ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 11, Issue 2, pp: (171-178), Month: April - June 2023, Available at: www.researchpublish.com

EFFECT OF STRATEGIC POSITIONING ON PERFORMANCE OF LISTED COMMERCIAL BANKS IN KENYA

Zainab Mohammed Hussein[1], Antony Sije[2]

[1,2]Jomo Kenyatta University of Agriculture and Technology

DOI: https://doi.org/10.5281/zenodo.7924297

Published Date: 11-May-2023

Abstract: **This study project embarked on findings out the effect of strategic positioning on firm performance of listed commercial banks in Kenya. This study was guided by following theories namely; Porter's five forces model and the market-based view of the firm theory. The target population of the study consisted of employees of the 11 Commercial Banks listed in Kenya. The unit of observation comprised of 11 listed Commercials Bank in Kenya while the unit of analysis was the employees in the carder of senior management team, middle-level managers as well as managers at functional level. Systematic random sampling was used to sample 384 employees at the management level. A pilot test of 38 respondents was conducted to detect weaknesses in design and instrumentation. The study preferred a mixed research design. The questionnaire was used as the main mode of data collection. The data was analyzed through the use of descriptive statistics. ANOVA, t-test, Pearson correlation, p- values and coefficient of determination was used in the data analysis. Data was presented using tables, figures, graphs, frequency tables, pie charts and use of histograms, frequency polygons and bar charts. Strategic positioning correlated positively to the performance indicators expressed in profits, return on assets and equity as they increase marginally. The correlation analysis that was done on the strategic positioning and performance showed that, a significant effect exists between strategic positioning and performance of commercial banks in Kenya. The researcher recommends that the ethical considerations and competencies should be given a keen attention and on performance a focus on customer satisfaction should equally be emphasized. Additionally, another research can be done on the influence of strategic positioning on performance of the non-financial firms as its recommendations can be very valuable.**

Keywords: **Strategic Positioning, Performance, Commercial Banks.**

1. INTRODUCTION

According to Porter (2010), the fundamental steps in creating a competitive advantage are to identify unaddressed market needs, identify the specific success requirements within the market that address the needs, identify the firm's core competencies and assess how well they align with the success requirements of the market, and finally establish distinctive competencies, which in his case refer to things that the firm can do better than its competitors at (Brown, 2001). Companies that are positioned in strategic groups, in turn, are argued to influence firm actions and firm performance. Strategic groups represent a range of viable strategic positions firms may stake out and use as reference point (McNamara, Deephouse, and Luce, 2003). By signaling what issues are important, top managers establish the strategic reference points for their firms –the benchmarks against which people gauge appropriate action and behavior.

Any industry's success factors include management excellence, adequate and properly trained human resources, appropriate facilities, controlled production and operating costs, optimal prices or rates, high product quality, sufficient customer care, an ideal volume of operations or sales, a positive reputation, effective marketing, well-managed finances, current technology, research and development, the right location, and effective processes or systems (Porter, 2010). In a study on strategic positioning and sustainable competitive advantage in the Danish food industry conducted by Darley and Smith (2013), it was found that firms were able to gain a competitive advantage through the creation of high-quality products, the efficient use of resources, innovation, the ability to sense markets, and the use of differentiation and pricing strategies. Strategic positioning and quality determinants in Turkish banking services were the subject of Minhas and Jacobs' (2013) research. According to the study's findings, banks differentiate themselves by positioning themselves in terms of price, market niche, technical innovation, superior product service quality, bank for SMEs, delivery system, promotion, and reputation.

Lederer, Mirchandani and Sims (2011) researched on the effect of strategic positioning on performance of Airline industry in Korea. The findings of the study were that price competitiveness, production and service cost advantage, and operation cost advantage. Unique products and services, unique business processes, and unique technology was used to improve performance of Airlines.

