Int Journal of Social Sciences Management and Entrepreneurship 7(2): 618-628, 2023

ISSN 2411-7323

www.sagepublishers.com

© SAGE GLOBAL PUBLISHERS

STRATEGIC ALLIANCES AND THE PERFORMANCE OF COMMERCIAL BANKS IN KENYA

[1] Mwenda Kelvin Kamau, [2] Dr. Kariuki Paul

[1]Masters student (Strategic Management), Jomo Kenyatta University of Agriculture and Technology, Kenya

[2]Lecturer, Jomo Kenyatta University of Agriculture and Technology, Kenya

ABSTRACT

Performance evaluation encompasses an assessment of all aspects within an organization, including processes, operation, and the human element. Strategic alliances serve as a means to enhance the performance of organizations. In this research, we explored the connection between strategic alliances and the performance of commercial banks in Kenya. The study specifically investigated the impact of strategic alliances on the bank’s performance, with performance being measured using metric such as return on assets and changes in market share. The specific objectives aimed to ascertain the influence of joint ventures and outsourcing practices on the performance of commercial banks in Kenya. This study used a descriptive design with questionnaires used as the instrument for primary data collection and data entry tables used for secondary data collection. With a target population of 40 licensed commercial banks in Kenya, E-Questionnaires were emailed to each one of them. The unit of observation was a marketing Director, information technology Director, investment Director, and a finance Director from each bank. The research conducted a comprehensive survey of the entire target population through a census. Data collection and analysis were carried out using SPSS version 25, resulting in the generation of frequency distributions. Both descriptive and inferential statistics were employed to draw conclusions. The study utilized multiple regression analysis to establish the correlation between strategic alliances and the performance of commercial banks in Kenya. The findings of this research yielded critical insights into the impact of strategic alliances on the performance of commercial banks. Specifically, the study revealed that joint ventures, and outsourcing had a positive and significant effect on the performance of commercial banks in Kenya. Therefore, it is recommended that commercial bank directors should consider embracing joint ventures, as they enable banks to tap into larger markets, ultimately increasing profitability and competitiveness. Lastly, the study suggests that commercial banks should adopt outsourcing practices to allow them to focus on their core business activities.

Key Words: Strategic alliances, Joint ventures, Outsourcing practices, Commercial banks

Background of the Study

Strategic alliances between companies have become a widely used strategy to help organizations achieve growth. According to Klus et al. (2019), strategic alliances are agreements formed by companies to collaborate in the development, sale of services and products, manufacturing, and achieving other business goals. Muathe (2021) asserts that companies engage in strategic alliances to pursue collaborative objectives. These alliances enable companies to share control, risks, and costs of a collaborative venture. Companies collaborate to share resources, which govern future decisions and negotiations.

According to Lohwasser (2018), the increased competition in the market has necessitated the formation of strategic alliances. Small and medium firms are constrained by limited resources and market barriers from large companies, which has led to strategic alliances to enhance growth and innovation. Wairugi (2017) posits that strategic alliances among large firms have also increased to control markets, innovate, and share resources and expertise. Firms are engaging in strategic alliances to have access to resources from other companies in order to develop their internal capabilities and achieve strategic goals.

According to Koriyow and Karugu (2018), strategic alliances affect performance of companies by cutting costs, sharing in risk of business ventures and attaining resources to improve productivity. Wakianda (2018) posits that organizational performance indicates the outcomes of implementation of certain strategies and policies that guide its employee productivity. Organizations that experience high growth and sustainability are able to adapt to changes within the business environment and become competitive. Due to high competition in most industries today, Matokho and Anyieni (2018) posit that strategic alliances such as joint ventures can help organizations achieve their goals and become profitable.

The banking sector in Kenya has witnessed many strategic alliances through collaborations with other banks and companies in other industries. These collaborations have led to product innovation and technological advancements such as Equity bank, Cooperative, KCB and other banks partnership with Mpesa to offer mobile banking services. These alliances improve product quality and increase market reach. However, despite these alliances, small and medium banks still face entry barriers and high competition, which limits their growth.

