they have an influence on competitive advantage.

The findings of this study have also shown that firms have used both differentiation and low cost strategy in registering satisfactory performance. This finding is similar to the generic strategies by Porter, (1990). On competitive advantage Porter (1990), observed that this can either be low cost or differentiation. In a competitive environment, firms have to use their available resources in order to compete.

According to this survey, Honesty and Integrity of staff had the highest ratio of respondents at 77.1% who indicated that they strongly agreed that it has provided competitive advantage. The environment factor that had the highest ratio of respondents indicating it has a competitive disadvantage is Corruption in Government.

Honesty and Integrity is the essence of ethics and morals. This finding is supported Crane and Matten (2003) who observed that moral intensity has relative importance on ethical issues. They indicated that the probability of effect represents the likelihood of harms or benefits that are actually going to happen as a result of certain actions. Where the possibility of harms or benefits to materialize exists, the moral intensity shall be higher than where only an abstract possibility exists. Harms and benefits in this case is the competitive advantage or disadvantage emanating from the moral decision made by the management.

Out of the 32 variables in the survey, an average of 45.8% indicated they strongly agreed they provided a competitive advantage. An average of 41.4% of the respondents indicated they agreed bringing a total of these respondents to 87.2%. Given an environment that has so many environmental factors, this finding is confirmed by 92.5% of the respondents who indicated that they are satisfied with the performance of their organization. From Table 4.17, Economic growth rate, Increase in demand for housing and advertising are highest factors that have provided competitive advantage while Corruption in Government is the least. According to Tuner (2015), the increase in demand for housing is a result of the increase in the number of middle income earners who are able to service property mortgages. According to Kabukuru (2012), since 2002, the Kenyan real estate sector has experienced a boom, confounding many in the region. While other property markets in the world dipped, the Kenyan environment remained strong and the latest findings seem to forecast better times ahead. Kenya's rapid economic development and a dynamic business regime are some of the reasons being given for this drive.

The respondents were also required to indicate in their view if they have differentiated themselves and all the valid responses indicated 100% that they have differentiated themselves and their services and that they were satisfied with their performance. This confirms Porter (1985), that differentiation is a source of competitive advantage. Overall, the findings of this survey indicate that the environment has provided factors that have influenced competitive advantage for Real Estate Private Firms (Kabukuru, 2012).

4.7 Chapter Summary

This chapter has presented the results of the analysis from the survey and discussed the findings from the analysis. The analysis indicated there was a response rate of 52% of the 92 real estate firms that comprised the target population. The average number of employees in these firms was 32. The REPF in Kenya are majorly owned by local firms represented by 96%. Most of these firms deal with both low quality and high quality products represented by 69% of the respondents.

The detailed result of each variable that was studied has been shown with how respondents indicated whether they strongly agreed, agreed, no effect, strongly disagreed or disagreed on the effect it has on competitive advantage. These responses have been presented as percentages on tables, graphs and pie charts. These factors were then ranked to show which environmental factors were most significant. The finding that real estate private firms in Kenya have performed well is in agreement with a similar view shared by Kabukuru, (2012).

The results of findings of the survey conformed to the open systems theory Katz and Kahn (1966) and the dynamic capability theory. This was shown by the significant number of respondents who indicated the level of interaction their firms have with the environment and the use of their internal capability for competitive advantage.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter provides a summary of the results from the data that was analyzed, gives a conclusion of the findings and makes recommendation. The summary and the conclusion is going to be related to the research objectives and findings will be used to determine the answer to the research question. Recommendation will be made based on the findings and a link will be made on the contribution the survey has on policy, theory and practice. The limitations of the survey will be examined and suggestions for further research provided.

5.2 Summary

The survey has shown that Real Estate Private Firms in Kenya are dominated by local firms that have been operational for more than five years with an average number of 32 employees. Most of these firms have targeted urban areas and target all the level of income earners in providing real estate property management, property valuation, property development, property sales and marketing.

