STRATEGIC MANAGEMENT PRACTICES AND COMPETITIVE ADVANTAGE AT TOSHA PETROLEUM LIMITED KENYA

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT FOR THE REQUIREMENTS OF THE AWARD OF A MASTER OF BUSINESS ADMINISTRATION DEGREE, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES. UNIVERSITY OF NAIROBI

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DECLARATION

I, Abdikeir Nur Issack, hereby declare that this MBA research project titled "strategic Management practices and competitive advantage at Tosha Petroleum Limited Kenya" is my own original work. This has not been submitted to any other institution or University/College for award of any program whether Certificate, Diploma or Degree.

Signature…………………………………….

Date…7th September 2023………………………..

Abdikeir Nur Issack

D61/10459/2018

Supervisor's Approval.

This research project prepared by Abdikeir Nur Issack titled "Strategic management practices and competitive advantage at Tosha Petroleum Limited Kenya" has been submitted for examination with my approval as the university supervisor.

Signature…………………………………….

Date…………8/9/2023………………….

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DEDICATION

This project is dedicated to my late beloved father, Nur Issack, who passed away on the 1st July 2023, from Liver Cancer while receiving treatment in Mumbai, India.

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ABBREVIATIONS AND ACRONYMS

KPS	Kenya Pipeline System
ERC	Energy Regulatory Commission
KPRL	Kenya Petroleum Refineries
SWOT	Strength, Weakness, Opportunity, Threat
HRM	Human Resource Management
SME	Small and Medium Enterprises
SEM	Structural Equation Modeling
CEO	Chief Executive Officer
IoT	Internet of Things
MD	Managing Director

ABSTRACT

The petroleum industry is highly competitive, and understanding the factors that can improve a company's competitiveness provides a significant advantage. Petroleum companies operate in a complex and rapidly changing business environment, and effective strategic management practices can help them adapt and stay ahead of their competitors. Therefore, given the global importance of the petroleum industry, it is crucial to better understand the impact of strategic management practices on the competitiveness of the companies. This coupled with contextual, conceptual, methodological, and information gaps that exist necessitated conducting this study. The study sought to examine the influence of strategic management practices on the competitiveness of Tosha Petroleum limited. The study used a qualitative approach, collecting data from ten (10) senior ranking officials from Tosha limited. Data was collected using an interview guide and content analysis was used to determine themes, words, or concepts within the qualitative data. The results of the study showed that marketing and advertising, strategic planning, cost leadership, situational analysis, training and development, customer relationship management strategy, and product differentiation had a significant positive influence on the competitiveness of the petroleum company. The findings of this study provide useful insights for petroleum companies seeking to enhance their competitiveness in a highly dynamic and competitive environment. The study suggests that petroleum companies should focus on developing effective marketing and advertising strategies, engaging in strategic planning, implementing cost leadership practices, conducting situational analysis, investing in training and development, and adopting customer relationship management strategies to improve their competitiveness. Additionally, the study highlights the importance of effective management practices and product differentiation in enhancing the competitiveness of petroleum companies.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The twenty-first century business environment can be regarded as vibrant and tumultuous. This is because corporations are impacted by global societal change, occurrences, and pressures forcing them to be highly competitive so as to stay at the top. According to Olanipekun et al. (2015), there has been a significant shift in how enterprises relate to the society. Some of the elements driving these developments include growing stature and prominence of business corporations, governmental repositioning, and a rise in the strategic significance of stakeholder relationships, expertise, and brand reputation (Fatonah, 2017). Therefore, businesses have adopted complex and sophisticated decision making requiring strategic management so as to have a competitive advantage. Currently, top management officials ponder strategic objectives and missions. They break down market tactics and draw out plans for everything from research and development to procuring raw materials and dealing with distributors. This has made simple planning loose its allure since planners are now becoming strategists (Aghazadeh, 2015).

According to Doyle and Armenakyan (2014) organizations should adopt strategic management practices to win market shares. This makes it easier for the company to be in the best possible position in its market. Strategic management methods provide more accurate forecasting of the external environment as well as better preparedness for responding to unforeseen internal and competitive needs. To guarantee that potential risks and opportunities are detected, a corporation monitors its internal, industrial, and external environments. As a result, it is important to highlight that environmental monitoring guarantees that organizational objectives are well-articulated and in accordance with the risks that come with them (Gatheru & Gitonga, 2018).

This study was anchored on the profit-maximizing and competition-based theory, resource-based theory and institutional theory. The resource-based theory is relevant to the study since it discusses how strategic resources influence a firm's competitive advantage and why it is crucial for managers to understand what type of advantages they possess before developing strategies for growth (Kozlenkova et al., 2014). Additionally, the profit-maximizing and competition-based theory is relevant as it stipulates that a firm's main agenda should be creating sustainable profitability while building a lasting competitive advantage over its competitors in the marketplace (Omalaja & Eruola, 2011). Lastly, the institutional theory is chosen to guide this study since it specifies that firm's decisions should be driven by social cultural factors, efficiency goals and concerns of legitimacy in a bid to gain a competitive edge (Meyer & Rowan, 1977).

The petroleum firms in Kenya are greatly influenced by their internal and external environments. It is crucial for these firms to develop strategies that guide the overall direction to take in the long run if they wish to stay profitable and competitive. The industry is of great importance to the growth of the economy and adopted various strategic management practices to manage the changes in their environments and allow them to stay competitive. It is consequently the researcher's responsibility to comprehend and explore such strategies.

1.1.1 Strategic Management Practices

Strategic management is, without a doubt, all about achieving and retaining a competitive advantage. Strategic management practices give direction to decision makers, leading to better decision-making and implementation of remedial measures. (Mcharo, 2016). Aghazadeh (2015) states that there should be a strategic alignment between an organization and the environment they operate in. The paper also describes strategic consistency which ensures that the actions of an organization are allied with its objectives, as well as the expectations of the management. Strategic management practices are approaches and policies adopted by firms in an endeavor to formulate and implement plans designed to achieving the objectives of an organization. They include strategies to formulate and implement the mission, vision, organizational structure and core values of a company.

Companies adopt different strategic management practices to maintain a competitive advantage. As per Kharub et al. (2018), a cost leadership tactic keeps prices for services and products lesser than rivals to persuade customers to purchase the less costly items so as to save more money. Corporations in the oil sector consider lower pricing to be a key component in their decision-making since they increase market share and revenue. Businesses utilize the product differentiation strategy to distinguish their goods from those of their opponents by accentuating important attributes of those goods. This technique involves maximize the use of a product's branding, appearance, or capabilities. The aim is to enhance consumer attraction by leveraging unique characteristics and product quality, while also safeguarding against competitors' attempts to gain a larger market share. (Dirisu et al., 2013). Customer relationship management is one more strategic management technique that aids companies in developing good ties with their clients and fostering client loyalty. Customer relationship management is fundamental since small alterations in consumer sentiments can have a big bearing on the way buyers choose to consume a company's services and products.

