RESPONSE STRATEGIES AND COMPETITIVE ADVANTAGE OF UAP INSURANCE LIMITED IN SOUTH SUDAN

BY
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A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS, ECONOMICS, AND TOURISM IN PARTIAL FULFILMENT FOR THE REQUIREMENT OF THE AWARD OF A MASTER'S DEGREE IN BUSINESS ADMINISTRATION (STRATEGIC MANAGEMENT OPTION) FROM KENYATTA UNIVERSITY

JUNE, 2023
DECLARATION

This research project is my original work and has not been submitted for examination at this university or any other university.

Signature                               Date

Eric Gathiru Muiruri,

D53/OL/CTY/32012/2017

Approval by the Supervisor

This research project has been submitted for examination with my approval as the university supervisor.

Signature                               Date

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DEDICATION

I dedicate this project report to my parents for their supplication and sacrifice. Their steady calls, encouragement and push for tenacity made me feel that I was never alone. To my loving wife Nancy, for your support throughout my studies and for your constant encouragement even when things seemed insurmountable. To my beloved children Taraji and Jabali for the several times I had to be away from them studying, and finally to the All-Powerful God for his guidance, power, assurance, protection, provision, and health.
ACKNOWLEDGEMENT

Throughout my studies, I am grateful for God's divine grace and blessings. I owe Kenyatta University's School of Business a debt of appreciation for providing me with a well-structured and very effective distance learning program, as well as assistance during my postgraduate studies. Dr. Jane W. Njuguna, my supervisor, deserves special thanks for her diligent supervision throughout this study, as well as her availability and assistance in numerous aspects. I appreciate the help and supportive atmosphere my workplace, UAP Insurance Ltd, and my co-workers have provided for me to do this research. I appreciate the support, encouragement, tolerance, and understanding given to me by my family during the pursuit of my studies. To each one of you, I say God bless!
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<td>Competitive Advantage</td>
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<tr>
<td>ICT</td>
<td>Information Communications Technology</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>IRA</td>
<td>Insurance Regulatory Authority</td>
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<tr>
<td>CAGR</td>
<td>Compounded Annual Growth Rate</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GWP</td>
<td>Gross Written Premiums</td>
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<td>OS</td>
<td>Organization Structure</td>
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<td>SME</td>
<td>Small and Medium Enterprise</td>
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<td>UAPSS</td>
<td>UAP Insurance South Sudan Ltd</td>
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<td>ASSI</td>
<td>Association of South Sudan Insurers</td>
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<td>DIT</td>
<td>Disruptive Innovation Theory</td>
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<td>TAM</td>
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<td>CE</td>
<td>Corporate Entrepreneurship</td>
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OPERATIONAL TERMS DEFINITION

Competitive advantages: refers to the unique strengths or qualities that enable a company or organization to outperform its competitors and achieve superior performance in the market. It is the advantage gained by a company when it can offer better value to customers or create products and services more efficiently than its rivals.

Information technology: refers to the strategic use of technology and information systems to gain a superior position in the market and outperform competitors. It involves leveraging IT resources, tools, and capabilities to create unique value propositions, improve business processes, and enhance overall performance.

Knowledge management: refers to the strategic process of identifying, capturing, organizing, and leveraging an organization's knowledge assets to gain a competitive edge in the market. It involves effectively managing and utilizing knowledge resources, including explicit knowledge (codified and documented information) and tacit knowledge (personal expertise and experiences), to enhance performance and create value.

Market development: This approach includes the introduction of current products into new markets and therefore focusing operations on growing or finding potential markets through new consumer segments or new product applications. It main concepts include segmentation of the market, position, and geographical areas for marketing.

Product development: This includes gathering and integrating information and putting it to use to create new products or modify existing ones in such a way that it serves as a source of innovation within an organization.

Response strategies: are the actions and approaches that a company or organization adopts to effectively respond to competitive forces and gain an edge in the market. These strategies are developed to counteract or leverage the actions of competitors and create a sustainable competitive advantage.
ABSTRACT

It is imperative that organizations compete for clients, revenue, and market share today by coming up with products that meet the requirements of their customers in a constantly evolving economic and commercial environment. The insurance industry in South Sudan is currently facing the challenge of rising cost, which leads to shrunk bottom lines. The stiff competition existing amongst insurance firms in the country is because majority of the firms in the insurance sector sell similar products and offer similar services meaning that the firms are competing for a limited market share. The broad objective was to assess the impact of response strategies on UAPSS’ competitive advantage in South Sudan. Specific objectives studied were to assess the impact of product development, market development, information technology and the management of knowledge on UAPSS’ competitive advantage. This research was anchored to the Competitive Advantage Theory by Porter, Disruptive Innovation Theory, and Technology Acceptance Model. Descriptive research design served as the study's primary research framework. All 60 UAPSS personnel were the demographic for this census research. Primary data was gathered through Semi-structured questionnaires, while financial records, archival library materials, and South Sudan Insurance publications were used to get secondary data on revenues, expenses, and market share. To verify the questionnaire's dependability, a reliability test utilizing Cronbach Alpha’s index threshold, the response strategies had reliability coefficients for Product development, Market development, Information technology and Knowledge management respectively, therefore deemed reliable. Descriptive statistics were used to analyze quantitative data, frequency distribution tables, percentages and frequencies were used. To conduct inferential statistics, the use of multiple regression analysis was utilized to check impacts of independent factors on dependent ones. The study's results showed that product development, market development, information technology, and knowledge management all significantly impacted UAPSS’ competitive advantage. According to the study's findings, UAPSS’ competitive advantage is positively impacted by its response strategies of product development, market development, information technology, and knowledge management. Consequently, the study proposes the following recommendations for UAPSS management moving forward, as they have all been proven to enhance competitive advantage. The management should prioritize the utilization of market development, information technology, and product development, as these three strategies have shown significant potential in predicting competitive advantage. Moreover, it is advisable for the management to assess how other response strategies not examined in this study, such as organizational structure, new processes, new services, restructuring, marketing, leadership, and culture change, could complement the four studied response strategies and contribute to an improved competitive advantage for the company. To establish a more comprehensive understanding, it is recommended to conduct a broader study incorporating additional response strategies and involving other insurance companies. This will allow for greater generalizability of the findings, considering that the current study only focused on UAPSS, as well as on market development, information technology, product development, and knowledge management response strategies.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The changes in the markets, shifts in customer tastes and preferences, and intense competitiveness due to globalization and the usage of modern technologies, push management in organizations to respond to these issues to continue existing and growing. In addition, increasing rates of worldwide competition have resulted in a shorter product life cycle. The development of organizational capacities and competitive advantage, which is believed to provide them an advantage over their rivals, have thus received a lot of attention. Although there are many goals that a company may pursue today, the two most important ones are (i) establishing a competitive edge and (ii) improving their performance in relation to their rivals (Hana, 2013).

Since competitive advantage is essential to organizational performance, researchers have paid more attention to the understanding of competitive advantage (Vila & Albiñana, 2016). Businesses are striving to gain a competitive edge by supplying items with more desirable traits, such as product quality, effective delivery, or flexibility, as globalization increases competitive pressures. Response strategies would therefore enable these businesses to fulfill such requests by providing goods with more enticing and valuable qualities (Ambuko, 2012). Most organizations in Africa are unable to exploit competitive advantage and hence put up with average or below-par performance (Scott & Davis, 2016). Organizations do not operate in isolation but in a given environment where they draw inputs which they eventually translate to outputs in the form of products. It is no doubt that organizations have intricate and important relationship with the environment with which they interact.
This explains therefore that the success of a firm is a product of very many factors within the environment, which poses great challenges that must be overcome by the organization for it to succeed. Environmental changes affect the way organizations function (Chandola & Fu, 2017).

According to a 2018 insurance trends analysis report by Ernst & Young, the African insurance industry remains one of the least penetrated in the world, at less than 2%, though with significant scope for growth. Only South Africa has matured as an insurance market in Africa, with a penetration rate of 17%, which is the highest in the continent. All the other countries lag, with Namibia coming second at only 6% penetration. Most countries in the continent have a penetration of less than 2%. The insurance sector is undergoing tremendous change and changing customer expectations are influencing the industry's future. The emerging areas of interest are technology and data revolution, regulatory and accounting changes, and talent gaps. In Kenya, where the insurance penetration is a mere 3%, there have been several acquisitions and mergers in the insurance industry over the past five years. Further, the country has witnessed insurance players taking drastic measures to reduce costs, key among them being retrenchment and downsizing.

South Sudan’s insurance penetration is less than 1% (Crawford and Kumar, 2018) showing that there is room for growth for any firm that can come up with strategies that improve the outlook of the market hence increasing customer numbers and eventually the market share. According to Ambuko (2012), typical insurance buyers are sensitive to premium prices and variety of products in the market, the firms seeking competitive advantage then must respond by developing new products as per the market needs and this will need knowledge of the market and information on the
changing trends in the field. The country has been in conflicts for long and experiences high illiteracy rates amongst the locals; to get a grip of the market, insurance firms need to invest in information technological systems and knowledge management amongst its staff that will give them an upper hand against other market players. The study explored strategies to adopt to gain competitive advantages in the insurance sector.

1.1.1 Response Strategies

Response strategies are actions taken by companies to address a variety of problems or even seize opportunities (Muriira, 2014). They are an organization’s main defense against the impact of both present and future environmental drives (Chong and Besharati 2014). Cherotich (2017) maintains that response strategies concern how an organization reacts to changing operational environments that pose threats to its long-term trajectory while losses escalate if those threats are not responded to.

According to Wang (2004), these responses can take numerous forms and may include, but are not limited to; new product development, organizational structure, market development, new processes, new services, and new strategies for connecting to the market, restructuring, marketing, information technology, leadership, culture change, and advancing organizational operations through knowledge management. To counter crises or shifts in the business environment, organizations must also adjust their structures, operations, and methods (Roulin and Krings, 2020). This study focussed on four response strategies in seeking competitive advantages: Product Development, Market Development, Information Technology, and Knowledge Management.
A response strategy has become an important instrument for dealing with the challenges arising from the environmental changes coming from the business environment. In the business world, a response strategy represents an organizational capability of making due response to the variation of the external environment factors (Waddok and Isabela, 2009). Ansoff, (1987) says that strategy is an elusive and somewhat abstract concept. The definition of strategy by Johnson and Scholes (2002) as “the direction and scope of an organization over the long-term, which achieves advantage for the organization through its configuration of resources within a changing environment to meet the needs of markets and fulfill stakeholder expectation”, offers a more complete version. As demonstrated in a number of studies, external environment factors such as competition situation and market size are key success factors. Therefore, it is imperative that one of the key agendas of the top management team of an organization should be to identify and adopt effective response strategies in order to survive in different competitive situation (Kunhui, Shen and Tan, 2009).

Theories of strategic response demonstrate that strategies create a competitive edge for a firm. While this strategic response might be necessary for optimal strategic use, they are not sufficient conditions. Elliott, Huffman and Makar (2003), argue that, given these strategies, a firm's ultimate decision to use a strategy also depends on the level of its competitors who are also operating in the same business environment. The influence that the environment has on a firm’s strategy is supported by the environmental determinism theory as fronted by Pfeffer and Salancik (2002). The theory argues that organizations strategies and plans are determined by the environmental context the firm operates in and therefore the environment will be the
primary mechanism of explaining the reaction of a firm. Macro-economic forces such as the political, economic, social and technological will influence the performance of a firm and can therefore be looked at as threats or opportunities. Such forces cannot be influenced by a firm at the individual level and hence any strategy developed will have to consider the effects that these forces will have.