The research question sought to identify the key organizational environmental factors that provide competitive advantage to Real Estate Private Firms in Kenya. The respondents of the survey indicated that the key environmental factors that have provided competitive advantage are: the increase in economic growth, increase in demand for housing, advertising, provision of security in main gate, honesty and integrity of staff, staff education and profession, increase in population, expertise of construction workers, outsourced marketing and sales and facilitation of transfer of ownership title documents. The existence of many environmental factors that have provided competitive advantage implies that most of respondents firm are enjoying a competitive advantage. This survey has shown that indeed these firms are enjoying good performance in generating income from their business. The average profit margins of these firms enjoying competitive advantage were indicated as 25%.

5.3 Conclusion and Recommendations

The Real Estate Firms in Kenya are experiencing a boom as result of the positive Competitive advantage that has been provided by the organizational environmental factors. The objective of the study was to determine the influence organizational environmental factors have on competitive advantage of REPF. This objective has been met following a result from the survey that shows 87.3% agreeing it has a positive competitive advantage, 4.9% negative competitive advantage and 7.8% indicating it has no effect.

The largest beneficiaries of this competitive advantage are the Real Estate Developers who have contributed to the massive property development being witnessed in the country. The survey has shown that Economic growth rate, increase in demand for housing and advertising are leading factors in providing positive competitive advantage. This trend is likely to continue given the projected economic growth rate of 7% of the Country's economy.

The Real Estate Industry has grown and developed to recognizable level contributing significantly to the GDP of the economy. The Government has abolished the Capital Gain Tax yet there exist an opportunity to enforce tax compliance by Real Estate Firms to recover tax from land lords and property owners. It is recommended that the Government can regulate the operations of the Real Estate Private Firms with a view to assist the Government collect revenue at source for rental incomes.

The survey has also shown that the devolved county Governments have created an opportunity for real estate development in the counties. It is recommended to practitioners to invest in these areas where land is still cheap for future development and exploit that existing competitive advantage. Real estate developers can take advantage of Investment deductions of 150% that the Government has already provided to investors in counties other than Nairobi, Mombasa and Kisumu.

5.4 Implication of the Study

The research has met the objective of the study which was to determine the influence organizational environment has on competitive advantage of real estate private firms and subsequently answered the research question. This has various implications to the policy, theory and practice.

5.4.1 Policy

The research has identified key environmental factors that influence competitive advantage of real estate firms. The Government and policy makers can use these in formulating and reviewing policy areas that affect the real estate industry.

This can help create an enabling environment for investors to enhance what is a rapidly growing industry. Effective strategies can be laid to collect revenue from the industry that has in the past been difficult to enforce tax compliance.

5.4.2 Theory

The research has confirmed that the existence of an organization is indeed dependent on the environment in which it operates in. The results of the survey give credence to the open systems theory Katz and Khan, (1966) that indicate organizations exists as open system that interact with the environment.

The result of the survey further provides credibility to the Capability theory given the many respondents who indicated that they have used their capabilities to their competitive advantage. Advertising, Staff Education and Profession, Expertise of construction workers have been listed among the top ten key environmental factors that have provided positive competitive advantage.

5.4.3 Practice

The research classified firms practicing real estate activities as those involved in sales and marketing of real estate property, real estate property management, property valuation, real estate property development, and consultants. These players can use the factors identified herein as significant to enhance their competitive advantage.

They can formulate strategies to effectively deal with factors that have competitive disadvantages and turn them into competitive advantage. This would improve their performance by providing them a cutting edge where other firms are struggling.

5.5 Limitations of the Study

The questionnaire was addressed to Chief Executive Officers and senior managers were the target officers with understanding of their firms and business environment. Most of these staff were unavailable to respond due to their official work. Some firms declined to fill the questionnaire without giving reasons. The authentic nature of the questionnaire required that respondents put a company rubber stamp on it. Some respondents felt the information they have provided is confidential and despite assurance that it will be treated in confidence felt it can still end in wrong hands. They declined to put a Company rubber stamp and these questionnaires are not part of the analysis.

The physical location of these firms was critical in forming the population of the study. There are 8 firms that were not found in their physical location during the field visit. Some of these firms had their names appearing in the list of tenants displayed on the ground floor of the buildings yet not operating in the building. This was noted to be a common feature of these firms with some having closed business while others have relocated their premises yet this is not reflected on their internet websites.

5.6 Suggestions for Further Research

The survey conducted was on organizational environment and competitive advantage giving focus to Real Estate Private Firms operating in the Kenya. The organizational environment covered both Internal and External Environment. Though the variables that were identified in the survey were too many, other variables that respondents thought were relevant to the survey like remittance from Kenyans in the diaspora were not covered.

