

**Factors Influencing Strategies Used By Non Governmental Organizations  
For Business Development Of Small And Medium Enterprises In Kenya**

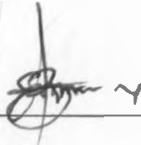
**By  
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**This Is A Research Project Submitted In Partial Fulfillment For The Award  
Of The Degree Of Master Of Business Administration, School Of Business,  
University Of Nairobi**

**November 2010**

## DECLARATION

This management project is my own original work and has not been presented for a degree in another university.

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The management project has been submitted for examination with our approval as the university supervisor

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## DEDICATION

I dedicate this project to my parents Mr and Mrs Charles Ogechi Migosi behind whose inspiration and love, I enrolled for this course, and My son Caleb Ogechi whose arrival brought a new meaning to my life and brought about great encouragement to my life too.

## ACKNOWLEDGEMENT

I first of all would like to thank the Almighty God for his grace that has been sufficient for me throughout this entire course and especially during my research work. Secondly, many thanks to my supervisor Dr. Martin Ogutu who through contractive criticism, support and wise guidance, went out of his way to support me something that has led to the successful completion of this research. His patience, tireless sacrifices and valuable recommendations and ideas have made a great difference in the way this project was compiled.

I am also grateful to my parents Mr and Mrs Charles Ogechi Migosi and my Sisters Emily Ogechi, Linet Ogechi, Regina Ogechi and brother Brian Ogechi who through their moral support, great sacrifice and understanding gave me strength and inspiration to carry on with my studies and research work.

Much gratitudes also goes to the various Heads of NGOs that I interviewed, my colleagues who agreed to spare valuable time to provide crucial information needed for the study and much more thanks to my sister Emily who went out of her way to take care of my baby as I struggled with my field work. Their corporation and support boosted my morale to press on and more so I appreciate their valuable contributions to the success of this research.

## TABLE OF ABBREVIATIONS

- NGO- Non governmental organizations
- IT – Information technology
- SME – Small and Medium Enterprises
- CAE – Country Assistance Evaluations
- ICT – Information and Communication Technology
- SAP - Structural Adjustment Programs
- USAID – United States Agency for International Development
- KANU – Kenya African National Union
- CSR – Corporate Social Responsibility
- GRI – Global Reporting Initiative
- NARC – National Alliance Of the Rainbow Coalition

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# CHAPTER 1:

## INTRODUCTION

### 1.1. Background Of The Study

Non-governmental organizations (NGO) have played an important role in pushing for sustainable development in small and medium enterprises in Kenya. NGOs have not only focused their energies on governmental processes but with the help of a number of public functions and regulatory activities, they have begun to fix their sights on small and medium enterprises many of which can rival the entire nations in term of their resources and influence. With the aid of Information Technology (IT), NGOs have helped focus on social and environmental externalities of business activities I.e. they have acutely exerted pressure on such small and medium enterprises thus challenging company labour, environmental or human rights record. Even then, the NGO community remains a diverse constellation. Some groups have managed to pursue a single policy objective while others have pursued a more sweeping policy goals such as poverty eradication or human rights protection, improving education among people (literacy), monitor ethical issues in business, fostering globalization as well as enhancing dialogue among individuals thus enhancing better business conditions.



The major strategies used by non governmental organizations in Kenya are providing both financial assistance to SMEs in form of Soft loans, non financial services like providing stock for SMEs, they do training services something that enables them to know how to manage their businesses well, and are also very good in negotiation among business people thus foster good business relationships as well as enhancing dialogue among them, they help SMEs go global since they foster globalization, and most importantly, they monitor ethical issues in businesses which helps in bringing about corporate social responsibility (CSR) in the society.

Not all NGOs are amenable to collaborations with private sector. However, many are showing a willingness to devote some of their energy and resources to working alongside business in order to address corporate social responsibility. Instead, they are able to deliver development aid considerably more cheaply than states or intergovernmental organizations. From a business interest perspective, many NGOs are indeed critical of transnational corporate interests. In that context, they see the NGOs as democratic when they're just as legitimate a part of civil society as businesses are. The rise of NGO's may be regarded as relating to failures of state and markets to provide all requirements of society but all in all they are of great benefit to small and medium businesses in Kenya.

