A SURVEY OF THE RELATIONSHIP BETWEEN STRATEGIC PLANNING AND PERFORMANCE IN THE TEXTILE MANUFACTURING FIRMS IN KENYA

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DECLARATION

I declare that this project is my original work and has never been presented for academic purposes in any other University.

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This research project has been submitted for examination with my approval as the University Supervisor

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DEDICATION

I dedicate this project to

Nicholas Mutinda Muasya who above all else took it upon himself to

support and encourage me during the period l was doing my MBA studies.

'You were a dedicated study partner and friend and for that l thank you!'

~. ~

I also wish to dedicate this project to my parents Mr. and Mrs. Dominic and Veronica Musei who have always been there to encourage me towards being

the best that l can be in life.

~. ~

TO GOD I GIVE ALL THE GLORY FOR THIS FAR HIS HAS

BROUGHT ME.

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To all of you who played a role towards finalizing this thesis, I say Thank you.

ABSTRACT

This was a survey on the relationship between strategic planning and performance in the textile-manufacturing firms in Kenya. The study was carried out in all the textile-manufacturing companies in Kenya. The data collection instrument was a questionnaire.

From the findings of this study, it is evident that the organizations in the textile industry rely heavily on strategic planning to survive. It is also evident that there are three types of firms in the industry: those that are declining in performance, those that are improving in performance and those that are stagnating.

As implied by the findings of the study, there is a strong relationship between strategic planning and company performance. Strategic planning was seen as playing a critical role in the survival of the companies.

This study therefore concludes that in an industry, such as the textile manufacturing in Kenya, where there has been a lot of external environmental turbulence, the companies that improve in performance are those that adhere to formal strategic planning. Without which, the result is decline and/or stagnation.

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CHAPTER 1: INTRODUCTION

1.1 Strategic Planning and Performance

The relationship between planning and organizational performance has been a subject of growing interest in the field of strategic management. Strategic plan is conceived as a written long-range plan, which includes both corporate mission statement and a statement of organizational objectives. Strategy is about the process of strategic change and actions aimed at helping organizations achieve their goals and objectives and attain competitive advantage. This process involves careful grafting and planning.

Strategy is about winning. Strategy articulates how organizations intend to combine their resources in order to convert its broad intentions into organizational capabilities (Schoenberger, 1985). Strategic planning is not a detailed plan or program of instructions; it is a unifying theme that gives coherence and direction to the actions and decisions of an individual or organization. Though its primary purpose is to guide management decisions towards superior performance through establishing competitive advantage, strategy also acts as a vehicle for communication and co-ordination within an organization (Ansoff, 1993)

Given the kind of protection the textile industry enjoyed from the Kenya Government for more than a decade, it is possible that many textile firms were slow in adopting strategic management. This situation is likely to have changed given the competitive pressure the industry has faced since 1990. However, whether or not strategic planning would have made a difference is not possible to tell, given the mixed results from studies done in other countries.

In an excellent meta-analytic review of journal articles published on the relationship between planning and performance, Boyd (1991) concluded that the results were equivocal. He found that whereas early research suggested a positive relationship between planning and performance, later research was less reassuring, and that the overall relationship was at best extremely weak.

However, strategic management scholars such as Ansoff and McDonnel, (1990) postulate that under conditions in which rapid and discontinuous changes occur in the environment of organizations, established organizational traditions and experience no longer suffice for coping with the new opportunities and threats. By using strategic management processes, organizations are able to recognize and respond to new developments in the environment appropriately. Strategic Management decisions and activities relate the organization to its environment in a way that enables it use its capabilities to pursue its objectives and thus continue to be responsive to environmental demands (Ansoff and McDonnel, 1990). Jauch and Glueck (1988) posit that strategic management gives a firm a competitive advantage. Strategy development focuses on how to define a firm's mission and objectives. This gives clear direction to the firm. Strategic management also offers a rational approach to making strategic choices.

An earlier study by Bausman of Clemson University, South Carolina, examined the relationship between strategic planning and financial performance for large general builders and concluded that planners outperform non-planners. He came up with top performers' best practices. In the next phase of the study he interviewed senior management from twenty-five (25) of the top performers to gain insight into each firm's strategy development and implementation process to facilitate the development of a 'best practices' listing. The key findings were that the top performers pursue a generic strategy of differentiation, compete based upon value, continuously focus on operational excellence, and are highly committed to customer satisfaction. Leadership assumes a primary role in the development of strategic intent. Top performers have a relatively structured planning process, involving a planning group with a wide spectrum of business and operational knowledge and often use a facilitator. The best develop a keen awareness of their operating environment and continually seek feedback. They selectively identify, evaluate, and pursue customers of strategic importance to the firm. Top performers solicit employee input on operational initiatives and regularly communicate performance. Leadership actively demonstrates its commitment to the planning and implementation process. Top performers link tactical and functional action to strategic objectives and organizational structure is aligned with strategic intent (Bausman, 2002).

It is against the foregoing background that the proposed study has been conceived. Given the emphasis on strategic planning as a crucial element in strategic management, it somewhat disturbing that research on the link between it and performance is at best, inconclusive. Also there does not appear to be any study on strategic planning in an industry that has experienced decline to a near total collapse like the textile industry in Kenya.

1.2 Background of the Textile Manufacturing Industry in Kenya.

After Kenya attained its independence, the textile industrial sub-sector was considered one of the potential growth areas that could help bring about rapid economic development. Furthermore, the sub-sector was classified as a core industry and therefore, was granted official government protection. This protection policy led to a rapid investment in the sector, raising the number of weaving mills from six at independence to 52 in 1983, with an installed capacity of 115.0 million square meters per annum, along with 110 registered large scale garment manufacturing units (GoK, 1994)

The textile and clothing industry accounted for 19% of wage employment and 22% of the persons engaged in large firms. At one time this industry was the second largest employer after the civil service. A combination of these factors made the sub-sector the second largest manufacturing activity after food processing.

Due to the government protection, the prices of textile goods became unnecessarily high because the manufacturers were assured of a captive market. A development that brought a change in the textile industry is the importation of used garments from Europe and America. These garments are what are called 'mitumba' in Kenya. Initially, these clothes were meant for humanitarian aid. They were therefore imported duty free. These second hand clothes entered the market often without tax and were sold at low prices. The second hand clothes business took root fast and the governments attempt to impose duty or completely ban the trade was not successful.

The overall effect of this feature was that investment in operation of the textile industries plumated substantially. By 1990, the textile market shares, were distributed as follows:

Table 1: Textile Market Shares, 1990

1. Locally manufactured garments	45.3%
2. Imported new garments	20.8%
3. Imported used garments	16.8%
4. Imported fabric	17.5%

Source: Ministry of Trade and Industry, 1999

The 1990s also witnessed liberalization of the Kenyan economy. This resulted in increased competition, whereby locally manufactured goods competed against more superior quality goods retailing at lower prices. Liberalization also reduced the average capacity utilization in the textile mills to around 50% and even lower in the garment making industry (GOK, 1998). The imported garments can be categorized as follows.

- New, out of season garments from developed countries.
- Used clothes obtained from second hand markets via charitable organizations abroad.
- Fashionable new garments for exclusive boutiques.
- Factory rejects from major garment manufacturers.

Liberalization has led to two main scenarios. These are: reduced local production of textile goods, and increased demand for low priced textile goods. Although the present government has expressed the willingness to transform Kenya into an industrial country by the year 2020 (GOK, 1996), the textile industry has not managed to regain its status of the 1970s. The 8th National development Plan (Republic of Kenya, 1996) also stipulated activities, which needed to be done by the year 2001. As part of this, a study had been undertaken of the textile industrial sub-sector in order to assess its strengths, weaknesses and the way forward.

