

EFFECT OF STRATEGIC ALLIANCE ON COMPETITIVENESS OF KENYA COMMERCIAL BANK IN THE NORTH RIFT REGION, KENYA

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ABSTRACT

This research aimed at determining the effect of Strategic Alliance on Competitiveness of Commercial Bank. The study Specific Objectives of the study were to determine effect of Technological Alliance, assess the effect of Product Alliances, establish effect of Marketing Alliance, and evaluate the effect of Joint venture Alliance on Competitiveness of the Kenya Commercial Bank in the north rift region. The study adopted four theories, main one being The Resource Based View Theory. The study used Descriptive Research Design. The area of study was the Kenya Commercial Bank(KCB)North Rift Region. The target population of the study was 407 respondents in management departments in KCB north rift region. This study used Stratified Random Sampling Technique to collect data from the Sample Frame. Questionnaire was used as the main data collection instrument. The data was analyzed using Regression Analysis and Descriptive Statistics (SPSS version 24). There was a strong positive relationship between strategic alliance and competitiveness of the Kenya commercial bank. The findings of this study revealed that Technological Alliances had a positive and statistically significant effect on Competitiveness of Commercial Bank with ($r=0.630$; $p<0.05$), Product Alliances had a positive and statistically significant effect on Competitiveness of Commercial Bank with ($r=0.605$; $p<0.05$), Marketing Alliance had a positive and statistically significant effect on Competitiveness of Commercial Bank with ($r=0.611$; $p<0.05$) and Joint Venture Alliance had a positive and statistically significant effect on Competitiveness of Commercial Bank with ($r=0.620$; $p<0.05$). Recommendations; the Bank Managers to give more emphasis on utilization of Product Alliances since it helps the Bank in diversification of its products and services to the customers.

Keywords: Strategic Alliance, Competitiveness.