

**COMPETITIVE STRATEGIES ADOPTED BY TECHNICAL
TRAINING COLLEGES IN NYERI COUNTY, KENYA**

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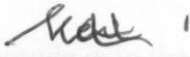
**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE
OF MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL
OF BUSINESS, UNIVERSITY OF NAIROBI**

SEPTEMBER, 2011

DECLARATION

This research project is my original work and has never been presented in any other University/College for the award of degree/diploma/certificate.

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This research project has been submitted for examination with my approval as the University Supervisor

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ACKNOWLEDGEMENTS

The MBA programme has been a very long, taxing and challenging journey, the successful completion of which has been the result of support and encouragement from many quarters. I am indebted to all those who inspired me to take up this programme and those who gave me the necessary guidance and support for my success.

My greatest gratitude is to the almighty God, the source of all goodness. I have come this far under his unfailing care. All glory is to him forever. My heartfelt gratitude and appreciation go to my supervisor, Dr. Martin Ogutu, who devotedly and professionally guided and encouraged me throughout the project. His counsel, support, and constructive criticism, not forgetting his timely honouring of appointments enabled me complete the project in time. His support was indispensable for the successful completion of the project.

I am also grateful to my colleagues at my place of work for their encouragement and moral support. I am particularly grateful to the Director of Technical Education, Mr. Owate Wambayi for his understanding and moral support. In addition, I wish to acknowledge the support I received from the secretaries at the department, especially Eucabeth, Lydia and Jacqueline, amidst their tight schedules.

I also wish to recognize the companionship of my colleagues in the MBA class especially Dan Kiniti who has walked with me every step of the way, not forgetting James Mbui and Esther Kerubo. Their interactive discussions and encouragement gave me the strength to go on.

I am also grateful to my friends, particularly Redempta Oyeyo for her professional advice at the onset of the project, Ann Nderitu for setting the pace for me as she undertook a similar programme at Kenyatta University and Jennifer Warui for supporting me with uplifting messages that lit up my most challenging moments.

I also sincerely appreciate my dear wife, Jennifer Nyawira, for bearing the brunt of the struggle. She displayed unique understanding especially when I had to be away from home even on weekends and leave days. On the same vein, I wish to thank my children, Vincent and Clare Ann for bearing with me when my attention to them was not as forthcoming as it should have been. I also thank my parents, Samuel Ndegwa and Elizabeth Njeri for instilling in me a passion for academic excellence at a tender age. Their efforts were not in vain.

Whereas I acknowledge input from all these persons in the research project, I take responsibility for any deficiencies therein.

DEDICATION

This project is dedicated to my dear wife, Jennifer Nyawira and my children, Vincent Ndegwa and Clare Ann Njeri for their encouragement and support throughout the course.

ABSTRACT

The ability of firms to survive in the business environment is dependent upon their selection and implementation of a competitive strategy that differentiates the firm from competitors. As competition intensifies, many businesses continue to seek profitable ways in which to differentiate themselves from competitors and the technical training colleges are not exceptional. The ability of an organization to capture the opportunity that an industry gives depends on its core competency and the technical training colleges have to continuously monitor and adapt to the changes and adopt some strategies. As a result of this, firms have to employ various strategies to survive in the industry.

The study sought to establish competitive strategies adopted by technical training colleges in Nyeri County, Kenya. In attempting to realize the objective, survey research design of both public and private technical training colleges operating in Nyeri County was adopted. The population of the study consisted of all public and private technical training colleges operating in Nyeri County which were thirteen (13) of which two (2) were public and eleven (11) were private. The study used primary data which was collected through self administered questionnaires. The data was analyzed by the use of descriptive statistics to summarize and relate variables which were attained from the administered questionnaires.

The study established that the competitive strategies which the technical training institutions use were differentiation strategy and cost leadership strategy. Other strategies used by the technical institutions in order to be competitive include; improving quality of

education being offered, ensuring students discipline, focusing on offering specific courses, introducing new courses and using uninterrupted power and water supply e.g. provision of generator, large storage water tanks, use of latest technology, automation of operations, cost cutting measures, student service, increased advertising, new products/services and staff training. The challenges encountered by the technical training institutions include; inflexible and outdated curricula, mismatch between skills learnt and skills demanded by industry, insufficient resources and capacity, employment of adequate and qualified teachers, lack of technological advancement, changes in students' needs, lack of skills and ability of staff and lack of sufficient space for expansion, lack of fair and justified promotions, lack of good relations among staff, lack of staff accountability and ownership of service quality and lack of adequate staff performance feedback.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

The education sector is expanding at an increasing rate and is becoming intensely competitive for Universities, technical and also tertiary colleges. As such, every institution needs to adopt some strategies which will enable it to have a competitive edge over the others. As competition intensifies, many institutions continue to seek profitable ways in which to differentiate themselves from competitors. As noted by Covin and Slevin (1989), organizations are particularly susceptible to environmental influences due to limited resources and the devastating consequences of poor managerial decisions.

According to Porter (1980), the ability of firms to survive in the business environment is dependent upon their selection and implementation of a competitive strategy that differentiates the firm from competitors. It is also accepted that an organization's ability to be competitive and profitable depends not only on the type of strategy it formulates and implements, but also on the way in which it is formulated (Rogers, Miller, & Judge 1999). According to Kotler (1994), positioning is the act of designing the organization's offering and image so that it occupies a distinct and valued place in the target customer's mind.

According to Pearce and Robinson (2002), for organizations to achieve their goals and objectives, it is necessary for them to adjust to their environment. Technical training institutions are operating in a very dynamic environment due to the increasing demand for middle level training. The dynamism of the environment implies that the institutions

have to constantly redesign their strategies in order to remain competitive. This study is timely in light of an increasingly enlightened population which is demanding value for money. This implies that only the institutions with the best competitive strategies will be able to survive.

1.1.1 Competitive strategies

Competitive strategies are designed for situations where only partial information is available, whereas an optimal solution would require complete knowledge of all circumstances, or of the future. The extent of market orientation in a firm must be congruent with the competitive strategy adopted (Conant, Mokwa, & Varadajan, 1990). In fact, the importance of the match between business strategy and marketing strategy has been empirically illustrated (Olson, Slater, & Hult, 2005). The argument that competitive strategies drive market orientation is founded on the assertion that marketing activities are likely to be influenced by strategic choices at the macro competitive strategy level (Slater & Olson, 2001). Firms need strategy to sustain and grow profitability, revenues, market share and most importantly-acceptance. Competitive strategy is concerned with how a company competes in a particular business and gains a competitive advantage through a distinctive way of competing. Business firms need to consider the overall strategy if they are determined to remain relevant in the market. Competition is at the core of the success or failure of firms. It defines the mix of businesses the organization should compete in, and the ways in which strategies of individual units should be coordinated and integrated. Competition determines the appropriateness of a firm's activities that can contribute to its performance, such as innovations, a cohesive culture and good implementation.

Competitive strategy helps to search for a favourable competitive position in an industry, aims to establish a profitable and sustainable position against the forces that determine industry competition. The ability of an organization to capture the opportunity that an industry gives depends on its core competency.

According to David (2000), the level of competition a firm faces will depend on a number of factors which include; the greater the number of firms operating in the industry, the greater will be the level of competition faced by each firm in that industry, on the extent to which its products are similar to its competitor's products (Slotegraaf & Dickson, 2004). If a firm operates in an industry where its competitor's products are an almost perfect substitute for its products, then the firm will generally face a high level of competition. If however a firm is able to offer a product which is different from that of its rivals, then the firm will face less competition and less ease with which competitors can enter or leave the industry. If firms find it difficult or costly to enter the industry, then existing firms may find that they face limited competition. On the other hand, if it is relatively easy to enter an industry, firms will generally find that they face a high level of competition. Generally, an industry could be described as being highly competitive whenever a large number of relatively small firms, who offer similar products, operate in the industry. If however the industry is dominated by a small number of large firms, the industry could be described as being highly concentrated (Darrow, Algin, & King, 2001).

1.1.2 Technical Training Colleges in Kenya

The development of technical training in Kenya can be traced back to the recommendations of the Ominde Commission of 1964. This commission recommended the creation of technical secondary schools. Following this recommendation, the first Christian Industrial Training Centre was established by the NCKK and other stakeholders. This was followed by creation of Youth Polytechnics from 1966. The Mackay Commission of 1981 recommended the expansion of access to skills training and introduction of vocational technical subjects at all levels of education, among other recommendations. This paved the way for the upgrading of technical secondary schools to Technical Training Institutes in 1986.

