International Journal of Scientific Research and Management (IJSRM)
||Volume||10||Issue||04||Pages||EM-2022-3278-3293||2022||
Website: www.ijsrm.in ISSN (e): 2321-3418
DOI: 10.18535/ijsrm/v10i4.em6

Strategies Adopted to Achieve Competitive Advantage of Commercial Banks in Nakuru County, Kenya

Sonia Kibebe M'Mbwanga, Abel Anyieni

Kenyatta University

Abstract
Commercial banks carry out a particularly critical role in an economy's progression and development. As such, a banking sector that is competitive strengthens economic stability and efficiency, promoting social welfare by way of offering financial services and allocating funds to firms and households. The recent collapse of three large commercial banks in Kenya and their ensuing placement on receivership and liquidation highlight the inadequacies by commercial banks in the country to formulate and adopt strategies that at aim at not only ensuring a sufficient customer-base that translates to core deposit growth but also competitiveness and eventually competitive advantage. Against this backdrop, the study set out to assess competitive advantage among commercial banks is influenced by strategic adoption with a focus on Nakuru County, Kenya. Anchored on the resource-based view and dynamic capability theories, the study took the descriptive survey research design, targeting 68 bank operations and branch managers from the 34 commercial Banks in Nakuru Town. These were reached on census survey approach, utilizing primary data collected by use of questionnaires that are structured in design. Descriptive statistics were analysed using frequency counts, percentages, and means. Inferential statistics were analysed using regression model. The study employed regression analysis to assess the association between the predictor and outcome variables. Findings show that firm infrastructure, human resource management, and technology are significantly associated with commercial banks' competitiveness in Nakuru County, while procurement practices are not. It is concluded that firm infrastructure, human resource management, and technology have a significant effect on commercial banks' competitiveness in Nakuru County while procurement practices do not. The study recommends that commercial banks seeking to improve their competitive advantage in the country should invest in adequate firm infrastructure, high performance human resource management practices, pertinent technology and in proper procurement practices.

Key Words: Commercial Banks, Competitive Advantage, Firm Infrastructure, Human Resource Management, Procurement Practices, Technology

1.0 Introduction

The endeavor to attain competitive advantage among commercial banks is of eminence not only to their performance, but also to the national economic development and growth (World Economic Forum, 2017). Commercial banks are particularly responsible for availing deposit and credit facilities to Micro, Small and Medium Enterprises (MSMEs) which stimulate economic growth by creation of employment and contribution to Gross Domestic Product (GDP), financing investment portfolios as well as expanding the national reserve by generating high revenue (World Bank, 2018). In events of economic adversities and recession, commercial banks also help in financing tangible investments and hedging risk (Krell & Matook, 2019)

The banking industry is notably different from other economic sectors owing to its specific functions which make it prone to supervision, public intervention and stringent regulations (International Monetary Fund (IMF), 2017). Accordingly, commercial banks continue to confront a mix of challenges, including frequent regulatory changes, reputation damages, heightened customer scrutiny as well as the continuous task of attaining and safeguarding consumer loyalty(Organization for Economic Co-operation and Development (OECD), 2018).Globalization, rapid advancements in technology, and financial crises have in addition over the years precipitated the competitive environment in the baking industry and created an impetus for competitive advantage (IFC (International Finance Corporation) (2017). To face these hurdles, compete and attain competitive advantage in light of the hypercompetitive environment, commercials banks have had to formulate and adopt a myriad of strategies (Agha, Alrubaiee & Jamhour, 2018).

Strategy is defined by Alhakimi and Alhariry (2017) as decisions and managerial actions that determine an organization's performance in the long run. Through its choice of strategy, an organization can notably improve or erode its position within a competitive industry (Hunt & Morgan, 2015). As such, strategies formulated towards attaining competitive advantage shape the environment favor of the organization, over and above responding to the environment (Lux, Crook & Woehr, 2018). The strategist must therefore seek to influence the environment in favor of the organization or to place the firm to adapt best in its industry environment (Hana, 2018). The business environment dynamics accordingly necessitate that organizations assume suppleness in their strategy adoption with a view to achieve competitive advantage (Hoffman, Hoelscher & Sorenson, 2017).

Strategies adopted by commercial banks ought to entail intensive brainstorming and research, assessing risks, weighing outcomes and formulating ways to avoid and mitigate them. Only then will any decision be taken on what strategy to take with a view to offer banking sector growth (Deloitte, 2019). According to Deloitte (2019), in 2017, customer experience improvement was set by over 70% of financial institutions globally as among their top three strategic primacies. Overall, a majority (71%) of commercial banks in Africa, Asia, Central, South and North America prioritize improving the digital experience as a strategy towards. A majority (51%) of commercial banks in Australia, the Middle East and Europe on the other hand prioritize the enhancement of data analytic capabilities (50%) while 41% prioritize ways to reduce transactional costs. In Africa, a further 35% of commercial banks prioritize strategies towards core deposit growth.

Like in other sectors, competitiveness within the banking industry is desirable for social welfare maximization and efficiency. Owing to its functions and roles however, there are some features which differentiate the banking industry from others (Chortareas, Garza-Garcia & Girardone, 2016). Competitiveness in the banking sector is also particularly imperative to not only ensure the banking industry is efficient and competitive, but also unchanging for a sustained economic progression and growth (Bikker & Haaf, 2018).

Several approaches have been used in literature to assessing competition among banks, including interest spread decomposition (Claessens & Laeven. 2015; Maudos & de Guevara, 2017), bank concentration under the "structure-conduct-performance" model (Staikouras & Koutsomanoli-Fillipaki, 2016; Yeyati & Micco, 2017), regulatory indices which measure the banking sector contestability (Maudos & de Guevara, 2017), and direct indicators of market power or bank pricing behavior based on the "new empirical industrial organization" literature (Goddard & Wilson, 2016; Martinez-Miera & Repullo, 2015).Accordingly, some indicators of competitive advantage in the banking industry include market share, access to proprietary or new technology, ability to offer products and services at the lowest cost as well as brand image recognition (Claessens & Laeven. 2015; Goddard & Wilson, 2016; Maudos & de Guevara, 2017).

Whereas the country is regarded as overbanked with 44 registered banks, the financial sector in Kenya is well developed. The Kenyan market is greatly concentrated with 89% of the total assets owned by 12 listed commercial banks as at 2018 (Kenya Bankers Association (KBA), 2019). Observers perceive the sector as adequately capitalized with performance progressively gaining impetus from the 2016 market shock when capped interest rates were introduced by the government, which reduced SME and private sector access to credit, discouraged savings and hindered competition in the banking sector, specifically by reducing the profitability of smaller banks (Central Bank of Kenya (CBK), 2019). Such innovations as agent banking, that enables microfinance banks and commercial banks to engage third-party services to provide particular financial services on their behalf, have enhanced urban and rural financial inclusion (CBK, 2019).