Statement of the Problem

In Kenya, the banking sector contributes substantially to the economy and national development by encouraging investment, innovation, and mobilizing savings (Lagat, Mugo & Otuya, 2018). For example, according to The Economic Survey 2022, broad money supply grew by 6.1% in 2021, while overall liquidity grew by 10.4%. In 2021 again, bank deposit rate increased by 6.5% up from 6.3%. Total domestic credit growth decelerated by 15.1% to KShs 4,993.8 billion in 2021 from a growth of 18.5% in 2020. Credit to the private sector grew by 8.6% at the end of 2021 to stand at KShs 3,136.8 billion. The financial subsector grew by 8.2% in 2021 compared to 4.4% growth in 2020. The banking sector has experienced various forms of strategic alliances, including technology partnerships, market consolidation, capital acquisitions, and initiatives focused on product innovation. A report by the Central Bank of Kenya (2021) captures the industrial changes occurring in the banking sector through strategic partnerships and market consolidations involving many banks such as KCB Group, Cooperative Bank, and Access Bank among others that acquired stakes in smaller institutions such as Jamii Bora and Mayfair Bank. Matokho and Anyieni (2018) cite the importance of these partnerships for smaller financial institutions due to resource constraints, their need for capital growth and innovation. However, despite these benefits, the sector has witnessed collapse of banks and other financial institutions due to increased competition from large firms, increased entry barriers due to superior capabilities of large firms, which have

led to sale of shares by smaller institutions leading to their collapse. In 2021, Salaam African Bank acquired 100% shareholding of Uwezo Bank Limited.

According to Zikri (2020), strategic alliances had significant and positive effect on growth of market share of commercial banks. Firms that engage in appropriate partnerships enhance their growth and market share in the global environment. In addition, Mwamuye and Ragui (2021) assert that strategic alliances improve the competitive position of firms in the highly competitive financial market. However, studies by Zikri (2020); Mwamuye and Ragui (2021) noted that there were still gaps in technological innovations and access to new markets by small and medium firms. Wakianda (2018); Wandia and Ismail (2018); Wairugi (2017); Matokho and Anyieni (2018) studies on strategic alliances and partnerships in commercial banks in Kenya found a positive influence on performance due to these practices.

Prior research has indeed identified the significant impact of strategic technology alliances and partnerships on the performance of financial institutions. However, these studies had often lacked comprehensive examinations of the roles played by product and market alliances in shaping the performance of commercial banks in Kenya, leading to conceptual gaps in our understanding. Additionally, some studies within the banking sector have not explored all the variables covered in this research, resulting in both conceptual and methodological gaps.

Furthermore, a notable limitation in existing literature is the prevalent use of case study methodology. Moreover, studies that comprehensively assess strategic alliances among all commercial banks in Kenya are scarce. This study aims to address these gaps by investigating the relationship between strategic alliances and the performance of commercial banks in Kenya. It endeavors to provide insights into how technology alliances, joint ventures, outsourcing practices, and market alliances influence the performance of commercial banks in the country.

Objectives of the study

The overarching goal of this study was to investigate the relationship between strategic alliances and the performance of commercial banks in Kenya.

i. To find out the effect of joint ventures the on performance of commercial banks in Kenya
ii. To examine the influence of outsourcing practices on the performance of commercial banks in Kenya

LITERATURE REVIEW

Theoretical Framework

Dynamic Capabilities Theory

Teece et al. (1997) define dynamic capabilities as ‘the ability to integrate, build, and reconfigure internal and external competencies to address rapidly-changing environments’. Dynamic capabilities approach attempt to bridge these gaps by adopting a process approach by acting as a buffer between firm resources and the changing business environment. Dynamic resources help a firm adjust its resource mix and thereby maintain the sustainability of the firm’s competitive advantage which otherwise might be quickly eroded. Dynamic capabilities theory emphasizes resource development and renewal. According to Wade and Hulland (2004), resources may take on many of the attributes of dynamic capabilities, and thus may be particularly useful to firms operating in rapidly changing environments. As such, a firm has to possess a dynamic capability, which besides increasing firm’s opportunities to survive, often provides organizations with the potential for growth (Helfat et al., 2007). Dynamic capabilities are the outcome of experience and learning within organizations. This theory supports this study by indicating the need for

collaborations to develop a firm's capabilities, which can be done through strategic alliances such as marketing alliances to adapt to changing environment.

