

**INFLUENCE OF STRATEGIC AGILITY ON COMPETITIVE
CAPABILITY OF PRIVATE UNIVERSITIES IN KENYA**

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DECLARATION

This project is my original work and has not been submitted for a degree to any other University.

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This project has been submitted for examination with my approval as University supervisor.

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I will be forever grateful to my supervisor Mr. Jeremiah Kagwe whose continuous assessment and guidance enabled me to complete my project.

I also thank my relatives, friends and colleagues whose endearing support has seen me come this far.

DEDICATION

I would like to dedicate this project to my late parents Mr and Mrs Stephen Murungi who had given me a solid foundation in my education despite having limited resources. Their guidance and encouragement also brought me this far.

Also, i would like to dedicate this project to my sister Wendy Murungi for her patience and support when undertaking the MBA studies.

ABSTRACT

In today's fast changing and increasingly global business environment, hardly any company is safe from competition anymore. Nowadays, almost all companies operate in uncertain and dynamic competitive environments. The companies must nevertheless be able to compete in sustainable ways. In the early 1990s, the concept of agile manufacturing was devised to address those considerations. The private universities in Kenya face the challenges of fluctuating demand and stiff competition from public universities and also an upsurge in the number of private universities in the country. Strategic agility is the ability to continuously and adequately adjust and adapt in appropriate time the strategic direction in core business in relation to changing circumstances. Building strategic agility in firms is a way to manage unforeseen changes and risks faced by firms. This study adopted a cross-sectional research design based on the key areas of interest. The target population for this study was 24 private universities in Kenya. The study adopted a census approach collecting data from the administrators of all the private universities in Kenya. The researcher used a questionnaire as the primary data collection instrument to collect data on the effect of strategic agility on competitive capability of private universities in Kenya. The questions were designed to collect qualitative and quantitative data. Descriptive statistics was employed. The quantitative data was coded to enable the responses to be grouped into various categories. The organised data was interpreted in terms of averages and standard deviation to objectives using a computer packages SPSS (version 21) to analyze the research findings. The researcher found that private universities adopt change disposition as a strategic agility practise to a very great extent. The researcher also found out that change disposition influences competitive capability to a great extent. The study findings reveal that knowledge of appropriateness of change effort motivates employees to put their full effort in managing. The research also makes the conclusion that virtual integration competence enhances the ability of a firm and its value chain members to pursue new product initiatives. The research further concludes that fluid partnering allows for quick delivery of products in the market. The research concludes that various strategic agility variables have an influence on competitive capability of private universities.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In today's fast changing and increasingly global business environment, hardly any company is safe from competition anymore. Nowadays, almost all companies operate in uncertain and dynamic competitive environments. There are many sources of changes, stemming from such factors as intensified global competition, reduction in lead-time and life expectancy of products, diversification of demand, and new technologies (Kettunen, 2009). Traditional long term strategic planning and the strategies that would not be altered are typically not anymore sources of competitive advantage, because in most industries there is no certainty about the evolution of the business environment and what it will be like a year from now (Doz & Kosonen, 2008).

The companies must nevertheless be able to compete in sustainable ways. In the early 1990s, the concept of agile manufacturing was devised to address those considerations (Pavlou & Sawy, 2006). Although numerous studies have identified agility as an important factor in a competitive marketplace, most studies have focused on the concept of manufacturing agility.

This study is founded on the dynamic capability theory, games theory and theory of strategic balancing. Dynamic capability theory examines how firms integrate, build, and reconfigure their internal and external firm-specific competencies into new competencies that match their turbulent environments (Teece, Pisano & Shuen, 2010). Games theory on the other hand is concerned with the ways in which strategic interactions among rational players produce outcomes with respect to the preferences (or utilities) of those players, none of which might have been intended by any of them (Roth, 1996). In addition, theory of strategic balancing is founded on the premise that the strategy of an organization is partly comparable to the strategy of an individual. Certainly, the performance of organizations is influenced by the actors' behavior, such as the system of leaders' values (Spekman, 2007).

The private universities in Kenya face the challenges of fluctuating demand and stiff competition from public universities and also an upsurge in the number of private universities in the country. Students are increasingly following special interests and an upsurge in the number of institutions for higher learning needs poses greater challenges for the players in the industry. Private universities have a daunting task of making sure that they receive a large number of students who will also use word of mouth to market them to other customers. Many private universities in Kenya have not attained the status of excellence they desire for quality of service. They fail miserably in their attempts to consistently satisfy the needs and wants of cosmopolitan and culturally diverse students in the global village of the 21st century (Nzili, 2012).

1.1.1 Strategic Agility

Strategic agility is learning to make fast turns and being able to transform and renew the organization without losing momentum (Weill, Broadbent & Subramani, 2002). Strategic agility can bring about organizations that can produce the right products and services at the right place at the right time at the right price and for the right customers. Manufacturing firms and indeed all organizations that are strategically agile can contribute immensely to the achievement of the millennium development goals by contributing to economic growth (Lee, 2002).

Strategic agility is the ability to continuously and adequately adjust and adapt in appropriate time the strategic direction in core business in relation to changing circumstances. This may include creating new products and services or creating new business models and innovative ways to create value for the company (Swafford et al., 2006). The performance of a company depends on its activities and activities of its competitors, customers, suppliers, partners and governments. These activities could wholly be referred to as the business environment. The current business environment characterized by intense technological innovation, powerful customers with diverse requirements and short product life cycle in a global economy have significantly shortened market visibility and increased uncertainty (Swafford et al., 2006).

Building strategic agility in firms is a way to manage unforeseen changes and risks faced by firms. Agility has been defined as the capability of surviving and prospering in the

competitive environment of continuous and unpredictable change by reacting quickly and effectively to changing markets, driven by custom designed products and services (Brannen & Doz, 2010). Strategically agile firms utilize strategies aimed at being responsive and flexible to customer needs, while the risks of supply shortages or disruptions are hedged by pooling inventory or other capacity resources. Firms that have the capability to be responsive to the changing, diverse and unpredictable demands of customers on the front end, while minimizing the back end risks to supply disruptions (Lee, 2002) can be seen as strategically agile. If a company disregards the importance of agility, the consequences can be disastrous.

Strategic agility is the ability to leverage value-chain-wide resources to turn on a dime, providing the right product at the right price anywhere (Roth, 2012). This kind of agility requires a company to ‘transcend manufacturing boundaries’ to develop ‘fluid operations’ (Roth, 2012). Thus, strategic agility requires a firm to metamorphose from a mechanistic working machine to knowledge factory into an organic, accelerated learning organization that produces knowledge as key by product. Hence, we can see the emergence of knowledge as the most important organizational asset to achieve strategic agility. This is in concurrence with knowledge-based view of the firm, which contends that, the most important and strategic resource of a firm is its knowledge base (Grant, 2012).

Strategically directed agility has also been defined as change management proficiency (Dove, 2001). Change proficiency is a competency that allows an organization to apply knowledge effectively (Doz & Kosonen, 2008). A change proficient organization can accommodate eight dimensions of change efficiently. Change proficiency serves two purposes, on one hand, it ensures viability (reactive change proficiency) and on the other hand, it helps to achieve market leadership (proactive change proficiency) as it allows a firm to manage and apply knowledge effectively. Thus, strategic agility is a dynamic capability derived from knowledge generating strategies that help firms to cope better with managing change (Sambamurthy et al., 2003).

