EFFECTS OF STRATEGIC CAPABILITIES ON COMPETITIVE STRATEGIES OF MANUFACTURING FIRMS IN NAIROBI CITY COUNTY

BY

NANCY TAKA

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DECLARATION

I, Nancy Taka, hereby declare that this MBA research project titled "Effects of Strategic capabilities on competitive strategies of Manufacturing firms in Nairobi City County" is my original work and has not been presented in any institution, college or university for the award of any certificate, diploma or degree.

Signature:

Date: 4TH DECEMBER 2021

NANCY TAKA Registration NO: D61/10069/2018 MBA Program

SUPERVISOR'S APPROVAL

This MBA reserch project prepared by Nancy Taka titled 'Effects of Strategic capabilities on competitive strategies of Manufacturing firms in Nairobi City County' has been submitted for examination with my approval as the appointed University Supervisor.

Signature:Dat	e:4 TH DECEMBER 2021
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PROF. JAMES GATHUNGU PhD, CPS (K) Department of Business Administration Faculty of Business and Management Science University of Nairobi

DEDICATION

This research project is dedicated to my husband Shadrack, sons Gavin, Realan and Rowan, my parents and my siblings for the unending support and encouragement they have given me during the entire period of study and research

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ABSTRACT

In the global world of today, majority of the firms are operating in an increasingly very dynamic and challenging environment that threatens their survival in the competitive business world. Firms must be able to respond promptly to opportunities and obstacles that occurs within the business environment. The study sought to investigate on the effects of strategic capabilities on the competitive strategies of the manufacturing firms in Nairobi. The study was guided by the following objectives; to identify the strategic capabilities that are used by the Manufacturing firms in Nairobi and to establish the influence of the strategic capabilities on the competitive strategies of manufacturing firms in Nairobi. The study therefore adopted descriptive research design which was considered as being a data collection process that helps to answer the questions concerning the present status of the object that was being considered. The target population of the study was therefore 544 (Approximately 80% of the 700) which is the number of the manufacturing firms in Nairobi. It was also noted that 80% of the estimated population is considered enough to cover for any error that would be emanating from the The study adopted the use of semi structured questionnaires for purposes of chosen sample. data collection. Questionnaires entailed the use of both the open ended and closed ended questions. the study revealed that manufacturing organizations are making proper utilization of the raw materials for maximum output. The study revealed that the firm is investing on new opportunities that supports the availability of the materials needed. Further it's also apparent that high costs of productions are dealt with through ensuring that manufacturing material inventory is maintained within the production rates. The data that was obtained from the questionnaires was therefore analyzed using the quantitative analysis approach. Further the study revealed that manufacturing firms do benchmarks on the best technology innovations practices for operation benefit of the firm, that manufacturing firm have in place new policies and practices that supports technology innovations. It was concluded that management and leadership of the manufacturing firms needs to have a clear understanding of the firms' functional goals and that employees need to feel empowered towards making key specific decisions that affects their Job. The four variables that were studied, explain only 78.6% of the competitive strategies as represented by the adjusted R2. This therefore implied that other factors that were not studied in this research contributed 21.4% of the competitive strategies of the manufacturing firms. Therefore, further research should be conducted to investigate the other factors (21.4%) of the competitive strategies. The study recommends that manufacturing firms should focus on implementation of the competitive strategies so as to improve the firm out puts through increasing asset quality, the quality of service and also through increasing the market share.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In the global world of today, majority of the firms are operating in an increasingly very dynamic and challenging environment that threatens their survival in the competitive business world. Firms must be able to respond promptly to opportunities and obstacles that occurs within the business environment (Lenka et al., 2017). How firms manage, achieve and sustain competitive advantage remains to be the most fundamental question in the spheres of strategic management. Dangelico et al., 2017 contends that a company requires to develop a competitive strategy so as to be in a position to achieve the global market economy's competitive advantage. A company's decision of strategy is based on a thorough review of their resources and different capabilities and reflects the impact of the market, (Singh et al., 2019). Singh further contends that the key determinants or sources of competitive advantage of a firm relates to the resources which are rare, valuable, inability to be imitated, and inability to be substituted. Therefore, Effective strategic management calls for an awareness of organization's resources and competences and how they contribute to the formulation and eventually the growth of a competitive advantage, (Alves et al., 2017). For a firm to attain its competitive advantages successfully; there is need to focus on human resources, technology, materials, financial resources and also align itself with the government regulations.

This study is anchored on the resource-based theory. The resource-based theory argues that a competitive firm relies heavily on a range of major, tangible or intangible resources. The nature of these resources is that they are rare and imitable. (Singh, *et al*, 2019). Therefore, it is necessary for a firm to identify its potential key resources that can propel its success within the competitive business world. The study is supported by the theory of dynamic capacity which explains the company's ability to integrate, construct and configure its core competencies both internal and external to be able to align itself to the increasingly changing business environments (Singh, *et al*, 2019). The theory therefore elucidates the capability to provide the strategies which are competitive and therefore provide rent for the business (Ferdinand et al, 2004).

1.1.1 Strategic Capabilities

The concept of the strategic capabilities refers to the capability of the business venture to harness all its skills, resources and capabilities so as to be in a position to realize competitive advantages that propels the growth and productivity of the venture (Aldridge 2007). Spanos and Lioukas (2001) contends that there are different strategic capabilities which are all common to the businesses and that have been identified to include the following; the technological capabilities, the product development, the process of production, manufacturing processes and also the logistics capabilities. Furthermore, the strategic capabilities also include the production efficiency; sensing of the market, customer linking and channels. Strategic capabilities also include the technology-monitoring capabilities and the capabilities that are related to marketing. The marketing skills are not limited to the segmentation, the targeting, advertising and pricing.

The implementations and the application of the competitive strategies are considered as being very complex in nature and includes different compilations of skills coupled with the accumulated knowledge that empowers the companies to be in a position to coordinate all the activities and make effective utilization of their assets so as to create the economic sense and value that contributes towards the sustainable competitive advantage. Therefore, the organization competencies relate to what the organization is able to do better (Johnson et al, 2011). The firms output depends on the skills and the standard of performance within the firm which relates to the organization competence. The behavior through which the organization competencies.

Strategic capabilities have been identified as being common to business for it to realize its core business successes. Some of these capabilities have been identified to include; production processes involved, technology adoption, logistics capability, new product development, production efficiency, marketing capabilities which are not limited to skills in the market segmentation, pricing targeting and advertising. The list of the strategies that the business may need to have in place for it to remain a float in the industry sector is huge. These strategies do play a very critical role when it comes to the firm gaining competitive advantages.

1.1.2Competitive Strategies

According to Pulaj, Kume and Cipi (2015), strategy is the determination of long-term action and plan required to achieve certain objectives. It also involves allocation of resources in order to achieve those goals competitive strategy is therefore the game plan that is used by organizations to gain competitive advantage. To analyze a firm's policies, Porter's framework will be the best tool to utilize. Porter's generic strategies are a useful tool in analyzing a firm's competitiveness, (Gathungu and Baariu 2018). This generic strategies are cost leadership, differentiation, and product focus, will be. It is not in doubt that competitive strategies put the business ventures in a position that is favorable or superior for the operations of the business as compared by other ventures in the same industry (Waithaka & Mnkandla, 2017). The organization is therefore in a position to achieve successfully the competitive strategies when it is in the position of being able to create more economic value as compared to some of its rivals in the industry (Rothaermel, 2008). Has alluded to the fact that there are three major traditional approaches of achieving the competitive strategies. These have been identified as being financial aspects, strategic aspects coupled with the technological capabilities (Ulrich& Lake, 1991).

Barney (2002) notes that a firm achieves a competitive advantage especially when the firms' actions within the industry or the market contributes towards creating a viable value economically especially among the few organizations that are competing. Therefore, a firm has the capability of achieving the competitive advantage especially when it has the ability to achieve better performance outcomes as compared to other industries operating in the same environment (Lall, 2001).

The concepts of the competitive strategies can therefore only be realized when the firm is able to manages and also sustain its competitive edge over its rivals over a given duration of time and must therefore provide the services and products that are needed in the market. (Gathungu and Baanu, 2018).

1.1.3 Manufacturing Sector in Kenya

In Kenya since the 1990, the manufacturing sector has been upcoming, apparently Kenya hosts A lot of tiny production companies that are also in themselves hosting over 2000 other small units within them. Some of the common manufacturing institutions in Kenya are dealing in the production of the chemicals, cements, cigarettes, soft drinks, leather goods, beer among other assorted goods. Generally, nearly over 254,000 individuals have since been engaged in

the industries that are dealing purely with the manufacturing. These therefore contributes to approximately 13% of the Kenyan total employments that are generated. Additionally, there are over 1.4 million people that have been employed by the informal side. Majority of the huge manufacturing firms are located within Nairobi (Waithaka & Mnkandla, 2017).

According to Xia (2019) notes that manufacturing industry concerns the business ventures that deals with the processing and fabrications of the products from raw materials. The goods manufactured are not limited to the chemicals, textiles, machines and other related equipment's such as the metals that have been refined coupled with the wood and pulp related products (Keinan, & Karugu, 2018). After transformation of raw materials into completed items, they might be sold for the manufacturing of more complicated products to end consumers or to other manufacturers. When the raw materials have been converted into goods that are finished, they can further be transferred through sales to the designated end users or they can be sold out to the other manufacturing firms especially for the production of a more complex end product (Keinan, & Karugu, 2018).

1.1.4 Manufacturing Firms in Nairobi County

Most of the manufacturing industries that are large in size are normally listed under the Association of Kenya Manufacturing (2016), and Nairobi as a whole remains to be the center for business hub in Kenya and also in the entire East Africa where most of these huge manufacturing firms are located or situated in Nairobi. Nairobi remains to be the favorite location because of the large market that is available for the manufactured products. Some of the manufacturing firms in Nairobi includes the aluminum industries, lead industries, steel manufacturing industries. There are also firms that are producing small scale consumer goods these includes the clothing's, cigarettes, soaps among others. Most of the Kenyan local supplies and the exportations that Kenya does to the entire trade region of East Africa receives supply from Nairobi based manufacturing firms. (Wakhungu, 2017).

The supply of the agricultural products especially for the agro processing has been achieved through the manufacturing firms, furthermore, there has been an improvement in the supply of the geothermal and the hydroelectric power, therefore contributing towards favorable tax reforms and also tax incentives. In addition to the liberal trade incentives, the export promotions of manufacturing companies have been increased, therefore benefiting the market outlets enlarged via the COMESA, AGOA and other East African Community arrangements. (PWC, 2017).

1.2 Research Problem

The concept of the strategic capabilities generally describes the capability of the organization or business venture to be in a position to align its operations within the environment that it operates in (Nyachanchu, *et al*, 2017). Deviations from focusing on the core business operations can significantly affects the firm's overall competitiveness within the business environment where it operates (Industrialization, 2017). Strategic capabilities therefore describe all the enhancements that the business venture have in place towards building and also extending its primary objectives.

The business environment of manufacturing firms in Nairobi is characterized by so many dynamics that affect primarily how these businesses achieve their core mandate and objectives. The existence of poor infrastructure in Kenya contributes towards very high cost of the raw materials which are being utilized by these manufacturing firms in Nairobi. As a result, high costs for local products have reduced the competitiveness of their regional market. Manufacturing enterprises in Nairobi also confront tough competition due to the many foreign and local producer firms and thus need innovative methods to help them get competitive advantages over their own competitors (Industrialization, 2017). It is therefore of paramount importance that these manufacturing firms in Nairobi identify their strategic capabilities and evaluate how they affect implementation of the firm's competitive strategies.

In Kenya, several studies have been conducted on different strategic capabilities of firms. For instance, Mwika (2017) did a study on the influence of the innovation and technology on the competitive advantage of the construction companies. The study looked at how innovation and technology affect the competitive advantage of Kenyan construction firms. The study was conducted on 40 selected Kenyan construction firms. The study focused on only construction industry and left a gap for other manufacturing industries. During the same year, Abade (2017) did a study on the competitive strategies and the competitive advantage of the large manufacturing firms in Nairobi County. The study showed that competitive tactics affect the loyalty of consumers, ensure superior quality services and goods, products geared towards customers and consumer input. The knowledge gap was that the study did not focus on competitive strategies but on competitive advantage. Another study by Chepkole and Deya, (2019) on the effect of the strategic capability on the competitive advantage of information technology firms in Nairobi City County

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revealed that the capacity for human resources has an inverse effect on the competitive advantage of firms in the County of Nairobi. The knowledge gap in this study is that it focused majorly on IT firms only and left out firms in other sectors. Ngugi, (2011) did a study on the strategic capabilities for the competitive advantage in British Broadcasting Corporation-global news, Africa. The study revealed further those strategic abilities have continued to change according to the different factors. These factors were established in response to technology, changes in the African media sector and changes in audience demand.

The knowledge gap was that the study did not study the local firms but international one. Lastly, Wanjiku, (2016) did a study on the strategic capabilities for the sustainable competitive advantage of the Insurance Firms in Kenya. The study was carried out through the survey where of all the 49 insurance companies in Kenya. The study results showed that advanced technology, efficient marketing skills, quality customer service, productivity in claims settlement and product diversity are the major strategic capacities that foster a competitive edge in insurance firms in Kenya. The study only focused on insurance firms and left a knowledge gap of researching on manufacturing firms.

Even though these studies have been done on strategic capabilities, none has studied all the manufacturing industries in Nairobi. Furthermore, none of the researches done so far have collectively looked into human resource, technology capabilities, material capabilities, financial capabilities and government regulations (Dangelico *et al*, 2017). none of the studies has also focused on competitive strategies of manufacturing firms in Nairobi. Therefore, this study aims to respond to this knowledge gap by asking the following question: How do strategic capacities influence on the competitive strategies of Nairobi County manufacturers?

