

**EFFECT OF STRATEGIC IMPLEMENTATION ON COMPETITIVE  
ADVANTAGE OF AIRPORTS IN NAIROBI COUNTY**

**BY**

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**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS  
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REQUIREMENTS FOR THE AWARD OF MASTERS IN BUSINESS  
ADMINISTRATION (STRATEGIC MANAGEMENT)**

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**DECLARATION**

**Declaration by the Student**

This research project is my original work and has not been presented for examination in any other university. No part of this project should be replicated or reproduced without my consent or that of Moi University.

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## **DEDICATION**

This research project is dedicated first to God for the strength he gave me to carry on and to my family for their assistance and encouragement throughout the period of undertaking the research.

## **ACKNOWLEDGEMENT**

I want to express my gratitude to the Lord God Almighty, who is, in all honesty, the source of all knowledge. He has been kind to me throughout my entire life, and for that I am extremely thankful. I would like to take this opportunity to extend my deepest thanks to my supervisor, Dr. Jane Sang, as well as to Dr. Razia Mbaraka, for the significant contributions they made to this project. Last but not least, I would want to express my gratitude to my family and friends for all of the support, and critical feedback that they have given me during this and all of my other endeavors.

## ABSTRACT

Competitive advantage is the superiority that gives an organization an edge over its rivals and the ability to generate greater value for the firm and its shareholders. Effective strategy implementation is critical component of why some firms outperform others as a well formulated strategy cannot guarantee success until it is effectively implemented. Historically, airports have been seen as monopoly utility providers with limited room for growth. Aviation markets however, have become more liberalized, new dynamics emerged, adding to the industry's complexity and the emergence of airport competition. This has left the Kenyan airports' struggling for competition with other regional airports. The general objective of this study was to determine the effect of strategic implementation on competitive advantage of Airports in Nairobi County. Specifically, establish the effect of organizational structure on competitive advantage, examine the effect of leadership styles on competitive advantage, examine the effect of corporate culture on competitive advantage and establish the effect of training on competitive advantage of Airports in Nairobi County. The study was informed by resource-based view theory of the firm, Porters' generic Model and Contingency theory. This study adopted an explanatory research design because the research attempted to establish causal relationship. The study used a multi-stage sampling design to select 130 respondents from a population of 1,300 staff of Kenya Airports Authority in Nairobi County. A Cronbach alpha value of 0.883 was observed which showed that the research instrument was valid and reliable for the study. Data was analyzed to generate descriptive and inferential statistics. The overall ANOVA values were indicated by an F value of 2826.816 indicating that the overall model was a good fit and removing any independent variable will have a significant effect on competitive advantage (DV). The overall Regression model results indicated were that organizational structure ( $\beta=.279$ ,  $p \leq 0.001$ ) leadership styles ( $\beta=.260$ ,  $p \leq 0.001$ ), organizational culture ( $\beta. .207$ ,  $p \leq 0.001$ ) and training ( $\beta.484$ ,  $p \leq 0.001$ ) this demonstrated that independent variable has Significant influence on the dependent variable. The overall regression model posited in R squared was 99% showing that strategic implementation positively and significantly predicted competitive advantage of Airports in Nairobi County. The study concludes that a better organizational structure, adoption of superior leadership style and adequate employee training would lead to a higher competitive advantage. The study recommended that the organizational structure be changed and aligned to the corporate strategy, the Airports Authority adopt other forms of leadership style supportive of strategy implementations, that the organization ensures strong organizational culture characterized by flexibility, cooperation & integrity and that the Airport Authority invests in well-structured training. Future studies should seek to examine the effect of strategic implementation on competitive advantage on other firms apart from the airports in Nairobi County.

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**ACRONYMS AND ABBREVIATIONS**

ACI	:	Airports Council International
AFCAC:		African Civil Aviation Commission
ANOVA:		Analysis of Variance
IATA:		International Air Transport Association
ICAO:		International Civil Aviation Organization
KAA:		Kenya Airports Authority
SI:		Strategic Implementation
SPSS:		Statistical Package for Social Science
SRS:		Scheduled Reference Service
VIF:		Variance Inflation Factor

## OPERATIONAL DEFINITION OF TERMS

**Competitive Advantage** - According to Thomas (2001), a company has a competitive advantage when it is able to deliver the same value as its rivals but at a cheaper price, or when it is able to charge higher prices by giving better value via differentiation. Both of these scenarios are win-win scenarios for the company.

**Leadership** - This refers to the constant pattern of conduct that leaders display while dealing to subordinates and other people in their respective organizations. According to Higgins (2005), one of the most significant problems is how a leader portrays themselves how they communicate, and how they govern the people or the situation.

**Leadership Style**- The term "leadership style" refers to the behavioral approach that leaders use to influence, encourage, and guide those they are in charge of following them. A leadership style is what defines how leaders put plans and strategies into action to achieve certain goals, while also taking into consideration the needs of stakeholders and the psychological and physical well-being of their teams.

**Organizational Culture**- This refers to the shared ideas and a style of thinking that enables individuals to differentiate between the many parts of a given scenario. According to Schein (1992) and Cameron and Quinn (2011), this is also referred to as the subconscious values and assumptions, the expectations of individuals, and their shared experiences inside an organization.

**Organizational Structure** - According to Griffin (2013), it is a collection of modular components that may be put together in many ways to form an organization. It is a term that refers to the organization of an organization's roles and responsibilities into a hierarchical structure, as well as the exchange of information and coordination of actions inside the organization.

**Strategy** - refers to a strategy that is established by an organization and that incorporates the organization's aims and objectives into the plans that are formulated (Quinn, 1980). According to Jonas (2000), a strategy is a plan of action that enables an organization to fulfill its mission in terms of the goals, objectives, and purpose it has set for herself.

**Strategy Implementation** - refers to "all the steps and results that accrue to a strategic decision after permission to proceed and implement the decision" (Miller et al., 2004).

**Training** – refers to the organized and methodical alteration of behavior via the process of learning that takes place as a direct consequence of education, teaching, growth, and experience that has been consciously planned.

## CHAPTER ONE

### INTRODUCTION TO THE STUDY

#### 1.0 Introduction

The chapter presents details of the background to the study, statement of the problem, objectives of the study, research hypothesis, significance and scope of the study.

#### 1.1 Background of the Study

According to Lavie (2006), competitive advantage is the superiority that provides a company an edge over its competitors and the capacity to produce more value for the company and its investors. Business organizations must first understand the relationship between the strengths and weaknesses within their organizations and the possible implications on their firm's competitive advantage in order for their firms to achieve a competitive advantage that can not only correspond to that of their business peers but also surpass industry performance averages. When businesses outperform their rivals in the same industry, they have a competitive edge. When a company buys or develops a resource, or a resource combination that enables it to outperform its rivals, it is said to have achieved competitive advantage (Willems, 2012). Matching core capabilities to opportunities produces competitive advantage (Thomas, 2007). Accordingly, a company is considered to have an edge over its rivals when it is putting into practice a value-creating strategy that is different from that of the present or a future competitor (Clulow et al., 2003).

According to Hao Ma (2000), competitive advantage does not equate to superior performance. He further asserts that competitive advantage is a relational term and it is context specific. The competitiveness of Kenyan Airport in this research is compared with other airports within the Africa region and in specific areas as like connectivity,

low fares and shorter travel times. The research establishes these three factors as reference point and sources of competitive advantage and which may or may not result to superior performance.

This research appreciates that Kenyan airports are relatively performing better compared to other state corporations within the country. However aviation being a global business, the researcher chose to study competitive advantage within the context of other airports within Africa and which the Kenyan Airports compete with.

Effective strategy implementation is a key factor in why some businesses do better than others, since even a well-crafted plan cannot ensure success unless it is put into practice successfully (Homkes & Sull 2015). Implementation is a more difficult process than formulation (Andrews, Boyne law, & Walker, 2011), and successful business strategy implementation is a challenge for many managers (Hrebiniak, 2006). Because of this, a key source of competitive advantage is the efficiency with which a plan is implemented (Greer, Lusch, & Hilt 2017).

According to Adeleke, Ogundele, and Oyenuga (2008), strategic management involves using a company's internal strengths and weaknesses to maximize external opportunities and reduce external risks and difficulties. The stage of strategy execution, however, is when a company really takes action via the strategic management process (Allio 2005). It is the series of actions that transforms the strategic plan into rigid performance inside a company. As a result, one of the crucial elements of every company success is the strategy implementation (Lubis, Torong, and Muda 2016).

Over the past decade, Kenyan Airports have been staring at waning competitiveness to regional airports like Bole international in Ethiopia. This mainly leads to the challenges

to of strategic implementation like poor organizational structures, unaligned skills and organization culture which is not supportive of innovation.

According to several authors including Argyris (1989), Gluck, Kaufman, and Walleck (1980), Hambrick and Canella (1989), Kazanjian and Drazin (1987), Reed and Buckley (1991), and Stalk and Lachenauer (2004), the implementation of a strategy greatly influences whether it is successful or unsuccessful. While good implementation may turn a doubtful strategic decision into a success, poor implementation can render excellent strategic choices ineffectual (Mintzberg, Quinn, & Ghoshal, 2003; Andrews, 1980). However, strategy execution has its own challenges, which may undermine planning efforts (Ansoff and McDonnell, 1990).

### **1.1.1 The Aviation Industry in Kenya**

Kenya's aviation sector may be traced back to the First World War, when Imperial Airways pioneered commercial flights in the 1920s. Kenya's aviation industry has not fallen behind in this regard, increasing from 15 aircraft landings in 1929 to 269,923 aircraft landings in 2013, carrying 8,919,254 passengers and 294,353 metric tonnes of freight (Daynes & Platt, 2014). Kenya has had the privilege of acting as the air transportation gateway for Eastern and Southern Africa for a very long time. Kenya boasts a plethora of local and international airlines, the most notable of which being Kenya Airways, the country's flag carrier. Despite disparities in size and breadth of operations, all of these airlines want to carve out their own place in the business. The extremely fragmented character of these airlines, as well as the main carriers' dominance, has contributed to a competitive operating environment. In recent years, there has been a shakeup in the business, with far-reaching ramifications for the industry's desire to increase domestic and international services.



The airline business used to be at least partially government-owned, as Kenya Airways was before it was privatized in 1994. Currently, all of the main airlines are privately controlled. Many airlines have joined and exited Kenya's aviation market in recent years, and those that have remained are showing signs of trouble, as seen by reports of falling sales and profitability by domestic carriers (KNBS, 2018). Kenya's airline sector has been rapidly expanding during the previous decade. The airline industry's operators must now consider the topic of competition. Over the previous decade, the industry's dynamics have shifted dramatically. Many airlines have adopted a regional expansion strategy in order to reach a larger market and control competition. Low-cost airlines, in particular, have grown at an alarming rate. As a result, the airline industry's participants must assess their competitive positioning and reposition strategically to survive this encroachment.

Historically, airports have been seen as monopoly utility providers with limited room for growth (Graham, 2003). However, as aviation markets became more liberalized, new dynamics emerged, adding to the industry's complexity. The emergence of airport competition (Copenhagen Economics, 2012; Forsyth, Gillen, Müller, & Niemeier, 2010), as well as the transition in ownership towards privatization or commercialization (Neufville & Odoni, 2003; Donnet, Keast, & Walker, 2017), necessitated the acquisition of a new perspective in airport management. The major goal of strategic management, according to Ceglinski (2016), is to sustain an enterprise's competitive edge. A trait of the company that enables it to achieve above-average results in its operations. A strategy is a set of actions done by management to enhance the company's performance in contrast to its rivals (Charles & Gareth, 2009).

Modern airports are significant infrastructure investments that are part of a national transportation system that is developed and funded to maximize the use of public funds (Norman *et al.*, 2013). As a result, strategic airport management is intended to cement the public benefits of well-managed airports.

A strategy is a game plan developed by an organization that combines the aims and objectives of the organization with the strategies devised (Quinn, 1980). Its goal is to give daily direction in order to meet the stated goals while also adapting to changes in the operational environment (Pearce and Robinson, 2007). It improves a company's competitive position in a particular industry (Johnson and Scholes, 1999). With the growing rivalry among airports in the region, a strategy allows an airport to obtain a competitive edge by putting out plans that will guide its day-to-day operations and help it reach the desired Vision.

Only when an organization develops or obtains a collection of traits (or execution activities) that enable it to surpass its competitors is it considered to have gained a competitive advantage (Wang, 2014). Without a question, the airport business plays a critical role in the development of both national and global economies. Furthermore, it encourages cross-national contacts, boosting commercial linkages. According to a report published by the International Civil Aviation Organization (ICAO) in 2018, air transportation accounts for about 2.4 percent of global GDP. However, the business has been badly harmed in recent years as a result of extended worldwide recessions, high fuel prices, low travel levels, and increased taxation (Button, 2017). Furthermore, a number of deregulation and open skies agreements have been implemented throughout the world in order to liberalize commercial aviation services and open up international airports and transcontinental routes to allow full competition.

Globalization has raised customers' demands for excellent services and greater value for money, exposing the airport business to competitive marketplaces. As a result of growing rivalry threats from multinational players throughout the world, these entities have grown more aware of their susceptible positions. As a result, airports have been obliged to incentivize themselves and participate in proactive initiatives to safeguard their long-term viability during these uncertain times. Airport administration has become increasingly profit-oriented as a result of privatization and commercialization, as well as escalating rivalry among airports. Airport owners and managers, as Graham (2010) points out, must devise tactics to achieve and maintain competitive advantages. The success or failure of these techniques will, however, be determined at the implementation stage.

## **1.2 Statement of the Problem**

Firms are finding it more difficult to gain a competitive edge, with competitors duplicating one other's tactics despite the availability of a variety of them, such as low-cost leadership or distinctiveness. As a result, even with the present world economy's rising dynamisms, each company must strive for a long-term competitive edge. The nature of rivalry in any business, including the aviation industry, is always a result of market structure.

Airport administration has become increasingly profit-driven as a result of airport commercialization and increased airport rivalry. According to Graham (2010), airport owners and managers must now devise plans to obtain and maintain competitive advantages. Some airports have built specialized low-cost terminals (LCTs), which remove unnecessary services to save costs and make the terminal more in line with the requirements of low-cost airlines. This is done to distinguish their positioning.

According to Paternoster (2008) and Graham (2004), other airports are marketed for their appeal as tourism hubs, consuming experiences, and destinations in and of themselves in order to maintain their competitive advantage.

Kenya has traditionally encountered considerable obstacles in expanding and turning around her airports' network infrastructure which has led to dismal performance and competitiveness in attracting international passengers compared to other regional Airports. According to Airports Council International Air Traffic performance for Africa 2022, the evolution of passenger traffic in 2022 showed a clear improvement compared to 2021 and a tendency to approach the level of 2019. In the top ten airports ranking in Africa for total passenger traffic, Cairo International Airport in Egypt was the only airport which has fully recovered and even exceeded its 2019 passenger traffic. It has been in first place for the past two years, taking over from OR Tambo International Airport of South Africa, which was first in 2019 and was then in second place in 2021 and 2022 (ACI,2022).

