

AN ANALYSIS OF THE COMPETITIVENESS OF PRIVATE COLLEGES IN MOMBASA USING PORTER'S FIVE FORCES MODEL

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Abstract

Liberalization and commercialization of the education sector has paved the way for the opening of many private colleges. This has therefore impacted on the state of competition in these training institutions. For private colleges to survive the already existing stiff competition it has become necessary for them to develop competitive strategies to enable them achieve competitive advantage over their rivals. The general objective of the study was to establish the competitiveness of private colleges in Mombasa using Porter's Five Forces. Porter's five forces were the specific objectives of the study and they include the threat of new entrants, the threat of substitutes products, the bargaining power of buyers, the bargaining power of suppliers and the role of competitive rivalry. The study was a quantitative research which used survey design to evaluate the state of competitiveness in private colleges in Mombasa. The population of study encompassed 35 colleges which were drawn from the colleges' registration list from the Ministry of Education. Data was collected using questionnaires and reported using descriptive statistics, ANOVA and Regression Analysis. SPSS programme was used to analyze the data. It was found out that the threat of new entrants influences competitiveness at a mean of 2.39, which is a great extent. Threat of substitutes influences competitiveness at a mean of 2.42, which is a great extent. Bargaining power of suppliers influences competitiveness at a mean of 2.42, which is a great extent. The bargaining power of buyers influences competitiveness at a mean of 2.29, which is a great extent. Competitive rivalry influences competitiveness at a mean of 2.27, which is a great extent. Competitive strategies were also found to be used by the colleges though to a very low extent.

Key words: Competitiveness, private colleges, porter's five forces

1 Introduction

It has become common to describe the economic strength of an entity with respect to its competitors in the global market economy in which goods, services, people, skills, and ideas move freely across geographical borders (Murths and Lenway 1998). Despite all the discussions on competitiveness, no clear definition or model has yet been developed. It has proved to be a very broad and complex concept because a whole range of factors account for it. Competitiveness is both a relative concept (i.e, compared to what?) and is multidimensional (i.e, what are the salient attributes or qualities of competitiveness (Dwyer and Kim 2001). According to Gooroochrun and Sugiyarto (2004) and Crouch and Ritchie (1999) a further complexity of competitiveness is due to the limit of analysis and the limit of the perspective of the analyst. Politicians are interested in the competitiveness of the economy and business owners and managers worry about the ability of their own firms to compete in specific areas.

Competitiveness is therefore a multidimensional concept which can be looked at from three different levels. These are country, industry, and firm level. Competitiveness originated from the Latin word "Computer", which means involvement in a business rivalry for markets. Rugman and D'cruz (1993) defines Firm level competitiveness as the ability of the firm to design, produce and market products superior to those offered by competitors, considering the price and non-price qualities. According to Porter (1998) it is the firms, not the nations which compete in International Markets. Environmental factors are more or less uniform for all competing firms and research shows that 36% of the variance in profitability could be attributed to the firms' characteristics and actions (McGahan 1999). Competiveness involves a combination of assets and processes where assets are inherited (natural resources) or created (infrastructure) and processes transform assets to achieve economic gains from sales to customers. Some authors content that competitiveness is influenced by factors internal to the firm such as firm strategy, structures, competencies, capabilities to innovate, and other tangible and intangible resources for their competitive success(Barlett and Ghosha 1989; Hamel and Prahalad 1990)

The ability to develop and deploy capabilities and talents far more effectively than competitors can help in achieving world-class competitiveness. When providing customers with greater value and satisfaction than their competitors, firms must be operationally efficient, cost effective, and quality conscious (Hammer and Champy 1993). Competitiveness comes through an integrated effort across different functional areas in the organization and hence has close linkage with the strategy process. Industry Level Competitiveness refers to the competitiveness of different firms in the same industry. Porter (1998) states that competition in an industry depends on Porter's competitive forces which are:- The bargaining power of suppliers, Threat of new entrants, bargaining power of buyers, rivalry among existing firms and threat of substitute products or services. He further notes that the goal of competitive strategy for a business unit in an industry is to find a position in industry where the company can best defend itself against these competitive forces or can influence them in their favour. An effective competitive strategy creates a dependable position against the five competitive forces. Country - Level Competitiveness refers to competitiveness of nations in various areas of the economy. In the modern global economy prosperity is a nation's choice and it is no longer limited to those nations with favourable inheritance. However, nation's choose prosperity if they organize their policies, laws and institutions based on productivity. (Porter 1998). Classical theories of international trade propose that comparative advantage resides in the factor endowments that a country may be fortunate enough to inherit. These include land, natural resources, labour, and the size