1.3 Research Objectives

- i. To identify the strategic capabilities that are used by the Manufacturing firms in Nairobi
- ii. To establish the influence of the strategic capabilities on the competitive strategies of manufacturing firms in Nairobi.

1.4 The Value of the Study

The scholars and Academicians would also benefit significantly from the findings of the research, since the revelations of the research would shed more light with regards to the competitive strategies that can be applied successfully by the manufacturing firms. Therefore,

the study would contribute towards the pool of the already available literature with regards to the concepts of the subject of the study which is strategic capabilities and competitive advantages. The study will also shade more lights and insights into the theoretical foundations of the study since the study would be premised on the five-force framework, the resource-based theory and dynamic theory. When the study findings are in conformity with theories that are utilized, then this would enhance their application by the other users.

Findings of the current research would therefore be of significance to the manufacturing industry. The findings would be used by the top management team towards establishing the competitive strategies that would drive the performance of the organization and enhances the utilization of resources. The findings would also present the challenges that are associated with the respective strategic capabilities and present options to the management on how those challenges could be overcome for the success of the firm.

Lastly, the revelations of the research would substantially be of significance towards the makers of the policy, they would be able to demystify the phenomena which they are concerned with. Subsequently the drafters of the policies would also consider usage of the findings of the research to come up with new policies and mechanisms that would guide the firm accordingly and therefore contributes significantly towards fostering the firm's competitive advantages.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of literature relating to Strategic capabilities and the competitive strategies as has therefore been addressed by the various researchers and scholars. The chapter also presents the different theories of strategic capabilities that under pins the study, the strategic capabilities that are applied by the manufacturing firms and also the sources of competitive advantages for utilization within the manufacturing firms. The study was therefore based on the three theories; the porter's theory of competitive advantage, the resource-based view theory of the competitive advantage and the theory of dynamic capabilities. The chapter also presents the empirical literature review which is basically a presentation of the various researches that have been done by other scholars and academicians within the discipline of the strategic capabilities and the competitive advantages. Finally, the chapter also presents the summary of the chapter. Whereby, the researcher presents the researcher gap identified from the theoretical or from the empirical studies covered by the study.

2.2 The Theoretical Foundation of the study

The present research is premised on the three major theories which are the porter's five force theory, the resource-based view and the Dynamic capability theory (Savaget, Geissdoerfer, Kharrazi, & Evans, 2019). The five forces theory points to the reconciliations factors external to a firm towards giving the firm a competitive edge over the competitors within the industry (Collins 2021). On the other side the resource-based theory of the competitive advantage addresses the need for the firm to adequately utilize the resources that are freely available at its disposal. While the dynamic capability theory on the other side concerns that capability of the firm to integrate, build and also take into considerations both the external and internal competencies that are necessary within the fast-changing competitive environment (Amara, & Tiriveedhi, 2017).

The two theories are mainly concerned with the changing external environment and the resources which are available for the utilization within the firm. Subsequently, the dynamic capability theory attempts to address the knowledge economy and the firm capability to integrate, build and also to re configure the internal and the external competences that are necessary and appropriate within the changing environment. The theory of the dynamic capabilities therefore attempts to explains that the provision of competitive advantage and

generation of rents by competences is entirely based on the routines of the collection, skills and assets that are equally considered as being complementary Amara and Tiriveedhi, (2017).

2.2.1 The Porters Five force framework

Porter's five forces framework was developed by Michael Porter in 1979. The framework identifies the five forces that contributes towards shaping the market environment. The industry profitability and effectiveness therefore significantly depend on threat of new entrants, threat of substitutes, bargaining power of suppliers, bargaining power of buyers, and rivalry. These factors determine the competitiveness and industry attractiveness.

Porters five forces include:

- 1. Supplier power; This is the ease with which suppliers drive up prices in the market. This depends with the number of suppliers, their strength and the cost of changing to a new supplier. Few suppliers mean that they have a high supplier power
- 2. Buyer power; this is the ease with which buyers are able to reduce their prices. This is determined by the number of buyers in the market and the cost of changing to a new buyer. When the buyers are few, then the have a high buyer power
- Rivalry- This is the ability to get competitors offering the same goods and services in the market
- 4. Threat of substitution -When there is availability of substitute products in the market, then it is likely and easy for buyers to change to the new substitute
- 5. Threat of new entry- The existing of barriers to entry can reduce the likelihood of having new entrants in the market

The five forces analysis is important because it helps manufacturing firms to understand the factors that affect profitability and market attractiveness and make important decisions on whether to develop competitive strategies. These competitive strategies include low cost, whether to get a unique product or product differentiation and whether to focus on a particular market

The framework further hold that managers are only able to make good and effective decisions when they completely understand the business environment where the firm is operating. There are other many studies in place that support the position of the porters' proposition that holds the view that strategic capabilities lead to business attaining the competitive advantages (Varelas, & Georgopoulos 2017).

Amara, & Tiriveedhi, (2017) notes that there are several criticisms that has faced the application of the theory. Most of these criticisms are coming from other scholars such as Kevin and Subramaniam (1996) these opponents of the theory argued that the participants with the designated market industry are not allowed the ample time that they need to be able to respond to the changes in the external environment, the theory further makes an assumption that there is a perfect market, however given the real business environment, the business are releasing that in the real life there is no exactly perfect market. This theory considers only the external factors to a firm as its only source of competitive advantage. This theoretical view is further considered to have been flawed given that there are other sources of the sources of competitive advantage which are internal to the firm (Ferdinand, Graca, Antonacopoulou, & Easter by-Smith, 2004). The theory has been criticized since the theory attempts to concentrate on the industry only and without consideration of the individual firm itself (Amara, & Tiriveedhi, 2017).

The five forces framework is considered as being relevant to the research study since it contributes towards understanding how manufacturing firms should organize all the factors within their disposals towards realization of the competitive advantages. It is also relevant since it notes that for the firm to survive, the firm needs to adequately be in a position to manage these five forces such that they play to its favor.

2.2.2 The Resource Based Theory

The concepts of the resource-based theory as an approach towards realizing the competitive advantages emerged back in the 1980 and 1990 after the major works that were published by the Wernerfelt (1984) and Barney (1991). The resource-based theory argues that a firm's competitiveness and performance is as a result of its capabilities and resources. The theory holds that firms with valuable, immovable, inimitable, and rare resources attain a unique advantage in the market place (Hsuan & Kotzab, 2015). Whether tangible or intangible the resources must be heterogeneous and immobile (Barney, 1991). The resource-based view explains how tactical property provides an organization with advanced competitive strength

and superior performance. A firm that exploits current opportunities using current resources while creating unique fresh assets safeguards its competition level futuristically and remains economically relevant (Collins 2021).

Many researchers have clustered around this idea, Collins (2021) believe that through innovation unique resources are generated in areas such as operation, marketing process amongst others which yield some competitiveness to the firm beyond the reach of competitors. The resources generated enhance close ties with entities within the supply chains, smoothens operational processes leading to low operational cost. This leads to cheaper goods and services favoring consumers. Ultimately, this leads to shorter cash conversion cycle and economic digital revolution. When the firm's allocation to research and development increases, the revenue also increases. The resources that a firm owns can be both tangible and intangible. Theory is silent on what ratio a firm need to maintain them for success (Dubey et al., 2019).

The resource-based view is considered applicable in this study, since the theory emphasizes the need to address the limitations that is posed by the external environment through the manifestations of the factors that are beyond the control of the organization. The theory therefore puts an emphasis on the competitive advantages that attempts to provide a link between the heterogeneous resources that are controlled completely by the manufacturing firms and therefore guarantee the mobility of the internal resources within the firm. The internal factors include the management of the social capital through increasing their effectiveness in the supply chain (Hoskisson, Gambeta, Green 2018).

2.2.3 The Dynamic Capability Theory

The theory of the dynamic capability was first introduced by Gary Hamel (1989). This was first presented through a paper that was titled as the multinational strategy research that led to the core competences of the organization or the firm. The theory was brought in place to fill the gap that had been identified in the previous theories this is because the theories failed completely to address the dynamic nature of the business environments. The dynamic capability theory is considered as being a progressive version of the resource-based view of the organization given that it is an inside-out approach; however, the proponents of the theory accept the fact the influence of the prevailing external factors to some extent contributes towards incorporating the Porter's theory (Gathungu & Mwangi 2012).

The dynamic capabilities theory is of the greater essence especially with regards to explaining the greatest explanation power when the partly foreseeable alteration in line with the technology is on the edge of altering the overall competitions within the market (Chowdhury and Quaddus 2017). However, the theory has not been without criticism, the theory has however been criticized on the ground that it has very less power of the explanation given that the dynamic capabilities are not underestimated or are not considered as being limited. When the change itself is considered as completely being unforeseeable and when there is the foreseeable change the theory is of great significance with regards to its implementations and applications (Gathungu & Mwangi 2012). Consequently, when the size of the impact of the new abilities is considered to be small, then the industries that are subjected to continuous changes in technology and in markets that remunerate short bursts of outstanding performance especially over the long-term consistency (Gupta 2021).

The theory is therefore relevant to the present study since it bridges the knowledge left by the other theories. The theory attempts to address the needs of the firms to use the inside outside approach while responding to the environment. For the manufacturing firms to remain effective in the short-term, they must have considered competitive strategies that can be used towards building long term competitive advantages (Gathungu & Mwangi 2012).

2.3 Strategic Capabilities

There are a number of approaches and procedures that are utilized as indicators with regards to the strategic capabilities, the dependence of the resources, coupled with the competencies and various competitive advantages contributes to the performance of the organization. The human resource capabilities are concerned with the managers and the firm employees. The skills and the competencies of the employees contributes to the capabilities of the human resource. Materials includes the raw materials that are utilized to achieve the realization of full organization competitive advantages therefore giving rise to the material capability of the firm (Dangelico et al, 2017). Technological resources should also be handled in such a way that it can contribute towards the technological capability of the firm. Further, another indicator of the strategic capability is the financial resources of the Manufacturing firms. The manufacturing firms should be able to put in place a robust financial parameter so that the organization can achieve with success the financial capabilities. In general, the strategic capabilities of the firm contribute effectively towards the competitive advantages of the organization (Smith, 2008).

2.3.1 Human Resource Capabilities

Mishra, Luo & Hazen (2018) notes that the concept of the human resource capabilities for an organization, includes the organization having in place the right people with the required skills and expertise based on the industry of the firms. These individuals must have the right attitude, competencies and the attributes that the organization requires for it to gain competitive advantages which are aligned to the organizational goals. The organization therefore needs to employ competent employees and then contribute towards developing them through application of the effective human resource practices. The effectiveness of the human resources practices therefore underpins the organization capability.

Amarakoon, Weerawardena, and Verreynne (2018) notes that the focus of the organization therefore should be on developing the right pool of human resource capital that have the level of skills that is aligned to the skills that are required by the organization. In manufacturing firms, human resource capabilities include the right staff, skills and expertise.

Manufacturing firms therefore need to ensure that the skills are aligned to the core strategic intent of the firm. Human capital capabilities have been described as the attributes, the competencies, skills and knowledge that are embodied in an individual that can contribute towards facilitating the creation of personal, social and the overall economic wellbeing.

2.3.2 Technology Capability

According to Rehman et al., 2018, technology capabilities have been defined as the ability capabilities that the firm requires to completely assimilate, use, change and create technology for use. Technological capabilities have also been defined as the ability of the firm to make use of the new technological knowledge for production, innovation and engineering so as for the firm to be able to gain competitiveness in pricing and quality. These technology capabilities are very vital for the firms and helps the firm to assimilate, adapt and use the new technologies for its benefit. Among the factors that are within then disposal of the firm to achieve better competitive position, technology utilization is key and contribute hugely towards the success of the firm in terms of gaining its competitiveness in the market.

For any firm to sustain its survival in a given environment, there is need for the firm to produce some different solution to adequately meet its core business needs. For the firm to gain competitive learning, there is need to make use of both the internal and external learning effectively (Kim, Kim, & Seo 2020). Organization achieves the internal learning through development of the new products, further internal learning is also achieved through investment

in research and development processes. External learning can be acquired through creation of the technological alliances with other vital firms, institutions and organizations.

Manufacturing firms develops advanced manufacturing technology every year since, its contributed towards reduced recycle time, enhances sustainable market growth and enhances progress towards zero defects and contributes towards enhanced return on investments coupled with a production that is focused specifically on the firm's line of production (Chienwattanasook, & Jermsittiparsert 2019)

2.3.3 Material Capabilities

The concepts of the material capabilities have been defined by Silva et al., 2017 as it relates to the ability of the organization or business firm to continuous be able to acquire sustainable flow of new materials that it requires for its full capacity utilization in the factory for production. This therefore means that manufacturing firms must contributes towards planning for the long-term availability of the key raw materials that it uses for manufacturing. Long term planning for the material availability enhances continuous production without delays that could be caused by lack of continuous flow of materials.

There is need for the firms to develop some supply chain capabilities so as to remain competitive despite the control that sometimes is exercised by the government, (Mayyas et al., 2019). Therefore, the manufacturing firms needs to ensure that good extension services are made available to them so as to avoid experiencing unnecessary high costs of production. The firms should always put everything in place to guarantee timely delivery of the required materials into the firm. When the supply needs are maintained, the firms are therefore in a better position to achieve competitive advantages that are critical for its survival in the competitive market.

2.3.4 Financial Capabilities

Financial capability remains to be vital and a very fit in the corporate level strategy of the firm (Zamora et al., 2017). Different researchers and scholars that are concerned with the strategy implementations have identified financial capabilities of the firm as being key to the competitive advantages. Therefore, it's critical that the firms have access to the funds so that it's in a better position to implements the strategic plans. Financial capabilities therefore remain to be key with regards to strategic planning processes. To achieve accurate and adequate financial outcome, the firm needs to accurately balance its expenditures considering the limitations with regards to the income stream.

