DISTINCTIVE COMPETENCIES AND PERFORMANCE OF BEVERAGE FIRMS IN NAIROBI

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2022

DECLARATION

DECLARATION

This research project is my original work and has not been submitted for examination to any other university.

Signature………………………… Date 15/12/2022……

LAWRENCE KIPRONO BIWOTT

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

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I am grateful to my classmates with whom we burned the midnight oil together. I thank them for their encouragement and support. I also thank my family members and friends for their moral and spiritual support. They gave me hope and strength to face the challenges I encountered.

DEDICATION

This research project is dedicated to my Father Willy Biwott and my late Mother Eunice Biwott. Thank you for the love you have always shown me.

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ANADS	-	Adult Non-Alcoholic Drinks
EABL	-	East African Breweries Limited
HR	-	Human Resource
KAM	-	Kenya Association of Manufacturers
KEBS	-	Kenya Bureau of Standards
KRA	-	Kenya Revenue Authority
NACOSTI	**-**	National Commission for Science, Technology and Innovation
R&D	-	Research and Development
RBV	-	Resource-BasedView
TAB	-	Total Adults Beverages
KTB	**-**	Kenya Tourist Board
EAPI	**-**	East African Packaging Industries
ROA	-	Return on Assets
ROE	-	Return on Equity
SD	-	Standard Deviation
ANOVA	-	Analysis of Variance

ABSTRACT

The competitive climate in which businesses currently operate forces them to concentrate on distinctive strategies that provide them an edge. Globalization, technical advancement, and the quick spread of new technologies all contribute to the competitive business climate. By defining their core competencies, businesses may focus on areas that provide them an edge over rivals and a competitive advantage. This research was aimed at the performance of beverage companies in Nairobi, Kenya in respect to distinguishing capabilities. Competitive advantage, dynamic capability and resource-based theory served as the foundation for this investigation. Twenty two beverage industries were the study's target population. Descriptive research design was used and through the use of a standardized questionnaire, primary data was gathered. The survey findings shows that firms have progressed beyond product quality standards compliance to enhance firm performance. Organizations are undertaking research and development projects to create cutting-edge innovation for long-term market competitive advantage. To elicit a positive response from the target consumer, businesses use marketing to determine the requirements and desires of the target market and to convey the company's brand image and product value. The majority of workers in diverse firms focus more on producing the greatest outcomes for the business and demonstrate tenacity, ingenuity, and a sense of mission in doing so. Based on the results, the research suggests that beverage firms acquire those unique capabilities that are appropriate for them and fit the shifting market need to guarantee that they obtain a competitive edge. Additionally, businesses should invest in the creation of new products and the implementation of effective, eco-friendly production techniques. Last but not least, the study suggests that companies make sure that before setting their price, they undertake research on costs in order to establish a price that is agreeable to both present and new consumers.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The competitive environment in which organizations are operating forces organizations to focus on unique approaches that would make them competitive (Pearce & Robinson, 2007). Globalization, technical advancement, and the quick uptake of new technologies have all contributed to the production and use of knowledge in a highly competitive economic environment (Brudan, 2010). Organizations are being forced by fierce competition to study, recognize, and take advantage of current and upcoming business performance improvement possibilities. Organizations must develop new strategies for competitiveness and new ways to boost performance. It necessitates having a thorough awareness of the dynamics of the rivalry as well as its nature (Huvej, 2008).

The idea of core competency was developed to help identify and effectively use an organization's capabilities. In contrast to markets and goods, distinguishing competence is thought to be cumulative and to change more slowly over time. The particular capabilities built up inside the company are what make the organization to be successful. In difficult times, businesses built on unique skills not only survive with less suffering than their rivals, but also thrive. There are two main categories and eight subgroups in the beverage sector. The non-alcoholic category includes the production of soft drink syrup, the bottling, canning, and boxing of fruit juices, as well as the coffee and tea industries. There are three types of alcoholic beverages: distilled spirits, wine, and beer.

1.1.1 Distinctive Competencies

A company's capacity to provide long-lasting and sustainable performance in an environment that is uncertain and constantly changing is known as its unique competence (Papula & Papulova, 2013). Organizational excellence is a result of a company's unique characteristics, such as strict security protocols, economies of scale, and lean manufacturing techniques (Mintzberg & Quinn, 1991). In accordance with Clardy's definition from 2007, a unique competence is the capacity of an organization to continuously outperform its competitors in a particular area of performance improvement, resulting in above-average organizational performance. The tangible and intangible resources that a business has or has access to, like as money, real estate, people, technology, a strong reputation, and relationships, are referred to as unique capabilities (Graig & Grant, 1993).

Businesses' most cherished assets are their distinctive skills, which may help them endure both good and bad economic times and provide the toughest obstacles for rivals who lack them (Gant, 2008). If a firm makes use of its unique talents to improve efficiency, quality, innovation, or customer reaction, it may deliver more value and gain a competitive edge (Mintzberg, 2010). In order to stand out from the competition, a company with a unique skill set may distinguish its goods from those of the rivals or attain significantly cheaper prices. Consequently, they are more successful than businesses in the same industry that lack core competences (Prahald & Hamel, 2009). Every business has the necessary expertise to complete the duties involved in providing its products or services. Droge, Vickery, and Marland claim that historically, the performance of manufacturing enterprises has been attributed to elements like production, R&D, marketing, and human resource capabilities (1994) (Li, 2000).

Today's sustainable competitive advantage requires constant updating and a foundation based on organizational strengths. For instance, when viewed globally, the Toyota Motor Corporation has developed into a significant global auto manufacturer (Elger & Smith, 2010). Toyota sells automobiles in more than 170 nations and areas worldwide (Hong, 2007). Majority of beverage companies in Kenya compete fiercely for the market as a result of changes in the economic, technical, and marketing contexts, demonstrating how all businesses use competitive core competencies. Since the beverage industry also deals with changes in the economic, industrial, technical, and human capital, these competitive core competencies are ideal for the industry.

1.1.2 Firm Performance

A structured process known as strategic management aims to employ resources as effectively as possible in order to achieve organizational objectives that satisfy market expectations (Crook, 2008). Strategic management often extends beyond the straightforward day-to-day operations of the company since it is long-term in nature. As a consequence, it makes an effort to create a promising future while also taking into account the present and provides a useful framework for adapting to changes in the business environment. The core of any company's strategy and the primary factor in its production are a range of unique assets and abilities. Because they promote corporate performance and competitive advantage, organizational competences and resources are essential (Hashi & Stojcic, 2013).

Zamora et al. (2006) argued that businesses must adapt their intrinsic and extrinsic functions in response to environmental pressures in order to maintain and improve company success. In order to succeed in a competitive market, a business must be able to maximize its current resources and create new ones. Software applications and potential for the creation of new product categories are two examples of new resources that may be developed (Kim & Lim, 2008). To preserve a competitive advantage, a business must set itself apart from its competitors while creating new profit-making tactics.

Core competence is considered to be essential in the process of encouraging synergy throughout the company's operating divisions. The core competence experiment results thus seek to improve competitive performance (Besle & Sezerel, 2012). Many elements, such as communication, job procedures, collaboration, relationships, corporate culture, dedication, the atmosphere for creativity, satisfaction, and loyalty to the business, affect how effectively an organization functions (Lia, et al., 2006). Businesses should concentrate in areas that are essential to their long-term development since this is the major objective of developing core competencies. Hitt, et al. (2001) defined core competencies as specific abilities, attributes, and features of knowledge that enable the company to surpass rivals in terms of performance and customer satisfaction. This was done by integrating technology, procedures, and resources.

