DECLAREATION

This Project is my original work and has not been submitted for a degree in any other University.

Signed..

KASINGA SUSAN

Date.................26-9-2001...

The Project has been submitted for examination with my approval as the University Supervisor

Signed:..

Dr. Evans Aosa

Date..........5/11/2001...

DEDICATION

This study is dedicated to my son Kioko kasyoka

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ABBREVIATIONS

CBK	Central Bank of Kenya
CEO	Chief Executive Officer
CMA	Capital Markets Authority
NSE	Nairobi Stock Exchange

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ABSTRACT

The business environment is constantly changing. Fundamental changes have taken place in the Kenyan business environment in the last ten years. These changes have subjected the stockbrokers and indeed other organizations operating in Kenya to increased complexities. This study sought to establish the strategies adopted by stockbrokers in this very dynamic environment.

This study had one main objective:

To establish strategy practices of stockbrokers in Kenya.

Data was collected through a questionnaire personally administered. Both closed and open-ended questions were used. Data was collected from 13 stockbrokers out of the 18 registered at the NSE.

The data was tabulated and then classified into sub-samples according to common characteristics. The respondents were then coded. Basic statistical analysis such as frequency distribution means medians, modes, and percentages, simple and cross tabulations, proportions and percentages were used. In addition, measure of both central tendency and spread was used to compare certain characteristics of the stockbrokers. A content analysis was also carried out.

The results indicated that stockbrokers in Kenya, have informal strategy practices which can be attributed to the small sizes of their organizations, the nature of their operations and the limited number of their products. They are basically under the control of single individuals where strategic evaluation is informal, intuitive and limited.

Their survival is highly threatened by a hostile turbulent business environment characterized by a non-performing economy, a depressed market and lack of investor confidence. As a result two clear distinctions of stockbrokers emerge: those that have taken drastic cost cutting measures, ventured into new products and regions and those that have taken a wait-and-see attitude hoping that the economy will take an upward trend soon and save them from closing their businesses.

INTRODUCTION

1.1. Background

Organizations of varied types have been in existence for a long time. They have been created in order to serve the needs of the society in which they exist. The key concern of these organizations has been and still is their continued existence over time. However, such a continuous organizational life is not automatically assured. The organizations, by their activities have to justify their continuous existence in society (Aosa, 1998).

The environment is constantly changing, and so it makes it imperative for organizations to continuously adapt their activities in order to succeed. In order to survive in this very dynamic environment, organizations need strategies to focus on their customers and to deal with the emerging environmental challenges. This is required of them since they are environment serving (Ansoff 1987). They need strategic management.

The Kenyan business environment has been undergoing drastic changes for sometime now. Some of the changes include; the accelerated implementation of economic reforms by the government, the liberalization of the economy, discontinuation of price controls, privatization and commercialization of public sector and increased competition. In this changing environment, organizations have to constantly adapt their activities and internal configurations to reflect the new external realities. Failure to do this may put the future success of the organizations in jeopardy (Aosa 1998).

Stockbrokers in Kenya are organizations existing in this dynamic environment.
The Capital Market Authority (CMA) chief executive has described the changes in Kenya's capital market as "erratic" thus causing serious challenges to the business and investment environment (CMA Annual 1999 report). The stockbrokers, like any other organizations have to adapt to these changes in order to survive. One way of adapting is through practicing strategic management.

Several studies have been done in the area of strategic management relating to various industries in Kenya. Aosa (1992), looked at strategy formulation and implementation within large manufacturing companies; Karemu (1993), looked at strategic management in the retailing sector; Shimba (1993), looked at the aspects of strategic planning in the financial sector, Kangoro (1994) focused on strategy practices in public organizations, while Njuguna (1996) looked at strategy practices within the oil companies in Kenya.

The studies established the existence of formal and informal strategic planning in organizations in Kenya. Environmental and organizational (contextual) factors were found to bring out variations in strategy practices. The contextual factors included ownership, complexity, company control, government and management orientation. We however do not know about the state of strategy practices of stockbrokers. This study will seek to establish the strategy practices of stockbrokers in Kenya.

1.2 STATEMENT OF THE PROBLEM

Stockbrokers like all other organizations are environmental serving (Ansoff, 1984;Ansoff and Sullivan, 1993). They depend on the external environment for their survival. They have to understand requirements of this environment and adapt to them. Failure to do this will give rise to a serious strategic problem characterized by the maladjustment of the organization's out put and the demand of the external environment (Ansoff 1984) .If Stockbrokers are to remain successful, their strategies have to address the environmental challenges adequately.

Fundamental changes have taken place in the Kenyan business environment. Privatization of some state-owned corporations, liberalization of both domestic and foreign trade, reform programs aimed at modernization of the capital market and the newly established Retirement Benefit Authority (RBA) are some of the challenges facing the stockbrokers in Kenya. One principal outcome of these changes is increased complexity in the business environment. Such dynamic conditions in the environment require firms to turn to strategic management in order to ensure survival and success.

Various studies have been done in strategic management in different sectors of the Kenyan economy. These studies focused on various aspects of strategic management. They recommended that further studies be carried out in order to shed more light on strategic management in Kenya. Among the suggestions for further research include:

i. industries not studied

ii. Public sector strategy implementation.

No study carried out had focused on strategy practices of stockbrokers in Kenya. It is in this light that the study became relevant. It sought to establish strategy practices of stockbrokers in Kenya.

1.3 OBJECTIVE OF THE STUDY

Currently, we do not know about the strategy practices of stockbrokers in Kenya. This study set out to address this issue. Accordingly, one research objective was retained for this study. The objective is:

1. To establish strategy practices of stockbrokers in Kenya.

1.4 IMPORTANCE OF THE STUDY

This study is significant in the following ways:

1) It will inform the stockbrokers of the strategy practices used in their industry and the challenges for them, as they adapt to the rapid changes in the environment.

2) It will give a deeper insight to Nairobi Stock Exchange, and the Capital Market Authority about their members, the stockbrokers and other stakeholders, as they work towards mobilization of funds in Kenya towards industrialization by the year 2020.

3) It will shed some light to the investors as to how their intermediaries face up to the market challenges. It will help them in their endeavor to make good investment decisions.

4) To the academicians, the study will be important as an addition to knowledge. It is hoped that it will stimulate further research in other aspects of strategies in other areas within the capital market and other industries.

1.5 SCOPE OF THE STUDY

The study had a bias towards the rational-analytical approach to strategy formulation. It used this approach to establish the strategy practices of stockbrokers in Kenya. The study investigated the following specific aspects of strategic management among stockbrokerage firms.

i. Mission statement
ii. Plans and planning process
iii. Planning horizon
iv. Strategic plan
v. Triggers of strategic plan
vi. Objectives
vii. Objectives setting
viii. Competitor analysis
ix. Industry analysis
x. Market analysis

2.0. LITERATURE REVIEW

2.1 THE CONCEPT OF STRATEGY

Strategy is the match between an organization's resources and skills and the environmental opportunities and risks it faces and the purposes it wishes to accomplish (Schendel & Hofer 1979: 11). It is meant to provide guidance and direction for the activities of the organization. This idea is in line with Ansoff's (1965) view that strategy is the "common thread" among an organization's activities and product/markets that defined the essential nature of the business that the organization was in and planned to be in the future. It is a pattern of decisions in a company that determines and reveals its objectives, purposes or goals, produces the principal policies and plans for achieving those goals (Andrews 1987).