Additionally, businesses reduce production costs through optimizing the supply chain or outsourcing. This tactic aids companies in their efforts to regulate expenses and revenues. Companies that use this strategy focus on having the least production costs feasible so as to compete with other enterprises. In order to remain competitively priced with other firms, companies frequently cut the expenditures of personnel, infrastructure, and other inputs like utilities and raw materials (Fedyshyn et al., 2019). Finally, businesses emphasize on client satisfaction since satisfied clients are more inclined to make repeat purchases. Additionally, individuals are more likely to buy items and services from a business they are fond of and trust.3

1.1.2 Competitive Advantage

Having a competitive edge means surpassing other players in your industry of operation. The phrase can be interpreted as anything that a company performs remarkably better compared to its competitors. This makes firms outperform their rival in terms of profitability creating value for the business and its proprietors (Ejrami et al. 2016). A competitive edge should be hard to imitate, if not insurmountable. It is not considered a competitive advantage if it can be effortlessly duplicated or replicated. A business can only have a source of sustainable competitive edge for a limited time because competitors replicate and duplicate dominant businesses' ideas, causing the originator corporation to lose its competitive edge over time (Fatonah, 2017). Consequently, it is critical for businesses to build and maintain a long-term competitive edge. This can be accomplished by adjusting to the shifting external business environment on a regular basis. Furthermore, firms must distribute skills and resources in a seamless fashion to mirror internal strengths and capabilities. Companies should create, execute, and evaluate strategies in an efficient way, according to Liu & Liang (2015), in order to obtain a competitive edge.

Strategic management for competitive advantage, as defined by Roley (2006), aims at creating practical and theoretical knowledge for the development, execution, and sustainability of companies. It is the macro-equivalent of management control, and it is utilized to sustain a competitive edge.

Strategic management for competitive edge is a technique of accomplishing a competitive edge in the short and long run. It could be a direct or indirect technique to improving a company's efficiency (Barney, & Hesterly, 2010). Such institutions might be public, semi-public, or private in nature. With the emergence of the internet, acquiring a competitive edge has grown easier, since businesses can now sell directly to customers and connect producers, consumers, lenders, and other stakeholders into their value stream. Firms can lower expenses and increase revenue by eliminating intermediaries. In essence, the internet has revolutionized the rules of the system, and sources of competitive advantage in the information age are now determined by how successfully companies use digital platforms and social media to obtain an edge over their competitors.

Therefore, competitive edge must be won, obtained, and maintained. As a result, in the unforgiving corporate world of the twenty-first century, only the few organizations who are nimble and adaptable to changes in the marketplace, and whose internal skills are matched with external prospects, will flourish. As shown by the definition, competitive advantage is ephemeral and malleable; thus, businesses must continually be on the hunt for potential sources of competitive advantage and be on the lookout for rival actions (Fatonah, 2017).

1.1.3 Tosha Petroleum Kenya Limited

Tuitoek (2007) explains that Kenya’s petroleum industry was well established even before Kenya’s independence. Before 1994, the industry was a regulated sector, with the Government controlling both importation and pricing. Afterwards, all the aspects of transportation, storage and supply were monopolized to the government. The private sector, which was mostly made up of international oil firms, was left in charge of the marketing aspect. The petroleum industry is among the four key economic drivers since it connects the industrial and service sectors. Presently, there are 36 oil marketing Companies that market and import four main petroleum products. KPC product delivery data indicates 5 major firms hold more than half of the market shares. They include; Total Kenya controls about 22.55%, while Shell controls 17.81% and Oilibya controls 10.56%. Kobil controls 10.55%, while Nock controls 7.10% and the other firms control less than 4% of the market.

Tosha Petroleum Kenya Limited is one of Kenya's largest private oil marketing corporations in terms of market share. It was established in 2003 and its main objective is importing, distributing, and marketing refined petroleum products. Tosha Petroleum Kenya Limited focuses mostly on the Great

Lakes area, serving the East African territory with around 72 million gallons of petroleum goods per year. Initially, the company acted as a reseller of petroleum products and services but has grown over time opening over 17 retail service stations. Tosha Petroleum Kenya Limited has become a full-blown oil marketing firm, with the Energy Regulatory Commission (ERC) granting it permission to import petroleum products for both domestic and international market. It has also engaged the Kenya Pipeline System (KPC), with whom it has inked a transportation and storage deal. Moreover, it is also a member of the OTS and has negotiated a crude processing deal with Kenya Petroleum Refineries (KPRL). Tosha Petroleum Ltd has developed into a leading regional oil marketer with significant operations in Kenya and the Great Lakes region. While it is headquartered in Nairobi, Kenya, it has significantly strengthened operations in Uganda and supplies a large customer in Rwanda, the Democratic Republic of Congo, and is now ready to infiltrate South Sudan.

1.2 Research Problem

Kenya's petroleum industry faces numerous challenges that emanate from the social, political, technological and economic environment. Frequent changes of the environment influence the sector. This has caused most companies in this industry to merge or be acquired by others after a short period of operation or when they show no sign of growth after a long time. The changes have also resulted to stiff competition with major companies in the industry losing a substantial part of their market share. Many deem this as a bitter pill to swallow. The crowded market pushes the companies to adopt new strategies like performance evaluations, retrenchment, and outsourcing so as to stay profitable.

Strategic management is key in developing and executing strategy and an organizational strategy is the main driver of competitive advantage. A good strategy enables an organization to analyze its capabilities and take advantage of external opportunities while minimizing threats from the environment they operate in (Barney & Hesterly, 2010). This entails organizing resources and creating an environment that can effectively support the objectives outlined in the strategic plan. Firms have different organizational capabilities resulting to adoptions of different strategies. These differences make them unique and, in some cases, give the firms a competitive advantage. However, many organizations are spending a lot of resources fostering strategies to be competitive however, they do not implement them. Instead of predicting and planning for unforeseen developments and issues, a lot of time is spent apprehending and responding to these problems. In the process, the organizations become reactive because of this destructive cycle (Hamadamin & Atan, 2019). Therefore, all strategies tailored and designed to achieve the organization's objective should be shaped not just assist in preserving the market position, but also, increase the general competitiveness.

There has been extensive research examining strategic management as a competitive advantage tool for different organizations. Some global work includes Monday et al. (2015) who established that strategic management correlates to the competitiveness of organizations. Phina (2020) found that all strategic processes such as strategy formulation, strategy objective, strategy evaluation, and strategy implementation were found to substantially affect performance and the competitiveness of an organization. Additionally, Mulyaningsih et al. (2021), Nkemchor et al. (2021) and Hamadamin and Atan (2019) found a correlation between strategic management and the competitiveness of organizations.

Locally, Owich, (2017) study concluded that as organizations strive for a competitive edge, a focus on strategic management becomes necessary because a competitive advantage is a unique and valuable quality that gives a company the ability to outperform others in the same market. Kakunu (2006) concluded that strategic management practices affect the operations of most Kenya commercial banks. Awino (2013) found that strategic planning influences the competitiveness of ICT small and medium enterprises in Kenya. Additionally, Gaya et al. (2013) concluded that strategic management is key in building a sustainable competitive advantage for large and high performing organizations. Lastly, Nyanchoka, (2013) and Gure and Karugu (2018) found a correlation between strategic management practices and the competitiveness of a firm.