Employing a weighted composite index, commercial banks in Kenya are categorized into three peer classes. The indicators including customer deposits, net assets, reserves and capital, as well as number of loan and deposit accounts (KBA, 2019). A bank is classified as large if it has a weighted amalgamated index of at least 5 percent, while a bank is medium if its weighted compound index is less 5 percent but greater than between 1 percent. If the weighted amalgamated index is less than 1 percent, a bank is classified as small. As at December 31, 2020, there were 21 tier 3 banks with a collective market control of 8.50 percent; 10medium commercial banks with a collective market control of 21.22percent; and 9 tier 1 and 2 banks with a collective market control of 70.28 percent (CBK, 2019).

The recent closure of three commercial banks in the country including Chase bank, Imperial bank and Dubai bank and their ensuing receivership and liquidation by CBK within a two-year span (2015 and 2016) owing to capital deficiencies highlight the inadequacies by commercial banks in the country to formulate and adopt strategies that at aim at not only ensuring a sufficient customer-base that translates to core deposit growth, but also competitiveness and eventually competitive advantage (Musyoka, 2017; CBK, 2017). Further, the banking sector in Kenya is riddled with uncertainties in the regulatory environment underscored by stringent regulations by CBK, case in point the recent capping of interest rates to least 70% of the payable interest by Central Bank Rate (CBR) to deposits and at most 4% above the CBR (CBK, 2017). Technological advancements and a growing middle have in addition nessecitated intense among commercial banks for customers resulting in a diverse range of innovative products by the banks in a bid to earn competitive advantage (Ray, Barney & Muhanna, 2019).

Empirical literature is however scanty on the association between strategies adopted and competitive advantage among commercial banks in Kenya and much less with reference to counties aside from Nairobi. For instance, Gitonga (2015) studied the tactics for earning competitive advantage among banks quoted at the NSE in the country while Ndung'u, Machuki and Murerwa (2015) assessed the commercial banks' comeback tactics to economic vagaries in the country. Kamau (2017) on the other hand studied the strategic management practices adopted by ABC bank to gain competitive advantage with reference to the Headquarters in Nairobi County while Kimotho (2016) explored the tactics taken up to improve commercial banks' competitive advantage in Kenya with a focus on Nairobi County.

The foregoing presents an empirical gap on the influence of strategies developed by commercial banks to attain competitive advantage in the country, with reference to Nakuru County, Kenya hence the present study. Currently the fourth largest town in the country, Nakuru town is at present served by a total of 34 Bank Branches. With a population of approximately one (1) million, this is a low ratio of citizen to bank considering that the greatest proportion of residents is children and youth. As such, the commercial bank branches constantly strive to formulate competitive strategies which are aimed at keeping them market relevant.

2.0 Materials

A number of models and theories anchor the relationship strategy and competitive advantage. Of relevance with regard to the strategies adopted to create competitive advantage of commercial banks in Nakuru County, Kenya, include the Dynamic Capability Theory (DCT) and Resource-Based view (RBV). Put forth by Wernerfelt (1984), the resource-based perspective of competitive advantage that is sustainable places emphasis on the internal firm analysis. The technique involves an assessment of firms' physical assets which might be financial, human and physical resources. The review further involves such immaterial assets as patents and brands (Priem & Butler, 2001).

According to Rumelt (1991), a firm's strong points are its capabilities and resources which may be used as grounds for developing a competitiveness, and therefore, competitive advantage. Strengths involve a firm's beneficial aspects or its capabilities, which includes brand loyalty, process capabilities, products and services, customer goodwill, human competencies and financial resources (Makadok, 2001). Cases of firm strengths include broad product line, huge financial resources, no debt, patents, committed employees, cost advantages, strong brand names, good reputation, advantageous distribution network access and exclusive access to high grade natural resources (Hunt & Morgan, 2015). On the contrary, weaknesses entail the qualities which hinder a firm from achieving a mission and realizing its full latent. The lack of certain strengths could be perceived as a weakness, which deteriorates influences on the firm's growth and success (Hooley, Broderick & Moller, 1998).

According to Teece (1998), Dynamic Capability Theory (DCT) contributes to RBV hence improving this theory based on the fact that DCT endeavors to explain the characteristics of sustainable source of competitiveness. DCT tries to make use of capabilities unique to a firm and state how they are developed, organized and secured (Song, 2002). The theory classifies three factors in trying to assist in determining the source of competitiveness of an organization. They include: processes-explaining how to do things in the organization; positions-presenting the asset type as owned by the company and how the company relates with its suppliers, and; paths-they relate to strategic direction of the company (Day, 1994).

The dynamic capabilities theory argues that successful organizations respond timely to the dynamic environment and invention of products bringing about competitiveness (Teece, 1998). Moreover, successful organizations have the ability to efficiently organize and redistribute both internal and external capabilities (Collis, 1994). The capacity to acquire competitive advantage in this context is referred to as the Dynamic Capability. Capabilities are the main function of strategic management in suitably reconfiguring, integrating adapting and external and internal organizational resources, skills, and functional capabilities to go with the necessities of a dynamic environment (Teece, 1998).

In the current study context, both RBV and DCT anchored the study in that the various support activities or function including firm infrastructure, human resource management, technology and procurement are perceived as a crucial resource which may improve the functionality, which if adequately utilized may contribute in improving the competitiveness among commercial banks. The support activities operation ought to fit into and encompass the objectives of a firm, mission, vision and aims. It ought to also help in determining a sequence of strategic choices the firm may consider and arrive at informed decisions.

Hou (2019) studied the effects of information technology infrastructure flexibility and integration on organizational performance and supply chain capabilities with reference to the electronics industry in Taiwan. In the study, data were obtained from 270 firms in the electronics industry of Taiwan and the associations proposed in the model were studied utilizing the Partial Least Squares technique. The findings show that IT infrastructure flexibility and integration positively and indirectly influence firm performance via the intervening influence of supply chain capacity.

Masa'deh (2019) assessed the influence of infrastructure suppleness on the performance of firms with reference to Jordanian public shareholding organizations. A number of statistical operations were performed on the collected data from a sample size of 98 organizations. Empirical findings did not record a direct association between firm performance and infrastructure flexibility. Causal links were however established between competitive advantage that is infrastructure-based and information technology infrastructure suppleness; and firm performance and competitive advantage that is information technology-based.