The Kamunge Taskforce of 1988 recommended introduction of entrepreneurship alongside technical skills acquisition, alongside cost sharing. This was geared at enhancing technical skills for competitive employment and job creation. The Koech Commission of 1998 recommended removal of technical subjects from primary and secondary school curriculum. This was aimed at strengthening technical institutions in addition to rationalizing the overloaded 8-4-4 curriculum. Technical colleges in Kenya are also referred to as Technical, Industrial, Vocational and Entrepreneurship Training (TIVET) institutions. In June 2003, the Government initiated a rapid appraisal on the status of TIVET in Kenya in line with governing party manifesto of 2002. This was a follow up to a cabinet decision in 1995 that a National Training Strategy be developed for adequate and appropriate skilled manpower. The outcome provided the base line data for reforms in TIVET.

According to Sessional Paper No. 1 of 2005, the objective of TIVET is to provide and promote lifelong education and training for self reliance. The Ministry that is mandated to coordinate TIVET in the country is the Ministry of Higher Education, science and Technology (MOHEST) through the Directorate of Technical Education. However, Coordination of the activities of TIVET is hampered by the fact that TIVET institutions are spread in various Ministries and departments across the country. Records obtained from the Directorate of Technical Education indicate that there are a total of 43 public TIVET institutions distributed as follows: 1 Kenya Technical Teachers College, 2 National Polytechnics, 26 Technical Training Institutes and 14 Institutes of Technology. In addition, some former TIVET institutions have been upgraded to University Colleges.

To supplement the Government efforts in provision of technical training, MOHEST registers private TIVET institutions. According to the Ministry of Higher Education, Science and Technology website, a total of 442 TIVET institutions had been fully registered as at June, 2011. Out of the students who sit the Kenya Certificate of Secondary Education every year, only a small percentage is able to access university education. The rest ought to be absorbed in TIVET institutions, among other middle level colleges. TIVET institutions could thus play a vital role in absorbing the rest of the school leavers. The great demand for technical education has placed a heavy responsibility on all technical training providers to offer high quality and relevant training. A recent crackdown by the Government on unregistered technical training colleges has made the public more enlightened and choosy when it comes to enrolment

of students in TIVET institutions. This has made the environment very competitive as parents will only go for the best institutions. Public TIVET institutions cannot afford to be complacent as they are facing stiff competition from the private institutions. In order to thrive in this competition, it is therefore imperative that both public and private TIVET institutions create a sustainable competitive advantage. This should be by developing unique competitive strategies.

1.2 Statement of the Problem

Ensuring that an organization can compete effectively in the marketplace is one of the principal tasks of management. In an era of transformational change, Huselid (1995) argues that as other sources of competitive advantage have become less important, what remains as a critical differentiating factor is the organization, its employees and how they work. One objective of an overall corporate competitive strategy is to put the organization into a position to carry out its mission effectively and efficiently (Gold, 1991). A good corporate competitive strategy should integrate an organization's goals, policies, and action sequences into a cohesive whole, and must be based on business realities. Strategy must connect with vision, purpose and likely future trends.

Only a minority of the form four graduates in the country every year are able to access university education. A significant number of the rest ought to be absorbed in public or private technical training institutions. There are very few public technical training institutions in the country and this has necessitated the need for private technical training institutions. The demand for middle level training has resulted in the mushrooming of private technical training colleges, many of which are not registered.

The Government has recently mounted a crackdown on all unregistered technical training colleges and this has increased the competition because only those that meet the quality criteria are being allowed to operate. Against this background, technical training institutions will need to develop very good competitive strategies in order to thrive amidst the intense competition.

Studies done in the area of competitive strategies include: Okoth (2005) focused on competitive strategies employed by sugar manufacturing firms in Kenya and he concluded that sugar manufacturing companies in Kenya face stiff competition from cheap imports from neighbouring countries and that they need to respond to this competition to retain market share. These manufacturing firms have over the years employed focused differentiation as the only option since the imports are always cheap hence price differentiation does not work. Amir (2007) did competitive strategies adopted by petroleum retail stations in Kenya, a case of Mombasa city and the findings showed that all stations are applying some strategies for competition but most of them combine both the cost leadership and differentiation strategies at the same time, most of which are the multinationals due to their favorable financial capabilities. A few local companies and the independent owners mainly focus on price strategy and sell at lower prices.

Karoney (2008) dwelt on competitive strategies adopted by the Kenya Television Network (KTN) of the standard group and she found out that local programming content is the key driver for audiences and advertising revenue. A study by Kitoto (2005) on competitive strategies adopted by Universities in Kenya found out that Kenyan universities use satisfactory quality of teaching and recognized degree with

acceptable quality in order to achieve overall cost leadership. High quality teaching, highly skilled and competent lecturers and course content being covered within the prescribed time frame were the main ways Kenyan universities achieved differential advantage. In relation to focused strategy, it was observed that the universities mainly offered market driven courses and ensured flexibility on courses offered. Other competitive strategies employed by the universities were subsidizing fee for staff dependants, offering school based courses, employing lecturers on part time basis and publicity to create and enhance positive image of the university. Obado (2005) did competitive strategies employed by the sugar manufacturing firms in Kenya and found out that the sugar manufacturing firms have formalized vision and mission statements. They employ competitive strategies of cost leadership, differentiation and focus to different degrees.

As observed above, the studies conducted on competitive strategies adopted by various organizations have not considered the strategies which the public and private technical training colleges adopt in order to remain relevant in the education sector. There is therefore need to investigate the competitiveness of each category of technical training institutions for the betterment of both. This research will therefore seek to identify the competitive strategies being adopted by public and private colleges in Nyeri County. This problem statement leads to the following questions: what are the competitive strategies adopted by public and private technical training colleges operating in Nyeri County?; what are the challenges of competition faced by public and private colleges in Nyeri County of Kenya?

1.3 Objectives of the study

- i. To establish the challenges of competition faced by private and public technical training colleges in Nyeri County of Kenya.
- ii. To determine the competitive strategies adopted by the public and private technical training colleges in Nyeri County of Kenya.

1.4 Value of the study

The study will enable the management of the colleges to determine the strategies which they can adopt in the face of unpredictable changing environment. In addition, the study will be an invaluable source to those interested in establishing a business in the education sector since they will be able to understand what to do right to succeed and what if done wrong will bring the business down.

The study will also create a monograph which could be replicated in other colleges operating in other parts of Kenya. Most important, this research is further aimed at offering some practical suggestions on the strategies to be put in place in order to gain competitive advantage. The policy makers will obtain knowledge of the education sector dynamics and the appropriate competitive strategies; they will therefore obtain guidance from this study in designing appropriate policies that will regulate the sector.

Future scholars may use the results of this study as a source of reference. The findings of this study can be compared with competitive strategies in other sectors to draw conclusions on various ways in which an institution can respond to competitive forces in the environment.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Organizational results are the consequences of the decisions made by its leaders. The framework that guides competitive positioning decisions is called competitive strategy. The purpose of competitive strategy in an organization is to build a sustainable competitive advantage over its rivals. It defines the fundamental decisions that guide the organization's marketing, financial and operating strategies. Without a well defined strategy, organizations will be driven by current operational issues rather than a planned future vision.

2.2 Concept of strategy

According to Porter (1980), strategy is a pattern or plan that integrates an organization's major goal, policies and action sequences into a cohesive whole. Grant (1998) stated that the strategy concept is about a "winning" game plan. Strategy is not a detailed plan or program of instructions; it is a unifying theme that gives coherence and direction to actions and decisions of an organization. It is the ability to recognize opportunities when they appear and have the clarity of direction and flexibility necessary to exploit these opportunities. Levicki (2003) defined strategy as a document or set of concepts that form the plan for the future of an organization. Every organization will need a different plan which has to be tailor made for its particular and unique history, circumstances and capacity.

Strategies which are implemented within an organization should support the culture associated with the firm. The proposed strategy should preserve, emphasize, and

enhance the culture, in accordance with the culture supporting the proposed strategy. The service industry has of late been under intense competition from big supermarkets which have opened other outlets in the estates thus challenging the small supermarkets which have been operating in the estates. Environment is a key factor to a firm's success. Environment can be relatively stable or highly turbulent. Each level of environmental turbulence; has different characteristics, requires different strategies and requires different firm capabilities (Ansoff & McDonell, 1990). Thus there is need for continuous strategic diagnosis. Strategic diagnosis is a systematic approach to determining the changes that have to be made to a firm's strategy and internal capability in order to assure the firm's success in the future environment. It is based on appreciation that periodic planning systems are not able to perceive and respond to threats and opportunities in a turbulent environment.

According to Pearce and Robinson (2002), for organizations to achieve their goals and objectives, it is necessary for them to adjust to their environment. The dynamism of the environment implies that organizations have to constantly redesign their strategies in order to remain competitive. Failure to effectively adapt the organization to its environment leads to a strategic problem. Such a problem will be evidenced by a mismatch between what the organization offers and what the market demands. Considering that performance is the major objective of an organization, it is generally accepted that the structure and decision making in an organization is influenced by environmental complexity and volatility (Miles & Snow, 1978). It is further argued that organizations that align their strategies with the requirements of their environment outperform organizations that fail to achieve such an alignment (Beal, 2000).