There are contextual, conceptual, methodological, and information gaps that exist. None of these studies were conducted in the petroleum industry and most used a descriptive research design to investigate their objective. Some also used secondary sources and none was a case study. This study attempted to address some gaps that exist. The study examined the link between strategic management practices and the competitiveness of Tosha Petroleum limited. It intended to answer the research question, do strategic management practices influence the competitive advantage of Tosha Petroleum Limited?

1.3 Research Objective

The study's objective was to examine the link between strategic management practices and the competitive advantage of Tosha petroleum limited Kenya.

1.4 Value of the study

The findings of the research will be critical to the management of Tosha Petroleum Limited Kenya and oil marketing and distribution companies. It will detail how effective strategic management practices can help the organization increase its competitiveness. Strategic management decision makers and investors in the oil marketing and distribution industry will gain from staying informed and determining which strategies are critical in surviving in an ever-changing environment while staying competitive. They can also customize the strategies identified to their individual situation.

Additionally, the knowledge can be utilized in devising and executing policy decisions that provide an enabling environment to give businesses a competitive advantage. The study will provide a strategic framework key in governing the oil marketing and distribution sector which is key in the achievement of the Vision 2030. In conclusion, the study will develop new models for implementing strategies where organizations are operating in new and foreign markets.

Finally, researchers and academics may utilize the findings as a foundation for future studies regarding this and other similar areas. The study will fill a research gap by demonstrating the relationship between strategic management practices and competitiveness in the context of the petroleum industry.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section explored literature from a conceptual perspective as well as empirical studies from numerous scholars who have interposed the study of the impacts of strategic management on competitive edge. The empirical literature and theories are analyzed in this section.

2.2 Theoretical Foundation

There exist different theories that explain the association between strategic management practices and the competitiveness in an organization. This study discussed a few of them including resource-based theory, institutional Theory and profit-maximizing and competition-based Theory.

2.2.1 Resource-Based View

The theory was fostered by Wenefeldt (1984). It is a way of examining and identifying the strategic advantages of a firm based on evaluating skills, assets and abilities. The resource-based theory is founded on a credence that all businesses differ as they possess unique resources, both tangible and intangible. They also differ in terms of organizational capabilities and assets. Pearce & Robinson (2007) explain that these unique resources help companies develop competencies and become more competitive. Therefore, it is evident that business resources play a significant role in the implementation process. This is because strategies may be well thought out but without the essential resources to support implementation, they might remain stuck in the planning stage.

The theory explains how some firms can stay competitive in an industry. It states that companies should focus on their core competencies and leverage their assets (e.g., physical resources, human resources, intellectual assets) to develop a sustainable competitive advantage over their competitors (Omalaja & Eruola, 2011). This theory suggests that the firm's competitive edge is founded on its resources (both tangible and intangible) to develop and create value-added products/services, rather than basing it on specific capabilities or skills. It says that firms with a significant number of resources are more likely to develop a competitive advantage over their competition by creating more value-added products and services (Barney et al., 2012). The resource-based theory of strategic management comes in handy while determining the impacts of strategic management resources on competitive advantage. According to the theory, firms that possess strategic resources gain a substantial competitive advantage over those that do not. For the resources to be considered strategic, they must be highly valuable, non-substitutable, rare, and tough to duplicate. This theory is thus pertinent to the study because it recommends that companies focus on their core competencies and leverage their assets to develop a sustainable competitive edge over their competitors.

2.2.2 Profit-Maximizing Theory

Hornby (1995) proposed this model, which is based on the idea that the basic goal of every company is to maximize profits. On the long term, the theory centers on the creation of a sustainable competitive edge. The theory has a lot of relevance as businesses operate in dynamic environments and are not just inside their industry but also transverse industry vertices (McCann &Vroom, 2010). However, numerous scholars maintain that it opposes the traditional within-industry competition approach presented in Porter's Five Force Framework.

According to Jafar et al. (2010), this theory is based on an industrial/organizational outlook that considers the firm's exterior status in the marketplace as a significant element for achieving and maintaining a competitive edge. Unlike the resource-based theory based on the economist philosophy, the profit-maximizing and competition-based theory is founded on the management philosophy. Consequently, the firm's external positioning is the main determinant of its competitive edge under this theory. The profit-maximizing or competitive-based theory of strategic management focuses the attention on the firm's profitability and the process of competition in determining what strategy should be pursued by firms. This theory is thus pertinent to the study as it elucidates that competitive advantage has a strong relationship with profitability and that a firm's profitability increases as competition increases. Thus, this means that the strategic management practices must be aimed at increasing the firm's competitiveness in order to increase profitability.

2.2.3 Institutional Theory

The theory developed from the institutional school of thought indicates that organizations must conform to the belief systems and rules of the environment so that they can survive the turbulent conditions around them. Scott (1987) introduced this concept, arguing that entities must adhere to ideals and regulations within their context. Some scholars perceive the theory to be important for organization while some criticize it by arguing that it overlooks private companies and marketers making them passive. They continue to explain that the theory is insufficient to explain the social phenomena.

As per Amenta and Ramsey (2010), the institutional environment has a stronger effect on formal structure development than other market factors. In most cases, the environment legitimizes innovative structures that promote technological efficiency in early-adopting businesses. Eventually, the innovations are highly legitimized and that failure to adopt them is perceived as negligence. In some cases, they are made legal mandates. This makes new or existing institutions to implement the structures even when they not compatible with their objectives. Hence, they never improve efficiency. This theory is thus significant for the study because it stipulates that cooperation within the institutional environment causes diffusion of innovative structures to be long-lasting and steady. It also explains that an unfocused and contentious institutional environment makes adoption of innovative structures slow and uncertain.

2.3 Strategic Management Practices and Competitive Advantage

Strategic management approach is the procedure wherein the management selects long-term direction of the company, define precise performance goals, design strategies to meet these goals in consideration of all pertinent external and internal factors, and commit to putting the selected strategic plans into action (Strickland, 1996). The creation of the organization's vision and mission is a crucial strategic management strategy that any business can follow (Pearce and Robinson, 2007). A strong vision and mission statement outlines the goals, target markets, consumers, goods or services, corporate ethos, and technological inclinations of a firm. A mission statement must outline the firm's purpose and goals; it should be both specific enough to rule out certain endeavors and inclusive enough to enable for innovative development. (Rao, 2005).

Situational analysis is another tactic in strategic management that is widely used. An organization performs situational analysis by concentrating on both the company's internal environment and the external environment that surrounds the organization. One way that management accomplishes this is SWOT analysis, a comprehensive operational technique used to assess the opportunities, weaknesses, strengths, and threats related to a firm’s operations and initiatives (Owichi, 2017). This aids in identifying strategic goals and developing a number of strategies for maintaining corporate operations in the unstable commercial climate. Product differentiation, regional and branch expansion, financing, customer-care, relationship marketing, innovation, and information technology approaches, as per Mulyaningsih et al. (2021), are essential for securing a competitive edge in a fast-paced corporate environment.