According to Pearce and Robinson (2017) strategic responses are a set of decisions and actions that result into formulation and implementation of plans designed to achieve a firm’s objectives. In order to effectively achieve the firm’s objectives, these set of plans and actions must be strategically fit to the complexities and dynamism of a rapidly shifting environment. Firms largely are open systems where there is continuous interaction and interfaces with the external environment. Strategic responses are the strategies that firms take and largely triggered by continuous changes in the external environment. Johnson and Scholes (2016) defined strategy as the direction and scope of an organization over the long term which achieves advantage for the organization over the long term through its configuration of resources within a changing environment to meet the needs of the markets and fulfill stakeholders expectations.

Timely response is critical to avoid adverse effects or missed opportunities. Costs of none response could be lost accumulative profits and cost of reversing the loss. Strategic response may include development of new products, new markets, new process, new services, and new strategies for attaching the market, restructuring, marketing, information technology, leadership and culture change (Wang, 2014). Firms need strategy to sustain and grow profitability, revenues, market share and most importantly acceptance. A response strategy is concerned with how a company
competes in a particular business and gains a competitive advantage through a
distinctive way of competing (Gale and Luo, 2014). Hence, competition is at the core
of the success or failure of firms. Competition determines the appropriateness of a
firm's activities that can contribute to its performance, such as innovations, a cohesive
culture and good implementation. A response strategy helps to search for a favorable
competitive position in an industry which will lead to the establishment of a profitable
and sustainable position against the forces that determine industry competition. The
ability of a company to capture the opportunity that an industry gives depends on its
core competency (Lai et al., 2014).

The conception, design, development, and marketing of freshly developed or
rebranded goods or services are all part of the product development process.
According to Koks and Kilika (2016), a new product is one for which the company
requires a new market and in which significant changes are communicated while
excluding any adjustments that may require simple promotion. Mbithi et al (2015)
observe that the purpose of product creation is to meet customer needs to increase,
maintain, and improve a company's market share. In emerging countries, new product
creation is very critical for business success. This study gauged levels of product
development using major product innovations, product enhancements, product
additions, and repositioned items.

Market development strategy entails expanding revenues by introducing existing
products to new markets. According to Cherotich (2017), when a firm wants to expand
its market reach or has identified previously untapped markets, this strategy is applied.
A firm can do this by entering and establishing a new market for existing products in
new ways and to new consumers, expanding into new and underdeveloped
geographical regions, offering different pricing methods, and establishing new distribution channels. Among the ways to achieve market development strategy as indicated by Luvusi and Murigi (2019) is identifying a new geographical market; this may involve an expansion of a firm’s products and services outside its area of operation or selling to a new country or continent. This study measured market development through indicators such as distinctive market positioning, adopted marketing strategies, market targeting, and market segmentation.

Information technology (IT) is another response strategy, which Luoma-aho, Moreno, and Verhoeven (2017) define as the use of computer systems, applications, and computers in the processing and production units for the outlined goals of the firm. It includes software, hardware, and computers that help with the processing and production processes of an organization. For an organization to be successful in its operations, the implementation of Information Technology is critical. However, the company's business strategy must be aligned and matched with the IT strategy to achieve this success. As a result, businesses now recognize the importance of IT to their business strategy. IT is inherently connected to business, and when implemented well, it can lead to long-term competitive advantages. IT encompasses information that is generated and consumed by organizations in addition to several integrated and connected data processing technologies. An IT-using firm, as per Chukwunonso, Omoju, and Ikani (2017), may gain from innovation, expansion, cost savings, partnerships, and distinctiveness. IT also optimizes the processing of information, communication, and collaboration. A Gicha and Lelei (2015) study showed that IT investments result in lower costs, better value, speed, and agility for businesses.
Within the scope of this study, information technology as a response strategy was measured by IT capabilities and IT competencies.

The aim of a knowledge management strategy is to find out how much collaborative learning empowers employees to boost revenue. Businesses must create, share, and use knowledge within the business, while also harmonizing it with the company's strategy and operations. Furthermore, managers must identify which knowledge strategy is most suited to achieve a competitive advantage. Knowledge management has become an important area of concern as organizations attempt to achieve a competitive advantage (Chong & Besharati, 2014). Management of employees' knowledge and skills is an increasingly useful approach for many organizations nowadays. Because of this, knowledge management has been credited with helping to achieve a competitive advantage, attain market leadership, and other benefits such as profitability for the company. To measure this variable, the study utilized three indicators for measurement: knowledge, training, sharing knowledge, and collaborative learning.

1.1.2 Competitive Advantage

The capability of an organization to compete in one or more ways that other organizations will find difficult to duplicate now and in the future is known as a competitive advantage (Kimani & Juma, 2015). Kiragu (2014) describes competitive advantage as the pursuit by a firm, of an advantageous position in a market by attempting to build a position of long-term supremacy over rivals in the market. According to Burnes (2014), to gain a competitive advantage, an organization must provide customers greater benefits by developing a competitive strategy that can secure a profitable and long-term position over competitors. Every organization aims
to enhance its operational practices, make its products more competitive and market-leading, and attract long-term consumers. According to Hana (2013), outperforming and attracting future consumers while maintaining existing consumers achieving is key for any firm in today's uncertain and constantly changing operational environment.

A competitive advantage is achieved when a firm has an upper hand over its competitors in acquiring and maintaining customers, as well as the ability to fend off competitive pressures. A firm should aim to deliver greater value to its consumers to attain a position of competitive advantage. As a result, a company's principal purpose is to give value to purchasers that outweighs the expense of doing so. According to Muriira (2014), pricing cheaper than rivals for the same value or giving differentiated features for the equivalent price provides a competitive advantage. Competitive advantage was measured mainly through constant growth trajectory, low-cost product, and service delivery, differentiated product and service delivery, a focus on certain market segments, and improvement in the organization's innovation in the context of this study.

1.1.3 Insurance Sector in South Sudan

The Comprehensive Peace Agreement (CPA) signed in 2005 was a crucial turning point in South Sudan's history, according to a study conducted in 2011 by the Bank of South Sudan on the growth of the financial sector in South Sudan. It cleared doors for investors in a variety of industries, including financial services. The Wealth Sharing Agreement which had been signed in Kenya one year before the signing of the CPA founded the Bank of South Sudan, which oversaw chartering and regulating
all financial institutions in South Sudan, including insurance firms, a responsibility it still does today.

Twenty insurance firms, five insurance brokers, and an unknown number of insurance agents are listed with the Association of South Sudan Insurers (ASSI). There are no reinsurers in the market, and all reinsurance business is placed offshore. Similarly, there are no locally registered insurance support services such as assessors, surveyors, and loss adjustors. Most of these professionals are brought in from neighboring countries when these services are required.

The government, small and medium-sized businesses, non-governmental organizations, and financial institutions all play leading functions in the country's insurance industry. Insurance provides economic protection from identified risks and is a fundamental service to the economy of the country through indemnifying losses and ensuring the cogs of the wheels running the economy continue to move despite unforeseen and unexpected shocks. Insurance companies are shaped by the broader economy, which includes demographics, sociocultural attitudes and behaviors, rules and regulations set by the government, technological developments, political actions, and other external and internal factors important enough to affect the business' final decisions regarding its future, goals, strategy, and business models (South Sudan Economic update, 2017).

1.1.4 UAP Insurance South Sudan Limited

UAP Insurance South Sudan Limited is a company operating in South Sudan, offering insurance services to individuals and businesses (Manduku, 2017). Although specific details regarding their competitive advantage in the South Sudanese market may not
be readily available, it can be inferred that the company possesses certain strengths that contribute to their competitive position.

UAP Holdings Ltd, which controls a number of financial services companies in East Africa, is the parent firm of UAP Insurance South Sudan (UAPSS). UAPSS started operations in South Sudan in 2006 and is fully licensed and capitalized to transact all classes of insurance risks. UAPSS is the ideal choice of study since there are very few studies that have been done focusing on South Sudan, consequently, there is a substantial knowledge gap that has to be closed. Secondly, the country is relatively young as it only gained independence 11 years ago, hence it is currently building the different sectors of the economy, and the insurance sector will be a major support sector to the other sectors of the economy. Thirdly, according to the World Factbook (2021), the country is endowed with huge deposits of oil, gas, and other natural resources, which has the potential to earn the country a lot of foreign exchange if exploited. The country is also vastly arable, meaning there is huge potential for agriculture. There is therefore huge production potential, serving the local and regional markets and growing the economy. In summary, the country has huge potential to grow its economy even surpassing those of its East African neighbors. With a developing economy, the insurance industry has tremendous development potential.

In recent years, competition among the insurance players has been stiff due to the limited number of customers, the key being Non-Governmental Organizations, Financial Institutions, Small and Medium Enterprises, and Government Agencies. Moreover, Ambuko (2012) notes that the marketing and distribution of insurance products is a problem, given the level of illiteracy, the age profile, and the location,
including the country's multi-faceted social – economic dynamics, mostly arising from many years of instability. South Sudan is presently a developing economy attracting several regional and international investors according to the World Bank South Sudan Economic Update (2017). There are generally few obstacles to entry, which is why new entrants are likely to provide competition. Due to its underdeveloped infrastructure and human capital pools, South Sudan is a high-cost economy. The cost of conducting business is higher in South Sudan compared to her Eastern African neighbors since most inputs including human resources are obtained in the neighboring countries.

Competitive advantage is basically having an edge over competition in attracting, keeping customers and having the ability to defend against competitive forces. To achieve this, a firm must strive to convey superior value to its clienteles. Competitiveness is reliant on the productivity of a company’s capital, labour and natural resources to yield high-quality goods and services that meet market expectations. Porter and Kramer (2002) posit that for companies to successfully implement strategy, they must understand their competitive context which embraces the accessibility of talented, taught and propelled workforce, the effectiveness of local framework incorporating streets and media communications in the districts they work, the size and refinement of the local market, the accessibility of local associations with whom to outsource and team up, and the extent and effective application of government regulations (Porter & Kramer, 2002). The company’s competitive context is driven by the following four elements: First, are the factor conditions.

These include inputs of production, human and capital resources, natural resources, physical, administrative and information infrastructure. Achieving higher
performance requires the presence of these factors. CSR initiatives that target the facilitation of these factors will enhance competitive context. First, the demand conditions are important. This includes the presence of sophisticated and demanding local customers. Sophistication of local customers puts pressure on companies to embrace innovation which in turn promotes competitive context, on the other hand, we also have the Context for Strategy and Rivalry and these incorporates the nearness of local approaches and motivators that energize speculation, open and fiery local rivalry. The nearness of approaches that empower and reward venture, demoralize defilement, ensure licensed innovation, open local markets to exchange and keep the arrangement of cartels as well as restraining infrastructures would all add to reasonable exchange and rivalry.

Capon (2008) identifies that gaining and maintaining a competitive edge requires an organizations activities, resources and frameworks to be in order to either lessen general cost or include most value for slightest cost. Porter (1998) then again declares that aggressive edge becomes generally out of the value a firm can create for its clients, that goes beyond the company's cost of making it. Value being the sum purchasers will pay for a given item or administration, which is measured through aggregate income. The primary objective of a firm along these lines is to make value for purchasers that surpass the cost of doing as such. Focused edge originates from estimating products and administrations lower than competitors for comparable value or giving remarkable advantages to a similar cost. In retrospect, value chain activities are the building pieces of aggressive edge. Execution of each value chain action decides if a firm is either a high or ease firm, with respect to rivalry. Essentially, the way in which each value action is performed will decide its immediate commitment
to purchaser needs, consequently separation. Capon (2008) acknowledges that whether a firm designs its value chain to decrease general cost or include most value in any event cost, relies upon the focused system the firm is seeking after – cost based or separation based. This dialog hypothesizes two sorts of focused edge; cost authority and separation.