Environmental scanning is generally accepted as being the first step in the process of aligning strategy with environment (Beal, 2000). This is because environmental scanning will help the organization to learn more about opportunities for taking competitive advantage and threats to its survival.

2.3 Concept of competition

Competition is a contest between individuals, groups or nations for territory, niche, or allocation of resources. It arises whenever two or more parties strive for a goal which cannot be shared. Competition occurs naturally between living organisms which co-exist in the same environment. Business is often associated with competition as most companies are in competition with at least one other firm over the same group of customers (Lynch, 2003). No organization can stand alone in its effort to serve its target market as it is surrounded by a host of competitors. Customers, suppliers, potential entrants and substitute products are all competitors that may be more or less prominent or active depending on the industry (Kotler, 2003). Firms are in competition with each other when they try to sell identical products or services to the same group of customers.

Industry and competitive analysis seeks to analyze the industry's competitive process to discover the main sources of competitive pressures and how strong each force is. Porter (1980) argues that businesses must respond to five basic competitive forces that drive industry competition. These five forces are: intensity of rivalry within the industry, threat of new entrants, and threat of substitute products, bargaining power of customers and bargaining power of suppliers.

New entrants to an industry bring new capacity, the desire to gain market share and often substantial resources. The degree of threat is dependent on the entry barriers and on the reaction from the existing competitors. Bargaining power of buyers and suppliers: customers can force down prices, demand higher quality of goods and services and play competitors against each other. Suppliers on the other hand can exert bargaining power on participants in an industry by raising prices or reducing the quality of goods and services. The worst case scenario is where there are powerful suppliers and buyers as they squeeze out profitability in an industry for a firm to be unable to recover cost increase in its own prices (Porter, 1980). By placing a ceiling on the prices it can charge, substitute products or services limit the profit potential of an industry. Unless it can upgrade the quality of its products or services or differentiate them, the industry will suffer in earnings and growth. Rivalry within the industry takes the familiar form of jockeying for positions using tactics like price competition, product introduction, advertising, and increased customer services all in an effort to gain market share (Porter, 1980).

Porter (1998) discusses government as a force in industry competition. He explains that government at all levels must be recognized as potentially influencing many, if not all aspects of industry structure both directly and indirectly. In many industries, the government is a buyer and, or a supplier and can influence industry competition by the policies it adopts. It can also affect the position of an industry with substitutes through regulations, subsidies or other means. Knowledge of the underlying sources of competitive pressures highlights the critical strength and weaknesses of the organization, animates its positioning in the industry, clarifies areas where strategic

change may yield the greatest pay off and highlights the area where industry trends promise to hold the greatest significance. The core of success or failure of a business rests in the level of competition. Increased competition threatens the attractiveness of an industry by reducing the profit potential of players. It exerts pressure on firms to be proactive and formulate successful strategies to changes in the competitive environment all in an effort to gain competitive advantage. According to porter (1985), the key to a firm's success is to formulate a position, which is less vulnerable to attacks from competitors and to erosion from buyers, suppliers and substitute products.

2.4 Challenges of competition

Competition is no longer an abstraction but a stark reality that virtually all firms, large and a small, face. According to Fulghieri and Hodrick, (2006) firms that want to survive in the 21st century must confront this all encompassing force that pervades every aspect of business. In a wide range of industries from automobiles to food to education and clothing, firms face the pressures of competition. Establishing a clearly defined competitive strategy to provide direction for their efforts was a paramount concern of managers in the 1980s (Susan & Craig, 1995). As competitive pressures became more acute, management recognized that they needed to develop a strategic thrust geared to securing and sustaining a competitive advantage in their served markets. Effective strategy moves were grounded in assessment of the firm's current competitive position and identification of the skills and capabilities affording the most leverage in the light of future market developments (Day & Wensley, 1983). More recently, the validity of traditional approaches to strategy and even the value of strategic thinking has been questioned (Prahalad & Hamel, 1994). The transformation

of the competitive landscape by broad based changes in technology, structural changes impacting industry, the emergence of new sources of competition, and increased environmental concerns, have all led to a re-evaluation of strategic thinking and strategy development. In particular, the changing competitive landscape and increasingly turbulent environment suggest the need for new approaches and a broader view of how the organization should respond to changing environmental conditions (Bettis & Hitt, 2005).

According to Newman and Colleagues (1989), there are three types of competitive challenges that may hamper a firm's ability to grasp new opportunities. These challenges are financial requirements, regulatory issues imposed by the government and the industry and the ability of the company owners and managers. Other challenges may arise from structural and economic barriers inherent in the industry. In implementing strategy, firms face challenges such as inadequate financial resources, costly sources of funds, skills and ability of staff, marketing abilities, and changes in customer needs, government requirements and the complexity of coordinating all firms' activities in pursuit of the agreed strategy (Grant, 1998).

Box and Watts (2000) argue that the real challenge in implementation of a generic strategy is in recognizing all supportive aspects and putting them in place properly. Porter (1996) also argues that most management trends in the 1980s and 1990s such as total quality management, business processing reengineering, empowerment of workforce, outsourcing and time based competition were a matter of operational

effectiveness rather than strategy. Therefore, in implementing strategies, firms may be pursuing operational effectiveness rather than strategy. Porter (1996) points out that operational effectiveness though necessary is not sufficient to bring about competitive advantage. He concludes by arguing that achieving competitive advantage means adopting the appropriate generic strategy and implementing the strategy with a network of supportive activities.

According to Thompson and Strickland (2003), the most important fits are between strategy and organizational capabilities, between strategy and the reward structures, between strategy and internal support systems, and between strategy and the organization's culture. Fitting the organization's internal practices to what is needed for strategic success helps unite the organization behind the accomplishment of strategy. The strategy implementation task is easily the most complicated and time consuming part of strategic management. It cuts across virtually all the facets of managing and must be initiated from many points inside the organization.

The greatest danger of cost leadership strategy is in the competitor's ability to find ways of producing at a lower cost and beat the cost leader at his own game. The competitor's ability to imitate easily the cost leader's methods also poses a great risk. Cost leadership therefore imposes severe burdens on the firm to keep up its position through investing in modern equipment and being alert to technological improvements. Technological change and low cost learning may however nullify past investments. Another great risk of this strategy is that the single minded desire to reduce costs may

cause loss of sight of changes in customers' tastes. Thus, a company while making decisions to reduce cost may drastically affect demand for the product due to the shifts in customer tastes (Porter, 1980).

A major problem with the differentiation strategy centres on the company's long-term ability to maintain its perceived uniqueness in customers' eyes. Competitors easily move in to imitate and copy successful differentiators, and the uniqueness of the product that causes differentiators to charge premium price is thus eroded. Another risk of differentiation is when the cost differential between low cost competitors and the differentiated firm becomes too great for differentiation to hold brand loyalty and buyers sacrifice the differentiated product for large cost savings (Porter, 1980). A focus niche can suddenly disappear because of technological change or changes in consumer tastes. The focuser cannot move easily to new niches given its concentration of resources and competency in only one or a few niches. A focuser is also vulnerable to attack by differentiators who can compete for the same niche by offering products that can satisfy the demands of the focusers' customers. Differences in desired products and services between the strategic target and the market as a whole may narrow, putting the focuser at risk of losing clients. The focuser has thus to constantly defend his niche (Porter, 1980).

2.5 Competitive strategies

Two schools of thought have emerged on the conceptualization and adoption of competitive strategies. One school of thought has predominantly considered that viable firms can either seek efficiency or differentiation. The more efficiency is sought by

management, the less differentiated the firm would be. At the same time, the more differentiation is sought by management, the less efficient the firm would be (Dess & Davis, 1984). Porter (1980) representing this school of thought, conceptualized low costs vs. differentiation in terms of a continuum, with low costs at one end and differentiation at the other end. According to Porter (1980), a firm will ultimately reach the point where further cost reduction requires a sacrifice in differentiation. It is at this point that generic strategies become inconsistent and a firm must make a choice.

The members of this school of thought have considered that the value chain required for a low cost strategy is qualitatively different from the value chain required for the differentiation strategy. The emphasis of the differentiation strategy would be on gaining (even at considerable costs) superior quality and image throughout the value chain while the emphasis of the low cost strategy would be on the lowering of costs wherever possible. According to this school of thought, viable firms tend to compete with one strategy only because of different thrusts of the strategies. Porter (1985) contended that sustained commitment to one of the strategies as the primary target is usually necessary to achieve success. Later on he hedged this position by stating that a cost leader must achieve parity or proximity on the basis of differentiation even though it relies on cost leadership for its competitive advantage. A differentiator cannot ignore its cost position, because its premium prices will be nullified by a markedly inferior cost position. Murray (1988) regarded this hedging by Porter (1985) as implying an inconsistent logic that a cost leader that competes against a product differentiator must also be a product differentiator, and vice versa.