A competitive edge would be guaranteed by the proper strategic management procedures, ensuring that a firm stays relevant. The study by Hamadamin and Atan (2019) looked at how to adapt to shifts in the economic climate. The survey found that most banking institutions used retrenchment tactics, which entailed lowering operating expenses and selling off non-core resources, to adapt to shifts in their environment. Organizations have also adjusted to the environment by employing a variety of investment techniques that differ from retrenchment, and as a result, businesses see these shifts as chances to invest, develop, and penetrate new markets in order to gain or maintain a competitive edge.

Pamulu (2010) recommends assigning of fitting resources to ensure the chosen strategies are appropriately accomplished as an important strategic management practice. This could entail creating mechanisms to estimate revenue, expenditures, and capital requirements as well as setting annual budgetary limitations for expenses while attempting to minimize financial difficulties. All this should be done in line with a corporation's mission, goals or objectives and must be implemented effectively so as to achieve the overall objectives. Hesterly & Barney (2008) states that assigning of fitting resources ensures that a company's objectives are carried out in a way that brings about success.

According to Rana et al. (2017), during implementation of strategic management practices, all initiatives must be aligned throughout the firm to make certain that each action fits into the strategy. Additionally, the financial budgets and performance must be aligned and measures of performance against the established goals that have been strategically formulated throughout the organization should be defined. The institution's structure must be in line with the company's strategy, which calls for alignment to allow the strategy to effectively and completely permeate the whole organization from top to bottom. This is necessary for the strategy to be implemented. (Kazaz & Ulubeyli, 2009) recommend engaging the staff so that all the organization's staff get behind the strategy and monitoring and adjusting the strategy to making sure that it is documented, it is flexible and can adopt change.

Maina and Kagiri (2016) proposed that organizations can create and maintain a competitive edge through product differentiation. They explain that having product or service differentiation is more appealing to customers than other options that causes businesses to outperform their rivals and survive and flourish in the competitive marketplace. Product differentiation is what gives a business a competitive advantage and includes better quality and service as well as unique features and benefits. There are many methods for distinguishing products. Companies that market the same product, for instance, the petroleum industry, produce goods with varying performance or quality that result in the creation of cheaper, lower-quality oil products or more expensive, higher-quality oil products. According to research by Muthiani (2013) on product differentiation by oil industry companies, National Oil and independent petroleum dealers both differentiate their goods to appeal to target markets. Total differentiates its products via service, OiLibya through Non-fuel offers, Shell through quality, and Independents on price (46%). All of the biggest oil companies depend on their brand names as the backbone of their sturdy foundation. Differentiation can help a company increase its competitive edge in the market, as opposed to price-based competition, which is destructive to the industry.

Kharub et al. (2018) asserts that cost leadership is key in influencing a competitive advantage. It helps increase sales and overall turnover. Cost leadership strategies should be based on an objective to lower operation cost per unit of production compared to others in the same industry. By offering lower cost, businesses are able to gain market share through price. Haque et al. (2021) explains that striking a balance between quality and price is crucial for all cost leaders. This is because there comes a time when compromising quality due to cost can no longer be justified in the consumers' minds. They explain that a cost leadership strategy allows business to operate as the lowest-cost business in its market.

According to Villanueva et al. (2007) a good customer relationship management strategy can help a business gain a competitive advantage in its industry as it meets customer needs. A successful customer relationship management strategy engages customers and is key in building trust and promoting brand loyalty. It also helps businesses interact with customers through dialogues and build long-term connections with them. As a result, it plays an important role in developing a strong rapport with customers. Identifying with customers allows businesses to come up with ways to efficiently and effectively take care of their needs. This boost customer satisfaction while reducing complaints (Day & Van den Bulte, 2002).

2.4 Empirical Review and Knowledge Gaps

While few research articles tackle the topic directly, there has been much research on the effect of strategic management approaches in achieving a competitive advantage. Damilola et al. (2015)

perceives strategic management as a process that necessitates the continuous planning, surveillance, study, and estimation of all conditions that a company must fulfill in line with its mission and aspirations. Similarly, Mulyaningsih et al. (2021) and Clifford et al. (2017) perceive it as the process of setting goals and determining strategies to ensure that the goals are achieved. As organizations strive for competitive advantage, a focus on strategic management becomes necessary because a competitive advantage is a unique and valuable quality that gives a company the ability to outperform others in the same market (Owichi, 2017). It is essential to maintain this advantage because organizations in the same industry, or even from different industries, may take notice and try to copy your tactics.

The unpredictable and tumultuous character of the corporate climate necessitates firms' adoption of strategic management techniques to stay on top of market developments. In a Nigerian bottling company, Damilola et al. (2015) assessed the effects of strategic management on competitiveness and business success. They adopted the resource-based theory as a conceptual framework for the study since it shows how the distinctiveness of a company's resources and competencies lead to a competitive edge and better performance. They discovered that strategic management approaches contribute to a competitive edge and long-term profitability. In a similar study, Kumar (2021) avers that strategic management evaluates a company's competitive edge and the development of goals and strategies to handle both current and potential rivals. Kumar's (2021) study on the relationship between pharmaceutical firm performance and strategic management practices concluded that strategic management practices are strongly and substantially associated with profitability. Alike, Kumar (2021), Mulyaningsih et al. (2021), and Clifford Tizhe Oaya et al. (2017) argued that strategic management practices give a clear scope by formulating strategic planning aimed at attaining objectives and afterwards assigning resources for implementing the strategies. As a result, Kumar (2021) established that strategic management gives organizations a competitive advantage in the marketplace and entails continuous planning, research, tracking, and evaluation of all requirements that an organization requires to fulfill its strategic goals.

Colleges and universities, like other businesses, try to attain, retain, and perpetuate their comparative edge. Hamadamin and Atan (2019) discovered a linear and positive association between strategic HRM and comparative edge. Furthermore, Hamadamin and Atan (2019) discovered that strategic HRM positively impacts employee retention and human capital development. This impact partly mediated the relationship between strategic HRM procedures and long-term competitive advantage

(SCA). These findings are corroborated by Phina (2020), whose research, although focusing on the impact of strategic management on organizational performance, is nonetheless useful for this research. As Phina (2020) points out, strategic management is necessary because it entails planning and articulating plans to face rivalry and assure protracted vitality and profitability. Furthermore, strategic management guarantees that organizational effectiveness is built to outpace other players and effectively manage the firm through market shifts. Strategic thinking, according to Phina (2020), gives a substantial competitive edge, allowing it to outperform rivals in the field and assist to boost overall productivity.