In spite of these attempts, some negative factors that caused the sub-sector considerable strain are as follows: overpricing of textile goods, non payment of import duty, a weak unstable shilling, a weak legal framework, anomalous import tariff structure, high cost of electricity, non-enforcement of the standards act, and unavailability of raw material (McCormick, 1999).

As McCormick has argued, the overall effect of these negative factors has been the reduction in the installed industrial capacity utilization from 70% to 50%, loss of over 70,000 jobs in the textile and garment making sub-sector, loss of considerable amounts of government revenue, loss of investor confidence in the sub-sector. Apart from these problems, it has been reiterated that Kenya has the potential to produce all the raw materials to sustain a thriving local textile industry. Well-managed textile sector in Kenya could exploit markets available in COMESA countries and even serve textile giant countries of Pakistan, India and beyond (McCormick, 1999).

In the late 1980s and early 1990s, Kenya Government encouraged the establishment of the Export Processing Zones (EPZs) to produce textiles for export. Most of the EPZs have concentrated their businesses in textile manufacturing for export. These had started to jumpstart the industry. However, other environment conditions are threatening the sector. There are industrial actions by employees due to poor working environments and accusations of cheating on the origin of goods by importing finished products and labeling them for re-export.

Despite the decline, the industry remains important to Kenya's future. It is listed as one of the industries to be promoted in phase one of the Kenya Government's current industrial strategy (GoK, 1996). One reason for this is that its labor-intensive technology enables it to employ large numbers of workers. Formal sector firms employed 32,000 people in 1997 or 15% of the total formal sector manufacturing employment. Employment statistics for selected years are presented in table 2.

Textile employment nearly doubled between 1976 and 1997. Most of that growth took place in the 4 years between 1976 and 1980. In the succeeding five years, growth showed and since 1990 textile employment stagnated. With the closure of large textile mills such as Rivatex and Heritage, textile employment may have declined since 1997. Employment in formal garment firms peaked in 1985, declined, and then recovered slightly toward the end of the 1990s. Total Textile and garment employment as a proportion of manufacturing sector employment peaked at 20% in 1982. By 1985 it had declined to 18.6%. The decline continued and was recorded in 1997. Textile and garment employment stood at just under 15% of total manufacturing employment in 1997 (GoK, 1998).

Table 2: Formal Sector Wage Employment in Textiles and Clothing, Selected Years

Activity	Year					
	1976	1980	1985	1990	1995	1997
Textile	13,644	19,662	21,773	25,104	24,214	25,121
Garment	4,785	5,322	7,682	6,868	7,114	7,304
Total	18,429	24,984	29,455	31,972	31,328	32,425
Manufacturing	108,776	141,280	158,763	188,873	210,775	220,481
Total textile and clothing as % of manufacturing	16.9	17.7	18.6	16.9	14.9	14.7

Source: Kenya Economic Survey, various years

Note: Wage employment figures include casual employees, part-time workers, directors and partners serving on a regular basic salary contract. Self-employed persons, family workers who do not receive regular wages or salaries are excluded. Also not included is employment in "informal" or micro enterprises.

The employment drop may actually be more serious than the figures suggest; between 1979 and 1990, during the peak years, the garment industry and, to a lesser extent, the textile industry may have supplemented their regular workforce with extensive use of casual laborers on short-term, even daily contracts (McCormick, 2001)

1.2.1 Export in the Textile Industry

The industry has more export potential. Preliminary evidence suggests that Kenya can be competitive in both standard garments and "Afro center niche" markets. (Biggs et al, 1994). One study found, for example, that Kenya could produce and ship men's casual long-sleeved shirts to the United States markets more cheaply than Zimbabwe, Senegal and India. Market research in the United States also supports the contention that the growing middle and upper-middle class African American population has both the resources and desire to buy quality African garments and home products (Biggs et al, 1994). A later study, focused on the European market, showed similar findings (Biggs et al 1996). Another study placed Kenya with Bangladesh, Sri Lanka and Mauritius in the category of low cost exporters of standardized goods (Gereffi, 1994).

The recent passage of the African Growth and Opportunity Act (AGOA) by the United States Congress offers new incentives to producers of both garments and textiles. AGOA allows garment and textiles from African countries to enter the US duty free for a period of 8 years, beginning in October 2000, provided certain conditions are met. Officials in the then Kenya's Ministry of Tourism Trade and Industry worked closely with their US counterparts to develop the required regulations. As a result Kenya was the first country to be certified under AGOA (Government of Kenya Economic Survey, 2001).

1.3 Statement of the Problem

In Kenya and other developing countries, few studies have been done on the subject. Prior researches for instance by Shimba (1993), and Aosa (1992) focus on various aspects of strategic management practices in Africa and Kenya. Karemu (1993) studied the state of Strategic Management Practices in the Retailing Sector in Nairobi. Inspite of the importance of the textile industry in Kenya and the issues relating to performance of the industry, no study on strategic management practices in relation to performance has been done in this industry. This study therefore aims at filling this research gap.

It is evident from the literature that the relationship between formal strategic planning and performance is not clear-cut. While some studies have found a strong relationship between the two others have found either a weak relationship or none at all. Yet formal strategic planning has surged in popularity in recent times. Therefore there is need for more research with different population samples from different industries and social economic settings. Furthermore there appears to have been no study on the benefits of strategic planning in a depressed industry such as Kenya Textile sector. The gaps in the literature lead to the following questions: Does formal strategic planning make a difference in an organization's performance? Can strategic planning play a positive role in the recovery of an organization operating in a declining industry?

1.4 Objectives of the Study

The objectives of the study were:

1. To determine the relationship between formal strategic planning and performance in the textile manufacturing industry in Kenya

1.5 Importance of the Study

Information on the relationship between strategic planning and performance in the textile manufacturing industry is scarce in Kenya. Therefore, with the focus on the textile industry, this study will fill this gap in knowledge by providing this information.

This study is be useful to the managers of the textile-manufacturing firms in that it will give them an insight into the factors that determine their firms performances. The government of Kenya would also find this information useful so as to know which are the contributing factors in the state of textile manufacturing industry and give a glimpse of what could be the state in other related sectors.

CHAPTER 2: LITERATURE REVIEW

2.1 The Concept of Strategy

The core concept of strategic management is strategy. Strategic decisions influence the way organizations respond to their environment. Schendel and Hofer (1979) define strategy in terms of its function in the organization. They assert that the purpose of strategy is to provide directional cues to the organization that permit it to achieve its objectives while responding to the opportunities and threats in the environment.

According to Juach and Glueck (1984), strategy is a unified comprehensive and integrated plan that relates the strategic advantages of the firm to the challenges of the environment and that is designed to ensure that the basic objectives of the enterprise are achieved through proper execution by the organization. Pearce and Robinson (1991) define strategy as large scale, future-oriented plans for interacting with the competitive environment to optimize achievement of organizational objectives. This is putting more emphasis on strategy as it relates the competitive environment of the firm. Most of the definitions cited above look at one aspect of strategy and there is need to look at a more comprehensive definition of strategy.

According to Hax and Majluf (1991), strategy selects the businesses the organization is to be in or is in, determines and reveals the organizational purpose in terms of long-term objectives, action programs and resource allocation priorities, attempts to achieve a long-term sustainable advantage in each of its businesses by responding properly to the opportunities and threats in the firm's environment and the strength and weaknesses of the organization, is a coherent, unifying and integrative pattern of decisions, engages all the hierarchical levels of the firm (corporate, business, functional), and defines the nature of the economic contributions it intends to make to its stakeholders. From the definitions, it is clear from the authors' perspectives that strategy is incorporating the organization's future and its adaptation to a turbulent environment.