There is ongoing discussion on organizational performance measurements, according to studies (Scherbaum et al., 2006). Hierarchical execution pointers have drawn analysis for their tight concentration, with most of late essential arrangement research focusing on only a modest bunch foreordained measurements (Chan et al., 2006). Furthermore, hierarchical execution estimations have experienced harsh criticism for what seems, by all accounts, to be inclination while assessing the impacts of vital arrangement on monetary markers, as well as on the goals, fulfillment, and saw viability of the association (Walters et al., 2013, Chan and Reich, 2007).

Organizational performance is found to be impacted by a wide range of factors. Process enhancements, dynamic leadership, simplified communication, and work flow structure are found to have a significant impact on an organization's success (Nafarrete, 2003). Gavrea et al. (2011) investigated the organizational effectiveness of 92 industrial companies in Romania. The aspects that have been proven to be significant in impacting organizational performance include strategy, leadership, structure, quality, innovation and development, IT, performance measurement, employees, and corporate governance. Working conditions, skill development, and management participation were also discovered to be beneficial for the organization's performance (Musmuliana and Mustaffa, 2012). Eight factors, including business entity size, life cycle stages, technological and product innovation, organizational autonomy, centralization and formalization, market roles, and goal type/importance, were found to have a significant influence on an association's exhibition in another review (Dragni, 2014). Hansen and Wernerfelt (1989) state that singular way of behaving, which is likewise affected by hierarchical environment factors including initiative, objective concentration, HR accentuation, and occupation circumstance, straightforwardly affects an association's exhibition. Three elements, including authoritative variables (structure, framework, size, and history), natural elements (humanistic, monetary, political, and innovative), and human variables (abilities, characters, and age), which additionally in a roundabout way affect hierarchical execution, consolidate to shape the authoritative environment.

It is crucial to remember that organizational performance has many dimensions and is challenging to understand and quantify (Pennings and Goodman, 1977). Organizations are able to plan and control once the performance criteria and measures of these criteria become available because organizations have different performance goals, which may vary depending on the targets set, the measurement phase, the criteria used, and in accordance with which perspective is adopted (Globerson, 1985). Thus, in order to answer the calls for more research on the impact of strategic alignment on organizational performance, a set of measurement tools and criteria reflecting the strategic decisions (i.e. strategic alignment) is needed (Chakravarthy, 1986). Accordingly, based on the organization's strategies, a set of performance measurement tools and criteria should be developed and adopted. Organizations need to align their performance measurement with their strategic goals and objectives through matching the goals of strategic alignment with organizational goals.

The financial institutions in Kenya consist of the CBK as the regulator, bank financial institutions, those that do not offer banking services, currency trading exchange and savings and credit institutions as the controlled bodies. There are currently 43 commercial banks, one home loan bank, nine microfinance banks, seven outside bank agent offices, 94 foreign exchange bureaus, seven cash settlement suppliers and two credit reference agencies in Kenya (KPMG, 2015). 11 commercial banks are listed on the Nairobi Securities Exchanges, out of a total of 44 commercial banks (NSE). They provide liquidity, facilitate communal and personal savings, provide smooth financial transactions at their physical branches or online services, facilitate foreign payments, store precious assets, and give credit facilities to both retail and corporate customers.Because they carry out money related approach and give means to working with installments for labor and products in both domestic and international trade, banks play a crucial role in any economy. Commercial banks act as custodians of depositors' money and function by requesting financial security from those with an entrepreneurial mindset in exchange for loans to the needy at legally permitted interest rates. Loans are dependent on the bank's credit policy, which is closely tied to its interest rate policy.

2. STATEMENT OF THE PROBLEM

The performance of Kenya's commercial banks during the past ten years has been uneven, according to Onuonga (2014). Because of this, the banking industry has worked relentlessly to execute a variety of changes that were intended to boost the stability, productivity, financial inclusion, and efficiency in this sector. On average, the sector's performance fell short of expectations (Onuonga, 2014).

Even though commercial banks' deposits increased from 705.2 billion to 2.9 trillion and their loans increased from 495 billion to 2.03 trillion over the same period, their return on equity decreased from 28.04 percent in 2007 to 20.68 percent in 2017. While capital adequacy slightly decreased from 18 to 17 percent within the same period, liquidity slightly increased from 41 to 43.7% during the assessment period. The financial health of commercial banks and broader economic prosperity are threatened by declining return on equity (Desta, 2017). In Kenya, there is a clear misalignment between the alignment strategies influencing commercial banks' performance and the total impact of Return on Equity.

