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Strategy

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**Abstract**

**Purpose:** Ubiquitous disruptive innovations and technologies, frequently changing consumer behaviour, and evolving market dynamics in Kenya, have compelled television stations to constantly explore innovative ways to achieve long term business sustainability. Firms must be ambidextrous; balancing the tensions of excelling in current businesses while exploring opportunities for future growth. This requires top leadership teams that are well suited to the challenge of steering organisations in disrupted business contexts. This paper investigated the effect of top management team characteristics on the linkage of strategic agility and sustainable competitive advantage of licensed television stations in Kenya.

**Methodology:** A descriptive cross-sectional survey was employed and primary data was collected using a semi-structured questionnaire. Data from 210 licensed television stations that were operational at the time of the study was analysed using structural equation modelling (SEM).

**Findings:** The results of the study indicated that strategic agility had a positive and significant effect on sustainable competitive advantage of licensed television stations in Kenya. Further, top management team characteristics were a mediator on the nexus between strategic agility and sustainable competitive advantage, as well as a predictor variable of sustainable competitive advantage of licensed television firms in Kenya.

**Unique Contribution to Theory, Practice and Policy:** The research was underpinned by the dynamic capabilities, resource-based view and upper echelons theories. The implication is that, to achieve sustainable competitive advantage, it is crucial for the top management team to possess specific attributes, including a balanced mix of both young and experienced members, diversity in functional backgrounds (especially those with knowledge of disruptive technologies and innovations), varying educational levels, and a mix of long-tenured and new managers.

**Keywords:** *Top Management Team Characteristics, Strategic Agility, Sustainable Competitive Advantage, Licensed Television Stations, Kenya*

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## INTRODUCTION

Turbulent and uncertain markets have pushed companies to the edge, making new approaches to competitiveness and profitability a priority for the top echelons in organisations. In the face of quickly shifting waves of change, there is need for agile management strategies which enhance effective distribution of resources to create value for customers (Johnson, 2018). Firms which embrace agility in strategy, view their strategies more as unfolding along the way; the subject of regular reviews; and tailored to exploit opportunities as they emerge rather than fixed plans dictated by the upper echelons of management are likely to outsmart rivals (Rumelt, 2022). McGrath and MacMillan (2009) advocate for discovery and organizational learning as a means to grow and build business models that are anchored on learning. Strategically agile organisations can take quick, decisive and effective actions to exploit opportunities presented by a rapidly changing environment or mitigate emerging threats (Doz & Kosonen, 2008; 2010; Reed, 2020).

A firm's top management team is central to creating, achieving and maintaining sustainable competitive advantage. By making decisions about the strategic direction of a firm, identification of business opportunities, coordination of activities as well as mobilisation and allocation of resources, a top management team can develop an array of agile strategies that can lead to sustainable competitive advantage (Baron, 2007). Many scholars content that strategy and performance or other organisational outcomes reflect the top management team or the dominant alliance of leaders in an organisation (Hambrick & Mason, 1984; Hambrick, 2007; Abatecola & Cristofaro, 2020).

A key concern for business leaders is related to how their companies can achieve sustained superior performance and outwit rival consistently. A firm's unique superiority over business rivals that enables it to outperform competition is referred to as sustainable competitive advantage. Sustainability arises from the fact that competitors would require significant effort and resources to duplicate this kind of business superiority. The notion of sustainable competitive advantage places emphasis on firm specific resources and capabilities that enable firms to maintain long lasting leverage (Barney, 1991; David & David, 2017).

This study was anchored on the theory of dynamic capabilities (Teece, Pisano, & Shuen, 1997; Schoemaker, Heaton, & Teece, 2018), the resource-based view theory (Barney, 1991; Peteraf & Barney, 2003; David & David, 2017, Rothaermel, 2020) and the upper echelons theory (Hambrick & Mason, 1984). The dynamic capabilities theory provided a basis for evaluating the effect of strategic agility on sustainable competitive advantage; a combination of the resource-based view and the dynamic capabilities theories provided the reference frame for sustainable competitive advantage while the upper echelons theory was used to understand and analyse the choices of the top ranking officials in the organisations that were under investigation.