A firm increases aggressive edge by performing value chain activities all the more efficiently (cost administration) or preferable and extraordinarily over its competitors (separation). As indicated by Porter (1998) a solitary firm's value chain exists inside a characterized value framework that contains supplier, channel and purchaser value chains. Suppliers can affect the firm's execution through their data sources and how the same are conveyed. So also, a firm's products go through value chains of dissemination channels on their way to the purchaser. These channels play out extra activities that influence the purchaser. At last, the premise of separation is a firm and its part in the purchaser's value chain, which decides purchaser needs. Basically, picking up a manageable aggressive edge relies upon seeing how the firm fits in the firm's value chain, as well as the general value framework.

Competitive advantage is earned from capabilities/resources that are valued, rare, not easily imitable and most importantly underpinned by the firm’s policies, procedures and practices and how a firm is organized to exploit them. Firms with better reputations outperform their rivals. (Dowling & Moran, 2012). Vilanova, (2009) agrees that a good reputation built upon CSR activities is an accepted and valued intangible asset and is often hard to imitate (Vilanova et al., 2009) Sustainable competitive advantage. Related and Supporting Industries (Clusters): to include the incidence of capable locally based providers and firms in linked fields. Having high
quality supporting industries nearby improves productivity because it enables
comppanies improve responsiveness, exchange information, lower transportation and
inventory costs and innovate. To measure or operationalize competitive advantage, it
will be necessary to analyse product delivery time, the amount of inventory
deductions, and the number of customers complains as well as revenue and profits
generated as a result of effective utilization of the value chain activities.

According to the World Bank South Sudan Economic Update (2017), the competitive
advantage of UAPSS lies in its unique strengths and capabilities that set it apart from
other insurance companies operating in South Sudan. While specific information
regarding their competitive advantage in the context of South Sudan may not be
readily available, it can be inferred that UAPSS may possess certain advantages that
contribute to their success in the market. Some potential factors that could contribute
to their competitive advantage may include: i) Strong market presence: UAPSS may
have established a strong market position, with a significant customer base and brand
recognition in the insurance industry, ii) Extensive product portfolio: They may offer
a diverse range of insurance products and services tailored to the needs of individuals,
businesses, and organizations in the region. This wide product portfolio enables them
to cater to various customer segments and enhance their competitive position, iii)
Superior customer service: The company might prioritize providing exceptional
customer service, ensuring prompt claim settlements, effective communication
channels, and personalized assistance. Such emphasis on customer satisfaction can
help them differentiate themselves and gain a competitive edge, iv) Financial stability:
UAPSS may exhibit financial strength, including a robust capital base and strong
solvency ratios. This stability inspires confidence among customers and partners and
can contribute to their competitive advantage, and v) Skilled workforce: They might have a highly skilled and knowledgeable workforce, comprising insurance professionals who are adept at assessing risks, providing accurate coverage recommendations, and delivering quality services. This expertise can give them a competitive advantage in terms of underwriting accuracy and risk management. Despite these factors, it is still not clear how UAPSS’ response strategies have enabled it to gain its competitive advantage over its rivals therefore this study sought to investigate the influence of response strategies on the competitive advantage of UAP Insurance Limited in South Sudan.

1.2 Statement of the Problem

In the insurance industry, there is currently a notable challenge related to escalating costs, which has a direct impact on the profitability of insurance companies. These companies are facing the dual pressure of increasing their revenues while effectively managing the rising costs. Moreover, the unpredictable and unstable nature of the contemporary world further complicates these challenges. The stiff competition among insurance firms in the country is intensified by the fact that many of them offer similar products and services, leading to intense competition for a limited market share. South Sudan boasts a total of 20 registered insurance companies, which benefits customers by providing them with a wider range of services to choose from. However, this growing number of insurance companies also poses a significant risk to the individual companies’ sustainability and survival in the industry.

According to the World Factbook (2021), more than 80% of South Sudan’s population of 11 million live upcountry, with most of them relying on small-scale farming and animal husbandry. More than 1 million people have fled the country to seek refuge in
neighboring countries. Education attainment is extremely low at only 34% literacy, the dependency ratio is very high at 81%, and the populace is faced with high mortality rates and low life expectancy. The economy is heavily dependent on oil revenues and the country is very poor, with 66% of the population spending less than USD 1 a day. Only 28% of the population has access to electricity, with only 34% having access to a phone and only 7% having internet access. Combatting corruption, increasing agricultural output, reducing poverty and unemployment, increasing transparency, particularly with relation to oil revenues, curbing inflation, and establishing a rules-based economic environment are among the other concerns the country is facing. (The World Factbook, 2021). Based on the above challenges, it then means that the population with a disposable income to afford the purchase of insurance products is very limited, and the insurance players in the industry are competing to serve a small proportion of the general population, making this one crowded space.

According to the financial reports of UAPSS, the company has seen its market share dip from 40% in 2015 to 24% in 2019. Furthermore, the gross written revenue reduced from USD 19.2M in 2015 to USD 14.1M in 2019. The cost profile also increased from USD 5.5M to USD 7.1M, which resulted in the decline of profitability from USD 7.9M to USD 5.4M in that period. The fast-mover advantage that UAPSS enjoyed in the earlier years of setting shop in South Sudan has since been watered down by the new market entrants, and UAPSS must therefore craft strategies that will counter the turbulent and competitive environment to attain a competitive advantage and survive.

Several studies have examined the Competitive advantage of insurance companies, Nyaguthii (2014) investigated AON Insurance Company's competitive strategies in Kenya and found that product innovation was the most effective, there is a conceptual
gap as response strategies are not mentioned. Ombati (2012) explored the linkage between Kenyan insurance firms’ competitive advantage and the skills needed, but the study creates a contextual gap as it does not link response strategies to competitive advantage and contextually, it covered Kenya’s insurance institutions. Mutimu et al. (2013) looked at the correlation between strategy and competitive advantage and observed a substantial link between the two. The study focuses on strategies in general, which necessitates narrowing the framework and doing research on response strategies that are linked to competitive advantages. This study undertook to address gaps in the sampled studies by examining the impact of response strategies on UAPSS’ competitive advantage.

1.3 Research Objectives

1.3.1 General objective

To investigate the influence of response strategies on the competitive advantage of UAP Insurance Limited in South Sudan.

1.3.2 Specific objectives

The specific objectives of this study were:

i. To determine the influence of product development on the competitive advantage of UAP Insurance Limited in South Sudan.

ii. To evaluate the influence of market development on the competitive advantage of UAP Insurance Limited in South Sudan.

iii. To assess the influence of information technology on the competitive advantage of UAP Insurance Limited in South Sudan.
iv. To evaluate the influence of knowledge management on the competitive advantage of UAP Insurance Limited in South Sudan.

1.4 Research Hypothesis

**Ho₁:** Product development has a significant effect on the competitive advantage of UAP Insurance Limited in South Sudan.

**Ho₂:** Market development has a significant effect on UAP Insurance Limited's competitive advantage in South Sudan.

**Ho₃:** Information technology has a significant impact on UAP Insurance Limited's competitive advantage in South Sudan.

**Ho₄:** Knowledge management has a significant effect on UAP Insurance Limited's competitive advantage in South Sudan.

1.5 Significance of the study

The study focused on determining how competitive advantage in UAPSS was impacted by the four response strategies of product development, market development, information technology, and knowledge management. The study found that all these strategies, to varying levels, had a positive impact on competitive advantage. The study's findings may be useful to the following stakeholders:

The management team of UAPSS may leverage the study findings to continue revamping the four response strategies and further improve their understanding and application, therefore improving the company’s competitive advantage as evidenced that these strategies have a positive influence. Furthermore, the management can explore additional strategies not covered in the study to support building a robust
competitive advantage position that will improve the overall performance of the company.

The study findings may enable the regulator to borrow from the researched response strategies which have been found to have a beneficial influence on the competitive advantage of UAPSS and incorporate them in policy formulation and implementation. The regulator may also seek to expand the scope of additional response strategies affecting the competitiveness of the insurance sector in the country. The aftermath of this implementation is the improvement in the measures that the regulator would take to effectively oversee, monitor, regulate, guide, and assist insurance firms to realize desirable and sustainable performance, which may have a positive trickle-down effect on the country’s economy.

Academicians and researchers may find useful the study's empirical literature, theories that formed the study's backbone, research methodology framework, and recommendations to expand knowledge on the response strategies studied in this research and others not covered. The gaps in the study could become another interesting area for upcoming researchers. Academics can utilize the findings of this study to authenticate literary citations and recommend research topics for additional research.

1.6 Scope of the Study

This study centered on response strategies and competitive advantage. Response strategies that were evaluated included product development, market development, information technology, and knowledge management. Competitive advantage was assessed based on its indicators, which include a constant growth trajectory, low-cost
product and service delivery, and delivery of differentiated products and services. The study was carried out in Juba and restricted itself to UAPSS, with 60 employees being the respondents.

1.7 Limitations of the Study

The first limitation, the apprehension of being exposed, was where respondents might withhold information, they consider confidential or fail to give honest responses for fear of being exposed. This limitation was mitigated by obtaining clearance from the researcher’s university offices to ensure the authenticity of the research and a letter of introduction was used to reassure respondents of anonymity and confidentiality and that the collected data was solely for research. Secondly, the research was conducted in South Sudan, a country with insufficient supporting structures in the insurance industry such as a fully-fledged regulatory body, meaning the researcher had limited reference materials on the data and statistics relating to the subject matter. To mitigate this limitation, the researcher incorporated secondary data findings from other countries like Kenya to supplement the gaps and utilized the company’s internal resources such as financial publications. Finally, the study looked at only four response strategies on UAPSS. On this basis, the findings may be limited and further studies on additional response strategies incorporating more insurance companies may need to be done to broadly generalize the findings.

1.8 Organization of the Study

Chapter one explains the study's background, the problem under investigation, its aims, and its importance. It also included sections on the study's scope and limitations. Chapter two looks at theories that give a base for the study, empirical literature divided into variables, gaps created that necessitated the research study, and a conceptual
framework that supports associations of the variables. The third chapter outlines the study design used, the target group, the sample design, the data-collecting instrument, and the management of collected data. The results of analyses are contained in chapter four, and chapter five contains an outline of findings, conclusions, and appropriate recommendations.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction
This chapter outlines the study's literature review. The first section introduces the theories related to the four primary independent variables relative to the dependent variable. The second part is an empirical literature review concentrating on research conducted on each independent variable. The third section provides a summary of the review of literature and gaps identified and a conceptual framework.

2.2 Theoretical Literature Review
This research was anchored to the Competitive Advantage Theory by Porter, Disruptive Innovation Theory, and Technology Acceptance Model.

2.2.1 Resourced-Based View Theory
This theory largely grew from the study by Penrose (1959) which highlighted that managerial resources are the key source of company growth. It was further advanced in the 1980s through Wernerfert (1984) demonstrating the vital importance of firm-specific resources for value creation. Managerial capabilities, customer relations, use of tacit knowledge, and development of a brand reputation in both local and international markets are some of the unique resources which can create advantages for the firm and are unique and difficult to replicate. RBV theory holds that human capital management (HCM) practices contribute to the development of a competitive advantage by developing distinct knowledge, abilities, and ethos that are difficult to replicate.

This theory rests on two fundamental assumptions: resource diversity and resource immobility. For instance, to grow a diverse workforce, firms must put in place
adequate HCM policies, company procedures, educational opportunities, and social interaction practices. This theory supported all the variables under study.

Firstly, it supported the variable of market development by showcasing how the firm should focus on the resources it has to penetrate new markets and gain a competitive advantage. Secondly, it also exposes the use of tacit knowledge in firms to create new products and processing units that help in achieving competitive advantages. Third, it demonstrates how a firm can utilize its resources, which include human resources, knowledge, and information technology systems to develop new products which can propel the firm above its contemporaries. RBV also shows how firms can exploit use of IT systems as core resources to support in reduction of costs and provision of higher value to customers through convenient and exemplary customer service, which will provide competitive advantage. This theory demonstrates how resources when exploited by a firm will be key in increasing competitive advantage, hence supporting the dependent variable of competitive advantage.