An area of further research would be the survey of the internal environment and capture variables not covered in this survey. This further research could be performed in another Industry like the paint or motor vehicle industry in Kenya.

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Section II: PESTEL FACTORS OF THE INDUSTRY

Evaluate the following PESTEL Factors and Indicate whether you agree that these factors have a positive influence in providing Competitive Advantage to firms in the Real Estate Industry in Kenya.

Political Factors
7 Political Stability
8 Devolved County Government
9 Corruption in Government

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Economic Factors
10 Economic Growth Rate
11 Interest on borrowing Fundsó Local
12 Interest on borrowing funds ó Offshore
13 Increase in House demand

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Socio Cultural Factors
14 Population growth
15 Increased education & awareness

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Technological Factors
16 Project management software
17 Sociomedia-Facebook, Whatsapp

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Ecological Factors
18 Role of NEMA
19 Landscape

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Legal Factors
20 Legal fees in Land matters
21 Inadequate land laws

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

Section III: VALUE CHAIN ACTIVITIES OF THE FIRM

Evaluate the following Value chain activities and indicate whether you they have a positive influence in providing Competitive Advantage to firms in the Real Estate Industry in Kenya.

1. SUPPORT ACTIVITIES (Finance, Accounting, Human Resource Management)

Factors
22 Staff Education/Profession
23 Honesty and Integrity of staff
24 Financial and management
25 Training & capacity building

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

2. PRIMARY ACTIVITIES

i. Input Logistics
26 Cost of Land
27 Professional Fees (Architect)
28 Infrastructure (roads, water)

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

ii. Operational Logistics
29 Construction expertise
30 Compliance constructionrules
31 Location of construction sites

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

iii. Output Logistics
32 Cleaning, repair & maintain
33 Security of premises

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

iv. Marketing and Sales
34 Outsourced marketing & sales
35 Advertising (Print/Electronic)
36 Commissions on sales

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

v. After sale service
37 Facilitate transfer of titles
38 Provide security of main gates

Tick one				
I strongly agree	I agree	No effect	I strongly disagree	I disagree

39. Indicate the extent to which our organization has differentiated itself and its services from those of the competitors

Poorly Successful	Average Successful	Successful	Very Successful
-------------------	--------------------	------------	-----------------

40. Are you satisfied with the current performance of your organization in generating income from the business?

Not satisfied	Fairly Satisfied	Satisfied	Fully Satisfied
---------------	------------------	-----------	-----------------

41. In your view, what should be the average profit margins for a firm that is enjoying competitive advantage?

0-5% 6-10% 11-15% 16-20% Above 25%

42. In your view, what are the 4 main factors that have provided competitive advantage to Real Estate firms in Kenya which is now booming industry?

1. _____
2. _____
3. _____
4. _____

Thank you for participating in this survey.

Name of the Person _____ Position in the Organization _____

Date _____/_____/2015 Company Rubber Stamp _____

APPENDIX II: Letter of Introduction



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME**

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 18/5/2015

TO WHOM IT MAY CONCERN

The bearer of this letter PATRICK FAFALI CHITAVI

Registration No. NG1/65002/2013

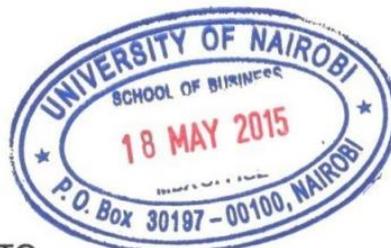
is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

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 III: Real Estate Private Firms in Kenya