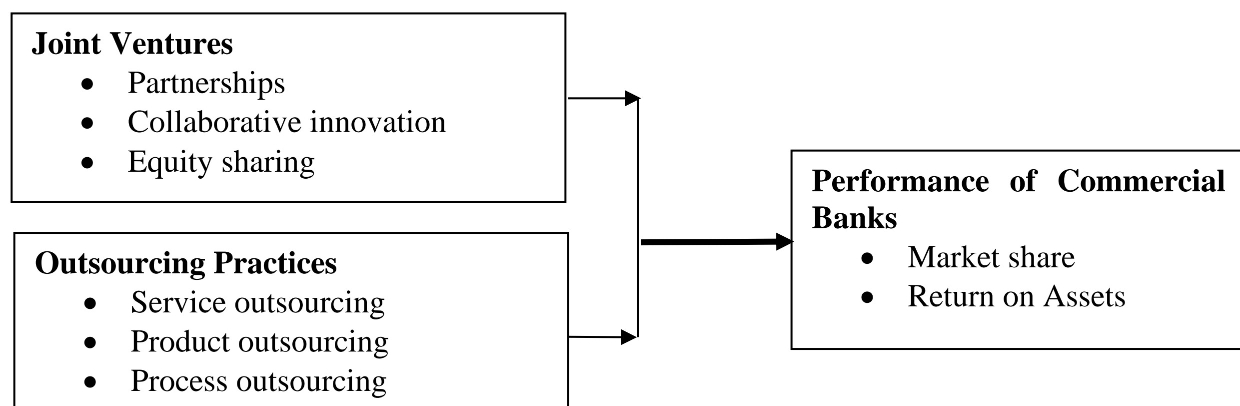
Resource-Based Theory

Resource-based theory by Barney (1991) states that the possession of resources is valuable. The resource-based theory suggests that organizations should look inside the company to find the sources of competitive advantage through the use of their resources. Competitive advantage is an advantage that a firm has over its competitors that allow it to generate sales or margins and/or retain more customers than the competition (Cole, 2017). A firm's competitive advantage evolves from the resources at the disposal of the organization.

In the resource-based theory model, resources are given the major role of assisting companies in achieving higher organizational performance and competitive advantage. Resource-based theory prescribes that organizations position themselves strategically based on their resources and capabilities rather than their products and services (Barney, 1991). Within resource-based theory, the key terms include tangible resources, intangible resources, and capabilities. Tangible resources are resources that can be seen, touched, and quantified such as company's property, factory, equipment, and even cash. These physical resources give you little advantage; however, you must have these types of resources in order to achieve the company's goals. Intangible resources are resources that are difficult to see, touch, or quantify, such as the knowledge and skills of employees, a firm's reputation, and a firm's culture. Executives who wish to achieve long-term competitive advantages should therefore place a premium on trying to nurture and develop their firms' intangible resources (Cole, 2017). This theory provides a deep understanding on the role of resources in organizational growth, which can be attained through joint ventures to acquire skills, knowledge and expertise from partner companies. The theory supports the joint venture variable under study.

Conceptual Framework

Conceptual framework is the graphical representation of variables, which are the dependent variable and the independent variables.



Independent Variables **Dependent Variable**

Figure 1: Conceptual Framework

Joint Ventures

Joint ventures among organizations involve combination of resources and assets to develop a project, product, or services. Shen and Cheung (2018) assert that formation of joint ventures affects market development and increasing market share for the single enterprise. Joint ventures are

crucial for firms seeking additional capital, resources, and expertise to grow and become sustainable in highly competitive markets.

Outsourcing Practices

Companies have increased outsourcing practices to concentrate on their core businesses such as recruitment services, product development, and process outsourcing such as marketing. The rapid changes in markets due to disruption strategies such as advancement in technology have necessitated outsourcing to enhance organizational productivity by concentrating on core business activities (Koriyow & Karugu (2018). Organizations outsource to reduce costs, save on resources, and increase productivity.