**Table 1.1: Total Passengers traffic performance for the top ten Airports in Africa.**

TOP 10 AFRICAN AIRPORTS IN TERMS OF PASSENGER TRAFFIC 2022								
2022 RANK	2021 RANK	2019 RANK	AIRPORTS	COUNTRY	PAX 2022	% change vs 2021	% change vs 2019	
1	1	2	Cairo International Airport	Egypt	20 009 336	76.3%	5.4%	
2	2	1	OR Tambo International Airport	South Africa	14 789 508	80.3%	-31.4%	
3	6	4	Cape Town International Airport	South Africa	7 875 425	65.5%	-28.3%	
4	9	5	Mohammed V Airport	Morocco	7 559 854	82.6%	-27.7%	
5	5	8	Hurghada International Airport	Egypt	7 164 088	46.0%	-4.5%	
6	7	3	Addis Ababa Bole International Airport	Ethiopia	6 656 516	45.2%	-44.5%	
7	10	6	Jomo Kenyatta International Airport	Kenya	6 556 569	65.0%	-21.0%	
8	3	9	Murtala Muhammed Airport	Nigeria	6 526 034	14.6%	-10.2%	
9	13	7	Alger Houari Boumédiene Airport	Algeria	6 317 793	190.7%	-19.4%	
10	4	14	Nnamdi Azikiwe International Airport	Nigeria	5 985 596	13.4%	10.7%	

Source ACI 2022

According to IATA and AFCAC Economics (2016 Data), new routes and connectivity, short travel times and Lower fares are some of the drivers for airport completion. Based on travel times, Port Elizabeth in South Africa, Port Harcourt Nigeria, Addis Ababa Ethiopia and Cairo in Egypt Rank the best in Africa. According to IATA Economics based on SRS Analyzer (2017), the global air connectivity index in Africa ranks the best airports/countries as, South Africa, Egypt, Ethiopia, Kenya and Cote d'Ivoire. Invariably, the study showed that the same countries in same order possess Air Transport Competitiveness.

It is in this context and the above worrying trends of the performance of Kenya's' air transport sector and Kenyan Airports in particular compared to the other regional Airports that this study examined the effects of strategic implementation and competitive advantage of Airports in Nairobi County.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objective**

The general objective was to determine the effect of strategic implementation on competitive advantage of Airports in Nairobi County .

#### **1.3.2 Specific Objectives**

The study was guided by the following specific objectives;

- i. To determine the effect of organizational structure on competitive advantage of Airports in Nairobi County
- ii. To establish the effect of leadership style on competitive advantage of Airports in Nairobi County
- iii. To assess effect of organizational culture on competitive advantage of Airports in Nairobi County

- iv. To determine the effect of Training on competitive advantage of Airports in Nairobi County.

#### **1.4 Research Hypothesis**

***H<sub>01</sub>***: There is no significant effect of organizational structure on competitive advantage of Airports in Nairobi County.

***H<sub>02</sub>***: There is no significant effect of leadership style on competitive advantage of Airports in Nairobi County.

***H<sub>03</sub>***: There is no significant effect of organizational culture on competitive advantage of Airports in Nairobi County.

***H<sub>04</sub>***: There is no significant effect of Training on competitive advantage of Airports in Nairobi County.

#### **1.5 Significance of the Study**

The study's conception was based on the idea that the researcher was establishing the effects of strategy implementation on competitive advantage of Airports in Nairobi County. The study will practically help the Airports authority in aligning the organizational structure to the corporate strategy while having a keen eye on both the internal and external environment in order to attain a competitive advantage over airports in the region.

The findings will be of value to policymakers in both government and non-government groups in developing plans and ensuring that strategies are executed properly.

Additionally, the study will be significant to the academia by explaining the nexus of strategy implementation and competitive advantage, particularly the effect of organization structure, leadership styles, organizational culture and training.

Finally, the study will serve as a linchpin for future researchers and academics since it will serve as a source of information for their research and will assist them in identifying research gaps.

### **1.6 The Scope of the Study**

The focus of the research was on the impact of strategic implementation on competitive advantage in Kenya's Airports Authority. The research took place between September, 2022 and July 2023. The data was gathered from Kenya Airport Authority headquarters Jomo Kenyatta International Airport and Wilson Airport in Nairobi County. The study's target population was 1300 Kenya Airport Authority employees in Nairobi County, Kenya. A total of 130 senior, medium, and lower-level managers from selected Kenya Airport Authority offices mainly in corporate services, operations and legal departments, in Nairobi County were used in the study. The study design was explanatory research design. The study was underpinned on porters' generic model, the resource based view and the Contingency theories in order to determine the effect of strategic implementation on competitive advantage of Airports in Nairobi County. Specifically, to establish the effect of organizational structure on competitive advantage, examine the effect of leadership styles on competitive advantage, examine the effect of corporate culture on competitive advantage and establish the effect of training on competitive advantage of Airports in Nairobi County

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter presents literature related to the study, Review of concepts, theoretical review, empirical review of the literature, gaps to be filled by the study, conceptual framework studies and finally conceptual framework.

#### **2.1 Concept of Competitive Advantage**

The qualities and resources of a company that enable it to outperform competitors in the same sector or product market have historically been used to define the phrase competitive advantage (Barney, 2009). When a business offers the same value as its rivals but at a cheaper price, or at higher pricing by offering better value via differentiation, it has a competitive advantage over its rivals. By connecting key strengths to opportunities, businesses may gain a competitive advantage (Thomas, 2001). According to Powell (2001), a business may obtain a competitive advantage over rivals by giving clients more for their money, by charging less, or by delivering additional benefits and services to make up for lower costs. Therefore, if a corporation has resources and capabilities that are better than those of rivals, it should be feasible for it to develop a competitive advantage as long as the firm adopts a strategy that leverages these resources and skills effectively. A business has a competitive advantage when it creates a trait, or set of qualities, that sets it apart from its rivals (Russel, 2003).

Access to natural resources or to highly qualified and experienced people resources are two examples of the qualities of competitive advantage. Michael Porter asserts that reduced costs or distinctiveness provide a company a competitive advantage over its competitors (Gary, Larsen, & Markides, 2016). A company may surpass its rival by



having advantages like a stronger market position, more skillful employees, or more resources. According to Porter, strategic management should focus on helping businesses create and maintain competitive advantage (Barney, 2007). A firm's ability to maintain a competitive advantage over time depends on three key characteristics of its resources and capabilities: durability, transferability, and replicability. Durability refers to the length of time that a competitive advantage can be maintained, while transferability refers to how difficult it is to transfer a resource.

Additionally, it is said that a company achieves competitive advantage when it employs value-creating strategies that are better to those of its rivals (Clulow et al., 2003). Resources by themselves are sometimes insufficient to provide competitive advantage over other enterprises, according to Gupta et al. (2009). As a result, in order for businesses to gain a competitive advantage, they must be able to effectively use their resources, which are defined as the capacity to handle a given problem as it develops over time, to use the resources at hand to generate new resources, such as skills (through new technology or software applications), or to open up new avenues for the creation of new types of products. If a competitive advantage is linked to a quality that the market an organization serves values, then it has some real importance.

As a result, according to Chacarbaghi and Lynch (1999), competitive advantage is the capacity acquired via resources and qualities to operate at a higher level than rivals in the same sector or market. Due to current concerns about higher performance levels of enterprises in the current competitive market settings, the study of such an edge has gained significant scientific attention. Gaining a competitive advantage includes offering a target market a larger perceived value than its rivals can. The potential of the numerous resources over which a corporation has direct control to produce competitive

advantage must be used by that firm in order to achieve a competitive advantage over rivals (Rijamampianina, 2003). Competitive advantage is shown in higher performance results and superior production resources (Lau, 2002).

Prior research has, however, seen enterprise competitive advantage as requiring improved customer value and/or reduced costs, as well as a requirement to increase market share and financial performance (Hunt & Morgan, 1995). In agreement with Hunt and Morgan (1995), Aharoni (1993), and Porter (1990) advocate adopting an index of financial performance to gauge competitive advantage. Flexibility and responsiveness are the two aspects of competitive advantage that have received the most attention from researchers (Evans, 1993; Krajewski & Ritzman, 1996; Macmillan & Tampo, 2000). However, empirical research have identified two ways to quantify competitive advantage: consumer access [output-based rivalry] and access to resources [input-based competition].

According to Zur (2014), output-based competition is more frequently measured in terms of revenue quantity, which excludes social enterprises because their primary focus is on providing non paid services to their beneficiaries, even though those beneficiaries may choose to accept the offer of competition. The issue is that these companies' ability to successfully handle the many conflicts they face (goals, organizational and legal structures, stakeholder pressure) is essential to their ability to compete (Zur, 2014). As a result, in contrast to Hunt and Morgan (1995), Aharoni (1993), and Porter (1990), who believed that competitive advantage should be quantified using an indicator of financial performance, the research would concentrate on the input-based competition aspects of competitive advantage.

## **2.2 The Concept of Strategic Implementation**

Strategic management refers to the process whereby an organization develops and then puts into effect strategies that are aligned with the goals and aspirations of that company. The process of strategic management is constant and evolves in response to changes in the aims and objectives of the corporation. The practice of management at the strategic level is carried out inside of companies to ensure that these establishments are able to adapt to shifting internal and external situations, such as globalization. According to Wicks (2014), the development of organizational goals and the strategic management of an organization are both defined by a set of basic characteristics that are shared in common. The authors Dess, Lumpkin, and Taylor (2005) explain that the process of strategic management is one that takes place in an ongoing manner. As the name "strategic management" suggests, the management of an organization's strategic affairs involves three ongoing processes: analysis, decision-making, and action. These are the activities that are implied by the phrase "strategic management." That is to say, strategic management is concerned with the study of strategic goals (vision, mission, and strategic objectives), in addition to the analysis of the internal as well as external setting that the firm works in.

Strategic management is a procedure that involves managers from across an entire company in the process of creating and putting into action strategic goals and strategies. This process known as strategic management. According to Thompson and Strickland (2003), a strategy is "a plan of action and the allocation of resources that is intended to help an organization accomplish its objectives." In other words, a strategy is "a way to help an organization accomplish its objectives." A company's management should have a strategy that defines the way they desire to position the business within the market arena it has selected, how they want to compete successfully, how they expect to delight

their customers, and how they intend to achieve great commercial performance. This strategy should be documented in the company's strategic plan. Despite the fact that the process may be fairly challenging, however, strategic alterations in planning are highly vital and cannot be avoided. According to Brinkschroder (2014), "organizations invest a great deal of time and resources into the planning of strategy, but only a fraction of it will get successfully implemented."

According to Van der Kolk and Schokker (2016), strategic management is the most meticulous and demanding element of the entire regarded supervision approach, and it is the one that demands a lot of input to boost the development of a firm (Van der Kolk and Schokker 2016). In addition, strategic management is the aspect that requires the most input in order to promote the development of a business. The process of dealing with the fundamental ideas behind the renewal and expansion of an organization is referred to as strategic management. In addition to this, it is concerned with the establishment of strategies, structures, and processes that are necessary for achieving such renewal and growth in the organization. Lastly, strategic management focuses on the organizational systems that are necessary to properly supervise the processes of strategy creation and execution. These organizational systems are essential for success in strategic management. All of these components are included in strategic management. On the other hand, the process of allocating resources in order to support the chosen strategies is referred to as strategy implementation. This method incorporates the many management responsibilities that are required to put a strategy into action, develop strategic controls to monitor progress, and ultimately accomplish the goals of the corporation.

After a strategy has been developed, the process of putting it into action is referred to as strategic implementation, which, according to Thompson and Strickland (1989), is the way in which the strategy is put into effect. According to Miller et al. (2004), the phrase "strategy implementation" refers to all of the processes and effects that accrue to a strategic choice once authorization has been obtained to go forward and put the decision into reality. This occurs after a decision has been made to take a certain course of action. To put it another way, strategy implementation happens once a strategic choice is approved to be carried out after it has been given the go-ahead to do so. According to Allio (2005), the stage of strategy implementation is when actual activity in a firm is carried out via the process of strategic management. This happens during the stage of strategy implementation. It is the sequence of activities that an organization does in order to transform its strategic plan into a set of objectives that can be achieved and metrics of success that can be evaluated. Nevertheless, it is necessary to make strategic adjustments to the planning process, despite the fact that the procedure is relatively tricky to maneuver. According to Brinkschroder (2014), companies invest a large amount of time as well as money into the development of their strategies; nevertheless, only a tiny portion of those plans are successfully implemented.

According to Lubis, Torong, and Muda (2016), the successful execution of a business plan is one of the most essential factors that contribute to the overall success of a firm. This is due to the fact that it is the component that requires the greatest attention in order to guarantee that the strategy is understood and accepted by those responsible for its implementation (Misankova and Kocisova 2014). Every single person of the company is brought into the process to ensure that the execution of the overall strategy is carried out in a way that encourages teamwork. This is done to guarantee the success of the overall plan. According to Van der Kolk and Schokkk (2016), strategic

management is the component of the comprehensive considered supervisory approach that requires the greatest attention to detail and effort. It is also the one that necessitates the contribution of a substantial quantity of effort to move the growth of a firm ahead. It is vital to develop plans that cover all bases in order to ensure that the company will be successful in achieving each and every one of its objectives.

According to Hambrick and Cannella (1989), a strategy is little more than a work of fiction if it is unable to be successfully implemented. According to Alex Tawse and Pooya Tabesh's research from 2020, a successful execution of a strategy is an essential component of organizational success and a possible source of a competitive advantage. (Hambrick and Cannella, 1989) analyzed and summarized data in the existing literature on strategic implementation, and then deductively constructed an interactive framework consisting of the following three components:

- a) Actions through which managers influence the strategy implementation process,
- b) Conditions necessary for Strategy implementation effectiveness,
- c) The underlying dynamic managerial capabilities

Consequently, the research chooses organizational structure, leadership, organizational culture and employee training as the constructs for strategic implementation.

Managerial actions or levers are the steps that are utilized to convey a strategy or strategy initiative, accept it, and put it into action (Greer, et al., 2017; Noble, 1999). It is on this basis that the researcher chooses to study Organizational structure. The structure of the organization is considered to be very essential when it comes to the implementation of the strategy, Heide et.al (2012). The study measures organizational structure in terms of level of formality. It measures whether formalized organizational

structure helps employees to become more efficient and the degree to which reporting structures can either enhance or impede strategic implementation.

According to Alex Tawse & Pooya Tabesh, (2020) there are three conditions necessary for Strategy Implementation Effectiveness that is: competence, commitment, and coordination it is in this context, the study chooses leadership style as construct of strategic implementation. Giles (1991) avers that leadership will make it “possible for an entire organization to sing the same song from the same song sheet and face in the same direction at the same time that would be a powerful force. The study measures leadership in terms of commitment to deliver on strategy implementation for example how proactive are leaders during strategy implementation.

According to Lee and Puranam (2016), dynamic managerial capabilities fill the gap between intention and outcome in such a way that the result bears a similarity to what was expected. It is on this grounds that this research chooses Training as well as Organizational culture as constructs of Strategic implementation. Training refers to the process to obtain or transfer knowledge, skills and abilities needed to carry out a specific activity or task; therefore, benefits of training both for employer and employees are strategic in nature and hence much broader (Sattar, 2011). Employee training aims to change behavior at work place in order to increase efficiency and higher performance standards. The study operationalizes training in terms of its perceived impact to the employees if for example the employees feel the training they receive is effective and enhances their skills and abilities and if the training enables them to perform better.

On the other hand, Organization culture is the pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaption and internal integration (Schein, 1992). Cameron and Quinn (1985),

define culture as the core values, assumptions, interpretations and approaches that characterize an organization. It facilitates communication, teamwork and promotes strategic focus. The study measures organizational culture in terms of the basic assumptions of culture that is commitment to change and the level of innovativeness.

## **2.3 Theoretical Review**

The following sections present literature on the theoretical underpinnings of the study.