1.1.3 Distinctive Competencies and Organization Performance

The strategic strength of a corporation is its core expertise. It is what the company excels in and shouldn't ever be outsourced (Mascarenhas, 1998). Each business has a unique profile of its physical and intangible resources and capabilities; as a result, changes in each firm's performance and competitive position may be attributed to these disparities in profiles (Carmeli & Tishler, 2004). Organizational core competencies have an impact on a variety of goods and services and provide a base for enhanced performance in the market (Johnson, Scholes & Whittington, 2002).

In a competitive context, core competencies enable a company to adapt to changing circumstances and provide more effective and efficient performance (Srivatava, 2010).

Organizational capabilities are the dynamic, non-finite processes that enable a business to acquire, develop, and utilize its resources to surpass competitors (Lado, 2011). Capabilities play a key role in the relationship between resources, competitive advantage, and firm performance because they help resource components obtain a position of competitive advantage (Ketokivi & Schroeder, 2013).

Zahra and George (2002) note that, a firm's unique or core competency is supported by a variety of resources, including physical assets, intangible assets, and talents. These fundamental abilities can only gain a lasting competitive advantage when the underlying resources are priceless, uncommon, impossible to duplicate, and non-replaceable. Therefore, resource-based theory explains how a firm's sustainability and success are dependent on rarity, inimitable quality, and uniqueness (Cool, 2001).

For instance, multiple companies in a given sector could have acquired core competencies in marketing, while others may have done so in research and development. These fundamental talents are unique to each company and may also be hard to replace across companies since they are uncommon, unique, and firm-specific. The resource-based approach is unable to forecast which business would function better in such a scenario. However, as implied in the idea of value in Barney's 1991 study, certain talents could be better suited in a specific industrial setting. We may thus forecast that businesses with core capabilities in marketing are likely to fare better than businesses with core skills in research and development if we know that differentiation through marketing is preferable than differentiation through product in a certain sector (Schmidt, 2005).

1.1.4 Beverage Firms

The most significant market beer in East Africa is without a doubt Kenya. The Kenya Economic Survey of 2015 (KEBS, 2016) noted that beverage companies in Kenya are the top branded beverage businesses in East Africa. They have an exceptional collection of numerous brands, including beer, spirits, and adult non-alcoholic drinks (ANADs), which further supports their status as total adult beverages (TAB) businesses.

The industry has created breweries, distilleries, auxiliary enterprises, and a supply network across the region. In order to ensure the distribution of premium beverage brands to East African consumers and that they maintain the confidence of investors in the business, a range of beverage firm's locations are essential.

With the aim of providing good quality products to its customer, beverage companies analyze the market environment to identify the consumers' preferences and changes they are supposed to make to ensure they give them quality drinks (EABL, 2012). Beverage companies innovate and renovate their brands more often to make sure they have a good market and can deal with market changes. This is aligned to the goals of the business which is being the market dominant.

The beverage industry in Kenya is arguably the second if not the first most significant industry and sector for various reasons that include: provision of employment, generation of revenue, foreign exchange earner, and most importantly generates the most needed drinks that supplements traditional tea and coffee (Wesgro, 2015). Wesgro, (2015), Kenya food and beverages; sector overview, observed that soft drinks grew by 5.3% in 2015 and 4.8% in 2014. While fruit juices grew by 1.4% and 1.3% respectively contributing to 10.3% to gross domestic product (GDP). Among the statistics the beverages sector is equally represented.

This industry is very significant because of its linkages with other industries and sectors such as transportation, advertising and glass making. Kenya's bottled beverage is composed of carbonated soft drinks portion, the dominant market player being the Coca-Cola Corporation. Softa Bottling Company also having a share of the Kenyan market, (IEA, 2002). The major players included: Picanna Juices, Kuguru Food Complex Limited, Delmonte and Coca-Cola (Giathi, 2013). Currently there are many players in the Kenyan market, e.g. Nairobi Bottlers, Equator Bottlers, Kisii Bottlers, Beverages Services, Coastal Bottlers, (Excise Licensed Manufactures Report - KRA, 2017).

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Beverage companies innovate and renovate their brands more often to make sure they have a good market and can deal with market changes. This is aligned to the goals of the business which is being the market dominant. Despite the innovation embraced by the beverage companies, some companies supply more than other brands in the markets. For instance, Tusker consolidates 30% of the Kenyan market share selling over 700,000 hectoliters annually leaving the 70% to be shared by other brands which are more than 15 brands (EABL, 2012). Innovativeness among the managers of EABL has made the East Africa beer industry become the most competitive compared to others. EABL introduced a new brand in the market to control 85% market share as a way of making it dominant in the market and to win its competitor such as Keroche Industries (EABL, 2012).

1.2 Problem Statement

Hypercompetition is when organizations challenge their competitors in order to become more competitive. It is a situation in which only the most adaptable, swift, and agile businesses will survive due to the velocity of change in the game's competitive rules. New clients want things done quickly, affordably, and in line with their preferences. Today's sustainable competitive advantage must be continually reimagined and based on organizational strengths. Jan Lith, Voordijk, Castano, and Vos (2015) on evaluating the development of purchasing management in construction showed that the strategic purchasing role has matured. Hugues, (2017) studying on progression of purchasing to strategic function level i.e. from purchasing to external resources management. The study found that purchasing is a key function in the development of competitive advantages of companies. It is intrinsically important for companies to access better the resources than their competitors or ahead of them.

The focus of the research has been on huge businesses' long-term competitive advantage. For example, Bogecho (2011) investigated the methods by which EAPI can keep its competitive advantage despite the presence of change. Nataraja and Al-Aali (2011) investigated the methods by which British Airways World Cargo in Kenya can keep its advantage, and Odwesso (2011) investigated the strategies that KTB utilized to generate a competitive advantage for Kenya as a travel destination. Odero (2013) completed study on Kenya's Equity Bank Limited's competitive tactics and key abilities. He came to the conclusion that core competencies give highly crucial abilities and techniques for boosting competitiveness as well as deciding how to compete. In 2016, Onyango, Wanjere, Egessa, and Masinde carried a research on the efficiency and organizational capacity of Kenyan sugar firms. The findings of the research showed that there is a statistically significant connection between organizational competency and the amount of sugar produced by businesses. A research was conducted by Muniu (2011) in Nairobi County, Kenya, on the link between a firm's core competency and its success. The study focused on small and medium-sized businesses. He discovered that the majority of businesses place a strong emphasis on creating human resources that aid in market research and business operations. What are some of the unique skills used by the beverage sector in Kenya? was the research question that the study of distinctive competences and performance of beverage enterprises in Nairobi sought to address. And how does the success of the Kenyan beverage business compare to its specific key competencies?

1.3 Main Objective

The general objective of this study was to investigate the distinctive competencies and performance of beverage firms in Nairobi, Kenya.

1.3.1 Specific Objectives

The study was guided by the following research objectives.

i. To determine distinctive competencies adopted by beverage firms in Kenya.
ii. To investigate the relationship between distinctive core competencies and performance of the beverage industry in Kenya.

1.4 Value of the Study

The research offers a foundation for determining the link between specific abilities and the success of Kenya's beverage sector. The research also offers a foundation for analyzing the impact of diverse talents on organizational success. The study's conclusions are significant to policymakers in the beverage sector. Indeed, this research promotes the efficient and effective use of diverse abilities, resulting in improved organizational performance.

This study's conclusions might also be useful to people who create public policy. The outcome of this study effort is a body of knowledge on the function and contribution of resources in creating and maintaining a competitive advantage in the industry. As a consequence of the study, academics stand to gain as well, given that the findings add to the existing body of information about distinctive capabilities that contribute to organizational success. The study is freely accessible in the library and will provide learners with further information and skills on the role of unique competences and organizational success in Kenya's beverage sector.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section begins with a survey of the literature on distinguishing skills and organizational performance, followed by an examination of empirical studies conducted by different researchers in the field and the research gaps discovered. After analyzing the relevant literature, the study's conceptual framework was constructed.