Muriuki (2016) looked into the tactics used by foreign commercial banks to contend with local competition in Kenya. The study found that multinational commercial banks in Kenya used cost leadership, differentiation, and focus strategies as competitive tactics to counteract competition. The study placed a strong emphasis on further research to ascertain the competitive advantage-building tactics employed by other businesses in various similar industries. Wesulah (2016) looked at the techniques Barclays Bank of Kenya used to stay competitive. The research found that the bank's main competitive tactics were cost leadership, differentiation, and strategic relationships. The report urges more investigation into the part played by core skills in organizational effectiveness in the industrial sector. The main finding in all of these researches is that various businesses employ various tactics to enhance their performance.

According to Thawesaengskulthai (2017), technical advances must be aligned with operational and organizational strategies in order for organizations to increase operational performance and acquire a competitive edge. According to Agarwal and Sambamurthy (2009), as CEOs become increasingly focused on IT, their requirement to understand how to adjust IT methodology to business technique and support that arrangement over the long haul is developing. Arrangement is sought after on the grounds that it has been demonstrated endlessly time again that adjusting IT procedure to business technique can work on an organization's business and monetary execution. It is according to this point of view that the review tries to overcome this issue by answering the inquiry: To what extent does strategic positioning contributes to performance of commercial banks in Kenya?

3. LITERATURE REVIEW

The use of strategic positioning to achieve sustainable competitive advantage at Safaricom Limited was studied locally in Kenya by Kasyoka (2011). The study's findings indicated that the company's use of cutting-edge technology was providing it with the necessary competitive advantage, and when combined with the high level of acceptance of its Mpesa service, the firm has been able to maintain its competitive advantage. Additionally, Muriet (2011) conducted study on the strategic positioning and performance of listed Commercial Banks in Kenya and discovered that, through performance assessment, strategic positioning considerably and favorably improves organizational performance.

Nyakondo (2010) conducted study on the variables impacting the banking sector's strategic positioning with regard to mobile banking. He discovered that some banks have moderately embraced mobile banking, with an emphasis on using it as a manner of strategic positioning as a source of revenue, image, and to boost customer happiness. Gichungu (2012) conducted research on strategic positioning as the cornerstone for creating a long-lasting competitive advantage at Kenya's Uchumi supermarkets. According to the study's conclusions, supermarkets can gain a competitive advantage through rebranding, providing excellent customer service, recapitalizing, managing sales, and maximizing costs.

Quality incorporates creation cycles and showcasing capabilities. As indicated by spearheading work of creators like Pearce, and Robinson (2009), the elements of value can be summed up by an eight-layered system: execution, highlights, dependability, conformance, toughness, functionality, style and saw quality. In customary recognition of value control accentuation is put on the conformance aspect of value. Accordingly, while every one of different aspects might be potential drivers of seriousness, they require more between useful coordination among various specialty units in the firm than do conformance quality.

Quality is a center weapon of execution in the commercial center. Quality incites execution by demonstrating items that address or surpass clients' issues and assumptions (Lee and Zhou, 2008). Quality is plainly seen as a primary wellspring of execution advantage through gathering the client necessities. There are numerous researchers that have connected quality to cutthroat technique. Parajogo (2007) thinks about quality as an essential execution as an impression of a cutthroat methodology of the organizations. He upholds the idea that quality has gone through a development cycle, from a functional level to an essential level. In this manner, quality ought to be embraced as an essential objective in associations.

Customers are interested in having their requirements and wishes met in the appropriate quantity at the right time, which is why delivery is a competitive priority. Delivery time refers to the capacity to deliver in accordance with the anticipated timetable. In this instance, the company may not offer the lowest prices or best products, but they are still able to compete by consistently delivering goods when they say they will, even if the delivery date is in the future. Delivery reliability might not always be sufficient. Consumers could demand quick deliveries (Grant, 2010).