Zhang, Li and Ziegelmayer (2019) assessed the relationship between SMEs' infrastructure flexibility and competitiveness in China. It was found that the extent to which organizations adapt to changes in the environment, is increased by infrastructure flexibility that is in terms of unplanned changes, business processes designs; and users' needs which could in turn improve competitive advantage. The researchers also emphasized absence of suppleness might result cost rises, new product launch and delays in projects, as well as customer dissatisfaction increases; besides firm performance decreases.

Elrehail, Ibrahim, Abuhjeeleh, Harazneh, Alnajdawi and Alzghoul (2020) explored how competitive advantage is influenced by human resource management practices and employee satisfaction with reference to Northern Cyprus. To test the hypothesis and produce quantitative data, structural equation modeling was employed. The main finding of the study was that competitive advantage is significantly influenced by HR practices. In contrast, attaining competitive advantage was not significantly mediated.

Taamneh, Alsaad and Elrehail (2018) conducted a desktop review on the effect of human resource management practices and the multifaceted nature of competitive advantage. The study found that work design and planned work enabled employees to exhibit a greater commitment to the organization and work, which influences organizational and individual performance and ultimately competitive advantage from employee satisfaction. This is in agreement with Tzafrir (2016) who found in a descriptive survey that the human resource practices of task and job design, development and training, design and analysis of human resource work have a significant effect on work commitments and labor which leads in turn to competitive advantage.

Katou and Budhwar (2016) explored studied the association between competitive advantage and human resource management systems with reference to the Greek manufacturing context. The study found that placement, selection and recruitment positively correlated with some employee and organizational outcomes including quality, effectiveness, employee satisfaction, innovation and efficiency. In summary, strategic human resource management practices, via employee satisfaction, promote high individual performance and promote competitive advantage subsequently.

With reference to Nigeria, Okpara (2017) conducted a study on how managerial job satisfaction is influenced salary differential and argued that employee satisfaction is dependent on a number of factors, including promotion, compensation, appraisal, co-workers support and supervisor. Reward practices and human resource compensation can in this view enhance staff satisfaction, which improves firm performance. Okpara (2017) concluded in the study that the higher a firm performance is the more likely the firm will realize the competitive advantage.

In South Africa, Yeh (2019) assessed in a cross-sectional descriptive survey, job satisfaction, work engagement and tourism involvement among frontline hotel employees. The study found that if human resource job design and analysis are performed rightly, employee satisfaction is anticipated to rise. The initial kind of activities concerns job enrichment, which involves assigning challenging and complex tasks and task enrichment. The second type is job enlargement, which involves widening a worker’s scope of tasks. These are crucial motivators which might improve work engagement, hence heightened employee satisfaction.

Sultan (2017) investigated in a descriptive study, SMEs’ competitive advantage with reference to Jordan’s natural stone sector. The study’s main objective was to explore the competitive advantage factors among SMEs in Jordanian natural stone industry and those which necessitate an upgrade with a view to improve their competitive advantage. The study further set out to determine IT’s role in increasing SMEs’ competitiveness. A 726-sample size of participants was obtained from a population of 2,864, with questionnaires used to gather data. The research established that IT has a positive and significant effect on competitiveness among SMEs.

In Malaysia, Aziz and Samad (2016) sought to find out how food manufacturing SMEs’ competitive advantage is influenced by innovation. The study discovered that competitive advantage among SMEs is strongly and positively influenced by technological innovation contributed to 73.5% of the competitive advantage. A significant moderating influence of firm age was also established on the association between innovation and competitive advantage.

In their study on performance and innovation, Lin and Chen (2017) studied how competitive advantage is linked to technological innovation among SMEs in Taiwan. In contrast to the preceding findings, Lin and Chen (2017) established in their research findings that technological innovation had a weak association with organizational sales and that the most critical factor in elucidating sales as opposed to technological innovations was administrative innovation.

Najib (2018) focused on small and medium food processing companies in Indonesia, in their investigation of competitiveness' internal sources. In the study Najib (2018) determined the potential of innovation and market orientation as competitiveness sources among SMEs in food processing. business performance indicated competitiveness in the study and was operationalized as a compound factor of three measures, including market share, profitability and sales volume. Results showed that SMEs' competitiveness was positively affected by innovation. They concluded that among the most imperative factors which could be utilize to enhance competitiveness was innovation.

In Kenya, Gakure, Chemengich, Gichuhi and Katuse (2017) conducted using multiple regression analysis, a study on the function of technological innovation among electronic and electrical among manufacturing enterprises. The study findings uncovered a positive and significant association between firm competitiveness and innovation. The study findings further showed that learning/knowledge sharing, Human Capital and R&D significantly contributed to innovation.

Also in Kenya, Muthuiya (2017) studied the influence of innovation and technology strategy and competitive advantage of construction companies. The study was carried out from 40 selected construction companies in Kenya. Questionnaires were the main data collection tool used. The data collected was analysed through the use of regression analysis. The results of the research showed that use of technological innovation and technology in the construction companies affects the competitive advantage of a company.

Mungai (2019) assessed in a descriptive study, how commercial banks' performance is influenced by strategic procurement practices in Kenya in reference to the Kenya Commercial Bank (KCB). The target population consisted of 184 full-time staff at KCB head office, and sampled 130 employees by stratified random sampling approach. It was found in the study that supplier relationship management is positively linked to the quality of procured goods and that adequate evaluation was conducted on supplier's capabilities prior to undertaking a resolve to source services or products and that supplier relationship management has resulted in a reduction of waste within the bank. Supplier relationship management further led to internal customer satisfaction enhancement, as most commercial banks had an adequate arrangement of the process of strategic orientation and that when supplier relationship management is properly carried out, it will lead in connecting and the development of customers. Finally, supplier relationship management was found to improve the bank's competitive advantage and that the bank deliberates on a supplier relationship management within the organization as a strategic policy.

With reference to Kenya Airways Limited, Kosgei and Gitau (2015) studied in a cross-sectional survey, how organizational performance is affected by supplier relationship management. The study found that in the global race, practicing and understanding of supply chain management focusing on supplier associations is a vital precondition for enhancing profitably and staying competitive in the market. It was also uncovered in the study that a great opportunity existed for firms to enhance its competitive advantage by the adequate use of strategies in supplier relationship management and hence suggested that firms ought to demonstrate more commitment in supplier relationship management through investing at a strategic level, in systems to evaluate, appraise and monitor performance. This would improve opportunities of existence in the greatly competitive market.