Technological disruptions and changing consumer preferences are causing intense competition in the television sub sector of the media industry, both globally and in Kenya. Legacy media must adapt to a new media landscape (Anand, 2016; Küng, 2017), as new entrants and legacy media firms compete for viewership and advertising revenue.

Several studies have examined top management team characteristics and their impact on organisational competitiveness, finding that the attributes of the upper-echelons in organisations influence competitiveness, digital innovation, and strategy implementation

(Salum, Gakure, & Othiambo, 2017; Mayende & Joseph, 2020; Zhanglan et al. 2021; Firk et al., 2022).

However, from a detailed review of literature, no study has focused on the television sub sector of the media industry in Kenya. Further, reviewed literature did not reveal any studies that have explored the mediating role of top management characteristics in the relationship between strategic agility and sustainable competitive advantage. This study aims to address these gaps.

This empirical investigation was anchored on the assumption that although strategic agility influences sustainable competitive advantage in firms, contingency factors such as top management team characteristics are critical in painting a holistic picture of the dynamics of competition in discontinuous business environments. The study therefore sought to establish the mediating effect of top management team characteristics on the relationship between strategic agility and sustainable competitive advantage of licensed television stations in Kenya

## **LITERATURE REVIEW**

Deshati (2023) reviewed 34 studies that investigated the concept of strategic agility and its impact on the survival of organizations. The scholar found better chances of survival for strategically agile firms in dynamic environments. In a study that spanned several years, Wade, Joshi, and Teracino (2021) identified six principles that can help companies to enhance performance and thrive amidst disruption. The study identified prompt sensing of risks and moving quickly to respond; prioritizing flexibility over planning; diversification; empowerment of decentralized teams; prioritizing learning and risk taking and resource modularity and mobility as key drivers of competitiveness in disrupted business contexts. The six principles arise from the capability of firms in disrupted business contexts to deviate from planned strategies and adapt to changing conditions in the operating environment. According to the study, such firms were nimble enough to avoid the most unfavorable impacts, robust enough to absorb massive damages and resilient enough to accelerate and forge ahead faster and more efficiently than rivals (Wade, Joshi, & Teracino, 2021).

Clauss, Abebe, Tangpong, and Hock (2021), revealed that business model innovation is a critical intermediary through which strategic agility enhances the performance of organizations. The study also found that the relationship between strategic agility and business model innovation is strengthened by the degree of environmental turbulence. Reed (2020) investigated connection between firm age, strategic agility and performance. The study found an association between firm age and strategic agility as well as strategic agility and performance. In particular, the age of the firm was inversely related to strategic agility in environments with low turbulence, while strategic agility was directly related to firm performance in high turbulence. This study however failed to establish any mediating role of strategic agility on the association between firm age or size and performance. Battour, Barahma, and Al-Awlaqi (2021), found that human resources management strategies directly impact sustainable competitive advantage in a positive way. The study further found this relationship to be mediated by strategic agility. The findings indicated that large and medium-sized manufacturing firms in Yemen can remain competitive by focusing on strategic agility.

A study done in the sakaya organized industrial zone in Turkey by Yildiz and Aykanat (2021) established that the association between strategic agility and firm performance is mediated by organizational innovation, suggesting that strategic agility improves the performance of organizations through organizational innovation. Ogolla (2020) established a direct

relationship between transformational leadership and firm performance amongst Kenyan parastatals.

This direct relationship was further mediated by strategic agility. Reviewed literature confirmed that strategic agility impacts competitiveness amongst other firm outcomes (Clauss et al., 2021, Battour, Barahma, & Al-Awlaqi, 2021; Yildiz & Aykanat, 2021; Wade, Joshi, & Teracino, 2021; Deshati, 2023).