Hambrick (1983) excluded the possibility of firms competing with more than one strategy. He proposed that even though the competitive strategies may be found among various industries, not all of them would be found within any one industry setting. He argued that it would be unlikely to find a low cost strategy in a dynamic industry environment. According to Dess and Davis (1984) competitive strategies represent broad strategy types of strategic groups. Consequently, the choice of strategy can be viewed as the choice of which strategic group to compete in.

The second school of thought has considered that the low cost strategy and the differentiation strategy may be adopted simultaneously by an enterprise (Philips, Chang, & Buzzel, 1993). Accordingly, the adoption of the differentiation strategy would entail promoting higher product quality. This would likely mean higher costs across a number of the functional areas in order to support the differentiation strategy. Consequently, quality products would presumably channel greater market demand toward the firm. The generic strategies were used initially in the early 1980s, and seem to be more popular today. The primary determinant of a firm's profitability is the attractiveness of the industry in which it operates; an important secondary determinant is its position within that industry. Even though a firm may have below average profitability, a firm that is optimally positioned can generate superior returns. According to Porter (1980), a firm's strengths ultimately fall into one of two categories: Cost advantage and differentiation. By applying these strengths in either a broad or narrow scope, three generic strategies emerge: cost leadership, differentiation and

focus. These strategies are applied at the business unit level. They are called generic strategies because they are not firm or industry dependent.

2.5.1 Cost Leadership Strategy

To survive in today's highly competitive business environment, any organization must achieve, at least temporarily, a competitive advantage. A low cost strategy focuses on providing goods or services at a lower cost than the competition, or superior goods or services at an equal cost. In education, it might be accomplished by limiting programs and courses offerings, by reducing the complexity of the course design and production process, or by limiting service or learner support (Jackson, 2000). This strategy requires a tight cost control system, benefiting from economies of scale in production, and experience curve effects. To achieve a low cost advantage, an organization must have a low cost leadership mindset, low cost manufacturing with rapid distribution and replenishment, and a workforce committed to the low cost strategy. The organization must be willing to discontinue any activities in which they do not have a cost advantage and may outsource activities to other organizations having a cost advantage (Freeman, 2003). There are many ways organizations achieve cost leadership including mass production, mass distribution, economies of scale, technology, product design, input cost, capacity utilization of resources, and access to raw materials.

According to Srivannboon (2006) cost leaders work to have the lowest product or service unit costs and can withstand competition with their lower cost structure. This strategy emphasizes efficiency. By producing high volumes of standardized products, the firm hopes to take advantage of economies of scale and experience curve effects. The product is often a basic no-frills product that is produced at a relatively low cost

and made available to a very large customer base. Maintaining this strategy requires a continuous search for cost reductions in all aspects of the business. The associated distribution strategy is to obtain the most extensive distribution possible. Promotional strategy often involves trying to make a virtue out of low cost product features. To be successful, this strategy usually requires a considerable market share advantage or preferential access to raw materials, components, labour, or some other important input.

2.5.2 Differentiation Strategy

Differentiation has come to mean implementing a variety of instructional approaches to modify content, process, and products in response to learning readiness and interest of academically diverse students (Hobson, 2004). Differentiating the curriculum means making changes in the regular curriculum that are sensitive to the needs and abilities of all students. Teachers who differentiate simply try to find the best possible fit between the instruction and learners who differ in significant ways from one another (Tomlinson, 1999). The primary focus of this strategy is to create a unique position in the market through provision of goods or services that are valued for their uniqueness or fit to the needs of a particular group of buyers. A differentiating strategy also requires ongoing cost control efforts within a strategic management emphasis geared towards differentiating offerings. For example, the course package by itself cannot provide competitive differentiated advantage, as it is fairly easy for other institutions to duplicate it, either by buying it directly from the producing institution, or by creating a very similar package. However, when the services of highly competent academics and tutors, registry staff, student advisors, and counselors are added, a strong and unique bond can be created between the university and its learners. This unique bond becomes

a differentiating competitive advantage when the institution subscribes to a vision of quality, support, service, and excellence (Woudstra & Powell, 2007).

According to Parke (2005 pg. 44), “appropriate differentiation should meet the following guidelines: The program should be characterized by a flexibility to respond to the individual needs of students; program options should be in place so that the varying skills, abilities, and interests of the students can be accommodated; patterns of grouping students should be based on the unique needs of the students and should allow students to progress at their own pace; and decision making should be based on students’ needs”. Individualized program planning should take place for all students. When using the differentiation strategy, companies focus their efforts on providing a unique product or service, thus setting their offerings apart from other competitors. This strategy allows organizations to charge a premium price to capture market share. The differentiation strategy is effectively implemented when the business provides unique or superior value to the customer through product quality, features, or after sale support and service. Firms following a differentiation strategy can charge a higher price for their product based on the product characteristics, the delivery system, the quality of service, or the distribution channels. The quality may be real or perceived and based on fashion, brand name, or image. The differentiation strategy appeals to a sophisticated, knowledgeable consumer interested in a unique quality product or service and who does not mind paying a higher price for these non standardized products.

2.5.3 Focus Strategy

This is a strategy about identification of a particular customer segment or geographical market and coming up with products suitable for that segment. It is built around serving a particular target very well and once the segment is identified, then the firm may pursue either cost or differentiation strategies (Porter, 1980). The target segment may be identified by geographical uniqueness, specialized requirements in using the product or by special strategy that focuses on a particular buyer group or a geographic market and attempts to serve only this niche. It seeks a cost advantage in its target segment (Hunger, 1995). Differentiation focus concentrates on a particular buyer group, product line segment while seeking differentiation in its target segment. It seeks to offer segment members something they perceive is better.

This is a strategy for targeting a very specific segment of the market as defined, for example, by type of learner, specific type of program offered, or specific characteristics of a geographic area. This strategy is used to choose market niches where competition is the weakest, or where the online learning institution has a competitive advantage because of technology or other forms of differentiation. The focused institution succeeds by avoiding direct competition. It may also have strong differentiation advantage, a low cost advantage, or both, for its market segment. A successful focus strategy depends upon an industry segment large enough to have good growth potential but not of key importance to other major competitors. Market penetration or market development can be an important focus strategy. Midsize and large firms use focus based strategies but only in conjunction with differentiation or cost leadership generic

strategies. However, focus strategies are most effective when consumers have distinct preferences and when the niche has not been pursued by rival firms (David, 2000).

This strategy concentrates on a narrow segment and within that segment attempts to achieve either a cost advantage or differentiation. It is hoped that by focusing its marketing efforts on one or two narrow market segments and tailoring its marketing mix to these specialized markets, a firm can better meet the needs of that target market.

The firm typically attempts to gain a competitive advantage through product innovation and/or brand marketing rather than efficiency. It is most suitable for relatively small firms but can be used by any company. A focus strategy should target market segments that are less vulnerable to substitutes or where a competition is weakest to earn above-average return on investment. Organizations can make use of the focus strategy by focusing on a specific niche in the market and offering specialized products for that niche. This is why the focus niche is sometimes referred to as the niche strategy (Lynch, 2003).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the proposed research design, data collection and the techniques for data analysis that was used.

3.2 Research design

The research design was a survey of both public and private technical training colleges operating in Nyeri County of Kenya. According to Cooper and Schindler (2003), a census survey is where data is collected from all members of the population. The research design was descriptive in nature owing to the nature of data that was collected. Census survey was the most appropriate in this study because the number of technical training institutions in Nyeri County is relatively small hence did not warrant sampling. This research design allowed for contact with otherwise inaccessible participants. It has been observed that a survey is feasible when the population is small and variable. When all items of the population are covered, no element of chance is left and highest accuracy is obtained. Cooper and Emory (1985) contend that surveys are more efficient and economical than observations.

3.3 Target Population

The population of the study consisted of all public and private technical training colleges operating in Nyeri County. This location is of an all inclusive nature in terms of integration of rural and urban population and high and low agricultural potential. According to the Ministry of Higher Education, Science and Technology website, there

were a total of thirteen (13) technical training institutions in Nyeri Country of which two (2) were public and eleven (11) were private as at June, 2011.