In Rwanda, Min and Galle (2015) focused on the adoption of procurement information systems and its influence on the selected telecommunication companies' performance in Rwanda. The research sampled staff of New Artel with the data gathered by use of structured questionnaires and statistically analyzed by use of SPSS. It was revealed that in the midst of competitive environment, implementing the systems and taking up newer technology had been the requirement of time. Innovation, efficiency and effectiveness was linked to the customer service speed, which was in high demand in such service industries as telecommunication industry. Supply chain management was found to contribute to the productivity of both suppliers and buyers. Taking up of procurement information systems contributed in enhanced customer satisfaction, and customer services through improving employee contribution by performance of procurement hence competitive advantage.

3.0 Methods

In this research, the descriptive survey design was adopted. The descriptive design is deemed preferrable as it enables the researcher to investigate issues as they occur, devoid of variable manipulation. The population targeted included the operations and bank managers across Nakuru Town-based commercial banks. At present, a total of 34 commercial banks operate in Nakuru town, complete with operations and bank managers. The total population that is targeted was therefore 68 bank operations and branch managers. Owing to the nearness of branches of commercial banks in the study area, a census strategy was employed whereby the study included all bank operations and branch managers. As the procedure was devoid of sampling bias, this also serves to improve the reliability in the study.

Primary data was utilized in this study, which was quantitative in nature and obtained using questionnaires which the researcher administered. The study objectives informed the construction of the questionnaires, which was further designed by use of questions that are closed ended. In this regard, participants' responses were enumerated based on a Likert scale of the five-point type. To check for validity of the data collection instruments, the study fashioned the instruments of data collection according to theoretical bases and objectives and further at all times sought expert opinion from study supervisors. Prior to the main study, the researcher first checked for internal consistency in the questionnaires in a pilot study. The preferred pilot participants were commercial banks in Nairobi County as the study sample did not include Nairobi County. The data collection instrument reliability was assessed by utilizing the average correlation among items and Cronbach measure of consistency. All scales were found to be reliable, each having a Cronbach alpha coefficient above 0.70 in line with Gay (1992).

After collection of the data, the study assessed the questionnaires for completeness after which cord and entry of the data will follow. Data analysis was then conducted using SPSS version 26. Descriptive analysis involved frequency counts, percentages, and means. Inferential statistics were analyzed using regression model. The regression analysis was utilized to establish the association between the predictor and outcome variables. The study used the following regression model:

$$Y= \beta 0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Y = Competitive Advantage

$\beta 0$ is a constant and represents the value of Y when X_1-X_4 = 0.

β_1- β_4 represent the regression coefficients which measures the average change in the value of the dependent variable

X_1 = Firm Infrastructure

X_2 = Human Resource Management

X_3 = Technology

X_4 = Procurement Practices

ε = Error term

4.0 Results

The study set out to assess the influence of strategies developed by commercial banks to attain competitive advantage in the country. The study sought to more specifically examine the effects of firm infrastructure on commercial banks' competitiveness in Nakuru County; assess how human resource management influences commercial banks' competitiveness in Nakuru County; find out how technology influences competitiveness among commercial banks in Nakuru County; and determine how procurement practices influence competitiveness among on commercial banks in Nakuru County. In the present chapter, both descriptive and inferential analyses are presented. Under descriptive analysis, results are presented in frequencies, percentages, means and standard deviation, while under inferential statistics, both Pearson correlation and multiple regression analyses are conducted.

4.1 Descriptive Statistics

The study evaluated the study variables with respect to their descriptive statistics in order to show how they manifest in various respondent banks. These include firm infrastructure, measured by knowledge management, customer transaction and administration; human resource management measured by recruitment, training and compensation; technology as indicated by customer service, staff IT proficiency and internal operations; procurement measured by supplier relations, acquisitions and reconciliations; and competitive advantage indicated by customer growth, deposit growth, employee growth and net income.

4.1.1 Firm Infrastructure and Commercial Banks' Competitiveness

The effect of firm infrastructure on commercial banks' competitiveness in Nakuru County was examined. The descriptive analysis on the variables was then computed on a Likert scale of the five-point type. Participants were requested to evaluate the presented statements using a scale of 1 to 5, given: 1 denotes "No degree", 2 denotes "Low degree", 3 denotes "Moderate degree", 4 denotes "Great degree", 5 denotes "Very great degree". Mean scores of 2.4 or less are taken to indicate low affirmation, while mean scores of between 2.5 and 3.4 imply moderate affirmation and mean scores of between 3.5 and 5.0 imply high affirmation. Table 1 portrays the results.

Table 1: Descriptive Statistics for Firm's Infrastructure

	Mean	**Std. Dev**
An organization's financial performance is able to be evaluated through accounting	4.103	0.933
Tracking an organization's progress and disseminating the information to its stakeholders is made possible by accounting	3.853	0.996
Good administrations ensure things are done fast and efficiently	4.059	0.912
Good administrations ensure good communications skills exhibited by the bank's staff	3.927	0.951
Management helps provide innovation	4.177	0.897
Good management practices encourage innovation	4.147	0.851
Good management practices lead to saving of finances, hence creating a competitive advantage	3.971	0.914
Composite	**4.034**	**0.922**

Source: Survey Data (2021)

Results showcased in Table 1 indicate a composite mean of 4.034 (SD=0.922), suggesting that most participants reached highly affirm to statements pertinent to knowledge management, customer transaction and administration as the respective banks' firm infrastructure. Most participants specifically affirmed that to a great degree, management helps provide innovation (4.177); Good management practices encourage innovation (4.147); good administrations ensure things are done fast and efficiently (4.059); an organization's financial performance is able to be evaluated through accounting (4.103); good management practices lead to saving of finances, hence creating a competitive advantage (3.971); good administrations ensure good communications skills exhibited by the bank's staff (3.927); and that tracking an organization's progress and disseminating the information to its stakeholders is made possible by accounting (3.853).

4.6.2 Human Resource Management and Commercial Banks' Competitiveness

The study assessed how human resource management influences commercial banks' competitiveness in Nakuru County. The descriptive analysis on the variables was then computed on a Likert scale of the five-point type. Participants were requested to evaluate the presented statements using a scale of 1 to 5, given: 1 denotes "No degree", 2 denotes "Low degree", 3 denotes "Moderate degree", 4 denotes "Great degree", 5 denotes "Very great degree". Mean scores of 2.4 or less are taken to indicate low affirmation, while mean scores of between 2.5 and 3.4 imply moderate affirmation and mean scores of between 3.5 and 5.0 imply high affirmation. Table 2 portrays the results.