### 1.1.1 Concept Of Strategy

The concept of strategy has been borrowed from the military and adapted for use in business. Strategy is one element in a four-part structure. First are the ends to be obtained, second are the strategies for obtaining them and the ways in which resources will be deployed, third are tactics i.e. the ways in which resources that have been deployed are actually used or employed and fourth and last are the resources themselves that is the means at our disposal. Thus it is that strategy and tactics that bridge the gap between ends and means. (The Discipline of Market Leaders). There are many definitions of strategy, for instance, according to google search; strategy is 'a game plan', 'a set of objectives and actions', or 'coordination and alignment of resources' all of which are intended to help an organization achieve its long-term goals and vision. But before an organization begins developing a strategy that will be both comprehensive and actionable, a more precise definition should be identified. Strategy is about means. It is about the attainment of ends, not their specification. The specification of ends is a matter of stating those future conditions and circumstances toward which effort is to be devoted until such time as those ends are obtained. Strategy is concerned with how you will achieve your aims, not with what those aims are or ought to be, or how they are established. If strategy has any meaning at all, it is only in relation to some aim or end in view. Mintzberg argues that strategy emerges over time as intentions collide with and accommodate a

changing reality. Thus, one might start with a perspective and conclude that it calls for a certain position, which is to be achieved by way of a carefully crafted plan, with the eventual outcome and strategy reflected in a pattern evident in decisions and actions over time. This pattern in decisions and actions defines what Mintzberg called "realized" or emergent strategy (Mintzberg, 1994).

In conclusion, strategy is a broad, ambiguous topic that demands us to come to our own understanding, definition, and meaning. Therefore, helping the reader do so is the chief aim of this paper.

### **1.1.2. Business Development**

Business development is a very vital process to any business enterprise. It usually requires high rates of productive entrepreneurship, which need an efficient matching between entrepreneurial talent and production technologies. It's therefore advisable for any business to first explore the role of business development in promoting such efficient allocation of talent, which results in higher production, job creation and social mobility. Therefore, showing how different levels of business development may endogenously arise in a setting in which financial constraints depend on individual incentives to misbehave, these incentives depend on how many jobs are available, and this in turn depends on the level of business development. Such complementarities between labour

market and financial market development may generate highly divergent development paths even for countries with very similar initial conditions such as Kenya. In Kenya, business development affects the number and average talent of entrepreneurs i.e. by relaxing wealth constraints. Business development allows the poor with high talent to become entrepreneurs something that is highly encouraged by non-governmental organizations in order to improve living standards of people thus an increase of small and medium enterprises. An increase in business development induces more individuals to become entrepreneurs and fewer individuals to become self-employed, more efficient allocation of entrepreneurial talent to production technologies, Job creation and social mobility, higher production and cheaper consumption of good is encouraged (Poccioto, 2007).

A revised strategy is needed for business development to move forward though at a slow and decelerating pace and very unevenly. As a result, socioeconomic indicators should be improved in order to enhance the growth, though in Kenya they have regressed significantly. Some of these socioeconomic indicators like poverty, violence conflict prevention, security, poverty reduction, training development, and political economy still hinder business development. Limited resources, and governance dysfunctions are self-reinforcing and must be addressed together to foster even business development (Bianchi, 2009).

### **1.1.3. NGO Intervention Strategies and Their Impact on SME Development**

There are a number of strategies used by non governmental organizations in Kenya in order to support the development of Small and Medium Enterprises. Some of which are: providing both financial assistance to SMEs in form of Soft loans, non financial services like providing stock, they do training services something that enables them to know how to manage their businesses effectively, and are also very good in negotiation among business people thus foster good business relationships as well as enhancing dialogue among them, they help SMEs go global since they foster globalization, they also control them, they work to improve business conditions as well as act as consultation ground for business issues, they act as go between among them and the government and most importantly, they monitor ethical issues in businesses which helps in bringing about corporate social responsibility (CSR) in the society.