A three dimensional definition of agility, that is similar to the knowledge based strategic agility concept provided by Roth (2012), was proposed by Sambamurthy et al (2003). This definition of strategic agility comprises three interrelated capabilities: customer

agility, partnering agility, and operational agility. Customer agility is the co-opting of customers in the exploration and exploitation of opportunities for innovation and competitive action moves. Partnering agility is ability to leverage the assets, knowledge, and competencies of suppliers, distributors, contract manufacturers, and logistics providers through alliances, partnerships, and joint ventures (Venkatraman & Henderson, 2011). Operational agility reflects the ability of firms' business processes to accomplish speed, accuracy, and cost economy in the exploitation of opportunities for innovation and competitive action.

1.1.2 Competitive Capability

Competitive capabilities in an organization are the indicators of effectiveness of strategic agility. These capabilities should be the immediate measures of performance so that corrective measure can be taken in time to improve the supply chain performance. A generic list of competitive capabilities of a strategically agile firm is responsiveness, competency, flexibility and speed (Zhang & Sharifi, 2000).

The major driving forces of strategic agility (advance manufacturing technology, better information systems) are increasing customer power and the pace of innovation (Zhang & Sharifi, 2000). Hence, competitive capabilities of a strategically agile firm should conform to customer satisfaction and innovation/learning perspectives. Therefore, customer view of product/service, timeliness, flexibility and value along-with innovation and learning dimensions like product/process innovation, partnership management, information flows, threats etc. have become important competitive dimensions (Roth, 2012). Toni and Tonchia (2001) conceptualized performance and competitive capabilities of a firm into costs/productivity, time (run and set-up times, wait and move time, system times, delivery speed, reliability and time to market) flexibility (volume, mix, product modification, process modification and, expansion flexibilities) and quality (produced, perceived and inbound quality and quality costs). These capabilities not only ensure viability of a firm but also contribute towards the achievement of leadership status by the firm.

Competitive capabilities can be divided into four categories: product, quality, delivery reliability, process flexibility and cost leadership (Rosenzweig & Roth, 2007). Chen and

Paulraj (2004) list competitive capabilities of a supply chain as volume flexibility, delivery, delivery reliability/dependability, product conformance to specification, rapid confirmation of customer orders, rapid handling of customer complaint and customer satisfaction. Using the literature, the operations competitive capabilities were operationalized into five dimensions.

Product quality is the capability of an organization in providing products that conform to established specifications, are reliable and provide overall satisfaction to the customers (Paulraj, 2004). Delivery reliability on the other hand is ensuring that the service or product is offered at the right time with the right content to the right place and with proper documentation (Paulraj, 2004). Hill writes that delivery reliability may in some cases be an order-qualifier instead of an order-winning criterion (Hill, 2000). This is very true in today's markets. In other words, a high delivery reliability performance can make a company qualify for/win orders (Sarmiento, 2007). In addition, product flexibility is the capability of an organization to manufacture a large variety of products within its existing facility. Further, cost leadership is the capability of an organization to provide products (services) at competitive prices.

1.1.3 University Education in Kenya

University education in Kenya can be traced to 1951 when the Royal Technical College of East Africa was established in Nairobi. The college opened its doors to the first students in April 1956. In 1961, the Royal Technical College was transformed into a university under the name University College of Nairobi giving University of London degrees. In 1970, the University of Nairobi was established through an Act of Parliament (University of Nairobi Act 1970). The high demand for university education in the 1980s and 1990s led to the increase in the number of universities from one public university college in 1970 to seven public universities in 2007 (Onsongo, 2007).

Kenya's higher education sector comprises 22 Public universities, 9 Public University Constituent Colleges, 17 Chartered Private universities, 5 Private University Constituent Colleges, 13 universities with Letter of Interim Authority (LIA) and 1 Registered Private Institutions, making it one of the largest higher education systems in Africa. There are also other higher education institutions such as polytechnics and colleges. Private

universities have, for a long time, coexisted with public universities and are continuing to flourish. The rapid expansion of the higher education sector has been due to the rising demand for higher education. Private providers have taken advantage of the slow pace of expansion of the public higher education sector. Unlike the public institutions, the private universities are mainly theologically based and offer comparatively fewer programmes. They tend to prefer business studies, information communication and technology, and the social sciences (CUE, 2013).

Students who qualify for postsecondary schooling either enrol in the regular programmes in the public universities, self-sponsored programmes in the public universities, private universities, middle level colleges including the national polytechnics, teacher training colleges (both certificate and diploma), or proceed for university education overseas. The minimum qualification needed for university admission is a C+ pass. Despite more than 50,000 students qualifying for admission each year, not more than 10,000 get admission into the regular programme (CUE, 2013).

1.1.4 Private Universities in Kenya

Private higher education in Kenya can be traced to the colonial period when missionaries established schools and colleges for their converts. The first private institutions of higher learning were the St Paul's United Theological College (1955) and Scott Theological College (1962). In 1970 the United States International University (USIU) established a campus in Nairobi. These early universities offered degrees in the name of parent universities abroad. For a long time the government did not give accreditation to these private colleges or universities. However, the increased demand for university education led the government to encourage the establishment and accreditation of private universities in the 1990s (Onsongo, 2007).

Private universities in Kenya fall into three categories; chartered (University of Eastern Africa-Baraton (UEAB), Catholic University of Eastern Africa (CUEA), Daystar University, Scott Theological College, United States International University [USIU], and African Nazarene University [ANU], Kenya Methodist University [KEMU], St Paul's University - Limuru); registered (East African School of Theology, Kenya Highlands Bible College, Nairobi International School of Theology, Nairobi Evangelical

Graduate School of Theology, and Pan-African Christian College) and those operating on letters of interim authority (Aga Khan University, Strathmore University, Kabarak University and Kiriri Women's University of Science and Technology) (Commission for Higher Education, 2007).

Most private universities (12) are located in Nairobi (the capital city) and its peri-urban zones. The location of these universities tends to follow the pattern of Christian missionaries in establishing education institutions in Kenya during the colonial period (Wesonga et al., 2003). Their location implies that women and men who live far from Nairobi are not able to access the part-time (evening and weekend) programmes offered.

The growth of private universities in Kenya can be attributed to a number of factors. First, the increase in the number of qualified secondary school leavers seeking higher education. This increase in the number of qualified secondary school graduates has been triggered in part by the massive expansion of primary education (Wesonga et al., 2003). Despite the high demand for university education in Kenya, public universities admit about 10,000 students annually out of over 50,000 qualifying secondary school graduates (Joint Admissions Board, 2003). The private universities have arisen due to the inability of the public universities to absorb all university-qualifying students.

Second, most of the private universities in Kenya are established and run by religious organisations. In Kenya 7 out of the 8 private chartered universities are sponsored and managed by Christian organisations. All the five registered universities are sponsored and managed by Christian organisations. Most of the Christian-sponsored private universities started by offering courses mainly geared towards training church ministers. Nguru (1990) observes that the major aim of these church-affiliated private universities is the same as it was with the earlier missionary schools, namely, to promote the spread of the Christian gospel. However, these religious sponsored universities have expanded their programmes to include secular courses in the social and natural sciences.

1.2 Research Problem

Planning is extremely difficult in an uncertain environment hence businesses should attempt to reduce the impact of uncertainty by proactively anticipating change and getting

equipped to manage change (Oetinger, 2004). Firms in today's world face great environmental turbulence due to ever-evolving competition, changing technology, fluctuating demand and disruption in the supply chain caused by manmade or natural disasters among others. High levels of environmental turbulence can paralyze a firm's operations. Turbulence is comprised of uncertainty and risks faced by a firm. Consequently, managing uncertainty and reducing risk should be the focus of firms.