Table 2: Descriptive Statistics for Human Resource Management

	Mean	Std. Dev
Talent and new ideas are brought to an organization through recruiting externally	3.235	1.067
Qualified and experienced candidates are acquired through recruiting	3.677	1.014
Training helps employees build their self-esteem and acquisition of new skills	4.250	0.780
Training employees keeps them motivated and fresh	4.162	0.940
Good compensation helps in retaining of good employees	4.235	0.900
Good compensation helps in motivating employees	4.353	0.824
Composite	**3.985**	**0.921**

Source: Survey Data (2021)

Results showcased in Table 2 indicate a composite mean of 3.985 (SD=0.921), suggesting that most participants reached highly affirm to statements pertinent to recruitment, training and compensation as attributes of the respective banks' human resource management practices. Most participants specifically affirmed that to a great degree, good compensation helps in retaining of good employees (4.353); training helps employees build their self-esteem, and acquisition of new skills (4.250); good compensation helps in retaining of good employees (4.235); training employees keeps them motivated and fresh (4.162); and that qualified and experienced candidates are acquired through recruiting (3.677).

4.1.3 Technology and Commercial Banks' Competitiveness

The study found out how technology influences competitiveness among commercial banks in Nakuru County. The descriptive analysis on the variables was then computed on a Likert scale of the five-point type. Participants were requested to evaluate the presented statements using a scale of 1 to 5, given: 1 denotes "No degree", 2 denotes "Low degree", 3 denotes "Moderate degree", 4 denotes "Great degree", 5 denotes "Very great degree". Mean scores of 2.4 or less are taken to indicate low affirmation, while mean scores of between 2.5 and 3.4 imply moderate affirmation and mean scores of between 3.5 and 5.0 imply high affirmation. Table 3 portrays the results.

Table 3: Descriptive Statistics for Technology

	Mean	Std. Dev
Communication is improved by technology	4.029	0.962
Creativity and innovation are encouraged by technology	4.147	0.797
Management of human resources is improved by technology	3.927	0.816
Technology helps save time in completing tasks	4.338	0.784
Technology helps create mobility	3.985	0.954
Composite	**4.085**	**0.863**

Source: Survey Data (2021)

Results showcased in Table 3 indicate a composite mean of 4.085 (SD=0.863), suggesting that most participants reached highly affirm to statements pertinent to customer service, staff IT proficiency and internal operations as attributes of technology adopted by the respective commercial banks. Most participants specifically affirmed that to a great degree, technology helps save time in completing tasks (4.338); creativity and innovation are encouraged by technology (4.147); communication is improved by technology (4.029); management of human resources is improved by technology (3.927); and that technology helps create mobility (3.985).

4.1.4 Procurement Practices and Commercial Banks' Competitiveness

The study determined how procurement practices influence competitiveness among on commercial banks in Nakuru County. The descriptive analysis on the variables was then computed on a Likert scale of the five-point type. Participants were requested to evaluate the presented statements using a scale of 1 to 5, given: 1 denotes "No degree", 2 denotes "Low degree", 3 denotes "Moderate degree", 4 denotes "Great degree", 5 denotes “Very great degree”. Mean scores of 2.4 or less are taken to indicate low affirmation, while mean scores of between 2.5 and 3.4 imply moderate affirmation and mean scores of between 3.5 and 5.0 imply high affirmation. Table 4 portrays the results.

Table 4: Descriptive Statistics for Procurement

	Mean	**Std. Dev**
As and when required each department can locally purchase materials	2.735	1.154
No initially intensive investment is necessary	2.441	0.937
Orders for purchasing can be quickly placed	3.074	0.967
It takes little time to replace materials that are defective	2.927	0.982
For each department, materials are easily purchased in right quality and quantity	3.382	0.898
Composite	**2.912**	**0.988**

Source: Survey Data (2021)

Results showcased in Table 4 indicate a composite mean of 2.912 (SD=0.988), suggesting that most participants reached only moderately affirm to statements pertinent to supplier relations, acquisitions and reconciliations as attributes of procurement adopted by the respective commercial banks. Most participants specifically affirmed that to a moderate degree, for each department, materials are easily purchased in right quality and quantity (3.382); orders for purchasing can be quickly placed (3.074); It takes little time to replace materials that are defective (2.927); as and when required each department can locally purchase materials (2.735); and that no initially intensive investment is necessary (2.441).

4.1.5 Commercial Banks’ Competitive Advantage

The study assessed the influence of strategies developed by commercial banks to attain competitive advantage in the country. The descriptive analysis on competitive advantage as indicated by customer growth, deposit growth, employee growth and net income was then computed on a Likert scale of the five-point type. Participants were requested to evaluate the presented statements using a scale of 1 to 5, given: 1 denotes “No degree”, 2 denotes “Low degree”, 3 denotes “Moderate degree”, 4 denotes “Great degree”, 5 denotes “Very great degree”. Mean scores of 2.4 or less are taken to indicate low affirmation, while mean scores of between 2.5 and 3.4 imply moderate affirmation and mean scores of between 3.5 and 5.0 imply high affirmation. Table 5 portrays the results.

Table 5: Descriptive Statistics for Competitive Advantage

	Mean	**Std. Dev**
Our customer-base has notably grown over the last three years	4.118	0.820
The number of our employees has notably grown over the last three years	4.074	0.739
Our profit margins have notably grown over the last three years	4.044	0.871
Our market share has notably grown over the last three years	3.941	0.991
Our efficiency has notably grown over the last three years	4.088	0.942
Our range of products has notably grown over the last three years	3.746	0.975
Composite	**4.002**	**0.890**

Source: Survey Data (2021)

Results showcased in Table 5 indicate a composite mean of 4.002 (SD=0.890), suggesting that most participants reached highly affirm to statements pertinent to customer growth, deposit growth, employee growth and net income as attributes of competitive advantage among the respective commercial banks. Most participants specifically affirmed that to a great degree, in the respective commercial banks, customer-base has notably grown over the last three years (4.118); efficiency has notably grown over the last three years (4.088); the number of employees has notably grown over the last three years (4.074); profit margins have notably grown over the last three years (4.044); market share has notably grown over the last three years (3.941); and that the range of products has notably grown over the last three years (3.746).