2.2 Strategic Management

According to Thompson and Strickland (1987), strategic management is the process whereby managers establish an organization's long-term direction, set specific performance objectives, develop strategies to achieve these objectives in the light of all the relevant internal and external circumstances, and undertake to execute chosen action plans. Senior managers are called upon to establish the long-term direction of the firm in the form of providing a vision for the firm and coming up with a mission. They have to define why the organization exists in terms of what it is established to do and the scope of the business in the long term. Employees have to be given achievable targets in order for them to meet their performance objectives. The internal and external circumstances bring in the need for a rigorous environmental analysis.

David (1991) defined strategic management as a managerial discipline that is concerned with cross-functional decisions. Strategic management integrates the functional departments (e.g. finance, Marketing) in order to achieve organizational success. This is related to Juach and Glueck (1984) view that; strategic management is the stem of decisions and actions which lead to the development of an effective strategy or strategies to help achieve corporate objectives

This later definition shows that strategic decisions should lead to achievement of corporate objectives. Glueck et al (1980) provide an empirical perspective which views strategic management as constituting a tight link between formal strategic planning and execution of set plans. This approach asserts that corporations practicing strategic management have superior performance and display unique planning characteristics.

Strategic management succeeds when the organization knows how it is achieving sustainable competitive advantage and everyone within the firm knows the organization's strengths, weaknesses, objectives and their individual roles in making it happen (Betts 1977). Ansoff (1990) came up with a strategic success hypothesis that states that a firm's performance is optimum when the following conditions are met; aggressiveness of the firm's strategic behavior matches the turbulence level of the environment, responsiveness of the firm's capability matches the aggressiveness of the strategy, the components of the firm's capability must be supportive of each other.

2.3 Levels of Strategy

Some companies have strategies at three different levels namely: corporate, business and functional (Ansoff, 1984, Juach and Glueck, 1984, Newman et al., 1989; Pearce and Robinson, 1991; Hax and Majluf, 1991). Each strategy level has a different focus. Corporate strategy concerns itself with defining the overall mission of the firm. This can be within the same industry or even in diverse industries. It therefore gives the widest scope of the firm's activities and deals with how a company's resources will be allocated across the various businesses (Newman et al. 1989; Hax and Majluf, 1991 Pearce and Robinson, 1991). The business level strategy gives attention to how each of the firm's businesses will compete. Concern is on sustaining a competitive edge for each business unit. Emphasis at this level is put on integrating the firm's functional activities in order to attain the desired competitive competence (Hax and Majluf, 1991; Pearce and Robinson, 1991). The functional strategy addressed the efficient utilization of the allocated resources. It involves managers addressing co-ordination of activities within their functional business areas. These activities are important for purposes of effectively supporting the business unit strategy (Hax and Majluf, 1991). All these levels of strategy need to be properly coordinated as they have a bearing on each other's performance.

2.4 Functions of Strategy

Strategy helps to provide the basic long-term direction for the firm (Newman et al., 1989). It enables a firm set up a clear direction and the managers are able to focus on the future while still ensuring the current functions are undertaken. Strategy also helps companies cope with change (Pearce and Robinson, 1991). Given that the organization is part of the external environment, it is important that it is able to constantly cope with the changes to ensure a strategic fit. Failure to do this results in a mis-match, which is not healthy for the environment. Strategy helps companies develop competitive advantage in the market (Porter 1980) thus enabling it stay ahead of competition. Strategy enables companies to focus their resources and efforts (Pearce and Robinson, 1991), through proper resource allocation. This enhances the effectiveness of the organization.

The biggest limitation of strategy lies in its orientation. It focuses into the future, which may change due to the turbulent nature of the environment. An organization's ability to forecast into the future is dependent on the level of turbulence in its environment (Ansoff and Sullivan, 1993).

2.5 Overview of Strategic Planning

A strategic plan, in essence, is the articulation of the means by which an organization endeavors to convert its intentions into organizational capability in order to take advantage of external opportunities and internal strength and, to minimize the threats that it faces (Ghobadian & O'Regan, 2002).

Strategic planning is about defining a vision and creating a road map to realize that vision. Vision is a function of leadership, and therefore strategic planning by its nature is a top-down, management driven process (Commercial Law Bulletin, 2000).

Strategic planning is not a once-a-year exercise, an attractive document, a process to get participation, a master building plan, thinking "outside-the-box," creating scenarios or holding board planning retreats. All of these might be part of a strategic planning process, but are peripheral to the central aim of strategic planning. The aim should be to identify those Vital Few strategies that, when accomplished, will fundamentally improve the performance of the organization and move it toward achieving its vision (Pugh, 2001). The strategic planning system diagram depicts the relationship between strategic planning and organizational performance.

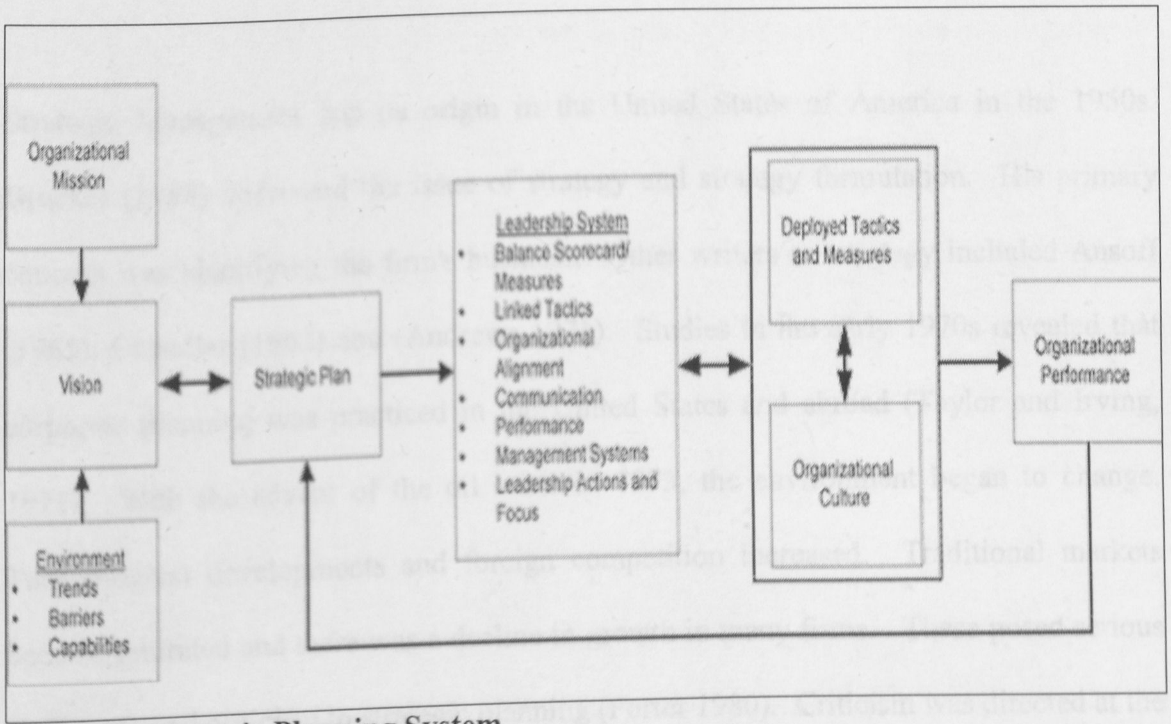

Figure 1: Strategic Planning System

A quantitative critique of 28 studies by Armstrong (1991) concluded that formal planning is valuable for firms. The results were particularly favorable for manufacturing firms: nine studies found formal planning to be associated with better performance and none found detrimental performance.

The Strategic management process outlines the way in which objectives are determined and strategic decisions made in the organization (Juach and Glueck, 1984). The underlying thread is that organizations should continuously monitor the internal and external environment and adapt accordingly. In order to do this, crucial aspects of strategic management process need to be looked at. These are; Organizations Vision, Mission, Organization's objectives, Environmental scanning, Industry analysis, Competitor analysis, Internal Analysis, Strategy selection, Strategy implementation and Strategy evaluation.