### **2.3.1 Porter's Generic Model**

According to Porter (2015), there are five factors that contribute to the level of competition in a market: intense rivalry, a barrier to entry, substitutes, the power of suppliers, and the power of consumers. He maintains that the foundation for formulating strategy is a knowledge of the dynamics that determine the competitiveness in a particular industry. Utilizing important strategic practices allows for an effective correlation to be drawn between generic strategies and the performance of a business. In addition, Porter contends that if the forces are severe, it is impossible for any organization to achieve significant returns on investment. If the external factors are benign, then the majority of businesses will be profitable. Because of this, the makeup of the five forces differs from industry to sector, which means that a company has to develop a unique strategy for each individual industry. One example of this would be the airline business. Minimal cost, differentiation, focus, and mixed strategies are the four components that make up Porter's (1998) generic strategies. All organizations may be thought of as adhering to one of these broadly accepted strategic typologies.

According to Porter (2010), a business should be most concerned with the level of competition present within its industry. According to him, cost effectiveness and differentiation are at different ends of a continuum, and the manner in which the two



concepts relate to one another has been the subject of both theoretical discussion and empirical investigation. The discussion was encouraged by the absence of conceptual building blocks supporting the value system theory. Since then, other academics have, over the course of many years, advanced hypotheses that are diametrically opposed to Porter's viewpoint. Some people have proposed the idea that a low cost and differentiation could be two separate aspects that can and should be pursued simultaneously (Fournier, 2015). Miller and Dess (1993) conducted empirical study on the MIS database, and their findings show that strategic positioning, as opposed to three separate strategies, might be used to improve the generic strategy framework.

The influential Porter's Generic Model is a tool that can be used to carefully diagnose the primary competitive forces in a market and determine how powerful and relevant each one is.

This model was developed by Michael E. Porter. According to Kitoto (2010), a proper study of the five factors would aid a company in picking one of the generic strategies that would effectively allow the organization to compete financially in an industry. This was one of the observations made by Kitoto (2010). Therefore, managers in the aviation industry can only create and choose winning strategies by first recognizing the competing pressures that are there, assessing the virtual strength of each, and obtaining a comprehensive grasp of the sector's overall competitive structure.

The theory is therefore relevant especially to the managers in the aviation industry in developing and selecting winning strategies. The model contributes further to the knowledge of how the competitiveness in the airport industry, which has developed through time, works. The notion sheds more insight on the manner in which airport

management should coordinate the techniques they use to adapt to an ever-changing environment in order to maintain their competitive advantages.

### **2.3.2 The contingency Theory**

A key foundation for the study of organizational design is now provided by the contingency theory of organizational structure (Donaldson, 1995a: 2001). According to this theory, the best organizational structure is one in which the structure is tailored to the circumstances. The contingency theory is a method for studying how business organizations behave that explains how factors like organizational culture and the external environment have an impact on the structure and operation of the organizations. The premise of the contingency theory, according to Galbraith (1973), is that different explanations for how an organization functions will work better under different circumstances. Wright and Ashill (1996) assert that the contingency theory holds that there is no ideal method for a company strategy and that the answers to a particular challenge rely on the circumstances and environmental factors.

According to Zeithaml et al., (1988) suggested that the contingency theory incorporates three variables which are the contingency variables, response variables and performance variables.

Historically, contingency theory has sought to formulate broad generalizations about the formal structures that are typically associated with or best fit the use of different technologies. The perspective originated with the work of Joan (1958), who argued that technologies directly determine differences in such organizational attributes as span of control, centralization of authority, and the formalization of rules and procedures.

The theory is relevant to this study since managers will be able to align the organization structure of Kenya Airports Authority to the organization strategy and hence achieve

successful strategy implementation. The core assumptions of contingency theory are that organizations are open systems; there is no one best way of organizing; and organizations need to achieve a “good fit” between internal systems and external environment.

### **2.3.3 Resource-Based View Theory**

The resource-based view of strategy (RBV) has become the most widely accepted theory of competitive advantage (Furrer et al., 2008). Penrose (1959), who proposed that organizational resources should take priority over industrial structure, is associated with the invention of the RBV. Wernerfelt (1984) created the phrase "resource-based view" and described the company as a collection of resources or assets that are connected to it on a semi-permanent basis. Only strategically significant and usable resources and abilities, according to researchers who subscribe to the RBV, should be seen as sources of competitive advantage (Barney 1991). The utilization of valued physical or intangible resources at the firm's disposal is the main component of the resource-based view (RBV), which is the foundation for a firm's competitive advantage (Kiema & Ali, 2017; Wernerfelt, 1984; Rumelt, 1984; Penrose, 1959).

The resource-based view hypothesis (RBV) has received harsh criticism from a number of academics. Some of the criticisms were made subtly when making changes to the RBV recommendations (Foss, Klein, Kor, & Mahoney, 2008; Makadok, 2001b). Additionally, there are polemical publications that explicitly criticize the RBV (Foss & Knudsen, 2003; Spender, 2006).

As a result, the research will evaluate the RBV criticism based on how broadly applicable it is. RBV, in the opinion of Connor (2002), only applies to big businesses with a lot of market influence. As he contends, the competitive advantage of smaller,

more agile enterprises cannot be predicated on their static resources and so fall beyond the RBV's scope. Connor (2002) asserts that tiny businesses may possess special potential for developing competitive advantage anytime non-tangible resources are acknowledged. As a result, the research considered the use of strategic implementation as a source of competitive advantage amongst firms.

This theory is relevant to this study since employees are an important resource that an organization cannot do without. The success of an organization will depend on training her employees. Proper utilization of the human resources particularly a proper regime of training will enable an organization achieve a competitive advantage over other organizations in the same industry.

## **2.4 Empirical Review of the Literature**

This section reviews research that included empirical results, techniques, samples, conclusions, and summaries relating to the effects of strategic implementation on Competitive Advantage.

### **2.4.1 Effect of Organizational Structure on Competitive Advantage**

A structure that is used to define a hierarchy inside an organization is known as an organizational structure. It makes an effort to cultivate relationships with all of the people who are employed by the company. The structure of the organization is helpful in determining the positions, as well as their duties, functions, and the hierarchical distribution of those roles and functions. It is much easier for an organization to function effectively in an environment that is prone to change when it has a solid organizational structure in place.

An organization structure is the vehicle that managers use to organize the actions of a company's many roles, divisions, and business units in order to make the most of their

capabilities and expertise. An organization's structure is defined as "a hierarchical arrangement of responsibilities and obligations, lines of authority, communications, and coordination," as stated by Okumu (2003). It is a term that refers to the structure, composition, division of labor, job tasks and responsibilities, allocation of authority, and processes for making decisions that exist inside an organization. According to Higgins (2005), an organizational structure can be broken down into five distinct components: the job itself, the line of authority to perform these jobs, the grouping of jobs in a given order that allows achievement of the objectives, the coordination mechanism applied by managers to supervise jobs effectively, and the span of control, which shows the number of subordinates that a manager can effectively supervise. In addition, he contends that the success of a particular company is dependent on the degree to which the organization is organized in accordance with the business plan it pursues. Alfred Chandler conducted research on a large number of American businesses in order to determine the connection that exists between an organization's mission and the structure of the business (Robbins, 2006). According to the findings of his research, alterations in the business strategies of these organizations led to alterations in their organizational structures. The expansion of these organizations' production lines needed the reform of their organizational structures in order for them to be able to deal with the increased output and adapt to the new strategies. Chandler (1961) asserts that in order to achieve higher levels of performance, an organization's structure should mirror her strategy.

Initially, businesses that only produced a few distinct products had centralized structures that were easier to understand and required less formality. However, as these businesses expanded and diversified their product lines, they were required to adopt new structures that were in keeping with their new business strategy. Chandler (1961)

came to the conclusion that when companies diversified their product lines, they required a different organizational structure than companies that focused on a single product strategy (Robbins, 2006). Burns and Stalker (1961) conducted a study on around 20 enterprises located in Britain and Scotland with the intention of determining how the management actions and structures of these companies varied in response to changes in the surrounding environment. They came to the conclusion that organizations that functioned in environments with stable circumstances had structures that were distinct from those that functioned in environments with a high level of change. Organizations have a tendency to adopt a mechanical structure while operating in an environment that is stable. This structure is characterized by limited diversification of activities, poor integration across departments and functional areas, centralization of decision making, as well as standardization and formalization of duties.

Organizations that function in environments that are prone to change have a tendency to adopt structures that are more flexible and organic in nature. This kind of structure makes it possible for adjustments to be made in response to shifts in the environment. Structures of organizations are characterized by high levels of task differentiation, high levels of integration across departments and functional areas with quick communication and information exchange, decentralized decision-making processes, and low levels of task formalization and procedural standardization. They reached the conclusion that businesses will organize themselves in a manner that is consistent with the environment in which they are functioning. According to Robbins (2006), the majority of firms in operation today do so in tumultuous settings, and as a result, these organizations are likely to adopt an organic structure that permits alterations and modifications to be made in accordance with changes that are taking place in the environment.

According to the findings of an investigation conducted by Meijaard, Brand, and Mosselman (2005) and titled "organizational structure and performance of Dutch small firms," it was discovered that small businesses may take on a broad range of organizational forms, each with a different level of departmentalization. Second, the scale of these companies has an important impact on the departmental structure of the business. The third discovery is that decentralized architectures are successful in a variety of circumstances, particularly in the commercial services and industrial industries. Companies that have significant centralization and strong vertical specialization can only exist in relatively basic structures and can only function successfully in such structures. Attempts have been made to convey the idea of competitive advantage using a variety of different notions. According to a number of the conceptual foundations that concentrate on the capabilities of the company, a company's capacity to establish and maintain a competitive advantage is directly tied to the firm-specific resources that it has (Barney, 1991; Peteraf, 1993; Rumelt, 1984; Wernerfelt, 1984).

According to the research of Hamel and Prahalad (1994), know-how, expertise, intellectual assets, and competences are the primary factors that determine a company's level of competitive advantage and, as a consequence, its level of superior performance. Pfeffer (1994) has identified human resources practices, including organizational structure, as the primary factor in determining a company's level of competitive advantage. Hamel and Prahalad (1994) concur with this assessment. According to Grant (1998), one of the essential methods that strategists use to attempt to position the business in order to execute the strategy in a manner that strikes a balance between internal efficiency and effectiveness is to take a look at the primary structure of the organization. On the other hand, Jackson K. Mwangi and colleagues (2019) in their

research "Does organizational structure moderating the relationships between strategic planning and Competitive advantage?" The purpose of this research was to determine whether or not organizational structure has any effect on the connection between strategic planning and the competitive advantage enjoyed by big manufacturing companies in Kenya.

According to the findings of the research, "the fit between strategy, structure, environment, and the capacity of the firm should be nurtured in order to generate a strategic fit" (Johnson et al., 2008). This was shown to be the case. The research found that this assumption was supported by the findings because, if organizational structure is not taken into account, the results gained between strategic planning and competitive advantage are much lower than in situations in which the component of organizational structure is taken into account and dealt with in an appropriate manner. According to the aforementioned research, the influence of organizational structure was much more powerful when paired with strategic planning than the effect of strategic planning on its own.

#### **2.4.2 Effect of Leadership style on Competitive Advantage**

Under their primary goal of guiding the company to its desired end of competitive advantage, leaders often have distinct responsibilities (Hughes and Beatty, 2011). While Leadership is a social influence technique that leverages the efforts of others in order to accomplish a goal. In order to achieve high performance via perceiving, seizing, and transforming, a leader must have exceptional talents, according to Teece (2014), who began his discussion of the necessity of leadership. A solid understanding of leadership is a crucial dynamic competency needed to achieve outstanding performance in companies functioning in the dynamic environment that now exists in enterprises. One



of the key elements for enhancing business success is leadership. The acquisition, development, and deployment of organizational resources, their transformation into valuable goods and services, and the delivery of value to organizational stakeholders are all decisions that are made by leaders in their capacity as the primary decision makers. These factors make them potent generators of management and long-term competitive advantage (Avolio et al., 1999; Rowe, 2001).

Thompson and Strickland (2007) added that strategic leadership maintains businesses' capacity for innovation and responsiveness by making extra efforts to cultivate, encourage, and nurture individuals who are eager to advocate novel concepts, new goods, and novel uses for existing goods. According to Griffins (2011), leadership inside an organization is one of the key variables impacting the execution of a strategy by creating a clear direction, maintaining current communications, inspiring employees, and establishing a culture and set of values that motivates businesses to perform better. Leadership was cited by Van Maas (2008) as a crucial factor in determining how well a company performed. Therefore, to successfully implement a strategy and achieve superior performance, a leader is needed. This leader must inspire employees, provide general guidance for the implementation effort, develop a strategic vision, and communicate that vision to all organizational members.

Additionally, leaders actively lead the strategy implementation effort as an example or a role model by inspiring and boosting the confidence of the organizational members implementing the strategy, by taking a stand when faced with issues of resistance to change or when they must make difficult decisions during the strategy implementation effort, and by upholding integrity, honesty, and making just decisions throughout the process. Heracleous (2000) identified the different roles that leaders play in the strategy

implementation process and categorized them as a commander (a leader who attempts to formulate an optimal strategy), an architect (a leader who attempts to design the best way to implement a given strategy), a coordinator (a leader who attempts to involve other managers to get committed to a given strategy), and a coach (a leader who attempts to involve everyone in the strategy implementation efforts).

South African researchers Joste and Fourie (2009) came to the conclusion that organizational performance may be influenced by leadership, particularly the strategic leadership function of giving guidance during strategy execution. According to Noble and Mokwa's (1999) research, managers' commitment to strategy—defined as the degree to which they understand and support a strategy's goals and objectives—and their role performance—defined as the extent to which they fulfill the responsibilities of a particular role—both have a positive impact on the effectiveness of strategy implementation efforts and performance in an organization.

When implementing a plan, leaders use a range of leadership philosophies, according to Bourgeois and Brodwin (1998). This research discovered that there are several leadership styles for implementing strategies, ranging from being an authoritarian leader to one that actively incorporates diverse stakeholders. Commander, collaborative, coercive, cultural, and organizational transformation are the five basic kinds of leadership styles used during strategy execution, according to Bourgeois and Brodwin (1998). The conventional method of implementing a plan involves the commander and organizational change styles, in which the leader develops the strategy first and considers implementation afterwards. In contrast to a coercive leader who has the exclusive right to drive the implementation agenda alone without including other stakeholders, collaborative and cultural styles are more contemporary and convey

clearly the feature of stakeholder active engagement throughout the implementation process.

Three of the most popular leadership philosophies used by SMEs were put to the test by Aziz, Mahmood, and Abdullah (2013). These leadership philosophies are transactional, transformative, and passive avoidant (*Laissez-faire*). According to the research, among the three leadership philosophies, transformational leadership has the most impact and is closely associated to SME success. These results are in line with a research conducted in Pakistan in 2011 by Naeem and Tayyeb, who discovered a mild positive link between the performance of SMEs and transactional leadership style and a strong positive association between the two. The research came to the conclusion that the performance of SMEs in Pakistan is favorably and substantially influenced by transformational leadership style.

Using a sample of academic leaders, Mahdi and Almsafir (2014) looked at the function of strategic leadership in the academic setting and found that it substantially and favorably predicted an organization's long-term competitive advantage. As a component of strategic leadership, customer orientation has a favorable effect on competitive advantage, according to Zhou et al. (2009). Because of its capabilities to help a business respond to environmental changes, Combe and Greenly (2004) claim that strategic flexibility gives firms a distinct competitive edge. Competitors cannot really copy competitive advantage-related talents. Hili et al. (2017) discovered the opposite, concluding that leadership has little to no effect on competitive advantage.

According to Rovila El Maghviroh, 2012 study on leadership style and competitive advantage in business education by transformational leadership had a significant impact on both the administrative staff and the lecturers, whereas transactional leadership had

no such impact. The study's conclusion was that senior management might devise plans for motivating all employees to advance their skills, which would support the institution's expansion and maintenance of its competitive edge.