Instead of tackling the effects of strategic management on competitive edge individually, like Damilola et al. (2015), most of the literature lumps together competitive advantage with "firm/organizational performance." For instance, in Nkemchor et al.'s (2021) paper on the effects of strategic management on organizational performance, the gaining of competitive advantage is heavily utilized as a measure of improved organizational performance. Likewise, Mutendera and Simba (2019), and Kasera (2017) also use competitive advantage as one of the measures of organizational performance in their studies on the effects of strategic management on the organizational performance of beach hotels, SMEs, and health institutions, respectively. As a result, one could easily overlook the relationship between the two concepts (Strategic management vs. competitive advantage). Based on this lumping together, one can thus deduce that most of the authors assume that the two concepts are inseparable.

The chief similarity in each of the studies is in the findings. Almost all of the studies demonstrated that adopting and implementing strategic management approaches does, in fact, result in beneficial improvements that underwrite competitive edge and long-term effectiveness. This is evident in Mitchell et al.'s (2013) enquiry on strategic human resource management and organizational performance. Similarly, Yoshikuni and Albertin (2018) performed a rather specific strategic management study and found that strategic information systems were highly likely to improve the competitive performance of an institution. Phina (2020), Hamadamin and Atan (2019), and Mulyaningsih et al. (2020) also had similar findings. Another significant similarity in most of the studies is the methodology utilized. Most of the studies were quantitative and utilized structural equation modeling (SEM), particularly Mulyaningsih et al. (2020), along with Yoshikuni and Albertin (2018), and Hamadamin and Atan (2019). Only Phina (2020) utilized multiple regression analysis in her study.

Ultimately, the limited research literature on the impacts of strategic management practices on competitive edge is a significant limitation. This is because most of the research studies have mainly focused on organizational performance, despite competitive advantage being an essential consequence of strategic management (Hamadamin & Atan, 2019). Nevertheless, over time, some developments have helped to understand how strategic management contributes to competitive advantage, as established in the literature review. That said, further (specific) research must be conducted to contribute to the available data.

Monday et al. (2015) conducted a study that revealed strategic management influences the performance and profitability of the manufacturing industries. Moreover, strategic management had a positive association with competitive advantage. The study was carried out for the manufacturing industry alone and was not replicated in other industries. Mutendera and Simba (2019) study found that behavioral improvements are a significant driver affecting beach resort success and that cognitive improvements due to organizational learning are a source of sustainable competitive advantage. This study was however only conducted for beach resorts. This current study used Tosha Petroleum Ltd as a case study and the results can be replicated to other oil marketing companies.

Phina (2020) concluded that all strategic management practices substantially affect organizational performance. The gap is that the study lumped together competitive advantage with organizational performance as it used competitive advantage as one of the gauges of organizational performance. This current study was specific to competitive advantage and consider the two concepts as separate. Mulyaningsih et al. (2021) study found a significant correlation between strategic management and competitive edge in SMEs in Indonesia, Sukabumi. The study centered on SMEs only but this current study focused on Tosha petroleum Ltd. Nkemchor et al. (2021) study revealed a significant positive impact of the strategic management concepts like environmental scanning, strategy implementations, strategy formulation, and strategic evaluation. The study considered this a competitive advantage as a constituent of institutional performance and did not investigate it individually. It was also carried out for tertiary institutions alone.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology that was employed in the study to facilitate the research process. It provides details about the research design, data gathering, and analysis. Additionally, it presents the outline that was utilized to gather and analyze the data.

3.2 Research Design

A research design is a strategy that outlines all of the tasks required to complete a research study. It defines the operational framework inside which data is gathered, analyzed, and useful insights are generated. A study design, as per Kumar (2021), is a roadmap to data gathering and analysis. It is the blueprint, framework, or method utilized to generate research problems' solutions.

The case study research design was employed in the study. This design is considered based on its ability to give the in-depth account of strategic management practices as a competitive advantage tool for Tosha petroleum limited. A case study approach is commonly employed when attempting to gain a comprehensive understanding of an event, issue, or subject of interest within its natural real-life setting (Flyvbjerg, 2011).

3.3 Data Collection

Data was collected using an interview guide. An interview guide is simply a list of topics together with questions to be covered in an interview (Kallio et al., 2016). There were 18 senior ranking officials. However, the interview guides were administered to the 10 senior-most ranking officers, including the CEO, Four MDs and Five of their deputies at Tosha petroleum limited. This is because these officers were in charge of strategic decision-making and could provide insight into determining the strategic capabilities used by the company to gain a competitive advantage.

3.4 Data analysis

Data analysis is the most crucial part of any research. Data analysis aimed at summarizing information gathered from respondents into useful data that can be read and processed to produce summaries and detect trends. The qualitative data acquired for the study was analyzed using content analysis. Content analysis determines themes, words, or concepts within qualitative data (Drisko & Maschi, 2016). Therefore, the study evaluated the relationships and meanings of certain concepts, words, and themes. The study used the words, themes, and concepts to evaluate strategic management practices embraced by the organization and how the practices have been utilized to gain a competitive advantage.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The analysis and discussion of the findings are summarized in this chapter, as shown in the research methodology. Tosha Petroleum Limited Kenya's strategic management techniques and competitive edge are also discussed.

4.2 Demographic Information

The study collected data from 10 senior-most ranking officers at Tosha petroleum limited, and the response rate was 100 percent. Analysis revealed that slightly more than half of the respondents (58%) were male while 42 percent were females. Additionally, all the respondents at the firm were highly educated, with all having bachelor's degrees, one presently pursuing a postgraduate degree, and two having finished postgraduate degrees. Based on the length of service of the workforce, the responses revealed that all of the participants had served at Tosha Petroleum Limited for more than one year and in the same position.

4.3: Strategic Management Practices and Competitive advantage

The study's objective was to determine strategic management practices adopted by Tosha Petroleum Limited Kenya that contribute to its competitive advantage. The respondents were asked to indicate whether the firm had implemented strategic management practices and the benefits of the practices. All the respondents agreed that indeed Tosha Petroleum limited had implemented the use of strategic management practices. According to one participant, embracing strategic management methods aided the firm in understanding the current situation, developing strategies, deploying them, and analyzing the efficacy of the management strategies executed. Another explained that the strategies were behind numerous positive outcomes in the organizations such as good performance and a higher competitive advantage.

The respondents were asked to indicate and explain the strategic management practices the company had adopted to ensure they had a competitive advantage in the market. Below are some of the strategic management practices adopted.

4.3.1 Strategic Planning

The respondents indicated that Tosha Petroleum Limited had a strategic plan which had a distinctly stated corporate mission. The mission identified the company's core social responsibilities in terms of the services and products that it provides to its clients. They emphasized that the mission was built on the firm's unique competences, which are competitively superior company resources that ensure that the organization operates effectively in contrast to its rivals. These includes its focus on renewable energy such as solar, wind, and biofuels and its diversified portfolio which includes importation, distribution and marketing of refined petroleum product. This has contributed to the competitive superiority of Tosha Petroleum limited in the industry.

Tosha's mission statement is expressed as “To be a regional Oil Marketer in Kenya and the Great Lakes Region”. One respondent remarked that the mission statement meets three essential aspects of a strong mission statement, which are the market, and the product/service. Respondents also added that the mission provided directions and guidance for the company as it helped to align the efforts of employees, suppliers, customers, and other stakeholders towards a common goal. Another added that the mission was helping to build a brand identity for the company in the industry. It was also helping to differentiate the company from its other global companies in the market like Total energies and Shell petroleum while creating a sense of purpose and meaning for its customers. This has helped increase brand loyalty and customer satisfaction, which has translated into higher sales and profits.