2.2.2 The Disruptive Innovation Theory

This theory supported the variable of product development. Disruptive Innovation Theory as outlined by Christensen (1997), extensively discusses the development of new products, services, or markets that could displace current ones. Disruptive innovations result in less complex products, at a lower cost that deliver increased convenience (Gobble, 2016). Startups could disrupt larger businesses by developing new products that are initially unappealing in current markets while gaining a profitable niche in serving emerging and underserved markets.
New business models developed to deal with disruptive innovations, which might threaten international trade balances, is an alternative to disruption (Meseko, 2014). By doing this, executives can focus on developing growth opportunities by partnering and creating new models. Disruptive innovation can endanger the existence of established organizations (Corsi & Di Minin, 2014). Corporate leaders are responsible for devising strategies to raise the product development success rate in developing markets. The Disruptive Innovation Theory, on the other hand, has its detractors since it misses to expound on influences of management and market aspects on innovations that are disruptive (Sandström et al., 2014). Disruptive Innovation Theory’s validity and generalizability has not been validated in all management scenarios (King & Baatartogtokh, 2015). This theory was useful to this research because the concepts in the Disruptive Innovation Theory and the correlation to competitive advantage are essential in enhancing organizational leaders' ability to develop the best response strategies in the insurance industry.

2.2.3 Technology Acceptance Model

Davis (1986) proposed the theory, which he used to describe companies' technology behavior. Technology Acceptance Model is built on a fundamental principle about which technologies will be adopted and which will be rejected. It is one of the most important foundation sources in assessing how well technology is being used and performing in companies. The model is founded on two major factors: the willingness of users to utilize new technology and the perceived simplicity of technological systems and applications, and perceived usefulness and advantages that are derived from it (Legris, Ingham & Collerette, 2003).
Technology Acceptance Model notes that consumer attitudes, projected utility of technology, and comfort or anticipated ease all have an impact on technology use, either directly or indirectly. This framework is important to the present research in that a company will incorporate technology into its supply chain only if it is seen as useful (Muk & Chung, 2015). Technology Acceptance Model helped document the factors surrounding distinct technologies that are applied in the insurance sector, their perceived ease of usage and benefits, which help in determining the adoption of technologies in the insurance sector.

The theory is therefore of value in the study by exposing information technology as a strategy adopted by organizations in their quest for gaining competitive advantage. The insurance sector can benefit in terms of its performance and even gaining competitive advantage through looking at the factors that influence acceptance or rejection of technologies. The theory thus exposes the value of information technology and its gains and its correlation to organization’s competitive advantage.

2.2.4 The Porters’ Theory of Competitive Advantage

According to this theory, a firm's competitive advantage is the value it delivers to consumers that surpasses its production costs. Customers’ willingness to pay establishes the value, which may be acquired through cost leadership or differentiation (Porter, 1998). To be considered a leader in an industry, a firm must take action that either enhances or defends the industrial structure in which it operates. As a result, if a firm wants to be more competitive, it must first comprehend its industry's structure and then plan for the long-term repercussions of strategic decisions resulting to improved overall performance.
This theory supported the variable of competitive advantage by seeking to explore executable strategies that increase a firm's competitive advantage in the industry.

2.3 Empirical Literature Review

This section presents empirical literature review in line with the study objectives in the following subheadings.

2.3.1 Product Development and Competitive Advantage

Uloaku (2019) conducted a study to understand leaders' strategies for product development. The researcher employed a multiple case study and non-probability purposeful sampling. The research included participants from three Nigerian firms that had developed innovative products. Document analysis and triangulation was the mode of data collection used. Data analysis involved organizing data, identifying emergent themes, and finally connecting them to the research. Leadership models, organizational culture and structure, key demographic needs, and affordability emerged as thematic areas that were relevant to developing new products, according to the research. The study having been done in Nigeria leaves a contextual gap. Since the study only focused on what leaders do, there is need to expand the scope and look at what the whole organization can do to develop new products that would lead to benefits in terms of competitive advantage.

Mbithi, Muturi, and Rambo (2015) conducted an empirical study to investigate the impacts of a new product development approach on a company's performance. Two independent variables, creation of innovative products and enhancement of current ones, were applied to assess product development strategy. Performance measurements consisted of total production turnover, profitability, sales volumes, and
capacity utilization. The study's focus was on nine firms in Kenya's sugar sector and senior and middle level managers were interviewed. The study's results found that, aside from sugar, the introduction of other new products was largely minimal, while existing products were improved through packaging and branding. The research covers new product development by concentrating on enhancements to existing goods and the creation of new ones, but it creates a conceptual gap since it is linked to performance rather than competitive advantage, which the present research will investigate.

Koks et al, (2016) looked at the link between product development strategy and company performance. The research revealed that the adoption of product development will have a favorable correlation with performance. The results revealed that the success of a firm is based on market characteristics that promote product adoption. The research has contextual gaps since it does not discuss competitive advantage, indicating the necessity to investigate that topic. The methodological gap is such that the research was a co-relationship of the variables, and so there is a need to research how response strategies lead to competitive advantage and reveal the importance of new product development to the firm's competitiveness.

2.3.2 Market Development and Competitive Advantage

Cherotich (2017) examined impacts of growth strategies on SMEs' in Kenya. A descriptive research approach was adopted, with a sample size of 95 employees selected from a total population of 126 of The Good Food company. According to the findings, market penetration and development have a positive impact on SME performance. Empirical and contextual gaps however exist in this research due to the absence of discussion of response strategies and their relationship to competitive
advantage. As a result, it is necessary to broaden the empirical base on the issue by examining market development and its effect on organizational competitive advantage.

Mbithi et al. (2015) in their study on Kenyan sugar industry suggested that firms should evaluate additional aspects influencing business performance, in addition to their market development strategy. Mwau et al. (2016) looked at the impact of market development on insurance firms in Kenya found that expansion into new geographic regions negatively affected insurance organizations' performance. Except for businesses with strong brands, the research indicated that enterprises must exercise extreme caution when entering new markets. The research introduces a conceptual and empirical gap by failing to demonstrate how market development as a strategy, results in enhanced business performance. As such, there is a need to extend the body of knowledge by examining strategies of market development and their impact on competitiveness and performance of insurance companies.

Mbithi et al. (2015) found linkages between marketing and company performance in Kenyan sugar sector. Several approaches were used, including the development of new market segments and geographic expansion. According to their results, expanding into new areas and establishing new market categories did not result in greater profitability, but rather in increasing market share, which finally resulted in greater profitability. The research introduces empirical and conceptual gaps by failing to connect market development to an organization's competitiveness. There is a need to broaden research to include the insurance sector's market growth and advances in competitive advantages.
According to Luvusi and Murigi (2019), Telkom Kenya Limited's market growth strategy impacted the company's performance significantly in Nairobi. Their study was descriptive involving 75 respondents who included five marketing managers and seventy support personnel. According to the results, Telkom Kenya uses a market penetration strategy to increase demand and market share by lowering prices. The research emphasized on market penetration both empirically and conceptually, and there is a need to critically examine market development and its impact on firms' competitive advantages.

Njomo and Margaret (2016) examined the soft drink industry's market penetration and organizational development methods. Stratified random sampling technique was used for sampling. 160 soft drink manufacturers were randomly selected for the study. According to the data, a correlation existed between penetrative policies and the development of an organization. This penetration approach was ineffective and had a negligible effect on the organization's development. As it was a soft drinks case, the research generates a contextual gap. Since this was a case study, the conclusions may not be applicable to other businesses or industries. There is a need to broaden the literature and its framework through research on market development and competitive advantages.

In a multi-case study, Chandola and Fu (2017) examined the techniques used by Chinese smartphone manufacturers to penetrate the Indian market. Multi-case study methodology was used to condense data collected from interviews. The results showed that business models of the companies were comparable, which was linked with their strategies of producing innovative, low-cost products. The study revealed more similarities in the ways the companies handle client relationships.
However, since the research used a multiple-case study methodology, the research's conclusions may be more restrictive. This research was carried out in China, a distinct environment from that of South Sudan. It focused on smartphone businesses as well, and there is a need to examine other sectors, such as the insurance business, and the use of market development to build competitive advantages for insurance businesses.

2.3.3 Information Technology and Competitive Advantage

The use of information technology for competitive advantage, as well as the reasons for this, their impact, and the constraints faced by Internet Service Providers' (ISPs') were the focus of a study undertaken by Gicha and Lelei (2015). This study used a census-based approach where 22 respondents who included CEOs and CTOs of each of the firms, were selected by Telecommunications Service Providers of Kenya (TESPOK). According to the findings, the main advantage of IT was to help ISPs make better decisions, while the biggest challenges was using the inappropriate IT platform, and these companies saw the need to accelerate their operations as the greatest incentive to use IT.

Chukwunonso, Omoju, and Ikani (2017) studied the connection between information and communication technology (ICT) and business performance. Firms must manage and arrange information and communication technology to harness complementary human and economic resources to reap long-term advantages. A company's competitive advantage may be enhanced by employing information technology, according to the study. This research creates empirical and conceptual gaps by linking ICT to performance; hence, there is a need to investigate information technology and its adoption and application in insurance organizations to develop competitive advantages.
Nabeel, Mohammad, and Saad (2018) analyzed 420 SMEs in Pakistan to assess the indirect effect of IT on company performance through corporate entrepreneurship. According to the study's practical implications, CEOs should build a flexible information technology infrastructure and leverage information technology resources to promote corporate entrepreneurship, allowing manufacturing SMEs to enhance their performance.

Farhanghi, Abbaspour, and Ghassemi (2013) explored how information technology affects company structure and firm performance. The research found a causal and descriptive association between information technology, organizational structure, and firm performance. Information technology has an impact on company performance both directly and indirectly, whereas organizational structure has an impact on firm performance. A direct correlation was found between information technology and organizational structure. Regardless of other factors like organizational structure, information technology contributes to competitive advantages in businesses. In this study, the direct link between information technology and competitive advantages will be investigated, adding to the body of knowledge.

2.3.4 Knowledge Management and Competitive Advantage

The impact of KM in the competitive advantage of hotel industries in South-East Nigeria was examined by Orga, Chikizie, and Chioma (2018). Cronbach's formula of sample size calculation was used to give 553 individuals from where 502 staff were randomly selected. The instrument was validated using test and test technique. It was observed that there was a strong influence on the empowerment of employees through greater collaboration, which led to higher growth for the organization. The study presents a methodological gap and contextual gap as it covered the food and beverage
firms in Nigeria. There is need to analyze knowledge management and competitive advantage variables in South Sudan’s insurance sector to bridge the gap.

Tacit knowledge sharing in organizations has been studied by Fatemeh and Jamal (2017) at Iran's Koosa Bank. Based on the findings, employees' sharing of tacit information has a direct influence on productivity. Additionally, the study indicated that information sharing enhanced not just productivity but also employee innovation because of exposure to others' knowledge, skills, and experiences. The study examined just one component of knowledge management, tacit knowledge sharing, hence more research is needed to examine other areas of knowledge management, including knowledge creation, sharing, transfer, and utilization, in order to enhance organizational performance and acquire competitive advantages.

Inkinen, Kianto, and Vanhala (2015) investigated how proactive knowledge asset management may enhance innovation performance. Though knowledge-based remuneration and technology have a notable impact on innovation performance, the impact of other knowledge management strategies has yet to be demonstrated. To improve an organization's position and performance, it's critical to examine all aspects of knowledge management, comprising creation, sharing, transfer, storage, and utilization. Research into knowledge management strategies generates better informed findings on the connection between KM and competitive advantages. The more research on KM techniques that is conducted, the more informed conclusions that can be developed and made that link knowledge management to competitive advantages.
Andreeva and Kianto (2014) studied how knowledge management activities affect organizational performance such as competitiveness and financial performance. Based on the results, information technology and human resource management enhance competitiveness. Also, information technology leads to improved financial performance only when combined with human resources management. The research was conducted in developed countries, which creates contextual gaps, necessitating the need to recreate the research locally to ensure the notion of knowledge management is more applicable.