Therefore, in accordance with Kumar (2004), "delivery of the required function means ensuring that the right product" (meeting the requirements of quality, reliability, and maintainability) is delivered in the right quantity, at the right time, in the right place, from the right source (a vendor who is reliable and met commitments in a timely manner), with the right service (both before and after sale), and finally, at the right price. Product mix, volume, changeover, and modification are the main areas of flexibility. So, a firm's ability to deploy and/or re-deploy resources in response to modifications in contractual arrangements that are mostly brought about by consumers is what is meant by flexibility. As such, a firm may design or plan, change volumes, and modify product varieties to meet the demands of customers (Boyer and Lewis, 2002).

4. METHODOLOGY

This study was guided by following theories namely; Porter's five forces model and the market-based view of the firm theory. The target population of the study consisted of employees of the 11 Commercial Banks listed in Kenya. The unit of observation comprised of 11 listed Commercials Bank in Kenya while the unit of analysis was the employees in the carder of senior management team, middle-level managers as well as managers at functional level. Systematic random sampling was used to sample 384 employees at the management level. A pilot test of 38 respondents was conducted to detect weaknesses in design and instrumentation. The study preferred a mixed research design. The questionnaire was used as the main mode of data collection. The data was analyzed through the use of descriptive statistics. ANOVA, t-test, Pearson correlation, p- values and coefficient of determination was used in the data analysis. Data was presented using tables, figures, graphs, frequency tables, pie charts and use of histograms, frequency polygons and bar charts.

5. FINDINGS

To get data about the main free factor Key Situating , a few assertions were asked and the respondents expected to give criticism on a likert size of one (1) to five (5), for 1 being unequivocally deviate, 2 being dissent, 3 being neither concur nor dissent, 4 being concur and 5 being firmly consent to the assertions. On the proclamation "The organization participates in level key partnerships with peer organizations in banking" 5.6% of the respondents differ to the assertion, 23.5% of the respondents neither concurred nor differ to the assertion, 337.8% of the respondents consented to the assertion while 13.1% of the respondents emphatically consented to the assertion, with a mean of 3.78 and standard deviation 0.739. On the subsequent explanation "The organization takes part in downstream vertical key coalitions with showcasing firms?" 19.1% of the respondents neither concurred nor differ to the assertion, 41.0% of the respondents consented to the assertion while 38.9% of the respondents unequivocally consented to the assertion, with a mean of 4.21 and standard deviation 0.741. On the proclamation "The business partakes in collusions that cultivate the progression of new information, 2.8% couldn't help contradicting the assertion, 38.6% of the respondents neither concurred nor differ to

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 11, Issue 2, pp: (171-178), Month: April - June 2023, Available at: www.researchpublish.com

the assertion, 32.3% of the respondents consented to the assertion while 26.3% of the respondents firmly consented to the assertion, with a mean of 3.82 and standard deviation 0.885. As to explanation "The organization participates in essential collusions including joint endeavors", 13.1% unequivocally differ to the assertion, 10.4% of the respondents differ to the assertion, 23.9% of the respondents neither concurred nor differ to the assertion, 35.5% of the respondents consented to the assertion though 17.1% of the respondents firmly consented to the assertion, with a mean of 3.33 and standard deviation 1.251..

Table 1: Strategic Positioning Frequencies

StrategicPositioning	**Strongly Disagree**	**Disagree**	**Neither Agree nor Disagree**	**Agree**	**Strongly Agree**	**Mean**	**Std. Dev.**
Thecompanyengagesinhorizontal strategic alliances with peer companiesinbanking	-	5.6	23.5	337.8	13.1	3.78	.739
The company engages in downstream vertical strategic alliances with marketing firms	-	-	19.1	41.0	38.9	4.21	0.741
The business participates in alliances that foster the flow of new knowledge.	-	2.8	38.6	32.3	26.3	3.82	.885
The company engages in strategic alliances involving joint ventures.	13.1	10.4	23.9	35.5	17.1	3.33	1.251

This regression equation model was used to fit the regression coefficient. Y= β0+ $\beta_1 X_1$ + ε. Where, Y= Performance of listed Commercial Banks in Kenya, β_0= constant (coefficient of intercept), X_1= Strategic Positioning ε = error term.