Performance of Commercial Banks

Organizations strive to become competitive in the dynamic market place. Performance is the company's level of productivity, which enables it to grow and become sustainable. It is its workforce and the ability of a company to generate profits in a sustainable way to accelerate growth (Hendayana, 2019) output in an organization. It is measured through a return on assets and market share. An organization's return on assets is an indicator of how profitable a company is relative to its total assets. It shows how efficient management is at using its assets to generate earnings while market share is the total sales in an industry that a company generates (Marima, 2021). Performance of firms indicates the organization functions because of implementation of various strategies and policies that guide the functioning of employees (James, 2015).

Empirical Review

Joint Ventures

Shen and Cheung (2018) assessed the influence of joint ventures on commercial banks in Hong Kong. The study found that joint ventures led to lower market concentration, which led to larger market share. Firms involved in joint ventures were able to capture larger markets, which increased their profitability and competitiveness. The study recommended joint ventures among firms to increase profitability.

Yan and Luo (2016) examined joint ventures and the performance of commercial banks in Canada. The study found that joint ventures led to development of dynamic capabilities and resources. This development of dynamic capabilities and resources increased profitability and competitiveness of an entity. The study recommended the use of joint ventures as a strategy for product and market development, which led to the growth of commercial banks in Canada.

Sim (2018) assessed joint ventures and the performance of commercial banks in Nigeria. The study found that strategic alliances through joint ventures led to growth of parent companies through increased profits and market share. Companies gained expansion capabilities through risk and resource sharing which led to increased growth. The study recommended increased strategic alliances such as joint ventures to increase firm growth.

Gichuhi (2017) studied joint ventures of commercial banks and the construction sector in Kenya. The study sought to establish the success of joint ventures in the construction of houses and found that joint ventures were effective in the construction of houses for sale. Commercial banks provided finances for construction through strategic alliances for housing development. Findings indicated that firms that engaged in joint ventures achieved profitability by sharing the costs of business development. The study recommended increased strategic alliances between commercial banks and other sectors to increase profitability and sustainability.

Nzengya (2018) conducted an examination of strategic alliances within the context of commercial banks in Kenya. The primary aim of the study was to identify the factors driving and the challenges associated with strategic alliances in this sector. The study's findings revealed that joint ventures and mergers were the most commonly adopted forms of strategic alliances among commercial banks. As a result, the study concluded that those commercial banks actively engaged in strategic alliances achieved greater profitability and a heightened competitive advantage. In light of these findings, the study recommended the use of joint ventures as a strategic alliance approach to effectively spread risks and diversify operations.

Outsourcing Practices

Wandia and Ismail (2018) did a study on the relationship between strategic alliances and the performance of commercial banks in Malaysia. Their research specifically investigated partner compatibility, synergy, strategic orientation, and outsourcing in relation to the performance of commercial banks. The study's results revealed that strategic alliances, particularly through partnerships and outsourcing, had a substantial and positive impact on the performance of commercial banks in Malaysia. Firms gained capabilities, knowledge, and market access and benefitted through sharing risk and acquiring resources. The study recommended use of outsourcing strategy to gain resources, knowledge and product development for growth and profitability.

Arend and Amit (2018) examined strategic alliances and firm performance in the United States. The study's findings indicated that outsourcing played a crucial role in determining a firm's profitability. By outsourcing certain functions, firms could tap into the competence and expertise of other specialized organizations. This allowed them to concentrate on their core competencies, leading to innovation in products and services, ultimately resulting in a competitive advantage. The study established that firms could access the knowledge, expertise, and resources they lacked to enhance growth. The study recommended the use of various strategic alliances to increase profitability and sustainability.

Linwei et al. (2017) studied strategic alliances and the growth of firms in Nigeria. The study found that strategic alliances enhanced a firm's dynamic capabilities and resources, which increased competitiveness. Firms that used strategic alliances such as joint ventures and outsourcing acquired resources, knowledge, and expertise that enabled them to achieve a competitive edge. The study recommends the use of strategic alliances to increase profitability and growth.