4.3.2 Situational Analysis

The participants also highlighted the practice of environmental analysis as a strategic management approach implemented by the company to gain a competitive edge. One respondent emphasized that environmental analysis played a crucial role in shaping organizational decisions, actions, and overall structure. They further mentioned that a comprehensive analysis of both internal and external environmental factors was conducted. The external environment encompassed aspects such as the political, economic, social, industrial, and technological conditions in Kenya. These factors were influenced by external forces and were generally independent of any specific firm's operational circumstances. In contrast, internal factors referred to elements that originated from influences within the firm's operating context, including government regulations, the company's strategy, customers, market operations, and objectives, among others.

The respondents specified that they conduct a competitor analysis to understand their position in the market. Some of the biggest competitors of Tosha Limited were noted to be Shell Petroleum and Total Energies. Respondents indicated that they benchmark their performance against that of Shell Petroleum and Total Energies. By analyzing the financial and operational performance of their competitors, Tosha petroleum company has been able to identify areas of improvement for their performance and to gain a competitive edge. Tosha Petroleum analyzes the efficiency and effectiveness of its marketing strategies and compares this to that of Shell Petroleum and Total Energies who are the biggest oil marketers in the country.

The respondents also noted that competition analysis aided Tosha Petroleum in evaluating its rivals' strengths and shortcomings in relation to their own, as well as identifying market gaps. A competitor analysis was necessary for the company since it assisted them in determining how to improve their overall business strategy. This is done by identifying Tosha's main competitors, considering both direct competitors within the petroleum industry and potential disruptors from alternative energy sectors. Next, Tosha gathers information on their competitors' services, products, pricing, marketing strategies, distribution channels, and technological advancements which is used to evaluate its own capabilities while comparing them to its competitors to identify areas of competitiveness and potential vulnerabilities. The study also found that the information can assist in establishing benchmarks to create reference points against which progress can be measured. According to another interviewee, competition analysis is performed to determine what rivals are accomplishing in the areas of customer acquisition, technology, new products, funding, price, and marketing activities.

Further discussions revealed that Tosha Petroleum Limited conducts SWOT analysis to better understand its competitive environment, anticipate changes and challenges, and to identify opportunities for growth and innovation. They added that this analysis is an essential tool in strategic planning, enabling the company to make informed decisions and take calculated risks to maintain its position as a leading importer, distributor, and marketer of refined petroleum company.

Additionally, the respondents mentioned that Tosha Petroleum carries out a 5C analysis, that represents collaborators, competitors, company, customers, and climate. The respondent further explained that the approach was commonly used by Tosha to find a long-term competitive edge. It assessed if the company's assets give a long-term or short-term advantage.

4.3.3 Training and Development

The respondents indicated that Tosha Petroleum limited carries out employee training and development to achieve their organizational objective. They explained that, for the past five years, the company had implemented a staff transformation initiative. The organization provides training and development programs for its entire staff, following a yearly plan that is formulated in the final quarter of the previous year. One respondent indicated that Tosha Limited provides technical training which is intended to train employees on the latest technologies and techniques for distribution of petroleum products. This includes training on storage, transportation and digital technologies like advanced data analytics and machine learning algorithms used to optimize production processes, reduce costs, and improve safety and environmental performance. Additionally, with the petroleum industry increasingly investing in renewable technologies, Tosha uses solar and wind fuels as part of an effort to diversify its energy portfolio and reduce its environmental impact.

Tosha limited also provides safety training to the employees. This involves training employees on how to work safely in hazardous environments, such as oil rigs, refineries, and pipelines, to minimize the risk of accidents and injuries. Additionally, environmental training is provided to ensure that employees understand the latest environmental regulations and best practices for minimizing the impact of petroleum operations on the environment. Lastly, Tosha petroleum provides Customer service training to ensure customers get exceptional customer service, to maintain customer loyalty and satisfaction and sales and marketing training to ensure that employees understand how to effectively sell and market petroleum products, including product features, benefits, and pricing strategies. Overall, the respondents agreed that providing employees with ongoing training and development opportunities had highly contributed to the firm remain competitive.

4.3.4 Management of Tosha Petroleum Limited

The respondents were asked to indicate the people involved in coming up and executing the strategic management practices. The respondents indicated that establishing a strategic management system included stakeholders, management, and employees. Stakeholders, including customers, suppliers, and investors provide valuable insights into the external environment, including market trends, customer preferences, and emerging threats and opportunities. The respondent clarified that the management doesn't ignore the input of employees and management in implementing a company's strategy. They concur that the interaction between stakeholders, management, and employees is instrumental in formulating and implementing successful strategies. Additionally, the respondents stated that management and employees at Tosha limited had an intimate understanding of the organization's internal strengths and weaknesses, including operational efficiencies, employee skills and capabilities, and company culture. Therefore, involving stakeholders, management, and employees in the strategy formulation process has helped enhance better communication and collaboration across different departments and functions. This has improved the organization's ability to implement the strategies effectively and achieve its strategic objectives.

Furthermore, respondents noted that management and the board collaborate and adhered to Tosha's strategy. It encourages effective governance from these offices in order to fulfill the companies' goals and assure strategy execution. They went on to say that effective governance is critical in guiding employees to always work towards the benefit of the company. More precisely, it boosts the company's performance, allowing it to grow more productive and stable while also opening up new prospects. As per to one responder, it eliminates hazards and allows for quicker and healthier growth. It also boosts credibility and builds trust. The respondents also indicated that Tosha had implemented and was complying with the national standards of good governance.

4.3.5 Cost Leadership

The respondents stated that Tosha Limited was attaining low-cost leadership by becoming the sector's lowest price provider, instead of simply being one of numerous rivals with low costs. Tosha executives use cutting-edge technology in distribution, procurement, and inventory control to keep cost low.

By deploying sensors and connected devices across their operations, Tosha petroleum limited collects and analyzes real-time data on their supply chain, logistics, and production processes. This has helped them optimize their operations by reducing waste, improving efficiency, and minimizing downtime. Additionally, implementing IoT sensors has helped to monitor the condition of equipment and pipelines, track inventory levels in storage tanks, and provide real-time data on transportation routes and delivery times.

4.3.6 Customer Relationship Management.

The research also established that a customer relationship management approach improved competitive edge at Tosha Petroleum. One respondent indicated that customer relationship management strategy has become a critical competence that all organization must possess. This is due to the fact that it guarantees that the business focuses on the intended audience. Tosha had adopted two strategies for turning a low-cost edge over competitors into appealing profit performance. They exploit the lower-cost advantage to undercut rivals and attract a large number of price-sensitive customers to improve net profit. This has helped Tosha to achieve a competitive advantage as it contributes to the growth in market share, builds brand loyalty, and creates barriers to entry.

