FACTORS AFFECTING PARTICIPATION OF SMALL AND MEDIUM SCALE ENTERPRISES IN PUBLIC SECTOR PROCUREMENT: A CASE OF NAIROBI MUNICIPALITY, KENYA

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ABSTRACT

Kenyan SMEs as similar to others around the world are facing impacts of the global forces and are required by these forces to come up with effective and efficient economic development programs. These external forces have to be dealt with if SMEs are to remain competitive, especially so with the opportunities that come with the rapid globalization that has been unraveling since the 1990’s. In the east African region there remains a large market for SMEs services which has however not been achieved. The study examines the capacity of SMEs to actively participate and win tenders for public procurements within the country while envisioning their involvement in the regional public markets. The study formulated three study objectives which it seeks to answer where the independent variables are the intrinsic factors affecting SMEs in participating in public procurement tenders. These objectives include; to identify challenges SMEs face in accessing credit facilities and advisory services; to establish the influence of external partnerships in facilitating SMEs in public procurement; to identify the influence of managerial capabilities in fostering SMEs participation in public procurement and to identify the influence of managerial capabilities on SMEs participation in public procurement.

The following chapter include the various literature on the three formulated objectives an also includes the conceptual framework and its description. Chapter three includes the various study methodology that the study will employ and the operationalization of variables. The sampling procedure and the target population are also elaborated in the chapter. The data collection and analysis procedures are also elaborated upon.