Previous studies examined strategic agility either as an independent variable or a mediating variable in different organisational outcomes. The present study examined strategic agility as a predictor of sustainable competitive advantage with top management team characteristics as a contingency factor mediating the relationship.

Firk, Gehrke, Hanelt, and Wolff (2022) studied the effect of top management characteristics on digital innovation. The study found a positive and significant linkage between knowledge of computing, information communication, connectivity technologies and digital innovation. The study which was anchored on role theory as well as the upper echelons theory, found evidence for the integrative roles of chief executive officers and chief digital officers in organisations. The study however found that the integrative role of the chief digital officer can be hampered by a strong hierarchical structure in the top management. Zhanglan, Awino, Yabs, and Wainaina (2021), in a study of Chinese multinational corporations in Kenya concluded that top management team characteristics positively influenced sustainable competitive advantage. In the context of the tea sector in Kenya, Mayende and Joseph (2020), found that implementation of strategy is dependent on top management team characteristics. Notably the competitive environment did not moderate the association between top management team characteristics and implementation of strategy in the tea sector.

Li (2017) assessed the influence of top management team characteristics on the degree of internationalization of firms. Using the information processing and upper echelons perspectives, the scholar looked at tenure and international experience of the top management team as well as the moderating effect of middle managers in the linkage of top management team characteristics and internationalization. The findings of the longitudinal study of listed manufacturing firms in textile and electro-optical industries in Taiwan, indicated that tenure had an inverted U-shaped relationship with internationalization of firms while international experience has a positive effect on internationalization. A large middle management was found to moderate the relationship between tenure of the top management team and internationalization.

A study carried out in the public sector amongst Tanzanian executive agencies by Salum, Gakure, and Othiambo (2017) confirmed that top management teams influenced implementation of planned strategies. Shahab et al. (2018) documented that top management team characteristics significantly impacted competitive advantage. Reviewed literature revealed that top management team characteristics impacted organisational outcomes in significant ways as the upper echelons determined how, when and where to play to outmaneuver rivals and win (Hambrick & Mason 1984; Li, 2017; Shahab et al., 2018; Mayende & Joseph, 2020; Abatecola & Cristofaro, 2020; Zhanglan et al., 2021; Firk et al., 2022).

There is evidence in literature that strategic agility influences sustainable competitive advantage or other firm outcomes significantly (Clauss et al., 2021; Yildiz & Aykanat, 2021; Wade et al., 2021; Deshati, 2023). Few studies have however looked at contingency factors

that explain the relationship between strategic agility and sustainable competitive advantage in a more wholesome manner. Top management teams in organisations are responsible for decisions that affect the sustainability of organizations, and to this end the composition of such teams is critical. Composition is viewed from the perspective of the collective attributes or characteristics of the top management team in question (Mason & Hambrick, 1984; Abatecola & Cristofaro, 2020).

### **Theoretical Review and Hypothesis Development**

This study used the dynamic capabilities, resource-based view and the upper echelons theories.

The dynamic capabilities theory which focuses on a firm's ability to adapt, integrate, and reconfigure its internal resources and capabilities in response to a rapidly changing external environment (Teece, Pisano, & Shuen, 1997), informed the operationalisation of strategic agility. The study observed vision clarity, strategic sensitivity, resource fluidity, and leadership unity as measures of strategic agility.

Further, a combination of the dynamic capabilities and resource-based view theories informed the assessment of a company's adaptability, effectiveness in decision making, ability to be nimble in the face of dynamic and discontinuous changes in the market, capacity for differentiation, as well as responsiveness and ability to create value both to the customer and for the firm itself (Barney, 1991; Teece, Pisano, & Shuen, 1997). these two theories informed the operationalisation of sustainable competitive advantage and differentiation, valuable digital business, organisational responsiveness, and capacity to capture value were observed as measures of sustainable competitive advantage.