3.4 Data Collection

The study used primary data which was collected through self administered questionnaires. Structured questionnaires consisted of both open and closed ended questions designed to elicit specific responses for qualitative and quantitative analysis respectively. A questionnaire is a useful tool for collecting data from respondents because of the need to provide a means of expressing their views more openly and clearly. The questionnaire consisted of two sections. One section covered the competitive strategies adopted by the institutions while the other section covered the challenges encountered in adopting the strategies. Respondents were the principals or deputy principals of the colleges. The questionnaire was administered through “drop and pick” method. The respondents were expected to give an insight into some of the strategies they have put in place to ensure that they have a competitive edge over other technical training colleges. They were also expected to highlight the challenges of competition that they face in the course of their operations.

3.5 Data Analysis

The data was analyzed by the use of descriptive statistics to summarize and relate variables which were attained from the administered questionnaires. The data was classified, tabulated and summarized using descriptive measures, percentages and frequency distribution tables while tables and graphs were used for presentation of the findings. However, before final analysis was performed, the data was cleaned to

eliminate discrepancies and thereafter, classified on the basis of similarity and then tabulated. This method of analysis is most desirable as it enabled the researcher to have an insight of the most commonly used strategies by technical training colleges.

4.0: Introduction

The research objective was to establish the competitive strategies being applied by technical training colleges in Nyeri County. This chapter presents the analysis and findings with regard to the objective and discussion of the same. The findings are presented in percentages and frequency distributions, mean and standard deviations.

4.1 Personal and Organizational profile

The demographic information considered in this study for the respondents included the gender of the respondents, age, length of service with the technical college, existence of the technical college, position held in the college and the number of employees currently employed.

A total of 13 questionnaires were issued out. The completed questionnaires were edited for completeness and consistency. Of the 13 questionnaires issued out, only 11 were returned. This represented a response rate of 84.6%.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

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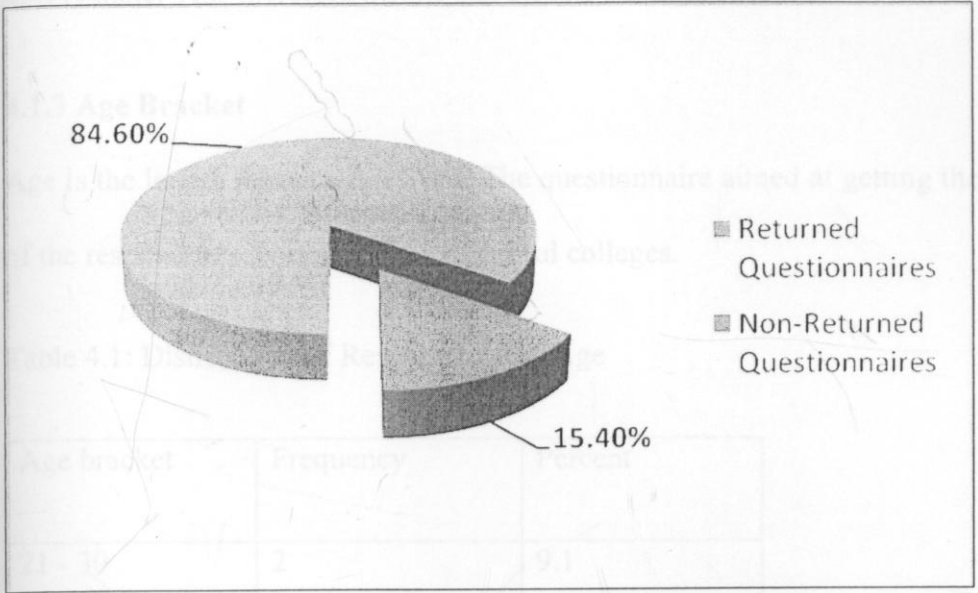
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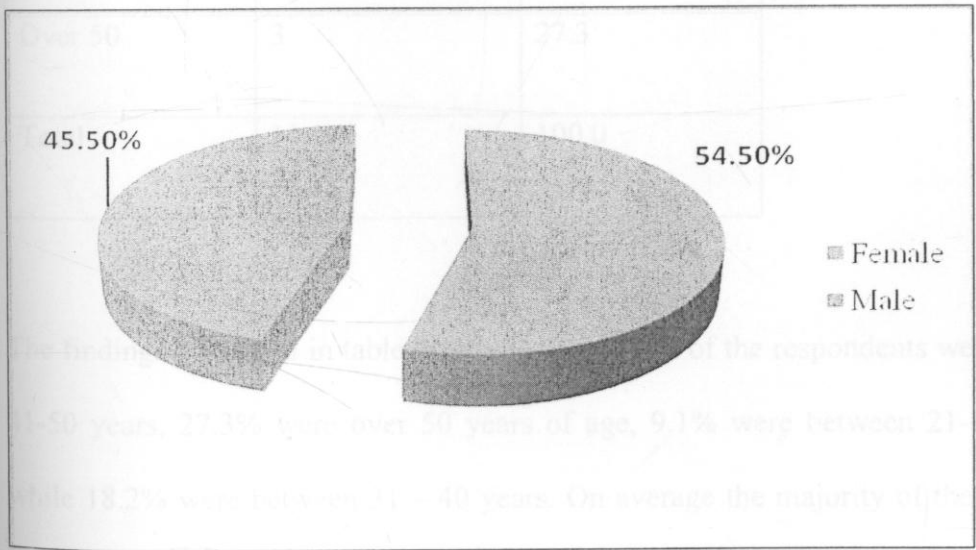
4.1.1 Characteristics of the respondents

Figure 4.1: Response rate



4.1.2 Respondents gender

Figure 4.2: Gender Composition



This is a set of characteristics that are seen to distinguish between male and female. As can be observed, in Figure 4.2, the respondents were made up of 54.5% female and 45.5% male. This therefore means that female managers are more in the colleges.

4.1.3 Age Bracket

Age is the length that one has lived. The questionnaire aimed at getting the age bracket of the respondents working in the technical colleges.

Table 4.1: Distribution of Respondents by Age

Age bracket	Frequency	Percent
21 - 30	2	9.1
31 - 40	1	18.2
41 - 50	5	45.5
Over 50	3	27.3
Total	11	100.0

The findings presented in table 4.1 show that 45.5% of the respondents were of the age 41-50 years, 27.3% were over 50 years of age, 9.1% were between 21-30 years old while 18.2% were between 31 – 40 years. On average the majority of the respondents were above 30 years. This therefore means that majority of the colleges are run by those above 30 years.

4.1.4 Length of continuous service with organization (years)

This is the duration of service in the technical college by the respondent.

Table 4.2: Length of continuous service with organization (years)

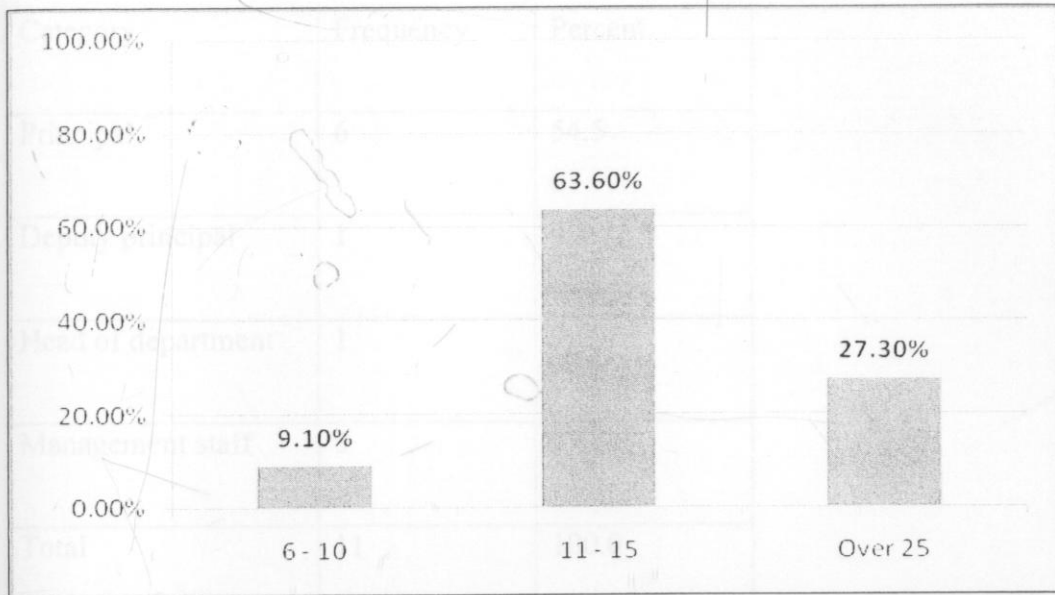
Number of service years	Frequency	Percent
Less than 2	1	9.1
2 - 5	2	18.2
6 - 10	1	9.1
Over 10	7	63.6
Total	11	100.0

The results presented in table 4.2 shows that the number of years of service in the current organization varies from a period of less than 2 years to over 10 years. 63.6% of the respondents had worked in their respective organizations for a period of over 10 years, 18.2% had worked for a period of 2 to 5 years, 9.1% had worked for a period of less than two years while another 9.1% had worked for a period of between 6 and 10 years. Majority of the respondents have worked in their organization for over 6 years, thus there is high level of understanding of their organization.