1.1 Competitiveness in Kenyan Organizations

Since introduction of liberalization in Kenya firms in almost all sectors of the economy are faced with competition. Liberalization has led to stiff competition in many sectors of the economy and this has made firms to change their strategies in order to survive. The historical factors that contribute to lack of competitiveness in Kenya include: - the import substitution industrialization strategy after independence that heavily protected local industries through tariff and non-tariff measures, exchange controls and import licensing, direct control of pricing by Government, weakness of the countries infrastructure and failure of local industries to enjoy economies of scale. (Siggel 2006). According to lehmann *et al*, (2004),

Kenya has enormous potential for development of small businesses if bureaucratic hurdles are removed. Further, the country's optimistic population and reform mindedness makes the country a perfect investment opportunity for foreigners looking to break Africa's growing market. Since the mid 1980s, Kenya has been under increasing pressure to strengthen its industrial competitiveness. This pressure is attributable to a number of factors including the on-going globalization, the country's entry into various regional integration arrangements and liberalization of the economy to both domestic and external forces. In addition the government has declared its intention of becoming a newly industrialized country by 2030. Kenya's Global competitiveness as a nation was ranked at number 106 in the global competitiveness index([www.globalpropertyguide.com>Africa>kenya](http://www.globalpropertyguide.com/Africa/kenya))

1.2 Research Problem Statement

As long as public higher education is provided at low or no cost and private higher education is entirely self-supporting, the private sector will have a peripheral role in higher education in Kenya. This is because there is a gap between the ideal competitive college and the practical colleges in operation. This gap comes about because many private colleges fall short in terms of their competitiveness in terms of course content and development; facilities; fees, entrance grades for students; number of students and the capital required for operation. Mombasa has 102 private colleges among which only 35 are registered. Besides this, colleges do not exist beyond 10 years and they do not produce competitive graduates to the job market. There is a misconception that only Government Institutions are recognized by employers but there are also many Private Institutions that have produced adequately trained personnel who have been absorbed both the government and private sector. The greater challenges are how to identify the right colleges. The study aimed at determining the extent to which Porters Five Forces affect the competitiveness of private colleges in Mombasa. It also sought to find out the strategies that Private colleges in Mombasa use to beat competition.

2 Porter's Five Forces

Porter (1980) developed a framework for analyzing the nature and extent of competition within an industry. He argued that there are five competitive forces which determine the degree of competition within an industry such as the education Sector. Understanding the nature and strength of each of the five forces within an industry assists managers in developing competitive strategies for their organization. The five forces are:

2.1 Competitive Rivalry

Industries strive for competitive advantage over their rivals and the intensity or rivalry varies across industries. Rivalry is measured by indicators of industry concentration with the Concentration Ratio (CR) as the measure. The CR indicates the percent of market share held by the largest firms in an industry. A high Concentration Ratio indicates that a high market share is held by the largest firms – the industry is concentrated. The education sector as an industry has many private colleges in Mombasa all of which are competitors. A low concentration ratio indicates that an industry is characterized by many rivals, one of which has a significant market share. These fragmented markets are said to be competitive. The study sought to find out if the colleges in Mombasa are competitive or not through studying their Concentration Ratio. If rivalry among firms in an industry is low, the industry is considered to be disciplined. The discipline may result from the industry's history of competition, the role of a leading firm, or informal compliance with a generally understood code of conduct. When a rival acts in a way that elicits a counter-response by other firms, rivalry intensifies. In pursuing an advantage over its rivals, a firm can choose from several competitive moves. E.g; Changing prices – raising or lowering prices to gain a competitive advantage, improving product differentiation – improving features, implementing innovation in the manufacturing process and in the product itself.

2.2 Threat of substitutes

A threat of substitutes exists when a product demand is affected by the price change of a substitute. Products price elasticity is affected by substitute products because as more substitutes become available, the demand becomes more elastic since customers have more alternatives. A close substitute product constrains the ability of firms in an industry to raise prices.

2.3 The bargaining power of buyers

The power of buyers is the impact that customers have on a producing industry. When buyer power is strong, the relationship to the producing industry is near to a monophony – a market in which there are many suppliers

and one buyer. Under such market conditions, the buyer sets the price. Buyers are powerful if they are concentrated or if there are a few buyers with significant market share.