Arrigo (2019) examined strategic alliances and the performance of firms in Kenya. The study assessed outsourcing and partnerships and found that such strategic practices enable firms to acquire resources and capabilities essential for growth. In addition, strategic alliances enabled firms to create value addition processes by acquiring the expertise and resources they lack. The study recommended the development of strategic alliances such as outsourcing to increase performance.

Koskey (2018) conducted research on strategic alliances and their impact on the growth of the hotel industry in Kenya. The study's findings concluded that strategic alliances had a positive and beneficial effect on the performance of the hotel industry. Alliances such as partnerships and outsourcing practices enabled the firm concentrate on their core business, which led to improved service and product quality. The study recommended use of outsourcing practices in the industry to enhance service efficiency and performance.

RESEARCH METHODOLOGY

The study used a descriptive design. The purpose of a descriptive research design is to describe the state of affairs as it is in the present (Render et al. 2012). The target population for this study was 40 licensed commercial banks in Kenya. This is based on the Central Bank of Kenya Bank Supervision report (2021), which states there are 40 licensed commercial banks in Kenya. The unit of analysis was the commercial banks in Kenya. The unit of observation was a marketing director, finance director, information technology director, investment director from each bank. A sampling frame describes a list of all population from which a sample is selected (Render et al, 2012). The sampling frame for this study consisted of a list of 160 Directors, consisting of 40 marketing directors, 40 information technology directors, 40 investment directors, and 40 finance directors from the 40 commercial banks in Kenya under study.

The instrument for primary data collection was e-questionnaires. According to Render et al. (2012), a pretest sample ranges from 1-10% depending on the sample size. The pilot test was conducted among respondents in 4 banks which represent 10% of the sample size. Sixteen e-questionnaires were administered to respondents, which will not be included in the final study sample.

The data from the completed questionnaires was cleaned, re-coded, and entered into the computer using SPSS for Windows version 25.0 for analysis. Inferential statistics were used which include regression and correlation analysis. Tables and diagrams were utilized to present data from SPSS. The overall model significance was checked using analysis of variance (ANOVA). The study employed multiple regression analysis to investigate and ascertain the relationships between performance and the variables under study.

RESEARCH FINDINGS AND DISCUSSIONS

Out of the 160 questionnaires that were distributed, a total of 141 questionnaires were accurately completed and returned, and presents an overall successful response rate of 88.125% According to Locke et al., (2013), a sample size with more than 80% response rate is considered acceptable.

Descriptive statistics

This sub-section covers the descriptive analysis of the main findings of the study. The main statistics captured are mean, percentages and standard deviation. The findings are presented systematically as per the study variables.

Joint Ventures

The respondents were provided with a series of statements related to the connection between joint ventures and the performance of commercial banks in Kenya. They were asked to express their level of agreement using a rating scale. The results were then presented in Table 1. It is evident from the data that the majority of respondents agreed that their organizations were involved in joint ventures and partnerships. This consensus is reflected in the mean score of 3.61 for joint ventures and 3.79 for partnerships. These findings suggest that commercial banks in Kenya often engage in joint ventures and partnerships as part of their strategic activities.

This was in alignment with the findings of Yan and Luo (2016) who recommended the use of joint ventures for product and market development, which had a positive impact on growth of commercial banks. The respondents further agreed that the organization uses collaborations to acquire skills and resources (mean 3.84, standard deviation 1.01) and the organization engages in equity sharing strategic alliances (mean 4.58, standard deviation 0.494). The respondents further agreed that Joint ventures and collaborations have increased organizational performance (mean

4.11, standard deviation 0.87). This was in agreement with the findings of Shen and Cheung (2018) who found that joint ventures among firms led to the increase in profitability. This was also supported by the findings of Nzengya (2018) who established that firms in joint ventures attained higher profitability and competitive advantage and recommended the use of joint ventures as strategic alliances to spread risks and diversify.