To ensure that the spending patterns are adequately adjusted as needed and that the organization's strategic and service planning is fully aligned with the budget, financial plans and budgets should be flexible enough (Roa, Garrón, & Barboza 2019). As a result, it has been found that the main cause of financial distress is largely a result of factors that are within the firm's control, rather than external factors. The firm's financial performance is influenced by a variety of factors, including the total liabilities compared to total assets, the leverage ratio and the cash flow ratio. In contrast to the firm's financial capability, a firm experience or undergoes situations of financial distress when the firm is dealing with operational, managerial, and financial difficulties simultaneously.

2.4 Literature of related studies

Strategic capabilities and competitive strategies have been examined in a number of studies. Mwika (2017) conducted research in Kenya on the impact of innovation and technology on construction firms' competitive advantage. The study examined how Kenyan construction firms' competitive advantage is influenced by innovation and technology. In this study, a crosssectional survey design was adopted. 40 Kenyan construction companies were surveyed for the study. Questionnaires were the major technique of collecting data. Analysis of the data was done using regression. Results from a recent study show that a company's competitive edge depends on its utilization of innovation and technology.

Large manufacturing companies in Nairobi County were studied by Abade (2017), who looked at their strategies and competitive advantages in the market. A descriptive approach to data analysis was adopted in this study. Open and closed-ended questions were employed in the collection of data. This research shows that strategic strategies are good for business. Consumer loyalty is affected by competitive strategies, which assure high-quality services and products and products that are designed with the needs of the client in mind.

Research by Chepkole and Deya (2019) found that the strategic competency of information technology enterprises in Nairobi City County, Kenya, has a significant impact on their competitive advantage. Descriptive research was used in the study. The study found that a firm's competitive advantage in the County of Nairobi is inversely related to its capability for human resources.

British Broadcasting Corporation-global news, Africa's strategic capacities were studied by Ngugi, (2011). As a means of accomplishing its goals, the study used case study methodology. According to the findings, those strategic talents have continued to shift over time in response

to various conditions. Changes in technology, the African media landscape, and audience preferences all played a role in the development of these elements.

In Kenya, Wanjiku, (2016) conducted a study on the strategic Capabilities for the longterm competitive advantage of Insurance Firms. All 49 insurance companies in Kenya were included in the survey, and questionnaires were used to acquire additional information. A competitive advantage for insurance companies in Kenya can be attributed to their use of innovative technology and marketing abilities, as well as their ability to provide high-quality customer service, efficiency in claims settlement, and product diversification. In this way, the importance of these strategic abilities was recognized due to their potential to help insurance businesses raise their profit margins, their written sector efficiency, their customer base, and their time and market share.

A study conducted by Adeniran and Johnston (2012) looked into the dynamic capacities and competitive advantage of South African small and medium-sized businesses (SMEs). Small and medium firms in South Africa account for around 35 percent of GDP, according to the findings of the study. Small and medium-sized businesses typically contribute significantly to the growth of the economy, the creation of new products, the advancement of technology, and the development of competitive advantages.

2.5 Summary of Empirical studies and research gap

From the previous studies done by other scholars, it is evident that there exists a knowledge gap as many researches have not yet studied all manufacturing firms in Nairobi. It is also evident that the effect of strategic capabilities on competitive strategies has not been studied by any researcher. Below are the finding

Study	Methodology	Findings	Knowledge Gaps	Focus of current study
Influence of the innovation and technology on the competitive advantage of the construction companies. Mwika (2017)	A cross-sectional survey design. The study was conducted on 40 selected Kenyan construction firms	The use of innovation and technology in construction firms influences a company's competitive advantage	Study focused on the innovation and Technology and not any other industry	The current study focuses on the competitive strategies with specific reference to the manufacturing firms.
Competitive strategies and the competitive advantage of the large manufacturing firms in Nairobi County. Abade (2017)	Descriptive design of analysis. In data collection questions were used which included open and closed questions.	Strategic tactics positively benefit the business. Competitive tactics affect the loyalty of consumers, ensure superior quality products	The focus was on the competitive strategies unlike the current study that focuses on the strategic capabilities.	The focus of the current study is on the strategic capabilities and competitive strategies
The effect of the strategic capability on the competitive advantage of information technology firms in Nairobi City County, Kenya. Chepkole and Deya (2019)	Descriptive research style. In Nairobi City County the target population consisted of the 143 owners of IT firms.	The capacity for human resources has an inverse effect on the competitive advantage of the firms in the County of Nairobi	The focus of the study was on the information technology firms. The current study focuses on the manufacturing firms in Nairobi County	The current study focuses on the competitive strategies among the manufacturing firms.
Strategic capabilities for the competitive advantage in British Broadcasting Corporation-global news, Africa. Ngugi (2011)	A case study research design. The research used the interview guide to gather information.	Strategic abilities have continued to change due to response to technology, changes in the African media sector and changes in audience demand	The study focused on Broadcasting Corporation; the current study is a local study focusing on local manufacturing firms.	The current study is a local study focusing on the local manufacturing firms in Nairobi Country.
The strategic Capabilities for the sustainable competitive advantage of the Insurance Firms in Kenya Wanjiku (2016)	The study made use of the survey where all the 49 insurance companies in Kenya were considered for study. Data was collected through questionnaires	Advanced technology, efficient marketing skills, quality customer service, productivity in claims settlement and product diversity foster a competitive edge in insurance firms in Kenya	The study focused on the sustainable competitive advantages. The current study focuses on the competitive strategies.	The current study focuses is on competitive strategies on the manufacturing firms unlike the study of Wanjiku (2016) that focuses on the insurance firms.
The dynamic capabilities and competitive advantage SME. Adenira and Johnstone (2012)	The study made use of a descriptive survey design.	South African small and medium enterprises contribute approximately to about 35% of the national gross domestic product	The study was conducted in South Africa	The current study focuses on the competitive strategies among the manufacturing firms in Nairobi.

Table 2. 1Summary of Empirical Studies and Research Gaps

Source: (Research data, 2021)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the research methods used in the study in order to attain the study's research objectives. As a result, the section includes information about the study's research design, participants, and data collection and analytic technologies. Additionally, the chapter discusses several approaches and methodologies for analyzing the data collection.

3.2 Research Design

According to Amerson (2011), research design is defined as a strategy, structure, and plan that is taken into account in order to appropriately attain and fulfill the research question and the objectives that are set out. That's why this research relied on descriptive research in order to answer inquiries about the things being studied. Using this method, researchers can collect both quantitative and qualitative data, which can then be evaluated for trends. They can be used to make smart decisions. The expense of the research model is similarly low.

3.3 Population of the Study

Population is defined by Amerson (2011) as all elements with similar qualities and at least one item in common. As a result, the population is the bigger group from which the population was adopted. It is also recommended by Cooper & Schindler (2006) that a precise description of the target population be provided in order to identify and define the appropriate data collection sources.

As a result, all of Nairobi's manufacturing enterprises were included in the study's sample. There are 700 manufacturing companies in Kenya, according to the KAM (2020) study, with 80 percent of them located in Nairobi County. Because of this, the study's target population was 544 (About 80% of the 700 people) Appendix iii has a comprehensive list of Nairobi's manufacturing companies. According to Fagerland, Lydersen, and Laake (2013), 80% of the estimated population is sufficient to account for any sampling mistake. All company's chief operating officers were taken into account because they have a role in strategic decision-making at these organizations. Building, mining, and construction; chemicals and related; energy, electrical, and electronic; fresh produce; food and beverage; leather and footwear; metals and related; paper and board; pharmaceuticals and medical equipment; plastics and rubber; services and consulting; textiles and apparel; and timber, wood, and furniture; are all

included in this list. Also included are fresh produce, food, and beverage, leather, and footwear.

According to Amerson, R. (2011), a study sample of 10% of the accessible population is sufficient. As a result, the researcher employed the concept when selecting a sample of study participants. The study drew on a representative sample of 100 businesses, or 18.3 percent of the whole target population. A multi-stage sampling method was used to select the study's participants, which was recommended by (Fagerland, Lydersen, & Laake 2013). As a result, the steps taken to determine sample size included proportionate stratified sampling defined by sector, which included 14 major sector sub-sectors within manufacturing firms, and then simple random sampling.

	Sector	Number of firmsin	Sample	%	
		Nairobi			
1	Building, mining and construction	15	4	26.7	
2	Chemical and allied	65	12	18.5	
3	Energy, electrical and electronics	32	6	18.8	
4	Fresh produce	1	1	100%	
5	Food and beverage	97	16	16.5	
6	Leather and foot ware	6	1	16.7	
7	Metal and allied	55	9	16.4	
8	Motor vehicle and accessories	30	6	20.0	
9	Paper and board	57	9	15.8	
10	Pharmaceutical and medical equipment	21	5	23.8	
11	Plastics and rubber	53	8	15.1	
12	Services and consultancy	65	12	18.5	
13	Textile and apparels	34	7	19.4	
14	Timber, wood and furniture	13	4	28.6	
	Total	544	100	-	

Table 3. 1 Sampling Frame

Source: (KAM, 2020)

3.4 Data collection

Data was gathered and analyzed in accordance with this study's requirements. Semi-structured questionnaires were used in the study for data gathering reasons. This meant that both openended and closed-ended questions had to be used. In addition to using closed-ended questions, the researcher also used open-ended questionnaires to allow respondents to express themselves freely. We looked at every single one of the area's 100 manufacturing companies. One hundred heads of operations departments were surveyed for this study since they are seen to be critical to the company's strategic capabilities.

3.5 Operationalization of the Study Variables

The table below shows how the respective study variables were operationalized;

Table 3. 2 Operationalization of the Study Variables

Variable	Operational Indicator	Measurement	Measurem ent scale	Data collection tool	Data Analysis
Human Resource Capability	SkillsExperienceCompetencies	Likert Scale	Interval	Questionnaire Section2	Descriptive, Correlation analysis& Regression analysis
Technolog y Capability	InnovationsEngineeringUtilizations	Likert Scale	Interval	Questionnaire Section3	Descriptive, Correlation analysis& Regression analysis
Material Capability	 Supply Capacity utilization Continuous Production 	Likert Scale	Interval	Questionnaire Section4	Descriptive, Correlation analysis& Regression analysis
Financial Capability	 Access to Funds Costing and expenditure balance Financial plans &Budget 	Likert Scale	Interval	Questionnaire Section5	Descriptive, Correlation analysis& Regression analysis
Competiti ve Strategies	 Cost of Inputs Financial resources Revenues & Production costs 	Likert Scale	Interval	Questionnaire Section5	Descriptive, Correlation analysis& Regression analysis

Source: (Research data, 2021)

3.6 Reliability and Validity

Under this section the study discusses the validity and reliability of the study

3.6.1 Reliability

After a number of trials with a testing instrument, the degree to which it produces consistent results or data is called reliability (Mugenda, Shreyer, & Croney 2019). In Ursula (2010), a pre-test is a small experiment intended to examine the study design and the equipment used to collect the research data. The questionnaires were pre-tested with a random sample of respondents in order to ensure the validity of the research. It is the purpose of the reliability test to calculate the random measurement errors. When attempting to gauge internal consistency, the Cronbach alpha test is employed. Between 0 and 1, the Cronbach alpha value is used. Various authors have proposed various points at which to stop. A Cronbach alpha Coefficient range of 0.7 to 0.9 is regarded reliable and satisfactory by Cooper and Schindler (2014). A cut-off point of 0.7 was used in this investigation since it was thought to be an appropriate number for testing the instrument's dependability. It was therefore required to make changes to the study instruments following pre-testing, and the reliability test results are summarized here.

	Components of the	Cronbac h Alpha	Numbe r of	
Variable	variable	Value	Items	Decision
	Right skills, right			
	capabilities,			
Human Resource	experiences,			
Capabilities	competencies	0.854	17	Reliable
	Technological			
	knowledge, innovations,			
	engineering, technology			
Technology Capabilities	utilizations,	0.916	16	Reliable
	Continuous supply of			
	new raw materials,			
	capacity utilizations,			
	long term planning for			
	materials availability,			
	continuous productions,			
Material Capabilities	good extension services	0.916	17	Reliable
	Access to funds, Loan			
	facilities, strategic			
	planning processes,			
Financial Capabilities	Costing and balancing	0.713	17	Reliable

Table 3. 3 Summary of Cronbach's Alpha Reliability Coefficient's

	expenditures, financial plans and budgets, financial structures of the firms			
	Pricing of the products, production costs, tax regime, cost of inputs, government regulations, availability of the			
Competitive strategies	financial resources.	0.871	11	Reliable

Source: Field Data (2021)

3.6.2 Validity

According to Mugenda, Shreyer & Croney, validity is a measure of how well the research data represents the study's variables (2019). Authenticity is defined by Kimberlin, & Winterstein (2008) as the degree to which an instrument measures what it claims to measure. A training session was given for everyone who participated in the data gathering activity in order to develop accurate measurements or instruments and standardize data collection methods. There was a lot of pre-work done to ensure that the devices that were used to collect data were accurate.

According to Kimberlin and Winterstein, the instrument's validity is enhanced by the input of an expert (2008). It was found by the expert's assessment that the instruments were valid, and the validity of their content was improved by an examination with the supervisor of the data collection instruments. The questionnaire was pre-tested by the researcher, his helpers, and the people who were going to fill it out. Biases and ambiguities were thus discussed by the researcher, research assistants, as well as participants in the study. Using the supervisor's advice, we improved our instrument design after analyzing the results of a pre-test.