Yusof, Bakar, Tufail, Virgiyanti, Adcroft, and Lohrke (2016) examined the relationship between KM techniques and construction industry performance. Turnover and employment growth were used to determine growth performance in this study. Knowledge creation, storage and transfer all have a significant impact on performance. However, knowledge transfer has the most significant impact on growth performance. Similar research in the insurance sector is needed to better understand knowledge management strategies and their link to performance.

2.4 Summary of Literature and Research Gaps

Contextual gaps exist from the reviewed studies as some were not done in the East Africa background like Uloaku (2019) in Nigeria, Chandola and Fu (2017) in China and Nabeel, Mohammad and Saad (2018) in Pakistan. This creates a need to fill the contextual gaps created by these studies. There are conceptual gaps which were noted in studies like Mbithi, et al. (2015), Ali, et al. (2015) where the independent variables are not explored and linked to the dependent variable. The methodological gaps created by the literature review include Njomo and Margaret (2016); Orga, et al. (2018) which are case studies and findings may not apply in other sectors and
companies. These gaps in the reviewed literature necessitate the need for this study focusing on response strategies and competitive advantage. The summary of the literature reviewed and research gaps that current study sought to address are shown in Table 2.1.
<table>
<thead>
<tr>
<th>Author &amp; year</th>
<th>Focus of the study</th>
<th>Study findings</th>
<th>Research gap</th>
<th>Focus of the current study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ali, Abbas, and Reza (2015)</td>
<td>Influence of IT on OS and firm performance.</td>
<td>IT impacted performance both directly and indirectly. Evidence suggests that a company's organizational structure affects its performance.</td>
<td>A conceptual gap as IT is not directly linked to performance and eventually competitive advantage</td>
<td>This study researched on the direct relation that information technology has on firm competitive advantages.</td>
</tr>
<tr>
<td>Bakar et al. (2016)</td>
<td>The linkage between growth performance and knowledge management methods</td>
<td>The creation, storage, transfer, and use of knowledge all have an impact on growth performance.</td>
<td>Contextual gap as study focused on the construction industry</td>
<td>This study looked at the insurance sector for better understanding of KM practices to competitive advantages.</td>
</tr>
<tr>
<td>Chandola and Fu (2017)</td>
<td>Market penetration approach for China’s smartphone companies in India</td>
<td>When it comes to their customer segment and how they developed inexpensive new products, the results showed substantial parallels in their business strategies.</td>
<td>Contextual gap as it was done in China and on smartphone companies</td>
<td>This study focused on insurance companies in South Sudan for ease of applicability of the findings.</td>
</tr>
<tr>
<td>Cherotich (2017)</td>
<td>To find out how expansion strategies affect the performance of SME’s in Kenya.</td>
<td>The performance of SMEs was positively impacted by market penetration and market development.</td>
<td>This study presents empirical and contextual gaps since it does not cover response strategies and its linkage to competitive advantage.</td>
<td>The study explored the response strategy link to competitive advantage</td>
</tr>
<tr>
<td>Fatemeh and Jamal (2017)</td>
<td>The role of “tacit” knowledge sharing on organizational productivity</td>
<td>Not only would knowledge sharing boost productivity, but it would also improve employees' innovative contributions.</td>
<td>The study looked at only one aspect of knowledge management that is tacit knowledge sharing</td>
<td>This study explored other knowledge management practices</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Title</td>
<td>Summary</td>
<td>Findings/Implications</td>
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<tr>
<td>Gicha and Lelei (2015)</td>
<td>To establish drivers for adoption of IT for competitive advantage by ISPs</td>
<td>The main impact of information technology was to enable Internet Service Providers make more informed decisions.</td>
<td>A contextual gap as it was done on internet service providers</td>
<td></td>
</tr>
<tr>
<td>Mbithi, et al. (2015)</td>
<td>Influence of new product development on performance</td>
<td>New product development has been negligible but current products have been improved through packaging and branding.</td>
<td>Conceptual gaps were created since new product development was linked to performance</td>
<td></td>
</tr>
<tr>
<td>Njomo, et al. (2016)</td>
<td>The impact of market entry strategies on organizational development</td>
<td>A linkage exists between penetration strategies and the development of an organization</td>
<td>The study looked at literature on the insurance industry and focused on the response strategies taken on by UAPSS to achieve competitive advantage</td>
<td></td>
</tr>
<tr>
<td>Orga, et al. (2018)</td>
<td>Competitive Advantage and how it is influenced by Knowledge management</td>
<td>Employee empowerment improved because of enhanced collaboration which led to increase in revenues</td>
<td>This study researched on knowledge management and competitive advantage in the insurance sector in South Sudan.</td>
<td></td>
</tr>
<tr>
<td>Uloaku (2019)</td>
<td>Organizational leaders' strategies for effectively developing new products</td>
<td>Leaders must consider business models, organizational structure, culture, target market, market needs, and affordability while developing new products.</td>
<td>This study explored the linkage between product development and competitive advantage</td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher (2021)
2.5 Conceptual Framework

This is a diagram that illustrating the link between study variables and showcases their inter-relationships. For this study, the conceptual framework linked response strategies to competitive advantage. Response strategies are the independent variable with indicators including product development, market development, information technology and knowledge management and the dependent variable being competitive advantage. The inter-linkage between the variables is shown in Figure 2.1.

**Figure 2.1 Conceptual Framework**

**Source:** Researcher (2021)
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter lays down the methodology used while conducting the study. It is sectioned as study design, population of interest to the researcher, sample size and the sampling technique, tool and method used for, data collection, the validity of the research and reliability, analysis, and findings.

3.2 Research Design

This is the outline that directs the actions of the researcher and research components in handling all the research problems in a logical manner (Creswell & Creswell, 2017). It offers a step-by-step format of the occurrences of research activities until findings and conclusions are found. The design used in this study to examine the response strategies that UAPSS has utilized to get a competitive edge in the insurance industry was a descriptive one. According to Wang (2015) a descriptive design is ideal since it reports things the way they are without manipulation or adjustment of current situation, and it also allows for mode data to be tested.

3.3 Target Population

It represents the category of individuals having the data required to answer the study's questions and are interested in the subject (Stuart, Ackerman & Westreich, 2018). The researcher targeted all the staff at the head office of UAPSS in Juba South Sudan and from the records held by the human resources division, there were 60 employees, as shown in Table 3.1
Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Description</th>
<th>Target Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>8</td>
</tr>
<tr>
<td>Supervisory staff</td>
<td>12</td>
</tr>
<tr>
<td>Other staff</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
</tr>
</tbody>
</table>

Source: Author (2021)

3.4 Sample Size and Sampling Technique

The research took the form of a census which is a statistical tally method that examines all members of a population. The justification for using the census technique was based on the study's population of 60 people. Pandey and Pandey (2021) suggest that conducting a census for a population less than 200 is a good approach. That implies that everyone within the targeted population was studied.

3.5 Data Sources and Collection Instruments

A semi-structured questionnaire was used to gather primary data from the UAPSS employees, it was left off and picked up later. To guarantee a good response rate for the survey, follow-ups were conducted via phone calls. The Likert scale was used in the study tool to gauge reactions to statements. The instrument was broken down into seven sections, with Section I asking about respondents' backgrounds and Section II collecting data on product development, Section III collected information on Market development, Section IV obtained information on Information technology, Section V gathered information on Knowledge Management while Section VI obtained information on competitive advantage. Finally, section VII collected additional comments from the
respondents. Secondary data was collected for information on competitive advantage indicators on growth trajectory, market share and production costs. The researcher looked for information from the financial records held by UAPSS.

3.6 Validity and Reliability of the Instrument

3.6.1 Pilot Testing

The researcher conducted a pilot test by administering the questionnaire to 6 employees at UAPSS, representing 10% of the total sample size. Those who engaged in the pilot test were excluded from the final data collection. The pilot testing ensured the instrument was reliable in helping the researcher to answer the main and specific research questions (Sekaran & Bougie, 2016). A pilot study’s key focus is to validate and test the study tool. According to Wang (2015), performing pilot studies assists in time and cost estimation as well as the search for answers to problems that may develop during the actual data collection process.

3.6.2 Validity of the Instrument

Validity test is the capability of a questionnaire to evaluate the true score of what is needed to measure according to Bryman and Bell (2015). Validity test was the second step to be undertaken after carrying out piloting and was be based on the pilot study responses. Content validity and face validity were used as measures for validity. For content validity, the researcher engaged an experienced and knowledgeable personnel in the insurance industry who assessed whether the items contained in the questionnaire were credible and appropriate enough to aid in meeting objectives of the study. Finally, the researcher assessed the face validity by asking him to rate the questionnaire’s validity
based on how it superficially appears to them, and the questionnaire was found to be valid.

3.6.3 Reliability of the Instrument

According to Lindlof and Taylor (2017), the degree to which the research study's outcomes remain consistently steady and accurate over time, even when tested repeatedly using the same research technique and instrument, such as a questionnaire, is referred to as reliability. Creswell (2014) was of the view that to score reliability, the research instrument should be tailored towards consistently measuring only the factors that it was originally designed to measure. In this research, Cronbach Alpha was employed to test how reliable the instrument was, it essentially measures the strength of the items under each variable, to determine whether they meet the threshold mark of 0.7. According to the founder of Alpha test, Cronbach (1951) asserted that a good reliability measure should be at least 0.7, and the higher the mark the higher the reliability of the tool, but the lower the Alpha score, the weaker the instrument. Reliability analyses from this study gave results of between 0.857 and 0.901 as presented in Table 4.2.
Table 3.2: Reliability Analysis

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Cronbach's Alpha</th>
<th>No. Of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Development</td>
<td>0.901</td>
<td>7</td>
</tr>
<tr>
<td>Market Development</td>
<td>0.857</td>
<td>5</td>
</tr>
<tr>
<td>Information technology</td>
<td>0.86</td>
<td>5</td>
</tr>
<tr>
<td>Knowledge Management</td>
<td>0.873</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Research Data (2022)

Product development, Market development, Information technology and Knowledge management had a reliability coefficient of 0.901, 0.857, 0.86 and 0.873 respectively. These results implied that the tool was sufficiently reliable for measurement and displayed a high level of consistency as they were all greater than 0.7.

3.7 Data Collection Procedure

An introductory letter was obtained from the department of business administration, school of business, Kenyatta University and permission sought from the management of UAPSS to conduct the study. The researcher organized a pre-visit to establish rapport with the respondents. Consent of participation was sought before administering questionnaires. Questionnaire administration was done by the researcher during the process of data collection. The respondents were given ample time to fill in the questionnaires after which data cleaning, entry and analysis commenced.

3.8 Data Analysis and Presentation

According to Sekaran & Bougie (2016), the systematical searching for and arranging field notes, information, and other sources to increase one's own expertise and demonstrate it
to others is known as data analysis. The gathered information was evaluated using quantitative methods. For open-ended questions, the researcher used qualitative analysis where the data was arranged in themes and presented in prosaic form. Quantitative data was analysed using descriptive statistics in the Statistical Package for Social Sciences (SPSS v25.0), which according to Stuart, et al. (2018) can handle vast volumes of data and is efficient, because of its vast variety of analysis methods. To explore effects of product development, market development, information technology and knowledge management on the dependent variable of competitive advantage, regression analysis was used. The model adopted was: \( Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon \). Where: \( Y = \) Competitive Advantage, \( X_1 = \) Product Development, \( X_2 = \) Market Development, \( X_3 = \) Information Technology, \( X_4 = \) Knowledge Management, \( \beta_0 = \) Constant, \( \beta_1, \beta_2, \beta_3 \) and \( \beta_4 = \) Regression Coefficients of Response Strategies, and \( \epsilon = \) Error term.

