

# **Effect of Organizational Capability on Market Performance of Postal Corporation of Kenya**

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## **Abstract**

The Postal Corporation of Kenya (PCK) was formerly part of the larger Kenya Post & Telecommunication Corporation, (KPTC) which was split into Posta, the Communication Commission of Kenya (CCK) and Telkom Kenya in 1999. This was due to poor performance leading to adoption of government economic policies that were supported by the International Monetary Fund (IMF) and World Bank. The policies were to promote efficiency and profitability of PCK through specialization. However, this has not been the case as there is empirical evidence that the firm has continued to decline in its performance. Because the current market environment is so turbulent, firms need to embrace organizational capabilities to enable them overcome the competition they are facing in their business environment for them to remain afloat. These capabilities are the collective skills, abilities and expertise of an organization which is unique and that provides the basis for its strategy and the primary source of its returns. Consequently, the purpose of this study therefore is to establish the effect of organizational capabilities on market performance of the Postal Corporation of Kenya. This study will be guided by the following objectives; to establish the effect of management potential on market performance, to find out the effect of product and service quality capability on market performance and to ascertain the role of technological capability on market performance of the Postal Corporation of Kenya. A descriptive survey design will be utilized. A questionnaire will be used to collect data. Stratified and purposive sampling will be used to sample managers of different sections of PCK. Data will be collected and analyzed both qualitatively and quantitatively by SPSS version 22. Reliability of the research instrument will be done through test and retest method and validity will be done by use of Cronbach Alpha coefficient to ascertain the suitability of the research instruments. Cronbach Alpha coefficient of 0.7 and above will be acceptable in this study. The results will be presented in form of frequency distribution tables, charts and prose. This study may be helpful to the government, NGOs, SMEs, corporates, banks and other policy makers in the country.