Table 1 Descriptive Statistics on Joint Ventures

Statements	Mean	Std. Dev.
The organization engages in joint ventures	3.61	1.40
The organization engages in partnerships.	3.79	1.33
The organization uses collaborations to acquire skills and resources	3.84	1.01
The organization engages in equity sharing strategic alliances	4.58	0.494
Joint ventures and collaborations have increased organizational performance	4.11	0.87

Outsourcing Practices

The respondents were asked to indicate their level of agreement on various statements relating to the relationship between outsourcing practices and performance of commercial banks in Kenya. The findings were presented in table 2. The respondents agreed that their organization have well established outsourcing practices and the organization outsources services from other organizations as supported by a mean of 3.93 and 4.12 respectively. The respondents further agreed that their organization outsources knowledge from other organizations and outsourcing has improved organizational performance. This was in agreement with the findings of Arend and Amit (2018) who established that outsourcing enabled companies to concentrate on their core competences for product and service innovation hence could achieve competitive advantage. This was also in agreement with the findings of Koskey (2018) who recommended the use of outsourcing practices in the industry to enhance service efficiency and performance. Majority of the respondents agreed that outsourcing has reduced organizational operational costs (Mean 3.79, standard deviation 1.33). This was consistent with the findings of Linwei et al. (2017) who found that outsourcing enable organization to reduce costs, save on resources, and increase productivity.

Table 2 Descriptive Statistics on outscoring practices

Statements	Mean	Std. Dev.
The organization has well established outsourcing practices	3.93	1.09
The organization outsources services from other organizations	4.12	1.00
The organization outsources skills from other organizations	4.24	0.78
The organization outsources knowledge from other organizations	4.01	1.01
Outsourcing has improved organizational performance	4.59	0.49
Outsourcing has reduced organizational operational costs	3.79	1.33

Inferential Statistics

Inferential data analysis was conducted by use of Pearson correlation coefficient, and multiple regression analysis. The inferential statistic is used to make judgments about the probability that an observation is dependable or one that happened by chance in the study.

Correlation Analysis

The data demonstrated that there was a positive and significant association between joint ventures and the performance of commercial banks (r=0.911, p=0.000). This corresponds with the findings of Shen and Cheung(2018), whose study revealed the positive influence of joint ventures on growth of commercial banks.

The relationship between outsourcing practices and the performance of commercial banks also yielded positive and significant results (r=0.330, p=0.000). This aligns with the research conducted by Wandia and Ismail (2018), which identified a positive and significant relationship between outsourcing and the performance of banks.

Table 3 Correlation Analysis

		Bank performance	Joint venture	Outsourcing Practices
Project performance	Pearson Correlation	1		
	Sig. (2-tailed)			
Joint Ventures	Pearson Correlation	O.911**	1	
	Sig. (2-tailed)	0.000		
Outsourcing	Pearson Correlation	0.330**	0.119	1
	Sig. (2-tailed)	0.000	0.194	

Regression Model

Regression analysis was employed to assess the impact of the independent variables, on the dependent variable. This statistical technique was utilized to examine the relationship between these variables and gauge their influence on the overall performance of commercial banks. The study presented an R square which is a statistical measure of the closeness of the observed data to the fitted regression line. The variables of joint ventures and outsourcing were determined to be significant factors affecting the performance of commercial banks. These variables were found to play a substantial role in influencing the performance outcomes of commercial banks. This was supported by the coefficient of determination also known as the R-square of 0.830. This means the independent variables explain 83.0% of variation in the dependent variable. Meaning 17% of variation in the dependent variable can be explained by other factors not studied in this study. The results further mean that the model applied to link the relationship of the variables was satisfactory.

Table 4 provides the results on the analysis of the variance (ANOVA). The results indicate that the model was statistically significant. Moreover, the findings suggest that the independent variables were effective predictors of the performance of commercial banks in Kenya. This conclusion is bolstered by an F-statistic of 582.229, which exceeded the critical F-value of 5.8, and the reported p-value of 0.000, which was lower than the conventional significance level of 0.05. Theses statistical results indicate a robust relationship between the independent variables and the performance of commercial banks, affirming their predictive value.

The regression coefficients presented in table 5 indicate that; joint ventures exhibited a positive and statistically significant influence on the performance of commercial banks (r=0.801, p=0.000), and outsourcing practices demonstrated a positive and statistically significant effect on the performance of commercial banks (r=0.857, p=0.000). In summary, the results suggest that each of these independent variables had a favorable and statistically significant association with the overall performance of commercial banks in the study.

