

**INFLUENCE OF STRATEGIC CAPABILITIES ON THE SUSTAINABLE
COMPETITIVE ADVANTAGE OF SEED COMPANIES IN KENYA**

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

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DEDICATION

I dedicate this thesis to my cherished wife Hellen and my dear daughter Aby together with my sons Abel, Abed, and Asbel, for your inspiration, motivation, and support.

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To God be the glory.

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LIST OF ABBREVIATIONS/ACRONYMS

COVID-19	Corona Virus Disease 2019
HCT	Human Capital Theory
ICT	Information Communication Technology
IDT	Innovation Diffusion Theory
IT	Information Technology
KEPHIS	Kenya Plant Health Inspectorate Service
KMO	Kaiser-Meyer-Olkin
KRA	Kenya Revenue Authority
KSC	Kenya Seed Company
NACOSTI	National Commission for Science, Technology & Innovation
SCA	Sustainable Competitive Advantage
SHRC	Strategic Human Resource Capability
SIC	Strategic Innovation Capability
SMC	Strategic Marketing Capability
SOLC	Strategic Organizational Learning Capability
SMEs	Small and Medium Enterprises

DEFINITION OF KEY TERMS

Strategic Capability	The organization's ability to utilize own resources, skills and competences including core competences to enable firm sustain its competitive advantage, to become better over time, survive in marketplace and stay ahead of its competition
Competitive Advantage	This is a business's ability to create more economic value than competitors
Sustainable Competitive Advantage	The capability of a company to sustain its leading position in the market for an extended length of time by using its resources and capability
Generic Strategies	They refer to fundamental approaches to achieving a competitive advantage in business. These strategies are broad frameworks that companies can adopt to position themselves within their industry and gain an edge over competitors..
Strategic Human Resource Capability	Firm's leveraging on human resource practices and policies to obtain, nurture and maintain the capacity and sustain their competitiveness (Wulaningrum, Akbar, & Sari, 2020).
Strategic Organizational Learning Capability	Firm's strategic capability to create, retain and circulate information leading to the changes that will overcome numerous challenges within and outside of the firms and finally, to realize firm's objectives and competitive advantage .
Strategic Marketing Capability	Ability of firm to integrate marketing mix that covers product development, pricing, promotion to achieve performance and value for customer (Asihkia, Makinde, & Onamusi, 2020)

Strategic Innovation Capability	Refers to capacity to transform continuously the ideas plus information to novel systems, products besides methods which will benefit the organization and its relevant stakeholders
Seed Industry	This describes the full series of interconnected steps, beginning with breeding and crop development, moving through seed multiplication, processing, and certification, and concluding with seed distribution. Seed companies are the major players in the seed industry in Kenya (CAP. 326 of the Laws of Kenya)
Research Design	This is a framework used by researcher in conducting the study .

ABSTRACT

The study sought to determine the influence of strategic capabilities on the sustainable competitive advantage of seed companies in Kenya. The specific objectives of the study were: to determine the influence of strategic human resource capability, strategic organizational learning capability, strategic marketing capability, and strategic innovation capability on the sustainable competitive advantage of seed companies in Kenya. The study investigated the moderating influence of generic strategies on the relationship between strategic capabilities and the sustainable competitive advantage of seed companies in Kenya. The study was grounded in several theories: human capital theory, organizational learning theory, dynamic capability theory, innovation diffusion theory, contingency theory, and competitive advantage theory. A positivist approach was employed, as the researcher's role was confined to data collection and interpretation in an observable and verifiable manner. The study utilized a descriptive research design and gathered quantitative data from private seed firms in Kenya using a questionnaire. A multi-stage stratified sampling technique was applied, resulting in 161 respondents from the top management, finance, marketing, and operations departments. The collected data were then analyzed using multiple regression analysis and a thorough hypothesis assessment. The reliability analysis of the study showed high internal consistency, with a Cronbach's Alpha score of 0.841. The KMO scores ranged between 0.6 and 0.7, while Bartlett's test showed all variables had significant intercorrelations ($p < 0.05$). The investigation revealed that strategic capabilities had an explanatory power of about 35% on the SCA's variation ($R^2 = 0.353$, $p = 0.000$). Notably, significant influences on the SCA were realized from strategic human resource capability ($\beta = -0.106$), strategic marketing capability ($\beta = 0.425$), strategic innovation capability ($\beta = 0.239$), strategic organizational learning capability ($\beta = 0.153$), and generic strategies moderating effect on strategic marketing capabilities ($\beta = 0.153$), on strategic innovation capability ($\beta = -0.044$) and on strategic organizational learning capability ($\beta = -0.077$). Therefore, seed companies in Kenya were recommended to take a holistic approach to strategic management encompassing these strategic capabilities. They need to carefully consider their generic strategies when aiming to leverage their strategic marketing capability and strategic organizational learning capability to achieve SCA.