The private universities in Kenya just like in many countries face the challenges of fluctuating demand and stiff competition from public universities and also an upsurge in the number of private universities in the country. Students are increasingly following special interests and an upsurge in the number of institutions for higher learning needs poses greater challenges for the players in the industry. Private universities have a daunting task of making sure that they receive a large number of students who will also use word of mouth to market them to other customers. Many private universities in Kenya have not attained the status of excellence they desire for quality of service. They fail miserably in their attempts to consistently satisfy the needs and wants of cosmopolitan and culturally diverse students in the global village of the 21st century.

Strategically agile firms utilize strategies aimed at being responsive and flexible to customer needs, while the risks of supply shortages or disruptions are hedged by pooling inventory or other capacity resources (Roth, 2012). Firms that have the capability to be responsive to the changing, diverse and unpredictable demands of customers on the front end, while minimizing the back end risks to supply disruptions (Lee, 2002) can be seen as strategically agile. If a company disregards the importance of agility, the consequences can be disastrous. Locally, Nzili (2012) did a study on the effect of integrated marketing communication on students' choice of private universities in Nairobi, Wandiga (2001) did a study on public-private universities in Kenya partnership in diversity while Onsongo (2007) conducted a study on the growth of private universities in Kenya and the implications for gender equity in higher education.

It is evident that limited research has been done to examine strategic agility and its impact on firm competitive capability. Furthermore, no local research has been done to

study the value of strategic agility under varying degrees of environmental turbulence. This research thus endeavours to fill this gap by establishing the effect of strategic agility on competitive capability of private universities in Kenya. The study sought to answer the question: what is the effect of strategic agility on competitive capability of private universities in Kenya?

1.3 Research Objectives

1.3.1 General Objective

The general objective of the study was to determine the influence of strategic agility on competitive capability of private universities in Kenya.

1.3.2 Specific Objectives

The specific objectives of this study were:

- i. To identify the strategic agility practices used by private universities in Kenya
- ii. To establish the effect of strategic agility on competitive capability of private universities in Kenya.

1.4 Value of Study

This study will be invaluable from a theoretical standpoint in that it will provide information on the field of competitive ability. The conclusions and recommendations arrived at will be a useful theoretical underpinning on the effect of strategic agility on competitive capability.

The study focuses on the topic of the effect of strategic agility on competitive capability. Scholars in this area will use this study as a form of reference. In addition, researchers will be able to gain additional knowledge on the topic.

From a practical perspective, the findings of this research will provide vital information to facilitate the management of private universities in relation to the issues that need to be addressed to retain and gain more students. This will enable them beat the competition experienced from other private and public universities by designing appropriate methods and strategies geared towards students enrolment sustainability.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter looks at literature that has been reviewed and continued to be reviewed for the purposes of the study. The chapter covers literature mainly on strategic agility and competitive ability. It also covers areas such as theoretical basis specifically the dynamic capability theory, games theory and theory of strategic balancing; strategic agility and competitive ability and finally the effect of strategic agility on competitive ability.

2.2 The Theoretical Basis of the Study

This section looks at the theoretical underpinning of the study by specifically reviewing the dynamic capability theory, games theory and theory of strategic balancing.

2.2.1 Dynamic Capability Theory

Dynamic capability theory examines how firms integrate, build, and reconfigure their internal and external firm-specific competencies into new competencies that match their turbulent environment (Teece, Pisano & Shuen, 2010). The theory assumes that firms with greater dynamic capabilities will outperform firms with smaller dynamic capabilities. The aim of the theory is to understand how firms use dynamic capabilities to create and sustain a strategy implementation over other firms by responding to environmental changes and creating new ones. Capabilities are a collection of high-level, learned, patterned, repetitious behaviours that an organization can perform better relative to its competition. Organizational capabilities are called zero-level (or zero-order) capabilities, as they refer to how an organization earns a living by continuing to sell the same product, on the same scale, to the same customers (Winter, 2003)

The concept of dynamic capabilities arose from a key shortcoming of the resource-based view of the firm. The RBV has been criticized for ignoring factors surrounding resources, instead assuming that they simply exist. Considerations such as how resources are developed, how they are integrated within the firm and how they are released have been under-explored in the literature (Teece, Pisano & Shuen, 2010). Dynamic capabilities attempt to bridge these gaps by adopting a process approach: by acting as a buffer

between firm resources and the changing business environment. Dynamic resources help a firm adjust its resource mix and thereby maintain the sustainability of the firm's strategy implementation, which otherwise might be quickly eroded. So, while the RBV emphasizes resource choice, or the selecting of appropriate resources, dynamic capabilities emphasize resource development and renewal.

2.2.2 Games Theory

Games theory was invented by Johnson and Scholes (2006). Game theory is the study of the ways in which strategic interactions among rational players produce outcomes with respect to the preferences (or utilities) of those players, none of which might have been intended by any of them. Game theorists, like economists and philosophers studying rational decision-making, describe these by means of an abstract concept called utility (Mintzberg, 2003). This refers to the amount of 'welfare' an agent derives from an object or an event. Welfare refers to some normative index of relative well-being, justified by reference to some background framework. In the case of people, it is most typical in economics and applications of game theory to evaluate their relative welfare by reference to their own implicit or explicit judgments of it (Mintzberg, 2003).

Brands, as a result of innovations and differentiation, can be considered as a method of signalling quality and other product characteristics to consumers. This allows various models developed in game theory to be applied, such as Akerlof (1970) classic market for lemons model in which price signals quality. The hidden value that may be uncovered by applying game theory is the deterrence value of investments in intellectual capital. As is well known, patents and copyrights add value by deterring competitors from making use of the same work and allow the patent or copyright holder to enjoy exclusive use of the intellectual work for a limited time. In such a scenario, an incumbent that makes a pre-emptive move by making a large investment may deter new entrants if the entrant believes that the incumbent will react aggressively to entry, or if the move allows the incumbent to move so far down the learning curve that it is difficult for new entrants to catch up.

The mere fact of making a large investment may be enough to deter entry even if there is no patent or copyright protection. Most of the examples that can be quoted are practical

benefits of applying game theory in the valuation of intellectual capital (Akerlof, 1970). However, game theory provides additional benefits in allowing one to draw insights about how to gain strategic value from intellectual capital. The conventional strategic management wisdom expounded by many authors (Grant, 2002) is that, in order for a firm's resources (including intellectual capital) to lead to a sustainable advantage, they must be difficult to replicate, durable and imperfectly mobile or not easily traded.

2.2.3 Theory of Strategic Balancing

Strategic balancing is founded on the premise that the strategy of an organization is partly comparable to the strategy of an individual. Certainly, the performance of organizations is influenced by the actors' behavior, such as the system of leaders' values (Long, 2000). An organization wavers between many antagonistic poles that signify cooperation and competition. This allows for existence of various configurations of alliances that disappear only if the alliance swings in the direction of a mainstream of poles of confrontation.

Strategic balancing is comprised of three models which include: relational, symbiotic and deployment models (Long, 2000). Competition attests to be part of the relational model and the model of deployment. It can be liable to undulation between the two aggressive strategies, one being primarily cooperative as depicted by the relational model and the other being predominantly competing as exemplified by the model of deployment. The organization can then take turns in adopting the two strategies so as to keep their relationship balanced. This argument is very close to that of Belsley et al (1980). According to Belsley et al (1980), there are three types of competitive relationships: competition-dominated, cooperation-dominated, and equal relationships. The latter is also comparable to the fluctuation between the relational model and the model of deployment as described by Barney (2002).