Also, the respondents indicated that Tosha Limited had linked their customer approach with their firm's goals and objectives. One respondent indicated that the success of Tosha can be attributed to its ability to find, grow, and keep profitable consumers. They insisted that understanding consumer demands, habits, and beliefs and having the capacity to engage particular customers maximally at numerous contact points was a tactic used by Tosha so as to remain competitive. Another respondent stated that an effective customer relationship management plan allowed the firm to maximize customer satisfaction and create a trusting atmosphere with its clients. Finally, it was noted from the interviews that sustainable competitive edges were a combination of resources, traits, or talents that assisted the business to meet its clients' needs better than its rivals, which was accomplished by implementing a customer relationship management strategy.

Additionally, offering exceptional customer service and aiming for continual development has been key in keeping the cost low. One respondent indicated that Tosha limited had introduced a loyalty program that offers customers discounts on fuel and other products, as well as the ability to earn rewards points that can be redeemed for prizes. This program was implemented with the aim of enhancing customer engagement and loyalty while providing cost-effective rewards to customers. Additionally, using digital payment systems like mobile money or bank cards had contributed to reducing the need for cash transactions and improving convenience for customers. Lastly, the respondents added that in an effort to reduce their carbon footprint and offer more sustainable services, Tosha Limited had implemented solar-powered stations that use renewable energy to power their operations, reducing operational costs and promoting environmental sustainability.

4.3.7 Product Differentiation

The respondent also listed product differentiation as a strategic management practice that was influencing their competitiveness. The respondent indicated that Tosha was differentiating its product using quality, price, and brand name. One way Tosha petroleum differentiates itself from its competitors is by ensuring that its products have superior quality. They do this by carefully selecting and sourcing crude oil from trusted and reliable sources known for their high-quality standards. They also perform rigorous quality control processes throughout the refining process using advanced technologies and sophisticated testing methods. Additionally, Tosha conducts comprehensive analysis and testing of the products to ensure they meet or exceed industry specifications and customer expectations. One respondent explained that the company had invested in research and development to create innovative products that meet and exceed industry standards. By offering high-quality products, the company had established a reputation for reliability and excellence, which attracted customers that prioritize quality.

Additionally, Tosha Petroleum always adopted cost-efficient supply chain management to reduce production costs allowing the company to offer lower prices to customers. Tosha Petroleum had also invested in marketing and advertising campaigns to promote the company's values, mission, and products. By building a strong brand name, Tosha Petroleum had been able to establish a loyal customer base that identified with the company's brand identity and values. This had helped differentiate Tosha Petroleum from its competitors and drive customer loyalty.

4.3.8 Marketing and Advertising Products

Finally, the participants stated that Tosha Petroleum Limited utilizes advertising to gain a competitive edge in business. The respondents stressed the significance of effective advertising and marketing in increasing awareness of Tosha Petroleum's products and services, as well as attracting potential customers. Instead of resorting to adversarial advertisements targeting their competitors, respondents explained that Tosha Petroleum focuses on publicizing their products through mainstream media and social media platforms. This approach allows them to reach a wider audience and create positive visibility for their brand. One respondent explained that the advertising campaign by Tosha petroleum limited dubbed "Karibu Tosha" aimed to position the company as a provider of sustainable energy solutions. The campaign featured a series of advertisements that highlighted the company's commitment to renewable energy, cleaner fuels, and energy efficiency. The campaign helped Tosha petroleum differentiate itself from its competitors and establish a reputation for environmental sustainability, which attracted customers who were concerned about the environment.

Additionally, the "Tosha ni Tosha" campaign aimed to promote the company's commitment to safety and reliability. The campaign featured a series of advertisements that highlighted the company's focus on safety, quality, and efficiency. By emphasizing these values, Tosha was able to differentiate itself from its competitors and establish a reputation for quality and reliability, which attracted customers who valued those attributes. The participants also mentioned that despite the success of their previous campaigns, Tosha Petroleum maintains a commitment to continuously improve their advertising efforts and outperform competitors. They have implemented a strategic approach where all of Tosha's advertisements are cleverly crafted and tailored to specific target markets. The aim is to create captivating ads that catch the public's attention, occasionally using comparisons to highlight the superiority of their product. However, they are cautious not to inadvertently give their competitors free exposure or unnecessary name recognition.

4.4 Discussions of the Findings

The study revealed that implementing strategic management techniques assists a company in understanding its current position, developing strategies, deploying them, and analyzing the efficacy of the established management strategies. Also, strategies were attributed this to numerous positive outcomes within the organization such as good performance and a higher competitive advantage.

These findings are similar to findings by Mulyaningsih et al. (2021), who concluded that adopting strategic management practices improves performance while giving a firm a competitive advantage.

The study also revealed that Tosha Petroleum limited has a clearly defined mission and Vision. The mission outlines the organization's core purpose in the society with regard to the services and products it provides to its clients. It has three key requirements of a good mission statement which include the product/ service, market and technology and it contributes to a competitive advantage has it outlines the goals, target markets, consumers, goods or services, corporate ethos, and technological inclinations of a firm. These findings are similar to Rao (2005) who described that a mission statement must outline the firm's purpose and goals; it should be both specific enough to rule out certain endeavors and inclusive enough to support innovative development. He also added a good mission and vision statemen influences the performance and competitiveness of a firm.
Moreover, the study found that Tosha Petroleum places a strong emphasis on employee training and development as part of their organizational strategy. The company consistently conducts training programs for all its staff and follows a one-year training and development plan, prepared in the last quarter of the preceding year. This commitment to training and development has resulted in improved overall performance and provided the company with a competitive advantage. These findings align with the recommendations of Pamulu (2010), who advocates for training and empowering employees as a means for competitively strong companies to have a skilled and capable workforce.

Furthermore, the study found that Situational analysis had supported the company to guarantee that they had a competitive edge. The respondents explained that they use situational analysis to understand both the external and internal environment that poses weaknesses, strengths, threats and opportunities. Its study is critical in assisting organizations in developing proactive measures that improve their market competitiveness. Finally, the aim is to compare and assess the profitability of the firm in relation to its indirect and direct rivals. Owichi (2017) asserts that one way that management accomplishes a competitive advantage is by conducting a situational analysis. This supports them in assessing strengths, weaknesses, opportunities for growth, and threats. Moreover, they can analyze their competitors and determine their market positioning.

The study also revealed that having a customer relationship management strategy had a positive effect on the competitiveness of Tosha petroleum limited. A solid customer relationship management strategy guarantees that the firm focuses on the target audience, which may be accomplished by integrating a thorough understanding of client demands, habits, and values with the capacity to engage specific consumers maximally at multiple contact points. As per Villanueva et al. (2007), an effective customer relationship management strategy helps a firm to optimize customer satisfaction and create a trusting connection with its consumers, resulting in long-term competitive edge.