It's clear that these non governmental strategies have a great impact on development of Small and Medium Enterprises in Kenya. First of all, the development of SMEs has changed the living status to Kenyans for the better thus eradicating poverty by fostering entrepreneurship among widows, orphans and well as the youth. Secondly, Businesses have grown all over the country given that,

Kenyans can now afford finance from the NGOs in form of soft loans and hence make good use of it. Thirdly, strategies like good training services has made SME owners understand their environment better thus taking care of corporate social responsibility as well as improvement of working conditions. Finally, good negotiation help by NGOs have helped improve communication leading to globalization.

#### **1.1.4. Non Governmental Organizations In Kenya**

A non-governmental organization (NGO) is a legally constituted body created by natural and legal persons with no participation or representation of any government. In the cases in which NGOs are funded totally or partially by governments, the NGO maintains its non-governmental status by excluding government representatives from membership in the organization. Unlike the term "intergovernmental organizations", "non-governmental organization" is a term in general use but is not a legal definition. In many jurisdictions, these types of organization are defined as "civil society organizations" or referred to by other names (Wikipedia, the free encyclopedia) the phrase "non-governmental organization" only came into popular use with the establishment of the United Nations Organization in 1945 with provisions in Article 71 of Chapter 10 of the United Nations Charter for a consultative role for organizations which are neither governments nor member states(UNO, 1945)

The vital role of NGOs and other "major groups" in sustainable

development was recognized in Chapter 27 of Agenda 21, leading to intense arrangements for a consultative relationship between the United Nations and non-governmental organizations.

Non-governmental organizations can be of different types i.e. charitable, service, participatory, or empowering. They provide specialized technical products and services to support development activities implemented on the ground by other organizations such as assisting in public relations, consulting, project management, staffing, funding, monitoring and control

#### **1.1.5. Small And Medium Enterprises In Kenya**

A small business is an entity that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, organized for profit and qualified under specific criteria and size standards. In Kenya, "micro-enterprises" are those with 10 or fewer workers, "small enterprises" have from 11 to 50 workers, and "medium enterprises" have from 51 to 100 workers. Censuses indicate that micro-enterprises comprise the lion's share of enterprises in Kenya, while there are a few medium enterprises (Parker and Torres 1994). Micro-enterprises are indigenous while the medium-scale and larger manufacturing enterprises are dominated by Asian (Indian) capital. The Asian firms are very entrepreneurial but raise a different set of issues, which are not covered in this study.

Small and medium enterprises have been considered to be one of the driving forces of the modern economies due to their contribution in technological know-how, employment opportunities, and export promotion among others. They therefore require support in order to achieve these objectives, thus the reason for non-governmental organization involvement in such activities since this assists in improving human living standards, creating employment hence reducing poverty rates in an economy (Parker and Torres 1994).

Small and medium enterprises face quite a number of challenges. Since there is no much empirical work in Africa, there is little growth and innovativeness in small and medium enterprises due to poor technology and liquidity problems the reason as to why about 85% of small and medium enterprises have never received credit from formal markets such as banks and micro finance institutions. Despite their potential to improve economic growth, small and medium enterprises in Kenya lack expectations. They produce largely for the low-income group and employ lower levels of techniques. Many micro enterprises are the self-employed type with a low graduation rate into higher size categories and their innovative activities are limited. This is largely due to the harsher environment they operate in, unreliable enforcement of contracts, excessive regulatory and administrative requirements, limited access to finance, and inadequate infrastructure services. All these impose disproportionately high transaction costs on



SMEs for doing business generally, and for innovative activity in particular (Parker and Torres, 1994).

The promotion of small and medium enterprises is becoming a popular development tool. Accordingly, Non-governmental organizations in Kenya have shown increasing interest in promoting innovations and entrepreneurship. They have initiated various support programs with the aim to improve SMEs competitiveness through enhancing technology and innovation capabilities such as upgrading product quality, improving design and packaging, and training to improve competitiveness. The notion is that innovation is essential for SMEs to become and remain competitive, move to higher return activities, and to grow and graduate to small and medium sized enterprise status, thus, creating new employment opportunities. Improving competitiveness is even more crucial in the context of liberalization and increasing integration into the world market. Lack of adaptation and upgrading spells defeat, while firms that keep up or even initiate their own original improvements can be expected to perform well (Wanjohi and Mugure, 2008).