The study also examined how the attributes of top management teams impact sustainable competitive advantage through the lens of the upper echelons theory. Hambrick and Mason (1984), argued that the choices and outcomes of a firm are significantly influenced by the thoughts, values, and perceptions of its top management team; in other words, a manager's assessment of strategic challenges is a function of their cognition, perceptions and values. However, since its almost impractical to measure these psychometric attributes (cognition, values, and perceptions) of the top management team directly, demographic characteristics that can be observed are fairly satisfactory proxies of psychometric attributes (Hambrick & Mason, 1984; Hambrick, 2007; Abatecola & Cristofaro, 2020). The present study chose age, as a proxy for risk taking or resistance to change (Escribá-Esteve, Sánchez-Peinado, & Sanchez-Peinado, 2009), functional background as a proxy for cognitive frame influencing the way strategic choices are viewed ( Herrmann & Datta, 2005), tenure as a proxy for the ability to collect, collate, process information and understand opportunities (Finkelstein & Hambrick, 1996; Carpenter & Fredrickson, 2001; Herrmann & Datta, 2005; Barkema & Shvyrko, 2007) while educational level was picked as a proxy for ability and skills which determine the capacity to discriminate between alternatives (Herrmann & Datta, 2005).

Borrowing from the upper echelons theory, this study proposed that the composition of a company's top management will reflect the degree to which its strategy is agile in terms of clarity of vision, strategic sensitivity, resource fluidity and the unity of its leadership. Subsequently the investigation further proposes that these attributes affect the organisation's differentiation strategies, capacity to harness value from digital businesses, the responsiveness and capacity to capture value for itself and its customers.

It is against this backdrop that the current study tests the following hypotheses:

H<sub>01</sub>: Strategic agility does not influence sustainable competitive advantage of licensed television stations in Kenya.

H<sub>02</sub>: Top management team characteristics do not mediate the relationship between strategic agility and sustainable competitive advantage of licensed television stations in Kenya.

## **METHODOLOGY**

The study used a descriptive research design, which was cross-sectional in nature and the target population comprised 245 television stations licensed to operate in Kenya.

At the time of the study, 210 stations were in operation, and the study adopted the census approach. Two respondents from the respective top echelons were engaged during data collection. The study used primary data collected using a semi-structured questionnaire.

### **Measurement of Variables**

The study variables were operationalised as follows: Strategic agility as vision clarity, strategic sensitivity, resource fluidity and leadership unity (Long, 2000; Doz & Kosonen, 2008; 2010; Reed, 2020). Top management team characteristics as educational level, age, tenure and functional background (Hambrick & Mason, 1984; Hambrick, 2007; Abatecola & Cristofaro, 2020). Sustainable competitive advantage as differentiation, organisational responsiveness, valuable digital business and capacity of the firm to capture value (Barney, 1991; Peteraf & Barney, 2003; David & David, 2017; Rothaermel, 2020).

### **Data Analysis and Model Specification**

Primary data collected was used to assess and validate the measurement properties of the set of observed variables in relation to their underlying latent constructs (study variables). Composite indices were then developed from confirmatory factor analysis (CFA), which informed the adoption of structural equation modelling (SEM) for analysis. CFA tested the hypothesised relationships between the observed variables and the underlying constructs by evaluating how well the observed data aligned with the proposed model, SEM.

The study first tested the direct effect of strategic agility on sustainable competitive advantage before investigating the mediating effect of top management team characteristics on this relationship. Mediation was tested using the Baron and Kenny (1986) three- step method at 5 percent significance level. The SEM model was used for inferential statistics to assess the relationships between the variables of interest; strategic agility, top management team characteristics and sustainable competitive advantage.

## **FINDINGS**

This section of the research paper presents the preliminary, bivariate results and analytical models. Stepwise SEM analysis was used to test the study hypotheses, facilitating the evaluation of the effect of top management team characteristics on the relationship between strategic agility and sustainable competitive advantage of licensed television stations in Kenya.