4.1.5 Duration of existence of the technical college

This describes the number of years the technical college has been in existence. The longer the duration the more the challenges they face and the more they have understood the strategies to adopt to compete effectively.

Figure 4.3: Duration of existence of the technical college



From the findings above 63.6% of the technical training colleges have been in operation for a period between 11 and 15 years, 27.3% have been in existence for over 25 years while 9.1% have been in operation for 6 – 10 years. The findings shows that majority of the technical colleges have been in operation for a considerably long time thus they will have designed some strategies to employ so as to gain competitive advantage over their competitors.

4.1.6 Position in held in the organization

The position held in the organization determines the kind of information one has regarding the competitive strategies used by the technical training college and therefore the more senior the position, the more information available.

Table 4.3: Position in held in the organization

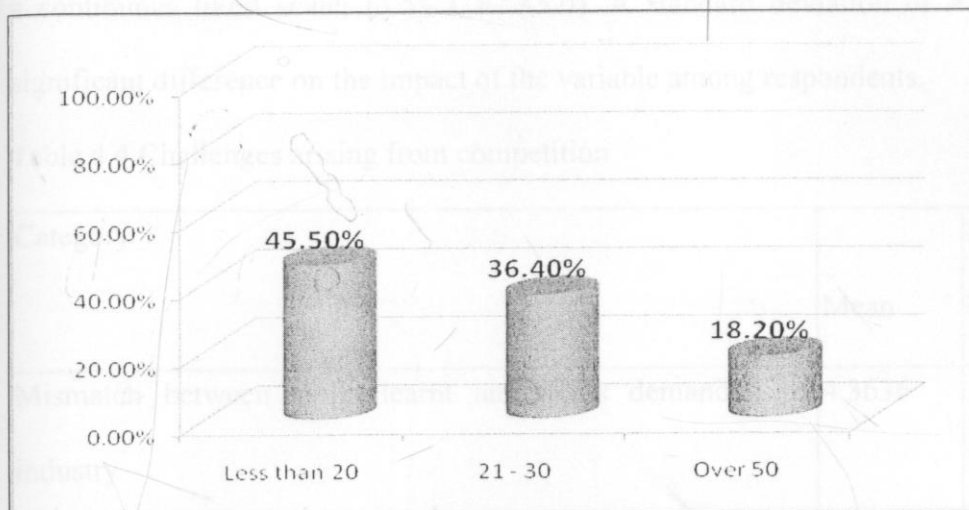
Category	Frequency	Percent
Principal	6	54.5
Deputy principal	1	9.1
Head of department	1	9.1
Management staff	3	27.3
Total	11	100.0

From the findings, 54.5% of the respondents were principals of the college, 27.3% were management staff, 9.1% were deputy principals while 9.1% were heads of department. Thus all the respondents are the management staff and above and therefore they understand the strategies which their respective colleges have adopted.

4.1.7 Number of employees

This is the total aggregate of employees serving in the technical training college at any one time and it gives an insight into the size of the technical college as the bigger the college, the more the employees it employs.

Figure 4.4: Number of employees



Majority of the respondents (45.5%) said they have less than 20 employees, 36.4% said they have 21-30 employees, while 18.2% said they have over 50 employees. The number of employees in a technical college is determined by the size of the college and in this case the size of the colleges varied.

4.2 Competition challenges

4.2.1 Challenges arising from competition

The respondents were to give their independent opinion on the extent to which they encounter the challenges arising from competition in the technical training colleges in a five point Likert scale. The range was 'Not at all' (1) to 'very great extent' (5). The scores of 'not at all' have been taken to present a variable which had mean score of 0 to 2.5 on the continuous Likert scale ;($0 \leq S.E < 2.4$). The scores of 'moderate' have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale; ($2.5 \leq M.E. < 3.4$) and the score of both 'great extent' and 'very great

extent' have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous likert scale; ($3.5 \leq L.E. < 5.0$). A standard deviation of >1.2 implies a significant difference on the impact of the variable among respondents.

Table 4.4 Challenges arising from competition

Category	Mean	Std. Deviation
Mismatch between skills learnt and skills demanded by industry	4.3636	.9244
Inflexible and outdated curricula	4.5455	.9342
Resources and capacity	4.1380	1.2649
Leadership and Management	2.7273	.9045
Employment of enough and qualified teachers	4.0548	.8944
Lack of technological advancement	4.0000	1.0000
Lack of sufficient space for expansion	3.5727	1.0090
Lack of skills and ability of staff	3.8182	1.0787
Marketing abilities	3.1627	1.4206
Changes in students needs	4.0000	1.4142

Government requirements and the complexity of coordinating all firms' activities in pursuit of the agreed strategy	3.0000	1.3416
Lack of good lighting especially at night	1.7573	1.3484

The findings in table 4.4 above show that only four factors had a mean ranking of below 3.4. These factors describe instances where the level of challenge is low and their low ratings (mean 1.7573 for lack of good lighting especially at night, mean 2.7273 for leadership and management, mean 3.0000 for Government requirements and the complexity of coordinating all firms' activities in pursuit of the agreed strategy and mean 3.1627 for marketing abilities) indicate that the factors do not affect the colleges competition. However there was a high degree of variation among respondents, an indication that some factors do affect competition. This is indicated by standard deviation of 0.9045 for leadership and management, 1.3484 for lack of good lighting especially at night, 1.3416 for Government requirements and the complexity of coordinating all firms' activities in pursuit of the agreed strategy and 1.4206 for marketing abilities.

On the other hand, the results indicate that inflexible and outdated curricula with a mean of 4.5455 was rated as the factor affecting competition to a very great extent followed by mismatch between skills learnt and skills demanded by industry with a mean 4.3636. Resources and capacity with a mean of 4.1380, employment of enough and qualified teachers (mean 4.0548), lack of technological advancement (mean 4.0000), Changes in students needs (mean 4.0000), lack of skills and ability of staff

(mean 3.8182), and lack of sufficient space for expansion (mean 3.5727) was also indicated as a challenge encountered arising from competition.

4.2.2 Staff factor challenges facing the institution

The respondents were to give their independent opinion on the staff factor challenges encountered by the technical training colleges on a five point likert scale. The range was 'Not at all' (1) to 'very great extent' (5). The scores of 'not at all' have been taken to represent a variable which had mean score of 0 to 2.5 on the continuous Likert scale ;($0 \leq S.E < 2.4$). The scores of 'moderate' have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale; ($2.5 \leq M.E. < 3.4$) and the score of both 'great extent' and 'very great extent' have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous likert scale; ($3.5 \leq L.E. < 5.0$). A standard deviation of > 1.2 implies a significant difference on the impact of the variable among respondents.

Table 4.5 Staff factor challenges facing the institutions

Factors	Mean	Std. Deviation
The best staff recruitment	2.5455	1.2933
Adequate staff in service areas	3.6364	.9244
Staff aware of organization mission	2.8182	.7507
Well paid staff	2.7273	1.0090

Fair and justified promotions	4.1673	.7862
Staff awareness of their expectations	3.0909	1.3003
Good relations among staff	3.9091	1.3751
Adequate staff performance feedback	3.8182	1.1677
Staff accountability and ownership of service quality	4.0000	1.1832

The analysis in table 4.5 above shows that the technical training institutions face challenges like lack of fair and justified promotions (mean 4.1673), lack of staff accountability and ownership of service quality (mean 4.0000), lack of good relations among staff (mean 3.9091), lack of adequate staff performance feedback (3.8182) and lack of adequate staff in service areas (mean 3.6364). However there was a high degree of variation among respondents, an indication that the degree of challenges faced by the institutions varied. The best staff recruitment (mean 2.5455), staff being well paid (mean 2.7273), staff being aware of organization mission (2.8182), and staff awareness of their expectations (3.0909) were rated as challenges faced by the technical training institutions to a moderate extent.