The major tasks of managers is to assure success (and therefore) survival of the companies they manage. In order to achieve success the companies have to adequately adjust to meet environmental challenges. Failure to do this will cause the company to experience a big strategic problem. This problem arises out of the mismatch between the output of the company and the demand in the market place. Strategy is useful in helping managers tackle the potential problems that face their companies (Aosa 1998). Strategy is a tool, which offers significant help for coping with turbulence confronted by business firms. It therefore merits serious attention as a managerial tool, not only for the firm but also for a broad spectrum of social organizations (Ansoff 1990). If the concept of strategy is to be of value, correct strategies have to be formulated and implemented, a process known as strategic management.

2.2 STRATEGIC MANAGEMENT

Strategic management which is concerned with arriving at decisions on what the organization ought to be doing and where it ought to be going, is important in helping managers ensure the survival of their organization (Howe 1993). Teece (1984:87) define it as the on going process of ensuring a competitively superior fit between the organization and its ever-changing environment. Pearce & Robinson (1997) look at strategic management as the formulation, implementation, control and evaluation of business strategies to achieve future objectives.

However defined, strategic management includes all of the activities that lead to the definition of the organization's objectives and to the development of programs, actions and strategies to accomplish these set objectives. It provides the basic direction and framework within which all organizational activities take place.

Strategic management involves the planning, directing, organizing and controlling of a company's strategy-related decisions and actions. By strategy, managers mean their large-scale, future-oriented plans for interacting with the competitive environment to achieve company objectives. A strategy is a company's "game plan"(Pearce & Robinson 1997).

Strategic management issues require top-management decisions. This is because they require a large amount of the firm's resources and often affect the firm's long-term prosperity. They are future oriented and have a multi-functional or multi-business consequence. They require considering the firm's external environment (Pearce & Robinson 1997).

Hoffman and Hegarty (1989) noted that the very emergence of strategic management was out of necessity. Managers have been faced with the need to adapt increasingly complex organizations to rapidly changing environments. Strategic management helps organizations cope with the dynamic environment, which they face. It is an invaluable tool for any organization to ignore. Porter (1980) summarized the benefits of strategic management,

Firstly, that an organization's strategy provides the central purpose and direction (vision, mission, and objectives) to the activities of the organization, to the people who work in it, and often to the world outside (framework of the organization's actions). This provides a perspective for various diverse activities overtime. The company is able to perform current activities while at the same time viewing them in terms of their long-term implications.

Secondly, that strategic management enables organizations to adapt under conditions of externally imposed stress or crisis because of the changing environment. Organizations can and do often create their environment, besides reacting to it by focussing on strategic issues.

Thirdly, that strategic management helps companies develop sustainable competitive advantage. In developing strategy, organizations carry out an analysis of their external and internal environment and see where they can out perform their competitors and vise versa. This enables the company to outperform competition. The goal is to help secure a competitive advantage over rivals.

Fourth, that strategic management is important for the management of the organizations boundaries interface. This sustains the legitimacy of the organization and enhances the quality of its relationship with the outside environment (effective/futuristic orientation).

Lastly, that strategic management helps organizations to be more focussed in their efforts, effective in resource allocation and key success factors. It helps to cultivate a culture of forward thinking therefore creating a culture of learning organizations.

2.3 THE STRATEGIC MANAGEMENT PROCESS

Strategic management is a process, which affects the whole organization. It outlines the way in which objectives are determined and strategic decisions are made (Jauch & Glueck, 1984). This process affects everybody in the organization. Pearce and Robinson (1997) outline it as involving; the planning; directing, organizing and controlling of a company's strategy-related decisions and actions.

The process includes a series of activities and steps. They basically involve formulation, implementation and control of strategy. Various models have been developed to elaborate this process. The following model was used to investigate strategy practices of stockbrokers in Kenya. The study however limited itself to the aspects related to strategy formulation and not implementation.

(a) Strategy formulation:

i. Vision and mission specification

ii. Statement of objectives

iii. Identify Strengths, Weaknesses, Opportunities and Threats (SWOT analysis) through:-
situation/internal analysis
-Environmental Scanning

iv. Competitor analysis

v. Industry analysis

vi. Market analysis

vii. Strategic analysis and choice-developing alternatives, comparing them and making the strategic choice

(b) Strategy Implementation

(c) Strategy evaluation and control

Though the above model may portray formality in strategic management, it should be pointed out that a number of forces determine how much formality is needed. These forces include the management style, complexity of the environment and the size of the organization. (Pearce & Robinson 1997).

Small organizations are said to follow an approach that Mintzberg called the *entrepreneurial mode.* In this mode, strategy is said to be developed by an individual, who relies on intuition, experience, and personal judgment. This is because small firms are often under the control of a single individual and they produce a limited number of products. (Pearce & Robinson 1997). The other modes are planning modes and adaptive modes. The three modes should be seen as a set together, to be used alternatively depending on the conditions in which a company is operating (Minztberg 1983).

Stockbrokers can be categorized as small organizations. They deal in a limited number of products and employ a relatively small number of staff members.

According to Kibera (1997) in Kenya, businesses with fewer than 10 workers are labeled micro-enterprises while those with 11 to 50 workers are labeled small enterprises.

Although commonly associated with large organizations, strategic planning has been found to be just as significant to the small enterprise (Stokes 1994).

2.4 STOCKBROKERS IN KENYA

The history of stockbrokers in Kenya dates back to the colonial days. Until independence in 1963, trade in securities was a preserve of the Europeans in which Africans and Asians were forbidden. The dealers at the time were professionals in other fields such as accountants, lawyers, auctioneers and estate agents who took it as a side business. Business was conducted more on the basis of trust. There were no rules or regulations. The Nairobi Stock Exchange (NSE) assumed a formal status in 1954 when it was set up as an association of stockbrokers (NSE Financial 1999 Statement).

Stockbrokerage has moved from a sideline business to that which plays an important role in the Kenyan economy, especially in the privatization of state-owned enterprises. Stockbrokers act as intermediaries for buyers and sellers of financial securities at the Stock Exchange, for which they earn a prescribed commission. They can also be financial advisors to the government, institutions and individuals.

Although stockbrokers have been around for a while, they are commonly known to deal in only one instrument-equity. Kimura (1999) states that there is a general lack of awareness and information on the role, functions and operations of the exchange and the stockbrokers. They are operating in a competitive and complex environment. They are not only faced with fierce competition among themselves, but also from other financial advisors and banks.

2.5 ROLE OF STOCKBROKERS

The Stockbrokers, through the NSE and the CMA play an important role in the economy, The Government has recognized the potential of this market to make long term capital available and to facilitate allocation of resources to corporations and industries (sessional paper No.2 of 1996). Through the selling and buying of shares, the brokers provide companies with facilities to raise capital, which can be used for expansion and other purposes. This further mobilizes savings among individuals and companies, redistributes wealth, and improves corporate governance by having a wide and varied scope of ownership (NSE Handbook 1998).

The Government and local authorities like municipals can finance huge infrastructure projects or housing projects by selling a category of shares or bonds, which can be raised through the stock exchange by the stockbrokers (NSE Handbook1998).