The specific model was; $Y = 17.228 + 0.801X_1 + 0.857X_2$

Table 4: Model Fitness

Indicator	Coefficient
R	0.911
R Square	**0.830**
Adjusted R Square	0.829
Standard Error	0.1681748

Table 5: Analysis of Variance

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	16.467	4	16.467	582.229	**0.000**
Residual	3.66	135	.028		
Total	19.833	139			

Table 6: Regression of Coefficients

	B	Std. Error	Beta	t	p
(Constant)	17.228	2.261		7.618	0.002
Joint ventures	.801	.064	1.242	12.528	0.000
Outsourcing	.857	.113	.632	7.572	0.000

Optimal Model

The overall regression model was retained since no variable recorded an insignificant influence on performance of commercial banks in Kenya.

Y=17.228+0.801X_1+0.857X_2

The variable with the highest level of significance was outsourcing, followed by joint ventures,

Conclusion of the study

The study's conclusion highlighted the significant role played by joint ventures in enhancing the performance of commercial banks. Joint ventures were recognized as essential for firms looking to access additional capital, resources, and expertise, thus fostering growth and sustainability in fiercely competitive markets. The results ultimately established that joint ventures had a positive and significant association with the performance of commercial banks.

Outsourcing practices empower banks to focus on their core functions, such as recruitment services, product development, and process outsourcing, including marketing. The study's conclusion underscored that outsourcing resulted in cost reduction, resource savings, and heightened productivity. Additionally, the study concluded that outsourcing practices had a positive and significant correlation with the performance of commercial banks.

Recommendation of the study

The directors of the commercial banks ought to embrace joint ventures since it enables the banks to capture larger markets, which increased their profitability and competitiveness. It also enables the banks to achieve profitability by sharing costs of business development.

The study recommend that commercial banks should adopt outsourcing practices and this will enable the banks to concentrate on their core business. The study recommended use of outsourcing strategy to gain resources, knowledge and product development for growth and profitability. Further the study recommends the use of outsourcing practices in the industry to enhance service efficiency and performance.

Areas for further studies

The study focused on how strategic alliances influence performance of commercial banks in Kenya. Another study should be conducted in other sectors to make a comparison. Other variables aside from technological alliances, joint ventures, outsourcing and marketing alliances since these variables only explain eighty three percentage variation in performance meaning seventeen percentage can be explained by other factors not accounted for in this study.

REFERENCES

Arend, R. J., & Amit, R. (2018). Selection in Strategic Alliance Activity: Effects on Firm Performance in the Computing Industry. *European Management Journal*, 23(4), 361-381.

Arrigo, E. (2019). Alliances, Open Innovation and Outside-in Management. *Journal of Management Policies and Practices, 2(4), 97-112.*

Aydalot, P., & Keeble, D. (2018). *High Technology Industry and Innovative Environments: The European Experience*. Abingdon-On-Thames, United Kingdom: Routledge.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17, 99-120.

Bernard, H. R. (2011). *Research methods in anthropology: Qualitative and quantitative approaches.*

Charles, N., & Gapaya, S. (2018). Effect of Technological Alliance on the Performance of Microfinance Institution In Rwanda. *European Journal of Business and Social Sciences*, 7(03), 19-36.

Flick, U. (2011). *Introducing Research Methodology: A Beginner's Guide to Doing a Research Project.* Thousand Oaks, CA: Sage Publication.

Onje F and Oloko M (2016) Influence of Strategic Alliance on Financial Performance of Commercial Banks in Kenya. *International Journal of Social Sciences and Information Technology (IJSSIT)*, Volume II, Issue IV, June 2016, PP 1-17.

Goyal, S., Chawla, D., & Bhatia, A. (2016). Innovation: Key to Improve Business Growth Of Banking Industry. *International Journal of Advances in Engineering & Technology,* , 9(3), 331.

Gray, B. & Yan, A. (1992). A Negotiations Model of joint venture formation, structure and performance: Implications for Global Management. Advances in International Comparative Management, 7,41-75.