3.9 Ethical Considerations

An introductory cover letter from the university was used to acquire permission from UAPSS management to conduct the study. The study made sure that information received from the respondents was held confidential and the respondent’s anonymity was assured since no name was required on the questionnaire. Data collected was properly managed and stored to avert manipulations.
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents research findings, discussions, and interpretation of the study findings. It is segmented as follows; response rate, general attributes, descriptive and inferential statistics. The broad objective was to assess the impact of response strategies on UAPSS’ competitive advantage in South Sudan. Specific objectives studied were to assess the impact of product development, market development, information technology and the management of knowledge on UAPSS’ competitive advantage. All 60 UAPSS personnel were the demographic for this census research. Primary data was gathered through Semi-structured questionnaires, while financial records, archival library materials, and South Sudan Insurance publications were used to get secondary data on revenues, expenses, and market share.

4.2 Response Rate

In the study, 60 questionnaires were distributed out of which 51 duly filled ones were returned, representing an 86.7% response rate as shown in Table 4.1.

Table 4.1: Response rate

<table>
<thead>
<tr>
<th>Questionnaires issued</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response</td>
<td>51</td>
<td>86.7</td>
</tr>
<tr>
<td>Non-Response</td>
<td>9</td>
<td>13.3</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research Data (2022)
The response rate was deemed appropriate for the study to continue. In accordance to Pandey and Pandey (2021), a level of response of above 50% is adequate for data description, exploration, presentation and reporting in a descriptive study. Therefore, 86.7% was considered a very good and adequate response rate for the analysis to give reliable information that could be used to generalize the views of the whole population.

4.3 Background Information of respondents

This part outlines responder designations, tenure at UAPSS, and insurance sector experience.

4.3.1 Management Levels

The researcher endeavored to capture the different levels of management the respondents held to assess diversity in perspectives, the results are presented in Figure 4.1
Figure 4.1: Management level at UAPSS

Source: Research Data (2022)

64.7% of respondents represented the lower positions while 21.6% were in Supervisory level, only 13.7% were in the senior level positions. The results show that there was diversity of respondents based on job positions. This result implies that UAPSS has more staff in lower levels than staff in higher level positions.

4.3.2 Respondents Work Experience

The study was also interested in knowing for how long the respondents had worked at UAPSS. Respondents’ years of experience at UAPSS was important to ascertain that majority of them were not relatively new in the Organization implying that they were well knowledgeable on the subject area. The results are as presented in Table 4.2.
Table 4.2: Respondents length of service at UAPSS

<table>
<thead>
<tr>
<th>Duration worked at UAPSS</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 4 Years</td>
<td>16</td>
<td>31.4</td>
</tr>
<tr>
<td>4 - 8 Years</td>
<td>19</td>
<td>37.3</td>
</tr>
<tr>
<td>8 - 12 Years</td>
<td>13</td>
<td>25.5</td>
</tr>
<tr>
<td>More than 12 Years</td>
<td>3</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

**Source: Research Data (2022)**

The findings revealed that out of 51 respondent’s majority 19(37.3%) of them had worked for UAPSS for between 4-8 years, while employees who had working experience of between 1- 4 years were 16(31.4%), those employees who had worked for 8-12 years were 13 (25.5%) and employees who had experience of more than 12 years were 3 (5.9%).

This implies that majority of UAPSS employees had been in the organization for over 4 years. These findings indicate that the employees are well versed on strategic responses that the organization has had over the years. The findings are indicative that UAPSS has a relatively low staff turnover rate. Low turnover in an organization is indicative of employee satisfaction and their performance is satisfactory to the employer (Sagimo, 2002).

**4.3.3 Respondents work experience in insurance industry**

Respondents were requested to state the number of years they have worked in the insurance industry; the results are in Table 4.3.
Table 4.3: Respondents work experience in insurance industry

<table>
<thead>
<tr>
<th>Years in Insurance Industry</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 4 Years</td>
<td>11</td>
<td>21.6</td>
</tr>
<tr>
<td>4 - 8 Years</td>
<td>20</td>
<td>39.2</td>
</tr>
<tr>
<td>8 - 12 Years</td>
<td>13</td>
<td>25.5</td>
</tr>
<tr>
<td>More than 12 Years</td>
<td>7</td>
<td>13.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Research Data (2022)

The findings showed that from the 51 respondents, majority 40 (78.4%) of them had worked in the insurance industry 4 years or above, which imply that majority of UAPSS employees are well experienced and knowledgeable in the insurance industry. These results are indicative that the staff are well versed on the factors that have been affecting the insurance industry has had over the years.

4.4 Descriptive Statistics

The study was also keen on knowing the response strategies UAPSS has adopted to achieve a competitive advantage in South Sudan. This was done by determining the descriptive measures of the study variables (Product Development, Market Development, Information Technology and Knowledge management) and their effects on competitive advantage as tested by the questionnaire. The analysis was done using mean with a Likert scale of 1-5. The following sections outline the results.
4.4.1: Product Development

Respondents were provided with several statements where they were to rate either No Extent, Little Extent, Moderate extent, Great Extent and Very Great Extent on a scale of 1,2,3,4 and 5 respectively. Percentage frequency and mean were the descriptive statistics used to sum up the responses as shown in Table 4.4.

Table 4.4: Descriptive statistics for Product Development variables

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has come with new insurance products for the South Sudan market</td>
<td>3.33</td>
<td>0.909</td>
<td>51</td>
</tr>
<tr>
<td>The product prices communicate value for products</td>
<td>3.61</td>
<td>0.695</td>
<td>51</td>
</tr>
<tr>
<td>The products cater for the needs of a wide market (e.g. personal/corporate)</td>
<td>3.76</td>
<td>0.764</td>
<td>51</td>
</tr>
<tr>
<td>There are tailor-made products to cater for customers’ preferences</td>
<td>3.65</td>
<td>0.77</td>
<td>51</td>
</tr>
<tr>
<td>The product features as per market trends</td>
<td>3.53</td>
<td>0.703</td>
<td>51</td>
</tr>
<tr>
<td>UAPSS has improved its insurance products to reflect current times</td>
<td>3.45</td>
<td>0.783</td>
<td>51</td>
</tr>
<tr>
<td>The products have been improved to be flexible enough to attract a wide variety of clients</td>
<td>3.59</td>
<td>0.726</td>
<td>51</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td><strong>3.56</strong></td>
<td><strong>0.764</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Research Data (2022)
The means of the different statements that were used to measure Product Development had a scope of 3.33 to 3.76 indicative that most employees to some moderate extent and great extent agreed with the statements. This reveals that most employees to a moderate extent concurred that UAPSS has come with new insurance products for the South Sudan market (Mean = 3.3). The respondents said that the product prices at UAPSS communicate value for products to a Great Extent (Mean = 3.6). Most employees were of the opinion that UAPSS products cater for the needs of a wide market like personal and corporate to a great extent (Mean = 3.8). Majority of the employees to a great extent agreed that UAPSS has tailor-made products that cater for customers’ preferences (Mean = 3.6). Most employees to a great extent agreed that UAPSS product features are as per market trends (Mean = 3.5) and that UAPSS has improved its insurance products to reflect current times to a great extent (Mean = 3.5). A high representation of the respondents stated that UAPSS products have been improved to a great extent to be flexible enough to attract a wide variety of clients (Mean = 3.6). On average, respondents agreed that product development has a remarkable influence on competitive advantage at UAPSS. The standard deviations suggest that the respondents' replies varied slightly.

This study supports John and Mitch's (2008) assertion that new product creation entails modeling the playing field from a larger strategic perspective of a competitive setting. This concurs with Mbithi et al. (2015), who observed a clear correlation between new product development and enhanced competitive advantage. This implies that UAPSS being one of the most competitive insurance firms in South Sudan, product development has been key in getting the firm to being competitive.
4.4.2: Market Development

The employees were required to evaluate market development statements scaled from 1-5, the results are presented in Table 4.5.

**Table 4.5: Descriptive statistics for Market Development variables**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has geographically covered a large part of the South Sudan market</td>
<td>3.22</td>
<td>0.879</td>
<td>51</td>
</tr>
<tr>
<td>UAPSS has positioned its products effectively to the market and the consumers and prospective customers know of the products of UAPSS</td>
<td>3.45</td>
<td>0.73</td>
<td>51</td>
</tr>
<tr>
<td>The products cater for the needs of a wide market (e.g. personal/corporate)</td>
<td>3.65</td>
<td>0.744</td>
<td>51</td>
</tr>
<tr>
<td>There are tailor-made products to cater for customers’ preferences</td>
<td>3.57</td>
<td>0.728</td>
<td>51</td>
</tr>
<tr>
<td>UAPSS has segmented its market and provides products that cater for the various market segments</td>
<td>3.37</td>
<td>0.799</td>
<td>51</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td>3.45</td>
<td>0.776</td>
<td>2</td>
</tr>
</tbody>
</table>

**Source: Research Data (2022)**

On the basis of Table 4.5 the means of the different statements that were used to measure market development were between 3.22 to 3.65 indicative that most employees to some
moderate extent and great extent concurred with the statements. The research results reveal that most respondents to some moderate extent agreed to the statement that UAPSS has geographically covered a large part of the South Sudan market (Mean = 3.2). Respondents also agreed that UAPSS has positioned its products effectively to the market and the consumers and prospective consumers are aware of the products of UAPSS to a Great extent (Mean = 3.5). A higher representation stated that to a great extent UAPSS products cater for the needs of a wide market (Mean = 3.6). Most employees agreed to a great extent that UAPSS has tailor-made products to cater for customers’ preferences (Mean = 3.6). The participants of the survey were of the opinion that UAPSS has segmented its market and provides products that cater for the various market segments to a moderately (Mean = 3.4). The employees generally agreed that market development to a great extent impacts competitive advantage at UAPSS. The standard deviations show a small disparity in respondents’ responses.

Mulandi (2005) established a strong beneficial effect of market development strategies on competitive advantage in his analysis of Kenya Airways' market development strategy. This study finding indicated that UAPSS engages in market development practices with the aim of increasing and retaining its competitive advantage.

4.4.3: Information Technology

Summary statistics for statements under IT are as shown in Table 4.6.
Table 4.6: Descriptive statistics for Information Technology variables

<table>
<thead>
<tr>
<th></th>
<th>Mean (n)</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has incorporated IT effectively in its operations</td>
<td>3.86 (5)</td>
<td>0.749</td>
<td>5</td>
</tr>
<tr>
<td>UAPSS has invested significantly in IT</td>
<td>4.1 (5)</td>
<td>0.806</td>
<td>5</td>
</tr>
<tr>
<td>IT is adopted to complement human and business resources</td>
<td>3.59 (5)</td>
<td>0.753</td>
<td>5</td>
</tr>
<tr>
<td>Use of competent IT staff leads to innovative practices?</td>
<td>3.49 (5)</td>
<td>0.784</td>
<td>5</td>
</tr>
<tr>
<td>IT infrastructure is integrated into the business</td>
<td>3.78 (5)</td>
<td>0.757</td>
<td>5</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td><strong>3.764</strong></td>
<td><strong>0.7698</strong></td>
<td>5</td>
</tr>
</tbody>
</table>

**Source: Research Data (2022)**

The researcher assessed how information technology impacts competitive advantage of UAP Insurance in South Sudan. The research findings reveal that most respondents were of the opinion that UAPSS has incorporated IT effectively in its operations to a Great Extent (Mean = 3.9). They also supported the statement that UAPSS has invested significantly in IT to a Great Extent (Mean = 4.1). The employees agreed that IT has been adopted to a great extent by UAPSS to complement human and business resources (Mean = 3.6). Other responses are in table 4.9. On average, they generally affirmed that market
development impacts competitive advantage at UAPSS to a great extent. The standard
deviations depict minimal variations in the responses of the employees.