3.7 Data Analysis

Because of this, the questionnaire data was evaluated utilizing quantitative analysis. In other cases, raw data from the field may not be in a form that can be used for data analytic purposes (Kimberlin, & Winterstein 2008) As a result, the surveys must be thoroughly cleaned before they can be used in data analysis. As a result, the data was first coded, and then analyzed.

Percentages and frequencies were utilized to describe the characteristics of the respondents and the manufacturing companies. Standard deviations, means, coefficients of variation, and skewness were used to examine the acquired data. Testing for normalcy in the data was carried out using dispersion measures. Graphs, tables, and charts were used to represent the data once it had been thoroughly evaluated.

To further our study's second purpose, we employed inferential statistics to examine data related to the impact of strategic capabilities on the competitive advantages of manufacturing companies. In addition, the researcher used the coefficient of correlation, the coefficient of determination, ANOVA, and a multiple regression analysis to determine the strength and association between the dependent and independent variables.

The regression equation used was as follows:

$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \alpha$

Where: Y is the dependent variable (Competitive strategies),

 $\beta 0$ is the regression coefficient/constant/Y-intercept,

 $\beta 1$, $\beta 2$, $\beta 3$ and $\beta 4$ are the slopes of the regression equation,

X1 is the Human resource Capability

X2 is the Technology Capability

X3 is the Material Capability

X4 is the Financial Capability,

 α is an error term normally distributed about a mean of 0 and for purpose of computation, the α is assumed to be 0.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The results of the data analysis, data presentation, and data interpretation are summarized in the next section. Therefore, the study's goal was to determine the impact of strategic skills on manufacturing businesses' competitive strategies. Statistical Package for Social Science (SPSS) version 21 software was used to evaluate the data that was collected and keyed into the database.

4.2 Response rate

It was determined that 100 questionnaires were given out to the company's executive director. As stated in Table 4.1, 89 questionnaires were completed and returned.

No. of items	Frequency	Percentage
Returned	89	89
Unreturned	11	11
TOTAL	100	100

Table 4. 1 Response rate

Source: (Research data, 2021)

Table 4.1 shows that a total success rate of 89 percent has been achieved. Per Orodho (2009)'s claims, a response rate more than 50% aids in the collection of sufficient data that may be generalized to represent the perspectives of respondents on the subject of the study among those who are part of the target group. According to the statements, the response rate of 89 percent is appropriate for the study.

4.3 Demographic Analysis

The researcher was interested in obtaining information about the respondents' demographics. In order to provide this information, the next section contains demographic data, which includes the gender of respondents, the age of respondents, the amount of education achieved by respondents, and the length of time they have worked for the organization.

4.3.1 Distribution by Gender

The researcher was interested in determining the gender of the respondents, so the respondents were asked to specify their gender. A summary of the findings is shown in the table below.

Gender of the respondents	Frequency	Percentage
Male	78	87.6
Female	11	12.4
TOTAL	89	100

Table 4. 2 Distribution by Gender

Source: (Research data, 2021)

According to the information gathered and shown in the table above, the vast majority of respondents (78, or 87.6 percent) were male, with only 11 (12.4 percent) of respondents being female. As a result of the data, it can be concluded that the majority of employees working as heads of operations in manufacturing companies are male, as evidenced by the findings of the study presented above.

4.3.2 Distribution of the respondents by Age

The purpose of the study was to determine the age of the respondents; as a result, the respondents were asked to declare their age, and the information gathered on age is shown in the table below:

Age of the respondents	Frequency	Percent	
25-30 years	7	7.9	
31-40years	22	24.7	
41-50years	48	53.9	
Above 50years	12	13.5	
TOTAL	89	100	

 Table 4. 3 Distribution of the respondents by Age

Source: (Research data, 2021)

According to the data gathered and shown in the table above, the majority of respondents (48/53.9 percent) were between the ages of 41 and 50 years, 22 (24.7 percent) were between the ages of 31 and 40 years, 12 (13.5 percent) were over the age of 50 years, and seven (7.9 percent) were between the ages of 7 and 9. (31-40 years). Therefore, it can be concluded from the data that the majority of respondents who worked as heads of operations in manufacturing

companies inside Nairobi were aged between 41 and 50 years old, as demonstrated by the findings.

4.3.3 Level of education of the respondent

The purpose of the study was to determine the level of education held by the respondents. Because of this, respondents were asked to specify their educational background, and the information gathered on this topic is provided in the table below.

Level of Education	Frequency	Percentage	
Degree in PhD	7	7.9	
Master's Degree	25	28.1	
Bachelor's Degree	40	44.9	
Diploma	17	19.1	
TOTAL	89	100	

Table 4. 4 Level of education of the respondent

Source: (Research data, 2021)

Data collected on education level showed the following results: the majority of respondents (44.9 percent) had a Bachelor's degree, 25 (28.1 percent) had a Master's degree, 17 (19.1 percent) had a diploma, and seven (7.9 percent) had a PhD degree, as shown in the table above. As a result, based on the information gathered, it appears that the majority of people employed by the various sampled manufacturing companies in Nairobi County held Bachelor's degrees in their respective fields of expertise.

4.3.4 Length of service with the Organization

The researcher was also interested in learning how long the respondents had been employed by their different manufacturing companies in order to gather information. As a result, the respondents were asked to respond to the question, and the findings were provided in a table as shown below.

Length of service	Frequency	Percentage
Above 20 years	4	4.5
16-20 years	8	9.0
11-15 years	14	15.7

 Table 4. 5 Length of service with the Organization

6-10 years	30	33.7
5 years and below	33	37.1
TOTAL	89	100

Source: (Research data, 2021)

Most respondents (37.1%) had worked for their respective manufacturing companies for less than five years, 30 (33.7%) had worked for the companies for six to ten years, and 14 (15.7%) had worked with the organization for ten years or more, according to the information gathered and presented in the table above (11-15years). Among those who responded, eight (9.0 percent) had worked at their respective manufacturing enterprises for 16 to 20 years, while four (4.5 percent) had been there longer. With this information in hand, it can be concluded that the majority of company heads of operations have been with their company for less than five years.

4.4 Analysis of the Study Variables

The following section presents analysis based on the study variables, the study was guided by the following variables; human resource capabilities, technology capabilities, material capabilities and financial capabilities.

4.4.1 Human resource capabilities

On the human resource capabilities, the respondents were allowed to give in their opinion on a five-scale point against each parameter. The results are presented in the table below. The scale of measurement used; 1=strongly disagree, 2=disagree, 3=undecided, 4=Agree, 5=Strongly Agree.

Statements on Human Resource Capabilities	Mean	Std Dev	CV
The firm has a functional employees succession	4.8731	0.02114	0.02114
plan in place	1.0751	0.02114	0.02114
Management and leadership have a clear	4.5212	0.24003	0.26117
understanding of the firm's functional goals	H. <i>JL</i> 1 <i>L</i>	0.24005	0.20117
I feel empowered towards making key specific	4.5111	0.04031	0.30148
decisions that affects my Job	ч .Э111	0.04031	0.30140
Leadership and the employees have the relevant			
experience that is required to deliver on their	4.412	0.03269	0.33417
respective responsibilities			

Table 4. 6 Human resource capabilities

Coaching and mentoring approaches are also	4.2.4.4.4	0.02004	0.27201
utilized as training approaches	4.3444	0.03884	0.37301
The leadership of the firm recognizes and rewards	4 22 62	0.02260	0.2077
good performers	4.3262	0.02369	0.3967
The firm makes use of the Ad Hoc training	4 0 1 1 1	0.07266	0.47026
approach to employee the human resources	4.3111	0.07366	0.47036
Apprenticeship and management trainees'			
approach are some of the employee capability	4.2889	0.02455	0.49491
building approaches			
Strategic plans need are used as training basis to	4 1667	0 22802	0 72202
the employees and stakeholders	4.1667	0.23802	0.73293
The firm makes use of the performance appraisal	4.1444	0.71203	1.44496
needs training approaches	4.1444	0.71205	1.44490
The firm cares for the employee's general	4.1432	0.0978	1.54276
satisfactions at the work place	4.1432	0.0978	1.34270
Entrepreneurship and intrapreneurship training	4.0889	0.85649	2.39925
approach is utilized by the organization	4.0009	0.03049	2.39923
The management encourages creative and	3.8415	0.27096	2.67021
innovative thinking	5.0415	0.27090	2.07021
The leadership allows the followers to commit to	3.7731	0.77096	3.44117
their vision	5.7751	0.77090	3.44117
The firm promotes the use of feedback from the	3.7621	0.37096	3.81213
employees more often	5.7021	0.37090	5.01215
Assessment of the training needs of the employees	3.7111	0.72274	4.53487
are assessed on the basis of performance appraisal	5./111	0.72274	4.55407
The firm creates continuous efforts towards the			
organization so as to create an overall sense of	3.5967	0.90761	5.44248
belonging and team spirit among the employees			
Source: (Research data 2021)			

Source: (Research data, 2021)

From the results as presented in the table above, majority of the respondents agreed that their firm has a functional employee's succession plan in place as was shown by a mean score =4.2889, it was also agreed among the respondents that management and leadership have a clear understanding of the firms' functional goals as shown by mean score =4.5212. It was also

agreed among the respondents that they feel empowered towards making key specific decisions that affects their job this was shown by mean score=4.5111.

The study also revealed that leadership and the employees have the relevant experience that is required to deliver on their respective responsibilities as was revealed by mean score=4.412. Coaching and mentoring approaches are also utilized as training approaches as was shown by mean score =4.3444. It was also agreed that leadership of the firm recognizes and rewards good performers as was shown by a mean score of 4.3262. The firm makes use of the Ad Hoc training approach to employ the human resources as was shown by mean score=4.3111

More of the respondents also agreed that apprenticeship and management trainees' approach are some of the employee capabilities building approaches as was shown by mean score=4.2889. Further as revealed by respondents, strategic plans need are used as training basis to the employees and stakeholders as revealed by mean score=4.1667. The firm makes use of the performance appraisal needs training approaches as shown by mean score= 4.1444

It was also agreed that the firm cares for the employees' general satisfactions at the work place, that entrepreneurship and intrapreneurship training approach is utilized by the organization and that the management encourages creative and innovative thinking as were shown by mean score =4.1432, 4.0889 and 3.8415 respectively. However, few of the respondents were neutral on the fact that firm creates continuous efforts towards the organization so as to create an overall sense of belonging and team spirit among the employees as was shown by mean score=3.5967.

From the results as presented above, it can therefore be deduced that most of the manufacturing firms has a functional employee's succession plan in place, that management and leadership of these firms have a clear understanding of the firms' functional goals. Some employees feel empowered towards making key specific decisions that affects their Job. It's also apparent that leadership and the employees have the relevant experience that is required to deliver on their respective responsibilities. The results also revealed that coaching and mentoring approaches have also been utilized as training approaches. Also the leadership of the firm recognizes and rewards good performers and some firms makes use of the Ad Hoc training approach to employ their human resources.

4.4.2 Technology Capabilities

On the technology capabilities, the respondents were allowed to give in their opinion on a fivescale point against each parameter. The results are presented in the table below. The scale of measurement used; 1=strongly disagree, 2=disagree, 3=undecided, 4=Agree, 5=Strongly Agree.

Statements on Technology Capabilities	Mean	Std Dev	CV	
The firm benchmarks on the best technology				
innovations practices for operation benefit of the	4.7831	0.2354	0.2354	
firm				
The firm have in place new policies and practices	4 5224	0.01602	0.05022	
that supports technology innovations	4.5324	0.01693	0.25233	
Adoption of new technology contributes to the	4.4573	0.01325	0.26558	
quality of the product	4.4373	0.01525	0.20338	
The firm has put in place mentorship programs for	4 4002	0.17642	0.4420	
the technology innovations	4.4092	0.1/042	0.4420	
Adoption of new technology increases the	4 2214	0.02412	0 46612	
manufacturing process	4.3214	0.02413	0.46613	
Adoption of new technology helps improve the	4.2198	0.45271	0.91884	
overall productivity levels	4.2198	0.45271	0.71004	
The top leadership has commitment towards	4.185	0.92431	1.84315	
technology innovations	4.105			
Competitive strategies achieve better performance	4.1543	0.01432	1.85747	
through technology adoption	4.1545	0.01432	1.03747	
Innovations drives the firms towards meeting the	4.0175	0.90154	2.75901	
revenue targets that it has set for itself	4.0175		2.73901	
There are new ways of filtering and implementing	3.9164	0.90376	3.66277	
new technologies	5.9104	0.90370	5.00277	
Existing product processes are enhanced through	3.9073	0.09453	3.75730	
adoption of new technology	5.9075	0.09455	5.75750	
Waste reduction maintenance processes have been	3.9016	0.78351	4.54081	
put in place through technology innovations	5.9010	0.78551	4.54081	
The firm has put in place enough resources to	3.9014	0.5197	5.06051	
support technology innovations	3.9014	0.3197	5.00051	
New production processes are enhanced through	3.6512	0.02431	5.08482	
adoption of new technology	5.0512	0.02431	5.00402	

Table 4. 7 Technology Capabilities

There are enough resources put in place for process	3.0194	0.01435	5.09917
innovation	5.0194	0.01433	5.09917
The firms use technology in line with new	2.9087	0.07642	5.17559
government regulation and policies	2.9087	0.07042	5.17559
Timely replacements for the old and obsolete	2.9014	0.24137	5.41696
technology have been put in place	2.9014	0.24137	3.41090

Source: (Research data, 2021)

The study sought to establish on the technology capabilities, it was strongly agreed that the firm benchmarks on the best technology innovations practices for operation benefit of the firm as was shown by mean score=4.7831, it was agreed among the respondents that firm have in place new policies and practices that supports technology innovations as was shown by mean score=4.5324. A number of the respondents also agreed that adoption of new technology contributes to the quality of the product as was shown by a mean score=4.4573.