Y= 1.347 + 0.347 X_1 + ε

Observing the equations, it can be noted that when all the other variables remain at constant zero, a constant value of 1.347 was held by the Performance of listed Commercial Banks. The result insinuates that Strategic Positioning s significantly influencesPerformance of listed Commercial Banks in Kenya in a good way. Meaning, a unit rise in strategy alignment leads to a rise in Performance of listed Commercial Banks in Kenya, by 0.347 units.

6. CONCLUSION AND RECOMMENDATION

The study presumed that banks ought to rearrange their associations by adjusting their frameworks, through the procedure operationalization by guaranteeing that all branches of the associations are changed to mirror the methodology usually concurred and executed. Allocation of adequate resources to different business portfolios and ensuring that the resources are released at the right time to ensure the smooth running of internal processes is recommended in this study. Resources engaged in production or a service play a key to ensure quality, timely delivery and in the right quantities.

REFERENCES

[1] Alagaraja, Meera, Kevin Rose, Brad Shuck & Matt Bergman. (2015). Unpacking Organizational Alignment: The View from Theory and Practice. *Journal of Organizational Learning and Leadership,* 13(1), 18-31.

[2] Anuar, B.H. & Kamruzzaman, M. (2017). Improving Organizational Performance through Strategic Fit of IT-Business Strategic Alignment. *International Journal of Economics, Commerce and Management*, 5(12).

[3] AcurN.&EnglystL.(2006).ProactiveAssessmentofStrategyFormulationProcesses-Howto Ensure Quality in Process and Outcome, International. *Journal. of Operations&ProductionManagement,9(6),12-25*

[4] Ali,M.(2014).*Sampling and Sample Size Estimation.* Department of Reproductive Health and Research,

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 11, Issue 2, pp: (171-178), Month: April - June 2023, Available at: www.researchpublish.com

[5] Geneva.Ali,Z., &Bhaskar,S.(2016).BasicStatiticalToolsinResearchandDataAnalysis.*IndianJAnaesth*, *60*, 662-9.

[6] Ayanda A. M., Christopher E. I. and Mudashiru M. A. (2013). Determinants of banks' profitability in developing economy: evidence from Nigerian banking industry. *Interdisciplinary Journal of contemporary research in business*, 4(1): 55-181

[7] Alvi, M. (2016, March 23). AManual for Selecting Sampling Techniquesin Research.

[8] Ansoff, H & Mc Donnell E,(2000) Implanting Strategic Management, Prentice Hall Cambridge, UK,2nd Edition AnsoffH.andMcDonnell-2000:*ImplementingStrategicManagement*: PrenticeHall.

[9] Babbie, E.,& Mouton, J. (2014). *The Practiceof Social Research.* Cape Town: Oxford.

[10] Barney, J. B. (1991), "Firm resources and sustained competitive advantage", *Journal of Management*, 17(1), pp. 99-121

[11] Bertalanffy, L. von. (1951). General system theory: A new approach to unity of science. Human Biology, 23, 303–361.

[12] Broedner,P,Kinkel,S&Lay,G(2009).ProductivityEffectsofOutsourcing:NewEvidenceontheStrategicImportanceof Vertical Integration Decisions. *International Journal of Operations&ProductionManagement*,29(9),12-34

[13] Burnes,B.(2006).*ManagingChange*,6th ed. Strategic Approach to Organizational Dynamics.

[14] Calof,J.L.,&Wright,S.(2008).Competitiveintelligence:Apractitioner,academicandinter-disciplinaryperspective. *EuropeanJournalofmarketing*,*42*(7/8),717-730.CentralbankofKenya.(2019).BankSupervisionandBankingSector Reports.

[15] Cooper, D., &Schindler, P. (2014).*Business Research Methods*(10th ed.).McGrawHill.