2.2 Theoretical Literature Review

Resource-based theory, competitive advantage theory and dynamic Capability Theory served as the foundation for this investigation.

2.2.1 Competitive Advantage Theory

Michael Porter put out the competitive advantage theory in 1985. The competitive advantage hypothesis postulates that companies should follow strategies that result in the production of high-quality products for the market. Porter underlines that the emphasis of national plans should be on productivity increase (Porter, 1985). Because of the widespread availability of inexpensive labor and the need of natural resources for a healthy economy, competitive advantage is based on the ability to outperform rivals in a certain sector or market (Porter, 1980). Due to current concerns about higher performance levels of enterprises in the current competitive market settings, the study of such an edge has gained significant scientific attention.

A company is considered to have a competitive edge when it employs tactics that no other current or future competitor is doing (Clulow, et al.2003). Successfully executed strategies enable a company to perform better than competitors, either present or prospective, by giving them a competitive edge (Passemard & Calantone, 2000). The competitive advantage theory was pertinent to this research since it promotes the efficient use of resources in order to boost performance and identify strategies by which firms may strengthen their competitive position (Rijamampianina, 2003). Competitive advantage is produced by higher performance results and greater production resources (Lau, 2002).

2.2.2 Resource-Based Theory

Edith Penrose (1959) first put out the idea of basing economic activity on resources. This theory holds that the resources that are found inside an organization are very precious, exceptional, and unique. They provide a sustainable advantage over the competition, which boosts overall performance (Penrose, 1959). If the company does not have these tools, its rivals may be able to swiftly copy what the company is doing, which would eliminate any benefits. Resources are assets that are unique to a company and are used to provide a cost advantage or a distinguishing advantage. Few rivals have easy access to these resources (Passemard, 2000). Implementing a strategy that will result in value creation is necessary for a company to achieve a competitive edge (Barney, 1991). The difference between the value something has to the customer and the amount it costs to produce is one way to quantify value creation (Hill & Jones, 2001).

The Resource-Based View (RBV) looks at a company's internal dynamics to explain how it creates a long-lasting competitive advantage over rivals (Conner, 2002). Businesses are seen under the Resource-based View (RBV) paradigm, which gave rise to the concept of company competencies, as distinctive groupings of resources and abilities (La, Patterson & Styles, 2005). This perspective contends that increased manufacturing performance is a sign of more adept customer value identification, creation, and delivery abilities (Morgan, et al., 2004). La (2005) averred that internal resources like competencies provide a company a competitive advantage and have a bigger influence on performance than industry factors.

The resource-based viewpoint hypothesis applies to this study because the ability of the firm to gather and employ the appropriate resources offers it a competitive advantage. These assets, which may be actual or intangible and are used as inputs to a company's production process, include cash, tools, employees' particular skills, patents, finance, and competent management. An organization's pool of resources tends to expand as its production and capability increase (Teece, 2009).

2.2.3 Dynamic Capability Theory

The Dynamic capability theory was proposed by Teece, Pisano, and Shuen in 2007. The basic idea behind dynamic capability theory is to use firm-specific skills to give them a competitive advantage. It goes on to describe how these capabilities are created, used, and protected. The theory elaborates that how organizations adapt their specialized knowledge and skills to changes in the business environment is ultimately moderated by perceived environmental uncertainty related to their business operations, their standing in the market, and the opportunities that are available (Gathugu & Mwangi, 2012).

Schumpeterian theory points that competition will always exist, thus a firm's capacity to enhance or create new kinds of skills is essential to creating a sustainable competitive advantage (Gathugu & Mwangi, 2012). The ability of the organization to effectively adapt to changes that may have an impact on its operation was highlighted by this theory, it was essential in the quest to understand how the organization's strategic assets and performance interacted. This theory is crucial to the investigation because it looks at how different firm capabilities, such as information technology, competencies, trademarks, and intellectual property rights, enable an organization to resolutely create, extend, or modify its resource base in order to improve performance and remain competitive.

2.3 Distinctive Competencies

The internal competences of a firm, such as those in marketing, manufacturing, research and development, and human resources, have a significant impact on how well the organization performs. There is a direct correlation between each of these abilities and the total performance scores. In accordance with Hill & Jones (2004) a significant number of businesses operating in the manufacturing sector are of the opinion that the four functional skills of production, marketing, research and development, and human resources are necessary to the successful running of their companies. Previous studies have been carried out with the goal of determining the relative contributions that each of the functional areas make to a number of different business performance measures (Li, 2000).

Production competencies are a collection of abilities and knowledge that are required in order to develop new products or alter ones that already exist. These competencies are important in order to be able to produce goods (Morgan, Kaleka & Katsikeas, 2004). Production competence covers all of the knowledge and abilities required to make and distribute things using labor, capital, and transportation resources. Getting supplies and products in and out of a production system is an important step. It entails working with suppliers, gathering supplies and raw materials in advance, setting up equipment, and making the best use of commodities while producing the least amount of waste. The biggest challenges are managing global networks, boosting overall material effectiveness, and aligning manufacturing objectives with those of other essential functional areas (Gaither & Frazier, 2002).

Research and development skills include the management of intellectual property and innovation (Fischer & Henkel, 2010). Having a range of products licensed and prepared for sale is the aim of generic research and development (Sommerfeld, 2007). The launch of a new product often results in a rise of 18% in a company's market value, making research and development an essential component of a business's overall strategy (Pattikawa, 2007). Because of the quick changes in the market and technology, the increased competition, and the shorter product life cycle, managers in many different companies deal with the need for flexibility and innovative abilities inside the firm (Lin et al, 2007).

Nigam (2003), human resource competences place an emphasis on the role that individual and group knowledge played in supplying "inputs" to the production process. This knowledge was gathered inside the business via experience and cooperation. This kind of "experiential" knowledge is cultivated over time inside an organization, making it challenging to acquire it from outside the company. Additionally, since it is ingrained in working relationships, it is difficult to standardize. These characteristics determine how the concepts of asset, skill, expertise, and knowledge are connected (Wade, 2007). Nigam (2003) asserts that the business continuously generates fresh, practical knowledge via its activities. Managers then use this data to create new operating systems, which when used, generate new experience knowledge. Development is seen in this context as the creation and use of knowledge, which leads to specific routes or trajectories based on the experiences of each organization.

2.4 Firm Performance

In their quantitative analysis of Chinese enterprises, Liqin, Xie, and Koos (2009) discovered that businesses operate better when their products consistently meet the needs, wants, and preferences of their customers. Kemp (2008) found in his study that the ability of a company to innovate, which is based on research and development, affects corporate success. A positive association between competences and performance was discovered by Akimova (2000) in her research on performance based on non-financial criteria. These non-financial criteria included market share, perceived productivity, and customer happiness in comparison to rivals.

Akimova (2000) proposed that companies utilize both financial and non-financial indicators together in their study suggestions. This is due to the fact that they both discovered that employing any one metric alone is inadequate for measuring success. Financial, operational, and behavioral measurements may all be used to evaluate an organization's performance, claim Montanari, Morgan, and Bracker (2010). They first emphasized how measuring an organization's financial performance may be done through financial metrics like profitability and growth.