The results also revealed that firms have put in place mentorship programs for the technology innovations as was agreed among the respondents and shown by a mean score=4.4092, Further, adoption of new technology increases the manufacturing process as was shown by mean score=4.3214. Adoption of new technology also helps improve the overall productivity levels as was shown by mean score=4.2198. The study results also revealed that the top leadership has commitment towards technology innovations as was shown by mean score= 4.185.

The study also revealed that competitive strategies achieve better performance through technology adoption as was shown by mean score=4.1543, Further, innovations drives the firms towards meeting the revenue targets that it has set for itself as was shown by mean score=4.0175. There are new ways of filtering and implementing new technologies as was shown by mean score=3.9164 Existing product processes are enhanced through adoption of new technology as shown by mean score=3.9073 Waste reduction maintenance processes have been put in place through technology innovations mean score=3.9016 and that timely replacements for the old and obsolete technology has been put in place by the manufacturing firms as was shown by mean score=2.9014

However, few of the respondents were neutral on the fact that there are enough resources put in place for process innovation as shown by mean score=3.0194, that firms use technology in line with new government regulation and policies as was shown by mean score= 2.9087.

From the results, it can therefore be deduced that manufacturing firms do benchmarks on the best technology innovations practices for operation benefit of the firm, that manufacturing firm have in place new policies and practices that supports technology innovations. That adoption of new technology contributes to the quality of the product. It can also be deduced that firm has put in place mentorship programs for the technology innovations. Adoption of new technology increases the manufacturing process and that adoption of new technology helps improve the overall productivity levels of the manufacturing firms. The findings also revealed that the top leadership has commitment towards technology innovations. That competitive strategies achieve better performance through technology adoption and those innovations drive the firms towards meeting the revenue targets that it has set for itself.

4.4.3 Material Capabilities

On the material capabilities, the respondents were allowed to give in their opinion on a fivescale point against each parameter. The results are presented in the table below. The scale of measurement used; 1=strongly disagree, 2=disagree, 3=undecided, 4=Agree, 5=Strongly Agree.

Statements on Material Capabilities	Mean	Std Dev	CV
The organization is making proper utilization of the	4.8765	0.07687	0.07687
raw materials for maximum output	4.0703	0.07087	0.07087
The firm is investing on new opportunities that	4.9621	0 56421	0 64109
supports the availability of the materials needed.	4.8621	0.56421	0.64108
High costs of productions are dealt with through			
ensuring that manufacturing material inventory is	4.5762	0.85243	1.49351
maintained within the production rates			
The firm acquire sustainable flow of new materials	4.5124	0.84531	2.33882
that it requires for its full capacity utilization	4.3124	0.84331	2.33882
Timely delivery without delay is necessary for	4 2 4 2 1	0 24226	2 69209
efficient manufacturing performance	4.3421	0.34326	2.68208
The firm maintains supply chain capabilities for the	1 2967	0 22656	200964
firm to remain afloat with production	4.2867	0.22656	2.90864
Daily delivery targets to the contractors ensures	4.0076	0 5 (770	2 47642
supply of quality materials to the factory	4.0976	0.56778	3.47642

Table 4. 8 Material Capabilities

The firm offers incentive schemes to the raw material			
suppliers to ensure that they supply quality raw	4.0865	0.09867	3.57509
materials			
The firm organizes for training of all supply chain			
stakeholders to regulate quality of the raw material	4.0856	0.09876	3.67385
supplied			
Trans loading facilities are developed and optimized	3.9841	0.00321	3.67706
to ensure delivery of the raw materials	5.9641	0.00521	5.07700
The firm carries out research and development to			
determine and utilize quality and standard raw	3.9071	0.00762	3.68468
materials			
The firm enhances availability of good and viable	3.7154	0.29841	3.98309
extension services to aid in material supply	5.7154	0.29041	3.98309
The firm has established strategic fleet to ensure	3.6752	0.67533	4.65842
delivery of the right quality of the raw materials	5.0752	0.07555	4.03042
The firm plans for the long-term availability of the	3.5521	0.00642	4.66484
key raw materials that it uses for manufacturing	5.5521	0.00042	4.00404
Competitive strategies which are critical for the			
survival of the firms depends on the firm's production	3.2165	0.01941	4.68425
efficiency			
The firm ensures that there are efficient transport	3.0862	0.35218	5.03643
systems to guarantee delivery	5.0802	0.33218	5.05045
Continuous production without delays is enhanced	2.9104	0.09531	5.13174
through proper material availability planning	2.7104	0.07331	5.151/4

Source: (Research data, 2021)

The results as presented in the table above revealed that majority of the respondents strongly agreed that the organization is making proper utilization of the raw materials for maximum output as was sown by mean score=4.8765, others also strongly agreed that the firm is investing on new opportunities that supports the availability of the materials needed as was shown by mean score=4.8621.

The results also revealed that majority of the respondents agreed that high costs of productions are dealt with through ensuring that manufacturing material inventory is maintained within the production rates as shown by mean score=4.5762. Firm acquire sustainable flow of new

materials that it requires for its full capacity utilization as was shown by mean score=4.5124. It was also agreed among respondents that timely delivery without delay is necessary for efficient manufacturing performance as was shown by mean score=4.3421. That the firm maintains supply chain capabilities for the firm to remain afloat with production as shown by mean score=4.2867.

Further the results revealed that daily delivery targets to the contractors ensures supply of quality materials to the factory as was shown by mean score=4.0976, further the results also revealed that firm offers incentive schemes to the raw material suppliers so as to ensure that they supply quality raw materials as was shown by mean score=4.0865. The manufacturing firms organizes for training of all the supply chain stakeholders to regulate quality of the raw material that are being supplied as was shown by mean score=4.0856.

Further the study revealed that trans loading facilities are developed and optimized to ensure delivery of the raw materials as shown by mean score=3.9841, further it was also revealed that firm carries out research and development to determine and utilize quality and standard raw materials as was shown by mean score=3.9071. The firm enhances availability of good and viable extension services to aid in material supply as shown by mean score=3.7154.

However, few of the respondents were neutral on the fact that manufacturing firms ensures that there are efficient transport systems to guarantee delivery and that the continuous production without delays is enhanced through proper material availability planning as were shown by mean score of 3.0862 and 2.9104 respectively.

From the findings it can therefore be deduced that manufacturing organizations are making proper utilization of the raw materials for maximum output. Further the firm is investing on new opportunities that supports the availability of the materials needed. High costs of productions are dealt with through ensuring that manufacturing material inventory is maintained within the production rates. The findings also revealed that firms acquire sustainable flow of new materials that it requires for its full capacity utilization, that timely delivery without delay is necessary for efficient manufacturing performance and that firms maintains supply chain capabilities for the firm to remain afloat with production.

4.4.4 Financial Capabilities

On the financial capabilities, the respondents were allowed to give in their opinion on a fivescale point against each parameter. The results are presented in the table below. The scale of measurement used; 1=strongly disagree, 2=disagree, 3=undecided, 4=Agree, 5=Strongly Agree.

Statements on Financial Capabilities	Mean	Std Dev	CV
The firm has a source for loan just in case a	4.5032	0.09653	0.09653
business would need any emergency funding	4.3032	0.09033	0.09055
The leverage ratio and the cash flow ratios			
affect the performance of the firm with regards	4.4987	0.03154	0.12807
to its finances			
The firms borrows extensively to finance its	4.4312	0.01254	0.14061
capital expenditure	4.4312	0.01234	0.14001
The firm has more debts than its own equity	4.3652	0.43198	0.57259
Financial plans and budgets should therefore be			
flexible enough as this will allow the spending	4.3421	0.00567	0.57826
patterns to be adjusted			
Financial capabilities therefore remain to be			
key with regards to strategic planning	4.2417	0.02512	0.60338
processes.			
To achieve accurate and adequate financial			
outcome, the firm needs to accurately balance	4.3218	0.03127	0.63465
its expenditures			
The firm has in place reserve for cash so that			
incase of any deliberate need for the new asset	4.1432	0.73094	1.36559
creation.			
The internally generated funds can run the	3.9876	0.90861	2.2742
operation of the firm successfully	3.9870	0.90801	2.2742
The firm is able to meet its financial	3.9086	0.65311	2.92731
obligations successfully	5.9080	0.05511	2.72731
The firm financial capability is the direct	3.8976	0.09731	3.02462
opposite of the financial distress	5.07/0	0.07/31	3.02402
The firm is fighting so hard to service all its	3.8794	0.45632	3.48094
operations	5.0/74	0.43032	5.40074

Table 4. 9 Financial Capabilities

There are more debts than the net asset of the				
firms	3.7642	0.67539	4.15633	
Low extraction at the firm reduces the overall	3.0965	0.07865	4.23498	
firms cash generation mechanism	5.0905	0.07805	4.23490	
The financial structures of the firm include the	3.0955	0.09732	4.3323	
total liabilities against the total assets	5.0955	0.09732	4.5525	
Lack of the necessary raw materials for a				
longer time affects the financial position of the	2.9754	0.90764	5.23994	
firm				
The firm is able to meet the financial	2.0542	0.46531	5.30525	
obligations to all its supply	2.0342	0.40331	5.50525	
Courses (Desserve data 2021)				

Source: (Research data, 2021)

The results, as presented in the above table revealed that majority of the respondents agreed that the respective manufacturing firm has a source for loan just in case a business would need any emergency funding as was shown by mean score=4.5032. Others also agreed that manufacturing firms leverage ratio and the cash flow ratios affect the performance of the firm with regards to its finances as was shown by mean score=4.4987. The firms borrow extensively to finance its capital expenditure as was shown by mean score=4.4312. It was also revealed that most of the manufacturing firms has more debts than their own equity as was shown by mean score=4.3652.

Further it was agreed that financial plans and budgets should therefore be flexible enough as this will allow the spending patterns to be adjusted as shown by mean score=4.3421, financial capabilities therefore remain to be key with regards to strategic planning processes as shown by mean score=4.1432. The internally generated funds can run the operation of the firm successfully as was shown by mean score=3.9876. Manufacturing firms are able to meet their financial obligations successfully as was shown by mean score=3.9086.

However some respondents were neutral on the fact that low extraction at the firm reduces the overall firms cash generation mechanism as was shown by mean score=3.0965, That financial structures of the firm include the total liabilities against the total assets as was shown by mean score=3.0955, that lack of the necessary raw materials for a longer time affects the financial position of the firm as was shown by mean score=2.9754 and that firms are also able to meet the financial obligations to all its supply as shown by mean score=2.0542.

From the findings as revealed above, it can be deduced that manufacturing firm has a source for loan just in case a business would need any emergency funding, that the leverage ratio and the cash flow ratios affect the performance of the firm with regards to its finances. The firms borrow extensively to finance its capital expenditure and some manufacturing firms has more debts than their own equity. Further the results reveals that financial plans and budgets should be flexible enough as this will allow the spending patterns to be adjusted. Also the financial capabilities remain to be key with regards to strategic planning processes. The results also revealed that to achieve accurate and adequate financial outcome, the respective manufacturing firm needs to accurately balance its expenditures and should have in place reserve for cash so that incase of any deliberate need for the new asset creation.

4.4.5 Competitive Strategies

On the competitive strategies, the respondents were allowed to give in their opinion on a frequency and percentage table and declare whether their respective variables are competitive or not competitive. The results were presented in the table below;

	Competitive		Not competi	tive
Statements on Competitive Strategies	Frequency	%	Frequency	%
Pricing of the products as a result of the				
technology and level of automation				
within the firm	59	66.3	30	33.7
Production costs due to the specific				
employees' level of productivity	33	37.1	56	62.9
The cost reduction strategy as a result of				
the profit levels	77	86.5	12	13.5
The available revue and its performance				
on the organization profitability	32	36.0	57	64.0
The tax regime within the				
manufacturing firms and the pricing				
strategy	62	69.7	27	30.3
Market sales as a result of the imports of				
manufactured goods from other				
countries	55	61.8	34	38.2

Table 4. 10 Competitive Strategies

Product pricing versus the cost of				
materials	49	55.1	40	44.9
Availability of the financial resources	30	33.7	59	66.3
The utilization levels of the company on				
the share of the market	53	59.6	36	40.4
The government regulations on the				
market utilizations	68	76.4	21	23.6
The costs of the inputs versus the prices				
of the manufactured goods	61	68.5	28	31.5

Source: (Research data, 2021)

From the table above, 59 (66.3%) reported that pricing of the products as a result of the technology and level of automation within the firm are competitive, 30 (33.7%) were of the opinion that this was not effective. 33 (37.1%) of the respondents revealed that production costs due to the specific employees' level of productivity were competitive, while 56 (62.9%) reported that this was not effective. 77 (86.5%) reported that cost reduction strategy as a result of the profit levels are competitive, while 12 (13.5%) were of the opinion that these were not competitive.

32 (36.0%) reported that the available revue and its performance on the organization profitability were competitive, while 57 (64.0%) of the respondents were of the opinion that these were not effective. 62 (69.7%) reported that tax regime within the manufacturing firms and the pricing strategy are competitive while 27 (30.3%) reported that this was not competitive. 55 (61.8%) reported that the market sales as a results of the imports of manufactured goods from other countries are competitive among their respective manufacturing firms, while 34 (38.2%) reported that this was not competitive.

49 (55.1%) reported that Product pricing versus the cost of materials are competitive while 40 (44.9%) of the respondents reported that these were not competitive. 30 (33.7%) reported that availability of the financial resources was competitive while 59 (66.3%) reported that availability of the financial resources was not competitive.