The stockbrokers can be financial advisors to government, institutions and individuals. They are basically financial service providers. They are all registered as members of the NSE and licensed through the CMA. According to the NSE handbook 1998,20 are registered but only 18 of them are in operation. They all operate in Nairobi.

2.6 CHANGES IN THE KENYAN ENVIRONMENT

Over the last ten years, fundamental changes have taken place on the Kenyan economic scene, which affect the stockbrokers and indeed other organizations operating in this environment. The most notable of these has been the accelerated reform by the government .The intended effect of these reforms has been to establish a free market and a competitive economic system in Kenya.

The economy is now largely liberalized. Price control has become a thing of the past. Portions of the public sector have been either privatized or commercialized. On the international scene, developments in technology have made global market access very easy. Companies have developed a global perception in their operations. As a result, these companies are now competing very aggressively on a global basis(Aosa 1998).

These changes have subjected the stockbrokers and indeed other organizations operating in Kenya to increased complexities. It is felt that strategic management as a key pillar of corporate survival, may be adopted and applied to ensure better performance for any organization (Chak 1998). The stockbrokers are no exception. Strategic management could be the key to their future survival and success.

CHAPTER 3

3.0 RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter outlines the steps undertaken in executing the study. Specific methods and procedures used in the collection, measurement and analysis of the necessary data are included. To begin with, is restatement of the study's objective.

3.2 OBJECTIVE OF THE STUDY

The study has one main objective:

To establish the strategy practices of stockbrokers in Kenya.

The practices investigated were derived from the model of strategic management process presented earlier. The focus was on strategy formulation.

3.3 POPULATION

The population used in this study comprised of all the stockbrokers registered at the NSE, who were in operation at the time of the study. According to the NSE Handbook 1998, there were 20 registered Stockbrokers. However, only 18 were in operation according to the 1999 CMA report. (See Appendix 3).

3.4 SAMPLE

All the stockbrokers in operation at the time of the study were contacted to participate in the study. This was due to the following two reasons:

i. As mentioned above, there are only 18 stockbrokers in operation in Kenya. They all operate in Nairobi. This was viewed to be a small sized population, which can be easily contacted to participate in the study.

ii. Different studies have reported different response levels.; 67% (Njuguna, 1996); 56% (Shimba 1993); and 55% (Karemu, 1993). This shows a certain element of none response of the contacted organizations. It is in this anticipation of none respondents, that all the stockbrokers were contacted to participate, although the study is not a census study.

Thirteen out of the eighteen contacted organizations responded to the study. These thirteen respondents constituted the sample of the study. The response rate achieved was 72%, which was considered reasonable in view of response rates achieved in other similar studies as sighted above.

3.5 DATA COLLECTION

3.5.1: The questionnaire

A survey was carried out of strategy practices of stockbrokers. Both qualitative and quantitative data was collected. A questionnaire (see Appendix 2) was used to collect the data. It had both closed and open-ended questions. The questionnaire was constructed by review of literature and past studies. It was then discussed with the supervisor and presented for approval at the presentation of this study.

After the approval of the questionnaire at the study presentation level, the questionnaire was pre-tested with one of the stockbrokers to establish its logic, flow and sequence. After the above processes, the questionnaire was then personally administered to the respondents.

The researcher conducted personal interviews with chief executives officers (CEO) of the firms. Respondents were contacted through the phone to book appointments for the interview. Where the CEO was not available, his number two was interviewed. A letter of introduction (see Appendix 1) was also given to each respondent prior to the interview. Personal interviews are advocated by Parasuraman (1986) as having the potential to yield the highest quality and quantity of data compared to other modes. The interviews were carried out in the months of June, July and August 2001. The individual interviews lasted an average of two hours.

3.5.2 Types of interviews

The study used both structured and unstructured types of interviews. The structured method was used for collecting standard and numeric data as outlined in the questionnaire (appendix 2). The questionnaire was personally administered by the researcher. It had both open ended and closed questions as the researcher felt both were necessary so as to gather both numeric and supplementary data. This information was necessary for comparison. The unstructured interview in the form of open-ended questions and probes were used to get detailed information about the respondents business. Individual interviews were conducted and in some cases, more than one manager was interviewed, because some of the required information was of technical or sales nature that were not always known by the respondent. It was not possible in all cases to have the CEO respond to the questionnaire. Only 15% of the respondents were CEOS .In most cases, the CEO was said to come to the office occasionally as they were busy attending to other businesses.

In the cases where the CEO was not available, their number two was interviewed. These were the general manager, director operation, director finance or the market analyst.

3.5.3 Request for study participation

Contact was established on the telephone, where the interviewer introduced herself, and gave the background of her study. An appointment was then requested at the respondent's earliest convenience. The researcher was in most instances turned down at the first request, by majority of the respondents who cited need for confidentiality due to high level of competition in their business. Due to the high level of declines, the researcher had to approach the firm used to pre-test the questionnaire for assistance. Through this firm, majority of the brokers accepted to participate in the study.

Out of the 18 targeted stockbrokers, access was gained with 13. Two companies declined to participate citing confidentiality of their information, one claimed to be too small a broker to make any difference in the study, while two kept postponing appointments, and refused to turn up thrice at the agreed appointment time. The response rate achieved was 72%. This rate was considered high compared to other similar studies, whose response rates were as follows; Njuguna (1996) 67%,Shimba (1993)56%,Karemu (1993) 55% Aosa 1992)15%.

3.5.4 Interview process

The interviewer first presented the respondent with the letter of introduction (appendix 1), which was read. At this stage, the interviewer reiterated the maintenance of confidentiality in the information provided, as it was understood to be very important in this industry.

The interview process was carried out in two stages. The first stage involved the unstructured interview with the respondents providing answers to open and closed questions.

The structured interview followed the format in the questionnaire where the information required was outlined. Where clarification on the questions was required, this was given.

The interviewer read out the question to the respondent and clarification or explanations given where required. The interviewer wrote the answers given on the provided areas of the questionnaire or on additional paper where necessary. Answers to some of the structured questions required financial information. In some instances, the respondents answered by providing audited financial statements. These were extremely welcome as audited financial statements provide additional authentic information. Written company profiles were also provided by 6 of the respondents. These again provided additional information. The unstructured interview provided additional information that would have been otherwise not captured by the questionnaire.

CHAPTER 4

4.0 DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter presents and discusses the findings of the study. The results are presented on the basis of the arrangement of the strategy aspects investigated in the questionnaire. Incorporated into the body of the research findings is also supplementary data gathered through unstructured interview.

4.2 Response rate

Thirteen out of the eighteen stockbrokers were interviewed. The response rate was there fore 72%. The respondents were either the chief executives or their number two where the CEO was not available. The firms gave the number two position different titles. (Table 4.a) The number of years the officers had been working with the stockbrokers varied between two and seven years. They had different backgrounds ranging from students, managers in other organizations, to managers in other stockbroking firms.