2.5 Summary of Empirical Review and Research Gap

Every firm has a wide array of abilities that allow them to accomplish the responsibilities essential to supply their goods or services. While some of these duties may be carried out exceedingly efficiently, others might be done inappropriately. However, successful businesses may possess a certain set of abilities that allow them to succeed at carrying out crucial activities. These skills, sometimes referred to as special competencies, frequently have to do with the specific knowledge and skills that a corporation has and outperforms its rivals at (Boyd & Wright, 1992). Furthermore, they are the distinctive characteristics that support a valuable and difficult-to-copy market position. A set of skills or resources known as core competencies have been painstakingly polished through time and are difficult to replicate (Prahlad & Hamel, 2009).

Conant, Mokwa, and Varadarajan (1990) found that businesses that foster and use their unique strengths outperform those that do not. Based on the argument put out by Conant, Smart, and Solano-Mendez (1993), companies with clear internal resource utilization strategies have a competitive edge in part because such companies have a lot more distinctive marketing skills. Javidan (1998) said that while it wasn't apparent what these specific qualities were, they helped an organization function well. Businesses that have a competitive advantage in the market already know which unique competencies need to be preserved. Less empirical investigation has been done on the impact that distinctive skills play in building organizational success in the beverage company. The majority of past research was performed in other areas or at substantially larger firms. The purpose of this study was to understand how diverse abilities impact an organization's efficiency.

2.6 Conceptual Framework

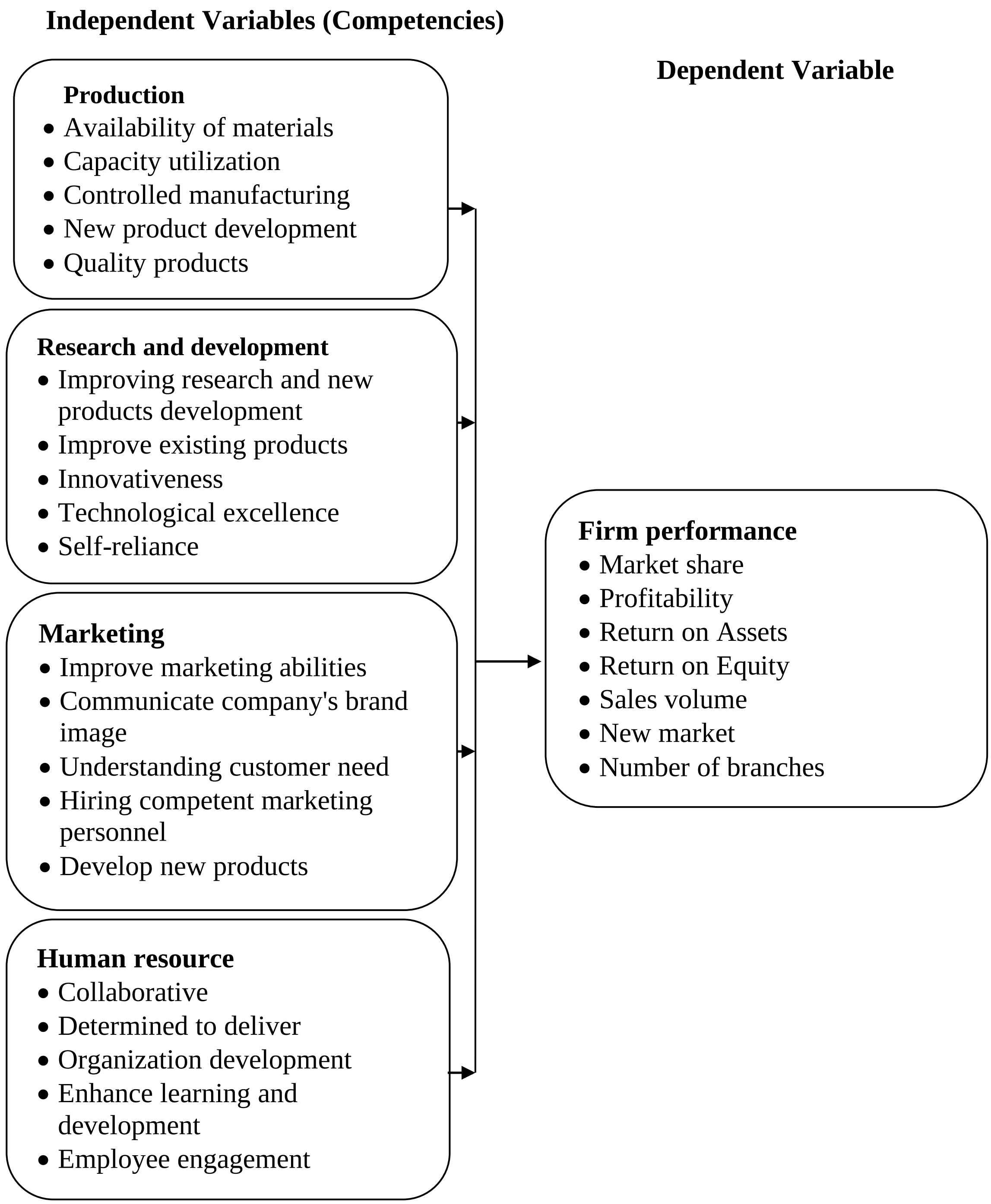

Figure 2.1. Distinctive Competencies and Firm Performance

Source: Researcher 2022

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The study methodology used, and the data analysis were presented in this chapter. Questionnaire was used to collect the data. The study's goals were taken into consideration when creating the questionnaire.

3.2 Research Design

A descriptive survey was used in this study. To determine and be able to characterize the characteristics of the variables of interest in a scenario, descriptive research was conducted. The goal of the descriptive research technique, as opined by Creswell (2008), is to gather information on the existing situation. This method was easy to plan, execute and it supported the data collection over varied issues pertaining to the subject matter of this study.

3.3 Target Population

The Kenya Bureau of Standards registered beverage businesses were the study's target population. By the end of 2016, 46 beverage businesses have received licenses, and 22 of them had their corporate headquarters in Nairobi County, as reported in KEBS (2016). The study adopted the census technique since the number of organizations targeted was small. In every organization 4 respondents were targeted from the following departments, that is, marketing, production, R&D, and H&R. making a total of 88 respondents.

3.4 Data Collection

The study used both primary data and secondary sources. A questionnaire was used to gather the important data. The poll included both open-ended questions as well as questions with predetermined answers. This approach of data collection was selected because it provided respondents time to consider how to react to the questions they were being asked. By asking the respondents open-ended questions, the researcher was able to get additional information from them about the responses they provided.

3.5 Data Analysis

Data collected from the field was cleaned, sorted, and prepared for analysis. The analysis of the collected data was done using both descriptive and inferential statistical methods in the study. The components that comprised the descriptive statistics were the variances, the standard deviations, and the mean distributions of the data. The researcher used both tables and graphs in order to display the results of the analysis. Inferential statistics, also known as simple regression analysis and multiple regression analysis, are used to demonstrate the causal links that exist between the variables and the degree to which those correlations exist. Inferential statistics are also known as multiple regression analysis. The overall multiple regression model that was used was as follows.

The equation was as follow:

$$Y= \beta 0+\beta_1 Pr_1+\beta_2 RD_2+\beta_3 M_3+\beta_4 Hr_4+\varepsilon$$

Where: **Y** is the dependent variable (organization performance),

$\beta 0$ is the regression coefficient/constant,

β_1, β_2, β_3 and **β_4**are coefficients of determination,

Pr_1 is the Production Competency

RD_2 is the Research & Development Competency

M_3 is the Marketing Competency

Hr_4 is the HR Competency

ε is the error term

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSIONS

4.1 Introduction

In this chapter, the data analysis, results, and discussion of the research findings are all provided. The purpose of the conclusion is to provide answers to the research questions that were posed by the study. In addition to collecting data and presenting it in the form of tables and figures, a qualitative analysis was carried out.

