

Effects of Situational Analysis Tools on Choice of Strategy in Airtel Kenya

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Abstract:

This study examined in detail the affects situational analysis tools have on the overall running of a business, and the strategic choices that Airtel Kenya makes. Recent changes in legal sector (constitution) as well as rapid technological advancement and substitute products and services, tough economic times and changes in the social cultural environment has led to companies collapsing(insurance companies),others making strategic integrations. MSPs like Safaricom have come up with new marketing strategies like M-pesa, and M-kesho in . partnership with Equity bank, because of changes in the environment that companies had not anticipated. The public has also raised questions about governance and political interference of various strategies pursued. These firms Operators have raised complains in the capital intensive nature of the business, way leaves and vandalism to infrastructure as some of the hindrances to mass deployment of their services as well as poor performance of similar strategiesin the market by different subscribers. Situation analysis tools helps companies pay sufficient heed to the technological and commercial trends in the business environment in which it operates in. The study therefore sought to identify effects of situational analysis tools on the choice of strategic. The research found out: situational analysis tools i.e. SWOT analysis, PESTEL analysis, Porters five forces and the resource based view of the firm impacted on the strategies that Airtel Kenya as the MSP of choice for the study made. Sources of literature included textbooks, journals, newspapers, publications on the MSPs, and the internet. The study target populations were the operations managers of Airtel Kenya and those in key position were sampled. Focus was on Airtel Kenya because it's the second major operator in Kenya and major competitor to the market leader Safaricom ltd. It adopted a Descriptive Survey Design and used purposive sampling technique based on the firm's location. Final data was analyzed during data cleaning without affecting the quality of the sample. Questionnaires that contain both structured and unstructured questions were used. The questionnaire tool was adopted because of its simplicity in the administration, scoring of items and analysis. The items in the questionnaires were developed on the basis of the objectives (or research questions) ofthe study. The data so collected was then analyzed by the use of Statistical Package of Social Scientists (SPSS), Microsoft Access and Microsoft Excel to yield tallies, means and percentages. The results obtained were presented in the form of tables and graphs and charts.