Competitive strategies, should concentrate on the management-needs recognition process. A number of African insurances have achieved this. Hammer and Champy (2003) used the key intelligence topics (KIT) process to identify and prioritize the major intelligence needs of senior management and the organization itself. This made sure that intelligence

operations were successful and suitable intelligence was produced. Their approach is valuable since it allows corporate intelligence staff to recognize strategic issues and as a result senior management can guarantee that action is taken regarding the results given. The additional advantages are that an early warning system can be created and this will allow possible threats to the organization and major players in the industry are identified and monitored.

2.3 Strategic Agility and Competitive Capability

Many studies have empirically linked the organizational capabilities of quality, delivery, flexibility, and/or cost to business performance (White, 2012). Clearly, conventional wisdom in manufacturing strategy now indicates that competitive capabilities enhance an organization's chances for growth and survival. Empirical and anecdotal evidence suggests that a direct link between integration intensity and improved business performance exists as well; suggesting that operations competitive capabilities therefore may serve a partial mediating role (Williams et al., 2002). In keeping with transaction cost economics, as environmental uncertainty increases, so too does the need for market governance, where the form of governance is determined by whether a given transaction can be undertaken at a lower cost via a market or within a firm.

Given a hypercompetitive environment, however, organizations with high integration intensity and market transactions are hypothesized to reduce transaction costs even further in three important ways (Williams et al., 2002). First, by working loosely with supply chain entities over time, manufacturers have more opportunities for correcting any transaction inequities. Second, extensive inter-firm information sharing reduces information asymmetry and subsequently lowers the potential for opportunism. Finally, use of non-contractual, self-enforcing safeguards evident in highly integrated organizations requires lower maintenance costs than more traditional, legal contracts. Through this efficient governance structure, high integration intensity can be expected to reduce the net costs of conducting business.

2.3.1 Change Disposition

Change disposition is the general readiness to change which reflects an organizations members' perception of the need for the change and their self-efficacy in managing the change (Rosenzweig & Roth, 2007). Thus, when an organization is ready for change it has already bought into the need for change and is confident in its ability to manage the change. Change readiness can only occur when the top managers recognize the need for change and have committed to provide their full support in dealing with the change. Furthermore, in a change ready organization the employees have to be aware of their 'personal valance' in the change effort (Rosenzweig & Roth, 2007).

Personal valence relates to one's personal benefit from the change effort. Thus, top management support, personal valance, self-efficacy and, the knowledge of appropriateness of change effort combine to motivate employees to put their full effort in managing change. Consequently, the employees in a change ready organization are willing to alter their way of working to accommodate the environmental changes. Armenakis et al. (1993) explain how resistance to change can develop if one is not ready to change. This would be on the account of perception of reduced self-efficacy on the part of the employees to deal with change, as they are mentally not ready for change to happen. Thus, the effort and motivation of a change ready organization will be higher than an organization that is not ready for change. Therefore, the change ready organization will be more able to adjust and adapt to change. In addition, change readiness will enable an organization to form new partnerships, as the change ready employees of a change ready firm will be more receptive to new relationships.

2.3.2 Business Continuity Planning

Business continuity planning involves continuous assessment of one's weaknesses and threats faced. This enables a firm to be aware of its knowledge and competence gaps. The cognizance of these gaps enables the firm to assess its capability to compete in the market, its ability to deal with risks it faces in critical areas and, its training and development needs to overcome its shortcomings (Sambamurthy et al., 2003). By identifying the areas needed for training and development, the process of appropriating the right training interventions becomes considerably easier. Thus, business continuity

planning provides a continually refined measurement-mechanism to manage the business as what gets measured is managed.

Launching a robust, clearly defined training and development initiative along with an on-going assessment program goes a long way toward the successful execution of the overall business strategy as the competence of the organization increases with improvement in competence of its most valuable assets its employees (Sambamurthy et al., 2003). Moreover, training can be aligned within each functional area and job level as the business continuity planning process informs the executives how the new risks and challenges will affect the various jobs and functional areas (Long, 2000). Launching such training initiatives necessitates tracking, completion and assessment of a particular training intervention and ensures behavioural changes as well.

Business strategy and learning go hand-in-hand, and their alignment should be an on-going, repeatable process and this is achieved by the business continuity planning process. As the strategy changes to meet the needs of the business, executives need to guide the commensurate high-level changes to the organization's training initiatives to meet the needs of the new strategy (Long, 2000). With this guidance, training can become a strategic tool if its strategic use is understood against the backdrop of the organization's ever-changing business environment and that understanding is translated into planning and execution (Hoek et al., 2001).

Business Continuity Planning (BCP) involves using risk management approaches and scenario planning to avoid business disruptions. The greater the market acuity of a firm, the more aware the firm will be of the dangers it faces due to competitors action, changes in the preferences of customers and other environmental forces (Roth, 2012). This awareness will inform the decision making process of the firm in coming up with effective risk hedges to counter these dangers. As a result, a firm using scenario planning and other risk management approaches will reduce the number of scenarios that can cause the failure of its system. Further, if an unforeseen disaster occurs it will have less drastic impact on the firm performance as firms can recover from the disaster sooner and, at a lower cost as the firm will be having the requisite recovery plans in place.

2.3.3 Market Acuity

Market acuity is the ability of a firm to see the competitive environment clearly and to anticipate customer needs. It is similar to the customer sensitivity construct proposed by Hoek et al (2001) as the pre-requisite to supply chain agility. Market acuity is an important competence as it provides a firm insight into what the customer requires and values the most. Thus, the firm can proactively tailor its operations to match the expectations of the customer.

Market acuity also provides information about emerging unexploited opportunities in the market. Consequently, a firm can proactively position itself to take the first mover advantage and derive the greatest benefit out of the opportunity in a fast changing market where advantages are very short lived. Market acuity also makes a firm aware of 'exogenous market factors such as competitors, the general business environment, and regulation' (Sambamurthy et al., 2003). Thus, a firm can move strategically to nullify or buffer against any competitive or environmental threats.

Virtual integration competence improves the market acuity of a firm in five ways (Pavlou & Al Sawy, 2006). First, virtual integration competence enables a firm to access new information generated in the market instantly and thus helps a firm remain current with the market information. Second, as virtual integration competence enables fast and accurate communication of information across organizational boundaries the value chain members can collectively assess market intelligence and test various new product concepts and competitive strategies thus enabling their responsiveness to market intelligence. Third, it provides easy access to stored knowledge and facilitates the ability of a firm and its value chain members in articulating, interpreting, and synthesizing new and stored knowledge, thus enabling knowledge assimilation. Fourth, virtual integration competence can enhance the problem solving capability of a firm and its value chain members' and their ability to generate new knowledge as it provides the value chain members a medium to interact in real time and combine core competencies to generate useful applications of new knowledge. Therefore, the knowledge transformation process becomes highly effective in the presence of virtual integration. Finally, virtual integration competence can enhance the ability of a firm and its value chain members to pursue new

product initiatives and find new solutions (McGrath & Iansiti, 2011), thus enabling superior knowledge exploitation. Virtual integration competence improves market acuity from the loose-coupling perspective.

2.3.4 Fluid Partnering

Fluid partnering is similar to the notion of partnering flexibility which is the ease of changing supply chain partners in response to changes in the business environment (Hoek et al., 2001). It was also proposed as an important requirement for supply chain agility wherein firms form fluid clusters with their value chain partners and come together on as-needed basis. Thus, fluid partnering (FP) is a firm's ability to change value chain partners quickly and easily (Rosenzweig & Roth, 2007).

Fluid partnering competence allows a firm to change its value chain partners to best suit the changing market requirements. The new partnerships are like knowledge repositories that can be exploited to generate new knowledge (know-why) and implementation expertise (know-how). Thus, the product and services valued the most by the market can be created and delivered on time. Consequently, fluid partnering competence is one of the essential competencies to develop strategic agility (Hoek et al., 2001).