The study also identified that product differentiation, specifically through quality, price, and brand name, was a strategic management practice that influenced the competitiveness of firms. Tosha Petroleum successfully differentiated its product by focusing on specific market segments, which helped manage costs effectively. These findings align with previous research by Muthiani (2013) that highlighted the role of product differentiation in providing a competitive advantage to businesses. Additionally, the study found that effective marketing and advertising played a significant role in promoting firm competitiveness. By raising awareness of their products and services and attracting potential customers, marketing and advertising efforts contributed to enhancing competitiveness. This finding is consistent with the findings of Phina (2020), who also observed a positive influence of marketing and advertising on firm competitiveness.

Additionally, the study indicated that cost leadership was key in influencing the competitive advantage of Tosha Petroleum. These findings concur with a study by Kharub et al. (2018) who found that cost leadership helped increases sales and overall turnover. The study explained that Cost leadership strategies should be based on an objective to lower operation cost per unit of production compared to others in the same industry.

CHAPTER FIVE

SUMMARY CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section describes the outcomes of the study, makes conclusions, and gives suggestions.

5.2 Summary of the Finding

The study established that strategic management practices are critical to the success of Tosha petroleum limited, as they help organizations to effectively identify, analyze, and respond to internal and external challenges and opportunities. Some of the strategic management practices that Tosha had implemented that contributed to their competitiveness included marketing and advertising, strategic planning, cost leadership, situational analysis, training and development, Customer Relationship Management Strategy, management, and product differentiation. Implementing these strategic management practices effectively is key to attaining success and being competitive in the long term. Additionally, companies can differentiate themselves from their competitors and achieve sustainable growth and profitability.

5.3 Conclusion

Based on the findings of this study, it can be concluded that a range of factors can influence the competitiveness of petroleum companies. Specifically, marketing and advertising, strategic planning and cost leadership can all have a significant impact on a company's ability to compete effectively in the marketplace. Effective marketing and advertising can help companies to differentiate themselves from their competitors and establish a strong brand identity that resonates with customers. Additionally strategic planning is critical to identifying and responding to internal and external challenges and opportunities, while cost leadership can help companies to control expenses and maintain profitability.

Furthermore, the study indicated that situational analysis, training and development and customer relationship management strategy are key in promoting a company’s competitive advantage. Situational analysis helps companies to understand market trends and customer needs, while training and development can ensure that employees have the skills and knowledge needed to perform their roles effectively. Customer relationship management strategies help companies to build strong relationships with customers and improve customer satisfaction, while effective management can ensure that operations are efficient, and resources are effectively utilized.

Taken together, these factors can play a critical role in the success of petroleum companies, helping them to achieve sustainable growth, profitability, and competitiveness over the long term. By prioritizing these factors and investing in the strategies and practices that are most effective for their specific needs and circumstances, petroleum companies can differentiate themselves from their competitors and achieve success in the highly competitive global marketplace.

5.4 Recommendation

According to the findings, implementing strategic management approaches has a favorable impact on the firm's competitiveness. As a result, the research advises that petroleum companies should develop and implement a strong marketing and advertising strategy that emphasizes the company's unique strengths and value proposition, while also building brand awareness and loyalty. Additionally, the companies should prioritize strategic planning to identify and respond to internal and external challenges and opportunities, while also promoting innovation and growth.

Furthermore, the study recommends emphasizing on cost leadership to control expenses and maintain profitability, conducting regular situational analyses to stay abreast of market trends, emerging technologies, and customer needs and investing in training and development programs to ensure that employees have the skills and knowledge needed to perform their roles effectively. Also, developing and implement a robust customer relationship management strategy that emphasizes customer satisfaction, loyalty, and retention, and ensuring effective management practices, including strong leadership, effective communication, and efficient operations positively influences the competitiveness of the companies.

Lastly the study recommends adopting different product differentiation strategies to establish a unique market position and gain a competitive edge, while also responding to emerging trends and changing customer needs. By prioritizing these recommendations and investing in the strategies and practices that are most effective for their specific needs and circumstances, petroleum companies can differentiate themselves from their competitors and achieve sustainable growth, profitability, and competitiveness over the long term.

5.5 Limitations of the Study

The study did not come without constraints; time was a crucial barrier for this investigation. Due to job responsibilities, the time available to conduct the research was restricted. The study depends on primary data collected from the sampled top-ranking officers at Tosha Petroleum. Some respondents were willing to provide information besides the industry being very competitive. Additionally, some of the respondents were hesitant to provide information for fear of it being manipulated. This required a lot of reassurance and persuasion that the information provided would be treated with uttermost confidentiality and that it will only be used for the purposes of this research. Lastly, the findings of this study are solely pertinent to the petroleum sector rather than any other industry, and the findings may be specific to Kenya because the study was conducted in Kenya. As a result, this may not apply to petroleum corporations in other nations or sectors in Kenya or elsewhere.

5.6 Implications for Policy and Practice

The findings of this study hold great significance for policy makers in the petroleum industry in Kenya, as they provide crucial insights for the formulation of policies that can enhance the management practices of these firms and contribute to improved overall performance. Effective implementation of strategic management practices, guided by appropriate policies, can foster competitiveness within organizations, leading to positive economic growth at a macro level. Top executives can leverage the knowledge gained from this study to develop strategies that enable their organizations to attain a competitive advantage.

Moreover, this study contributes to the theory of dynamic capabilities by demonstrating the positive impact of strategic planning on a firm's competitive advantage. Given the limited previous research on strategic management practices and the competitiveness of petroleum firms in Kenya, this study adds to the existing literature by establishing a positive relationship between these factors. The study also provides valuable secondary data for future research and aids local petroleum firms in developing strategies to compete effectively and achieve growth. By understanding the strategies employed by their competitors, smaller firms can enhance their own practices to compete on an equal footing. The study's findings can guide firms in formulating suitable strategies and management practices to ensure profitability, survival, and growth in a dynamic business environment. Regular assessment, evaluation, and review of strategic planning practices can help firms maintain their competitiveness.

5.7 Suggestions for Further Research

The research yielded valuable insights into the strategic management practices that enhance the competitiveness of Tosha Petroleum. Nevertheless, the limitations encountered during the study present opportunities for future research. As such, it is recommended that future studies explore the entire petroleum industry using a larger and more diverse sample size than that employed in this study. Additionally, conducting comparative studies across different countries would be beneficial to gain a broader understanding of strategic management practices in the petroleum industry.

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APPENDIX

Interview guide

Part 1: General Information

1. Number of years working in the industry?
2. What is your highest educational achievement?

Part 2: Strategic practices and competitive advantage

1. Has the firm implemented the use of strategic management practices?
2. What are some Strategic Management Practices that the company has adopted to ensure they achieve the organizational objective?
3. Indicate the people involved in coming up and implementing the Strategic Management Practices.
4. How competitive is your company?
5. Which strategic management techniques have succeeded in increasing the competitiveness of the organizations?
6. Which Strategic management practices have failed to increase the competitiveness of the organizations?
7. What form of advantage has the firm acquired because of implementing Strategic Management Practices?
8. What form of audit is in place to measure the competitiveness of the firm?
9. Are there reforms that should be made to ensure that the company remains competitive?

THANK YOU FOR YOUR RESPONSES