Strategic Management has its origin in the United States of America in the 1950s. Drucker (1954) addressed the issue of strategy and strategy formulation. His primary concern was identifying the firm's business. Other writers on strategy included Ansoff (1965), Chandler (1962) and (Andrews 1971). Studies in the early 1970s revealed that corporate planning was practiced in the United States and abroad (Taylor and Irving, 1971). With the advent of the oil crisis in 1973, the environment began to change. Technological developments and foreign competition increased. Traditional markets became saturated and there was a decline in growth in many firms. These posed serious challenges and criticism to strategic planning (Porter 1980). Criticism was directed at the implementation phase of strategic planning. It was necessary to have a match between the strategy and the environment within which the firm operated. Critics proposed that strategic planning should; be focused, flexible and adaptable; address implementation issues, be instrumental in developing competitive advantage, enhance strategic thinking, incorporate both analytical and behavioral features. The above aspects are still the overriding concerns of strategic planning today.

2.6 Performance indicators of Strategic Planning organizations.

An empirical study involving 97 manufacturing firms that averaged $20 million in annual sales yielded a strong positive correlation between the degree of planning formality and firm performance. Additionally, interactive analysis disclosed that this relationship pervaded various grand strategies, the implication being that formalized strategic planning was consistently a positive factor associated with high levels of organizational performance. Recent advances in the operationalization of strategic planning formality have renewed interest in the investigation of its relationship to performance, including a concern for any inherent levels of planning formality required by various grand strategies. A recent study investigated the formality/grand strategy/performance relationship. The specific areas analyzed included the relationship between strategic planning formality and performance, the relationship between grand strategy and performance, and the performance implications of the interaction between grand strategy and strategic planning formality (Pearce II and Robinson, 1997).

A strong strategic planning process includes deployment beyond simple assignment of tasks and targeting of completion dates. Leadership systems must be in place at every level to support the alignment of daily operations with the identified strategies (Pugh, 2001). Accordingly Pugh (2001) indicates that there are six characteristics of strategic planning in high performing organizations, which include:

1. A clear, realistic and measurable Vision given the external environment, organizational capability and required timeframe
2. A clear understanding of external trends, barriers, competitive forces and Best in Class Performance
3. Identification of a set of Vital Few Strategies and unambiguous Measures for each
4. Organization-wide deployment of actions/projects/ tactics and measures that are linked to the Vital Few and Vision
5. Development of a Leadership System that focuses on aligning the resources and daily work of the organization with the strategy and vision
6. An Organizational Culture committed to enhancing Value for Customers and Stakeholders There are no cookie-cutter strategic planning processes. Planning

processes need to be tailored to the organizational culture, leadership capability and style and challenges faced.

Strategic planning in high performing organizations was measured by Ramanujam and Venkatraman's (1987), in a four-item scale relating to the perceived degree of emphasis accorded to functional involvement, coordination, and integration in planning activity. The specific strategic planning system characteristics as summarized include internal orientation which, was measured through the perceived degree of attention devoted to customer services, efficiency of operations process, attracting and retaining high-quality employees, and analysis of financial strengths and weaknesses. Four items relating to the analysis of investment and deposits opportunities, competition and market analysis measured external orientation. Key personnel involvement was measured by the degree of CEO, board member, and line manager involvement in the strategic planning process. Creativity in planning is assessed by Ramanujam et al.'s (1987) by addressing the firm's ability to anticipate surprises and crises, to adapt to unanticipated changes, and so forth. The control aspect was addressing the degree of emphasis given to managerial motivation, upward and downward communication in the hierarchy, integration of operational areas, and the like. (Ramanujam et al, 1986) Finally, the use of planning techniques was measured by the degree of emphasis devoted to the application of financial models, portfolio analysis, and forecasting analysis techniques.

2.7 Strategic Management in Kenya

Strategic management in Kenya can be looked at from the various studies done in the field and also from the business environment and potential impact on the textile-manufacturing firms in Kenya.

Several empirical studies have been carried out in Kenya to document corporate planning practices. Aosa (1992) carried out a study on the strategy practices among large manufacturing companies in Kenya and established that foreign companies differed significantly from Kenyan companies. The former were found to be more formal and this was attributed to the influence of their parent companies, access to managerial resources, formal organizational structures and professional managerial approaches. Karemu (1993) looked at strategic management aspects in the large-scale retail sector. She established that supermarkets practice minimal budgetary forms of strategic management. Planning characteristics included reliance on intuition and individual ability to pursue long-term goals, prevalence of budgets and large informal planning activities. Shimba (1993) looked at the Kenyan financial sector and established both variations and similarities between the companies with respect to strategy practices. The variations were based on size, ownership and strategic orientation. Foreign companies had a longer planning horizon than their local counterparts and therefore were inclined to develop strategic plans.

2.8 Overview of the Literature on Textile Industry in Kenya

After Kenya's independence, the textile industry expanded dramatically. Many new firms began and others invested in backward-and-forward-linked projects. The textile and clothing industry accounted for about 19% of wage employment and 22% of the persons engaged in large firms. The industry was big and had been a major focus of the government's policy favoring import substitution. (Coughlin, 1991)

The textile industry was the engine of growth in the private sector, which created numerous jobs and became the second largest employer after the civil service. To encourage import substitution in the textile industry, the government had imposed high duties on fabrics and clothing and intermittent bans on the importation of used clothing. A renewed ban had been enforced against the importation of used clothing since April 1984. As of 1985, most ready-made imported clothes were subject to an 80% duty: linen, 100%; and most other fabrics, 70%. All were subject to sales tax. Textile industry is unique in that it has linkages with farmers, scientists, engineers, chemists, textile technologists, transporters and many others. It is thus an important medium to bring about economic and industrial development. This is why the government of Kenya selected it as one of the sub-sectors to be promoted in the first phase of the industrialization program. This is evident in the way the government initially protected the industry from importation of used clothing (Coughlin 1991)

Until 1962, Kenyans of Asian origin owned all the large textile mills. In the 1960s two joint ventures with Japanese and Kenyan capital (i.e., United Textile Mills in 1962 and

Kenya Toray Mills in 1965) and two with Indian and Kenyan capital (i.e., Kicomi in 1965 and Raymonds Woollen Mills in 1969) were established. In the 1970's the government's large investment banks initiated several joint ventures with European multinationals (i.e., East African Fine Spinners, 1972; Mt. Kenya Textiles, 1976; Rivatex, 1977; and African Synthetic Fibres, 1979). The firms owned by local entrepreneurs did well and many expanded. Inspite of the good performance of the firms owned by local entrepreneurs, the mid 1970's were faced with a different emergence all together. This period marked the genesis of large-scale textile imports. At this time, much of the East and Central African region was affected by military conflict. This caused an influx of refugees into Kenya and nearby countries Kenya then became a staging center for international humanitarian aid. Used garments from Europe and America constituted some of the aid. These garments started being sold at low prices in the Kenyan market. This eventually froze the textile industry (Langdon, 1981; Coughlin, 1986)

The 1980s witnessed major developments widening the scope and intensifying the integration of the Kenyan, textile industry. During 1985 and 1986, the Kenyan textile industry enjoyed a boom fuelled initially by the world economic recovery and later by abundant exports of coffee, which was highly priced due to failure of the Brazilian crop (Table 3). The weighted average rate of capacity utilization was high (80%) though certain sections had more excess capacity than the average, e.g. knitted fabrics and blankets (Coughlin 1986).