### **Preliminary Analysis**

Confirmatory factor analysis was used to test model measurements. In the assessment, the Kaiser-Meyer-Olkin (KMO) test was employed with a threshold of 0.5 as recommended by Kaiser (1974). This enabled the researcher to evaluate how well the observed variables combined, explained the salient factors. Reliability was assessed using Cronbach's alpha coefficient, and the findings demonstrated the questionnaire's reliability. Specifically, the

calculated Cronbach's alpha values met the accepted threshold of 0.7 or greater for all constructs: strategic agility (0.831), top management team characteristics (0.693), and sustainable competitive advantage (0.867) as indicated in Table 1. below. All the study constructs exhibited a Kaiser-Meyer-Olkin (KMO) value exceeding 0.5, as recommended by Kaiser (1974), signifying that the datasets were suitable for further analysis.

**Table 1: Preliminary Analysis**

Construct	Sub-Construct	KMO	Overall KMO	Cronbach's alpha
Strategic Agility (38 items) (SA)	Strategic sensitivity (SSe)	0.84	0.69	0.83
	Vision clarity (VCe)	0.65		
	Leadership unity (LUe)	0.71		
	Resource Fluidity (RFe)	0.53		
Top management team characteristics (39 items) (TMT)	Age (Ae)	0.61	0.69	0.69
	Tenure (Te)	0.62		
	Functional background (FBe)	0.68		
	Education level (ELe)	0.65		
Sustainable Competitive Advantage (50 items) (SCA)	Differentiation (DAe)	0.75	0.73	0.87
	Valuable digital business (VDe)	0.80		
	Organisational responsiveness (ORe)	0.73		
	Capacity of firms to capture value (CFe)	0.64		

### Bivariate Analysis

Findings indicated the existence of a positive and significant correlation between strategic agility and sustainable competitive advantage ( $r = .194$ ;  $p\text{-value} = .001 < .05$ ), top management team characteristics and sustainable competitive advantage ( $r = .270$ ,  $p\text{-value} = .000 < .05$ ). From the bivariate analysis, the existence of a relationship between strategic agility and sustainable competitive advantage, and between top management team characteristics and sustainable competitive advantage was established, facilitating the development of structural models.



**Table 2: Bivariate Analysis**

	Descriptive statistics		Correlation Statistics	
	Mean	Std. Dev	SCA	p-value
SCA	3.47	0.02	1.00	-
SA	3.63	0.01	.194**	.001
TMT	3.57	0.02	.270**	.000

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary Data (2023)

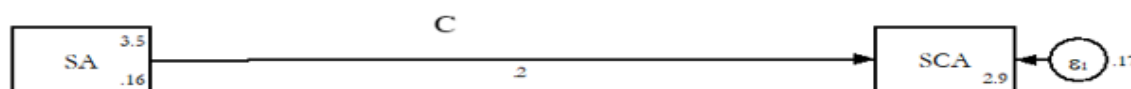
Key = SCA =Sustainable Competitive Advantage, SA = Strategic Agility, TMT= Top management team characteristics

**Structural Equation Modeling Results**

The Baron and Kenny (1986) three-step method was used to test the first and second hypotheses on mediation using structural equation modelling. The first hypothesis was tested in the first step. Mediation is confirmed when the preceding two step conditions are fulfilled.

The first condition; independent variable must be significantly related to dependent variable in the absence of mediating variable.

The second condition; independent variable must be significantly related to the mediating variable. The third condition; mediating variable must be significantly related to the dependent variable, and by controlling for the effect of mediating variable on the dependent variable, the effect of the independent variable on the dependent variable should be insignificant. The findings are presented in Figure 1, Figure 2 and Table 3.



*Figure 1: Strategic Agility and Sustainable Competitive Advantage of Licensed Television Stations in Kenya*

Source: Primary Data (2023)

Figure 1. and Table 3. indicated a significant relationship between strategic agility and sustainable competitive advantage (c=0.201), since p-value is less than 0.05. The first hypothesis; strategic agility does not influence sustainable competitive advantage of licensed television stations in Kenya was rejected. This implies that strategic agility significantly influences sustainable competitive advantage of the licensed television stations in Kenya. The conditions for step one of mediation were met; the analysis proceeded to step two.