[16] Cutlip, A. H. Center & G. M. Broom (Eds.), Effective public relations (Chapter 9 "The Public Relations Process—RACE"). Upper Saddle River, NJ: Pearson Prentice Hall.

[17] Creswell,J. W.(2014). *Educationalresearch: Planning,conductingandevaluating quantitativeand qualitativeresearch* (2nd ed.). New Jersey: Pearson Education.

[18] Creswell, J. W. (2016).*Research design: Qualitative, quantitative, and mixed methods approaches.*Sage.

[19] Collis, D. J. and Montgomery, C. A. (1995), *"Competing on resources: Strategy in the1990s*", Harvard Business Review, July-August, pp. 118-128.

[20] Dicksen, P. R. (1996), "The static and dynamic mechanics of competitive theory", *Journal of Marketing*, 60 (October), pp. 102-106

[21] Drozdenko, R &Drake, P. (2002). Database Marketing and E-Commerce: Strategy,Development,andData Mining,SAGE,United Kingdom.*Journalofmarketing*,9(12),45-65

[22] Dulo,G.A.(2006).*TheSourcesofCompetitiveAdvantageandthePerformanceofFirmsintheKenyaSugarIndustry*.MBAprojectUniversityof Nairobi.

[23] Flick, U. (2013).*An Introduction to Qualitative Research* (5th ed.).London: Sage

[24] Fricker, S. (2017). Survey Designs. *Public Opinion Quarterly*, *69*(10), pp.370-392.

[25] Gakenia, C.N. (2008). *Strategy Implementationin Kenya Commercial Bank*. MBA project University of Nairobi.

[26] Gary H.&C.K. Prahalad, "Strategyas Stretchand Leverage," *Harvard Business Review*

[27] Githii, S.K. (2007). *Strategic Responsesof Rwathia Group of Companiesto Environmental Changes* (MBA project). University of Nairobi, Nairobi, Kenya.

[28] Grant,R.(2002).*ContemporaryStrategyAnalysis*,(4thEd).BlackwellPublishers.

[29] Grant, R. M. (1991), "The resource-based theory of competitive advantage: *Implications for strategy formulation*", California Management Review, Spring, pp. 114-135.

[30] Grant,R.M.(2000).TheResource-basedTheoryofCompetitiveAdvantage:ImplicationsforStrategyFormulation”, California. *Harvard Business Review*,8(8),65-74.

[31] Insinga,R,Michael,J&Werle,M.(2000).LinkingOutsourcingtoBusinessStrategy.The*AcademyofManagement Executive* (1993-2005),14(4),58-70

[32] Johnson,G. &Scholes,K.(2002). Exploring*CorporateStrategy*.6th Edition. Prentice-Hall, New Delhi.

[33] Johnson,G.&Scholes,K.(2005).*ExploringCorporateStrategy:TextandCases*7thed.Harlow:FinancialTimesPrentice Hall.

[34] Johnson,G.ScholesK.&Whittington,R. (2005)*Exploring Corporate Strategy*.(6thEd.) Prentice Hall.

[35] Katz, D., & Kahn, R. L. (1966). *The social psychology of organizations*. New York: John Wiley & Sons.

[36] Lee,R.P.,&Grewal,R.(2004).Strategicresponsestonewtechnologiesandtheirimpacton firmper formance. *Journal of Marketing*, *68*(4),157-171.

[37] Leitner,K.H.,&Güldenberg,S.(2010).GenericstrategiesandfirmperformanceinSMEs:alongitudinalstudyof AustrianSMEs.*SmallBusinessEconomics*,*35*(2),169-189.

[38] MainaD.T.&ManyaraK.M.(2004)Co-operativemanagementindevelopingCountries.Nairobi:Kenpakcolorsprinters’ltd

[39] MillsM.PlattsK.&BourneyA.(2003*).StrategyImplementationBottlenecks:Identification,AnalysisandRemoval*, Lappeenranta University of Technology, Lappeenranta.