4.2 Inferential Statistics

Under inferential statistics, a multiple regression analysis was performed and used to assess the linkage between the outcome and predictor factors and therefore test the research hypotheses. This was conducted with the assumption that: there is a normal distribution among variables; there is a linear linkage between the outcome and predictor factors for estimation accuracy. Regression analysis produced regression coefficients, ANOVA and the model summary. Results of the hypothesis tests were interpreted based on the regression coefficients' statistical significance. Tables 6, 7 and 8 below present the findings.

Table 6 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.840[a]	.706	.687	2.23420
a. Predictors: (Constant), Procurement, Technology, Firm's Infrastructure, Human Resource Management				

A correlation value (R) of .840 was established, depicting a strong, linear linkage among the variables, firm infrastructure, human resource management, technology and procurement practices, and market share. An R^2 value of .706 was further established indicating that firm infrastructure, human resource management, technology and procurement practices collectively account for 70.6% of the variations in competitive advantage, while the remaining 29.4% is expounded by factors not studied in the present regression model. As depicted in Table 7, regression analysis also produced results for an ANOVA test.

Table 7 ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	741.503	4	185.376	37.137	.000[b]
	Residual	309.482	62	4.992		
	Total	1050.985	66			
a. Outcome Variable: Competitive Advantage						
b. Predictors: (Constant), Procurement, Technology, Firm's Infrastructure, Human Resource Management						

The ANOVA test results in Table 7 demonstrate that the model portraying the linkage between the market-product strategies and market share was significant ($F = 37.137$, p-value < 0.05). Performed at 95% confidence level, the results further show that relative to the total sum of squares (1050.985), the regression sum of squares is 741.503. This implies that the regression model explains about 70.6% of the variability in the data set while the residual sum of squares is 309.482 implying that 29.4% of the variability in the dataset is left unexplained.

Table 48: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.276	2.030		.628	.532
	Firm Infrastructure	.417	.066	.554	6.320	.000
	Human Resource Management	.226	.087	.227	2.586	.012
	Technology	.247	.084	.224	2.942	.005
	Procurement	.036	.085	.034	.423	.674
a. Dependent Variable: Competitive Advantage						

Table 8 reveals that firm infrastructure (β = .554, Sig.=.000<.05), human resource management (β = .227, Sig.=.012<.05) and technology (β = .224, Sig.=.005<.05) significantly influence competitive advantage at 95% confidence level while procurement practices does not (β =.034, Sig.=.674>.05).

From the results in Table 8, firm infrastructure was significantly associated with commercial banks' competitiveness in Nakuru County (β = .554, Sig.=.000<.05). The foregoing findings provide enough evidence to reject the null hypotheses that firm infrastructure was significantly associated with commercial banks' competitiveness in Nakuru County (H_{01}). The study therefore concludes that there exists a statistically significant relationship between firm infrastructure and commercial banks' competitiveness in Nakuru County.

Human resource management was also significantly associated with commercial banks' competitiveness in Nakuru County (β = .227, Sig.=.012<.05). The foregoing findings provide enough evidence to reject the null hypotheses that human resource management was significantly associated with commercial banks' competitiveness in Nakuru County (H_{02}). The study therefore concludes that there exists a statistically significant relationship between human resource management and commercial banks' competitiveness in Nakuru County.

Technology was further significantly associated with commercial banks' competitiveness in Nakuru County (β = .224, Sig.=.005<.05). The foregoing findings provide enough evidence to reject the null hypotheses that technology was significantly associated with commercial banks' competitiveness in Nakuru County (H_{03}). The study thus deduces that commercial banks' competitiveness in Nakuru County is significantly influenced by technology.

Procurement practices was not significantly associated with commercial banks' competitiveness in Nakuru County (β =.034, Sig.=.674>.05). The foregoing findings provide enough evidence to accept the null hypotheses that procurement practices were not significantly associated with commercial banks' competitiveness in Nakuru County (H_{04}). The study thus deduces that commercial banks' competitiveness in Nakuru County is not significantly influenced by procurement practices.

5.0 Discussion

The study finds that there exists a statistically significant connection between firm infrastructure and commercial banks' competitiveness in Nakuru County. This implies that among most commercial banks, firm infrastructure is essential to commercial banks' competitiveness, as it plays an enabling role particularly through knowledge management, customer transaction and facilitating administration. Through firm infrastructure, commercial banks operate fast and efficiently, innovate, communicate adequately to its stakeholders, and save finances.

This is consistent with Hou (2019) whose findings show that IT infrastructure flexibility and integration positively and indirectly influence firm performance via the intervening influence of supply chain capacity. The findings are also in agreement with Masa'deh (2019) who established causal links between competitive advantage that is infrastructure-based and information technology infrastructure suppleness; and firm performance and competitive advantage that is information technology-based. Similarly, Tanriverdi (2015) found out that knowledge management infrastructure enhanced competitive advantage among the firms surveyed.

It has also been found in the study that commercial banks' competitiveness in Nakuru County is significantly associated with human resource management. The findings are of the implication that human resource management practices are critical in commercial banks' competitiveness, as they earn the practicing banks an edge with regard to staff productivity. As apparent in the findings, key among these practices include training, which enhances employees' skillset, self-esteem and motivation; external recruitment which leads to acquisition of qualified and experienced staff as well as new talent and ideas; and good compensation which enhances staff retention and motivation; and that are brought to an organization through recruiting externally.

This is in tandem with Elrehail et al. (2020) who found that competitive advantage is significantly influenced by HR practices. Similarly, Taamneh et al. (2018) found that work design and planned work enabled employees to exhibit a greater commitment to the organization and work, which influences organizational and individual performance and ultimately competitive advantage from employee satisfaction. The findings are also in agreement with Katou and Budhwar (2016) who found that strategic human resource management practices, via employee satisfaction, promote high individual performance and promote competitive advantage subsequently. The findings further agree with Okpara (2017) who reports that reward practices and human resource compensation can in this view enhance staff satisfaction, which improves firm competitive advantage.

Commercial banks' competitiveness in Nakuru County is further significantly associated with technology. It can be inferred from the foregoing findings that technology plays an important role in driving commercial banks' competitiveness, which if properly leveraged could earn them competitive advantage. It is gathered from the findings that through technology, commercial banks are able to improve their communication; enhance their creativity, mobility, innovation and operational efficiency; and improve their management of human resources.

The findings agree with Sultan (2017) who found that IT has a significant and positive effect on competitiveness among SMEs. Similarly, Aziz and Samad (2016) discovered that competitive advantage among SMEs is strongly and positively influenced by technological innovation. Bozic and Sonja (2015) also revealed in the study that technological innovation implementation results in reduced material cost per unit, improved product quality and increased market share. Findings also agree with Bilgihan and Wang (2016) who found that technologies have the ability to promote effective communication, logistics business and real time data sharing and eventually resulting in service innovation, enhancing customer service and cost savings.