2.4 The bargaining power of suppliers

Businesses must obtain the resources that they need to carry out their activities from resource suppliers. These resources fall into four categories; human, financial, physical and intellectual. Resources are obtained in resource markets where prices are determined by the interaction between the business supplying a resource (suppliers) and the organizations from each of the industry using the particular resource in question. It is important to note that many resources are used by more than one industry. As a result, the bargaining power of suppliers will not be determined solely by their relationship with one industry but by their relationships with all of the industries that they serve.

2.5 The threat of new entrants to the industry

The possibility that new firms may enter the industry affects competition. Barriers reduce the rate of entry of new firms, thus maintaining a level of profits for those already in the industry. From a strategic perspective, barriers can be created or exploited to enhance a firm's competitive advantage.

3 Methodology and Sampling

3.1 Research Design

This study was descriptive in nature and a survey design was used. A questionnaire was used to collect data from members of the population and describe existing phenomena by interviewing individuals about their perception, attitudes, behaviour and values to get first hand information. Primary data collected from such a population or census is more reliable and up to date (Mugenda and Mugenda, 2003).

3.2 Sampling Method and Procedures

According to Nkpa (1997) a sample is a small proportion of a target population. Sampling means selecting a given number of subjects from a defined population as a representative of that population. Mugenda and Mugenda (1999) recommend the use of 20% - 30% sample size of the population. The study adopted Mugenda's support of sampling of 30% sampling size of the target population hence coming up with a sample size of 35 institutions. These colleges were obtained from Ministry of Education Technical Training Department list and registered as "Private colleges.

3.3 Data Collection Procedures and Instruments

Primary data was collected using questionnaires. The questionnaires were administered through two ways; personal interview and drop and pick method. The collected questionnaires were also edited to ensure consistency across respondents and to locate omissions.

3.4 Data Analysis and Reporting

Kerlinger (1986) defines data analysis as orderly categorizing, manipulating and summarizing of data to obtain answers to research questions. This study used descriptive statistics to analyze the data obtained. The researcher used statistical analysis software (SPSS) to handle the large amount of data. Data was presented using descriptive statistics, ANOVA and Stepwise Regression Analysis.

4 Results

4.1 Competitive strategies used by private colleges.

From Table 1 the results obtained from the survey on Differentiation strategy show that the average mean response was 2.49, which implies some how great use of the services given the scale range from 1 to 5, 1 being Very great Extent while 5 being No influence at all.

4.2 Cost Leadership

From Table 2 the results obtained from the survey on Cost Leadership show that the average mean response was 2.62, which implies moderate use of the services given the scale range from 1 to 5, 1 being Very Great Extent while 5 being No Influence at all.

4.3 Focus Strategy

From Table 3 the results obtained from the survey on focus show that the average mean response was 2.3, which implies some great use of the services strategy given the scale range from 1 to 5, 1 being Very Great Extent while 5 being No Influence at all.

4.4 The Extent of Influence of Porters' Five Forces

4.4.1 Models Summary, Coefficient and ANOVA on the Threat of New Entrants

Models Summary, Coefficient and ANOVA in Table 4.2.2.1 shows that the Threat of new entrants operating variables were successfully added to the model obtaining a significant regression model, at 0.01 level ($p=0.000$), which explains 32% of the total variation in the dependent variable (college competitiveness) that is explained by the five independent variables

4.4.2 Models Summary, Coefficient and ANOVA on the Threat of Substitute Products

The Threat of substitute products operating variables were successfully added to the model obtaining a significant regression model, at 0.01 level ($p=0.000$), which explains 25% of the total variation in the dependent variable (college competitiveness) that is explained by the five independent variables. All VIF in this analysis are less than 10, so there is no significant multicollinearity among the independent variables. The standardized coefficient beta in the coefficient table reveals that the weights of the independent variables are:- 0.38 for fee charged; 0.49 for Innovativeness; 0.255 for technology 0.394; for certification and 0.001 for differentiation.