53 (59.6%) reported that the utilization levels of the company on the share of the market was competitive while 36 (40.4%) reported that this was not competitive. 68 (76.4%) of the respondents reported that the government regulations on the market utilizations was competitive while 21 (23.6%) were of opinion that this was not competitive. 61 (68.5%)

reported that costs of the inputs versus the prices of the manufactured goods was competitive in their respective firms while 28 (31.5%) were of the opinion that costs of the inputs versus the prices of the manufactured goods was not competitive.

From the results it can therefore be deduced that pricing of the products as a result of the technology and level of automation within the firm are among the competitive strategies that the manufacturing firms should have. Other indicators of the competitive strategies revealed includes; production costs due to the specific employees' level of productivity, The cost reduction strategy as a result of the profit levels, available revue and its performance on the organization profitability, tax regime within the manufacturing firms and the pricing strategy, market sales as a result of the imports of manufactured goods from other countries and product pricing versus the cost of materials among others.

4.5 Inferential Statistics

Inferential statistics are used to draw conclusions about a population based on information gathered from a sample of that population. Inferential statistics are used to derive conclusions about a population. A Pearson's product moment correlation analysis was used to determine the perceived relationship between strategic capabilities and competitive strategies of manufacturing firms. The study also used coefficients of determination, regression analysis, and the regression coefficient on human resource capability, technology capability, material capability, and financial capability to determine the perceived relationship between strategies.

4.5.1 Coefficient of Correlations

It was determined by the researcher that the correlation (strength) between the study variables and their conclusions was calculated using Karl Pearson's coefficient of correlation (r). The findings on the human resource capability, technical capability, material capability, and financial capability were converted into single variables per factor by getting the averages of each element, and these variables were then converted into single variables per factor. After that, a Pearson's correlations analysis was performed with a 95 percent confidence interval and a 5 percent confidence level 1-tailed, as described above. The correlation matrix between the factors (human resource capability, technical capability, material capability, and financial capability) and the competitive strategies of manufacturing companies is shown in the table below.

Table 4. 11 Coefficient of Correlations

Correlations

		Competitiv	eHuman			
		Strategies	resources	Technology	Material	Financial
Sig. (1-tailed) Competitive Strategies Huma resourcapability Technology capability Material Capability	-		.310	.446	.332	.170
	ce.310		.004	.368	.370	
		.446	.004		.066	.125
		.332	.368	.066		.005
	Financial Capability	.170	.370	.125	.005	

Source: (Research data, 2021)

The table above shows the matrix of correlation between the factors (human resource capability, technology capability, material capability and financial capability. The correlation matrix shows that the competitive strategies and human resource capability is positive and significant with a magnitude of 0.310 at 5% of significance and a 95% of confidence level. The positive association shows that competitive strategies and human resource capability are correlated. The findings also demonstrate that competitive strategies and technology capability are positive and significant, with a magnitude of 0.446 with 5% significance and a confidence level of 95%. The positive link shows that there is a relationship between technology capability and the competitive strategies.

The correspondence matrix shows that there is a positive and substantial link between the material capability and the competitive strategies at a magnitude of 0.332 at 5% and 95% confidence levels. The positive link shows that the material capability and the competitive strategies is correlated. Furthermore, the findings demonstrate that a favorable and substantial association exists between financial capability at a magnitude of 0.170 and a degree of

confidence of 95% at 5%. The positive link shows that the financial capability correlates with the competitive strategies of the manufacturing firms.

4.5.2 Model Summary

As a result, the researcher did a multiple regression analysis in order to determine the magnitude of the effects of strategic skills on the Competitive Strategies of manufacturing companies. The researcher used the statistical package for social sciences (SPSS) to code, enter, and compute the measurements of the multiple regressions for the investigation, which was conducted in a computer lab. The coefficient of determination describes the extent to which changes in the dependent variable can be explained by changes in the independent variables, or the percentage of variation in the dependent variable (competitive strategies) that can be explained by the four independent variables (coefficient of determination) (human resource capability, technology capability, material capability and financial capability.

Table 4. 12 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.280	0.786	0.751	0.4538

The table below represents the model summary that was generated;

Source: (Research data, 2021)

According to the corrected R2 statistic, the four variables under consideration explain just 78.6 percent of the competitive strategies examined in this study. As a result, other elements not investigated in this research contribute 21.4 percent of the competitive strategies of manufacturing enterprises, which is a significant amount of money. Because of this, additional research should be carried out in order to investigate the other variables (21.4 percent) of competitive strategy.

4.5.3 ANOVA

Analysis of Variance (ANOVA) is a set of procedures that provides information about the levels of variability within a regression model and serves as a foundation for tests of significance in statistics. The "F" column contains a statistic for comparing the null hypothesis

that all values are zero to the alternative hypothesis that all values are 1. (Weisberg, 2005). Because the significance value is.003, which is less than 0.05, the model is statistically significant in predicting how human resource capability, technology capability, material capability and financial capability affect the competitive strategies of manufacturing firms, as determined by the findings of the study. It took 2.34 to reach the 5% level of significance for the F critical value. Because the calculated F is more than the crucial F (value = 2.21), the entire model proved significant in predicting the effects of strategic capabilities on the competitive strategies of the manufacturing businesses, as shown in Table 1.

Table 4. 13 ANOVA

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.003	4	.001	2.34	.003 ^b
	Residual	.031	25	.001		
	Total	.034	29			

a. Dependent Variable: Competitive Strategies

b. Predictors: (Constant), human resource capability, technology capability, material capability and financial capability

Source: (Research data, 2021)

4.5.4 Multiple regression Analysis

Multiple regression analysis was conducted as to establish on the extent of the effects of

strategic capabilities on the competitive strategies of the manufacturing firms, the equation

 $(Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon)$ becomes:

$Y = 1.308 + 0.334X_1 + 0.674X_2 + 0.345X_3 + 0.346X_4$

With the four variables (human resource capability, technical capability, material capability, and financial capability) set to zero in the regression equation above, competitive strategies will be 1.308 when all four variables are included. According to the findings, when all other independent variables are held constant, a unit increase in human resource capability will result in a 0.334 increase in competitive strategies; a unit increase in technology capability will result in a 0.674 increase in competitive strategies; a unit increase in material capability will result in

a 0.345 increase in competitive strategies; and a unit increase in financial capability will result in a 0.345 increase in competitive strategies. It follows from this that technology competence was the most effective in terms of competitive strategies, followed by financial capability and then material and human resource capabilities.

	Unstandardized Coefficients		Standardized Coefficients		
Model (Constant)	B 1.308	Std. Error 1.342	Beta	t 1.623	Sig. 0.357
Human resource capability	0.334	0.310	0.172	4.342	.0276
Technology Capability	0.674	0.156	0.210	3.592	.0285
Material Capability Financial Capability	0.345 0.346	0.322 0.313	0.097 0.078	3.542 3.556	.0202 .0278

Table 4. 14 Regression Coefficients

Source: (Research data, 2021)

4.6 Discussion of Results

The study sought to determine the effects of strategic capabilities on the competitive strategies of the manufacturing firms.

From the study findings, most of the manufacturing firms were revealed to be having a functional employee's succession plan in place while some employees felt empowered towards making key specific decisions that affects their Job. Management and leadership of these firms have a clear understanding of the firms' functional goals. It's also apparent that leadership and the employees have the relevant experience that is required to deliver on their respective responsibilities. Further coaching and mentoring approaches have also been utilized as training approaches. It's also apparent that the leadership of the firm recognizes and rewards good performers and some firms makes use of the Ad Hoc training approach to employ their human resources. The findings of the study therefore correspond to the findings of Chepkole and Deya (2019) on the study of effect of the strategic capability on the competitive advantage of information technology firms where their study revealed that the capacity for human resources has an inverse effect on the competitive advantage of the firms. These findings also correspond with the dynamic capability theory which holds the view that human resource factors are

significant and essential towards ensuring that the organization achieves it competitive strategies in a changing business environment.

The study revealed that the manufacturing firms do benchmarks on the best technology innovations practices for the operation benefit of the firm, its apparent from the findings that the manufacturing firm have in place new policies and practices that supports technology innovations. That adoption of new technology contributes to the quality of the product. It can also be deduced that firm has put in place mentorship programs for the technology innovations. The top leadership has commitment towards technology innovations. Further to that the adoption of new technology increases the manufacturing process and also helps improve the overall productivity levels of the manufacturing firms. The firm competitive strategies achieve better performance through technology adoption and innovations, driving the firms towards meeting the revenue targets that it has set for itself. A study by Mwika (2017) on the influence of the innovation and technology on the competitive advantage of the construction companies also revealed that the use of innovation and technology influences a firm's competitive advantage. The findings correspond with the resource-based theory, which argues that a firm's competitiveness and performance is as a result of its capabilities and resources, therefore firms with valuable, immovable, inimitable, and rare resources attain a unique advantage in the market place.

The study revealed that manufacturing firm has a source for loan just in case a business would need any emergency funding to sustain the seamless flow of the firm's business operations, it's also apparent that the leverage ratio combined with the cash flow ratios do affect the performance of the firm especially depending on the financial status of the firm. In situation of the financial crisis, firms are forced to borrow extensively so that they can finance their capital expenditure. Therefore, to achieve accurate and adequate financial outcome, the respective manufacturing firm needs to accurately balance their respective expenditures and they should also have in place reserves for the cash so that incase of any deliberate need for the new asset creation they should have enough to cushion the seamless operation of the firm. A study by Wanjiku (2016) the strategic Capabilities for the sustainable competitive advantage of the Insurance Firms however did not include the financial capabilities but revealed that that advanced technology, efficient marketing skills, quality customer service, productivity in claims settlement and product diversity are the major strategic capacities that foster a competitive edge

The study revealed that the manufacturing organizations are making proper utilization of the raw materials for maximum output. Firms are making investments on the new opportunities that supports the availability of the materials that is required. Firms acquire sustainable flow of new materials that it requires for its full capacity utilization, further timely delivery without delay is necessary for efficient manufacturing performance and that firms maintains supply chain capabilities for the firm to remain afloat with production. High costs of productions are dealt with through ensuring that manufacturing material inventory is maintained within the production rates. The findings of the study are in line with the assertion of Silva et al., (2017) who noted that business firms need to be able to acquire sustainable flow of new materials that it requires for its full capacity utilization in the factory for production

On the competitive strategies, the study revealed that the pricing of the products as a result of the technology and level of automation within the firm are among the competitive strategies that the manufacturing firms must have in place. Production costs due to the specific employees' level of productivity and the cost reduction strategy as a result of the profit levels are indicators of the competitive strategies within the firm. Availability of revue and its performance on the organization profitability, tax regime within the manufacturing firms and the pricing strategy, market sales as a result of the imports of manufactured goods from other countries and product pricing versus the cost of materials among others are also some of the indicators of the competitive strategies of the firm. Waithaka & Mnkandia, (2017) also noted that competitive strategies are conditions and circumstances that puts the business venture in a position that is favorable or superior for the operations of the business as compared by other ventures in the same industry.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The findings, conclusions, recommendations, and proposals for further research are summarized in the current chapter, which also includes recommendations for additional research. The following variables guided the study: human resource capability, technology capability, material capability, and financial capability. The following variables guided the study: human resource capability, and financial capability, material capability, and financial capability.

5.2 Summary of the Findings

The majority of the respondents (78, or 87.6 percent) were male, with only 11 (12.4 percent) of the respondents being female. 48 (53.9 percent) of the respondents were between the ages of 41 and 50, 22 (24.7 percent) of the respondents were between the ages of 31 and 40, 12 (13.5 percent) were over the age of 50, and 7 (7.9 percent) were between the ages of 7 and 9. (31-40years). Among the respondents, 40 (44.9 percent) had earned a Bachelor's degree, 25 (28.1 percent) had earned a Master's degree, 17 (19.1 percent) had earned a diploma, and seven (7.9 percent) had earned a doctorate in philosophy (Ph.D.). Three-hundred-and-thirty-one percent of those who answered the survey have worked for their individual manufacturing companies for less than five years. For a period of between 6 and 10 years, 30 (33.7 percent) of the respondents had worked with the organization for a period of between 6 and 10 years (11-15years). In total, 8 (9.0 percent) of respondents had worked for their respective manufacturing companies for between 16 and 20 years, with 4 (4.5 percent) of respondents having worked for their respective manufacturing companies for more than 20 years.

5.2.1 Human resource capabilities

On the human resource capabilities, the study revealed that most of the manufacturing firms has a functional employee's succession plan in place, that management and leadership of these firms have a clear understanding of the firms' functional goals. Some employees feel empowered towards making key specific decisions that affects their Job. It's also apparent that leadership and the employees have the relevant experience that is required to deliver on their respective responsibilities. The results also revealed that coaching and mentoring approaches have also been utilized as training approaches. Also, the leadership of the firm recognizes and

rewards good performers and some firms makes use of the Ad Hoc training approach to employ their human resources.

5.2.2 Technology Capabilities

On technology capabilities, the study revealed that manufacturing firms do benchmarks on the best technology innovations practices for operation benefit of the firm, that manufacturing firm have in place new policies and practices that supports technology innovations. The study also revealed that adoption of new technology contributes to the quality of the product. The study also revealed that firm has put in place mentorship programs for the technology innovations. Adoption of new technology increases the manufacturing process and that adoption of new technology helps improve the overall productivity levels of the manufacturing firms. The findings also revealed that the top leadership has commitment towards technology innovations. That competitive strategies achieve better performance through technology adoption and those innovations drive the firms towards meeting the revenue targets that it has set for itself.

5.2.3 Material Capabilities

On the material capabilities, the study revealed that manufacturing organizations are making proper utilization of the raw materials for maximum output. Further the study revealed that the firm is investing on new opportunities that supports the availability of the materials needed. Further it's also apparent that high costs of productions are dealt with through ensuring that manufacturing material inventory is maintained within the production rates. The findings also revealed that firms acquire sustainable flow of new materials that it requires for its full capacity utilization, that timely delivery without delay is necessary for efficient manufacturing performance and that firms maintains supply chain capabilities for the firm to remain afloat with production.