Table 4.a Title of Respondents

Respondent	No.	Rate
General Manager	6	46%
Director of Finance	2	15%
Director of Operations	2	15%
Market Analyst	1	8%
Chief Executive Officer	2	15%
Total	**13**	**100%**

Source: interviews

Table 4.b Registration of Brokers, Age, Staff, Number of products, Ownership and Expansion:

Broker	Registration	AGE	Staff	No. Of products	Ownership	Expansion
B1.	1997	4	7	1	Local	Kenya
B2.	1994	6	6	1	Local	Kenya
B3.	1954	46	23	5	Local	Pan-Africa
B4.	1994	6	25	4	Local	Kenya
B5.	1994	6	8	1	Local	Kenya
B6.	1964	36	16	1	Local	East Africa
B7.	1994	6	9	1	Local	Kenya
B8.	1995	5	16	4	Local	Pan-Africa
B9	1980	20	10	1	Local	Kenya
B10.	1969	31	20	4	Local	Pan-Africa
B11.	1989	11	6	1	Local	Kenya
B12.	1995	5	11	1	Local	Kenya
B13.	1990	10	21	4	Local	Pan-Africa

Source: Interviews

4.3 Overview of company profiles

All the thirteen brokers that participated are 100% locally owned. One of them B3 was formed before independence as a partnership of stockbrokers, while B6 was formed immediately after Kenya's independence. The rest of the participants were formed after 1990, 80% of them registered in 1994 when the NSE was rated as the world's best performer in dollar terms (NSE Facts & Figures 1997).

The CEOs of 85% of the participants do not directly attend to the day today operations of the firms. They are normally out dealing with other businesses. This is evidenced in table 4.a were the respondents were other persons other than the CEO. They were said to come to the office occasionally.

57% of the participants deal in shares trading only, while the other trade in debt instruments, provide financial advice and sponsor public initial share offers.
A comparison between the years of incorporation and the number of employees showed that the longer serving brokers had a larger number of staff. The average number of departments per stockbroker was four. Five of the organizations have scaled down their staff to less than 10,with some staff members manning more than one department in a multi-skilled system. This was said to be a cost cutting measure, together with moving to cheaper smaller offices in order to survive during lean times, when trading at the NSE turned low.

The average age of the firms is 11 years -approximately. Brokers B3, B6, B9and B10 fell above this age. They form a part of the "first six" stockbrokers, (as termed by most respondents) registered well before the nineties.

Table 4.c Size by share capital as at year 2000:

Broker	Authorized capital	Paid up capital	Capital reserve	Shareholders funds
B3	20m	20m	4.7m	25.1m
B5	5m	5m	(18m)	5.8m
B6	10m	10m	-	-
B8	34.6m	34.6m	(18.9m)	1.5m
B9	5m	5m	-	-
B10	30m	30m	(1.15m)	19m
B11	20m	20m	-	-
B12	20m	20m	(1.8m)	18.1m
B13	20m	10.4m	-	10.5m

Source: Year 2000 financial statements and interviews

The response for this particular question was low. Some sighted confidentiality of their financial status and completely declined to answer the question, while others only answered a part of it. Six respondents availed their financial statements from which the information was derived.

As can be seen from table 4.c, only 69% of the respondents accepted to answer the question at all. 44% of them answered partly by stating that they met the minimum NSE requirements, which is a minimum paid up capital of 5m per broker. (NSE rules and regulation)

Table 4.c shows that the capital reserve is negative among 66% of the respondents. This reduction is an accumulation of losses over a period of four years. This is an indication that majority of the respondents have been making losses over the said period. To sustain the organizations, further probing and analysis of the accounts reviled that shareholders have had to inject more capital.

Table 4.d Size by sales targets

Sales target	Freq.	%
40 million per month	1	7.7
Break-even	2	15.4
4 times the staff salary	1	7.7
No targets	9	69.2
TOTAL	**13**	**100**

Source: interviews

Table 4.e Difficulty in achieving the targets

Response	Freq.	%
YES	3	23.1
NO	1	7.7
NA	9	69.2
TOTAL	**13**	**100**

Source: interviews

70% of the respondents did not have any sales targets. According to them, it was difficult to make targets in a market like the stock market because it was very volatile. They depended on the orders they received or aimed to perform better in one period compared to the previous one. 30% of the respondents had sales targets. The targets ranged from monthly sales, to commissions that would meet their level of expenses. B10 however had targets per manager, where each manager was expected to bring a monthly income, which was four times his or her salary. Table 4.e indicates that 23% of the respondents had difficulties meeting their targets. The reasons for the difficulties are outlined in table 4.f.

Table 4.f Summary of difficulties in acheiving the sales targets

Difficulties	**Freq.**	**%**
Too many Brokers chasing the same clients	2	25
Reduced business activities due to decline in economic conditions	2	25
Lack of Funds among the investors	3	37.5
Targeted transactions may be cancelled last minute	1	12.5
TOTAL	**6**	**100**

Source: interviews

4.3.1 Performance trends

All the respondents indicated that they had experienced both expansion and decline in their businesses since they were established. 69% sighted increased economic trend as their main cause of business expansion while 92% sighted economic decline as the cause of a reduction.

Table 4.g. Factors that contribute to growth/expansion

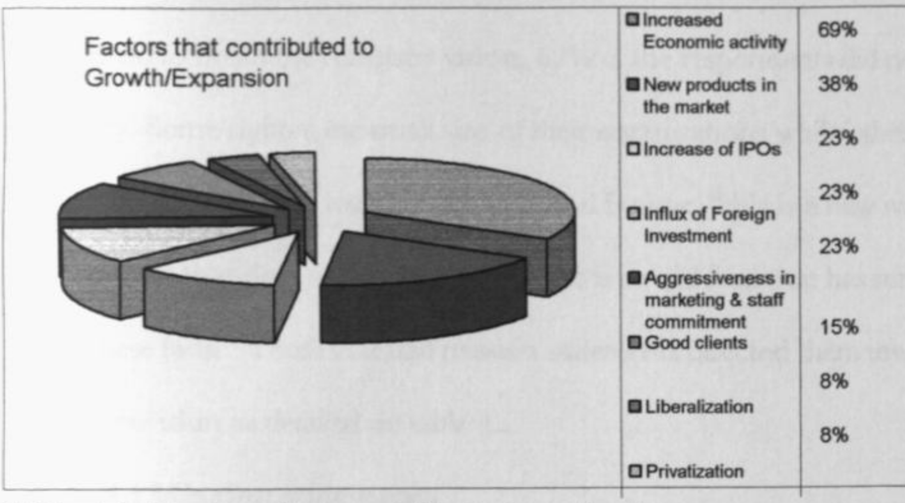
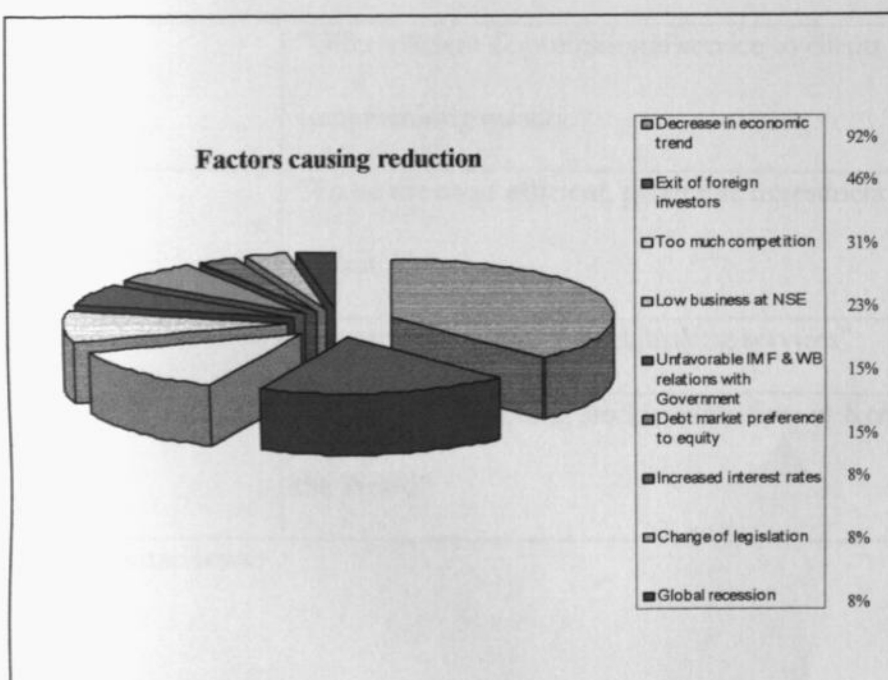