Table 3: Quantity index of textile and clothing production (1976 = 100)

YEAR	TEXTILES	CLOTHING	ALL MANUFACTURING
1976	100	100	100
1977	129.4	164	115.9
1978	140.3	205.4	130.5
1979	152.5	234.2	140.4
1980	161.2	275.4	147.8
1981	169.9	379.8	153.1
1982	134	388.5	156.5
1983	146.8	406.8	163.6
1984	166.6	369.5	170.3
1985	174.3	352.5	178.2
1986	186.5	354.8	188.7

Sources: Kenya Govt Economic Survey. 1980, 1984, 1986, 1987 Preliminary data

In summary, Kenya had developed a fairly well integrated textile industry by the late 1980s. In the 1990's, the Kenyan economy was faced by liberalization. This marked the end of the import substitution era, the failure of the cotton industry and the general move towards greater use of synthetic fibers (Coughlin 1991). The opening of the markets led to an influx of textile goods and this reduced the average capacity utilization in the textile mills to around 50% and even lower for the garment making industry. Liberalization did not affect the textile industry only. In the oil industry, the total volume of non-oil imports doubled between 1993 and 1997 (Government of Kenya Economic Survey, 1998).

Textile imports also rose more sharply. Liberalization is a force that was beyond the industry's control. It happened all over the developing countries and it had an impact on most industries including the textile industry in Kenya. In Kenya, its effects were negative. In order for the industry to maintain its good performance, it could have come up with strategies to counter the forces of liberalization. It is probably due to lack of this that its performances declined. The study seeks to bring out this issue clearly (McCormick et. al, 2001).

Kenya's textile industry consists of firms of varying sizes and technologies producing a wide range of products for the domestic, regional and global markets. Textile producing firms are all large-scale Garment producers, range from large factories to micro-enterprises. The larger producers use industrial machines and employ a mass-production type work organization, while many of the small firms use electric or foot-powered, domestic machines. Women own more than half of the small-scale garment firms while men predominate in both ownership and as workers in medium and large firms (McCormick et al, 1997).

Products include cotton, woolen blended and synthetic fabric, and clothing for men, women and children and home products such as bed sheets, towels and curtains. The industry grew rapidly in the immediate post-independence period but then stagnated and declined until by 1997, production of both clothing and textiles stood barely above their 1976 levels. The clothing industry increased its output fourfold between 1976 and 1983. Output then dipped and rose again through the rest of the 1980s before dropping sharply after 1993. Textile production grew more slowly. The quantity index of output rose from 100 in 1976 to 252 in 1993. Like clothing textile production then declined precipitously until by 1997 the output index stood only 20% higher than it had been two decades earlier. Between 1997 and 1999, textile output hardly changed, while garment production increased slightly (McCormick et al, 2001).

Another peculiar aspect in the Kenyan Textile industry is the issue of 'mitumba', which, is the local name given to second hand clothes. Clothes from the developed countries that are still in good condition but already worn are imported in the country and sold at cheap prices in the market. The second hand clothes that began to flood the Kenyan market in the early 1990s drastically reduced domestic demand (Billetoft, 1996). The Kenya Association of Manufacturers has said that the import of second hand clothing is not adding value to economic growth, nor is it helping the country to resolve its unemployment crisis. This is because most manufacturing firms in Kenya have gone down and many employees retrenched due to the fact that the companies cannot find a local market for their merchandise, nonetheless, mitumba has created many jobs in terms of the people who sell these clothes. Mitumba initially was confirmed to Gikomba market, we have seen many second hand clothing areas coming up like Westlands, Mtindwa market in Buruburu, Forest Road market, Kariokor, Ngara market and Kibera area among others. They have created employment for many young adults and also the older generation. There is a whole line of people employed in this business; if we are to consider the transport from the port to the distribution it is quite clear that it does have its share of employment. (McCormick et al, 2001).

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Design

For purposes of this research, the survey method was used to collect data from the textile manufacturers.

3.2 Population

The population of interest in this study consisted of the entire 61 textile manufacturing companies operating in Kenya, a list of which is attached.

3.3 Method of Data Collection

This study used a questionnaire, which is attached to Appendix 1 to this paper. The questionnaire was divided into three (3) sections. Section was intended to capture some general information. Section two (2) sought information on the state of strategic planning in the firms. Section three (3) focused on financial performance.

3.3 Data Analysis Technique

Once the raw data was obtained, the questionnaires were checked for errors and completeness. The responses from the quantitative questions were then be coded in a code sheet. The qualitative responses were content analyzed and were used to interprete quantitative data. Descriptive statistics were used. These mainly consisted of percentages and frequencies. The findings are presented in form tables and charts.

CHAPTER 4: FINDINGS AND DISCUSSION

4.1 Profile of the Companies

From the analysis presented in Table 4, out of the 20 companies that participated in the study, 40% of them manufacture Clothing and 75% manufacture Fabrics.

Table 4: Manufactured Product

Manufactured Product	Yes
Clothing	40%
Fabrics	75%

4.1.1 Size of the Company

Table 5 shows that almost half of the textile manufacturers (47%) occupy a floor space of between 5000 and 5500 square feet.

Table 5: Size of Floor Space

Size of Floor	Frequency	Response (%)
Less than 5000 sq. feet	4	21%
5000-5500 sq. feet	9	47%
5501-6000 sq. feet	5	26%
Over 6000 sq. feet	1	5%
Total	19	100%

4.1.2 Destination of Products Manufactured

As shown in Table 6, ninety Percent (90%) of the manufacturers sell their products locally, 35% sell to other parts of Africa while ten percent (10%) only sell externally.

Fifteen percent (15%) sell and to Comesa region and 5% in Europe but none sells to America.

Table 6: Destination of Products

Destination of Products	Response (%)
(i) Local (Kenya)	90%
(ii) COMESA	15%
(iii) Other parts of Africa	35%
(iv) Europe	5%
(v) America	0%
(vi) Other parts of the world	10%

4.1.3 Performance in the last 25 years

In the last 25 years, from 1981 to 2006, an average of 52% of the textile manufacturing companies have experienced decline in performance, 42% have improved and 6% have stagnated. These findings are presented in Table 7.

Table 7: Performance in the last 25 years

Period	Declined	Improved	Stagnated	Total
(i) 1981-90	50%	50%	0%	100%
(ii) 1991-00	46%	55%	0%	100%
(iii) 2001 to the present	61%	22%	17%	100%
Average	52%	42%	6%	100%

4.1.4 Vision and Mission

All the companies in the survey indicated that they have a mission statement and set objectives while 95% indicated that they have a vision statement. Of the respondents with set objectives, 65% indicated that the objectives are set at corporate level, 80% at business level and 10% at functional level. Eighty-five percent (85%) further indicated that the specific levels have their own objectives.

4.2 Strategy practice

As shown in Table 8, 50% of the respondents indicated that they focus, to a very large extent on a limited number of niches and develop an expertise in each through differentiation and niche focus, 55% compete based on value by providing customer value rather than low price, 85% focus on client satisfaction by trying to exceed client expectations and seek to delight and amaze the customer, 50% Attract and develop the 'Best' (right) talent and cultivate an environment that facilitates employee development, 75% Strive for operational excellence and continuously strive to be the best in the niches pursued, while 70% align mission and Strategy to achieve consistent and compatible action. This implies that majority of the companies focus on client satisfaction and operational excellence as well aligning their mission and strategy to achieve consistency. Therefore to a very large extent, they practice strategic planning in pursuit of better performance. The rest of the firms engage in the aforementioned practice to a large extent.