Murshid Mohamed Obaid Almheiri, et al (2022) studied Leadership Styles and Competitive Advantage. This research made the case that employee creativity is crucial for getting a competitive edge and that leadership conduct has a big impact on how creative people become. According to the study, autocratic, transactional, and transformational leadership all significantly and positively affect both employee creativity and competitive advantage.

#### **2.4.3 Effect of Training on Competitive Advantage**

The company's most important resource is its human capital since it helps the business grow economically. Employees must be productive and efficient in their particular fields. As training is a major component in raising organizational productivity levels, it is the obligation of the company to educate and develop the necessary skills, knowledge, and abilities of its personnel in order to achieve such effectiveness and efficiency (Saskini Madaan and Bhatnaga, 2021).

Due to growing rivalry, the company must continually update its goods or services, methods, and managerial/technical abilities, giving it a competitive advantage. Due to variances in human capital, or human resources, management styles, and skill development, organizations vary precisely because of this in the context of the dynamic global business environment (Saskini Madaan and Bhatnaga, 2021). Knowledge is the only trustworthy basis for competitive advantage in a growing and more global, complicated, and volatile world. As a result, human resources are increasingly seen as crucial to company success. Because human knowledge and skills are the foundation

of all organizational development, modern businesses place a high priority on their employees' professional growth. As a result, staff education and training have emerged as the best strategy for surviving in the modern company environment (Sharma and Narang, 2012).

Organizations seeking to acquire a competitive edge recognized the value of training in raising staff productivity. Research from the past shows that training programs have a favorable impact on both individual and organizational performance. On the one hand, prior studies in the subject shown that efficient training programs result in greater returns on investment, while other studies (Colarelli & Montei, 1996; Becker, 1993) noted the beneficial function of training in achieving the highest levels of staff retention.

According to Farooq, and Aslam. (2011), managers do their utmost to help employees improve their skills, which eventually results in a positive work environment inside the company. Managers are engaged in creating efficient training programs for their staff in order to enhance their capacity and provide them the information, skills, and capabilities they need to accomplish organizational objectives. In addition to raising staff productivity, the top management's efforts have a favorable global impact on the company's reputation (Jia-Fang, 2010). Effective training programs assist staff in becoming familiar with desirable new technology advancements, as well as in getting a complete understanding of the competencies and abilities necessary to function at a certain profession and avoiding on-the-job errors and blunders (Robert, 2006).

Rama and Gupta (2014) claim that over time, training's role has evolved due to a number of factors, including globalization, the introduction of new technology, the need for leadership, workforce diversity, quality emphasis, and the increased value placed on knowledge. They also claim that training's role has broadened from its traditional focus

on teaching skills and knowledge to linking training to business objectives. This suggests that a firm must develop intellectual capital in order to get a competitive edge. According to the resource perspective of a business, internal expertise and knowledge are significant sources of competitive advantage.

In a 2011 article, Hamid Sheeba argued that training should be prioritized as a means of human resource development in the modern competitive world due to the growing recognition in business and government circles that training is the key to unlocking opportunities for potential economic growth and gaining a competitive edge in the tourism sector. In order for the Corporation to increase its efficiency and effectiveness and better serve the needs of domestic and foreign tourists, the study offered appropriate recommendations for developing meaningful, pertinent, and effective training programs that match the job profiles of various categories of Corporation employees.

According to Otuko, Chege, and Douglas (2013), skilled workers' performance may be constrained if they lack the will to carry out their duties. In fact, they make the claim that an organization's shape and structure may have a variety of effects on employee motivation levels that are related to output.

#### **2.4.4 Effect of Organizational Culture on Competitive Advantage**

A company's purpose, goals, expectations, and guiding principles are referred to as its organizational culture. Organizational culture is a set of values. Due to the structures in place that support employee performance, productivity, and engagement objectives as well as the practices that direct and influence the behaviors of every team member, organizations with an organizational culture often have more success than organizations with less structure. Additionally, it symbolizes "the way things are here." It displays the dominant worldview that individuals have in their minds. It gives workers a feeling of

identity, offers implicit and sometimes unspoken rules for how to behave in the workplace, and improves the stability of the social structure they encounter (Cameron and Quinn, 2006). Within an organization, it encompasses the common values, conventions, and beliefs.

The basis for strategy is established by organizational culture (Mullins, 2005). Mullins, 2005 further states that a strategy must be completely in line with the corporate culture for it to flourish and be effectively executed inside a business. In order to develop and build an organizational culture that accepts the firm's plan over time, initiatives and objectives must be set inside an organization. Barney (1991) defined an organization's competitive advantage as the foundation of its sets of essential resources that allow businesses to compete. According to (Barney, 1991), under this approach, changes in organizations' capacities and resources—which, crucially, includes organizational culture—can be used to explain performance discrepancies between them.

According to Madu (2000), when leaders foster an ethical culture, they are effective in sustaining organizational development, the high-quality services that the community expects, the capacity to solve issues before they turn into catastrophes, and ultimately, the ability to compete with competitors. According to Schein (1999), corporate culture is important because actions taken without consideration of the prevailing cultural influences may have unintended and negative results. When choosing the optimal strategies to develop organizational successes in their complex settings, organizational leaders must weigh a variety of difficult concerns. The success of the leader will be greatly influenced by his familiarity with and comprehension of the corporate culture.

## **2.5 Summary of Knowledge Gaps**

The airline sector in Kenya has been the subject of several studies. Thiga (2002) examined the strategic responses used by Kenyan airlines in the face of shifting environmental conditions. Omondi (2006) concentrated on the competitive strategies used by Kenyan airlines. Both studies showed that the most important strategic responses used by airlines were determined to be for survival, not for competitiveness. Gichohi (2010), however, found that the country's economic, social, and political landscape changes—both positive and negative—have put unprecedented financial pressure on the airline industry, necessitating a necessary reevaluation of how the sector operates. The integration of a firm's operations, structure, and culture is necessary, according to Riwo-Abudho, Njanja, and Ochieng (2013), to create a sustained competitive advantage. Pricing methods have significant effects on an airline's ability to compete, according to Mokaya, Kanyagia, and Nchebere (2012).

Table 2.1 below summarizes and presents the gaps found in the review of empirical studies:

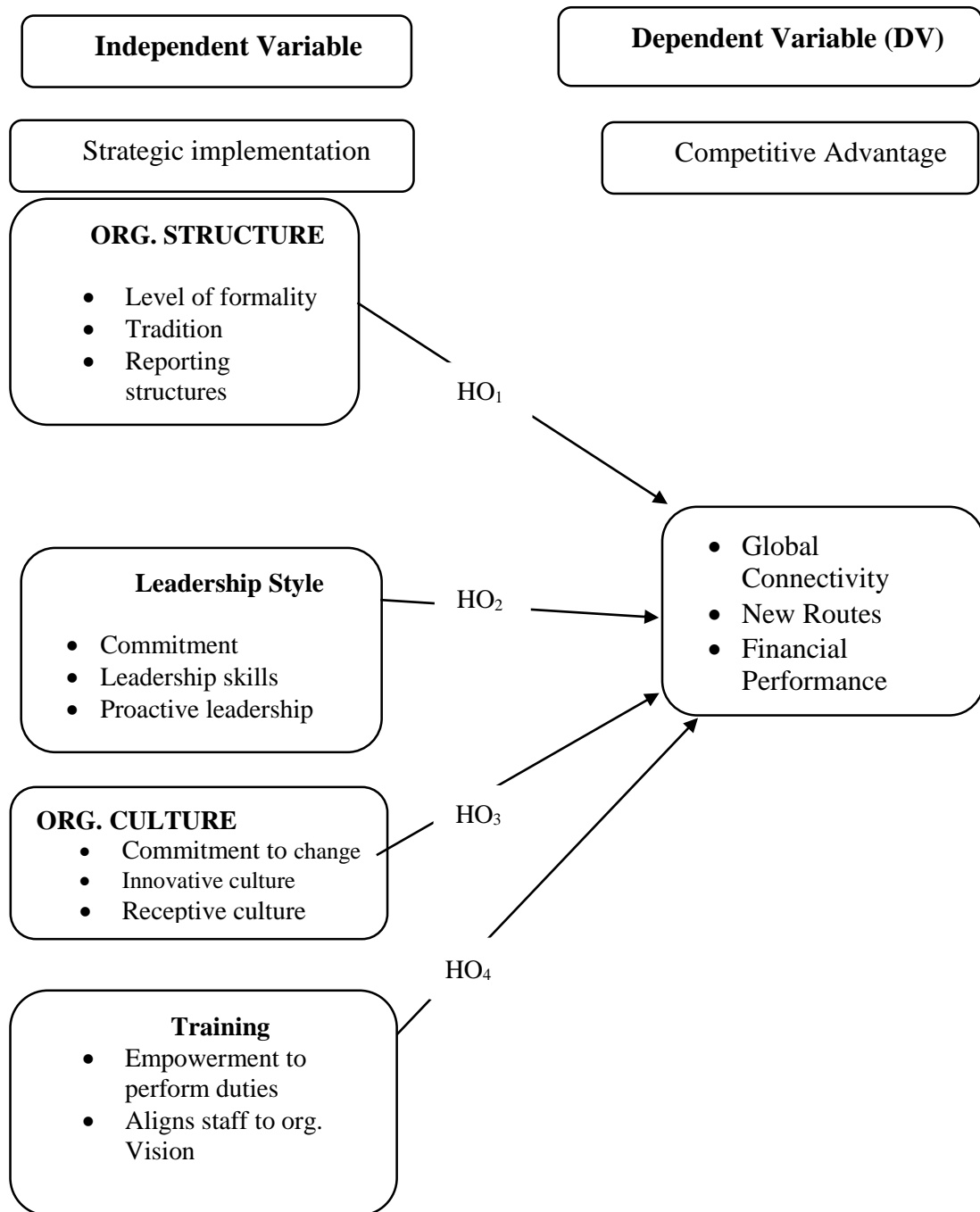


Table 2.1: Summary of Knowledge Gaps

Author and year	Title of the article and year	Methodology	Findings	Gaps
Porter, Michael, (1996)	The contributions of industrial organization to strategic management. Academy of Management Review	Quantitative by conducting survey on external users' internal users and preparer	Through the model, firms will be able to use balanced systems in all critical aspects of the business to measure performance through financial perspectives. It uses four distinct areas, i.e., the customer, growth, financial perspective, and internal processes, to generate its analysis	No conclusive empirical evidence that balanced systems was significantly positively linked to competitive advantage
Brand, A. M. (2013)	The paradox of stretch goals: Organizations in pursuit of the seemingly impossible. Academy of management review	Descriptive statistics (Frequency, Percentage, Means and SD) Inferential (correlation and regression analyses).	The gap between the existing resources and capabilities and the required resources to achieve the intended goals compels the organizations to pursue and acquire such resources. Strategic direction is assessed through Vision, mission, and objectives	The study notes a gap that managers were keener on competitive advantage in its generic sense but not in any way as linked to firms' capabilities
Schein, E. H. (2014)	<i>Organizational culture and leadership</i> (Vol. 2). John Wiley & Sons	Descriptive statistics (Frequency, Percentage, Means and SD)  Inferential (correlation and regression analyses)	There exist noticeable and imperceptible heights of business traditions. These traditions become the symbol of incorporation, celebration, experiences, motto, conduct, outfits, and the physical setup of organizations	The study used the traditional, albeit outdated top-down conceptualization of customer value strategy and not the bottom-up approach currently in vogue and did not consider the perception of managers towards the variables

## **2.6 Conceptual Framework**

According to Mugenda & Mugenda (2013), conceptual framework is the system of ideas (variable) that the researcher uses to accomplish the specified goals. Variables, according to the author, are quantifiable characteristics that have varying values depending on the topic. To find out how independent factors affect another variable, researchers modify independent variables.



**Figure 2.1: Conceptual Framework**

Source: Researcher (2023).

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter explains the study's methodology. It provides a summary of the research design, the study area, the target population, and the sampling methods that were used. Methods of data collection and analysis, measurement of variables, reliability, validity, ethical issues, and constraints are all discussed.

#### **3.1 Research Design**

Cooper & Schindler (2014) claim that the study design is the blueprint for data collection, measurement, and analysis. Additionally, they describe research design as the framework for an inquiry created to find solutions to specific research questions. According to Kothari (2007), a research design consists of choices made by a researcher on the what, where, how much, and how to conduct a research project. This study's research design was explanatory. The goal of an explanatory research is to justify and explain the descriptive data. Descriptive studies may thus focus on the 'what' whereas explanatory studies aim to address the 'why' and 'how' (Grey, 2014). It expands on descriptive and exploratory research to pinpoint the true causes of a phenomena. Explanatory study seeks for causes and motivations and offers data that may be used to confirm or deny an explanation or prediction. It is carried out to identify and document certain connections between various components of the phenomena under investigation. In order to determine the impacts of strategy implementation on competitive advantage for the Kenyan Airports, this design was a suitable method for the survey.

### **3.2 Study Area**

The research was carried out in Kenya's Nairobi County which is Among Kenya's 47 counties. The capital of this least populous but most densely populated county is Nairobi, which is also Kenya's capital and biggest metropolis. The population of Nairobi County, which is the capital of Kenya and has a total area of 268.7 km<sup>2</sup> and a population of around 3.375 million (according to the 2009 Census), has an impact on the development of Thika, Mlolongo, and Kitegela. The researcher chose to conduct the study in Nairobi County because it is home to Jomo Kenyatta International Airport which is the main Airport in Kenya and also Wilson Airport which is the home of general Aviation in Kenya.

### **3.3 Target Population**

According to Copper and Schindler (2014), population refers to the whole group of factors from which the researcher wants to draw conclusions. Target population, according to Saunders et al. (2014), is the whole collection of people or things with the same qualities that the researcher is looking at. 1,300 management employees from Nairobi's Kenya Airports Authority made up the study's target group. Top Management, Middle Management, and Lower Management were the divisions of the people. The people were chosen from the Nairobi headquarters of the Kenya Airports Authority, JKIA, and Wilson Airport. Corporate planning, administration of human resources, Security services, Operations and safety, and Engineering were among the departments from which the 1,300 individuals were chosen.

**Table 3.1: Target Population Distribution**

<b>STUDY AREA</b>	<b>No. of employees</b>
Wilson Airport	60
KAA Head Office	200
JKIA	1140
<b>Total</b>	<b>1300</b>

*Source:* Kenya Airports Authority, 2023

### 3.4 Sampling Design and Procedure

According to Cornell (1960), sampling is the act of selecting and analyzing a relatively small sample of people, things, or events in order to learn more about the full population from which it was drawn. The process of choosing a proper sample in order to establish the criteria the researcher used to choose representative responders from the target population is known as sampling design. Saunders et al. (2014) claim that sampling is the method used to choose a subset of the population. The sample size utilized to test the research hypothesis was chosen using the sampling methodology described below.

#### 3.4.1 Sample Size

Copper & Schindler (2006) contend that a sample size has to be large in order to be accurate in representing the entire population. Nasiurma (2013) was utilized in the research to calculate the necessary sample size.

$$n = \frac{NCV^2}{CV^2 + (N - 1)e^2}$$

Where:

$N$  = Population;

$CV$  = Coefficient of variation (take 0.05);

$e$  = Tolerance at desired level of confidence.

Accordingly, the formula developed by Nasiurma (2013) determined that the optimal number of participants for the research was 130 staff members from the Kenya Airport Authority.