Table 4.h. Factors that contribute to reduction



Source: interviews

4.4 MISSION STATEMENT

38% of the respondents indicated that they had mission statements, which were also understood to mean the company vision. 62% of the respondents did not find them necessary. Some sighted the small size of their organizations while other just found them unnecessary .One of the respondents said, and I quote, "this is a new wave of management that does not mean much. Ours is an old firm that has survived without the use of these fads." Those that had mission statements directed them toward excelling in service provision as detailed on table 4.i.

Table 4.i Mission statements

B5	"Strive to excel"
B9	"Offer efficient & professional service to clients without compromising quality "
B10	"To be the most efficient, profitable investment banking company in East Africa"
B12	"To provide excellent stockbroking services"
B13	"To become a leading stockbroking firm in Kenya, East Africa & the World"

Source: interviews

The mission statements are written and communicated to the staff members and customers, through company profiles. Copies of the company profiles were given to the interviewer.

4.5 Objectives and objectives setting

All the respondents said that they were in the business of buying and selling shares for their clients. Other financial services such as advisory services and corporate finance services were complementary businesses.

All respondents said that their firms set objectives though not formally. It was, or should be known that there is customer focus, to buy and sell shares for them. The CEO was said to be the one that directs the firm. He gave the orders or discussed with staff when it was viewed necessary. Only 41% of the respondents considered customers out of Kenya. (table 4.b)

4.6 PLANNING

All respondents interviewed said that they had both formal and informal planning sessions. They were generated through discussions in formal or informal meetings. Participants in these planning meetings were senior management. The plans set in formal meetings were always documented while the informal meetings ones were not. There were no timetables set for planning. The planning meetings were however always held when there were major changes in the market or in legislation. There were also no clear-cut responsibilities or planning departments. The market was said to be "too volatile to be tied down to timetables."

Various factors affect planning significantly rated by most of the respondents were market changes and adherence to changes in legislature as listed on Table 4.k below:

Table 4.j Type of plans

Types of plans	Frequency	Proportions	Written	Developed by
Long range (over 5 years)	0	0	Not applicable	Not applicable
Short range (0-1 year)	13	100%	yes	Management
Functional	13	100%		All staff

Source: Interviews

Table 4.k Factors affecting planning

Factors affecting planning	Freq	%
Change in the market	6	46
Change in legislature	6	46
Economic changes	5	38
Customer satisfaction	5	38
Need to meet targets	4	31
Need to meet expenses	4	31
Need to increase market share	4	31

Source: interviews

4.7 ENVIRONMENTAL SCANNING

All respondents interviewed said that they gathered external information to assist in planning. This information was in relation to change in the economy and legislature. Companies' performances information both quoted and unquoted were gathered. Political and social aspects and technological changes were also found important. The CEO was responsible for gathering this information. 43% of the respondents had research departments which assisted in gathering the said information.

4.7.1 ENVIRONMENTAL TURBULENCE

All respondents interviewed said that they considered the environment to be very turbulent. Many changes have taken place in the recent past that have caused the brokers to change the way they do their business. The most challenging of these changes was said to be decline in the economic trend. Other challenges included political and social instability followed by increased competition.

Table 4.l Challenges in the industry

	Most challenging	
Changes	**freq.**	**%**
Poor economic environment	6	46.2%
Political social instability	4	30.8%
Increased competition	2	15.4%
Liberalisation of economy	1	7.7%
Discontinuation of AID by IMF & WB	1	7.7%

Source: interviews

These changes have affected the brokers business. 70% have reduced their staff levels to a bare minimum.50% have moved to smaller cheaper offices, 30% have began focusing on the debt instruments as opposed to equity, while B10 and B13 have began being regional by focusing on other countries such as Uganda, Tanzania and Malawi.

B8, B13, B10 and B3 have been looking into corporate finance, while B2 and B 11 have turned to other types of clients such as the cooperative societies, women social clubs and farmers.

4.8 STRATEGIES AND STRATEGY DEVELOPMENT

Only 46% of the respondents said that they developed strategic plans. 47% of the respondents stated that they did not see the necessity of these kinds of plans while the rest felt that their organizations were too small. To quote one respondent, "there is no need of being too formal when the owner of the firm can easily communicate what he wants done". Those that had strategic plans declined to state what they were, sighting the need for confidentiality in a very competitive market.

4.9 COMPETITOR ANALYSIS

All respondents interviewed said that they gathered information about their competitors. The competitors were said to be other stockbrokers whose information and performance was readily available at the NSE. This information included turnover at the NSE, details about their customers particularly the corporate ones, trading details and strategies. Broker B 10 was said to be the largest in turnover over a number of years.

Most of the information was gathered from the NSE, particularly in relation to turn over. Other information was gathered from print and electronic media or word of mouth.

Table 4.m Mean Score of importance of competition aspects

Industry Aspect	Mean Score
Competitors marketing practices	**2.7**
Competitors physical and human resources	**2.7**
Number of competitors	**2.7**
Strategies used by competitors	**2.3**
Goals of competitors	**1.9**
Possible new entrants	**1.9**
Competitors access to government bodies	**0.7**
Competitors special treatment by government	**0.4**

Source: Interviews

(Maximum score 5 Minimum score1)