4.4.3 Model Summary, Coefficient and ANOVA on the Bargaining Power of Suppliers

Model Summary and ANOVA in Table 3 shows that The bargaining power of suppliers operating variables were successfully added to the model obtaining a significant regression model, at 0.01 level ($p=0.000$), which explains 23.2% of the total variation in the dependent variable (college competitiveness) that is explained by the five independent variables. The R-square (0.230) is the proportion of variation in the dependent variable (college competitiveness) and is explained by the five independent variables in the model. All VIF in this analysis are less than 10, so there is no significant multicollinearity among the independent variables. The standardized coefficient beta in the coefficient table reveals that the weights of the independent variables are:- 0.193 for Year of existence; 0.399 for exam body; 0.88 for teachers, 0.67 for curricular and 0.291 for accreditation.

4.4.4 Model Summary, Coefficient and ANOVA on Bargaining Power of Buyers

Model Summary and ANOVA in Table 4 shows that The bargaining power of buyers operating variables were successfully added to the model obtaining a significant regression model, at 0.01 level ($p=0.000$), which explains 19% of the total variation in the dependent variable (college competitiveness) that is explained by the five independent variables. From Table 3; the R-square 0.191 is the proportion of variation in the dependent variable (college competitiveness) that is explained by the five independent variables in the model. All VIF in this analysis are less than 10, so there is no significant multicollinearity among the independent variables. The standardization coefficient beta in the coefficient table reveals that the weights of the independent variables are:- student volume 0.237; student representation 0.184; extra curricular 0.081; student-teacher ratio 0.022 and student-management relationship 0.418.

4.4.5 Models Summary, Coefficient and ANOVA on Competitive Rivalry

Model Summary and ANOVA in Table 5 shows that competitive rivalry operating variables were successfully added to the model obtaining a significant regression model, at 0.01 level ($p=0.000$), which explains 8.4% of the total variation in the dependent variable (college competitiveness) that is explained by the five independent variables. R-square 0.084 is the proportion of variation in the dependent variable (college competitiveness) that is explained by the five independent variables in the model. All VIF in this analysis are less than 10, so there is no significant multicollinearity among the independent variables. The standardized coefficient beta in the coefficient table reveals that the weights of the independent variables are:- Entrance grade 0.061; mounting new courses 0.142; flexibility in fee payment 0.240; time of completion 0.277 and cost leadership relationship 0.282.

The analysis of the five forces shows that the proportion of variance explained in all the five tables is significant. It also tells the overall effect of the all independent variables on college competitiveness is significant. The sig. (or p-value) is 0.002 which is below the .05 level; hence, we conclude that the overall model is statistically significant, or that the variables have a significant combined effect on the dependent variable. Finally, regression analysis supports the casual relationship of Threat of new entrants; Threat of substitute products; Bargaining power of suppliers; bargaining power of buyers and competitive rivalry.

The analysis of fee structure and cost management showed that the average mean response was 2.59, which implies moderate use of the services given the scale range from 1 to 5, 1 being great use while 5 being not used at all; Survey on marketing as a strategy had an average mean response of 2.38, which implies some how great use of the action plan to influence competition given the scale range from 1 to 5, 1 being great use while 5 being not used at all; An analysis on location and décor had an average mean of 2.37, which implies some how great use of the action plan to influence competition given the scale range from 1 to 5, 1 being great use while 5 being not used at all; Survey on professionalism show that the average mean response was 2.1, which implies great us of the services to influence competition given the scale range from 1 to 5, 1 being great use while 5 being not used at all; Analysis on front office services had an average mean response of 2.16, which implies great use of the services as a competitive strategy given the scale range from 1 to 5, 1 being great use while 5 being not used at all; Differentiation strategy had an average mean response of 2.49, which implies moderate extent use of the strategy to influence competition given the scale range from 1 to 5, 1 being very great extent while 5 being not influence at all; Cost leadership had an average mean response of 2.62, which implies moderate extent use of the strategy given the scale range from 1 to 5, 1 being great sue while 5 being not used at all; Focused strategy show that the average mean response was 2.3, which implies great extent use of the strategy given the scale range from 1 to 5, 1 being great use while 5 being not used at all.