### **3.4.2 Sample Frame**

According to Sarndal, Swensson, and Wretman's (2003) definition, a sampling frame is the tool or source material from which a sample is obtained. In other words, a sampling frame is the source. It is a list of everyone within a population who may be sampled, and it may include persons, families, or institutions depending on the specifics of the study. This study's sample frame was comprised of a variety of departments located within the two Airports that were chosen. The sample was taken from among the management employees working for the Kenya Airports Authority in Nairobi County, Kenya. The sample was divided into three distinct groups: upper management, middle management, and lower management. Employees from the corporate planning, human resource management, security services, operations and safety, and engineering departments of Kenya Airports Authority's Nairobi Head office, JKIA, and Wilson Airport were selected for this project.

### **3.4.3 Sampling Procedure**

In order to arrive at an accurate estimate of the size of the sample, it was necessary to take into account the fact that it needed to be sufficiently big to support statistical analysis. The research employed a multi-stage sampling design because it enabled the researcher to divide the population into several sub-populations or strata that were mutually exclusive from one another. This assisted with boosting the statistical efficiency of the sample by providing enough data for analyzing the sub-populations

and enabling the researcher to use different research methods and procedures in the various strata.

Employees from the management team of Kenya Airports Authority locations in Nairobi County, Kenya were purposefully chosen for the positions. In this research, the choice of the sample was accomplished by a hybrid process that used both stratified and basic random sampling. Saunders et al. (2009), stratified sampling is a method that involves choosing respondents by making use of clearly defined strata. According to Tabachnick and Fidell (2013), a stratified random sample was an effective combination of randomization and classification that assured inclusion in the sample of subgroups.

In this research, the respondents were divided up into the six different strata that were chosen by using the Neyman allocation algorithm. Each stratum contained employees from Top, Middle and lower cadre levels. The approach was developed with the intention of improving survey accuracy while maintaining a constant sample size. The optimal number of samples to take from stratum  $h$ , according to Neyman allocation, was as follows:

$$n_h = \left( \frac{N_h}{N} \right) n$$

Where:

$n_h$  - The sample size for stratum  $h$ ,

$n$  - Total sample size,

$N_h$  - The population size for stratum  $h$ ,

$N$  - The total population

Hence, distribution will be as follows;



**Table 3.2: Sample Size**

<b>Population Category</b>	<b>Target Population</b>	<b>Sample</b> $n_h = \left(\frac{N_h}{N}\right)n$	<b>Size=</b>
Safety Operations	150	<b>15</b>	
Security Services	900	90	
Corporate Planning	9	1	
Human Resource	100	10	
Customer Services	120	12	
Procurement	30	3	
<b>Total</b>	<b>1300</b>	<b>130</b>	

*Source:* Kenya Airports Authority, 2023

Proportional allocation of the sample per study location;

Wilson 60/1300=4.6%

KAA HQ 200/1300=15.4%

JKIA 1140/1300=87.6%

<b>Population Category</b>	<b>Sample Size</b>	<b>Wilson Airport</b>	<b>KAAHQ</b>	<b>JKIA</b>
Safety Operations	15	1	2	12
Security Services	90	4	13	73
Corporate Planning	1	0	1	0
Human Resource	10	1	2	7
Customer Services	12	1	2	9
Procurement	3	1	1	1

### **3.5 Data Types, Collection and Procedure**

#### **3.5.1 Types and Sources of Data**

Primary data was collected by administration of questionnaires to the employees that sought to find out the effect of strategic implementation on competitive advantage on

Airports in Nairobi County. Secondary data included libraries, journals, documents, publications and the internet

### **3.5.2 Data Collection Instruments**

According to Oso and Onen (2008), a data collection instrument is a tool that is used in the process of collecting data for certain research. For the purpose of gathering information on topics such as Organizational Structure, Organizational Culture, Leadership and Training, and Firm Competitive Advantage, the research used structured questionnaires as a technique for data collection. The questionnaire that was employed had items that were closed ended since these types of questions are simpler to administer and evaluate due to the fact that each item is followed by a possible solution. According to Saunders et al. (2014), the closed-ended questions make certain that the responder maintains their concentration on the study's goals.

For the purpose of this study's data collection, questionnaires were utilized since they are a cost-effective research approach that also offers a means of standardizing and structuring questions into variables for the purpose of data analysis. The questions that were used for the variables that were of relevance to the study were taken from previously conducted research that had been formulated and validated. However, the terminology and presentation style were changed so that they are more appropriate for the scope of the research as well as the setting of Kenya. The instrument was made easier to understand in order to make it possible for the target respondents to provide information that can be relied upon, and this was accomplished by simplifying it.

### **3.5.3 Data Collection Procedures**

The research used primary data sources. The term "primary data" refers to the information that a researcher acquires directly from the participants in the sample

gathered as well as from the field itself. During the process of administering surveys, the researcher first got permission from the respective heads of each department. Next, he spoke to the identified workers to take part in the study, by describing the objective of the research and why they have been chosen. Finally, he delivered the questionnaires to the employees. The researcher allowed sufficient time for the respondents to complete the surveys before collecting them and expressing appreciation for their participation and cooperation.

### **3.6 Measurement of Variables**

#### **3.6.1 Measurement of Competitive Advantage**

The competitive advantage construct of Zur (2014) and Ramaswami, Bhargava and Srivastava (2004) were changed so as to be used for this study. According to Zur (2014), the constructs could fall into either an internal or an external category. Human resources, financial resources, and intangible resources are all included in the list of internal factors that determine competitiveness. Legal regulations, the expectations of stakeholders, cultural and social norms, and the presence of competitors are all examples of external determinants. Furthermore, the research also examined competitive advantage by adopting the items used by Morabito, Themistocleous and Serrano (2010), which were modified to match the study environment. Competitive advantage evaluated the response in regard to global connectivity, new routes and economic and financial Performance of the organization. The creation of new routes and additional measures to improve airports' global connectivity will be the source of a competitive advantage.

The items were measured on a 1- 5 scale, with 1 = 'Strongly Disagree', 2= Disagree, 3= neutral, 4=agree and 5 = Strongly Agree'.

### **3.6.2 Measurement of Strategic Implementation**

According to Alex Tawse and Pooya Tabesh's research from 2020, a successful execution of a strategy is an essential component of organizational success and a possible source of a competitive advantage. The research was conducted with the following components in mind in order to give it life: organizational structure, organizational culture, leadership styles, and Training and Development (Hambrick and Cannella, 1989). This was done so that the researchers could better understand how strategic implementation is carried out.

A scale of the likert kind was used in order to assess organizational structure. The primary focus of the questions was to establish whether or not the Kenya Airports Authority has chosen an approach that is conducive to the execution of strategy. For instance, respondents were questioned about the degree to which organizational structures for reporting increase or hinder the execution of strategy, and whether or not low-level formality enhances staff's ability to communicate with their superiors.

A scale of the sort known as the Likert scale was used to evaluate the culture of the organization. The overarching purpose of the questions was to establish whether or not the Kenya Airports Authority is dedicated to the transformation that is required for the effective execution of the plan. For instance, questions such as "does communication raise the level of resistance during strategy implementation?" and "is there a positive relationship between change, receptive culture, and strategy implementation?" were posed to the respondents.

Both leadership and training were evaluated using a Likert-type scale with 5 points. The purpose of the questions pertaining to Training was to ascertain whether or not the Human Resource Management practices at Kenya Airport Authority had an effect on

the execution of strategy. The respondents gave their opinions on questions such as whether or not KAA has the proper personnel to assist the execution of the plan. The purpose of the leadership style questions was to determine whether or not the KAA leadership style is dedicated to driving the execution of the plan.

### **3.7 Validity and Reliability of the Research Instrument**

#### **3.7.1 Validity of the Research Instrument**

According to Cook and Campbell (1979), validity may be defined as the amount to which a measure genuinely depicts the true character of the phenomena of interest. Validity, in its broadest definition, relates to the extent to which instruments really measure the constructs that it is meant for such instruments to assess. Face validity, content validity, criterion-related validity, construct validity, and formative validity are the four types of validity measurements that are described by Babbie (1998). Formative validity is the last kind of validity assessment. Validity concerns on both an internal and an external scale are taken into account by these standards.

According to Creswell & Creswell (2005), content validity refers to the degree to which the questions are valid on the instrument and the scores from these questions reflect all of the conceivable questions that may be asked about the material or skill. It guarantees that the questionnaire has a sufficient number of questions that probe the topic. According to Shekaran and Bougie (2010), the level of content validity is proportional to the degree to which the scale items accurately reflect the scope of the notion that is being evaluated. It is more concerned in evaluating how things are now going than it is in forecasting how things will go in the future. It is connected to a sort of validity in which many aspects, abilities, and behaviors are assessed appropriately and efficiently (DeVellis, 2006; Messick, 1995). This type of validity is important since it allows for

more accurate results. Since there is no statistical test that can evaluate whether or not a measurement sufficiently covers a topic area, the validity of the content is often determined by the opinion of subject matter experts. On the recommendation of the reviewers, questions that are ambiguous or difficult to understand may be modified, while questions that are inefficient or do not operate well can be eliminated.

It is assessed after the test has been designed, yet face validity is regarded to be a fundamental and minimal gauge of content validity (Allen & Yen, 1979). Face validity is a measure of whether or not the exam seems to be accurate. There is a superficial similarity between the ideas of content evidence and face validity; nevertheless, the two are really extremely distinct from one another. According to Leedy and Ormrod (2004), the term "face validity" describes the extent to which it seems as if a test is measuring what it promises to measure. It is a broad response meant to provide a general impression of what the examination is assessing. According to Nwana (2007), this approach of establishing validity is the most straightforward, but it is also the least exact. It is based solely on the knowledge and experience of the evaluator with regard to the topic at hand. It verifies that the measurement seems to be evaluating the desired construct that is being investigated. According to Cook and Beckman (2006), the term is often used to express the impression of validity without empirical testing. Accordingly, it is often seen as the kind of validity that has the least amount of weight (Hashim et al., 2007).

Validity with Regards to Specific Criteria may be used to make predictions about the future or on the performance of the present. It establishes a connection between the outcomes of one set of tests and another metric that is of relevance (Burns et al., 2017). It discusses the link between scale scores and a certain quantifiable criterion that has

been specified. It examines the degree to which the scale is able to discriminate people according to a characteristic that it is anticipated to predict (Pallant, 2011). That is to say, when we are anticipating a future performance based on the scores that are now being collected by the measure, we should connect the scores that are being gained with the performance (Messick, 1989).

"Validity" relates to the evaluation of how good the measurement is in terms of delivering information that may be used to enhance certain facets of the phenomena being studied.

In order to further evaluate the validity of the instrument, the researcher spoke to the supervisors, lecturers from the department, and coworkers about the individual items included in the instrument. The researcher was able to determine the validity of the study instruments with the assistance of the advice offered by these individuals. Inputs such as ideas, explanations, and other inputs were included in the counsel that was to be sought. This idea was taken into consideration while making the required adjustments. The validity of the material was examined using factor analysis. The research compiled a comprehensive list of questionnaire questions that seemed to have a connection to the research variables. As can be seen in Table 3.3 below, the factor loadings for the research were generated in such a manner that the variable loadings for groups of variables were above the range of 0.5.

**Table 3.3: Factor Analysis**

<b>Component Matrix <sup>a</sup></b>		
	Component	
	1	2
Organizational Structure	.969	
Leadership Style	.850	.920
Organizational Culture	.865	-.438
Training	.893	.136

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Source: Field Data (2023)

According to a commonplace rule of thumb, loadings close to -1 or 1 imply that the variable has a significant amount of impact on the factor. Loadings that are very near to 0 suggest that the variable has a weak impact on the factor. As can be seen in Table 3.3, factor loadings are rather near to 1, which suggests that all of the independent factors that were investigated have a significant impact on a company's level of competitive advantage.

### **3.7.2 Reliability of the Research Instrument**

According to Tan et al. (2000), the dependability of an instrument is defined as the degree to which a research instrument produces consistent findings or data after being used in a number of different experiments. The Cronbach alpha measure of internal consistency was used as a reliability test for the instrument. This allowed for an accurate assessment of the instrument's overall performance. The Pearson product moment formula was used so that the coefficient of stability could be calculated. This allowed for a determination to be made on the degree to which the questionnaire elicits the same replies each time it is used. For the purpose of the research, a Cronbach alpha value of  $\alpha > 0.7$  was judged to be trustworthy.



It was determined via a pilot study whether or not the data gathering instruments were reliable and whether or not their content was legitimate. However, Moi International Airport was not one of the airports chosen for the main research project; rather, it was utilized for the pilot study's real research. The validity of the research was examined via the use of questionnaires that were filled out by 13 arbitrarily chosen supervisors working at the airport. The findings of the Cronbach Alpha coefficient are shown in Table 3.4 which may be seen below.

**Table 3.4: Reliability Statistics**

<b>Reliability Statistics</b>		
<b>Independent Variables</b>	<b>Cronbach's Alpha</b>	<b>Number of Items</b>
Organizational Structure	0.953	5
Leadership Style	0.738	12
Organizational Culture	0.849	7
Training	0.906	8
All Variables	0.883	32

Source: Field Data (2023)

### **3.8 Data Analysis and Presentations**

The data collected was cleaned, coded, and entered into the computer. Collected data were processed using SPSS. Several analytical tools, described in the following section, were used in the study.

#### **3.8.1 Descriptive Statistic**

Descriptive statistics were used to describe, summarize, and organize the data. Five sets of these methods were used: frequency distributions, measures of central tendency, and measures of dispersion, skewness and kurtosis. Frequency distributions, ordered arrangement of all variables, showing the number of occurrences in each category (Norusis, 2010), were used to summarize data. For instance, frequencies were used to

describe the demographic information of employees working Jomo Kenyatta and Wilson Airports such as, age, gender and the job experience. The data was then displayed using tables, bar graphs and pie charts. Average or typical values of the data were given by the mean, the arithmetic average of values in a set. Dispersion (variability) of data was given by the standard deviation (the average difference between observed values and the mean). Since normal distribution is a key assumption behind most statistical techniques, skew and kurtosis, were calculated to determine how far the data departed from normality. Skew indicates the degree of asymmetry in the data (how concentrated data points are at the high or low end of the scale of measurement) (Norusis, 2010). A negative value indicated skew to the left; a positive, skew to the right. Kurtosis describes how concentrated data are around the mean (that is, it assesses how peaked or flat is the data distribution). A negative value indicated platykurtosis (fewer items at the mean and at tails but more in intermediate regions) while a positive value indicated leptokurtosis (more items near the mean and at the tails but fewer in the intermediate regions) (Norusis, 2010). Significant departures from normality were indicated if the skew or kurtosis value were outside the benchmark  $\pm 2.0$  (Norusis, 2010).

### **3.8.2 Assumption of Regression Model.**

A regression model is a mathematical representation of what and how independent variables are related to the dependent variables. All regression models have assumption violation of these assumptions can lead to unreliable results. The following assumptions which that underline multiple regression model of analysis was assessed:

- i. The normality of distribution was tested by the Kolmogorov-Smirnov and Shapiro-Wilk tests. A p value less than or equal to 0.05 indicate non-normality

in the data while  $p > 0.05$  show that the data is normal. This is because the null hypothesis of the tests is that the data is non-normal (Cohen & Cohen, 1987).