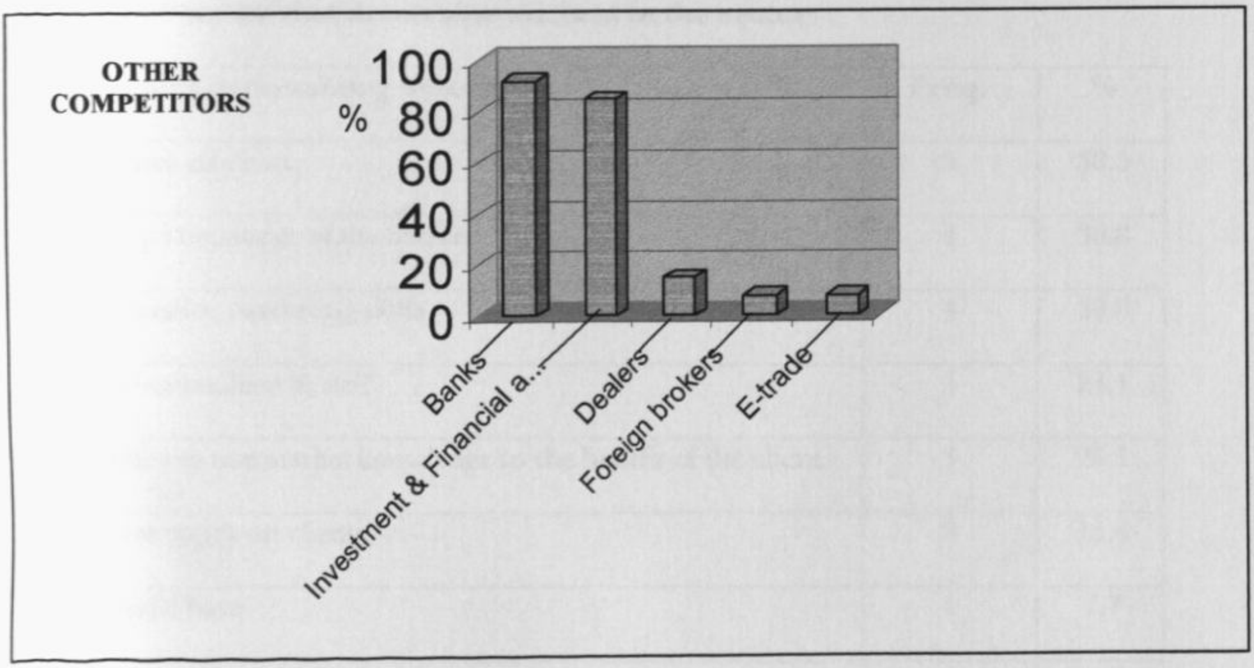
Competitor practices, competitor physical and human resource as well as the number of competitors were considered the most important with a mean score of 2.7 out of a maximum of 5. The first two were said to be important because the market was said to be highly competitive in provision of financial services. Of significance therefore were aspects that brokers thought could help them improve in, even where it meant copying the competitor without using high resources. The respondents found the number of competitors to be fairly important because they felt that they were already too many for the low performing market. New entrants were also considered important because, to quote one respondent "would put them out of business particularly if they would be politically correct."

Financial strengths of competitors was not found to be very important mainly because the stockbrokers felt that theirs was a service industry, which depended more on personnel strengths as opposed to financial strengths.

4.10 INDUSTRY ANALYSIS

With in the industry, banks were considered to be the highest competitors by 92 % of the respondents. This was said to be due to the fact that by their very nature, banks had higher capitalization levels and they interacted more with financial instruments than brokers did. Clients therefore preferred to go to banks for financial advice even where brokers could help. Other competitors were said to be investment advisors, stock dealers, foreign brokers and to a very small extent, electronic traders.

Table 4.n Other Competitors



Source: Interveiws

4.10.1 Key success factors

Key factors determining success in the industry varied among the respondents as seen in table 4.o Majority of them however sighted service efficiency as being crucial, as unsatisfied customers can easily change to another broker, particularly considering that there are standard customers in the industry, such as fund managers, pension funds and insurance companies who are every brokers target.

Table 4.o Factors that determine success in the sector:

Factors determining success	Freq.	%
Service efficiency	5	38.5
Deep knowledge of the market	4	30.8
Aggressive marketing skills	4	30.8
Professionalism & staff	3	23.1
Ability to use market knowledge to the benefit of the client	3	23.1
Clear target on clients	2	15.4
Capital base	1	7.7
Illegal tricks (e.g. bribery)	1	7.7
Persistence	1	7.7

Source: interviews

4.10.2 Difficulties encountered in this sector:

Difficulties faced in this sector varied. However ,most of the respondents i.e 62% (table 4.p) felt that the greatest difficulty was corruption among the stockbrokers and fund managers. The more bribes they could give the clients, the higher would be the business. Giving commissions to the fund managers of large funds in corporations, pension schemes and insurance companies was said to be highly prevalent. "This is the only way you can survive" said one respondent. Poor infrastructure and public ignorance of the stock market followed closely.

Table 4.p Difficulties faced in this industry

Difficulties faced	Freq.	%
Corruption	8	61.5
Poor infrastructure	7	53.8
Public ignorance about activities at NSE	5	38.5
Too much competition	4	30.8
Getting information from the market	3	23.1
Few quoted companies	3	23.1
Market regulations too restrictive	1	7.7
Technical changes	1	7.7
Lack of government support	1	7.7

Source: interviews

4.11 Discussions of results

Stockbrokers investigated in this study in respect of strategy practices, show that their strategy practices are in line with those used by small organisation. Informal Strategy practices. Few of the brokers had mission statements, set objectives, and were involved in planning of one form or another. All however carried out environmental and industry scanning. These attributes are brought out in the research findings.

Most of the staff employed in this sector in the chief executive and managerial positions were graduates who had Bachelors degrees. Due to the decline in business, most of the CEOs have had to open "other" businesses, leaving the stockbrokerages to their number twos and coming into the office occasionally. This effectively meant that most of these firms lack guidance through leadership. Those firms where the CEO worked there on a full time basis, were found to be proactive in venturing into other products, and regions.

The nature of the industry is highly competitive. As such, to stay ahead of competition, the research findings revealed that the top ranked brokers have had to be extremely aggressive in their marketing strategies mainly through research and use the information to obtain clients, as well as strive to achieve geographical expansion through the provision of innovative and efficient customer service.

The research also revealed that corruption or illegal tricks such as bribery were also used to beat competition.

CHAPTER 5

5.0 SUMMARY AND CONCLUSIONS

5.1 INTRODUCTION

In this last chapter the findings of the study are discussed. The study implications and limitations encountered in this research effort are highlighted and recommendations for further research made.

5.2 SUMMARY OF FINDINGS

Only 38% of the stockbrokers interviewed indicated that they had mission statements. These were clearly documented in the company profiles availed to researcher, and said to be communicated to the staff members through the said profiles. Being in a service industry, the mission statements were directed toward achieving excellence in service. The balance indicated that they did not find them necessary owing to the small size of their businesses.

On objectives and objective setting, all the respondents indicated that they had them though they were not done formally. They all said that it was clearly known that they were in the business of buying and selling shares for their customers who were their focus. Further, the CEO could communicate what he wanted done or achieved at any one time, again owing to the sizes of their operations.

All brokers interviewed had some sort of plans, which were short-term. The market volatily was said to be too high for any longer term plans to make any sense. The plans were mostly informal. Planning meetings were held when deemed necessary, particularly if there was a change in legislature, which affected their operations. These were held by senior management, who then communicated them downwards for operation. There were no timetables for meetings nor were there any clear-cut responsibilities for planning.

In relation to strategy and strategic plans, 57% of the firms viewed them unnecessary, again owing to the size of the firms and the fact that they deal in the share market, which is determined by, growth or decline in the economy. The 43% who made strategic plans termed them confidential. Being in a highly competitive market, they declined to state what they were.

External information gathering through environmental scanning was said to be very crucial for this industry. This is mainly because the prices of shares were said to be affected by many aspects of the environment. These are mainly from the remote environment, political and legal development leading the list with a mean figure of 3.75 against a maximum of 5. Technological changes also ranged at 3.75 out of a maximum of 5, particularly in this era of computers and Electronic trade which was said to be acting as a competitor, since clients could buy shares directly through the Internet with out using the brokers. Information gathering was done through high-level management.