[40] Mwangi,C.W.(2010).*CompetitiveStrategiesAdoptedbytheKenyaCommercialBankinResponsetoChallengesinthe External Environment*. University of Nairobi: MBA Project.

[41] Mwithiga,R.W.(2013).*StrategicresponsesadoptedbySACCOStothechangingoperationenvironmentintheKeny anfinancialsector.acaseofNairobibasedSACCOSwithfrontofficeserviceactivity*. University of Nairobi: MBA Project.

[42] NjihiaN.N.(2009).*StrategicresponsesofKenyaCommercialBanklimitedtochangesintheKenyanbankingindustry*.MBAP roject.Universityof Nairobi.

[43] Nyakang'o,M.(2007).*CompetitiveStrategiesadoptedbyAuditFirmsinNairobi*.MBAprojectUniversityofNairobi.

[44] Nyamai,P.M.(2011*).Strategicresponsesofinsurancecompaniestoeconomicenvironmentandchangesin theBankingIndustryin Kenya: A caseof Jubilee InsuranceLtd*(MBA project). University of Nairobi, Nairobi, Kenya.

[45] Odongo, T.O.(2008). *Strategic ResponsesbyKenyaTouristDevelopmentCorporationtoChangesinitsEnvironment*. University of Nairobi: MBA Project.

[46] Ombok,F.S.A.(2009).*ResponseStrategiesofInternationalNon-GovernmentalOrganizationsinNairobitoChangesinthe Macro Environment*.University of Nairobi: MBA Project.

[47] Onuonga, S. M. (2014). *The analysis of profitability of Kenya’s top six commercial banks: Internal factor analysis*. American International Journal of Social Science, 3(5), 94- 103.

[48] Pearce,J.A.,&Robinson,R.(2007). *Strategic management* (6thEd). Washington: McGraw–Hill

[49] Peteraf,K.&Bergen,G.C.(2003).Theroleoftheboardinfirmstrategy:integratingagency and organizational control perspectives, Corporate Governance: *An International Review*,12(8),50-70.

[50] Porter, M.E.(2008).*Competitivestrategy:Techniquesforanalyzingindustriesandcompetitors*.

[51] Prahalad, C.K.&Hamel, G.(2000). The corecompetenceofthecorporation. *HarvardBusinessReview*May-June,pp.79-91.

[52] Ramona, C . M . (2008). *Strategic responses to competition by Barclays Bank of Kenya Limited* (MBAproject). University of Nairobi, Nairobi, Kenya.

[53] Robbins, S. P. (1990). Organization theory: Structure, design, and applications (3rd ed.). Englewood Cliffs, NJ: Prentice Hall.

[54] Ruiz-Mercader, J., MeroñO-Cerdan, A. L., & Sabater-SáNchez, R. (2006). Information technology and learning: Their relationship and impact on organisational performance in small businesses. *International Journal of Information Management*, 26(1), 16-29.

[55] Smith,R.(2004).Exploringtheusefulnessofaconceptualframeworkasaresearchtool:A researcher' sreflections. *Issuesin Educational Research*,14(3),67-90

[56] Sufian,F.,&Parman,S.(2009).SpecializationandotherdeterminantsofNoncommercialbankfinancialinstitutions profitability.*StudiesandEconomicsandfinance*26(3),113-128.

[57] Thompson,K.&Strickland,C.(2002).*StrategicManagement:ConceptsandCases*,4th ed, Irwin, NewYork.

[58] Tiema,P.(2009).*OutsourcingofOutboundLogisticsintheTeaIndustry:ACaseStudyoftheTeaDivisionofUnileverKenyaLtd*.MBAProject,UniversityofNairobi.

[59] Wairimu,C.M.(2008).*StrategicResponsesofBarclaysBankofKenyalimitedtochallengesintheExternalEnvironment* .University of Nairobi: MBA Project.

[60] Wernerfelt, B. (1984), “A resource-based view of the firm”, Strategic Management Journal, 5, pp. 171-180

[61] Yin,R.(2013).*Case Study Research: Designand Methods*(2nded.). Thousand Oaks: Sage Publications.