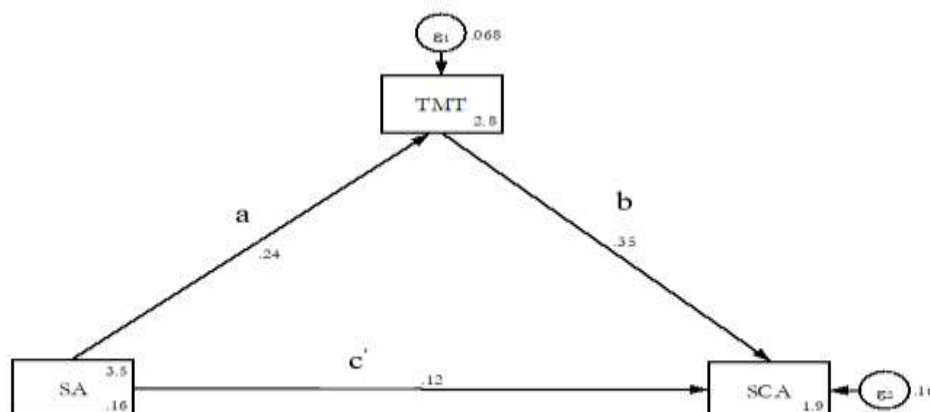


Figure 2. Top Management Team Characteristics, Strategic Agility and Sustainable Competitive Advantage of Licensed Television Stations in Kenya

Source: Primary Data (2023)

Results in Figure 2. and Table 3. revealed that the overall model fits the data well ( $\chi^2(3) = 78.988$ ;  $p\text{-value} = 0.000 < 0.05$ ,  $RMSEA = 0.037 < 0.05$ ).

Findings further indicated that strategic agility significantly influence top management team characteristics ( $a=0.237$ ;  $p\text{-value}=0.000 < .05$ ), hence conditions for mediation in step two were satisfied; the analysis proceeded to step three.

**Table 3: Critical Ratios for Latent Variables in Mediation Model**

Dependent Variable	Independent Variable	Notations	Unstandardized path ( $\beta$ )	Critical Ratio (z-stat)	p-values	Model
Sustainable Competitive Advantage	Strategic agility	c	0.201	3.790	0.000	1
Top Management Team characteristics	Strategic agility	a	0.237	7.050	0.000	2
Sustainable Competitive Advantage	Strategic agility	c'	0.201	3.790	0.000	3
Amount mediated	TMT	b	0.347	4.340	0.000	
	Deviation	c - c'	0.082	3.690	0.000	

Model 1 fit statistics -  $\chi^2(1) = 14.060$ ,  $p\text{-value} = .000$ ,  $RMSEA = 0.025$ ,  $CFI = 0.995$   
 Model 2 and 3 combined fit statistics -  $\chi^2(3) = 78.988$ ,  $p\text{-value} = .000$ ,  $RMSEA = 0.037$ ,  $CFI = 0.905$

Source: Primary Data (2023)

In the third step, results indicated that strategic agility had a significant effect on sustainable competitive advantage ( $c'=0.201$ ;  $p\text{-value} = .000 < .05$ ). The results also indicated that top management team characteristics had a significant effect on sustainable competitive advantage ( $b=0.347$ ;  $p\text{-value} = .000 < .05$ ). Thus, the study rejected the null hypothesis that top

management team characteristics did not mediate the relationship between strategic agility and sustainable competitive advantage of licensed television stations in Kenya and concluded that top management team characteristics did partially mediate the relationship between strategic agility and sustainable competitive advantage of licensed television stations in Kenya. The study further probed whether top management team characteristics was a predictor variable, given that there was evidence of partial mediation. The findings are presented in Figure 3. and Table 4. below.