## 1.2. Research Problem

Non-governmental organizations play a very important role in the fighting for sustainable development. Some NGO groups have helped focus on social and environmental externalities of business activities such as poverty eradication or human rights protection, improving education among people (literacy), monitor ethical issues in business, fostering globalization as well as enhancing dialogue among individuals thus enhancing better business conditions. They have exerted pressure on companies thus challenging company labour, hence environmental and human rights record. However, many of them are showing a willingness to devote some of their energy and resources to working alongside business in order to address corporate social responsibility.

Some of this strategies used by non governmental organizations in Kenya are providing both financial assistance to SMEs in form of Soft loans, non financial services like providing stock for SMEs, they do training services something that enables them to know how to manage their businesses well, and are also very good in negotiation among business people thus foster good business relationships as well as enhancing dialogue among them, they help SMEs go global since they foster globalization, and most importantly, they monitor ethical issues in businesses which helps in bringing about corporate social responsibility (CSR) in the society.

Non-governmental organizational effort to promote small and medium enterprises has increased rapidly in the recent past. The development of the SME sector is one of the strategic goals of any country for democratic change and so it remains a goal today, this development activity has gained momentum through the organization of educational seminars focusing on the importance of the SME sector and business-development training. In addition, assistance with marketing and public relations has provided for existing small and medium enterprises engagement with NGO activities. The fact that NGOs are succeeding in dealing with this challenge effectively has made it necessary to look at their strategies thus the main aim for this paper.

There are a few researches done with similar relationships to this though different writers have different ideas. However, most of these researchers have dwelled on either one strategy and expounded on it sufficiently. Studies on NGOs by Mwangi (2001), Lengewa (2003) and Michael (2004) focused on provision of non financial services by NGOs, Ngo strategies applied on Small and medium enterprises in Nairobi and facts influencing strategy implementations by NGOs respectively. From the above mentioned researches, its clear that none of the researchers has researched on the NGO strategies in general for business development issues of small and medium enterprises in the whole Kenya thus making my topic of research unique and

researchable. Therefore the research question that this research paper is addressing is: what strategies are non-governmental organizations in Kenya using to promote business development of small and medium enterprises.

### **1.3. Research Objectives**

This research seeks to determine two major objectives namely:

- i. Strategies adopted by non-governmental organizations in Kenya in promoting business development of small and medium enterprises.
- ii. Establish factors influencing strategies adopted by non-governmental organizations for business development for small and medium enterprises in Kenya.

### **1.4. Importance Of The Study**

This study is going to benefit the most the small and medium enterprises in Kenya. It will benefit them through a number of ways i.e. small loans will enable them be able to take advantage of non governmental organization's generosity to expand their businesses, while educational seminars offered by these non governmental organizations will help them understand their challenges and thus get a way out on them, while negotiations will help them be able to go global thus improving their business conditions.

Another beneficiary is the government. These strategies will help the government to take advantage by encouraging non-governmental organizations involvement for economic growth. Their negotiation activities if smoothly done i.e. peacefully will enable a country to go global thus improving political policies and foreign currencies of a government as well as enhancing free trade among nations. This study is also going to helping the government identify and solve problems affecting a large portion of the population on a regular basis. These economic issues include unemployment; foreign relations and general reforms thus creating a legal environment that guarantee the health of these sectors.

The study will also help the non-governmental organizations be able to establish new strategies in order to gain confidence of general stakeholders and the government. This will increase their public trust thus expand their area of coverage and client level. This study should also enable non governmental organizations to gain popularity i.e. their strategies will be well understood to the public thus more small and medium enterprises involvement and government support and so will be donations.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1. Concept Of Strategy

Different researches define strategy differently. Mitzberg provides five definitions of strategy using five Ps i.e. plan, ploy, pattern, position and perspective. According to him, the word "strategy" has been used implicitly in different ways even if it has traditionally been defined in only one. Explicit recognition of multiple definitions can help people to maneuver through this difficult field i.e. Strategy is a plan - some sort of consciously intended course of action, a guideline (or set of guidelines) to deal with a situation. As plan, a strategy can be a ploy too; really just a specific maneuver intended to outwit an opponent or competitor. If strategies can be intended (whether as general plans or specific ploys), they can also be realized. In other words, defining strategy as plan is not sufficient; we also need a definition that encompasses the resulting behaviour: Strategy is a pattern - specifically, a pattern in a stream of actions. Strategy is consistency in behaviour, whether or not intended. Plans are intended strategy, whereas patterns are realized strategy; from this we can distinguish deliberate strategies, where intentions that existed previously were realized, and emergent strategies where patterns developed in the absence of intentions, or despite them. Strategy is a position - specifically a means of locating an organization in an "environment".