Hair, J. (2010).*Multivariate Data Analysis,* 7th Edition. Upper Saddle River, New Jersey: Prentice Hall.

Harrigan, K. R. (2017). Strategic Alliances as Agents of Competitive Change. In *Collaborative Strategy*. Cheltenham, United Kingdom: Edward Elgar Publishing.

Helfat, C., Finkelstein, S., Mitchell, W., Peteraf, M., Singh, H., Teece D. & Winter S. (2007). *Dynamic Capabilities: Understanding Strategic Change in Organizations.* London: Blackwell.

Hendayana, Y. (2019). The effect of innovation on business competitiveness of small and medium enterprise in Indonesia. *Proceedings of the 2019 International Conference on Organizational Innovation (ICOI 2019).* https://doi.org/10.2991/icoi-19.2019.21

Husain, Z., Dayan, M., & Di Benedetto, C. A. (2016). The Impact of Networking on Competitiveness via Organizational Learning, Employee Innovativeness, and Innovation Process: A Mediation Model. *Journal of Engineering and Technology Management*, *40(8),* 15-28.

James, L. (2015). *What is Organizational Performance*. Retrieved from http://www.strategicmanagementinsight.com

Kambua, D. B. (2018). The effect of agency banking on financial performance of commercial banks in Kenya. *MBA Thesis, University of Nairobi.*

Kiptis, K. (2018). Influence of Bancassurance on Financial Performance of Commercial Banks in Nakuru Town, Kenya. *International Journal of Research in Business Management*, 4(4), 19-30.

Klus, M. F., Holotiuk, F., & Lohwasser, T. S. (2018). Motives to form alliances for digital innovation: The case of banks and Fintechs. In *Digital Transformation – Meeting the challenges*. [https://doi.org/10.18690/978-961-286-170-4.20]

Koriyow, O., & Karugu, J. (2018). Competitive Intelligence Strategies and Performance of Commercial Banks in Garrisa County, Kenya. *International Academic Journal of Human Resource and Business Administration*, 3(1), 371-394.

Matokho, K., & Anyieni, G. (2018). Strategic Partnerships and Performance of Listed Commercial Banks in Kenya. *International Journal of Contemporary Aspects in Strategic Management*, 2(1), 1-13.

Muathe, S. (2021). Performance of Commercial Banks in Kenya: Does Market Entry Strategies Matter. *Journal of Business and Management Sciences.* DOI: 10.12691/jbms-9-3-4

Mwamuye, J., & Ragui, M. (2021). Strategic Alliances and the Financial Performance of Commercial Banks in Nairobi City County, Kenya. *Journal of Business and Strategic Management*, 6(4), 32-45.

Ngugi, H. (2018). Influence of Innovation Strategy on Competitiveness of Commercial Banks in Kenya. University of Nairobi. Unpublished Thesis.

Nzengya J. (2013). Strategic Alliances Among Commercial Banks In Kenya, Unpublished MBA Project, University of Nairobi.

Onje, F., & Oloko, D. (2017). Influence of strategic alliance on financial performance of commercial banks in Kenya. PhD Dissertation JKUAT.

Shen, L., & Cheung, S. O. (2018). How forming joint ventures may affect market concentration in construction industry. *International Journal of Construction Management*, *18*(2), 151-162.

Singh, D. & Sandhu, N. (2017). New Market Entry Strategies: Public and Private Sector Banks in India. . *SCMS Journal of Indian Management,* 4(1).

Wayne, W. (2016). Behavioral Change Models. Retrieved from http://www.sphweb.bumc.bu.edu

Yan, A., & Luo, Y. (2016). *International Joint Ventures: Theory and Practice: Theory and Practice*. Abingdon-On-Thames, United Kingdom: Routledge.

Zaefarian, G., Forkmann, S., Mitręga, M., & Henneberg, S. C. (2017). A Capability Perspective on Relationship Ending and its Impact on Product Innovation Success and Firm Performance. *Long Range Planning*, *50*(2), 184-199.

Zikri, R. (2020). Effect of Strategic Alliances on the Growth of Market Share of Commercial Banks Malaysia. *Journal of Strategic Management*, *4*(4), 56-70.