Table 8: Strategy Practice

Strategy	Very Large Extent	Large Extent	Total
(a) Differentiation and Niche focus - Focus on a limited number of niches and develop an expertise in each	50%	50%	100%
b) Compete based upon value - Compete by providing customer value, rather than low price	55%	45%	100%
c) Focus on client satisfaction- Exceed client expectations - seek to delight and amaze the customer	85%	15%	100%
d) Attract & develop the 'Best' - Attract the best (right) talent. Cultivate an environment to facilitate employee development.	50%	50%	100%
e) Strive for operational excellence - Continuously strive to be the best in the niches pursued	75%	25%	100%
f) Align Mission and Strategy - Align mission and Strategy to achieve consistent and compatible action.	70%	30%	100%

4.3 Characteristics of Strategic Planning Exhibited by the Firms

As shown in Table 9, on average, 67% of the firms in the study exhibited planning flow characteristics to a large extent. Except for document to facilitate communication and plan implementation, on average 42% of the firms to a very large extent exhibited planning formality characteristics. On the average 52% exhibited planning participation characteristics to a large extent, while, on average, 54% of the firms exhibited planning intensity characteristics to a very large extent. Planning integration characteristics was exhibited by 57% of the firms to a large extent.

Overall the above research findings imply that firms in the textile industry exhibit strategic planning characteristics to a large extent.

Table 9: Strategic Planning Characteristics exhibited by firms in textile industry

	Very Large Extent	Large Extent	Some Extent	Total
A) Planning flow Characteristics				
i) CEO is the 'Key' Strategist	11%	67%	22%	100%
ii) CEO is an initiator and controller	11%	67%	22%	100%
Average	**11%**	**67%**	**22%**	**100%**
B: Planning Formality Characteristics				
(i) Focus on outcomes rather than process	20%	27%	53%	100%
(ii) Document to facilitate communication and plan implementation	63%	26%	11%	100%
Average	**42%**	**27%**	**32%**	**100%**
C: Planning Participation Characteristics				
(i) Continual Assessment is Key	37%	63%	0%	100%
(ii) Cultivate Environmental Awareness	37%	63%	0%	100%
(iii) Continually seek client feedback	15%	60%	25%	100%
(iv) Understand the client's business and how to improve/expand service along the 'chain'	56%	39%	6%	100%
(v) Selectively identify, evaluate and pursue strategically important customers	24%	77%	0%	100%
(vi) Solicit input from delivery	67%	33%	0%	100%

(vii) Evaluate your competition but know your customers	44%	50%	6%	100%
(viii) Regularly communicate performance results	47%	41%	12%	100%
(ix) Assess Performance by segment(s) and Operational Approach	38%	56%	6%	100%
(x) Solicit employee input & participation on operational initiatives and action plans	44%	50%	6%	100%
(xi) Establish a few ' Key objectives	58%	42%	0%	100%
Average	**42%**	**52%**	**6%**	**100%**
D: Planning Intensity Characteristics				
(i) Demonstrate Commitment	47%	53%	0%	100%
(ii) Demonstrate value of strategic planning	50%	50%	0%	100%
(iii) Strategic planning is continuity	65%	35%	0%	100%
Average	**54%**	**46%**	**0%**	**100%**
E: Planning Integration Characteristics				
(i) Communicate openly and often	50%	50%	0%	100%
(ii) Strategy influences and Tactical action	53%	42%	5%	100%
(iii) Strategy influences on company structure	63%	32%	5%	100%
(iv) Action consistent with objectives	58%	42%	0%	100%
(v) Cultivate organizational responsibility	68%	32%	0%	100%
(vi) Link management rewards to strategic objectives	53%	47%	0%	100%
(vii) Monitor and update frequently	53%	47%	0%	100%
Average	**57%**	**42%**	**1%**	**100%**

4.4 Strategic Planning and Performance

The respondents were asked a question on the need to relate strategic planning to performance. The results are presented in Table 10. On the average, 25% of the firms in the textile industry rated themselves excellent, 72% rated themselves Good, while 13% rated themselves average performers. Notably, performance by 90% of the firms is Good as far as profitability is concerned; 83% indicated good performance in stockholder wealth growth.

Table 10: Strategy Planning and Performance

	Excellent	Good	Average	Total
(i) Profitability	0%	90%	11%	100%
(ii) Efficiency	63%	37%	0%	100%
(iii) Growth	16%	79%	5%	100%
(iv) Stockholder wealth growth	11%	83%	6%	100%
(vi) Utilization of resources	71%	24%	6%	100%
(vii) Reputation	42%	58%	0%	100%
(viii) Contribution to society	33%	67%	0%	100%
(ix) Market leadership	5%	90%	5%	100%
(x) Technological leadership	0%	100%	0%	100%
(xi) Survival in the market	11%	90%	100%	100%
Average	**25%**	**72%**	**13%**	**100%**

All the companies that participated in the survey indicated that their strategic planning is linked to their principal objectives, which is a product of the overarching philosophy of their organizations.

They all indicated that they have external measures or validation mechanisms in place to ensure that the systems (and not just the results) are efficient. Ninety-five percent of the respondents indicated that: -

i. There are clearly identified procedures in place for each financial function that has been aligned to positive business practice and the organizational goals;

ii. Staff are recognised or rewarded for their contribution to continuous improvement; and

iii. Staff are recognised or rewarded for achieving strategic objectives.

Ninety four percent of the respondents indicated that their position profiles for each role in the organization clearly identify accountability for continuous improvement, teamwork and quality of performance.

These findings imply that performance in these companies is linked to strategic planning and is aligned to company strategic objectives.

Table 11: Performance and Strategic Objectives

Performance Indicators whether..	Yes	No	Total
(a) Strategic planning linked to principal objectives and is a product of the overarching philosophy of your organization	100%	0%	100
(b have external measures or validation mechanisms in place to ensure systems (and not just your results) are efficient	100%	0%	100
(c there are clearly identified procedures in place for each financial function that have been aligned to positive business practice and the organizational goals	95%	5%	100
(d) position profiles for each role in the organization clearly identify accountability for continuous improvement teamwork and quality in their performance	94%	6%	100
(e) staff are recognised or rewarded for their contribution to continuous improvement in the role	95%	5%	100
(f) staff are recognised or rewarded for their achieving strategic objectives	95%	5%	100

CHAPTER 5: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Strategic planning and performance are inextricably linked. Organizational goals are established as part of the strategic planning process. They get accomplished by being cascaded down from the organization as a whole, to the sub-units, then to their sub-units, until eventually they are assigned, often as pieces of the whole, to individual employees. That is done through the process of individual employee goal setting or objective setting during the performance-planning phase of performance management.

From the findings of this study, it is evident that the organizations in the textile industry rely heavily on strategic planning to survive. It is evident from this study that there are three types of firms in the industry: those that are declining in performance, evidenced by the last 25 years from (1981 to 2006), 52% of the textile manufacturing companies on the average, have declined in performance, 42% are improving in performance and 6% are stagnating in performance.

As in the previous studies (Aosa, 1989), it is evident that strategic planning plays a critical role in the performance of these companies and thus their survival.

This study has found that the firms that are still in operation exhibited the following characteristics of strategic planning, which in turn has bearing on their performance: -

i. Planning flow characteristics;

ii. Planning formality characteristics;

iii. Planning intensity characteristics; and

iv. Planning integration characteristics

This means that there are clearly identified procedures in place for each financial function that has been aligned to positive business practice and the organizational goals; Staff are recognised or rewarded for their contribution to continuous improvement of their roles; and they are also recognized or rewarded for achieving strategic objectives. The position profiles for each role in the organization clearly identify accountability for continuous improvement of teamwork and quality in performance.

5.2 Conclusion

The objective of this study was to determine the relationship between formal strategic planning and performance in the textile manufacturing industry in Kenya. From the findings of the study, it is evident that there is a strong relationship between strategic planning and company performance in this industry.

This study therefore concludes that in an industry, such as the textile manufacturing in Kenya, where there has been a lot of external environmental turbulence, the companies that improve in performance are those that adhere to formal strategic planning. Without which, the result is decline and/or stagnation.

5.3 Recommendations for further study

It is recommended that:

i. Further study is undertaken to determine the common environmental factors that increase the chances of decline or stagnation by firms that do not adopt strategic planning.