- ii. Linearity between the dependent variable and each independent variable was tested by plotting the dependent variable (competitive advantage) against independent variables using scatter plots and fitting a line of best fit. Visually inspecting the plots show whether a linear relationship exists between the dependent and independent variables. The goal was to assess the strength of linear relationships among variables.
- iii. Homoscedasticity was assessed by analyzing residual or errors, this was done by plotting standardized residuals against standardized predicted values. If the residuals are randomly scattered around the centre line of zero, with no discernible pattern, which showed that the residuals had a constant variance (homoscedasticity), was approximately normally distributed, and independent of another (non-auto correlated).
- iv. In this study, multi-collinearity was assessed by means of tolerance and Variance Inflation Factor (VIF) values. For each independent variable, tolerance is the proportion of variability of that variable that is not explained by its linear relationships with the other independent variables in the model. Tolerance ranges from 0 to 1. When tolerance is zero, there is high multi-collinearity of that variable with other independents and the beta coefficients become unstable. Normally, a tolerance value of below 0.10 or a VIF value greater than 10 reveals serious multi-collinearity problem (Maddala, 2001). VIF is the inverse of tolerance statistic.
- v. No autocorrelation – linear regression analysis requires that there is little or no auto-correlation in the data. Autocorrelation occurs when the residuals are not

independent from each other. This study used Durbin-Watson test to check for autocorrelation and the plots of residuals. The value should not be less than 1 or greater than 3 (Field, 2005).

All the above statistical tests were analyzed with the Statistical Package for Social Sciences (SPSS), version 23. All tests were two-tailed. Significant levels were measured at 95% confidence level with significant differences recorded at  $p < 0.05$ .

Regression analysis was used to establish univariate models that were used to predict the response variable competitive advantage based on each of the four explanatory variables which in this case were organization structure, organization culture, Leadership and Training.

The regression models were as follows:

**For Organization structure**

$$CA = \beta_0 + \beta_1 OS + \varepsilon$$

Where:

CA= Competitive Advantage

$\beta_0$ = Constant (The intercept of the model)

$\beta_1$ = Coefficient of organization structure

OS= organization structure

$\varepsilon$ = error term for organization structure

**For Organization Culture**

$$CA = \beta_0 + \beta_1 OC + \varepsilon$$

Where:

CA= Competitive Advantage

$\beta_0$ = Constant (The intercept of the model)

$\beta_1$ = Coefficient of organization culture

OC= organization Culture

$\varepsilon$ = error term for organization culture

**For Leadership**

$$CA = \beta_0 + \beta_1 LP + \varepsilon$$

Where:

CA= Competitive Advantage

$\beta_0$ = Constant (The intercept of the model)

$\beta_1$ = Coefficient of Leadership

LP= Leadership

$\varepsilon$ = error term for organization culture

**For Training**

$$CA = \beta_0 + \beta_1 TDV + \varepsilon$$

Where:

$$CA = \beta_0 + \beta_1 TDV + \varepsilon$$

CA= Competitive Advantage

$\beta_0$ = Constant (The intercept of the model)

$\beta_1$ = Coefficient of Training

LP= Training

$\varepsilon$ = error term for organization culture

In each of the model,  $R^2$  was obtained and used to establish the extent to which each independent variable (Organization structure, Organization Culture, Leadership and Training and Development) influenced competitive advantage of Airports in Nairobi in Kenya. The coefficients of each of the determinant ( $\beta_i$ ) was used to establish the expected change in dependent variable per unit changes in each independent variable.

### 3.8.3 Tests for the Research Hypotheses and Model Specification

To test the hypothesis a simple regression models was used to establish the multiple regression coefficient of correlation and difference between extents of strategic management implementation (leadership, organization culture, organization structure and Training) on firm competitive advantage. The beta ( $\beta$ ) coefficients for each independent variable was generated from the model, subjected to a t –test, in order to test each of the hypotheses under study. The beta ( $\beta$ ) coefficients for each independent variable was generated from the model, subjected to a t –test, in order to test each of the hypotheses under study. The regression model that was used to test the hypothesis is as shown below:

$$Y_1 = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \dots \dots \dots (i)$$

Where Y = competitive advantage (dependent variable)

$X_1$  – leadership

$X_2$  – organization culture

$X_3$  - organization Structure

$X_4$  - Human resource management

$\alpha$  – regression constant

$\beta_1, \beta_2, \beta_3$  and  $\beta_4$ , – Coefficient factors

$\varepsilon$  – Error term assumed to be randomly distributed

### **3.9 Ethical Considerations**

Before commencing the data collecting process, the researcher first addressed himself to the respondents (Appendix 1) after having first received an introduction letter from the University. The respondent's rights, privacy, and sensitivity were all safeguarded by the researcher who conducted the study. This was achieved by keeping their identity and privacy maintained while also protecting their confidentiality. Integrity may be increased by providing participants with information about the study's subject matter and the goals of the research. At this juncture, the information on the participants remained confidential. The participants in the study were made aware that the objective of the research was only educational. In this instance, there was no improper use of data since there is a moral responsibility for the data that was gathered.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSION

#### 4.1 Introduction

The assessment of the data and discussion of the findings of the research are presented in this chapter. The general objective of this study was to determine the effect of strategic implementation on competitive advantage of Airports in Nairobi County. Specifically, establish the effect of organizational structure on competitive advantage, examine the effect of leadership styles on competitive advantage, examine the effect of corporate culture on competitive advantage and establish the effect of training on competitive advantage of Airports in Nairobi County. The presentation opens up with a discussion of the demographic features of the respondents, followed by the display of the data that was examined and a presentation of each individual aim.

#### 4.2 Response Rate

The research was conducted with a total of 1300 management staff members from the Kenya Airports Authority Headquarters Jomo Kenyatta International Airport and Wilson Airports. The study used a sample size of 130 people, and 120 of the respondents filled out and returned their questionnaires, yielding a return rate of 92.31%. According to Mugenda and Mugenda (2003), a response rate of 50% is adequate for data analysis and presentation, a rate of 60% is considered to be good, and a response rate of more than 70% is considered to be excellent. Therefore, the percentage of people that participated in this research was quite high. According to the findings of Mugenda and Mugenda (2003), we are thus able to draw the conclusion that the response rate exhibited sufficient and adequate representation of the population. Table 4.1 below shows the response rate for the respondents.



**Table 4.1: Response Rate**

	<b>Number</b>	<b>Percentage</b>
Response	120	92.31
Non-Response	10	7.69

Source (Field Data, 2023)

### 4.3 Demographic Characteristics

In this part, the presentation of a descriptive overview of the data gathering was the primary emphasis as well as the socioeconomic and demographic analyses of the people who participated in the survey.

#### 4.3.1 Gender

The fact that participants of both genders were invited to provide their thoughts on the research meant that gender equality requirements were satisfied. The gender breakdown of those who participated in the survey is shown in Table 4.2 below.

**Table 4.2: Demographic Characteristics**

	<b>Frequency</b>	<b>Percentage</b>	
<b>Gender</b>	Male	45	37.5
	Female	75	62.5
<b>Age</b>	21-30	19	15.8
	31-40	29	24.2
	41-50	47	39.2
	>51	25	20.8
	< 10 years	34	28.3
<b>Job Experience</b>	11-20 years	47	39.2
	21-30 years	28	23.3
	> 31 years	11	9.2

Source: Field Data (2023)

From Table 4.2 above, it can be easily deduced that the research was dominated by male counterparts. This was characterized by 62.5% response rate for males and 37.5% for female counterparts. The reason to this maybe because of fewer women in the airports or since the type of job needed men. However, since the results of the participants were

already in place, it meant that the responses and data collected from male participants dominated in the research.

#### **4.3.2 Age**

As evident from table 4.2 above most of the respondents were aged 41-50 with 39.2 % frequency.

#### **4.3.3 Job Experience of Respondents**

The fact that the research in question looks for the relationship between strategic implementation and competitive advantage, it means that the responses required were supposed to be absolute. Getting a proper response and absolute answers was essential and this depended directly on the experience one had in the management. For this reason, each participant was given a chance to state their experience in the current job position. The distribution was categorized in years where there was less than 10 years, 11-20 years, 21-30 years and above 31 years. Table 4.2 above shows the distribution of the number of years held in the current position.

From the results above, more than a quarter (39%) of the employees had an experience of 11-20 years followed by 29% of them with experience of 10 years. This was followed by 23% of them who had an experience of 21-30 years while 9% of them had 31 years of experience and above. However, the staff were at a good position to respond to the issues sought for in the questionnaire.

#### **4.4 Effect of Organizational Structure on Competitive Advantage**

The research sought to examine the effects of organizational structure on competitive advantage. The findings are presented in table 4.3. As shown in the table, reporting structures can either enhance or impede successful strategy implementation to a higher degree (*mean* = 3.88, *SD* = 0.815).

**Table 4.3: Organizational Structure**

<b>Organizational Structure</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev</b>
A formal organizational structure is influenced by organizational traditions	120	3.67	1.040
The low level of formality enhances staff to share their ideas with the top-level management.	120	3.61	1.232
The degrees of formalized structure can either enhance or impede successful strategy implementation.	120	3.85	0.795
Formalized organizational structure helps employees become more efficient.	120	3.73	1.235
The degree to which reporting structures can either enhance or impede successful strategy implementation	120	3.88	0.815

Source (Field data, 2023)

Formalized structure can either enhance or impede successful strategy implementation to a higher degree (mean=3.85, SD=0.795). In addition, formalized organizational structure helps employees become more efficient (mean=3.73, SD=1.235). In conjunction, a formal organizational structure is influenced by organizational traditions (mean=3.67, SD=1.040). However, the low level of formality enhances staff to share their ideas with the top-level management (mean=3.61, SD=1.232). The study established that reporting structures and formalized structures can greatly enhance strategic implementation.

#### **4.5 Effect of Leadership Style on Competitive Advantage**

Here, the effect of leadership style on competitive advantage is analyzed and presented as in Table 4.4 below.

**Table 4.4: Leadership Style**

<b>Leadership Style</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev</b>
Commitment of the leader drives the strategy implementation process.	120	4.26	0.655
Growth of an enterprise is limited due to weak leadership skills of the entrepreneur.	120	3.93	1.168
Managing resources is a component of leadership skills during strategy implementation	120	4.49	0.698
Leaders need to be proactive during strategy implementation	120	4.54	0.697
Employees need to be supervised closely, or they are not likely to do their work	120	2.76	1.061
Employees want to be a part of the decision-making process.	120	4.43	0.976
In complex situations, leaders should let followers work problems out on their own	120	2.62	1.014
As a rule, employees must be given rewards or punishments in order to motivate them to achieve organizational objectives	120	3.98	0.667
Leaders need to help followers accept responsibility for completing their work	120	4.35	0.479
Effective leaders give orders and clarify procedures.	120	4.32	0.830
Employees are competent and if given a task will do a good job	120	4.40	0.715
Providing guidance without pressure is the key to being a good leader	120	4.26	1.081

Source (Field data, 2023)

The results in table 4.4 above show that leaders need to be proactive during strategy implementation (mean=4.54, SD=0.697) and managing resources is a component of leadership skills during strategy implementation (mean=4.49, SD=0.698). Due to this, employees want to be a part of the decision-making process (mean=4.43, SD=0.976) and are competent and if given a task will do a good job (mean=4.40, SD=0.715). However, leaders need to help followers accept responsibility for completing their work (mean=4.35, SD=0.479) and give orders and clarify procedures (mean=4.32, SD=0.830). As a rule, employees must be given rewards or punishments in order to motivate them to achieve organizational objectives (mean=3.98, SD=0.667) and growth

of an enterprise is limited due to weak leadership skills of the entrepreneur (mean=3.93, SD=1.168). However, employees need to be supervised closely, or they are not likely to do their work (mean=2.76, SD=1.061) and in complex situations, leaders should let followers work problems out on their own (mean=2.62, SD=1.014). In summary, leaders need to be proactive, committed and manage resources well to attain competitive advantage. The findings by Kerdpitak and Jermstiparsert (2020) documented that employee engagement positively mediates the relationship among the practices of HRM such as employees training, learning practices and employee selection and competitive advantage.

#### **4.6 Effect of Organizational Culture on Competitive Advantage**

The third purpose of the research was to investigate the impact that organizational culture has on the degree to which Kenyan Airports are able to maintain a competitive advantages. The findings of this exercise are reported in Table 4.5 below.

**Table 4.5: Organizational Culture**

<b>Organizational Culture</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev</b>
Commitment to change is necessary for successful strategy implementation.	120	4.19	1.252
Open communication can enhance the level of resistance during strategy implementation.	120	3.11	1.201
A change receptive culture should be embraced in organizations.	120	3.83	1.234
There is a positive relationship between change receptive culture and strategy implementation	120	3.85	1.113
Innovative organizational culture is recognized as a key element of dynamic market efficiency.	120	3.53	1.263
Firms need to embrace an innovative organizational culture during strategy implementation	120	3.55	1.151
Culture of innovation in organizations has proved to be the engine of successful strategy implementation	120	3.87	1.229

Source (Field data, 2023)

The findings reveal that commitment to change is necessary for successful strategy implementation (mean=4.19, SD=1.252). Moreover, culture of innovation in organizations has proved to be the engine of successful strategy implementation (mean=3.87, SD=1.229). From the study, a change receptive culture should be embraced in organizations (mean=3.83, SD=1.234) and firms need to embrace an innovative organizational culture during strategy implementation (mean=3.55, SD=1.151). Innovative organizational culture is recognized as a key element of dynamic market efficiency (mean=3.53, SD=1.263) and open communication can enhance the level of resistance during strategy implementation (mean=3.11, SD=1.201).

#### **4.7 Effect of Training on Competitive Advantage**

The fourth purpose of the research was to investigate the influence that training has on competitive advantage in Kenyan airports as shown in Table 4.6 below.

**Table 4.6: Training**

<b>Training</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev</b>
The training I receive is effective and it enhances my skills and abilities.	120	4.17	0.920
Training is done when there is a gap between the actual and expected performance	120	3.29	1.563
Training Needs Analysis is carried out before undertaking any kind of training.	120	3.38	1.485
The organization trains to enable me perform better.	120	4.00	1.283
Individual needs, departmental needs and organizational needs go hand in hand at Kenya Airports Authority	120	3.29	1.600
Everyone is given a chance to take part in the training program	120	3.09	1.250
Through training programs, employees are able to pave way for the organizations to achieve organization's strategic objectives	120	3.66	1.134
Through training programs, employees are able to implement KAA strategic objectives effectively.	120	3.47	1.276

Source (Field data, 2023)

The study indicates that the training received is effective and it enhances skills and abilities of employees (mean=4.17, SD=0.920). As a result, the organization trains to enable the employees perform better (mean=4.00, SD=1.283). Through training programs, employees are able to pave way for the organizations to achieve organization's strategic objectives (mean=3.66, SD=1.134) and implement KAA strategic objectives effectively (mean=3.47, SD=1.276). This in turn makes training needs analysis carried out before undertaking any kind of training (mean=3.38, SD=1.485), is done when there is a gap between the actual and expected performance (mean=3.29, SD=1.563) and individual needs, departmental needs and organizational needs go hand in hand at KAA (mean=3.29, SD=1.600). In conclusion, everyone is given a chance to take part in the training program (mean=3.09, SD=1.250).

#### 4.8 Competitive Advantage

It was important to determine the respondents' views on their firms' competitive advantage in their organization. Table 4.7 below presents the results.