By this definition strategy becomes the mediating force, or "match", between organization and environment, that is, between the internal and the external context. Strategy is a perspective - its content consisting not just of a chosen position, but also of an ingrained way of perceiving the world. Strategy in this respect is to the organization what personality is to the individual (Mintzberg, 2005).

What, then, is strategy? Is it a plan? Does it refer to how we will obtain the ends we seek? Is it a position taken? Just as military forces might take the high ground prior to engaging the enemy; might a business take the position of low-cost provider? Or does strategy refer to perspective, to the view one takes of matters, and to the purposes, directions, decisions and actions stemming from this view? Does strategy refer to a pattern in our decisions and actions? For example, does repeatedly copying a competitor's new product offerings signal a "me too" strategy? Just what is strategy? Strategy is all these—it is perspective, position, plan, and pattern. Strategy is the bridge between policy and high-order goals on the one hand and tactics or concrete actions on the other (Zadek, 2004). Strategy and tactics together straddle the gap between ends and means. In short, strategy is a term that refers to a complex web of thoughts, ideas, insights, experiences, goals, expertise, memories, perceptions, and expectations that provides general guidance for specific actions in pursuit of particular ends. Strategy is at once the course we chart, the journey we imagine and, at the same time, it is the course we steer, the trip we actually

make. Even when we are embarking on a voyage of discovery, with no particular destination in mind, the voyage has a purpose, an outcome, and an end to be kept in view. (A comment from Lionel Urwick's classic Harvard Business Review article regarding the span of control is applicable here 11) (Zadek, 2004).

Porter, a writer of competitive strategy, argues that strategy is "about being different." He adds, "It means deliberately choosing a different set of activities to deliver a unique mix of value." I.e. it's about competitive position, about differentiating yourself in the eyes of the customer, about adding value through a mix of activities different from those used by competitors. (Zadek, 2004) In his earlier book, Porter defines competitive strategy as "a combination of the ends (goals) for which the firm is striving and the means (policies) by which it is seeking to get there." Thus, Porter seems to embrace strategy as both plan and position (Urwick, 1996).

Strategy according to Kepner-Tregoe is the framework, which guides those choices that determine the nature and direction of an organization. Ultimately, this boils down to selecting products (or services) to offer and the markets in which to offer them. Tregoe and Zimmerman urge executives to base these decisions on a single "driving force" of the business. Although there are nine possible driving forces, only one can serve as the basis for strategy for a given business. The nine possibilities are listed below: Products offered,



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Market needs, Technology, Production capability, Method of sale, Method of distribution, Natural resources, Size/growth, Return/profit (Benjamin Tregoe and John Zimmerman, of Kepner-Tregoe, Inc).

In conclusion, strategy is a broad, ambiguous topic that demands us to come to our own understanding, definition, and meaning. Therefore, helping the reader do so is the chief aim of this paper.

## **2.2. Business Development**

While we know a lot about how countries become prosperous, we have only begun to understand how aid contributes to economic growth and business development. The limits of cross-country regressions have become clear: they do not throw much light on the reality of aid. But the novels mix of qualitative and quantitative methods fashioned by independent evaluators constitute a serviceable approach to the assessment of aid effectiveness both at project level and at country level. In particular, a new brand of country assistance evaluations (CAEs) has demonstrated that business success at project level matters even if it does not automatically translate into success at country level—the ‘micro-macro paradox’ (Poccioto, 2007). Evaluations confirm that well-managed aid, using instruments that are tailored to specific country contexts, works. They show that budget support mechanisms and programmed aid instruments have a role to play in certain circumstances while projects are the aid vehicles of