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APPENDIX 1: QUESTIONNAIRE

Section A. General Information

1. Name of organization………………………………………………………

2. Year of establishment…………………………………………………..

3. Which product does your firm manufacture?
   1. Clothing ☐
   2. Fabrics ☐

4. What is the size of space occupied by your textile plant or factory?
   1. Less than 5000 sq. feet ☐
   2. 5000 – 5500 sq. feet ☐
   3. 5501 – 6000 sq. feet ☐
   4. Over 6000 sq. feet ☐

5. What is the destination of your products? Tick all that apply
   1. Local ☐
   2. Comesa ☐
   3. Other parts of Africa ☐
   4. Europe ☐
   5. America ☐
   6. Other parts of the world ☐

6. How would you generally describe the performance of your firm between the following years (tick as appropriate)?

Year	Improved	Declined	Stagnated
1. 1981-90	☐	☐	☐
2. 1991-00	☐	☐	☐
3. 2001 to the present	☐	☐	☐

7. Does your organization have a vision?
   Yes ☐
   No ☐

9. Does your firm have a mission?
   Yes ☐
   No ☐

10. Does your firm have any set of overall objectives?
    Yes ☐
    No ☐

11. At what level are these objectives set?

   1. Corporate level ☐
   2. Business level ☐
   3. Functional level ☐

12. Do the specific levels have their own objectives?

   Yes ☐
   No ☐

Section 2: Strategic Planning

13. On a scale of 5 to 1 where **5= Very Large Extent and 1 = Very low extent**, indicate which strategy practices are pursued by your organization to achieve better performance.

Strategy Practice	**Very Large Extent**	**Large Extent**	**Some extent**	**Low extent**	**Very low extent**
Differentiation and Niche Focus – Focus on a limited number of niches and develop an expertise in each.					
Compete Based Upon Value - Compete by providing customer value, rather than low price.					
Focus on Client Satisfaction - Exceed client expectations – seek to delight and amaze the customer.					
Attract & develop the 'Best' - Attract the best (right) talent. Cultivate an environment to facilitate employee development.					
Strive for Operational Excellence - Continuously strive to be the best in the niches pursued.					
Align Mission and Strategy - Align mission and strategy to achieve consistent and compatible action.					

13. According to you, on a scale of 5 to 1 where **5= Very Large Extent and 1 = Very low extent** which of the following strategic planning characteristics does your organization exhibit during the planning process?

Planning Flow Characteristics	**Very Large Extent**	**Large Extent**	**Some extent**	**Low extent**	**Very low extent**
CEO is the 'Key' Strategist					
CEO is a Filter and Catalyst					
Planning Formality Characteristics					
Focus on Outcomes Rather than Process					
Document to facilitate communication and plan implementation.					
Planning Participation Characteristics					
Establish a strategic planning group					
Involve the Entire Organization					
Use a 'Knowledgeable' Facilitator					
Planning Comprehensiveness Characteristics					
Continual Assessment is Key					
Cultivate Environmental Awareness					
Continually Seek Client Feedback					
Understand the client's business and how to improve/expand service along the 'chain'.					
Selectively identify, evaluate, and pursue strategically important customers.					
Solicit Input from Delivery					
Evaluate Your Competition, but Know your Customers					
Regularly communicate performance results					
Assess Performance by segment(s) and Operational Approach					
Solicit employee input & participation on operational initiatives and action plans.					
Establish a Few 'Key' Objectives					
Planning Intensity Characteristics					
Demonstrate Commitment					
Value of Strategic Planning					
Strategic Planning is Continuity					
Planning Integration Characteristics					
Communicate Openly and Often					
Strategy Influences and Tactical Action					

Strategy Influences on company structure.					
Action Consistent with Objectives					
Cultivate Organizational Responsibility					
Link Management Rewards to Strategic Objectives					
Monitor and Update Frequently					

Section 3: Key Performance Indicators of Strategic Planning

15. Please rate your strategic planning in the following areas

Performance Indicators	Excellent	Good	Average	Below Average	Poor
Profitability					
Efficiency					
Growth					
Stockholder wealth growth					
Utilization of resources					
Reputation					
Contribution to society					
Market leadership					
Technological leadership					
Survival in the market					

Performance Indicator	☑
Is your strategic planning linked to your principal objectives and is it a product of the overarching philosophy of your organisation?	
Do you have any external measures or validation mechanisms in place to ensure your systems (and not just your results) are efficient?	
Are there clearly identified procedures in place for each financial function that have been aligned to positive business practice and the organisational goals?	
Do your position profiles for each role in your organisation clearly identify accountability for continuous improvement, teamwork, and quality in their performance?	
Are staff recognised or rewarded for their contribution to continuous improvement in the role they play?	
Are staff recognised or rewarded for their achieving strategic objectives	

Thank you very much for your co-operation and your time.

APPENDIX 2: TEXTILE INDUSTRY SECTOR – LIST OF FIRMS

1. Bedi Investments Ltd.
Lower Factory Rd.
Ind. Area Nakuru,
Box 230, Nakuru
Tel: (037) 212320 – 2
Fax:(037) 44776

2. Spinners & Spinners Ltd (Ruiru)
P.O. Box 46206, Nairobi
Tel: (0151) 21250/1/2
Tel: (02) 226178/229638
Fax: (02) 218154

3. Blanket Industries Ltd
Kirinyaga Rd
P.O. Box 82331, Mombasa
Tel:(011) 491853/491848.

4. Spinknit Ltd
Nakuru/Eldoret Highway
P.O. Box 1478, Nakuru
Tel: (037) 211517/8
Fax: (037) 44095

5. Mount Kenya Textile Ltd
P.O. Box 115, Nanyuki
Tel: (0176) 22003 – 4/22007-8
Fax: (0176) 32412

6. Mombasa Textile Mills Ltd
Kwa Jomvu, Changamwe
P.O. Box 81783, Mombasa
Tel: (011) 433480/432657
Fax: (011) 432818

7. Rift Valley Textiles Ltd
Kipkaren Rd
P.O. Box 2236, Eldoret
Fax:(0321) 61276

8. Kisumu Cotton Mills (1983) Ltd
Pemba Rd
P.O. Box 47, Kisumu
Tel: (0321) 32551-5 Tel: (035) 21600/1, Fax: (035) 21526

9.Raymond Woollen Mills (K) Ltd
P.O. Box 734, Eldoret,
Tel: (0321) 31811 – 16
P.O. Box 44534, Nairobi

10. Kenya Taitex Mills Ltd
Garissa Rd, Thika
P.O. Box 581, Thika
Tel: (02) 222025

11.Sunflag Textile &
Knitwear Mills Ltd
Kitui Rd. Ind. Area
P.O. Box 41627, Nairobi
Tel: (02) 559711
Fax:(02) 559015

12. Mega Spin Ltd
Sungura Avenue, Ltd
Ind. Area, Nakuru
P.O. Box 3204, Nakuru
Tel: (037) 40449/43610
Fax: (037) 45938

13.Thika Cloth Mills Ltd
Juja Rd - Thika
P.O. Box 41896, Nairobi
Tel: (02) 741988/521754
Fax: (02) 744988

14. Bhupco Textile Mills Ltd
Kirinyaga Rd
P.O. Box 30569, Nairobi
Tel: (02) 229761/227700
Fax: (02) 212297

15. United Textile Industries (K) Ltd
Kiboko Rd.
Unga Street
P.O. Box 99559, Mombasa
Tel: (011) 490466/492204
Fax: (011) 493412