5 Conclusions

It was concluded that the Threat of new entrants influences competitiveness shad an average to a great extent; The extent to which the threat of substitutes influences competitiveness is great;The bargaining power of buyers influences competitiveness to a great extent; The bargaining power of suppliers influences competitiveness to a great extent;Competitive rivalry influences competitiveness to a great extent; Differentiation strategy was used to a moderate extent to influence competitiveness; Cost leadership strategy was also used to a moderate extent; Focused strategy was used to a great extent. Porter's five forcesinfluence the competitiveness of private colleges to a great extent. Hoever, these colleges were not competitive considering the parameters measured to gauge their competitiveness. This implies that in many of the colleges the courses offered; the fees charged and the qualities of teachers as well as the curriculum used were more or less the same. The private colleges were also founq not to be using competitive strategies to a great extent. All Private colleges in Mombasa were found to be adversely affected by the threat of substitute products because they were offering similar courses. The power of buyers who are the parents and students had adversely affected enrollment in private colleges because there was a marked drop in enrollment in all the colleges. Private colleges in Mombasa were not threatened by new entrants because they were not competitive. Competitive rivalry was affecting colleges to a less extent because considering the services offered and the fees charged by the colleges it was found out that the colleges were using Collusion Strategy.

5.1 Recommendations

It was recommended that colleges should use competitive strategies of their choice to improve on their competitiveness; Field attachments and field trips should be encouraged because from the survey these are the extra services the colleges could offer to attract more students. Colleges should also focus more on good teaching and colleges strategic location because from the survey these had the highest percentage of reasons why students' patronizing the college.

5.2 Need for further research

There is a need for further research to find out other factors which could be making private colleges in Mombasa not to be competitive. There is also need to replicate the study in other areas in Kenya and abroad.

Table 1: Differentiation strategy

Strategy	N	Mean	Standard Deviation
Alumni Services	35	1.91	.919
Job Links	35	2.26	.980
Free Languages	35	3.09	.121
Fee Computers	35	2.69	1.078
Field Attachment	35	2.51	1.173
Valid N (listwise)	35	2.49	

Table 2: Cost leadership

Strategy	N	Mean	Standard Deviation
Lowest Cost	35	2.20	1.158
Fee Less than Competitors	35	2.49	1.095
Same Fee as Competitors	35	2.83	1.150
Discounts	35	3.0-3	1.098
Installment Payments	35	2.57	1.243
Valid N (listwise)	35	2.62	

Table 3: Focus strategy

Strategy	N	Mean	Standard Deviation
Marketing	35	2.14	.912
Quality Services	35	1.91	.781
Front Offices Services	35	2.43	1.008
Students Welfare	35	2.69	1.051
Specialization	35	2.34	1.211
Valid N (listwise)	35	2.3	

Table 4: Stepwise Regression with the threat of new entrants as the independent variable
Model summary (A)

Model	R	R Square	Adjusted R square	Standard Error of the Estimate
1	.567(a)	.321	.204	.576

- a) **Predictors:** (Constant), Brand Identify, Market Share, Government Policy, capital, Facility.
 b) **Dependent Variable:** Competitiveness of Private Colleges in Mombasa.

ANOVA (b):

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.552	5	.910	2.745	.038(a)
	Residual	9.619	29	.332		
	Total	14.171	34			

- a) **Predictors:** (Constant), brand Identify, Market Share, (Tab.1) Government Policy, Capital, Facility.
 b) **Dependent Variable:** Competitiveness in Private Colleges

Coefficients³

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	St. Error				Tolerance	VIF
		1	(Constant)				2.035	.513
	(Tab 1) Government Policy	.247	.120	-.365	-2.066	.048	.752	1.329
	Capital	.300	.162	.334	1.855	.074	.723	1.384
	Facility	.150	.14-	.233	1.074	.292	.499	2.006
	Market Share	.207	.107	-.326	-1.936	.063	.826	1.211
	Brand Identity	.117	.114	-.256	-1.033	.310	.380	2.632

- a) **Dependent Variable:** Competitiveness in Private Colleges

Table 5: Stepwise Regression with the threat substitute products as the independent variable

Model Summary (A)

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.500(a)	.250	.121	.605

- a) **Predictors:** (Constant), Differentiation, Technology, (Tab2) Fee Charged, Innovativeness, Certification
 b) **Dependent Variable:** Competitiveness in Private Colleges

ANOVA (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.549	5	.710	1.938	.000(a)
	Residual	10.622	29	.366		
	Total	14.171	34			

- a) **Predictors:** (Constant), Differentiation, Technology, (Tab 2 Fee charged, Innovativeness, Certification

Dependent Variable: Competitiveness in Private Colleges

Model		Coefficients ³					Collinearity Statistics	
		Unstandardized Coefficients		Standardized coefficients	1	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	1.791	.425		4.216	.000		
	(Tab 2) Fee Charged	.203	.088	.382	-2/295	.029	.932	1.072
	Innovativeness	.036	.133	.049	.274	.786	.795	1.257
	Technology	.187	.131	.255	-1.422	.166	.806	1.241
	Certification	.252	.116	.394	2.181	.037	.790	1.265
	Differentiation	.001	.097	.001	-.006	.995	.846	1.182

a) **Dependent Variable:** Competitiveness in Private Colleges.