**Table 4.7: Competitive Advantage**

<b>Competitive Advantage</b>	<b>N</b>	<b>Mean</b>	<b>Std. Dev</b>
Strategy implementation skills enhance competitive advantage.	120	4.09	1.223
Human resource is a major component of competitive advantage.	120	3.79	1.187
The type organizational structure adopted by a firm has an impact on its competitive advantage.	120	3.69	1.114
A flexible organizational structure in a firm enhances competitive advantage.	120	3.76	0.799
Strategy implementation skills enhance competitive advantage.	120	3.78	0.663
Competitive advantage is determined by the type of organizational culture adopted by the firm.	120	4.08	0.881
Competitive advantage of airports is determined by level global connectivity	120	4.08	0.559
Competitive advantage of airports is determined by short travel between airports	120	3.68	0.970
Competitive advantage of airports is determined by lower air fares	120	3.48	1.236
A positive attitude towards strategy implementation in an organization leads to competitive advantage.	120	4.04	1.205

Source: (Field data, 2023)

The findings of the study indicate that, strategy implementation skills enhance competitive advantage (mean=4.09, SD=1.223) and competitive advantage is determined by the type of organizational culture adopted by the firm (mean=4.08, SD=0.881), level global connectivity (mean=4.08, SD=0.559). Moreover, a positive attitude towards strategy implementation in an organization (mean=4.04, SD=1.205), human resource (mean=3.79, SD=1.187), strategy implementation skills (mean=3.78, SD=0.663), flexible organizational structure in a firm (mean=3.76, SD=0.799), type organizational structure adopted by a firm (mean=3.69, SD=1.114) have a significant



impact on competitive advantage. To conclude with, competitive advantage of airports is determined by short travel between airports (mean=3.68, SD=0.970) and lower air fares (mean=3.48, SD=1.236).

#### 4.9 Assumptions of Regression Model

A regression model is a mathematical representation of what and how independent variables are related to the dependent variables. All regression models have assumptions. Violation of these assumptions can lead to unreliable results. The following assumptions which that underline multiple regression model of analysis were assessed:

The normality of distribution was tested by the Kolmogorov-Smirnov. A p-value less than or equal to 0.05 would indicate non-normality in the data while  $p > 0.05$  would show that the data is normal. This is because the null hypothesis of the tests is that the data is non-normal (Cohen & Cohen, 1987).

**Table 4.8: Kolmogorov - Smirnov Test**

<b>Kolmogorov-Smirnov Test</b>		Competitive Advantage
1. N		120
Normal Parameters <sup>a,b</sup>	Mean	3.79
	Std. Deviation	0.701
Most Extreme Differences	Absolute	0.174
	Positive	0.157
	Negative	-0.174
Test Statistic		0.174
Asymp. Sig. (2-tailed)		0.000 <sup>c</sup>

a. Test distribution is Normal.

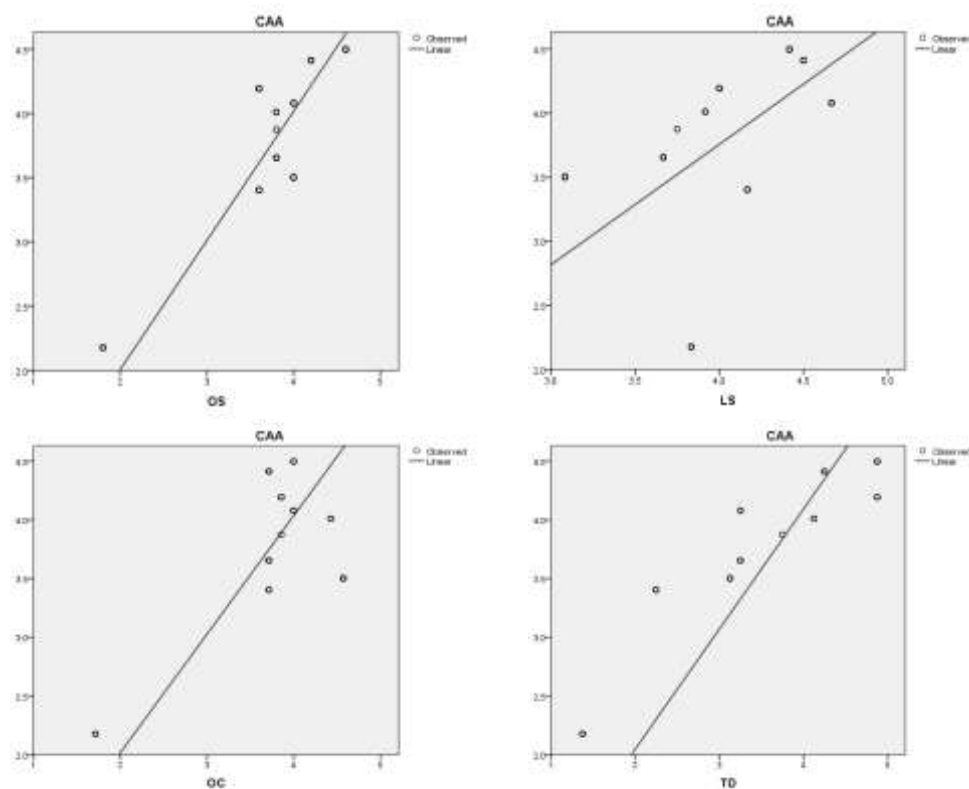
b. Calculated from data.

c. Lilliefors Significance Correction.

Source: Field Data (2023).

According to the findings shown in the above table 4.12, the fact that the test statistic (0.174) is higher than the p-value of 0.05 shows that the data was normal distributed.

It was determined whether or not there was linearity between the dependent variable and each independent variable by utilizing scatter plots to compare the dependent variable (competitive advantage) to the independent factors and then fitting a line of best fit between the two sets of data. If one were to visually examine the plots, one might determine whether or not the dependent variable and the independent variable had a linear connection. The purpose of this analysis was to determine how strong linear correlations are between the variables.

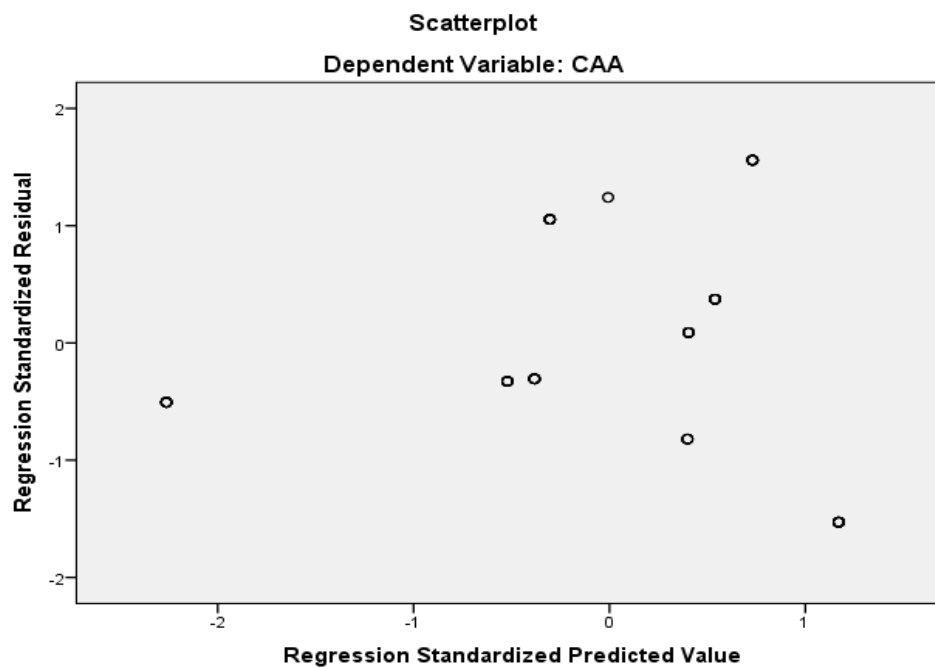


**Figure 4.1: Linearity of Variables**

There was a strong association between having a competitive advantage and the independent variables, as illustrated in the figure above labeled "Figure 4.1," since the majority of the points lay along the line that provided the best fit for the data. As a

consequence of this, the relationship between the dependent and independent variables was linear.

The homoscedasticity of the data was evaluated by plotting standardized residuals against standardized predicted values. The analysis of residuals or errors was used to evaluate the homoscedasticity of the data. It would indicate that the residuals had a constant variance (homoscedasticity), that it was nearly normally distributed, and that it was independent of one another (non-auto correlated) if the residuals were randomly scattered about the center line of zero, without any visible pattern.



**Figure 4.2: Homoscedasticity of the Regression Model**

Because there was no visible pattern in the residuals, it can be seen that they were randomly dispersed about the line that represents zero, as was shown in the preceding figure (Figure 4.2). This demonstrates that the residuals followed an essentially normal distribution, had a constant variance (homoscedasticity), and were not connected with one another (non-autocorrelation).

Tolerance and Variance Inflation Factor (VIF) data were used during the course of this research to determine the presence of multi-collinearity. Tolerance was the amount of a variable's variability that could not be explained by its linear interactions with the other independent variables in the model. This proportion was calculated for each of the model's variables independently. The scale of tolerance goes from 0 to 1. When there is no tolerance at all, there is a significant level of multi-collinearity between that variable and the other independents, and the beta coefficients become unstable. According to Maddala (2001), a serious multi-collinearity problem may be identified when the tolerance value is less than 0.10 or when the VIF value is more than 10. One way to think about the VIF is as the inverse of the tolerance statistic.

**Table 4.9: Collinearity Statistics**

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Training	.366	2.733
Leadership Style	.483	2.068
Organizational Structure	.101	9.860
Organizational Culture	.131	7.627

Source: Field Data (2023)

The results may be seen in Table 4.13, which displays both the tolerance and the VIF values. According to the findings, there is no value of tolerance that is lower than 0.10, and there is no value of VIF that is higher than 10. This suggests that there was no multi-collinearity issue with the data, and as a result, it was suitable for use in research.

Absence of autocorrelation is necessary for linear regression analysis, which stipulates that the data must include very little or no autocorrelation at all. When the residuals are not independent from one another, a phenomenon known as autocorrelation may be

seen. The Durbin-Watson test was used in this investigation to check for autocorrelation, and plots of residuals were analyzed. According to Field (2005), the value must neither to be lower than one nor higher than three.

**Table 4.10: Autocorrelation Results**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	Durbin-Watson
1	0.995 <sup>a</sup>	0.990	0.990	0.072	2.651

a. Predictors: (Constant), OC, LS, TD, OS

b. Dependent Variable: CAA

Source: Field Data (2023)

The results are shown in Table 4.10, which shows that the Durbin-Watson value is 2.651. According to Field (2005), the Durbin-Watson number must be between 1 and 3, and it must never be less than 1. As a result, this suggests that there was very little or perhaps no autocorrelation in the data.

All of the aforementioned statistical tests were evaluated using the most recent version of the Statistical Package for the Social Sciences (SPSS). Each exam consisted of two tailed phases. The degree of confidence used to measure significant levels was 95%, while the level of significance used to record significant differences was  $p < 0.05$ . Regression analysis was used to establish univariate models that were used to predict the response variable competitive advantage based on each of the four explanatory variables which in this case will be organization structure, organization culture, Leadership and Training.

In each of the model,  $R^2$  was obtained and was used to establish the extent to which each independent variable (Organization structure, Organization Culture, Leadership and Training) influenced competitive advantage in selected Airports in Kenya. The

coefficients of each of the determinant ( $\beta_i$ ) was used to establish the expected change in dependent variable per unit changes in each independent variable.

#### 4.10 Inferential tests

##### 4.10.1 Correlations

The correlations between the variables that are independent and the variable that is dependent were also attempted to be visualized as part of this research. The results of the correlation test between the independent factors and the dependent variable under consideration are shown in the table 4.11 below.

**Table 4.11: Correlations**

Correlations		Competitive Advantage	Organizational Structure	Leadership Style	Organizational Culture	Training
Competitive Advantage	Pearson Correlation	1	.915**	.508**	.741**	.929**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	120	120	120	120	120

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Field Data (2023)

Findings in Table 4.11 above indicate a positive correlation of 0.915 between organizational structure and competitive advantage. This implies that there is a positive relationship between organizational structure and competitive advantage. Moreover, the findings indicate a positive correlation of 0.508 between leadership style and competitive advantage. This implies that there is a positive relationship between leadership style and competitive advantage.

Findings further indicate a positive correlation of 0.741 between organizational culture and competitive advantage. This implies that there is a positive relationship between organizational culture and competitive advantage. There is a positive correlation of

0.929 between training and competitive advantage. This implies that there is a positive relationship between training and competitive advantage.

#### 4.11 ANOVA Results

The ANOVA results for the general regression model were presented to check whether all the variables had a significant influence to competitive advantage or not. Results are shown in Table 4.12 below.

**Table 4.12: ANOVA Results**

ANOVA						
Model		Sum Squares	of DF	Mean Square	F	Sig.
Regression		57.890	4	14.473	2826.816	.000*
Residual		.589	115	.005		
Total		58.479	119			

\*Significant at  $p < 0.05$  level

Source: Field Data (2023)

As shown in Table 4.12, ANOVA statistics test results revealed that all variables had a significant influence on competitive advantage,  $F(4, 115) = 4.95$ ,  $p = 0.05$ . This implies that removing any variable would have a significant effect to competitive advantage.

#### 4.12 Hypothesis Testing

A one sample t-test was carried out to test whether organizational structure, leadership style, training and organizational culture had a significant impact on competitive advantage. Results are presented in table 4.13 below. For the variables to be significant, the p-value ought to be less than 0.05.

**Table 4.13: One Sample Test**

	<b>Test Value = 0</b>						
	t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference		
					Lower	Upper	
Organizational Structure	52.656	119	.000	3.747	3.61	3.89	
Leadership Style	94.474	119	.000	4.027	3.94	4.11	
Training	33.940	119	.000	3.544	3.34	3.75	
Organizational Culture	52.155	119	.000	3.704	3.56	3.84	

***H<sub>01</sub>:* There is no significant effect of organizational structure on competitive advantage in selected Airports in Kenya.**

The t statistic (t=52.656), had a significant value (p=.000) which is less than the accepted value, 0.05. This led to a conclusion of rejecting the null hypothesis implying that organizational structure has a significant effect on competitive advantage.

***H<sub>02</sub>:* There is no significant effect of leadership style on competitive advantage in selected Airports in Kenya.**

The t statistic for leadership style was 94.474 which was found to be statistically significant at p<0.05. Therefore, the null hypothesis that there is no significant effect of leadership style on competitive advantage in Airports in Nairobi was rejected.

***H<sub>03</sub>:* There is no significant effect of organizational culture on competitive advantage in selected Airports in Kenya.**

The null hypothesis on whether there is no significant effect of organizational culture on competitive advantage in Airports in Nairobi was rejected since the t statistic obtained was statistically significant (t=49.911, p=0.000).



***H<sub>04</sub>*: There is no significant effect of Training on competitive advantage in selected Airports in Kenya.**

A t statistic of 52.155 is observed from table 4.13 above which is in turn significant at  $p < 0.05$ . This in turn leads to a conclusion of rejecting the null hypothesis that there is no significant effect of Training on competitive advantage in Airports in Nairobi.

Table 4.14 presents a summary of the hypotheses tests.

**Table 4.14: Summary of Hypotheses Tests**

Hypothesis	Statistic	p-value	Conclusion
<b><i>H<sub>01</sub></i></b> : There is no significant effect of organizational structure on competitive advantage in selected Airports in Kenya.	t=52.656	.000	<i>H<sub>01</sub></i> was rejected and a conclusion drawn that organizational structure has a significant effect on competitive advantage in airports in Nairobi
<b><i>H<sub>02</sub></i></b> : There is no significant effect of leadership style on competitive advantage in selected Airports in Kenya.	t=94.474	.000	<i>H<sub>02</sub></i> was rejected and a conclusion drawn that leadership style has a significant effect on competitive advantage in airports in Nairobi
<b><i>H<sub>03</sub></i></b> : There is no significant effect of organizational culture on competitive advantage in selected Airports in Kenya.	t=52.155	.000	<i>H<sub>03</sub></i> was rejected and a conclusion drawn that organizational culture has a significant effect on competitive advantage in airports in Nairobi
<b><i>H<sub>04</sub></i></b> : There is no significant effect of Training on competitive advantage in selected Airports in Kenya.	t=33.940	.000	<i>H<sub>04</sub></i> was rejected and a conclusion drawn that training and development has a significant effect on competitive advantage in airports in Nairobi

Source: Field Data (2023)

Further, the general regression model was presented as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where;

$Y$  = Competitive Advantage

$\beta_0$  = Constant

$\beta_1, \beta_2, \beta_3, \beta_4$  = Coefficients of determination

$X_1$  = Organizational Structure

$X_2$  = Leadership Style

$X_3$  = Organizational Culture

$X_4$  = Training and Development

$\varepsilon$  = Error term

Table 4.15 below shows the results for the model.