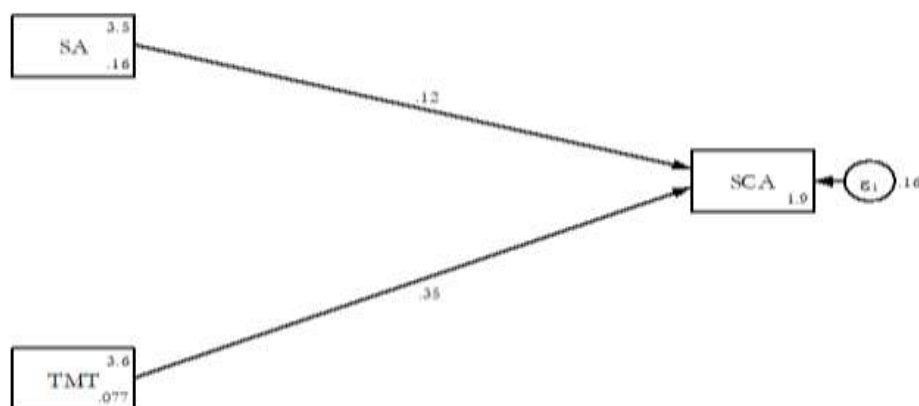


Figure 3. Strategic Agility, Top Management Team Characteristics, and Sustainable Competitive Advantage of Licensed Television Stations in Kenya

Source: Primary Data (2023)

As shown in Table 4. the overall model in Figure 3. fits the data well ( $\chi^2(2) = 32.408$ , p-value =  $0.000 < 0.05$ , RMSEA =  $0.010 < 0.05$ ). The results indicate that top management team characteristics was a predictor of sustainable competitive advantage of licensed television stations in Kenya. Both strategic agility and top management team characteristics had a positive and significant effect on sustainable competitive advantage of licensed television stations in Kenya ( $\beta = .118$ , p-value =  $0.032 < 0.05$ ; and  $\beta = .347$ , p-value =  $0.014 < 0.05$ ).

Table 4: Critical Ratios for Latent Variables in the Direct Effects Model

Dependent Variable	Independent Variable	Unstandardized path ( $\beta$ )	Critical Ratio (z-stat)	p-values
Sustainable Competitive Advantage	Strategic agility	0.118	2.150	0.032
	Top Management Team characteristics	0.347	4.340	0.014
Model fit statistics - $\chi^2(2) = 32.408$ , p-value = .000, RMSEA = 0.010, CFI = 0.804				

Source: Primary Data (2023)

Results in Table 4. indicates that strategic agility had a significant positive effect on sustainable competitive advantage of licensed television stations in Kenya, holding top management team characteristics constant ( $\beta = .118$ , p-value =  $.032 < .05$ ). In addition, top management team characteristics had a significant positive effect on sustainable competitive advantage of

licensed television stations in Kenya, holding strategic agility constant ( $\beta=.347, p\text{-value}=.014<.05$ ). The eventual pathway is depicted as follows:  $SCA=0.118SA+0.347TMT$ .

The implication is that, for a one percent improvement in strategic agility, there will be an 11.8% improvement in sustainable competitive advantage of licensed television stations in Kenya. Likewise, for a one percent improvement in top management team characteristics, sustainable competitive advantage of licensed television stations will improve by 34.7% percent. As such, it is critical for licensed television stations to focus on top management team characteristics, given the high impact on sustainable competitive advantage in comparison to strategic agility.

### **Discussion**

The study investigated the effect of top management team characteristics on the linkage of strategic agility and sustainable competitive advantage of licensed television stations in Kenya. Dimensions examined were age, tenure, functional background, and educational level. As a precursor, the study assessed whether strategic agility had a direct effect on sustainable competitive advantage of the licensed television stations in Kenya. Strategic agility had a direct positive effect on sustainable competitive advantage of the licensed television stations in Kenya. Reed (2020) concurs that strategic agility affects firm performance.