Competitor analysis was viewed to be important. Majority of the brokers felt that the number of brokers in the industry is too high for the level of business transacted. It was therefore imperative that competitors are closely watched. Competitor practices, physical and human resource, as well as the number of brokers competing are aspects that brokers attach high level of importance. The three had a mean of 2.7 out of a maximum of 5.

Current strategies used by competitors, ranges at mean level of 2.3 out of a maximum of 5. Information about the competitors was mainly gathered from the NSE ranging from the level of business transactions, to the nature of their clients and the shares bought or sold. This was the responsibility of the dealers, who collect it from the NSE where it is readily available on a daily basis.

Key success factor in the industry was the trading level at the stock exchange. The more shares a broker sold or bought, the higher they were rated. This obviously determined their profitability level. It was also a measure of the confidence clients had on them as well as their ability to penetrate the market, aspects considered vital for success in this industry.

5.3 SYNTHESIS

The formality of strategic management systems varies widely among companies.

Findings in this study show that strategic management practices used by stockbrokers in Kenya are in line with strategic management theory, which state that strategy may be formal or informal depending on the nature of the organization. Stockbrokers are small and deal in few products. They adopt an *entrepreneurial* mode. They are basically under the control of single individuals. They do not develop mission statements, organizational objectives, but they plan informally and conduct external analysis. Their strategies are intuitive and limited, which is in line with the nature of their operations, the limited number of their products, and the small size of their firms.

5.4 IMPLICATIONS OF THE STUDY

From the findings of the study, it is evident that design of strategic planning systems is dependent on the context of the firm. There is no best way to formulate or implement strategic planning systems. Some stockbrokers are fairly formal while others are informal in their strategic systems.

From the study, it is evident that flexibility in strategic planning is fundamentally important. The stockbrokers have been operating in a turbulent environment for a while. At some point the stock market was said to be booming .The NSE was termed "the worlds best performer". Things have since changed, but the brokers continue to survive as they flex their plans to adapt to the changing environment.

Leadership, the vision and mission of the organization are important in strategy formulation and implementation. The leader channels the organization to its focused destiny as the team leader. His/her continued absence in the organization could cause a loose of this focus. Stockbroking firms that have full time leadership are evidently proactive in venturing to different markets and products to survive and stay ahead of competition.

Competitor and industry analysis helps organizations focus into the future as they continue with their day-to-day operations. These two analyses are important in a competitive market as evidenced in this study. Competitor analysis is a daily routine for the stockbrokers.

Stockbrokers are operating in a very turbulent environment, with heavy competition, not just among themselves but also from other sources such as the banks. Companies have to continuously arm themselves to face up to the challenge. The financial market is largely liberalized. The need to embrace strategic management in order to survive cannot be ignored.

5.5 LIMITATIONS OF THE STUDY

Limitations of the study arose from the methodology used and the nature of the study.

The methodology employed as pointed out in chapter 3 arose from the use of the survey mode of data collection. The weaknesses of the survey method of data collection were potential limitations to the study.

In relation to the nature of the study, the limitations were:

1. The entire population of the 18 operating stockbrokers did not participate because 5 declined the interview for one reason or another. As a result the population reduced to only 13 companies, the results may have been affected.
2. The study focused on the rational-analytical approach to strategy, which meant that the behavior aspect was ignored and the findings given therefore relate the strategy practices from a rational analytical approach.
3. The study focused on 9 aspects of strategic management, which were too many. A deeper insight on specific strategy aspects may be obtained from a narrower focused study.
4. Comparison of the study with other similar studies done in other types of companies namely oil sector, financial sector and super markets. The differences in the sectors studied could account for variations in strategic management practices, which affect the comparisons
5. The above limitations should be considered when evaluating the research findings in order to help put them in the proper perspective.

6. The researcher faced constraints in soliciting for interviews with the CEOs of the firms. Some were said to be absent attending to other businesses or were too busy to attend to the researcher. Others failed to turn up for appointments several times even after well-advanced appointment bookings, while others kept postponing the appointment at the expense of the researcher's limited resources. However the13 brokers that participated were a representative of the population and for that reason we went ahead with the analysis.

5.6 SUGGESTIONS FOR FURTHER RESEARCH

A similar study could be undertaken in other areas of the Kenyan economy.

This study focused on aspects of strategy formulation .A similar study could be done on strategy implementation.

One could also select less aspects of strategic management and cover them in a much wider perspective so as to give an additional insight.

Stock brokerages in Kenya are undergoing a change in the management of their businesses, namely buy-outs and possible mergers and closures.

One could look deeper into the causes of these changes, how they are being undertaken and their effect on different aspects of strategic management.

Another area one would consider would be strategic management aspect from the behavioral point of view as the findings here were from a rational-analytical approach to strategy.

5.7 CONCLUSION

The study sought to establish the strategy practices of the stockbrokers in Kenya. Thirteen out of the eighteen companies were investigated. It was found that stockbrokers in Kenya use various forms of strategy practices. Their practices were however informal, owing to the nature, limited products they deal in and the sizes of their firms. They are basically under the control of single individuals. Their strategies are intuitive and limited to the control of these individual who also run other businesses. They were finding it difficult to survive in a very turbulent environment.

APPENDIX 1

21ST May 2001

Dear Respondent,

I am a finalist MBA student at the University of Nairobi. I am conducting a management research project that is a partial requirement for the award of the degree of Masters of Business Administration.

The focus of this research is to establish the strategy practices of stockbrokers in Kenya.

All the stockbrokers registered with the Nairobi Stock Exchange and in operation at the end of year 2000 form the population of the study. Your firm has been selected because it meets this criterion.

I kindly request you to provide the required information to the best of your knowledge, through a personal interview I will conduct at an appointed time that I will telephone you to confirm. The information required is purely for academic reasons and will be treated in the strictest confidence. In no instance will your name or that of your firm be mentioned in the report.

A copy of the research project will be made available to you upon request. Your cooperation will be highly appreciated.

Thanking you in advance.

Yours sincerely

Susan Kasinga

APPENDIX 2

QUESTIONNAIRE

This questionnaire has been set in relation to the objectives of the study. All the questions relate to strategy practices in your organization. The researcher will personally administer the questionnaire. Any issues that need to be clarified will be discussed in the course of the interview.

1.1 1 GENERAL INFORMATION

a) Title of the respondent: --

b) How long have you been with this Stockbroker? ----------------

c) Please state your past work experience (outlining the time, organization and position held).

Years Organization Position Held

2 ORGANIZATION DATA

a) Name of the Stockbroker: -----------------------------------

b) Year of establishment: ---

c) Management /Ownership of the Stockbroker:

Wholly Local ( ) Wholly Foreign ( )

Group ownership ( ) Individual ( )

d) Number of employees (yr.2000): -------------------------------

e) Please breakdown the number of employees into the various departments:

Department					
Professionals					
General					
Others (Specify)					

f) Have you experienced any expansion since your Stockbrokerage was registered?

Yes ( ) No ( )

g) If yes, what factors contributed to this growth/expansion?

h) Have you experienced any reduction since your Stockbrokerage was established?

Yes ( ) No ( )

i) If yes, what factors contributed to the decline?

j) Please give approximate figures of your sales target for the last six years:

year	Bonds	Equity	Other(Specify)
	Kshs.	Kshs.	Kshs
2000			
1999			
1998			
1997			

k) Did you encounter any difficulty in achieving the targets?