4.4.4: Knowledge Management

The descriptive analysis results for statements under information technology are in Table
4.7.

<table>
<thead>
<tr>
<th>Table 4.7: Descriptive statistics for Knowledge management variables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean</strong></td>
</tr>
<tr>
<td>Collaboration of information empowers the staff</td>
</tr>
<tr>
<td>Knowledge sharing have innovative contributions to our firm</td>
</tr>
<tr>
<td>Creation of new knowledge is adopted from experts in insurance field</td>
</tr>
<tr>
<td>The company’s system stores our information for future usage</td>
</tr>
<tr>
<td>Utilization of new knowledge seen our firm grow</td>
</tr>
<tr>
<td>Aggregate</td>
</tr>
</tbody>
</table>

Source: Research Data (2022)

This is indicative that respondents’ opinions were that Collaboration of information empowers the staff at UAPSS to a Great extent (Mean = 3.6). They also agreed that knowledge sharing has innovative contributions to UAPSS to a great extent (Mean = 3.6).
They concurred that in great extent, creation of new knowledge is adopted from experts in insurance field (Mean = 3.5). Majority of them also said that to a great extent, UAPSS systems stores their information for future usage (Mean = 3.8). They also agreed that the utilization of new knowledge to a great extent has seen UAPSS grow (Mean = 3.7)

4.5 Inferential analysis

This study employed Pearson correlation and Regression analysis to carry out inferential analysis. The results are as follows.

4.5.1: Correlation analysis

This study utilized Pearson correlation to determine direction and strengths of interrelation linking the study variables. Results are in Table 4.8.

Table 4.8: Correlation Results

<table>
<thead>
<tr>
<th></th>
<th>Product Development</th>
<th>Market Development</th>
<th>Information Technology</th>
<th>Knowledge Management</th>
<th>Competitive Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Development</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Development</td>
<td>Pearson Correlation</td>
<td></td>
<td>.778**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>Pearson Correlation</td>
<td>.676**</td>
<td>.605**</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

56
**Correlation is significant at the 0.01 level (2-tailed).**

### Source: Research Data (2022)

The results showed significant positive correlations between the study variables and Competitive advantage. Market Development had the maximum correlation ($r = 0.651, n=51, p=0.000$), followed by Product Development ($r = 0.643, n=51, p=0.000$) then Information technology ($r = 0.593, n=51, p=0.000$), Knowledge management had the least correlation ($r = 0.552, n=51, p=0.000$). The findings showed that with every enhancement in market development, product development, information technology and knowledge management, there was a positive increase in competitive advantage. King’oo (2015) asserted that multicollinearity in variables is shown by coefficients of correlation above 0.8. In this study, all our independent variables had coefficients that were less than 0.8 which proved that multicollinearity was not a factor in our variables and further indicated that the study used reliable predictors.
4.5.2 Regression Analysis

Linear regression was performed to ascertain the end result of product development, market development, information technology and knowledge management on the Competitive advantage of UAPSS. The resulting regression model summary is displayed in Table 4.9.

Table 4.9: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.710^a</td>
<td>0.504</td>
<td>0.460</td>
<td>0.380</td>
</tr>
</tbody>
</table>

^a. Predictors: (Constant), Knowledge Management, Market Development, Information Technology, Product Development

**Source: Research Data (2022)**

The 0.710 R-square indicated that 71.0% of the variation in competitive advantage of UAPSS was accredited to Product Development, Market Development, Information Technology and Knowledge management while the remaining 29.0 % was explained by other aspects not looked at in this study. The findings conform with Maina and Manyara (2004) who in their study affirmed that an institution’s competitive advantage is determined by how strategically it responds to the competitive environment.

4.5.3 Goodness of Fit

Table 4.10 further shows the models’ goodness of fit.
Table 4.10: Goodness of Fit

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>6.735</td>
<td>4</td>
<td>1.684</td>
<td>11.665</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>6.640</td>
<td>46</td>
<td>0.144</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>13.375</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Competitive Advantage  
b. Predictors: (Constant), Knowledge Management, Market Development, Information Technology, Product Development

Source: Research Data (2022)

Table 4.10 shows a significant general model linking product development, market development, information technology and knowledge management to Competitive advantage of UAPSS since the p-value 0.00 is less than alpha 0.05 at 95% confidence level. This indicates a fit model and thus the response strategies (Product Development, Market Development, Information Technology and Knowledge management) can forecast the competitive advantage of UAPSS. The model coefficients are in Table 4.11.
### Table 4.11: Model Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B (Std. Error)</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.106 (0.361)</td>
<td>0.242 (1.269)</td>
<td>3.067</td>
<td>0.004</td>
</tr>
<tr>
<td>Product Development</td>
<td>0.206 (0.162)</td>
<td>0.242 (1.269)</td>
<td>1.269</td>
<td>0.021</td>
</tr>
<tr>
<td>Market Development</td>
<td>0.29 (0.143)</td>
<td>0.348 (2.025)</td>
<td>2.025</td>
<td>0.049</td>
</tr>
<tr>
<td>Information Technology</td>
<td>0.228 (0.135)</td>
<td>0.271 (6.688)</td>
<td>6.688</td>
<td>0.001</td>
</tr>
<tr>
<td>Knowledge Management</td>
<td>0.054 (0.138)</td>
<td>0.021 (3.389)</td>
<td>3.389</td>
<td>0.006</td>
</tr>
</tbody>
</table>

* a. Dependent Variable: Competitive Advantage

**Source: Research Data (2022)**

This is indicative that with all factors inclusive of the response strategies held constant, the competitive advantage of UAPSS is at 1.106. The t – value of the constant (t = 2.067) shows significance at 0.004 further confirming our earlier results that the goodness of fit of our model is met. Therefore, a statistically significant relationship exists between product development, market development, knowledge management, competitive advantage and information technology. Individually, the results indicate that product
development, information technology, market development and knowledge management had p values lower than 0.05 and were therefore significant statistically. From the results of beta for the study, the interpretation of the model is as:

\[
\text{Competitive Advantage} = 1.106 + 0.206 \text{ Product development} + 0.29 \text{ Market Development} + 0.228 \text{ Information Technology} + 0.054 \text{ Knowledge Management}.
\]

**Influence of product development on competitive advantage of UAP Insurance Limited in South Sudan.**

Going by the intercept (β₀), when all the independent are assumed constant, the value of Competitive advantage of UAPSS will be 1.106. On the other hand, if all other independent factors are assumed insignificant, a single change in product development effects a 0.206 (20.6%) change in Competitive advantage of UAPSS. Which is a significant (p-value of 0.021). It therefore means that to effect a change on competitive advantage, UAPSS must consider a 20.6% of equivalence of investment efforts on product development. This research lays bare that product development had a positively and significantly related to competitive advantage of UAPSS as shown by t values (t=1.269, p= 0.021). The regression analysis results agree with the findings of Jones and Linderman (2014) that established that for organizations to counter the increasing levels of competition, they need to engage in product development initiatives that yield better performance and ultimately create a competitive advantage.
Influence of Market development on competitive advantage of UAP Insurance Limited in South Sudan.

Further, if product development, information technology and knowledge management are assumed insignificant, a single change in market development steers a 0.29 possibility of improvement in competitive advantage of UAPSS. A 29% of successful competitive advantage would require a unit change on market development in UAPSS. It implies that to enhance competitive advantage at UAPSS, 29% equivalence of efforts should be invested on market development. The effect was significant as shown by p-value of 0.049. This study ascertained that market development positively and significantly influenced the competitive advantage of UAPSS as shown by t values (t=2.02, p=0.049). This finding concurs with a study undertaken by Asiedu (2015) which established that developing markets is one of the management tools that can be utilized to increased competitive advantage

Influence of Information technology on competitive advantage of UAP Insurance Limited in South Sudan.

Similarly, if product development, market development and knowledge management are assumed constant, a change in information technology would cause a 0.228 change of improvement in competitive advantage at UAPSS at a significance level of p= 0.001. It thus implies that 22.8% of competitive advantage can be predicted by information technology at UAPSS. To improve competitive advantage at UAPSS, the organization should therefore consider 22.8% equivalence of investment on information technology. This study additionally found out that IT positively and significantly influenced the competitive advantage of UAPSS as shown by the t value (t=6.688, p=0.001). This agrees
with Singh and Sirdeshmukh (2000) study that observed that relationship with newly acquired customers and with those already existing can be enhanced through information communication and technology

**Influence of Knowledge Management on competitive advantage of UAP Insurance Limited in South Sudan.**

Likewise, if product development, market development and information technology are held constant, a change in knowledge management effects a 0.054 change in improvement in competitive advantage at UAPSS at a significance level of p= 0.006. It thus implies that 5.4% of competitive advantage can be predicted by knowledge management at UAPSS. To improve competitive advantage at UAPSS, the organization should therefore consider 5.4% equivalence of investment on knowledge management. This is in concurrence to Rahimli (2012) who showed a relationship that is highly positive between knowledge management and sustainable competitive advantage.
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gives a summary of the findings. It also gives the conclusions and recommendations for UAPSS, other institutions and organizations regarding competitive advantage. Finally, the researcher suggests associated areas for additional studies.

5.2 Summary of Findings

This research aimed at establishing how much product development, market development, information technology and knowledge management affect competitive advantage of UAPSS. The data analysis demonstrated that product development, market development, information technology, and knowledge management all had statistically significant influence on UAPSS' competitive advantage. The summary of the key findings is provided in the sections that follow.

5.2.1 Product development and competitive advantage

The study revealed a positive correlation between product development and competitive advantage for UAPSS. This indicates that the impact of product development on UAPSS' competitive advantage is significant. The research identified specific aspects of product development, such as new product development, product pricing reviews, product diversification, product improvement, and product revamping, as crucial factors in creating competitive and robust products. By addressing the demands of diverse consumer segments, these product development strategies contribute to UAPSS' competitive advantage.

5.2.2 Market development and competitive advantage
Market development exhibited similar positive effects, showing a significant predictive potential for competitive advantage at UAPSS. These findings suggest that market development has a notable influence on UAPSS' competitive advantage. The study identified specific aspects of market development, such as geographic penetration, market positioning, product diversification, and market segmentation, as critical factors in establishing sustainable markets for the company's products. These strategies aid in attaining a competitive advantage by effectively catering to the demands of target markets.

5.2.3 Information technology and competitive advantage

Similarly, there was a positive correlation between information technology and competitive advantage. The regression analysis indicated that information technology had a significant predictive power on the competitive advantage of UAPSS. This implies that information technology plays a crucial role in influencing UAPSS' competitive advantage. The study identified several key aspects of information technology that contribute to achieving a competitive advantage, including the adoption of IT to complement business and human resources, IT investment, integration of IT infrastructure into the business, and the presence of competent IT staff. These factors, as established by the study, support the attainment of a competitive advantage by leveraging the benefits of information technology.

5.2.4 Knowledge management and competitive advantage

A positive correlation was observed between knowledge management and competitive advantage. This indicates that knowledge management has a significant influence on the
competitive advantage of UAPSS. The study revealed that various aspects, including information sharing, knowledge creation, utilization, and storage, play a vital role in establishing a robust knowledge management framework. This framework, in turn, enables the organization to gain a competitive advantage by effectively harnessing and leveraging knowledge resources.

5.3 Conclusions of the Study

According to the findings of the study, product development leads to the attainment of a competitive advantage. It can be concluded that if properly executed, new product development, product price reviews, product diversification, product improvement, and product revamping would significantly add to any firm's competitiveness.