4.2 Response Rate

Response rate is the number of completed instruments in percentage of all of the instruments that were sent out to be filled (Thompson, Boudreau, Quah, Ouimet, Li, Yan, & Fong, 2020). The findings on the responses rate are shown in Table 4.1.

Table 4.1. Response Rate

Questionnaire response	Frequency	Percentage
Filled in questionnaires	64	72
Unreturned questionnaires	24	28
Total	**88**	**100**

Source: Survey Data, 2022

Twenty-four (24) of the 88 distributed research questionnaires were not returned. This led to a response rate of 72%. The high response rate was a result of repeated phone calls to all respondents asking them to complete all the questions.

4.3 Characteristics of the Respondents

The section of the study aimed at describing the demographic information of the respondents from marketing, production, R&D and H&R departments targeted by the study. This was aimed at understanding their experience to provide focus to the problem of the study. As a result, the research acquired data on the respondents' department, the number of years their companies had been in existence, and their educational background, which is shown below.

4.3.1 Distribution of Respondents by Department

As shown in Figure 4.2, 15% of respondents worked in the R&D department, 29% in the Production department, 23% in the HR department, and 33% in the marketing department. The findings depicted that from the 4 departments that were targeted by the study, majority of the responses were received from production department respondents. The findings are shown in Figure 4.2.

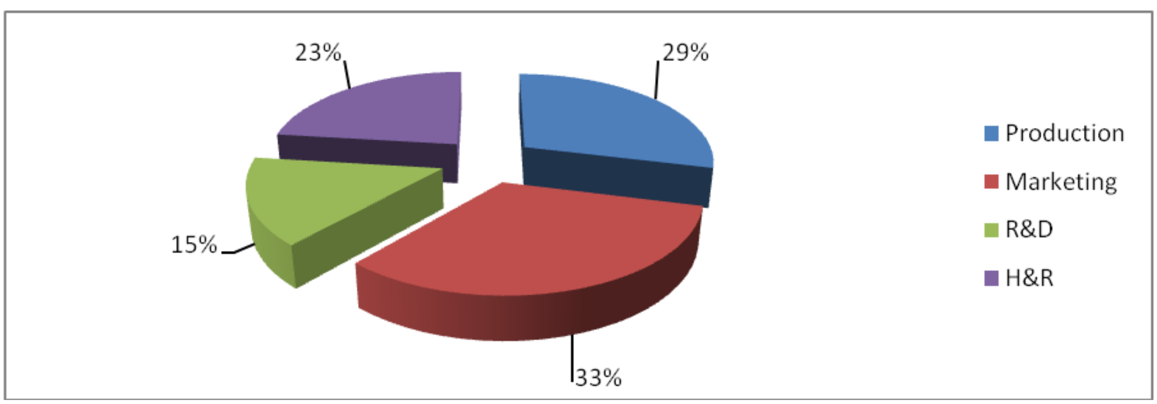

Figure 4.2. Distribution of Respondents by Department

4.3.2 Number of Operating Years

As shown in Figure 4.3, nearly two-thirds (65%) of respondents reported that their organizations had been running for a period between 6 and 10 years, while 29% indicated that their organizations had been working for between 1 and 5 years, per Table 4.2's findings. But the less than tenth (6%) of the population has been running for more than a decade. The findings are as shown in Table 4.2.

Table 4.2. Number of Operating Years

Years	Frequency	Percent
1-5	19	29
6-10	42	65
Over 11	3	6
Total	**64**	**100**

Source: Research Data (2022)

The findings suggest that majority of the beverage firms (94%) had operated in the country for a decade or less. This helped understand the organizations with experience in distinctive competencies as they understood well the issues under investigation. Since most beverage companies have been in business for at least five years, it is assumed that they have developed the necessary competencies to boost performance.

4.3.3 Respondents Level of Education

The results in relation to the respondents' level of education are presented in Table 4.3. The section was aimed at assessing the respondents' capacity to answer the questions since it is deemed that a more educated respondent will understand the questions better than others.

Table 4.3. Respondents Level of Education

Academic Qualification	Frequency	Percent
Postgraduate	21	33
Diploma	16	25
Undergraduate	23	37
Certificate	4	6
Total	**64**	**100**

Source: Research Data (2022)

The result outcome on the respondents' level of education shows that slightly over one – third of them (37%) were undergraduate, while one –third had a post graduate education qualification. In total over two-thirds (70%) of the respondents had university degrees and thus, ceteris paribus, were deemed to be knowledgeable enough to answer the questions appropriately. Only four (6%) of the respondents had certificate level of education.

4.4 Distinctive Competencies and Performance of Beverage Firm

Respondents were asked to describe the particular capabilities and performance of the beverage company in this area. Production, R&D, marketing, and human resources were among the competencies that received the attention of the study.

4.4.1 Production Competencies

Production competences are a group of abilities and information needed to create new items or modify ones that already exist. These competencies are aimed at increasing the efficiencies of the organization and be able to match favourable with competitors in the market. The results from this variable are shown in Table 4.4.

Table 4.4. Production Competencies

Statement	Mean	Std. Deviation
Our priority is on efficient delivery of the goods	3.87	1.148
Our organization continually ensures the effectiveness and efficiency of all its processes	3.85	1.096
Our organization has adopted a production-oriented approach by new products in the market as a way to improve organization performance	3.82	0.827
Our organization has moved beyond adherence to quality standards of our products to improve organization performance	3.78	1.133
Availability of resources in our organization ensure smooth operation of our firm which in turn influence the performance of our firm	3.62	1.062
Overall Mean	**3.61**	**1.053**

Source: Research Data (2022)

Table 4.4 shows that respondents agreed that their beverage firms give priority to efficient delivery of goods to their customers (M = 3.87, SD = 1.1.48) and also that a continuous process of ensuring efficiency and effectiveness in their production process is maintained at all times (M= 3.85, SD = 1.096). The respondents were not in agreement regarding the application of the production outcome in their beverage firm, as evidenced by the above measures' standard deviation of the replies being more than 1.0. Further, the results on the organizations process suggest that the respondents agreed that adoption of production-oriented approach by new products in the market as a way to improve organization performance was common in their beverage firms (M= 3.82). However, the availability of adequate resources in their organizations to facilitate smooth operation of that positively influence their performance was ranked last in the production competency variables (M=3.62). The composite mean of the variable measures of the production competency was 3.61 suggesting that the respondents agreed that it was a determining factor of their performance.

4.4.2 Research and Development Competencies

Innovation management and intellectual property management are skills in research and development that are all geared at getting products approved and ready for market. Based on the composite average score of 3.79, the majority of respondents strongly agreed with the assertions about the impact of research and development on corporate success. The final findings are shown in Table 4.5.

Table 4.5. Research and Development Competencies

Research and Development	**Mean**	**Std. Deviation**
Our company is preparing for research and development projects to create ground-breaking innovation for long-term market competitive advantage.	4.00	1.127
Our firms are being forced by fierce market rivalry to acknowledge that relying just on survival is impractical without research and development.	3.90	1.269
Our organization has been able to penetrate easily in the market due to its adoption of current technology development which outdoes our competitor's skills	3.76	1.165
Our organization embraces research and development as a tool to enhance its operation towards being self-reliance in a highly competitive environment	3.67	1.040
Our organization extends research and development power with inspirational strength and consumer thinking in order to create new highly attractive products for our customers	3.62	1.062
Overall Mean	**3.79**	**1.132**

The findings in Table 4.5 reveal that the beverage companies use research and development projects to create cutting-edge innovation with a view to establishing a sustainable competitive advantage in the market (M=4.00, SD = 1.127). The adoption of R&D technology was prompted by the intense rivalry for consumers' dollars on items already on the market, which forced firms to acknowledge that continuing with their present strategy of just surviving was impossible without R&D (M=3.90, SD=1.269). The associated benefits from the adoption of current technology development was that the firms were able to penetrate easily in the market since they find their technology to easily outdo competitor's skills (M=3.76). On the other hand, the R & D competency enjoyed by the beverage firms were found to a lower scale to extend research and development power thinking in order to create new highly attractive products for their customers (M=3.62). Since the variation (SD > 1) was high, it suggests that the responses among the respondents was high and there are some who did not agree on the effect of their R & D on their performance.