5.2.4 Financial Capabilities

On the financial capabilities, the stud revealed that a number of manufacturing firm has a source for loans just in case a business may be in need of any emergency funding, the study has also revealed that the leverage ratio and the cash flow ratios affect the performance of the firm with regards to its finances. Firms also borrow extensively to finance its capital expenditure and some manufacturing firms therefore has more debts than their own equity. Further the results reveals that financial plans and budgets should be flexible enough as this will allow the spending patterns to be adjusted. Also the financial capabilities remain to be key with regards to strategic planning processes. The study also revealed that to achieve accurate and adequate financial outcome, the respective manufacturing firm needs to accurately balance its expenditures and should have in place reserve for cash so that incase of any deliberate need for the new asset creation.

5.3 Conclusion of the Study

The study was set to establish on effects of strategic capabilities on competitive strategies of the manufacturing firms. The study therefore makes the following conclusions;

The study concludes that management and leadership of the manufacturing firms need to have a clear understanding of the firms' functional goals. The study also concludes that employees need to feel empowered towards making key specific decisions that affects their Job. The study also concludes that firm leadership needs the relevant experience that is required to deliver on their respective responsibilities. The study also concludes that coaching and mentoring approaches are utilized as training approaches and that the leadership of the firm recognizes and rewards good performers and some firms makes use of the Ad Hoc training approach to employ their human resources.

The study concludes that adoption of new technology contributes to the quality of the product. The study also concludes that firm has put in place mentorship programs for the technology innovations. Further the study concludes that adoption of new technology helps improve the overall productivity levels of the manufacturing firms. The study also concludes that firms acquire sustainable flow of new materials that it requires for its full capacity utilization and that timely delivery without delay is necessary for efficient manufacturing performance and that firms maintains supply chain capabilities for the firm to remain afloat with production. As a result, the data received from the surveys was examined using a quantitative analysis approach to determine its significance. According to the corrected R2 statistic, the four variables under consideration explain just 78.6 percent of the competitive strategies examined in this research contributed to the competitive strategies of the manufacturing enterprises to the tune of 21.4 percent. Because of this, additional research should be carried out in order to investigate the other variables (21.4 percent) of competitive strategy.5.4 Implications of the Study

The following sections discusses the implications of the study. It focuses on the implications for theory, implications for industry, implications for industry and practice and policy implications.

5.4.1 Implications for Theory

The literature that has been reviewed supported the effects of the strategic capabilities on the competitive strategies, the theoretical review has supported the discussions on the material capabilities, financial capabilities, technology capabilities and human resource capabilities. Further the findings of the study have implications on the theories that have been adopted. The theories that underpin the study have a direct correlation with the outcome of the study; The five forces theory points to the reconciliations factors external to a firm towards giving the firm a competitive edge over the competitors within the industry.

While on the other hand, the resource-based theory of competitive advantage emphasizes the importance of a firm's ability to make full use of the resources that are readily accessible at its disposal, it is not as widely accepted. Whereas, the dynamic capacity theory is concerned with a firm's ability to integrate and grow abilities while also taking into account both external and internal competencies that are required in a rapidly changing competitive context. As a result, the findings of this study complement to the already existing body of literature by saying that strategic skills have an impact on the competitive strategies of manufacturing organizations.

5.4.2 Implications for Industry and Practice

If the findings of this study are properly implemented, it will indicate that manufacturing enterprises will perform better, for example, the difficulty of competitiveness within the manufacturing sector will be lessened and resolved in a seamless manner. When manufacturing companies stick to the appropriate methods, as demonstrated by the study findings, the barrier of difficulty in obtaining financial assistance will be overcome.

Manufacturing companies will be able to expand beyond their existing low penetration levels, and the majority of large manufacturing companies will be able to open branches around the country. Therefore, if the conclusions of this study are put into effect, they have the potential to turn around the majority of struggling manufacturing companies in Kenya. Furthermore, manufacturing companies will be obligated to develop innovative methods of production that will result in overall cost reductions and will improve internal efficiency in terms of the management of firm resources to ensure that they are utilized to their full potential.

The government and other key stakeholders within the manufacturing industry should work together to develop regulations that support the operations of manufacturing companies. The government should also abolish punitive measures that restrict the free operation of manufacturing companies in Kenya, according to the World Economic Forum. The government should promote the local industries by encouraging greater exports from manufacturing companies based in Kenya while also limiting imports and flooding the local markets with imported goods. Instead, the government should encourage the consumption of locally created items. The government should develop laws and regulations that would assist in limiting and curtailing the difficulties that manufacturing companies in Kenya are experiencing.

5.4.3 Implications for Policy

The findings of the study inform policy, particularly for manufacturing firms in Kenya; the manufacturing firms in Kenya will benefit from the findings, as will the government, which will be able to contribute to strengthening the policy issues surrounding the operations of the manufacturing firms as a result of the findings. For example, important stakeholders in the manufacturing industry should be aware that not all components of strategic capabilities produce better results, and instead they should attempt to obtain a combination of qualities that can improve the performance of these companies.

The government should establish policies that are relevant to the financial sector, particularly with regard to concerns that are surrounding financial performance and how that affects the financial capabilities of a company's financial capabilities. As a result, the economic pillar of Vision 2030 should be well informed by the findings of this study, if the conclusions of this study are taken into consideration. As a result, the present study may be able to assist the government in increasing its gross domestic product, which will ultimately lower the cost of living for Kenyans.

If the stakeholders in the manufacturing sectors are capable and well informed in order to establish necessary policies to direct the operations of the manufacturing enterprises, the study can be of tremendous advantage to the financial sector. When it comes to non-performing loans, the government and other financial regulators should be able to formulate policies that will protect banking and other lending institutions operating in Kenya from going under, while also allowing struggling manufacturing firms to obtain affordable access to financial assistance in order to facilitate their operations. This will ensure that the numerous instances of manufacturing companies falling as a result of difficult economic circumstances are adequately addressed. The government should also be notified so that it can adjust its tax policies to better suit the needs of the majority of local manufacturing companies.

5.5 Recommendations of the Study

It is recommended that manufacturing businesses should concentrate on the implementation of competitive strategies in order to increase firm outputs by enhancing asset quality, improving service quality, and growing market share, as evidenced by the findings of the study. Firms must also operate successfully and efficiently in terms of their financial performance in order to remain competitive. Therefore, clear strategies should be developed and made available to all concerned departments in order to prevent compromise from occurring. Such guidelines should be made available to all concerned departments in order to prevent compromise from occurring.

Customers, according to the findings of the study, are critical assets in the existence of any business, and hence must be treated efficiently. As a result, businesses must concentrate on providing high-quality products and services. Moreover, the competitive tactics developed must be consistent with the external environment, and these must be evaluated on a continual basis through competition analysis, stakeholder opinion polls, SWOT analysis, and adherence to corporate governance norms, among other methods.

Businesses are encouraged to embrace strategic change strategies that will allow them to improve their overall performance, as recommended by the study. According to the findings of the study, this can be accomplished through increasing the firm's client base, improving the quality of its assets, and increasing the market share of its products. There should be clear instruction on the financial objectives of the organizations.

According to the findings of the study, in order for manufacturing companies to generate profits, they must place a high priority on human resources. The company should hire individuals with the appropriate experience in order to maximize efficiency and productivity. This will also eliminate the possibility of product quality being compromised.

The report also recommends that manufacturing companies optimize their supply chains in order to ensure material availability for the continuous delivery of raw materials to their customers. The availability of raw materials supports the continuation of production while also ensuring that the manufacturing process stays cost-effective.

5.6 Limitations of the Study

In addition to time constraints, the study had other limitations such as a limited scope and insufficient time allotted for its completion. The industrial industries were the only ones that

were studied in depth. It would have been more appropriate if the survey had included representatives from other industries as well.

As with obtaining questionnaire responses, obtaining respondents for the study proved to be a difficult task because the targeted respondents were senior executives from their individual companies who were therefore quite busy most of the time. However, the researcher attempted to overcome this difficulty by scheduling some interviews outside of normal working hours in order to reach as many respondents as possible.

Furthermore, several of the respondents were hesitant to supply the essential information out of worry that the information they provided might be used to incriminate them. This, on the other hand, was addressed.

5.7 Areas suggested for further research

According to the findings of the study, a similar study should be undertaken on competitive capacities with a focus on other industries and the results should be compared; this will determine whether there is consistency or a discrepancy. Accordingly, such a research will contribute to enhancing the present investigation by offering information on the strengths and flaws that have been experienced in the implementation of competing tactics.

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APPENDICES

Appendix i: Introduction Letter to Respondents

Nancy Taka

Phone Number, +254729830603

Email: nancytaka23@gmail.com

P.O Box 4362,

Nairobi, Kenya

Dear respondent,

RE, REQUEST FOR PARTICIPATION IN A RESEARCH STUDY

I am a Master's student at University of Nairobi, pursuing a degree of Master of business administration school of business in partial fulfillment of the requirements of the stated Master's degree course. I am conducting a research on Effects of Strategic Capabilities on the competitive Strategies of the Manufacturing firms in Nairobi City County.

To do so, you are invited to take part in this academic research study. You belong to a carefully selected group which was asked to join in this university research study and I am very grateful for your support.

The information you supply will be used for academic reasons only. My supervisor and i assure you the confidentiality of the information you provide. Your name will not be in my report at any point. You will receive a copy of the final paper on request.

Your cooperation is highly appreciated and thank you in advance

Yours Sincerely

Nancy Taka.

Appendix ii: University of Nairobi Letter of Introduction



UNIVERSITY OF NAIROBI FACULTY OF BUSINESS AND MANAGEMENT SCIENCES MBA PROGRAM

Telephone: 020 491 9007 Telegrams: "Varsity" Nairobi Telex: 22095 Varsity P.O. Box 30197 Nairobi, KENYA

02 December 2021

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

INTRODUCTION LETTER FOR RESEARCH NANCY TAKA : REGISTRATION NO. D61/10069/2018

This is to confirm that the above named is a bona fide student in the Master of Business Administration (MBA) Degree program in this University. She is conducting research on "Effect of Strategic Capabilities on Competitive Strategies of Manufacturing Firms in Nairobi City County."

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the Project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your assistance will be highly appreciated.

Thank you.



Appendix iii: Questionnaire for Head of Operations Department

Dear respondent,

The current study is intended to investigate effects of the strategic capabilities on the competitive strategies of the manufacturing firms with Nairobi County, Kenya. The study focuses specifically on the following capabilities which includes human resource capabilities, technology capabilities, material capabilities and financial capabilities among the Manufacturing firms within Nairobi County. Please note that the information that you avail will be purely used for this Masters research and not for any other commercial reason or activities. You are therefore requested to be honest as possible. Confidentiality to your information is guaranteed.

SECTION 1: DEMOGRAPHIC INFORMATION

- 1. Name (Optional)
- 2. Gender of the respondent

1	Male	
2	Female	

3. Indicate your Age in years as below;

1	25-30 years	
2	31-40 years	
3	41-50 years	
4	Above 50 years	

4. Provide your highest level of educations

1	Degree in PhD	
2	Masters Degree	
3	Bachelor's Degree	
4	Diploma	

5. Length of Service with the Organization

1	Above 20years	
2	16-20years	
3	11-15years	
4	6-10years	

SECTION 2: HUMAN RESOURCE CAPABILITY

The following information relates to the human resource capabilities; you are required that in the Likert scale of 1 to 5 as below; indicate your level of agreement with the statement provided below. (5=strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly Disagree)

S/N	Statement	5	4	3	2	1
	Assessment of the training needs of the employees are assessed on					
а	the basis of performance appraisal					
	Entrepreneurship and intrapreneurship training approach is utilized					
b	by the organization					
	The firm makes use of the performance appraisal needs training					
с	approaches					
	Strategic plans needs are used as training basis to the employees					
d	and stakeholders					
	Apprenticeship and management trainees approach are some of the					
e	employee capability building approaches					
	The firm makes use of the Ad Hoc training approach to employee					
f	the human resources					
	Coaching and mentoring approaches are also utilized as training					
g	approaches					
	I feel empowered towards making key specific decisions that					
h	affects my Job					
	The firm promotes the use of feedback from the employees more					
i	often					
j	The leadership allows the followers to commit to their vision					
k	The management encourages creative and innovative thinking					
1	The leadership of the firm recognizes and rewards good performers					
	Leadership and the employees have the relevant experience that is					
m	required to deliver on their respective responsibilities					

	Management and leadership have a clear understanding of the			
n	firms functional goals			
0	The firm has a functional employees succession plan in place			
	The firm cares for the employees general satisfactions at the work			
р	place			
	The firm creates continuous efforts towards the organization so as			
	to create an overall sense of belonging and team spirit among the			
q	employees			

SECTION 3: TECHNOLOGY CAPABILITIES

The following information relates to the Technology capabilities; you are required that in the Likert scale of 1 to 5 as below; indicate your level of agreement with the statement provided below. (5=strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly Disagree)

S/N	Statement	5	4	3	2	1
	Adoption of new technology increases the manufacturing					
а	process					
	Adoption of new technology contributes to the quality of					
b	the product					
	Adoption of new technology helps improve the overall					
с	productivity levels					
	Existing product processes are enhanced through adoption					
d	of new technology					
	New production processes are enhanced through adoption					
e	of new technology					
	Competitive strategies achieve better performance through					
f	technology adoption					
	The firm has put in place enough resources to support					
g	technology innovations					
	The firms use technology in line with new government					
h	regulation and policies					
	The firm have in place new policies and practices that					
i	supports technology innovations					
	There are new ways of filtering and implementing new					
j	technologies					
	The firm has put in place mentorship programs for the					
k	technology innovations					
	The top leadership has commitment towards technology					
1	innovations					
	Innovations drives the firms towards meeting the revenue					
m	targets that it has set for itself					
	There are enough resources put in place for process					
n	innovation					