4.3 Competitive strategies adopted

4.3.1 Extent of competition in the industry

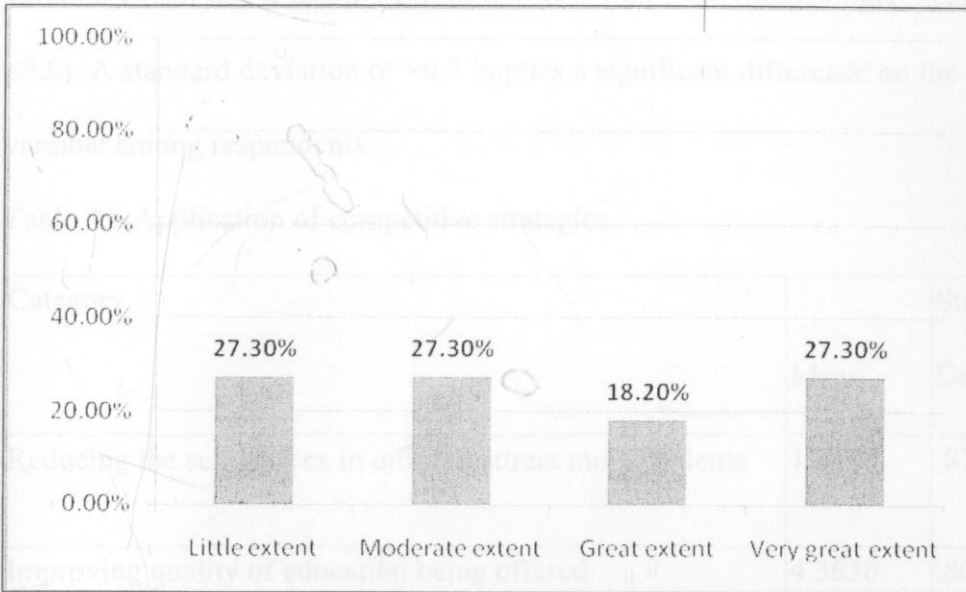
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4.3 Competitive strategies adopted

4.3.1 Extent of competition in the industry

Figure 4.5 Extent of competition in the industry



The findings on the extent of competition in the technical training institutions sector showed that it was to a very great extent according to 27.3%, moderate extent according to 27.3% and little extent according to 27.3%. According to 18.2% of the respondents, competition is to a great extent. These findings reflect a high level of competition which can be attributed to the fact that the technical training institutions are competing for students.

4.3.2 Extent to which technical institutions apply competitive strategies

The respondents were to give their independent opinion on the staff factor challenges encountered by the technical training colleges on a five point likert scale. The range was 'Not at all' (1) to 'very great extent' (5). The scores of 'not at all' have been taken to present a variable which had a mean score of 0 to 2.5 on the continuous Likert scale ($0 \leq S.E < 2.4$). The scores of 'moderate extent' have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale; ($2.5 \leq M.E. < 3.4$) and the

score of both 'great extent' and 'very great extent' have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous likert scale; ($3.5 \leq L.E. < 5.0$). A standard deviation of >0.9 implies a significant difference on the impact of the variable among respondents.

Table 4.6 Application of competitive strategies

Category	Mean	Std. Deviation
Reducing the school fees in order to attract more students	1.8182	.87386
Improving quality of education being offered	4.3636	.80904
Focusing on offering specific courses	4.2727	.78625
Ensuring students discipline	4.3636	.67420
Using uninterrupted power and water supply e.g. provision of generator, large storage water tanks	3.7273	.78625
Introduce new courses	3.8182	1.40130

The findings in table 4.6 above show that only one factor had a mean ranking of below a mean of 3.4 (moderate extent). This factor (reducing the school fees in order to attract more students, mean 1.8182) is one which is not used by the technical institutions in order to cope with competition. The improvement of education quality being offered (mean 4.3636) and students' discipline (mean 4.3636) were rated as the factors which

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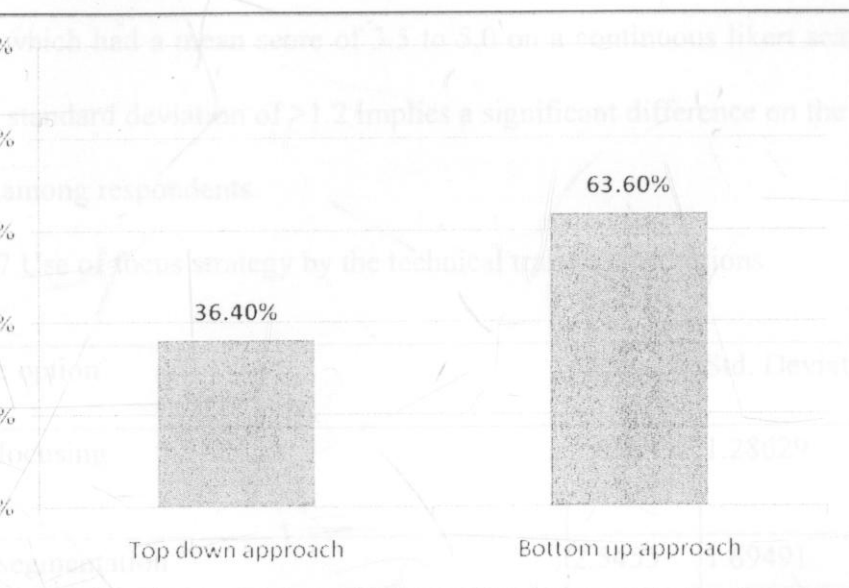
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used by the technical training institutions to cope with competition followed offering specific courses (mean 4.2727), introducing new courses (mean 4.1818) and the use of uninterrupted power and water supply e.g. provision of electricity, large storage water tanks (mean 3.7273). The use of various strategies to cope with competition varies with the management of the technical training institution.

Approach used during implementation of competitive strategies

6 Approach used during implementation of competitive strategies



The findings above shows that 63.6% of the respondents use bottom up approach while 36.4% use top down approach. The use of different approaches by the technical training institutions signifies the differences in approaches used by the institutions in the implementation of competitive strategies.

4.3.4 Focus strategy

The respondents were to give their independent opinion on the importance of the different strategic options to the technical training colleges on a five point likert scale. The range was from 'Very important' (1) to 'Not at all' (5). The scores of 'very important' have been taken to present a variable which had a mean score of 0 to 2.5 on the continuous Likert scale ;($0 \leq S.E < 2.4$). The scores of 'not sure' have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale;($2.5 \leq M.E. < 3.4$) and the scores of 'not important at all' have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous likert scale;($3.5 \leq L.E. < 5.0$). A standard deviation of >1.2 implies a significant difference on the impact of the variable among respondents.

Table 4.7 Use of focus strategy by the technical training institutions

Strategic option	Mean	Std. Deviation
Market focusing	1.6364	1.28629
Market segmentation	2.5455	1.69491
Low cost strategy	2.8182	1.32802

The findings in table 4.7 above indicate that the respondents focus on particular market very importantly, (mean 1.6364). The respondents were not sure whether the technical training institutions apply market segmentation, (mean 2.5455) and this could be an indication that they do not segment the market. At the same time the respondents

ated that they were not sure whether the institutions use the low cost strategy in to focus on the market, (mean 2.8182). The standard deviations do not vary icantly from the means, thus supporting the findings.

4.8 Use of different cost leadership strategy by the technical training institutions

Cost leadership strategy

4.8 Use of cost leadership strategy by the technical training institutions

Strategic Option	Mean	Std. Deviation
Use of latest technology	1.5455	1.03573
Cost cutting	2.0636	1.43337
Business process rationalization	2.3364	1.28629
Staff reduction	2.3736	1.20605
Automation of operations	1.8818	1.40130

Findings above show that all the technical training institutions place great emphasis on the cost leadership factors. They place more emphasis on the use of latest technology, (mean 1.5455) as a strategic option followed by automation of operations, (mean 1.8818) then cost cutting measures, (mean 2.0636). Business process rationalization and staff reduction, mean 2.3364 and 2.3736 respectively was also employed by the institutions.

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4.3.5 Cost leadership strategy

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Staff reduction	2.3736	1.20605
Automation of operations	1.8818	1.40130

The findings above show that all the technical training institutions place great emphasis on the cost leadership factors. They place more emphasis on the use of latest technology, (mean 1.5455) as a strategic option followed by automation of operations, (mean 1.8818) then cost cutting measures, (mean 2.0636). Business process rationalization and staff reduction, mean 2.3364 and 2.3736 respectively was also employed by the institutions.

Differentiation strategy

Table 4.9 Use of differentiation strategy by the technical training institutions

Strategic Option	Mean	Std. Deviation
Excellent service	1.1527	1.79393
Increased advertising	1.6364	1.20605
Production of new products/services	1.8909	1.51357
Staff training	2.2727	1.34840

The findings according to table 4.9 above show that the respondents unanimously agreed that all the factors identified were very important for an organization to differentiate itself from other technical training institutions (mean of 2.4 and below). Excellent service (mean 1.1527) was the factor which majority of the institutions put the emphasis on followed by increased advertising (mean 1.6364), then the production of new products/services by the institutions (mean 1.8909), while staff training (mean 2.2727) was not emphasized though it was used by the institutions to differentiate themselves.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary of findings

By and large, the study shows that a greater proportion of the respondents have worked for a long period of time in the organization and therefore they have a lot of experience and knowledge about the level of competition in the middle level education institutions and also how they have responded to it over the years. The findings also indicate that all the technical institutions in the country have operated for more than six years and therefore they understand the education sector well. The findings also indicate that the number of staff currently employed by the respondent institutions varied, signaling growth in the sector and an increased workload as a result of increasing demands from the students.