4.4.3 Marketing Competencies

Table 4.6. Marketing Competencies

Statement	Mean	Std. Deviation
To grab the target customer's attention and elicit a positive response, our firm may use marketing to determine the desires and requirements of the target market and convey the company's brand image and product valuer	3.71	1.061
Our firm views marketing competencies as a framework of marketing talents that serves as a road map for the abilities and conduct anticipated of professional marketers at various degrees of expertise.	3.70	0.790
With its excellent marketing capabilities, our business can leverage its in-depth understanding of client needs to promote the creation of new products and organize marketing campaigns that provide customers with a unique value	3.68	1.207
Our company's capacity to hear the consumer and comprehend that person's demands and goals is a crucial core competence for effective1marketing strategies	3.60	1.217
Our company is looking for ways to evaluate and develop marketing personnel with more business discipline because that is the long-term strategy for enhancing business outcomes	3.51	1.309
Average	**3.64**	**1.117**

Source: Research Data (2022)

From the findings in Table 4.6, respondents concurred that marketing expertise within the beverage industry had made it easier to identify the needs and wants of the target market and communicate the company's brand image (M= 3.71, SD= 1.091); they also concurred that their respective companies concurred that they recognize the significance and the crucial role that marketing expertise plays for the organization. Additionally, the findings imply that with its excellent marketing capabilities, our business can leverage its in-depth understanding of client needs to promote the creation of new products and organize marketing campaigns that provide customers with a unique value (mean=3.68). The respondents overwhelmingly agreed that marketing is an essential approach that is anticipated to lead to enhanced organizational performance, as shown by the findings' overall mean of 3.64.

4.4.4 Human Resource Competencies

To produce better processes, human resource competencies acknowledge the importance of the individual and collective knowledge amassed inside the company via experience and cooperation. The respondents were asked about the impact of human resource capabilities on performance, and the findings are shown in Table 4.7.

Table 4.7. Human Resource Competencies

Statement	Mean	Std. Deviation
The majority of the staff at our company is committed to producing the best results for the business and demonstrates determination, resourcefulness, and a sense of purpose in doing so.	4.14	0.924
Employees at our company work together as a team to make sure that the organization's workforce, culture, values, and environment allow it to achieve its objectives and function successfully going forward.	3.43	1.320
Our company can effectively collaborate with a variety of individuals, both within and outside the company	3.39	1.149
Our company makes sure that employees are motivated to learn and grow at all levels of the organization and that they have the necessary skills to contribute to the success of the company	3.39	1.399
With a specific emphasis on fostering excellent working connections between staff and line managers, our company assists employees in keeping a connection with their job, co-workers, and the larger business.	2.92	1.384
Overall Mean	**3.45**	**1.235**

Source: Research Data (2022)

From the findings Table 4.7, most respondents (M=4.14, SD=0.924) agreed that workers at beverage companies are committed to producing the best outcomes for the company and demonstrate tenacity, ingenuity, and a sense of purpose in attaining organizational success. Additionally, to a modest level, the respondents mentioned the importance of teamwork in helping the organization's workforce, culture, values, and environment achieve its objectives and perform successfully in the future (M=3.43), albeit the findings show that the targeted respondents' replies varied. The results, however, are somewhat in agreement (M=2.92) that beverage companies assist staff in upholding a positive connection with their jobs, coworkers, and the larger organization with a view to putting a particular emphasis on positive working relationships between staff and their line managers.

4.4.4.1 Other Distinctive Competencies

The respondents indicated that additional differentiating qualities that the respondents claimed they are aware their organization uses to increase success include innovation, knowledge, designs, technology and brand recognition.

4.4.5 Performance of Beverage Firms

Table 4.8 shows that respondents' perception on how the organizational competencies had impacted different measures of performance to the organization. Organizational performance was estimated over a 3-year period in individual firm to a great extent as shown by an average score of M=3.64. The findings are shown in Table 4.8.

Table 4.8. Measure of Organization Performance

Performance Measure	Mean	Std. Deviation
Number of branches	4.07	1.028
Sales volume	3.81	1.052
Return on Assets	3.75	0.926
Market share	3.57	1.245
New market	3.57	1.166
Return on Equity	3.51	1.141
Profitability	3.20	1.250
Overall Mean	**3.64**	**1.115**

On the basis of the results in Table 4.8, the most dominant performance measure that had been affected to a large extent by the distinctive competencies of the beverage firms in Nairobi was increased number of branches (M=4.07) and level of sales (M=3.81). To a moderate extent, it was agreed that profitability and return on assets had changed by the competencies endowed in the organizations.

4.5 Inferential Analysis

The inferential statistics that were used to establish the association between the variables are presented in this section. To determine the link between the variables, correlation analysis and regression analysis were performed.

4.5.1 Coefficient of Correlation

The results indicated that there was a strong association (a correlation of 0.775) between the distinguishing abilities and productivity. With a correlation value of 0.673, it was also evident that distinguishing abilities and research and development were positively correlated.

Additionally, a positive association between unique competencies and marketing (correlation value: 0.598) and a positive correlation between distinctive competencies and human resource (correlation value: 0.256) were also found. This demonstrates that unique competences and production, R&D, marketing, and human resources are positively correlated. The findings are shown in Table 4.9.

Table 4.9. Coefficient of Correlation

		Research and development	Marketing	Human resource	Distinctive competencies	Production
Research and development	Pearson Correlation	1	.638**	.290*	.673**	.498**
	Sig. (2-tailed)		.000	.020	.000	.000
	N	64	64	64	64	64
Marketing	Pearson Correlation	.638**	1	.240	.598**	.400**
	Sig. (2-tailed)	.000		.056	.000	.001
	N	64	64	64	64	64
Human resource	Pearson Correlation	.290*	.240	1	.256*	.166
	Sig. (2-tailed)	.020	.056		.041	.189
	N	64	64	64	64	64
Distinctive competencies	Pearson Correlation	.673**	.598**	.256*	1	.775**
	Sig. (2-tailed)	.000	.000	.041		.000
	N	64	64	64	64	64
Production	Pearson Correlation	.498**	.400**	.166	.775**	1
	Sig. (2-tailed)	.000	.001	.189	.000	
	N	64	64	64	64	64

4.5.2 Multiple Regression

Model Summary (Coefficient of determination)

The organization performance index's coefficient of determination measures the proportion of its variation that can be attributed to the interactions between all four independent variables. Additionally, it shows how effectively variations in the independent variables may be anticipated from variations in the dependent variable (production, research and development, marketing and human resource).

Table 4.10. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.859[a]	.737	.719	.22010

Based on the modified R^2, the four independent variables that were investigated were able to account for 73.7% of the variance in the organization's performance. Because of this, it may be deduced that the distinguishing competences are also affected by other elements that were not investigated in this study. As a result, further study has to be carried out in order to explore the other specific abilities (26%) that impact the success of a business.