No.	Name of the Firm	Address and Contacts
1.	Acorn Group Kenya Ltd	Lavington Nairobi óTel 2592671 info@acorngroupafrica.com
2.	Alliance Realtors Ltd	Salama House Opposite City Hall Tel. 0202242842
3.	Amalgamated Properties K Ltd	Hughes Building, Nairobi Tel 20340666
4.	Amazon Valuers Ltd	Gilfillan House 5 th Floor, Nairobi Tel 0722285 272
5.	Angaza Real Estate Management	Corner House P.o Box 632 00100 Thika
6.	Askim Management Services	Ruprani House 1 st Floor 117, Nairobi Tel: 2223678
7.	Bannie & Archer Valuers Ltd	Ambank House Nairobi Tel 254 20 - 223476
8.	Blueline Properties	Wendy Courts, Nairobi Tel +254204441195
9.	Castle Land Properties	Equity Plaza, Nairobi Tel: +254 20 240622
10.	Charcon Properties	Phoenix House, NAIROBI Tel: 072194
11.	Chigwel Holding Ltd	Parklands, Nairobi Tel: +254 700 000 802.
12.	Citi Scape Valuers Ltd	Occidental plaza, Westlands Tel 0708848481
13.	City Valuers Ltd	Post Bank House 4 th Floor
14.	Continental Villas Ltd	Ambal House, Msa Tel: +254412319795
15.	Crystal Valuers Ltd	Bruce House, Nairobi Tel +254 20 312024
16.	Daebak Investments	Langata Rd, Nairobi Tel. 0725327431
17.	Daykio Plantation Ltd	Hughes Building P.o Box 74145 00200 Nairobi
18.	Daytons Valuers Ltd	Krishna Centre, Nairobi +254 722 291159
19.	Deca Shelter Agencies Co, Ltd	Uniafric House, Nairobi Tel +254202198084
20.	Developing Africa Ltd	Nairobi Tel: +254-20-2325041
21.	Diamond Park Developers	Jamia Shopping Mall Nairobi +254-0721 625664
22.	Dominion Valuers Ltd	Hazina Towers Nairobi, Tel +254 20 2252334
23.	Dream Properties	I & M Building, Nairobi óTel +254 20 2466595
24.	East Gate Apartment Limited	Kimathi House Nairobi Tel: +254-0724 214254
25.	Easy Properties Ltd (K)	Tulip House, Msa Rd, Tel: 0700735640
26.	Ebony Estates Ltd	Hughes Building 2 nd Floor Tel. 0202221083/84

27.	Ena Property Consultants Ltd	Mercantile House, Nairobi Tel: +254 20 246703
28.	Garun Real Estate Investments	Eastleigh, Nairobi Tel: +254-721883188
29.	Gimco Ltd	Kiambere Rd, Nairobi Tel: +254 20 2626933
30.	Habitat Realtors International	Rehema House, Nairobi Tel +254 722772295
31.	Hadar Ltd	Nairobi Tel: info@hadar.co.ke
32.	Hass Consult Real Estate	ABC Place, Nairobi Tel: +254 20 4446914
33.	Hasseris Estate Management	Queensway House, Nairobi Tel: +254202128881
34.	Hectres and Associates	Hughes Building, Nairobi Tel: 020-240058
35.	Highland Valuers Ltd	Rehani House, Nairobi Tel: +254 20 241975
36.	Home Africa Ltd	Morning Park, Ng Rd Nairobi, Tel: +254 (020)2772000
37.	Horeria & Co. Ltd	Standard Building, Nairobi Tel: 2249410
38.	Horizon Valuers	Uchumi House, Nairobi Tel: +254202230460
39.	Interlink Real Estates Ltd	Nacico Plaza, Nairobi, Tel +254 731 313070
40.	Ivory Homes Ltd	Gilfillian House, Nairobi, Tel: +254 732 660340
41.	Jaken Agencies	Ruprani House, Nairobi Tel: 020 2124609, 0202230775
42.	Jimly Properties Ltd	Contrust House Nairobi, Tel: +254 20 2242804
43.	Jomwa Property Ltd	Kimathi house 3 rd floor
44.	Kiragu and Mwangi Ltd	Mpaka House, Westlands Nairobi +254727 111444
45.	Knight Frank Kenya Ltd	Lions place, Nairobi, Tel: +254 20 4440174
46.	Komarock Ranching Sacco Ltd	Mwalimu Centre, Nairobi Tel: 0727 806687
47.	Lamka Properties	Nanak House, Nairobi Tel: 020 343771
48.	Landmak Realtors Ltd	Anniversary Towers, Nairobi Tel: :+254 20 2220019
49.	Lloyd Masika Ltd	Norfolk Towers, Nairobi Tel: +254 22 15900
50.	Lukenya Greens Ltd	Queens way House, Nairobi Tel: +254 20 8055101
51.	Madiba Property Ltd	Kimathi House Tel. 020217255
52.	Madison Properties Ltd	Twiga Towers Ltd, Nairobi Tel: +254724 089225
53.	Mak Property Ltd	Rehema House P. O Box 46990 Nairobi
54.	Mamuka Valuers Management	Ruprani House, Nairobi Tel: +254(020) 2212312