Spekman (2007) expressed that supplier partnering in a reconfigurable structure characterizes fluid partnering. In this network, the firms enter into a partnership for a particular project but their commitment to the network is long term. Supplier partnering in the fluid partnering structure involves treating the supplier as a strategic collaborator as the partners come together to fill important competence gaps. A partnership between a buying and supplying firm is a mutual ongoing relationship that involves a high level of trust, commitment, joint conflict resolution, and the sharing of information, risks, and rewards. Such collaboration offers many of the advantages of vertical ownership without the attendant loss of strategic flexibility (Spekman, 2007).

Partners work together to ensure high product quality and low costs, with both companies sharing in the benefits. Such partnerships might entail early supplier involvement in product design or acquiring access to superior supplier technological capabilities (Narasimhan & Das, 1999). Therefore, supplier partnering should enable firms to achieve

a competitive stature that might otherwise have been unlikely. This occurs as partnerships enable shared responsibility among the value chain members leading to unity of effort.

Fluid partnering competence enables a firm to reconfigure its supply chain resources to fit the needs of the environment to the extent possible. Fluid partnering also leads to loose coupling between the organizations, thus greater autonomy, and lesser interdependence among the value-chain members. Greater autonomy enables the value chain partners to take immediate action to manage the local changes as and when they occur. Lesser interdependence among the value-chain members prevents other parts of the value-network to be adversely affected if one of the parts breaks down (Rosenzweig & Roth, 2007). Moreover, fluid partnering competence should help in the formation of new partnerships to fill existing competence gaps. Furthermore, fluid partnering competence also helps a company to develop weak social ties leading to the generation of novel knowledge, which can provide strategic direction to a firm and mobilize the firm to take strategic action.

From the literature reviewed it is vital for private universities to be strategically agile in to survive the competitive market globally. White (2012) expressed that strategic agility can be linked to organisations capabilities of quality, delivery of services and cost to business performance. This study reviewed change deposition, business continuity planting, market acuity and fluid partnering as the major influence of strategic agility on competitive capability of private universities in Kenya. According to Rosenzweig and Roth (2007) change readiness of an organisation is a major step that most universities should adopt to adequately gain a competitive edge.

Sambamurthy et al. (2003) expressed that launching a robust, clearly defined training and development initiative along with an on-going assessment program goes a long way toward the successful execution of the overall business strategy as the competence of the organization increases with improvement in competence of its most valuable assets its employees. It is therefore very crucial for the private universities to consistently train their staff to be effective in the competitive environment by anticipating customer needs. Most of the studies on strategic agility have been conducted in countries whose strategic approach and financial footing is different from that of Kenya. None of these studies

focused on how these apply in the Kenyan. It is evident therefore that a literature gap exists on the relationship between strategic agility and competitive capabilities among private universities in Kenya. This study therefore seeks to fill this gap by focusing on the influence of strategic agility on competitive capabilities of private universities in Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used by the researcher to find answers to the research question. In this chapter the research methodology is presented in the following order, research design, target population, sampling procedure, data collection and data analysis.

3.2 Research Design

Orodho (2003) defined a research design as the scheme, outline or plan that was used to generate answers to research problems. This study adopted a cross-sectional research design based on the key areas of interest. Cross-sectional research design helps the researcher to clearly identify and describe true characteristics of a research problem without manipulation of research variables (Mugenda & Mugenda, 2003).

According to Polit and Beck (2003), in a cross-sectional study, researchers observe, count, delineate, and classify. They further describe descriptive research studies as studies that have, as their main objective, the accurate portrayal of the characteristics of persons, situations, or groups, and/or the frequency with which certain phenomena occur.

3.3 Study Population

Target population is the specific population about which information is desired. According to Ngechu (2004), a population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated. Studies based on population are more representative because everyone has equal chance to be included in the final sample that is drawn according to Mugenda and Mugenda (2003).

The target population for this study was the student registrars from the 24 private universities in Kenya. The study adopted a census approach collecting data from all the private universities in Kenya since the population is not large.

3.4 Data Collection

The researcher used a questionnaire as the primary data collection instrument to collect data on the effect of strategic agility on competitive capability of private universities in Kenya. According to Sproul (2011), a self-administered questionnaire is the only way to elicit self-report on people's opinion, attitudes, beliefs and values.

The questionnaire is divided into four sections. The first section looked at the demographic information while the second focused on aspects of strategic agility including change disposition, business continuity planning, market acuity and fluid partnering.

The questions were designed to collect qualitative and quantitative data. The open ended questionnaires gave unrestricted freedom of answer to respondents. The questionnaires were administered through drop and pick method to the managers of the customer service departments in each university. The researcher used assistants to distribute by hand the questionnaires to be completed by the respondents. Upon completion, the research assistants collected the questionnaires and ensure high completion rate and return of the completed questionnaires.

3.5 Data Analysis

This included analysis of data to summarize the essential features and relationships of data in order to generalise from the analysis to determine patterns of behaviour and particular outcomes. The data that was collected from the field was assessed and comparison made so as to select the most accurate and quality information from the feedback given by various respondents. This involved assessing and evaluating the questionnaires and other sources of both primary and secondary data.

Descriptive statistics was employed to analyze data. The quantitative data was coded to enable the responses to be grouped into various categories. The organised data was interpreted in terms of averages and standard deviation to objectives using assistance of computer packages especially SPSS (version 21) to communicate research findings. Tables were used to present the study findings for ease of understanding.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents analysis of the data on the influence of strategic agility on competitive capability of private universities in Kenya. The chapter also provides the major findings and results of the study. Finally, the chapter presents a discussion on the findings.

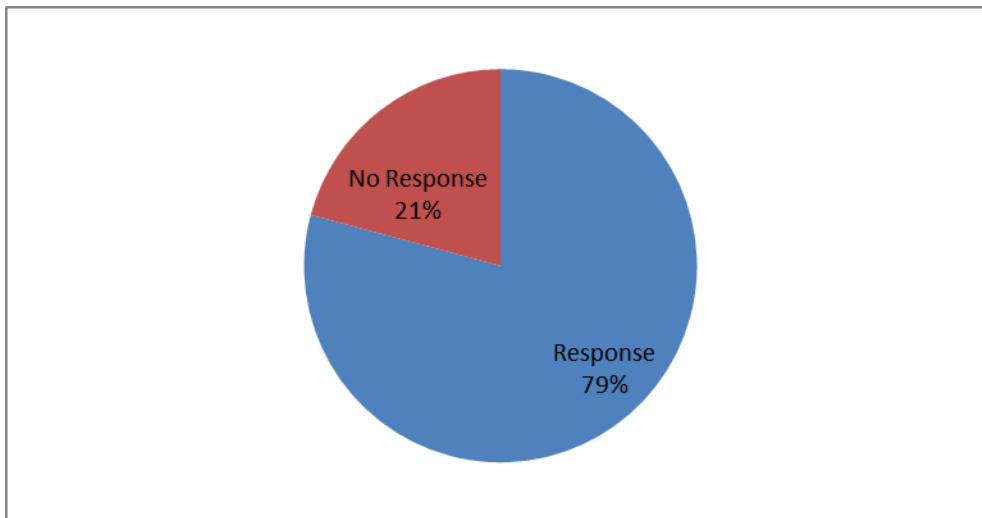
4.2 Data Analysis

This section presents response rate and the demographic information of the respondents.