0	Waste reduction maintenance processes have been put in place through technology innovations			
p	Timely replacements for the old and obsolete technology have been put in place			
q	The firm benchmarks on the best technology innovations practices for operation benefit of the firm			

SECTION 4: MATERIAL CAPABILITIES

The following information relates to the Material capabilities; you are required that in the Likert scale of 1 to 5 as below; indicate your level of agreement with the statement provided below. (5=strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly Disagree)

S/N	Statement	5	4	3	2	1
	The firm acquire sustainable flow of new materials that it					
a	requires for its full capacity utilization					
	The firm plans for the long-term availability of the key raw					
b	materials that it uses for manufacturing					
	Continuous production without delays is enhanced through					
c	proper material availability planning					
	The firm maintains supply chain capabilities for the firm to					
d	remain afloat with production					
	The firm enhances availability of good and viable extension					
e	services to aid in material supply					
	High costs of productions are dealt with through ensuring					
	that manufacturing material inventory is maintained within					
f	the production rates					
	Timely delivery without delay is necessary for efficient					
g	manufacturing performance					
	Competitive strategies which are critical for the survival of					
h	the firms depends on the firm's production efficiency					
	Trans loading facilities are developed and optimised to					
i	ensure delivery of the raw materials					
	Daily delivery targets to the contractors ensures supply of					
j	quality materials to the factory					
	The firm ensures that there are efficient transport systems to					
k	guarantee delivery					
	The firm has established strategic fleet to ensure delivery of					
1	the right quality of the raw materials					
	The firm offers incentive schemes to the raw material					
m	suppliers to ensure that they supply quality raw materials					
	The firm organizes for training of all supply chain					
n	stakeholders to regulate quality of the raw material supplied					
	The firm carries out research and development to determine					
0	and utilize quality and standard raw materials					
	The firm is investing on new opportunities that supports the					
р	availability of the materials needed.					

SECTION 5: FINANCIAL CAPABILITIES

The following information relates to the financial capabilities; you are required that in the Likert scale of 1 to 5 as below; indicate your level of agreement with the statement provided below. (5=strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly Disagree)

The firm is able to meet its financial obligations a successfully The firm is able to meet the financial obligations to all its supply The internally generated funds can run the operation of the firm successfully The firm is fighting so hard to service all its operations The firm has in place reserve for cash so that incase of any deliberate need for the new asset c creation. f The firm has more debts than its own equity The firm has a source for loan just in case a business would need any emergency funding The firms borrow extensively to finance its capital expenditure Low extraction at the firm reduces the overall j firms cash generation mechanism Lack of the necessary raw materials for a longer time affects the financial position of the firm Financial capabilities therefore remain to be key i with regards to strategic planning processes. To achieve accurate and adequate financial outcome, the firm needs to accurately balance its expenditures financial capabilities therefore be flexible enough as this will allow the spending p patients to be adjusted To achieve accurate and adequate financial outcome, the fir	S/N	Statement	5	4	3	2	1
a successfully		The firm is able to meet its financial obligations					
b to all its supply	а						
The internally generated funds can run the operation of the firm successfully		The firm is able to meet the financial obligations					
c operation of the firm successfully	b	to all its supply					
The firm is fighting so hard to service all its operationsImage: construct of the service of the		The internally generated funds can run the					
d operations	c	operation of the firm successfully					
The firm has in place reserve for cash so that incase of any deliberate need for the new asset creation.fThe firm has more debts than its own equitymThere are more debts than the net asset of the firmsgfirmsThe firm has a source for loan just in case a business would need any emergency fundingmThe firms borrow extensively to finance its capital expenditureLow extraction at the firm reduces the overall firms cash generation mechanismfFinancial capabilities therefore remain to be key uith regards to strategic planning processes.To achieve accurate and adequate financial outcome, the firm needs to accurately balance its expendituresmFinancial plans and budgets should therefore be flexible enough as this will allow the spending patterns to be adjustednThe firm include the total liabilities against the total assetsmThe firm include the total liabilities against the total assetsmThe firm include the total liabilities against the total assetsmThe firm nicula capability is the direct		The firm is fighting so hard to service all its					
incase of any deliberate need for the new asset	d	operations					
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SECTION 6: COMPETITIVE STRATEGIES

You need to evaluate the effects of the information's based on the current situation at your firms in comparison with the other manufacturing firms and state weather your firm is competitive or not competitive.

S/N	Statement	Competitive	Not competitive
	Pricing of the products as a result of the		
	technology and level of automation within the		
а	firm		
	Production costs due to the specific employees'		
b	level of productivity		
	The cost reduction strategy as a result of the		
с	profit levels		
	The available revue and its performance on the		
d	organization profitability		
	The tax regime within the manufacturing firms		
e	and the pricing strategy		
	Market sales as a result of the imports of		
f	manufactured goods from other countries		
g	Product pricing versus the cost of materials		
h	Availability of the financial resources,		
	The utilization levels of the company on the		
i	share of the market		
	The government regulations on the market		
j	utilizations		
~	The costs of the inputs versus the prices of the		
k	manufactured goods		

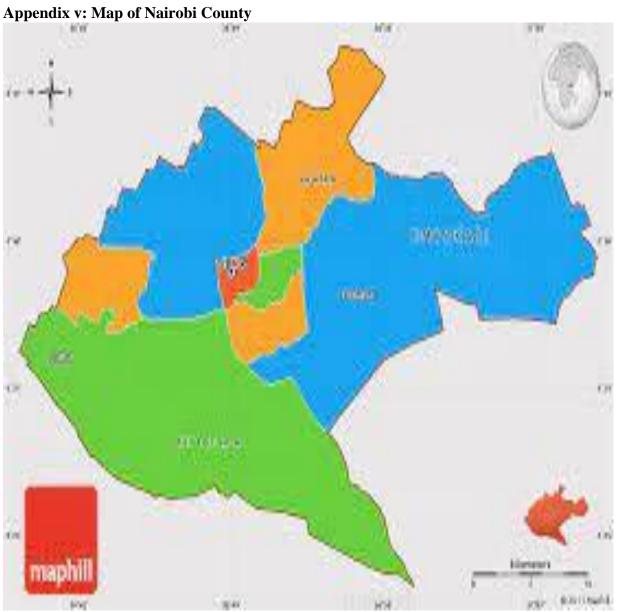
Thank you Very Much

#	Name of Firm	Sector
1	East African Portland Cement Co. Ltd	Building, mining and construction
2	Impala Glass Industries Ltd	Building, mining and construction
3	Mabati Rolling Mills Limited	Building, mining and construction
4	Savanna cement	Building, mining and construction
5	ASL Ltd	Chemicals and allied
6	Saj Ceramics Ltd	Chemicals and allied
7	Savanna cement	Chemicals and allied
8	Cosmos Limited	Chemicals and allied
9	Flamingo Tiles (Kenya)Limited	Chemicals and allied
10	Decase Chemicals (Ltd)	Chemicals and allied
11	East Africa Spectre Limited	Chemicals and allied
12	Grand Paints Ltd	Chemicals and allied
13	Libya Oil Kenya Limited.(Formerly Mobil)	Chemicals and allied
14	Pantel chemical ltd	Chemicals and allied
15	Chemicals and Solvents (EA) Ltd	Chemicals and allied
16	Carbacid (CO2) Limited	Chemicals and allied
17	Eveready Batteries East Africa Ltd	Energy, Electrical and Electronics
18	Associated Battery Manufacturers (E.A.) Ltd	Energy, Electrical and Electronics
19	Tiga brand	Energy, Electrical and Electronics
20	International Energy Technik Ltd	Energy, Electrical and Electronics
21	Summit Energy Systems	Energy, Electrical and Electronics
22	Lean Energy Solutions Ltd	Energy, Electrical and Electronics
23	African spirit	Food and Beverage
24	Kuguru food complex Ltd	Food and Beverage
25	Kenya Meat Commission	Food and Beverage
26	Kenya Wines Agencies Ltd	Food and Beverage
27	New Kenya Co-Operative Creameries Ltd	Food and Beverage
28	Patco Industries Limited	Food and Beverage
29	C dormans Ltd	Food and Beverage
30	Premier Industries Ltd	Food and Beverage
31	Trufoods Ltd	Food and Beverage
32	Unga Group Ltd	Food and Beverage
33	Unilever Kenya Ltd	Food and Beverage
34	Bakers Corner Ltd	Food and Beverage
35	Edible Oil Products	Food and Beverage
36	Breakfast Cereal Company (K) Ltd	Food and Beverage
37	Farmers Choice Ltd	Food and Beverage
38	Candy Kenya Ltd	Food and Beverage
39	Fresh Produce Exporters Association of Kenya	Fresh Produce
40	Leatherlife (EPZ) Ltd	Leather and Footwear
41	Tarpoindustries	Metal and allied
42	Maruti steel ltd	Metal and allied
43	Alloy Steel Castings Ltd	Metal and allied

Appendix iv: List of Manufacturing Firms in Nairobi County.

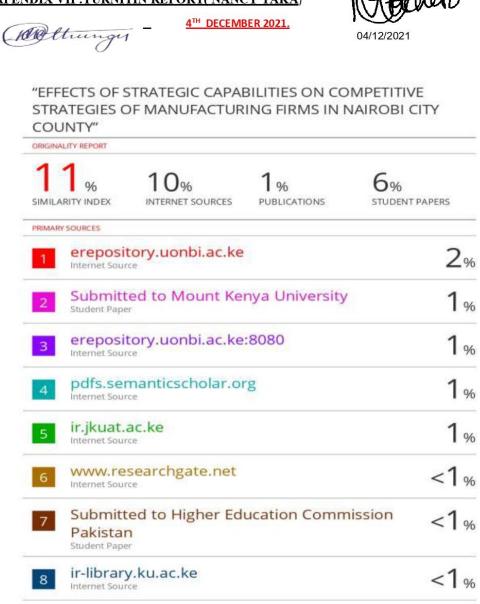
#	Name of Firm	Sector
44	Apex Steel Ltd - Rolling Mill Division	Metal and allied
45	Canton steel fabricators	Metal and allied
46	Devki Steel Mills Ltd	Metal and allied
47	East Africa chains	Metal and allied
48	East African Foundry Works (K) Ltd	Metal and allied
49	Kens Metal Industries Ltd	Metal and allied
50	Bhachu Industries Ltd	Motor and accessories
51	Choda Fabricators Ltd	Motor and accessories
52	General Motors East Africa Limited	Motor and accessories
53	Toyota Kenya Ltd	Motor and accessories
54	Vehicle and Equipment Leasing Limited	Motor and accessories
55	Kenya Grange Vehicle Industries Ltd	Motor and accessories
56	Metal Crowns Limited	Paper and board
57	Chandaria Industries Limited	Paper and board
58	Colour Packaging Ltd	Paper and board
59	D. L. Patel Press (Kenya) Limited	Paper and board
60	De La Rue	Paper and board
61	Dodhia Packaging Limited	Paper and board
62	Kenafric Industries Limited	Paper and board
63	Paper bags	Paper and board
64	Tetra Pak Ltd	Paper and board
65	Alpha Medical Manufacturers Ltd	Pharmaceuticals and Medical Equipment
66	Bayer East Africa Ltd	Pharmaceuticals and Medical Equipment
67	Biodeal Laboratories Ltd	Pharmaceuticals and Medical Equipment
68	Laboratory & Allied Limited	Pharmaceuticals and Medical Equipment
69	PZ Cussons EA Ltd	Pharmaceuticals and Medical Equipment
70	Afro Plastics (K) Ltd	Plastics and Rubber
71	Eslon Plastics of Kenya Ltd	Plastics and Rubber
72	General Plastics Limited	Plastics and Rubber
73	Laneeb Plastic Industries Ltd	Plastics and Rubber
74	Metro Plastics Kenya Limited	Plastics and Rubber
75	Plastics & Rubber Industries Ltd	Plastics and Rubber
76	Rubber Products Ltd	Plastics and Rubber
77	TreadsettersTyres Ltd	Plastics and Rubber
78	Capital Colors Creative Designers Ltd	Services and Consultancy
79	International Supply Chain Solutions Ltd	Services and Consultancy
80	Institute of Packaging Professionals	Services and Consultancy
81	Commercial Bank of Africa	Services and Consultancy
82	Cooperative Bank of Kenya	Services and Consultancy
83	Corporate Facilities	Services and Consultancy
84	DHL Exel Supply Chain Kenya Ltd	Services and Consultancy
85	East African Development Bank	Services and Consultancy
86	Citigroup Kenya	Services and Consultancy
87	Belat Enterprises	Services and Consultancy
88	Usafi Services Ltd	Services and Consultancy
89	Cempack Solutions Limited	Services and Consultancy
90	Alltex EPZLtd	Textiles and apparels

#	Name of Firm	Sector
91	Apex Apparels (EPZ) Ltd	Textiles and apparels
92	Future Garments EPZLtd	Textiles and apparels
93	Global Apparrels Ltd	Textiles and apparels
94	Kikoy Co. Ltd	Textiles and apparels
95	New Wide Garments Kenya EPZLTD	Textiles and apparels
96	TSS Spinning And Weaving Ltd	Textiles and apparels
97	Rosewood Furniture Manufacturers Ltd	Timber, wood and furniture
98	Fine Wood Works Ltd	Timber, wood and furniture
99	Panesar's Kenya Ltd	Timber, wood and furniture
100	Shah Timber Mart Ltd	Timber, wood and furniture



Appendix vi: Research Permit from NACOSTI

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