Organizational capabilities and performance of sugar companies in kenya

Abstract.

In a global perspective, firms are focusing to becoming more competitive by launching competitive strategies that give them an edge over others, hence the emergence of core competence as a central concept for competitive strategy. The purpose of this paper was to establish the influence of Organizational Capabilities on the Performance of Sugar Companies in Kenya. The study adopted casual comparative research design while purposive sampling technique was used to select the respondents, who were mainly the departmental heads from all the sugar companies in Western Kenya. Questionnaires and interview schedules were used to collect primary data. On the other hand, secondary sources of data collection used in this study were published papers, journals, articles, reports and information from the internet. Quantitative data was coded and analyzed using Statistical Package for Social Sciences (SPSS version 20). Both descriptive and inferential statistical tools that included the use of mean, standard deviation, Karl Pearson Correlation and Regression models were used in the study. On reliability of research instruments, a Cronbach's Alpha of coefficient of 0.830 was attained out of the possible 39 items, implying that the research instruments were reliable since the value was way above the recommended 0.7 in social sciences. From the study findings, there exists a statistically significant correlation between organizational capability and performance of sugar manufacturing firms (r= 0.653, p≤0.01). The findings of the study forms a basis of reference by interested parties in strategic management in future.

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