**Table 4.15: Overall Regression Model**

Model	Coefficients <sup>a</sup>				t	Sig.
	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	Beta			
(Constant)	-.463	.083			-5.563	.000
Organizational Structure	.251	.026	.279		9.493	.000
Leadership Style	.391	.020	.260		19.333	.000
Organizational Culture	.187	.023	.207		8.013	.000
Training	.296	.009	.484		31.260	.000

a. Dependent Variable: Competitive Advantage

From the findings of the study,  $\beta_0 = -0.463, \beta_1 = 0.279, \beta_2 = 0.260, \beta_3 =$

$0.207, \beta_4 = 0.484$ . The overall regression model is therefore as follows;

$$Y = -0.463 + 0.279X_1 + 0.260X_2 + 0.207X_3 + 0.484X_4 + \varepsilon$$

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter provides an overview of the objectives of the research, an analysis of whether or not those objectives were met, a conclusion, and a recommendation for more research. The discussion and the outcomes from the previous chapter served as the foundation for this chapter.

#### 5.1 Summary of Findings

The study targeted 1,300 staff members of Kenya Airports Authority in Nairobi County. A sample of 130 staff of Kenya Airports Authority Nairobi was chosen and among them, 120 completely filled their questionnaires giving a 92.31% return rate. Findings showed that Formalized structure can either enhance or impede successful strategy implementation to a higher degree (mean=3.85, SD=0.795). A one sample t-test indicated that organizational structure poses a positive influence on competitive advantage ( $t=52.656$ ,  $p=0.000$ ) leading to rejection of the null hypothesis.

Moreover, findings revealed that commitment to change is necessary for successful strategy implementation (mean=4.19, SD=1.252). ANOVA statistics test results revealed that leadership style had a significant influence on organizational culture,  $F(1, 118) = 11.4$ ,  $p = 0.001$ . A one sample t-test indicated that organizational structure poses a positive influence on competitive advantage ( $t=94.474$ ,  $p=0.000$ ) hence rejecting the null hypothesis.

On organizational culture, findings reveal that commitment to change is necessary for successful strategy implementation (mean=4.19, SD=1.252). ANOVA statistics test results revealed that Organizational Culture had a significant influence on Competitive

Advantage,  $F(1, 118) = 11.4, p = 0.001$ . Training is crucial to competitive advantage ( $t=52.155, p=0.000$ ) This implied that poor organizational culture would have a low competitive advantage whereas better organizational culture would have higher competitive advantage.

In conclusion, the study indicated that the training received is effective and it enhances skills and abilities of employees (mean=4.17, SD=0.920). The findings of the ANOVA statistical test showed that Training had a significant effect on Competitive Advantage,  $F(1, 118) = 11.4, p = 0.001$ . Training culture is crucial for competitive advantage ( $t=49.911, p=0.000$ ) hence rejecting the null hypothesis.

## **5.2 Discussion of Findings**

### **5.2.1 Organizational Structure on Competitive Advantage**

Objective one was to determine the effect of organizational structure on competitive advantage of Airports in Nairobi County

The study established that organizational structure has a positive and significant effect on competitive advantage. Consistently, prior studies have indicated that isolated human resources practices including organizational structure and found that they were the main drivers of competitive advantage (Hamel and Prahalad, 1994; Pfeiffer, 1994). The results of this research are consistent with those discovered by Abuga and Deya (2019), who discovered that organizational structure may have a beneficial impact on a company's competitive advantage. In addition, Maingi et al. (2019) found that organizational structure plays a role as a partial moderator in the relationship between strategic planning and competitive advantage.

### **5.2.2 Leadership Style on Competitive Advantage**

Objective two was to establish the effect of leadership style on competitive advantage of Airports in Nairobi County.

Leadership style has exhibited a positive and significant effect on competitive advantage in Airports in Kenya. Moreover, commitment to change is necessary for successful strategy implementation. The findings of the study are in line with Irungu (2021) study which found that as the leadership styles improve during organization operation process, there is significant positive changes in Saccos' competitive advantage in Murang'a County, Kenya. Moreover, Saratuki (2017) noted that leadership style significantly impacts competitive advantage of organizations within sugar sector in Kenya.

### **5.2.3 Organizational Culture on Competitive Advantage**

Objective three was to assess effect of organizational culture on competitive advantage of Airports in Nairobi County

It was established that organizational culture has a positive and significant impact on competitive advantage as depicted by the study. Culture of innovation in organizations has proved to be the engine of successful strategy implementation. The results obtained by Elshaer and Azzaz (2016) demonstrate that organizational culture has a significant influence on non-market performance. In addition, Chepngeno et al. (2014) which noted that organizational culture had a significant effect on competitive advantage.

### **5.2.4 Training on Competitive Advantage**

Objective four was to determine the effect of Training on competitive advantage of Airports in Nairobi County. It was established that the training received is effective and it enhances skills and abilities of employees. Training is crucial to all staff and has a

significant and positive impact on competitive advantage as depicted by the study. The results of the research are consistent with the findings of a study conducted by Kinyua (2009). That study indicated that the process of assessing, recruiting, selecting, and matching volunteers provides the basis for the training of volunteers to improve their effective performance.

### **5.3 Hypothesis Testing**

The first research hypothesis was whether there was any significant effect of organizational structure on competitive advantage in selected Airports in Kenya or not. From the findings, most of the staff members were in agreement that organizational structure plays an important role on competitive advantage. The study concludes that poor organizational structure would have a low competitive advantage whereas better organizational structure would have higher competitive advantage. This is because the structure of an organization is crucial in playing a major role in competitive advantage.

The second research hypothesis was whether there was any significant effect of leadership style on competitive advantage in selected Airports in Kenya or not. Majority of the staff felt that leadership style plays an important role on competitive advantage. This study concludes that poor leadership style would have a low competitive advantage whereas better leadership style would have higher competitive position or advantage. The way in which leadership is exercised actually is a significant factor in determining the level of competitive advantage achieved.

The third research hypothesis was whether there was any significant effect of organizational culture on competitive advantage on selected Airports in Kenya or not. The research demonstrates that most of the staff members were in agreement that organizational culture plays an important role on competitive advantage. The study

therefore concludes that poor organizational culture would have a low competitive advantage whereas better organizational culture would have higher competitive advantage. It is crucial therefore to ensure that organizational culture is made a priority in an organization to give the best output of competitive advantage.

The fourth research hypothesis was whether there was any significant effect on training on competitive advantage in Kenyan Airports or not. According to the findings of the research, the vast majority of employees believe that training plays an essential part in gaining a competitive position or advantage. Therefore, the study concludes that lack of training would have a low competitive advantage whereas training and development would have higher competitive advantage. Adequate training is therefore efficient to any organization to give a good result on competitive advantage.

## **5.4 Recommendations of the Study**

### **5.4.1 Managerial Recommendations**

There should be a formalized structure to enhance successful strategy implementation to a higher degree. In addition, formalized organizational structure helps employees become more efficient. In conjunction, a formal organizational structure is influenced by organizational traditions.

Leaders need to be proactive during strategy implementation and managing resources is a component of leadership skills during strategy implementation. Due to this, employees should be a part of the decision-making process and are competent and if given a task will do a good job.

Training should be conducted in organizations as it enhances skills and abilities of employees, enables employees perform better, employees are able to pave way for the organizations to achieve organization's strategic objectives and implement KAA

strategic objectives effectively. Further, training needs analysis should be carried out before undertaking any kind of training as it breaches the gap between the actual and expected performance.

#### **5.4.2 Policy Recommendations**

For successful strategy implementation, commitment to change is necessary. Moreover, culture of innovation in organizations is an engine of successful strategy implementation. Organizations should embrace a change in receptive culture and innovative organizational culture during strategy implementation.

#### **5.4.3 Theoretical Recommendations**

The study contributes to the resource-based view theory by highlighting the importance of strategic implementation in creating a competitive advantage. The study shows that effective strategic implementation can help airports leverage their resources to create a competitive advantage that is sustainable. The research work further makes a valuable contribution to contingency theory by showing that the effectiveness of strategic implementation depends on the specific context in which it is implemented. This suggests that airport management must take into account the unique circumstances of each airport while formulating and executing their strategies. The study further contributes to institutional theory by showing that airport managers need to consider the institutional environment in which they operate when developing and implementing their strategies. This implies that airport managers need to consider the rules and regulations that govern their operations when developing and implementing their strategies.



### **5.5 Areas for Further Research**

The study was limited to examining the airports in Nairobi, Kenya. The researcher suggests that future research should focus on investigating the implementation of strategies and competitive advantage of firms in the aviation industry across East and Southern Africa. This would allow for the inclusion of a wider range of companies in the aviation industry and lead to a more comprehensive understanding of the area of study. The researcher also suggests doing more research on the execution of the strategy and the competitive advantage of enterprises in other sectors of the Kenyan economy and abroad. This will help build a comprehensive conclusion about the subject matter.

In addition, the study suggests doing more research in order to determine the influence that the execution of a strategy and having a competitive advantage have on the financial performance of companies operating in the aviation sector. The studies need to take into consideration the present market prospects and risks in the context of the rapid development of technology and acts of terrorist activity that have occurred in recent history. In addition, additional research should be conducted on the implementation of strategies and the competitive advantages held by firms operating in the aviation industry in Kenya. These studies, however, should incorporate a greater number of variables, in both qualitative and quantitative terms, in order to produce a conclusion that is more all-encompassing regarding the topic under study.

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**APPENDICES****Appendix I: Introduction Letter**

Dominic Kaliva

Moi University

P. O. Box 3900

**Eldoret**

Tel. No.....

mwanziakaliva@gmail.com

Dear Respondent,

**RE: REQUEST TO FILL THE ATTACHED QUESTIONNAIRE**

I am a postgraduate student in the School of Business and Economics, Department of Management Science and Entrepreneurship, Moi University pursuing MBA in Strategic Management. One of my Academic outputs before graduating is a project and for this, I have chosen the research topic entitled: *The Effect of Strategic Implementation on Competitive Advantage on Selected of Kenyan Airports*. You have been selected to form part of this study. This is to kindly request you to assist me collect the data by responding to the attached questionnaire. The information you provide will be strictly for Academic purposes and will be treated with utmost confidence. Your assistance will be highly appreciated.

Yours Sincerely,

**DOMINIC KALIVA**  
**MBA/5334/21**



## Appendix II: Questionnaire

Topic as per objectives.....

### SECTION A: ANALYSIS OF DEMOGRAPHIC CHARACTERISTIC'S

1. Gender          Female    (   )                          Male    (   )
2. Age in years: (   ) Below 20    (   ) 21 – 30    (   ) 31 – 40    (   ) 41 – 50  
(   ) >51
3. How long (in years) have you been holding the position?  
  
(   ) < 10 years    (   ) 11 – 20 years    (   ) 21 – 30 years    (   ) >31 years

### SECTION B: ORGANIZATIONAL STRUCTURE AND COMPETITIVE

#### ADVANTAGE

In this section the study is interested in your view on organizational structure in your organization. Answer by indicating the appropriate category that best fits your opinion. The categories are in the five-point Likert scale:

1= strongly disagree 2=Disagree 3=Neutral 4= Agree 5= strongly agree

Statement	Response				
	1	2	3	4	5
A formal organizational structure is influenced by organizational traditions					
The low level of formality enhances staff to share their ideas with the top-level management.					
The degrees of formalized structure can either enhance or impede successful strategy implementation.					
Formalized organizational structure helps employees become more efficient.					
The degree to which reporting structures can either enhance or impede successful strategy implementation					

### SECTION C: TRAINING

In this section the study is interested in your view on Human Resource Management in your organization. Answer by indicating the appropriate category that best fits your opinion. The categories are in the five-point Likert scale:

1= strongly disagree 2=Disagree 3=Neutral 4= Agree 5= strongly agree

Item	Response				
	1	2	3	4	5
The training I receive is effective and it enhances my skills and abilities.					
Training is done when there is a gap between the actual and expected performance					
Training Needs Analysis is carried out before undertaking any kind of training.					
The organization trains to enable me perform better.					
Individual needs, departmental needs and organizational needs go hand in hand at Kenya Airports Authority					
Everyone is given a chance to take part in the training program					
Through training programs, employees are able to pave way for the organizations to achieve organization's strategic objectives					
Through training programs, employees are able to implement KAA strategic objectives effectively.					

### SECTION D: ORGANIZATIONAL CULTURE

In this section the study is interested in your view on Organizational Culture in your organization. Answer by indicating the appropriate category that best fits your opinion. The categories are in the five-point Likert scale:

1= Strongly disagree 2=Disagree 3=Neutral 4= Agree 5= strongly agree

Item	Response				
	1	2	3	4	5
Commitment to change is necessary for successful strategy implementation.					
Open communication can enhance the level of resistance during strategy implementation.					
A change receptive culture should be embraced in organizations.					
There is a positive relationship between change receptive culture and strategy implementation					
Innovative organizational culture is recognized as a key element of dynamic market efficiency.					
Firms need to embrace an innovative organizational culture during strategy implementation					
Culture of innovation in organizations has proved to be the engine of successful strategy implementation					

### SECTION E: LEADERSHIP STYLE

In this section the study is interested in your view on the Leadership Style in your organization. Answer by indicating the appropriate category that best fits your opinion. The categories are in the five-point Likert scale:

1= Strongly disagree 2=Disagree 3=Neutral 4= Agree 5= strongly agree

Item	Response				
	1	2	3	4	5
Commitment of the leader drives the strategy implementation process.					
Growth of an enterprise is limited due to weak leadership skills of the entrepreneur.					
Managing resources is a component of leadership skills during strategy implementation					
Leaders need to be proactive during strategy implementation					
Employees need to be supervised closely, or they are not likely to do their work					
Employees want to be a part of the decision-making process.					
In complex situations, leaders should let followers work problems out on their own					
As a rule, employees must be given rewards or punishments in order to motivate them to achieve organizational objectives					
Leaders need to help followers accept responsibility for completing their work					
Effective leaders give orders and clarify procedures.					
Employees are competent and if given a task will do a good job					
Providing guidance without pressure is the key to being a good leader.					

**SECTION F: COMPETITIVE ADVANTAGE**

In this section the study is interested in your view on firm competitive advantage in your organization. Answer by indicating the appropriate category that best fits your opinion. The categories are in the five-point Likert scale:

1= strongly disagree 2=Disagree 3=Neutral 4= Agree 5= strongly agree

Item	Response				
	1	2	3	4	5
Strategy implementation skills enhance competitive advantage.					
Human resource is a major component of competitive advantage.					
The type organizational structure adopted by a firm has an impact on its competitive advantage.					
A flexible organizational structure in a firm enhances competitive advantage.					
Strategy implementation skills enhance competitive advantage.					
Competitive advantage is determined by the type of organizational culture adopted by the firm.					
Competitive advantage of airports is determined by level global connectivity					
Competitive advantage of airports is determined by short travel between airports					
Competitive advantage of airports is determined by lower air fares					
A positive attitude towards strategy implementation in an organization leads to competitive advantage.					
Strategy implementation skills enhance competitive advantage.					
Human resource is a major component of competitive advantage.					