4.2.1 Response Rate

The study targeted 24 respondents from which 19 filled in and returned the questionnaires making a response rate of 79%. This response rate was good and representative and conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good.

Figure 4.1: Response rate



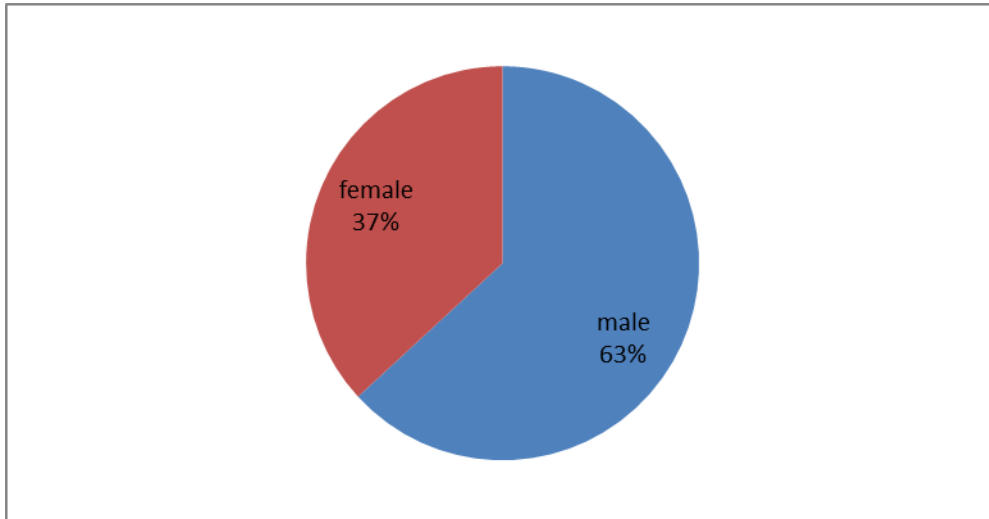
Source: Researcher (2015)

4.2.2 Demographic Information of the Respondents

The study sought to establish the gender, age and experience of the respondents.

The study sought to establish the gender of the respondents. Data collected is as shown in figure4.2 below

Figure4.2: Gender



Source: Researcher (2015)

From the results, majority of the respondents are male as represented by 63%. 37% of the respondents are female

Age

The study further sought to establish the age of the respondents. The ages of the respondents are as presented below

Table 4. 1: Age of the respondents

	Frequency	Percentage
Between 20 and 30	0	0
Between 30 and 40	1	5
Between 40 and 50	4	21
Between 50 and 60	6	32
Above 60	8	42
Total	19	100

Source: Researcher (2015)

The findings reveal that majority of the respondents were aged between 50 and 60 as represented by 42%, 32% of the respondents were between 50 and 60 and 21% were between 40 and 50 ages. The results also showed that only 5% of the respondents were between 30 and 40 while none of the respondents was between 20 and 30 ages.

Experience

The study also sought to establish the number of years the respondents had worked in their current position. The data collected are as below

Table 4. 2: Experience in the organization

	Frequency	Percentage
Less than 5 years	2	11
Between 6 and 10 years	4	21
Between 11 and 15 years	8	42
Between 16 and 20 years	2	11
21 years and above	1	5
Total	19	100

Source: Researcher (2015)

From the findings, the majority of the respondents had between 11 and 15 years of experience as depicted by 42%,21% between 6 and 10 years, 11% both less than 5 years and between 16 and 20 years.5% of the respondents had 21 years and above of experience.

4.2.3 Demographic Information on the Private Universities in Kenya

Age

The study sought to establish the age group of the private university students. The results are as shown in table below

Table 4. 3: Age of the students

	Frequency	Percentage
Below 20 years	5	26
Between 20 and 25	8	42
Between 26 and 30	4	21
Above 30	2	11
Total	19	100

Source: Researcher (2015)

Majority of the students in the private universities were aged between 20 and 25 (42%) followed by students below 20 years (26%). students between 26 and 30 of age were 4% while above 30 years of age were 2%.

Number of employees

The study also assessed the number of employees in the various private universities. Information obtained is as shown in table below

Table 4. 4: Number of employees

	Frequency	Percentage
50-100	2	11
100-150	4	21
150-200	4	21
200-250	3	16
Above 250	6	32
Total	19	100

Source: Researcher (2015)

From the findings majority of the universities had above 250 employees (32%) followed by 100-150 employees (21%), 150-200 employees (21%), 200-250 employees 16% and 50-100 employees at 11%.

Ownership

The study also established the ownership of the universities and collected the below information

Table 4.5: University ownership

	Frequency	Percentage
Church	8	42
International	4	21
Private/local	7	37
Total	19	100

Source: Researcher (2015)

According to data collected, most of the private universities are church owned (42%) followed by Private/local represented by 37%. international owned universities are the list with a percentage of 21.

4.3 Research Findings

4.3.1 The Strategic Agility Practices

The researcher sought to establish the extent of use of various strategic agility practices in the private universities. The findings are analysed in the table below

Table 4. 6: Strategic agility practises

Statement	Mean	S.D
Change disposition	4.610	.792
Business continuity planning	4.487	.685
Market acuity	3.485	.492
Fluid partnering	3.236	.482

Source: Researcher (2015)

The results in the table above reveal that private universities adopt change disposition as a strategic agility practise to a very great extent as shown by a mean of 4.610. Business continuity planning is used by the private universities to a great extent as expressed by a mean of 4.487. The application of market acuity and fluid partnering as a strategic agility practise is used both to a moderate extent as expressed by means of 3.485 and 3.236 respectively.

4.3.2 The Effect of Strategic Agility on the Competitive Capability of Private Universities in Kenya

The researcher sought to establish the effect of various strategic agility practices on the competitive capability of private universities in Kenya. The findings are analysed in the table below

Table 4.7: Effect of Strategic Agility on the Competitive Capability

Strategic Agility aspects	Mean	S.D
Change disposition	4.231	0.761
Business continuity planning	4.312	0.658
Market acuity	3.349	0.473
Fluid partnering	3.410	0.463

Source: Researcher (2015)

From the findings, the respondents indicated that business continuity planning and change disposition affect competitive capability of private universities in Kenya to a great extent as illustrated by a mean score of 4.312 and 4.231 respectively while fluid partnering and market acuity have a moderate effect on competitive capability of private universities in Kenya as shown by a mean score of 3.410 and 3.349 respectively.

Change Disposition and Competitive Capability

The researcher sought to establish the relationship between change disposition and competitive capability of private universities in Kenya. Data to fulfil this objective was collected using a likert rating scale. Closed ended questions were also used to collect data to fulfil this objective. Rating was done on a five point scale. No Extent was given a score of 1, while very great extent was given a score of 5. Data from likert scale rating was analyzed through mean scores while data from the Yes/No Questions was analyzed through percentages. Mean scores which were above 3.00 were interpreted to mean little extent while those above 3.00 were interpreted to mean great extent. Results are presented in Table 4.7.

Table 4. 8: Change disposition and competitive capability

Statement	Mean	S.D
Change readiness can only occur when the top managers recognize the need for change	3.400	.521
Change can only be successful when the management provide their full support to deal with the change	3.359	.754
Employees have to know their benefits for change to be successful	4.125	.852
Knowledge of appropriateness of change effort motivate employees to put their full effort in managing change	3.962	.639

Source: Researcher (2015)

Results from table 4.7 above shows that the greatest competitive capability arose from employees having to know their benefits for change to be successful as represented by a mean of 4.125 and knowledge of appropriateness of change effort motivate employees to put their full effort in managing change as shown by a mean of 3.962. The respondents further revealed that change readiness can only occur when the top managers recognize the need for change and change can only be successful when the management provide

their full support to deal with the change influenced competitive capability to a moderate extent as shown by mean scores of 3.4 and 3.3359 respectively.