With regard to the challenges arising from competition, the technical training institutions encounter challenges like inflexible and outdated curricula, mismatch between skills learnt and skills demanded by industry, insufficient resources and under-employment of enough and qualified teachers, lack of technological infrastructure, changes in students' needs, lack of skills and ability of staff, and lack of space for expansion. The staff factor challenges faced by the institutions include lack of fair and justified promotions, lack of good relations among staff, lack of accountability and ownership of service quality and lack of adequate staff performance feedback.

petition faced by the technical training institutions has increased and the which the institutions apply in order to cope with the competition includes g quality of education being offered, ensuring students discipline, focusing on specific courses, introducing new courses and using uninterrupted power and apply e.g. provision of generator and large storage water tanks. The use of options by the technical training institutions was emphasized by the use of ation strategy and cost leadership strategy. The options used by the institutions use of latest technology, automation of operations, cost cutting measures, service, increased advertising, new products/services and staff training.

conclusions

ings of the research have revealed a number of issues regarding the competitive s adopted be the technical training institutions in Kenya. The overall results most of the colleges are facing various challenges arising from competition. clude a mismatch between the skills learnt and those demanded by industry, e and outdated curricula, inadequate resources and capacity, and lack of teachers among others. The staff factor challenges confronting the institutions ly lack of fair and justified promotions and lack of staff accountability, and ip of service quality.

ings further indicate that the institutions are employing competitive strategies with these challenges. These strategies are centered on improving the quality of n being offered, focusing on specific courses, ensuring students' discipline and ing new courses.

is evident from the study that most technical training institutions apply differentiation and cost leadership strategies to varying extents. These strategies are essential for survival of the institutions since the level of competition is quite high as indicated by the study.

Recommendations for Policy and Practice

Based on the findings, it is recommended that the technical training institutions should engage themselves in income generating activities so that they can be self sufficient in terms of monetary resources and therefore be in a position to accomplish capital intensive projects like adoption of new technology, employment of enough and qualified teachers, improving staff skills and ability, and acquisition of space for expansion.

To overcome the challenges brought about by the staff, technical training institutions should ensure that there is a fair and justified promotion, seek ways of building good relations among the staff members while ensuring that there is regular staff performance feedback, and ensuring staff accountability and ownership of the quality.

Technical training institutions should continue pursuing the competitive strategies and will ensure that they have a competitive edge over other institutions and at the same time improve on marketing of courses being offered. In addition, they should offer specific courses with manageable school fees and ensure that quality education is provided at all levels while maintaining students' discipline. The approach adopted by the institutions should ensure coordination and ownership of quality service.

of different strategic options by the institutions suggests that if one fails, they all back option. However it could be expensive to the institution in terms of costs and therefore they should adopt the strategy which will ensure maximum competitive advantage.

Limitations of the study

The study was based on a sample limited to technical training institutions operating in Nyeri County. The study did not cover other technical institutions operating in other parts of the country as some of the institutions could be situated in areas where unemployment is high and therefore necessitates adoption of different strategies. However, the study did not have any adverse effects on the findings of the study.

Suggestions for further research

The study confined itself to technical institutions operating in Nyeri County. This study therefore should be replicated in other technical training institutions operating in other parts of the country and the results be compared so as to establish whether there is consistency among the technical training institutions.

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APPENDICES

Appendix I: Questionnaire

Please give answers in the spaces provided and tick (√) the box that matches your response to the questions where applicable.

PART A: PERSONAL AND ORGANISATIONAL PROFILE

1) Name of Technical Training College:

2) Gender? (tick as appropriate)

a) Female () b) Male ()

3) What is your age bracket? (Tick as applicable)

a) Under 20 years ()

b) 21 – 30 years ()

c) 31 – 40 years ()

d) 41 – 50 years ()

e) Over 50 years ()

b) Length of continuous service with the Technical College? (Tick as applicable)

a) Less than two years ()

b) 2-5 years ()

c) 6-10 years ()

d) Over 10 years ()

c) For how long has your Technical College been in existence?

a) Under 5 years ()

b) 6 – 10 years ()

c) 11 – 15 years ()

d) 16 – 20 years ()

e) 21 - 25 years ()

f) Over 25 years ()

d) Which category best describes your position in the organization:

- a) Principal ()
- b) Deputy Principal ()
- c) Head of department ()
- d) Management Staff ()
- d) Other (Please State) _____ ()

How many employees does your organization currently have?

- a) Less than 20 ()
- b) 21 – 30 ()
- c) 31 – 40 ()
- d) 41 – 50 ()
- e) Over 50 ()

PART B: COMPETITION CHALLENGES

To what extent do you encounter the following challenges arising from competition in the technical training colleges industry in Kenya? Rate on a 5- point scale, where: 1 = Not at all, 2 = Little extent, 3 = Moderate extent, 4 = Great extent, and 5 = Very great extent

FACTORS	1	2	3	4	5
Mismatch between skills learnt and skills demanded by industry					
Inflexible and outdated curricula					
Resources and capacity					
Leadership and Management					
Employment of enough and qualified teachers					
Lack of technological advancement					
Lack of sufficient space for expansion					
Lack of skills and ability of staff					
Marketing abilities					
Changes in students needs					
Government requirements and the complexity of coordinating all firms' activities in pursuit of the agreed strategy					
Lack of good lighting especially at night					

According to your opinion kindly tick where appropriate on the staff factor challenges that your institution encounters. Rate on a 5- point scale, where: 1 = Not at all, 2 = Little extent, 3 = Moderate extent, 4 = Great extent, and 5 = Very great extent

STAFF FACTORS	1	2	3	4	5
The best staff recruitment					
Adequate staff in service areas					
Staff aware of organization mission					
Well paid staff					
Fair and justified promotions					
Staff awareness of their expectations					
Good relations among staff					
Adequate staff performance feedback					
Staff accountability and ownership of service quality					

Part C: COMPETITIVE STRATEGIES ADOPTED

To what extent has competition increased in the industry in which you operate? Rate on a 5-point scale, where: 1 = Not at all, 2 = Little extent, 3 = Moderate extent, 4 = Great extent, and 5 = Very great extent.

	2	3	4	5

To what extent does your institution apply each of the following strategies to cope with competition in the technical colleges educational sector? Rate on a 5-point scale, where: 1 = Not at all, 2 = Little extent, 3 = Moderate extent, 4 = Great extent, and 5 = Very great extent.

COMPETITIVE STRATEGY ADOPTED	1	2	3	4	5
Reducing the school fees in order to attract more students					
Improving quality of education being offered					
Focusing on offering specific courses					
Ensuring students discipline					

Using uninterrupted power and water supply e.g.					
provision of generator, large storage water tanks					
introduce new courses					

How would you rate the state of competition in the industry?

Very high () High () Fair () Low () Very low ()

In your view, what actions should your organization take to strategically align itself to the operating environment in order to enhance customer satisfaction?.....

.....

.....

.....

.....

What approach does your organization use during the process of formulation and implementation of competitive strategies?

a) Top down approach ()

b) Bottom up approach ()

How does the approach used by the organization affects the process of competitive strategy implementation?.....

How important has each of the following strategic options been to your firm? Rate on a 5-point scale, where: 1 = Very important, 2 = Fairly important, 3 = Not sure, 4 = Not important and 5 = Not important at all.

Focus

STRATEGY	1	2	3	4	5
Market focusing					
Market segmentation					
Low cost strategy					

Cost leadership

STRATEGY	1	2	3	4	5
Use of latest technology					
Cost cutting					
Business process rationalization					

ff reduction					
omation of operations					

Differentiation

CATEGORY	1	2	3	4	5
udent service					
reased advertising					
w products/services					
ff training					

Appendix II: Technical Training Colleges in Nyeri County

NAME	CATEGORY
St. Solata Cathedral Institute	Private
St. Solata Institute of Communication and Technology	Private
Next Generation College	Private
Plaza College	Private
Kenya Technical Training Institute	Public
Mountain Top Hotel and Travel Institute	Private
Nyeri Technical Training Institute	Public
St. A Nyamachaki Training Centre	Private
St. Francis College of Professional studies	Private
St. Francis College of Accounts	Private
St. Francis School of Alternative Medicine and Technology	Private
St. Theresa's Commercial College	Private
St. Francis Commercial College	Private

Source: Ministry of Higher education, Science and Technology website:

www.scienceandtechnology.go.ke