4.5.3 ANOVA

The result indicated that the Sig. value was 0.000, which is less than 0.05. As a result, we are able to draw the conclusion that there was a substantial linear relationship between the specific competences of beverage companies and their success. The fact that the computed F value

(41.347) was higher than the F critical value (2.04099) proved that the model can be used for estimation.

Table 4.11. ANOVA[a]

ANOVA[a]						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	8.012	4	2.003	41.347	.000[b]
	Residual	2.858	59	.048		
	Total	10.870	63			

Coefficients

Table 4.12. Regression Coefficients of the Variables

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	.148	.347		.426	.672
Research and development	.281	.104	.252	2.691	.009
Marketing	.216	.093	.203	2.317	.024
Human resource	.044	.075	.041	.585	.561
Production	.431	.060	.562	7.243	.000

The results of the regression show that the values of the variables research and development (β= 0.281, p= 0.009 < 0.05), marketing (β= 0.216, p= 0.0249 <0.05), and production competency (β= 0.431, p= 0.000 <0.05) are statistically significant, which indicates that their influence on organization performance is impactful. The significance level for these results was set at 5%. On the other hand, the marketing competency was found to be insignificant in affecting the performance of the beverage firms ($\beta = 0.044$, $p = 0.561 > 0.05$). The reason why some variables are insignificant is because they have no effect on the dependent variable. On the basis of the regression results, the linear regression equation;

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon)}$$

becomes:

$$Y = 0.281X_1 + 0.216X_2 + 0.431X_4$$

4.6 Discussion of Research Findings

The purpose of this research was to determine whether or not there is a connection between certain competences and the level of success achieved by beverage companies operating in Nairobi County. The different capabilities looked at production, R&D, marketing, and human resource capabilities. On production, the study found that their production competencies ingrained in the beverage firms had resulted in efficient delivery of goods, continuous improvement of organizations processes and led to the adoption of a production-oriented approach when dealing with new products in the market to improve organization performance. All of these results of production competences have resulted in greater competitiveness of enterprises since they are able to adapt to the needs of the market in a timely manner. These findings are consistent with those that were arrived at by Gaither and Frazier (2002).

They found that the presence of production competencies in a company led to improved overall material effectiveness, management of global networks, and better alignment of the objectives of manufacturing with those of other key functional areas. These findings are in line with those found by Gaither and Frazier (2002). Morgan, Kaleka, and Katsikeas (2004) arrive to the same conclusion by claiming that manufacturing competence eases the modification of current goods and makes the creation of new products easier. The findings demonstrated that production competence had a favorable and statistically significant influence on the level of competitiveness shown by the beverage company ($B= 0.431$, $p = 0.000 <0.05$). This suggests that the production competences that are accepted in the company have an effect on the performance of the organizations that use them. Further a strong correlation was found between production competencies and firm competitive advantage ($r=0.673$).

Research and development competencies was found to positively and significantly influence the competitive advantage of beverage firms under investigation ($\beta= 0.281$, $p= 0.009 < 0.05$). This conclusion was reached as a result of the organizations' ability to use R&D resources to create ground-breaking innovations for long-term competitive advantage in the market and the realization that without these resources, survival in the current competitive business environment might not be possible. The study findings conform to Hyland (2012) that all organizations are trying their level best to gear themselves up for the competition.

Marketing was found to have a favorable and substantial link with beverage company performance (= 0.216, p= 0.0249 0.05). Through marketing, the firms can identify customers' needs and create favourable products and a brand image. Moreover, the firms use the marketing competencies to guide their marketers' skills and behaviours. Stenbery (2007) noted that in a typical, fiercely competitive business climate, businesses pay greater attention to the wants of their consumers and provide them with high-quality goods to meet their constantly growing expectations. As the majority of customers' requirements and desires are met, they tend to search for a better quality, more costly product that will offer them and elevate their social standing. In order to adopt a customer satisfaction philosophy, it is necessary to first define the target audience, then to ascertain their wants and expectations, and lastly to gauge their impressions.

Human resources was found to have a weak and negligible correlation on beverage enterprises' performance ($B = 0.044$, $p = 0.561 > 0.05$). Despite the fact that employee skills and cooperation give rise to human resource capabilities, the results indicate that they have little impact on a company's success. This may be because it's simple to imitate competency or because it's readily available in other organizations. The Resource Based View concurs with this assertion (Barney, 1991). However, the findings demonstrate that the businesses' personnel are committed to providing the greatest outcomes for the company, and they do it with tenacity, resourcefulness, and a sense of mission. In his research, Paauwe (2012) discovered that the fundamental premise is that workers will perform successfully if they possess the necessary skills, are motivated, and have the chance to develop a personal brand.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The data results on the unique competences and performance of Nairobi, Kenya-based beverage companies are summarized in this chapter. As a result, the chapter is divided into a summary of the results, conclusions, suggestions, and opportunities for more study.

5.2 Summary of the Findings

The results reveal that production competencies among the beverage firms had a positive and significant effect on performance of the firms (($\beta = 0.431$, $p = 0.000 < 0.05$). These was due to its capacity to improve efficient delivery of goods, continuous improvement of organizations processes and let to the adoption of a production-oriented approach when dealing with new products in the market to improve organization performance. R & D and marketing expertise were also shown to have a favorable and substantial link. Additionally, it was discovered that the performance of the businesses and these three factors had a substantial positive association ($r > 0.6$).

Based on the average mean score, the research concluded that there was a correlation between marketing competence and beverage company success. The marketing claim that garnered the highest support was that an organization could use marketing to determine the requirements and desires of a target market and then convey the company's brand image and product value to elicit a positive response from that market. Last but not least, the corporation says it is searching for methods to evaluate and train marketing professionals with greater business discipline since doing so is the long-term strategy for enhancing business outcomes. Only 73.7% of the organization performance could be explained by the four independent variables, based on the R^2 results. This suggests that other traits not evaluated in this study provide 26% of the distinguishing skills.

5.3 Conclusions

The study's conclusion on production was that there was a connection between beverage companies' financial success and production. The successful delivery of the items, continuous efficacy and efficiency of all organizational processes, and adoption of a production-oriented strategy were additional critical production competences for the performance of beverage enterprises.

The study concluded that beverage firms' success and their capacity for research and development are related. The main components of the relationship were determined to be the development of cutting-edge innovation for sustained competitive advantage in the market and the realization that basic existence is not feasible without research and development. Brewers are at the forefront of the industry because they meet this issue by developing innovative goods to retain current customers and attract new ones.

The study's conclusion about marketing was that there is a connection between beverage companies' success and their marketing prowess. Through marketing, businesses may determine what their consumers need in order to provide good goods and a positive brand image.

Additionally, the corporations employ the marketing competencies to direct the abilities and behaviors of their marketers.

The study found that, in terms of teamwork for goal achievement and future performance, employee skills and collaboration within and outside the organization, and support provided to employees in maintaining a positive connection with their work, colleagues, and the larger organization, the relationship between human resource competency and performance of beverage firms was modest. The personnel of the company, however, are committed to providing the greatest outcomes for the organization and demonstrate tenacity, ingenuity, and a sense of purpose in accomplishing this.

The study's final finding was that only 73.7% of the organization's performance could be explained by the four independent factors that were examined. Production, research & development, and marketing are the three areas that have the most impact on an organization's success, whereas human resources have the littlest impact.

5.4 Recommendations for Policy Practice

The study recommended that to ensure that beverage companies achieve a competitive advantage they should adopt those distinctive competencies that are suitable to them and matches the changing demand in the market. The report also advised businesses to use just those tactics that would optimize their ability to lower expenses to a tolerable level.