55.	Manclen Management Ltd	Hughes Building, Nairobi Tel: +254 20 311311
56.	Masterways Properties	Old Mutual, Nairobi Tel: :+254 20 310459
57.	Mega Housing Coop Ltd	Bruce House 9 th Fl Tel. 0202215983
58.	Mencia Management Ltd	Jethalal Chambers, Biashara Tel: 020 341924
59.	Metrocosmo Valuers Ltd	Hughes Building, Nairobi Tel: +254 20 228398
60.	Neptune Shelters Ltd	Mpaka Plaza, Nairobi Tel: +254 20 4450747
61.	Norwich Union Properties Ltd	Norwich Union, Nairobi Tel: +25420316113
62.	NW Realite Ltd	Lonrho house 9 th Fl Tel 0722898360
63.	Palm Golding Properties Ltd	Westlands, Nairobi Tel: +254 (0)20 2370090
64.	Paragon Property Consultants	Twiga Towers, Nairobi Tel: +254 20 2227060
65.	Paul Wambua Valuers	Electricity House, Msa, Tel: +254 726 802530
66.	Pink Properties Developers	Kenbanco House, Nairobi: +254 720 695401
67.	Pinnacle Valuers Ltd	Post Bank Building, Nairobi, Tel: +254 20 2211802
68.	Premier Reality Ltd	Madonna House, Nairobi Tel: +254 444 0258
69.	Prestige Estate Ltd	Rehema House Nairobi, Tel: +254 20 2247571
70.	Property Arena Ltd	New Rehema House 4 th Fl P.o Box 493 00606 Nairobi
71.	Real Management Services	Twiga Towers, Nairobi Tel: +254 721 582227
72.	Realekn International Ltd	Consolidated Bank House, Nairobi: Tel: +254 20 343663
73.	SEB Estates	Anniversary Towers 14 th Fl Tel 0722857284
74.	Shelter Management Valuers Ltd	Common Wealth House, Nairobi Tel: 020-2251230
75.	Sternon Real Estate	Sarit Centre, Nairobi Tel: +254(0)045650
76.	Super Shelter Construction Ltd	Afya Centre, Nairobi Tel: (254) 20 6 217495
77.	Surbabia Ltd	Hughes Building 5 th Floor Tel 0205100274
78.	Swing Kenya Ltd	Bruce House Nairobi, Tel: +254-202222901
79.	Tamarind Properties	Haven court, Nairobi Tel. +254 (20) 4442455
80.	Temus Real Estate Solution	Ring Rd Parklands Nairobi Tel: +254 20 4452461
81.	Toco Properties Ltd	Kimathi House, Nairobi +254 20 2215460
82.	Traca Management Services Ltd	Rattansi Koinange, 2 nd Floor Nairobi Tel: +254

		721 439984
83.	Trident Estate	Fortis Towers, Westlands, Nairobi Tel: 0700 002 222
84.	Tysons Ltd	Jubilee Insurance House, 2 nd Floor Nairobi Tel: +254 20 2222011
85.	Urban Properties and Developers	Kimathi House, Nairobi Tel: 020-2241298
86.	Valley Ranch Ltd	Eagle Nest House, Nairobi Tel: +254 20 8022119
87.	Value Zone Ltd	Ambank House, Nairobi : +254 20 2469381
88.	Verity Property Ltd	Soin Arcade, Nairobi +254-202025353
89.	Vidmerck Ltd	NSSF Building, Msa Tel: +25420 2211308
90.	Villa Care Kenya Ltd	Rehema House, 5 th Floor Westlands Tel 020-4447444
91.	Wainaina Real Estates Ltd	Hughes Building, Nairobi Tel:+25420 2227207
92.	Zenith Management Valuers Ltd	Phoenix House, Nairobi Tel: +25420-2247435

Various Sources: Office of the Registrar of Companies 2014, Yellow Pages and Media 2015 and unpublished MBA project 2010-2013, University of Nairobi.