Procurement practices have been found to not have a statistically significant association with commercial banks' competitiveness in Nakuru County. This can be attributed to the low levels at which ideal procurement practices are practiced among most commercial banks. This is despite procurement being a potentially important source of competitive advantage for commercial banks. By enhancing efficiency and effectiveness in procurement, commercial banks stand to benefit from a sustainable availability of important supplies when required. If adequately practiced, procurement may also enhance commercial banks' competitiveness through ensuring that orders for purchasing can be quickly placed; materials are easily purchased in right quality and quantity; and that, defective materials are promptly replaced.

The findings are in contrast with Kosgei and Gitau (2015) who found that in the global race, practicing and understanding of supplier associations is a vital precondition for enhancing profitably and staying competitive in the market. The study findings also disagree with Emmett and Crocker (2015) found that any procurement information system innovation is fashioned to significantly lessen time and effort essential to finish purchasing dealings by removing traditional paper series of payment receiving, requisitions, approvals and reconciliation, which in turn enhance the competitiveness of firms in the market. The findings further disagree with Eriksson and Westerberg (2016) who established that centralized tracking of transactions offered by procurement information systems system allows for full reporting on payments made, orders processes, items purchased and requisitions, which ultimately leads to operational efficiency and competitive advantage over other commercial banks.

6.0 Conclusions

The study concludes that firm infrastructure has a significant effect on commercial banks' competitiveness in Nakuru County. This can be attributed to the essential enabling role played by firm infrastructure among commercial banks in the country. This is particularly manifested through knowledge management, customer transaction and facilitating administration. Through firm infrastructure, commercial banks operate fast and efficiently, innovate, communicate adequately to its stakeholders, and save finances.

It is also concluded that human resource management has a significant effect on commercial banks' competitiveness in Nakuru County. By adopting various human resource management practices, commercial banks earn a competitive advantage, with staff productivity be the source of competitiveness. Key among these practices include training, which enhances employees' skillset, self-esteem and motivation; external recruitment which leads to acquisition of qualified and experienced staff as well as new talent and ideas; and good compensation which enhances staff retention and motivation; and that are brought to an organization through recruiting externally.

There further concludes that technology has a significant effect on commercial banks' competitiveness in Nakuru County. Commercial banks earn competitive advantage from leveraging technology through improvements in their communication to customers, partners and other stakeholders. Technology also provides a channel through which commercial banks enhance their creativity, mobility, innovation and operational efficiency; and improve their management of human resources.

The study finally concludes that procurement practices do not have a significant effect on commercial banks' competitiveness in Nakuru County. Despite procurement being a potentially important source of competitive advantage for commercial banks, most commercial banks practice ideal procurement practices at a notably low extent. By enhancing efficiency and effectiveness in procurement, commercial banks stand to benefit from a sustainable availability of important supplies when required. Procurement may enhance commercial banks' competitiveness through ensuring that orders for purchasing can be quickly placed; materials are easily purchased in right quality and quantity; and that, defective materials are promptly replaced.

7.0 Recommendations

The study established that firm infrastructure has a significant effect on commercial banks' competitiveness in Nakuru County. As such, it is recommended that in order to realize improved and superior competitive advantage, commercial banks ought to invest in adequate firm infrastructure aimed at enhancing knowledge management, customer transaction and adequate administration. In this regard, areas of focus may include investing in a sufficient number of Automated Teller Machines (ATMs), lines of communication, knowledge repositories and information and communication technology (ICT).

The study also found that human resource management has a significant effect on commercial banks' competitiveness in Nakuru County. It is therefore recommended that commercial banks seeking to improve their competitive advantage in the country should invest in high performance human resource management practices with a view to make staff productivity their source of competitiveness. Key among these practices include adequate compensation, training, mentorship, work-life balance and external recruitment of new talent and ideas. These practices will not only enhance staff motivation and productivity, but also retention.

It was further found in the study that technology has a significant effect on commercial banks' competitiveness in Nakuru County. As such, it is recommended that in order to realize improved and superior competitive advantage, commercial banks ought to invest in pertinent technology. To this end, areas of focus may include internet, mobile and agency banking; human resource management systems; queue management; as well as such modes of communication to customers, partners and other stakeholders as emails, bulk messaging and phone calls.

Finally, the study found that procurement practices do not have a significant effect on commercial banks' competitiveness in Nakuru County, which was attributed to low levels of practicing ideal procurement practices among a majority of commercial banks. The study therefore recommends that commercial banks seeking to improve their competitive advantage in the country should invest in proper procurement practices. In this respect, areas of focus may include ensuring that important supplies are available as and when required; ensuring that orders for purchasing can be quickly placed; materials are easily purchased in right quality and quantity; and that, defective materials are promptly replaced.