16. Summit Fibres Ltd
Ind. Area,
P.O. Box 394, Thika
Tel: (0151) 21641/22385
Fax: (0151) 22351

17. Sona Industries Ltd
P.O. Box 252, Ruiru
Tel: (0151) 54064/54290
Fax: (0151) 54426

18. Uzuri Manufacturers Ltd
Lunga Lunga Rd. Ind. Area
P.O. Box 47828, Nairobi
Tel: (02) 558668/552742
Fax: (02) 541538

19. Kenya Threads Industry Ltd
Athi River
P.O. Box 41973, Nairobi
Tel: (0150) 20211
Tel: (02) 212450/9
Fax: (02) 333043

20. Bonas (EA) Ltd
Addis Ababa Rd. Ind. Area
P.O. Box 42759, Nairobi
Tel: (02) 557355
Fax: (02) 540920

21. Tarpo Industries Ltd,
P.O. Box 45164, Nairobi
Enterprise Rd, Ind. Area
Tel: (02) 542800/542801-3
Fax: (02) 540488

22.Nakuru Industries Ltd,
P.O. Box 22, Nakuru
Tel: (037) 41845/42799
Fax: (037) 45777

23. African Cotton Industries Ltd
Taveta Rd. Shimanzi
P.O. Box 90324, Mombasa
Tel: (011) 226970/225316
Fax: (011) 225317

24. 6. Oriental Mills Ltd
Embakasi Rd.
P.O. Box 34849, Nairobi
Tel: (02) 823020/740618
Fax: (02) 740613

25. Samtowels Ltd,
Nairobi/Mombasa Rd,
P.O. Box 20496, Nairobi
Tel: (02) 822334/822432
Fax: (02) 211035

26. Starex Fastener
Manufacturers Ltd
Funzi Rd. Ind. Area
P.O. Box 48643, Nairobi
Tel: (02) 554991/554995
Fax: (02) 552779

27. Kensisal Products Ltd,
Babadogo Rd.
P.O. Box 11683, Nairobi
Tel: (02) 744460/802238

28. Kenya Canvas Ltd,
Muindi Mbingu Street,
P.O. Box 45688, Nairobi
Tel: (02) 223045/226854

29. Kenya Tents Ltd,
Thika Rd, Kasarani
P.O. Box 41128, Nairobi
Tel: (02) 802083/802873
Fax: (02) 803216/322653

30. Kawan Carpets Ltd
Lunga Lunga Rd.
P.O. Box 78062, Nairobi
Tel: (02) 530043/554214
Fax: (02) 553030

31. Sameh Textile Industries Ltd,
Refinery Rd,
P.O. Box 90544, Mombasa
Tel: (011) 433750
Fax: (011) 227135

32. Alpha Knits Ltd,
Industrial Area, Ruiru,
P.O. Box 47018, Nairobi,
Tel: (0151) 54722
Fax: (0151) 54071/2

33. Gopitex Knitwear Mills Ltd,
Enterprise Rd. Ind. Area,
P.O. Box 47902, Nairobi,
Tel: (02) 552785/553987

34. Acme Textiles
Miritini, Mombasa/
Nairobi Rd.
P.O. Box 86928, Mombasa
Tel: (011) 472098/432925

35. Jaydees Knitting Factory Ltd,
Lunga Lunga Rd. Ind. Area,
P.O. Box 22276, Nairobi,
Tel: (02) 553566/554055
Fax: (02) 559471

36.Ken-Knit (K) Ltd,
Uganda Rd.
P.O. Box 142, Eldoret,
Tel: (0321) 33644/5
Fax: (0321) 32828

37. Mega Spin Ltd,
Sungura Avenue,
P.O. Box 3204, Nakuru,
Tel: (037) 40449/43610
Fax: (037) 45938

38. Midco Textiles (EA) Ltd,
Gilgil/Enterprise Rd. Ind. Area,
P.O. Box 18160, Nairobi
Tel: (02) 556222/556443
Fax:(02) 544827

39. East African Garment Factory Ltd

Gideon Rimba Rd.
P.O. Box 80948, Mombasa
Tel: (011) 316816/316818
Fax: (011) 316949

40. Kamba Manufacturing (1986) Ltd
Off. Komarock Rd. near Dandora
Railway Station,
P.O. Box 17187, Nairobi,
Tel: (02) 794708/790068/69
Fax: (02) 556044

41. Premier Bag & Cordage Ltd,
Juja, Off Nairobi/Thika Rd.
P.O. Box 59307, Nairobi
Tel: (02) 531313/5/6
Fax: (02) 556044

42. Hercules Mills Ltd
P.O. Box 76529, Nairobi
Tel: (02) 716447/8
Fax: (02) 716625

43. Interfashions Garment
Manufacturers Ltd
Banana Hill/Limuru Rd
P.O. Box 20070, Nairobi
Tel: (0154) 41922/24/26 - Karuri
Fax: (0154) 41895

44. Kamyn Industries Ltd
Abdullas – Nassir Rd.
P.O. Box 82851, Mombasa
Tel: (011) 223567/221189

45. Brothers Shirts Factory Ltd
Wajir Rd, Off Dunga Rd.
P.O. Box 44061, Nairobi
Tel: (02) 559748/559799
Fax: (02) 544624/545416

46. . Kaga Fashions (K) Ltd,
Kikuyu Town
P.O. Box 385, Kikuyu
Tel: (0154) 32301/32421

47. Cottex Manufacturers Ltd

Off. Enterprise Rd.
P.O. Box 17601, Nairobi
Tel: (02) 554080/90
Fax: (02) 544320

48. Denamal Garment Factory (K) Ltd
P.O. Box 11084, Nairobi
Tel: (02) 227365/224880
Fax: (02) 224628

49. Kenya Shirts Manufacturing
Co. Ltd
Gideon Rimba Rd.
P.O. Box 80346, Mombasa
Tel: (011) 312898/32461
Fax: (011) 229711

50. Garment Exporters & Processors Ltd
Off. Enterprise Rd.
P.O. Box 41169, Nairobi
Tel: (02) 332480 / 552226
Fax: (02) 331929/ 552192

51. Londra Ltd
Fax: (02) 331929/ 552192
Lower Factory Rd.
P.O. Box 1278, Nakuru
Tel: (037) 211765/211766
Fax: (037) 44748

52. Gopitex Knitwear Mills Ltd
Tel: (037) 211765/211766
Off. Enterprise Rd.
P.O. Box 47902, Nairobi
Tel: (02) 552785/553987

53. Millbrook Garments
Haile Selassie Rd.
P.O. Box 81940, Mombasa
Tel: (011) 224984/5
Tel: (035) 44041/44934
Fax: (035) 40582

54. Impala Garments Ltd
Obote Rd
P.O. Box 607, Kisumu
Tel: (035) 44041/44934
Fax: (035) 40582

55. Rayshian Apparels Ltd
Embakasi / Mombasa Rd
P.O. Box 17519, Nairobi
Tel: (02) 559908/532147
Fax: (02) 534146

56. Umoja Clothing Factory Ltd
Tangana Rd.
P.O. Box 84327, Mombasa
Tel: (011) 221688/222567
Fax: (011) 314101

57. Kesbrook Garment
Manufacturers Ltd.
Dar-es-salaam Rd.
P.O. Box 49254, Nairobi
Tel: (02) 558231/542942
Fax: (02) 540755

58. Vaja's Manufacturers Ltd
Lusaka Rd. Ind. Area
P.O. Box 46716, Nairobi
Tel: (02) 556133/554834
Fax: (02) 542608

59. Orbitsports Ltd
Enterprise Rd. Ind. Area
P.O. Box 14075, Nairobi
Tel: (02) 555636/555066
Fax: (02) 541220

60. Capital Knitwear Mills Ltd
Lunga-Lunga Rd.
P.O. Box 42769, Nairobi
Tel: (02) 558229/558251

61. Life Clothing Factory
Enterprise Rd.
P.O. Box 11147, Nairobi
Tel: (02) 540543/540647