The report also suggests that the company maintain its investment in personnel training and development initiatives because, as competition levels rise, the company's internal, unique talents will continue to offer it the required competitiveness in the market. The company should also make investments in the creation of new products and the implementation of effective, eco-friendly production techniques.

It is advised that the company spend more in developing distinctive goods that cater to various market segments in order to maintain their position as a market leader. The company has established a distinctive product quality that is distinguishing in the industry. The company should make sure that before setting the price for its goods, it thoroughly researches what the market is willing to pay in order to choose a price that would appeal to both present and new consumers.

5.5 Limitations of the Study

The research study only included a small sample. Therefore, because more firms were not included in the study sample, there may be a limit to how broadly the results may be applied. The study findings may also not be applicable outside of the study's original area due to contextual and firm specific variations.

The study was also confined to the beverage sector only and therefore the findings could not be generalized to other sectors of business in Kenya. Future researchers may expound on this study by targeting more firms in the local beverage industry. This was in turn allow for a wider comparison and generalization of the current study’s findings.

Lastly, the study was limited to only four factors of distinctive competencies and their influence on performance of beverage firms in Nairobi, Kenya. Other studies may therefore explore other or additional distinctive competencies not covered in the current study.

5.6 Suggestion for Further Study

The research looked at the performance and distinguishing competences of beverage companies in Nairobi, Kenya. To make sure that the study accurately represents the reality in other sectors, the study advises future investigation into the impact of unique talents on organizational success with a focus on other industries. To a certain extent, the research study was quantitative as well since it determined the overall state of the problem without questioning the value of individual interview replies. The results of this research suggest that a qualitative case study might be done in the future to delve more into the causes of how and why staff sees differentiated ability to improve organizational performance.

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APPENDICES

Appendix I: Research Authorization letter

THIS IS TO CERTIFY THAT:
MR. LAWRENCE KIPRONO BIWOTT
of UNIVERSITY OF NAIROBI, 66602-8800 NAIROBI,has been permitted to conduct research in *Nairobi County*

on the topic: *DISTINCTIVE COMPETENCIES AND PERFORMANCE OF BEVERAGE FIRMS IN NAIROBI*

for the period ending:
24th November,2018

Permit No : NACOSTI/P/17/81318/20264
Date Of Issue : 24th November,2017
Fee Recieved :Ksh 1000

....
Applicant's Signature

GP Kalerwa
....
Director General
National Commission for Science, Technology & Innovation

Appendix II: Questionnaire

The questionnaire is exclusively intended for use in the study required to get a master's in business administration. The overall goal of this research is to determine how different abilities affect organizational performance: a case study of Nairobi's beverage companies. Please check the necessary boxes.

SECTION A: GENERAL INFORMATION

1. Kindly, indicate the department you are working in.

   Production [ ] Marketing [ ]

   R&D [ ] HR [ ]

   Any other (specify)………………………………………………………………….

2. How long has the organization been operating (in years)?

   ………………………………………………………………….

3. What is your highest level of education?

   Post Graduate [ ] Diploma [ ]

   Undergraduate [ ] Certificate [ ]

   Any other (specify)…………………………………………………………………

Section B: Distinctive Competencies

4. Please rate how much you agree with the following statement on the impact of unique abilities on company success. Use a scale of 1 to 5, with 1 representing "strongly disagree," 2 "disagree," 3 "neutral," 4 "agree," and 5 "strongly agree."

Production	**1**	**2**	**3**	**4**	**5**
1. Our organization has adopted a production-oriented approach by new					

product in the market as a way to improve organization performance					
2. Availability of resources in our organization ensure smooth operation of our firm which in turn influence the performance of our firm					
3. Our organization has moved beyond adherence to quality standards of our products to improve organization performance					
4. Our priority is on efficient delivery of the goods					
5. Our organization continually ensures effectiveness and efficiency of all its processes					
Research and Development	**1**	**2**	**3**	**4**	**5**
Our organization extends research and development power with inspirational strength and consumer thinking in order to create new highly attractive products for our customers					
Our firms are being forced by fierce market rivalry to acknowledge that relying just on survival is impractical without research and development					
In order to create cutting-edge innovation and maintain a competitive advantage in the market, our organization is preparing for research and development initiatives					
Our organization has been able to penetrate easily in the market due to its adoption of current technology development which outdoescompetitor's skills					
Our organization embraces research and development as a tool to enhance its operation towards being self-reliance in a highly competitive environment					
Marketing	**1**	**2**	**3**	**4**	**5**
Our firm views marketing competencies as a framework of marketing talents that serves as a road map for the abilities and conduct anticipated of professional marketers at various degrees of expertise					
By using marketing, our company can determine the needs and wants of its target market and then convey those needs and wants along with the brand value of the company's products to get the desired response from					

that market					
Successful marketing strategies depend on our ability to listen to customers and comprehend their goals and requirements which is a crucial core strength.					
The sustainable strategy to improve company performance is for our organization to evaluate and develop marketing employees with greater business discipline					
Our company has great marketing capabilities that allow it to leverage its in-depth knowledge of client demands to encourage the creation of new goods and plan marketing initiatives that provide customers a special value					
HR	**1**	**2**	**3**	**4**	**5**
Our company can collaborate effectively with a variety of individuals, both within and outside the company.					
The majority of the staff at our company is committed to producing the greatest outcomes for the business and demonstrates tenacity, ingenuity, and a sense of mission in doing so					
Employees at our company work together to ensure that the organization's workforce, culture, values, and environment allow it to achieve its goals and perform well going forward					
Our company makes sure that staff members at all organizational levels are driven to advance their knowledge and abilities and have the necessary competencies to contribute to the organization's success.					
With a specific emphasis on fostering excellent working connections between staff and line managers, our company assists employees in keeping a connection with their job, coworkers, and the larger business					

6. Kindly name other distinctive competencies that you know your firm applies with the aimof improving its performance?

    i. ………………………………………………………………………………………

    ii. ………………………………………………………………………………………

iii. ………………………………………………………………………………………

iv. ………………………………………………………………………………………

v. ……………………………………………………………………………………

Organization performance

1. In your company, how would you assess the following element of organizational performance during the last three years? Use a scale of 1 to 5, with 1 being a significant reduction and 5 a significant improvement.

	Greatly decreased	**Decreasing**	**Constant**	**Improved**	**Greatly improved**
Number of branches					
Sales volume					
Return on Assets					
Market share					
Return on Equity					
Sales volume					
Profitability					

THANK YOU FOR YOUR PARTICIPATION

Appendix III: List of Beverage Companies in Nairobi County

1. Aberdares Water Ltd, Nairobi
2. Africa Spirit Co. Ltd, Nairobi
3. Aquamist Ltd, Nairobi
4. BilFlex Industries, Nairobi
5. Coca Cola Juices (K) Ltd, Nairobi
6. Crywan Enterprises Ltd, Nairobi
7. Elle Kenya Ltd, Nairobi
8. FRM Packers(E.A) LTD, Nairobi
9. Honeywell Industry, Nairobi
10. Julijo Investment Ltd, Nairobi
11. Kenya Breweries Ltd, Nairobi
12. Kenya Gin Manufacturer Ltd, Nairobi
13. Kenya Wine Agencies Ltd, Nairobi
14. Lumat Company Ltd, Nairobi
15. Lyniber Suppliers Ltd, Nairobia
16. Mibbs Ventures, Nairobi
17. Patialla Distillers(K) Ltd, Nairobi
18. Rhino Beverages LTD, Nairobi
19. Sangilia Wine Manuf. LTD, Nairobi
20. The ComradeInvest. Co. LTD, Nairobi
21. UDV (K) Ltd, Nairobi
22. Wholesome Beverages Ltd, Nairobi