Based on the findings, the study reveals that market development plays a crucial role in attaining a competitive advantage. It is evident that various market-related strategies such as geographic penetration, market positioning, product diversification, and market segmentation contribute significantly to the creation of sustainable markets for the firm's products. These strategies, when effectively implemented, support the continued achievement of a competitive advantage.

Geographic penetration is identified as a key driver of competitive advantage through market development. By expanding into new geographical areas or penetrating untapped markets, companies can broaden their customer base and increase their market share. This strategic approach allows firms to reach a larger audience, explore new opportunities, and gain a competitive edge by being present in multiple regions or markets.
Market positioning also emerges as a critical factor in achieving a competitive advantage. By effectively positioning their products or brands in the market, companies can create a distinct identity and perception among customers. A strong market position enables firms to differentiate themselves from competitors, communicate unique value propositions, and develop a loyal customer base. Effective market positioning enhances brand recognition and customer preference, providing a sustainable competitive advantage. In addition, the study emphasizes the importance of product diversification as a means of market development. By expanding the range of products offered, companies can cater to different customer needs and preferences. Diversifying the product portfolio allows firms to capture a broader market segment, mitigate risks associated with relying on a single product, and adapt to changing market dynamics. This diversification strategy strengthens the firm's market presence and competitiveness.

Furthermore, the study highlights the significance of market segmentation in achieving a competitive advantage. By segmenting the market based on specific demographics, psychographics, or behavior patterns, companies can target their marketing efforts more effectively. Market segmentation enables firms to tailor their products, messaging, and promotional activities to specific customer segments, thereby enhancing customer satisfaction and loyalty. Effective market segmentation enhances the firm's ability to meet diverse customer needs and gain a competitive advantage.

Based on the findings of the study, it is evident that Information Technology (IT) plays a crucial role in fostering a competitive advantage. The study highlights that IT adoption, when integrated effectively with business and human resources, IT investment, the
seamless integration of IT infrastructure with the business, and having competent IT staff are key factors contributing to the creation of an efficient operational framework that leads to a competitive advantage. The study emphasizes the positive and significant impact of IT on competitive advantage. IT adoption, when aligned with business objectives and complemented by skilled human resources, serves as a catalyst for improving overall operational efficiency. By leveraging IT tools, companies can automate processes, streamline workflows, and enhance productivity, thereby gaining a competitive edge in the marketplace. IT investment is identified as a crucial aspect of achieving competitive advantage. By allocating resources to acquire and implement cutting-edge technologies, organizations can unlock new capabilities, improve business processes, and deliver enhanced value to customers. Strategic IT investments enable companies to stay ahead of the competition, adapt to changing market dynamics, and seize opportunities for growth.

Finally, the research concluded that response strategies evaluated (product development, market development, information technology, and knowledge management) represent up to 71% of the disparity in UAPSS' competitive advantage. This highlights their value on the competitive advantage of insurance firms; thus, the research concludes that UAPSS and other insurance firms should invest more time and resources in establishing other aspects of these response strategies that were not addressed in the study and implementing them as part of their strategic plans, which will help them achieve competitive advantage.

5.4 Recommendations for Policy and Practice
According to the study, considering product development positively and substantial influenced competitive advantage, UAPSS plus other insurance sector players should include product development as a key objective in their strategic plan. Under this, the firms should proceed to have key initiatives such as new products development, product pricing reviews, products diversification, products improvement, and products revamping which shall be tracked closely and be time bound. This will ensure there is an intentional and strategic approach to the products agenda, which will subsequently lead to robust, customer-led and fit for purpose products that will support in achievement of a competitive advantage. Product development strategy should be emphasized to ensure that the insurance firms have robust and fit for purpose products that satisfy the requirements of the diverse customer segments that they serve or intend to acquire. Further, decision makers of these firms should purpose to determine if there are other additional product development factors not accounted for in this study and seek to establish if and how they can build up on the product development objective.

The study also recommends that UAPSS and other insurance industry players should incorporate market development as a key pillar in the strategic plan. Under this, the companies should proceed to have key initiatives such as geographic penetration, market positioning, product diversification and market segmentation which shall be tracked closely and be time bound for accountability. This will ensure there is an intentional and strategic approach to the market development agenda, which will subsequently lead to creation of sustainable markets that will support towards achieving a competitive advantage. Another recommendation is that managements of these companies should give
thought to other market development strategies such as upselling and cross-selling to existing customers and attracting competitors’ customers among other strategies.

The study further recommends the need for investment in information technology, adoption of IT to complement human and business resources, integration of IT infrastructure into the business and having in place competent IT staff as these have emerged as key aspects of information technology that support in attainment of a competitive advantage and that should be emphasized to create a robust operational framework which will improve efficiency, reduce costs, and support achievement of a competitive advantage. Further recommendation is that the leadership of insurance firms should seek to determine if there are other additional information technology factors not accounted for in this study and seek to establish if and how they can build up on the IT pillar.

Finally, the study recommends that UAPSS and other insurance firms should incorporate knowledge sharing, knowledge creation, knowledge utilization, knowledge storage and collaboration of information as these are important KM practices that can be leveraged on to increase their competitive advantage. Insurance companies, for example, can benefit from several knowledge management enablers described by Botha et al (2008) as culture, infrastructure, measure, and technology. The authors contend that it is these characteristics that make knowledge management practical. For instance, knowledge management initiatives are destined to fail from the outset in a business where a culture of competition inhibits knowledge sharing.

5.5 Suggestions for further studies
According to the study's findings, product development, market development, information technology, and knowledge management account for the 71% of the variance in comparative advantage. Other, unaccounted-for factors comprise the remaining 29%. This researcher submits that additional studies be carried out to identify the additional response strategies that are unaccounted for. An example of such response strategies could include but not limited to organizational structure, business process reengineering, new strategies for connecting to the market, restructuring, marketing, leadership, and culture change, among others.
REFERENCES


UAP Insurance South Sudan Limited 2017-2021 Strategic Plan.


APPENDICES

Appendix I: Introduction Letter

Eric Gathiru Muiruri,
School of Business,
Kenyatta University,
Nairobi, Kenya.

January 2022

Dear Respondent,

RE: DATA COLLECTION

I am a postgraduate student at Kenyatta University School of Business. To complete the requirements of the award of the degree, I am undertaking a research project on the “Response strategies and competitive advantage of UAP Insurance in South Sudan.” You have been selected to take part in this research. This is to cordially ask you to help me gather the data by completing the enclosed questionnaire, which I will collect from your office. Your information will only be utilized for academic reasons. My supervisor and I assure you that the information you give will be held in strictest secrecy. No part of my report will ever mention your name or identify.

Your assistance would be greatly appreciated.

Faithfully,

Eric Muiruri
Appendix II: Approval of Research Project Proposal

This is to inform you that Graduate School Board at its meeting of 29th November, 2021 approved your Research Project Proposal for the M.B.A Degree Entitled, “Response Strategies and Competitive Advantage of UAP Insurance Limited in South Sudan.”

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking and progress report forms per semester. The forms are available at the University’s Website under Graduate School webpage downloads.

Thank you.

ANNBELL MWANIKI
FOR: DEAN, GRADUATE SCHOOL

C.C. Chairman, Business Administration.
Supervisors:

1. Dr. Jane W. Njuguna
C/o Department of Business Administration
Kenyatta University
Appendix III: Questionnaire

Please mark ( √ ) the appropriate spots with your response to the question.

Answer all questions.

SECTION I: BACKGROUND INFORMATION

1. What role do you hold at UAP Insurance Limited?

   Senior Management Staff [ ]

   Supervisory Level Staff [ ]

   Other Staff [ ]

2. How long have you been employed in South Sudan for UAP Insurance Limited?

   1-4 years [ ]

   4-8 years [ ]

   8-12 years [ ]

   More than 12 years [ ]

3. How long have you been employed in the insurance sector?

   1-4 years [ ]

   4-8 years [ ]
8-12 years [ ]

More than 12 years [ ]

SECTION II: PRODUCT DEVELOPMENT

4. These are assertions about product development; please indicate how much they relate to your company. You can rate how much you agree with each statement using a five-point Likert scale: 1 for No extent, 2 for Little Extent, 3 for Moderate Extent, 4 for Great Extent and 5 for Very Great Extent.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has come with new insurance products for the South Sudan market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The product prices communicate value for products</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The products cater for the needs of a wide market (e.g. personal/corporate)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are tailor-made products to cater for customers’ preferences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The product features are as per market trends</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAPSS has improved its insurance products to reflect current times</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The products have been improved to be flexible enough to attract a wide variety of clients</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. How much does product development generally effect UAP Insurance’s competitive advantage?

No extent [ ]

Little Extent [ ]
SECTION III: MARKET DEVELOPMENT

6. The market development statements below are listed; please indicate the degree to which they relate to your company. To score how much you agree with each statement, use the Likert scale, which has five possible outcomes: 1 for No extent, 2 for Little Extent, 3 for Moderate Extent, 4 for Great Extent and 5 for Very Great Extent.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has geographically covered a large part of the South Sudan market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAPSS has positioned its products effectively to the market and the consumers and prospective consumers are aware of the products of UAPSS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The products cater for the needs of a wide market (e.g. personal/corporate)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are tailor-made products to cater for customers’ preferences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAPSS has segmented its market and provides products that cater for the various market segments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Generally, how much does market development affect your company's ability to maintain a competitive edge?
SECTION IV: INFORMATION TECHNOLOGY

8. Please rate how much each of the following assertions about information technology applies to your company. To score the degree to which you agree with each statement, use the Likert scale, which has five possible outcomes: 1 for No extent, 2 for Little Extent, 3 for Moderate Extent, 4 for Great Extent and 5 for Very Great Extent.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS has incorporated IT effectively in its operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAPSS has invested significantly in IT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT is adopted to complement human and business resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of competent IT staff leads to innovative practices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The IT infrastructure is integrated into the business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. How much does knowledge management generally impact the competitive advantage of UAP Insurance?

No extent [ ]
SECTION V: KNOWLEDGE MANAGEMENT

10. Please rate how much each of the claims about knowledge management below applies to your company. To score the degree to which you agree with each statement, use the Likert scale, which has five possible outcomes: 1 for No extent, 2 for Little Extent, 3 for Moderate Extent, 4 for Great Extent and 5 for Very Great Extent.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaboration of information empowers the staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge sharing has innovative contributions to our firm</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creation of new knowledge is adopted from experts in insurance field</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm’s system stores our information for future usage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilization of new knowledge has seen our firm grow</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. In general, how much does knowledge management affect UAP Insurance's competitive advantage?
SECTION VI: COMPETITIVE ADVANTAGE

12. Please indicate to what extent you believe each of these claims about competitive advantage applies to your company. To score how much you agree with each statement, use a five-point Likert scale with 1 denoting No extent, 2 denoting Little Extent, 3 denoting Moderate Extent, 4 denoting Great Extent, and 5 denoting very strong agreement.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAPSS market share has grown in the last 5 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>UAPSS competitive advantage has increased over the last 5 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAPSS performance over the last 5 years has been negatively affected by increased competition</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>The response strategies in Section II to V above have helped improve the competitive advantage of UAPSS</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
SECTION VI: ADDITIONAL COMMENTS

13. Please describe how the performance of UAPSS has been impacted by external market environment in the last 5 years

14. In your view, what are some of the factors that have contributed to (14) above?

15. What has UAPSS done to respond to the factors in (15) above and sustain its business?

16. In your view, please name the three largest competitors to UAPSS?
17. Why do you think the above-named companies in (17) above are the largest competitors to UAPSS?

18. In your view, what are some of the things UAPSS can do to increase its revenues and market share?

19. In your view, what are some of the things UAPSS can do to reduce its operational costs?

20. Please describe how the response strategies mentioned in section II to V above have helped to improve the competitive advantage of UAPSS. Which strategy in your view has the highest impact, and why?