Business Continuity Planning and Competitive Capability

The researcher also sought to establish the influence of various measures of business continuity planning on competitive capability of private universities. The results obtained are shown in the table below

Table 4. 9: Business continuity planning and competitive capability

Statement	Mean	S.D
The recognition of business’s weaknesses and threats enables it to assess its capability to compete in the market	4.525	.852
The realization of business’s weaknesses and threats enables training and development needs to overcome its shortcomings	4.325	.795
Business continuity planning process informs the executives how the new risks and challenges will affect the various jobs and functional areas	3.465	.582
Training is a strategic tool in the organization’s ever-changing business environment	3.325	.458

Source: Researcher (2015)

The results of the findings show that the recognition of business’s weaknesses and threats enables it to assess its capability to compete in the market to a very great extent as shown by a mean of 4.525 while the realization of business’s weaknesses and threats enables training and development needs to overcome its shortcomings to a great extent shown by a mean of 4.325. On the other hand, how business continuity planning process informs the executives how the new risks and challenges will affect the various jobs and functional areas and training as a strategic tool in the organization’s ever-changing business environment improves competitive advantage by a moderate extent as shown by 3.465 and 3.325 respectively.

Market Acuity and Competitive Capability

The study further sought to establish the effect of market acuity parameters on competitive capability of private universities in Kenya. The information obtained is as presented below.

Table 4. 10: Market acuity and competitive capability

Statement	Mean	S.D
Virtual integration competence enables a firm to access new information generated in the market instantly	4.125	.775
Virtual integration competence enables fast and accurate communication of information across organizational boundaries	3.652	.654
Market acuity firm insight into what the customer requires and values the most	3.365	.528
Virtual integration competence enhance the ability of a firm and its value chain members to pursue new product initiatives	4.365	.854
Virtual integration competence allows a firm to get easy access to existing and new knowledge in the market	3.421	.552

Source: Researcher (2015)

From the collected information, virtual integration competence enhances the ability of a firm and its value chain members to pursue new product initiatives, virtual integration competence enables a firm to access new information generated in the market instantly and virtual integration competence enables fast and accurate communication of information across organizational boundaries by a great extent as represented by means of 4.365, 4.125 and 3.652 respectively. Virtual integration competence allows a firm to get easy access to existing and new knowledge in the market

Both virtual integration competence allows a firm to get easy access to existing and new knowledge in the market and market acuity firm insight into what the customer requires and values the most influences competitive capability to a moderate extent as represented by means of 3.421 and 3.365 respectively.

Fluid Partnering and Competitive Capability

The researcher also sought to establish the influence of fluid partnering on competitive capability of private universities in Kenya. The results of the findings were analyzed through mean scores and presented in the table below

Table 4. 11: Fluid partnering and competitive capability

Statement	Mean	S. D
Fluid partnering competence allows a firm to change its value chain partners to best suit the changing market requirements	3.258	.543
Fluid partnering allows for quick delivery of products in the market	4.528	.867
Supplier partnering enable firms to achieve a competitive stature that might otherwise have been unlikely	4.325	.798
Fluid partnering leads to loose coupling between the organizations	3.365	.567

Source: Researcher (2015)

The results of the findings reveal that fluid partnering allows for quick delivery of products in the market influences competitive capability by a very great extent as shown by a mean of 4.528 and supplier partnering enable firms to achieve a competitive stature that might otherwise have been unlikely to a great extent as represented by a mean of 4.325. Further, fluid partnering leads to loose coupling between the organizations and Fluid partnering competence allows a firm to change its value chain partners to best suit the changing market requirements influences competitive capability to a moderate extent as represented by means of 3.365 and 3.258 respectively.

4.4 Discussion

On the extent to which the strategic agility practices are used by private universities in Kenya, the study found out that different private universities use various strategic agility practises to achieve competitive capability. Change disposition was used to the greatest extent in the universities. Many private universities were willing to change. Business continuity planning was adapted to a great extent in the private universities which is the continuous assessment of the strengths and weaknesses of an organization. This is in line with Roth (2012) who argues that awareness will inform the decision making process of the firm in coming up with effective risk hedges to counter these dangers. Market acuity

was found to be adapted to a moderate extent in the private universities. This aligns with Hoek et al (2001) who argues that market acuity is an important competence as it provides a firm insight into what the customer requires and values the most. Thus, the firm can proactively tailor its operations to match the expectations of the customer. The aspect of fluid partnering also had moderate adoption. Hoek et al (2001) stipulates that fluid partnering competence allows a firm to change its value chain partners to best suit the changing market requirements.

On the second objective, the researcher found out that change disposition influences competitive capability to a great extent. Employees have to know their benefits for change to be successful. This is in line with Rosenzweig and Roth (2007) who stipulates that in a change ready organization the employees have to be aware of their 'personal valance' in the change effort. He further adds that personal valence relates to one's personal benefit from the change effort. Thus, top management support, personal valance, self-efficacy and, the knowledge of appropriateness of change effort combine to motivate employees to put their full effort in managing change. The study also reveals that knowledge of appropriateness of change effort motivate employees to put their full effort in managing change. This statement is in agreement with Armenakis et al (1993) who explains how resistance to change can develop if one is not ready to change. This would be on the account of perception of reduced self-efficacy on the part of the employees to deal with change, as they are mentally not ready for change to happen.

The study findings also suggest that the recognition of business's weaknesses and threats enables it to assess its capability to compete in the market. The conclusions are in agreement with Sambamurthy et al (2003) who stipulate that this enables a firm to be aware of its knowledge and competence gaps. The cognizance of these gaps enables the firm to assess its capability to compete in the market, its ability to deal with risks it faces in critical areas and, its training and development needs to overcome its shortcomings. Also, the realization of business's weaknesses and threats enables training and development needs to overcome its shortcomings. Sambamurthy et al (2003) further explains that by identifying the areas needed for training and development, the process of appropriating the right training interventions becomes considerably easier.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the researcher presents the summary, conclusion and recommendations based on the findings and interpretations of the research. The researcher also presents the limitations that were identified when carrying out this research. Further, the researcher provides suggestions for further research on the area and closes the chapter with providing implications for policy and practice that can emanate from the findings of the research.

5.2 Summary of the Research Findings

On the extent to which the strategic agility practices are used by private universities in Kenya, the study found that private universities adopt change disposition as a strategic agility practise to a very great extent. Business continuity planning is used by the private universities to a great extent. The application of market acuity and fluid partnering as a strategic agility practise is used both to a moderate extent.

On the first objective, the researcher found out that change disposition influences competitive capability to a great extent. Employees have to know their benefits for change to be successful. The study also revealed that knowledge of appropriateness of change effort motivate employees to put their full effort in managing. The study findings also suggest that the recognition of business's weaknesses and threats enables it to assess its capability to compete in the market.

The research also found that virtual integration competence enhances the ability of a firm and its value chain members to pursue new product initiatives. Virtual integration competence improves market acuity from the loose-coupling perspective. The research further established that fluid partnering allows for quick delivery of products in the market.

5.3 Conclusion

The study concludes that most private universities use change disposition as their main strategic agility practise. The study also comes to the conclusion that business continuity

planning, market acuity and fluid partnering follow in private university adoption in that order.