References

1. Agha, S., Alrubaiee, L. &Jamhour, M. (2018). Effect of core competence on competitive advantage and organizational performance. *Int. J. Bus. Manage*., 7: 192-203.
2. Alhakimi, W. &Alhariry, K. (2017). Internal marketing as a competitive advantage in banking industry. *Academic Journal of Management Sciences*, *3*(1), 15-22.
3. Aziz, N., &Samad, S. (2016). Innovation and Competitive Advantage: Moderating Effects of Firm Age in Foods Manufacturing SMEs in Malaysia. *Procedia Economics and Finance*, 35 (2016) 256 – 266
4. Bikker, J., &Haaf. K. (2018). Competition, concentration and their relationship: An empirical analysis of the banking industry. *Journal of Banking and Finance*, *35*(11), 2191–2214.
5. Bilgihan, A. & Wang, Y. (2016). Technology induced competitive advantage: a case of US lodging industry. *Journal of Hospitality and Tourism Technology*, 7(1):37-59
6. Bozic, L. & Sonja, R. S. (2015). The effect of innovation activities in SMEs in the Republic of Croatia, Croatian Economic Survey.*International Journal of Organizational Analysis*, 3(1): 33-52
7. Central Bank of Kenya (2019). Bank Supervision, Annual Report, 2018. Available at https://www.centralbank.go.ke/?s=supervision+report+2020. Accessed on 5th August 2020
8. Central Bank of Kenya (2017). *Bank Supervision Report, 2016.* Nairobi: Government Printer
9. Collis, D. J. (1994). Research Note: How Valuable Are Organizational Capabilities? *Strategic Management Journal*, 9(4): 143–152
10. Day, G. S. (1994). The Capabilities of Market-Driven Organizations. *Journal of Marketing*. 58 (4): 37–52.
11. Deloitte (2015). *Banking Outlook Boosting: profitability amidst new challenges.* London: Deloitte CenterforFinancial Services
12. Elrehail, H., Harazneh, I., Abuhjeeleh, M., Alzghoul, A., Alnajdawi, S. & Ibrahim, H. (2020). The effect of employee satisfaction, human resource management practices and competitive advantage. A Case of Northern Cyprus. European *Journal of Management and Business Economics*, 29 (2): 125-149
13. Emmett, S., & Crocker, B. (2015). *Excellence in Supplier Management: How to Better Manage Contracts with Suppliers and Add Value: Best Practices in Supplier Relationship Management and Supplier Development*. London: Cambridge Academic
14. Eriksson, T., & Westerberg, B. (2016). Procurement issues in UK, *International Journal of Public Sector Management*, 24(6): 567-93.
15. Gakure, R., Chemengich, M., Gichuhi, A., &Katuse, P. (2017). The Role of innovation in determining the competitiveness of the Kenyan Electrical and Electronic Manufacturing Enterprises in Kenya. *Standard Research Journal of Business Management*, 1 (4): 97-109
16. Gitonga K, M. (2015). *Strategies for gaining competitive advantage of commercial banks listed at the NSE in Kenya.* Unpublished MBA research project, University of Nairobi, Kenya.
17. Goddard, J., & Wilson, J.O. (2016). Competition in banking: A disequilibrium approach. *Journal of Banking and Finance*, *33*(12): 2282-2292
18. Hoffman, J., Hoelscher, M., & Sorenson, R. (2017). Achieving Sustained Competitive Advantage: A Family Capital Theory. *Family Business Review*, 19(2): 135–145.
19. Hooley, G., Broderick, A. & Moller, K. (1998). "Competitive Positioning and the Resource-Based View of the Firm," *Journal of Strategic Marketing*, 6(2): 97–115
20. IFC (2017). The World Bank's Development Policy Operations: Key Lessons from Tajikistan in IFC World Bank Collaboration. Available at http://smartlessons.ifc.org/smartlessons/lesson.html?id=1427. Accessed on 2nd August, 2020.
21. IMF (April 2017). *Regional Economic Outlook-Sub Saharan Africa (SSA).* Washington, DC.
22. Katou, A.A. and Budhwar, P.S. (2016). Human resource management systems and competitive advantage: a test of a mediating model in the Greek manufacturing context. *International Journal of Human Resource Management*, 17 (7): 1223-1253
23. KBA (2019). *State of the Banking Industry Report*. Available at https://www.kba.co.ke/latest_news.php. Accessed on 5th August 2020

24. Kimotho, M. W. (2016). *Strategies Adopted to Enhance Competitive Advantage by Commercial Banks in Kenya*. Unpublished Masters Thesis, University of Nairobi
25. Kosgei, C., &Gitau, R. (2015). The effect of supplier relationship management on organizational performance: A case study of Kenya Airways Limited. *International Academic Journal of Procurement and Supply Chain Management*, 2 (2): 134-148
26. Krell, K. & Matook, S. (2019). Competitive advantage from mandatory investments: An empirical study of Australian firms. *J. Strat. Inform. Syst*., 18(4): 31-45.
27. Lin, C. & Chen, M. (2017). Does innovation lead to performance? An Empirical Study of SMEs in Taiwan. *Management Research News*, 30 (2): 115-132.
28. Masa'deh, N. (2019). The Impact of Information Technology Infrastructure Flexibility on Firm Performance: An Empirical Study of Jordanian Public Shareholding Firms. *Jordan Journal of Business Administration*, 9(1): 204-233,
29. Maudos, J., & de Guevara, J. F. (2017). The cost of market power in banking: Social welfare loss vs. cost inefficiency. *Journal of Banking & Finance, 31*(7): 2103-2125.
30. Min, H. & Galle, W.P. (2015). E- Stock Control: profiles of adopters and non-adopters, *Industrial Marketing Management Journal*, 32 (3): 227-33.
31. Mungai, D. (2019). *Effect of Strategic Procurement Practices On Performance of Commercial Banks in Kenya: A Case Of KCB*. Unpublished Masters Thesis, United States International University of Africa
32. Musyoka, K. B. (2017). Effects of Capital Adequacy on Financial Performance of Commercial Banks in Kenya. *Unpubished Masters Thesis* .
33. Muthuiya, M. (2017). *The Influence of Innovation and Technology Strategy and Competitive Advantage of Construction Companies in Kenya*. Unpublished Masters Thesis, University of Nairobi
34. Ndung'u, C., Machuki, V. &Murerwa, T. (2015). Response Strategies by Commercial Banks to Economic Changes in Kenya. *Journal of Economics and Sustainable Development*, 5(2): 137-153
35. OECD (2018). Technology and the Economy: The Key Relationships. Paris: OECD.
36. Priem, R. L. & Butler, J. (2001). Is the Resource-Based 'View' a Useful Perspective for Strategic Management Research? *Academy of Management Review*. 26 (1): 20–40.
37. Rumelt, R. P. (1991). How Much does Industry Matter? *Strategic Management Journal*, 12(3): 167-185
38. Song, J. (2002). Firm capabilities and technology ladders: Sequential foreign direct investments of Japanese electronics firms in East Asia, *Strategic Management Journal*, 23(6): 191-210.
39. Staikouras, C. K., &Koutsomanoli-Fillipaki, A. (2016). Competition and concentration in the new European banking landscape. *European Financial Management, 12*(3): 443-482.
40. Sultan, S. (2017). *The Competitive Advantage of Small and Medium Sized Enterprises: The Case of Jordan's Natural Stone Industry*. Unpublished Masters Thesis, Universiteit Maastricht
41. Teece, D.J. (1998). Capturing value from knowledge assets: The new economy, markets for know-how, and intangible assets, *California Management Review*, 40(8): 55-79.
42. Tzafrir, S.S. (2016). A universalistic perspective for explaining the relationship between HRM practices and firm performance at different points in time, *Journal of Managerial Psychology*, 21(2): 109-130,
43. Wernerfelt, B. (1984). A resource-based view of the firm, *Strategic Management Journal*, 5(1): 171-180.
44. World Bank (2018). *Expanding Market Opportunity and Enabling Private Initiative for Dynamic Economies*. Washington, DC: World Bank
45. Yeh, C.M. (2019). Tourism involvement, work engagement and job satisfaction among frontline hotel employees, *Annals of Tourism Research*, 42(4): 214-239