Other studies linked strategic agility to different organizational outcomes or conceptualised strategic agility as a mediator. Clauss, Abebe, Tangpong, and Hock (2021) established a significant relationship between strategic agility and business model innovation. Battour, Barahma, and Al-Awlaqi (2021) affirmed that strategic agility mediated the link between human resources management strategies, and sustainable competitive advantage of large and medium-sized manufacturing firms in Yemen. Similarly, Ogolla (2020) found that strategic agility mediated the relationship between transformational leadership and firm performance amongst Kenyan parastatals.

The current study evaluated the effect of top management team characteristics on the relationship between strategic agility and sustainable competitive advantage of licensed television in Kenya. There was evidence of partial mediation on the linkage between strategic agility and sustainable competitive advantage of the licensed television stations in Kenya. In contrast, past studies did assess top management team characteristics both as a predictor and a mediating variable.

For instance, Firk et al. (2022) and Zhanglan et al. (2021) found that top management team characteristics had a direct positive effect on digital innovation and sustainable competitive advantage, respectively. In addition, Mayende and Joseph (2020) revealed that top management team characteristics had a direct effect on strategy implementation. Shahab et al. (2018) found that top management team characteristics (gender diversity and foreign exposure) was a moderator on the relationship between environmental performance and financial distress of companies.

### **Conclusion**

The study concludes that strategic agility had a positive and significant effect on sustainable competitive advantage of licensed television stations in Kenya. Further, top management team characteristics was a mediator on the nexus between strategic agility and sustainable competitive advantage of licensed television stations in Kenya. Additionally, top management team characteristics was a predictor of sustainable competitive advantage of licensed television stations in Kenya. These findings add to the body of knowledge in strategic management in

two ways; one, top management team characteristics can be viewed as an enabler in achieving sustainable competitive advantage through strategic agility and secondly top management team characteristics also directly impact sustainable competitive advantage of firms.

The findings imply that in order to achieve sustainable competitive advantage, it is crucial to have a top leadership team that can sense changes in the operating environment and present a unified approach to the firm's strategic goals and objectives. This team should have the knowledge and skills to sense and seize opportunities and mitigate threats in order to transform their organisations. The findings suggest that in discontinuous and dynamic markets, the right top management team is essential in determining competitiveness and sustainability in organisations. Strategic agility viewed in isolation cannot deliver sustainable competitive advantage. These findings align with the upper echelons theory that suggests that top management team characteristics reflect performance in organisations. Furthermore, the theory indicates that the qualities of managers affect the judgments they make about the company, and these decisions impact strategic actions in the companies that they oversee (Mason & Hambrick, 1984; Hambrick, 2007; Abatecola & Cristofaro, 2020). The findings suggest a refinement of the theory of dynamic capabilities to explicitly incorporate attributes of top management team members as a capability for sustainable competitive advantage.

## **Implications**

### **Managerial/Practice Implications**

For television firms in Kenya, the study emphasizes that top management teams must continuously update their knowledge of emerging technologies and engage in upskilling to adapt to market changes. Management teams should actively foster diversity of thought and strategic perspectives to enhance competitiveness. Embracing continuous learning for managers will equip them to navigate the challenges and opportunities brought by shifting market conditions. Additionally, the study highlights the importance of integrating the characteristics of top management teams with organizational capabilities like strategic agility, suggesting that managers need to align these factors to maintain sustainable competitive advantage. Future research may explore other characteristics, such as cultural orientation and psychological safety and their effect in discontinuous business contexts.

### **Policy Implications**

Policymakers should recognize that strategic agility and the composition of top management teams are crucial for ensuring durable competitive advantage, particularly in the rapidly evolving media industry. When formulating policies for the selection and development of top management teams in television firms, diversity of opinion, domain expertise, and a balanced mix of new and experienced managers should be prioritized. Furthermore, policies should encourage continuous learning and upskilling, ensuring management teams stay current with emerging technologies and market disruptions. This would position firms to remain competitive in a disrupted marketplace.

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