Table 6: Stepwise Regression with the bargaining power of suppliers as the independent variable

Model Summary (A)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.481(a)	.232	.099	.613

a) **Predictors:** (Constant), Accreditation, Teachers, Exam Bodies, (Tab 3) Years of Existence, Curricular

b) **Dependent Variable:** Competitiveness in Private Colleges

ANOVA (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.281	5		1.748	.155(a)
	Residual	10.890	29	.656		
	Total	14.171	34	.376		

a) **Predictors:** (Constant), Accreditation, Teachers, Exam Bodies, (Tab 2) Years of Existence, Curricular.

b) **Dependent Variables:** Competitiveness in Private Colleges

		Coefficients ³					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized coefficient	1	Sig.		
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.578	.542		1.067	.295		
	(Tab 3) Years of Existence	.056	.113	.093	-.496	.623	.762	1.313
	Exam Bodies	.278	.144	.399	1.935	.063	.624	1.603
	Teachers	.058	.114	.088	-.509	.615	.888	1.127
	Curricular Accreditation	.041	.119	.067	.344	.733	.690	1.450
		.210	.124	.291	1.703	.099	.906	1.104

a) **Dependent Variable:** Competitiveness in Private Colleges

Table 7: Stepwise Regression with the bargaining power of buyers as the independent variable

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.437(a)	.191	.052	.629

- a) **Predictors:** (Constant, Student Management relationship, Student Representation, Student Volume, Extra & Co-curricular activities, Student Teacher Ratio.
 b) **Dependent Variable:** Competitiveness in Private College

ANOVA (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.710	5	.542	1.371	.264(a)
	Residual	11.462	29	.395		
	Total	14.171	34			

- a) **Predictors:** (Constant), Student Management relationship, Student Representation, Student Volume, Extra & Co-curricular activities, Student Teacher Ratio
 b) **Dependent Variable:** Competitiveness in Private Colleges

Model		Coefficient ³				Collinearity Statistics		
		Unstandardized Coefficients		Standardized coefficient	1	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	1.861	.425		4.376	.000		
	(Tab 4) Student Volume	-.178	.144	.227	-	.227	.826	1.210
	Student Representation	-.129	.138	.184	1.234	.356	.721	1.387
	Extra & Co curricular activities	-.067	.173	.081	-.937	.701	.637	1.570
	Student Teacher ratio	-.016	.155	.022	-.388	.921	.586	1.708
	Student Management Relationship	.284	.133	.418	-.100	.041	.730	1.370
					2.140			

Dependent Variable: Competitiveness in Private Colleges

Table 8: stepwise Regression with the competitive rivalry as the independent variable

Model Summary (A)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.289(a)	.084	.074	.669

- a) **Predictors:** (Constant), Cost of Leadership, Mounting New Courses, flexibility in Fee Payment, (Tab 5) entrance Grades, Time and Completion
- b) **Dependent Variable:** Competitiveness in Private Colleges

ANOVA (b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.184	5			
	Residual	12.988	29	.237	.529	.753(a)
	Total	14.171	34	.448		

- a) **Predictors:** (Constant), Cost of Leadership, Mounting New Courses, Flexibility in Fee payment, Entrance Grades, Time of Completion
- b) **Dependent Variable:** Competitiveness in Private Colleges

		Coefficients ³					Collinearity Statistics	
Model		Unstandardized		Standardized	1	Sig.		
		Coefficients		coefficients			Toleranc	VIF
		B	Std. Error	Beta			e	
1	(Constant)	1.398	.497		2.811	.009		
	(Tab 5) Entrance	.045	.152	.061	.296	.769	.751	1.332
	Grades	.124	.183	.142	-.674	.505	.711	1.406
	Mounting New	.166	.171	.240	.973	.339	.521	1.918
	Courses	.178	.170	.277	-1.045	.305	.448	2.233
	Flexibility in fee payment	.193	.153	.282	1.259	.218	.632	1.582
	Time of completion							
	Cost of Leadership							

a) **Dependent Variable:** Competitiveness in Private Colleges

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