Yes( ) No( )

l) If yes, what were the difficulties?

m) What is your capitalization level? Kindly break it down in the following format:

Year	Authorized capital	Paid up capital	Capital & other reserves	Share Premium	Shareholder's funds

3. MISSION STATEMENT

i. (a), Do you have a mission statement for your firm?

Yes ( ) No ( )

(b), If no, why not?

(c), If yes, What is it?

(d), Is it a written statement? Yes ( ) No ( )

ii. (a), Is everyone in the organization aware of the mission statement?

Yes ( ) No ( ).

(b), How do you it communicate to the members of the organization?

Newsletter/Magazine ( ) Memorandum ( ) Meetings ( )

Work discussions ( ) Others (specify) ( )

iii. What do you consider to be a major hindrance(s) in developing the mission statement?

4. OBJECTIVES

i. Do you set objectives for your organization? Yes ( ) No ( )

i. If no, why not?

ii. If yes, what are they? (Please rank them in order of importance attached to each-from the least important).

a,

b,

c,

d,

e,

5. OBJECTIVES SETTING

i. At what level in the firm are these objectives set?

Board of directors ( )

Chief executive officer ( )

Management ( )

Departmental ( )

Others (specify) ( )

ii. Who participates in setting these objectives?

Chief executive officer ( )

Staff members ( )

Groups ( )

Consultants ( )

Others (specify) ( )

iii. Are these objectives written? Yes ( ) No ( )

iv. Is every one in the organization aware of these objectives? Yes ( ) No ( )

v. How do you communicate them?

Newsletter/Magazine ( )

Memorandum ( )

Work discussion meetings ( )

Others (specify) ( )

4, PLANS AND PLANNING PROCESS

.i Do you develop any plans for your organization?

Yes ( ) No ( )

If no, why not?

ii If yes, what type of plans do you develop?

iii, How are these plans developed?

iv. Who participates in the development of these plans?

v, Are these plans written once they are developed?

vi. Indicate whether the following features characterize your planning process:

a, Formal planning meetings Yes ( ) No ( )

b, Informal planning sessions Yes ( ) No ( )

c, Timetables for the preparation of plans Yes ( ) No ( )

d, Clear-cut responsibilities for planning Yes ( ) No ( )

e, Existence of a planning department Yes ( ) No ( )

vii. What factor(s) significantly affect your planning? (Please rank them starting with the most to the least important)

a,

b,

c,

d,

e,

5, PLANNING HORIZON

i. How long ago were these plans first developed in your organization?

ii. What time periods do your plans cover?

iii. Why do you choose this period?

6 ENVIRONMENTAL SCANNING

i. Does your organization gather external information for planning?

Yes ( ) No ( ).

ii. How do you collect information on the aspect of your external environment?

iii. Please indicate the extend to which information on the following is considered in the planning process (by circling the appropriate option)

		Not considered		Highly considered		
a	General economic trends	1	2	3	4	5
b	Political and legal development	1	2	3	4	5
c	Competitors	1	2	3	4	5
d	Technological changes	1	2	3	4	5
e	Social and cultural trends	1	2	3	4	5
f	Population shifts and market trends	1	2	3	4	5
g	Organization's internal resources	1	2	3	4	5

iv. Would you describe your environment as a stable or a turbulent one? Please indicate your perception on the scale below (by circling the appropriate option):

Stable Environment		Turbulent Environment		
1	2	3	4	5

v. What changes have taken place in the recent past (10-20 years) that have affected the way you do business?

vi. Which of these changes do you find most challenging?

vii. Who are is your target client?

viii. Has this target changed in the recent past?

ix. Which products do you focus on most?

x. Have the changes in the environment affected this focus?

xi. If yes, how?

7. STRARTEGIC PLANS

i. Do you develop strategic plans for your firm? Yes ( ) No ( )

ii. If no,why not?

iii. Are these plans reviewed? Yes ( ) No ( )

iv. If yes, how often are they reviewed?

v. What calls for the revision?

8 TRIGGERS OF STRATEGIC PLAN

i. What factors made you start developing strategic plan? (Please rank them in order of importance attached to each-from the least important).

(a)

(b)

(c)

(d)

9 COMPETITOR ANALYSIS

i. Does your organization regularly collect information about your competitors? Yes ( ) No ( )

ii. If no,why not?

iii, If yes, what kind of information and how do you gather?

iv. Who is in charge of this activity?

v. Do you identify Stockbrokers that try to compete with you and either succeed or fail?

Yes ( ) No ( ).

vi. Who are your major competitor(s)? Why do you consider them your competitors?

vii. Please indicate the level of importance your organization attaches to the following aspects of competition (1= important up to 5=most important)

		TOTALLY UNIMPORTANT		VERY IMPORTANT		
a	The goals of your competitors					
b	Possible new entrants					
c	Current strategies used by your competitors					
d	The financial strengths of your competitors					
e	Competitors' marketing strategies					
f	Competitors physical and human resources					
g	The number of stockbrokers you are competing with					
h	Special treatment by the government					
i	Access to government bodies					

10. INDUSTRY ANALYSIS

i. Besides other stockbrokers, which other organizations do you consider competitor?

(Please rank them in the order of importance)

a,

b,

c,

d.

ii. Why do you consider them to be competitors?

iii. What information do you gather about them?

iv. Who is in charge of this activity?

V. What do you do with the information you gather?

11. MARKET ANALYSIS

i.What is your organization's rank/position in the sector?

ii.What are the key factors that determine success in the sector?

iii.Does the company gather information that is unique to the sector?

Yes ( ) No( )

iv. What difficulties do you face in this sector?

v. What opportunities and threats, if any do you see in the sector?

Indicate below any other comments you wish to include that are relevant to this subject

APPENDIX 3

LIST OF STOCKBROKERS

	NAME	LOCATION
1.	Ashbu Securities Ltd	Ambank House 21st floor
2.	Crossfeild Securities LTD	Vedic House ,2nd Floor
3.	Discount Securities Ltd.	Phoenix House,2nd Floor
4.	Dyer and Bliar Ltd.	Reinsurance Plaza,12th floor
5.	Equity Stockbrokers Ltd	Queens way House 3rd floor
6.	Faida Securities Ltd.	Nanak House 5th floor
7.	Francis Drummond & Co.Ltd	Hughes Building,3rd floor
8.	Francis Thou & Partners Ltd.	International Life Hse, 13th floor.
9.	Hak Securities Ltd.	Rehani House 4th floor
10.	Kenyawide Securities Ltd.	Kimathi House,2nd floor
11.	Kestrel Capital (EA) Ltd.	Hughes Builging,7th floor
12.	Ngenye Kariuki & Co Ltd.	Travel House,5th floor
13.	Nyaga Stockbrokers Ltd.	IPS Building.10th floor
14.	Reliable Securities Ltd.	Eagle House,6th floor
15.	Shah ,Munge & Partners Ltd.	Nation Centre,12th floor
16.	Solid Investment Securities Ltd.	20th Century Plaza ,4th floor
17.	Standard Stocks Ltd.	Hazina Towers,17th floor
18.	Suntra Stocks Ltd.	Commonwealth House 5th floor

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