The study concludes that various strategic agility variables have an influence on competitive capability of private universities. Organizational capabilities of quality, delivery, flexibility, and/or cost have been linked to business performance many times. Competitive capabilities enhance an organization's chances for growth and survival. Organizations that couple high integration intensity with market transactions are hypothesized to reduce transaction costs even further in three important ways. Through efficient governance structure, high integration intensity can be expected to reduce the net costs of conducting business.

The research also makes the conclusion that virtual integration competence enhances the ability of a firm and its value chain members to pursue new product initiatives. This correlates with McGrath and Iansiti (2011) who argues that pursuing new product initiatives can enhance the ability of a firm and its value chain members to pursue new product initiatives and find new solutions. Virtual integration competence improves market acuity from the loose-coupling perspective.

The research further concludes that fluid partnering allows for quick delivery of products in the market. This concurs with Hoek et al. (2001) who stipulates that new partnerships are like knowledge repositories that can be exploited to generate new knowledge (know-why) and implementation expertise (know-how). Thus, the product and services valued the most by the market can be created and delivered on time. Fluid partnering competence is one of the essential competencies to develop Strategic agility.

5.4 Recommendations

The study recommends that private universities should adopt the various strategic agility practises more in their institutions to achieve the desired levels of competitive ability. The study also recommends that organizations should establish their weaknesses and strengths to achieve competitive ability.

It is also recommended that private universities should pursue new product initiatives in order to enhance virtual integration to achieve market acuity. To enhance fluid

partnering, the study recommends that there should be faster way of delivering products to the market.

5.5 Limitation of the Study

The researcher encountered many limitations while conducting the research. One of them came when collecting the data. The respondents were supposed to be heads of private universities in Kenya. These are senior employees who generally have very busy schedules. This made it difficult for the researcher to get the questionnaires to be filled in time and which finally resulted in some questionnaires not being returned regardless of the fact that the number of respondents was small. The researcher however made several visits and communicated through e-mail to contact persons in the said companies to get favourable responses.

Another limitation is that the respondents were reluctant in giving some information about the varsities which they viewed being confidential. The researcher however reassured the respondents that information obtained from them would be used for the purposes of the study only. The researcher also obtained a letter from the university as evidence.

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APPENDICES

Appendix I: Research Questionnaire

EFFECT OF STRATEGIC AGILITY ON COMPETITIVE CAPABILITY OF PRIVATE UNIVERSITIES IN KENYA

Section A: Demographic Information of the Respondents

1. Gender:

Male [] Female []

2. Age group in years:

Between 20 and 30 [] Between 30 and 40 []

Between 40 and 50 [] Between 50 and 60 []

Above 60 []

3. Number of years worked in this organization?

Less than 5 years [] Between 6 and 10 years []

Between 11 and 15 years [] Between 16 and 20 years []

21 years and above []

Section B: Background Information on the Private Universities

4. Age group in years:

Below 20 years [] Between 20 and 25 []

Between 26 and 30 [] Above 30 []

5. number of employees

50-100 [] 100-150 [] 150-200 []

200-250 [] Above 250 []

6. Indicate the ownership of the university

Church []

Private/local []

International []

Section C: Strategic agility practices of the private universities in Kenya

To what extent are the following strategic agilities applied in your university?

	Very great extent	Great extent	Moderate extent	Low extent	Not at all
Change disposition					
Business continuity planning					
Market acuity					
Fluid partnering					

SECTION D: Influence of strategic agility practices on the competitive capacity of private universities in Kenya

Change Disposition

7. To what extent does change disposition affect the competitive capability of private universities in Kenya?

Very great extent [] Great extent []

Moderate extent [] Low extent [] Not at all []

8. To what extent do you agree with the following statements on change disposition with respect to competitive capability of private universities in Kenya? **Tick as appropriate.**

	Very great extent	Great extent	Moderate extent	Low extent	Not at all
Change readiness can only occur when the top managers recognize the need for change					
Change can only be successful when the management provide their full support to deal with the change					
Employees have to know their benefits for change to be successful					
Knowledge of appropriateness of change effort motivate employees to put their full effort in managing change					

Business Continuity Planning

9. To what extent does business continuity planning affect the competitive capability of private universities in Kenya?

Very great extent [] Great extent []

Moderate extent [] Low extent [] Not at all []

10. To what extent do you agree with the following statements on business continuity planning with respect to competitive capability of private universities in Kenya? **Tick as appropriate.**

	Very great extent	Great extent	Moderate extent	Low extent	Not at all
The recognition of business's weaknesses and threats enables it to assess its capability to compete in the market					
The realization of business's weaknesses and threats enables training and development needs to overcome its shortcomings					
Business continuity planning process informs the executives how the new risks and challenges will affect the various jobs and functional areas					
Training is a strategic tool in the organization's ever-changing business environment					

Market acuity

11. To what extent does market acuity affect the competitive capability of private universities in Kenya?

Very great extent [] Great extent []

Moderate extent [] Low extent []

Not at all []

12. To what extent do you agree with the following statements on market acuity with respect to competitive capability of private universities in Kenya? **Tick as appropriate.**

	Very great extent	Great extent	Moderate extent	Low extent	Not at all
Virtual integration competence enables a firm to access new information generated in the market instantly					
Virtual integration competence enables fast and accurate communication of information across organizational boundaries					
Market acuity firm insight into what the customer requires and values the most					
Virtual integration competence enhance the ability of a firm and its value chain members to pursue new product initiatives					
Virtual integration competence allows a firm to get easy access to existing and new knowledge in the market					

Fluid Partnering

13. To what extent does fluid partnering affect the competitive capability of private universities in Kenya?

Very great extent [] Great extent []

Moderate extent [] Low extent []

Not at all []

14. To what extent do you agree with the following statements on fluid partnering with respect to competitive capability of private universities in Kenya? **Tick as appropriate.**

	Very great extent	Great extent	Moderate extent	Low extent	Not at all
Fluid partnering competence allows a firm to change its value chain partners to best suit the changing market requirements					
Fluid partnering allows for quick delivery of products in the market					
Supplier partnering enable firms to achieve a competitive stature that might otherwise have been unlikely					
Fluid partnering leads to loose coupling between the organizations					

THANK YOU

Appendix II: List of Private Universities in Kenya

University name	University status	Original name	Year established
United States International University (USIU - Africa)	1970	United States International University	1970
Mount Kenya University(MKU)	2006	Thika Institute of Technology	1996
Uzima University College (Constituency college of CUEA)			
Catholic Higher Institute of Eastern Africa			1984
University of Eastern Africa, Baraton	1992	Baraton Animal Husbandry Research Station	1980
Daystar University	1992	Daystar University College	1989
Africa Nazarene University	1994	African Nazarene University	1994
Scott Christian University	1997	Scott Theological College	1962
Kabarak University	2001	Kabarak University	2001
Strathmore University	2002	Strathmore College	1961
Zetech University	2014	Zetech College	1990
Kiriri Women's University of Science and Technology	2001	Kiriri Women's University of Science and Technology	2001
Catholic University of Eastern Africa (CUEA)			1992
Pan Africa Christian University	2006	Bible College	1978

Kenya Methodist University	2006	Kenya Methodist University	1997
Adventist University of Africa	2006	Adventist University of Africa	2005
Gretsa University	2006	Gretsa University	2006
Great Lakes University of Kisumu	2006	Tropical Institute of Community Health and Development	1998
Presbyterian University of East Africa	2007	Presbyterian College	1994
St. Paul's University	2007	Divinity School, St Paul's United Theological college	1930
KCA University	2007	Kenya College of Accountancy	1989
Africa International University	2011	Nairobi Evangelical Graduate School of Theology	1983
Riara University	2012	Riara University School of Business, Education and Law	2012
Pioneer International University			