choice in others. The popular notion that business development effectiveness can be ensured through the targeting of aid towards countries classified as good performers by idealized sets of indicators has been discredited. Recent policy research suggests that, despite the risks involved, aid does the most good when it benefits the weakest and poorest economies and those most vulnerable to shock. But to achieve business development effectiveness at country level, coherence of interventions is critical, as is judicious sequencing. Business development operations should be (i) selected to fit within coherent country assistance strategies; (ii) aligned with the priorities of the country and (iii) coordinated with other policies and actions of partners. Ultimately, this is because the quality of aid matters as much as its quantity: aid is a transmission belt for ideas, a device to train business development leaders, an instrument to build state capacity and a platform for policy experimentation and dissemination (Poccioto, 2007).

There are good news and bad news in business development. During the periods of 1960-80 and 1980-2000, annualized per capita growth rates were 2.1 per cent and 3.6 per cent, respectively for developing countries compared to 3.3 per cent and 2 per cent for rich countries. This implies progress towards convergence and evinces hope, which in turn indicates growing divergence and induces gloom. Business growth has a cumulative impact on living standards. If, in John

Lennon's words, we' imagine, there is no country', the development narrative is positive (Bhalla, 2002).

While business development may induce economic development in several ways, some of which have been detailed above, it is ideal to indicate that its attempts to develop credit markets will be successful under some conditions and unsuccessful under others. Some literature has emphasized the role of inherited institutions and interest groups in determining such conditions. We have instead emphasized standard market conditions, whereby a large supply of credit can be sustained in equilibrium only when enough entrepreneurs have started their business and labor demand is high enough to assure that capital will be invested efficiently (Bianchi, 2009). In this respect, our analysis suggests that complementarities are likely to arise between labor market and financial market development. These dynamics also show that there are situations in which a gradual improvement in business development is bound to be unsuccessful. If markets are not functioning well and individuals have incentive to misbehave, business development will bounce back to its original low levels. This makes precise a sense in which, in these situations, the country needs a big push in order to escape the poverty trap (Bianchi, 2009).

### **2.3. Partnership Between Non Governmental Organizations And Small And Medium Enterprises**

According to previous findings, the development of the small and medium enterprises has been one of the strategic goals of a country's democratic changes, and it still remains a goal today (Molnar, 2005). This development activity has gained momentum during the Milosevic era through the organization of educational seminars focusing on the importance of the SME sector and business-development training. In addition, assistance with marketing and public relations has provided for existing non governmental organizations to be engaged in small and medium enterprises engaged activities a period according development history called the first, or pre-institutional, phase in the development of NGO-SME partnerships. The basis for this type of partnership is human-resource development (Molnar, 2005).

Both non-governmental organizations and small and medium enterprises were banned from using official institutions or public facilities during the Milosevic era. The non-governmental organizations were a natural target for this discrimination, because they were the only public voice that dared to oppose the regime. The Milosevic government threatened them often and had no incentive to provide any support. (Molnar, 2005) Small and medium enterprises suffered a slightly different fate. They were punished financially by

the government and forced to pay excessive “fines and fees,” which continued to increase when the regime faced a growing budget crisis. The NGO and SME sectors continued to suffer similar fates, even after democratic changes were instituted. Both sectors seem to be a low priority for the current government. Although the country is undergoing significant legislative changes, laws affecting both the NGO and SME sectors remain the same (Molnar, 2005).

Fostering the development of the NGO and SME sectors has always helped to further the democratic process in various developing countries. The growth and cooperation between these sectors will create a large pool of financially and politically independent citizens and institutions. The creation of partnerships between these two healthy sectors of a society is another essential element for successful transition (Copeman, 2005). Academic think tanks must work with economics practitioners in the field and vice versa. The government in that case makes the creation, adoption and implementation of laws that aid the development of the NGO and SME sectors a priority. These two sectors play an important role in helping the government identify and solve problems affecting large portions of the population on a regular basis. These economic issues include unemployment, foreign relations and general reforms. Creating a legal environment that guarantees the health of these sectors is important. (Copeman, 2005)

NGOs, business and beneficiary communities can benefit from NGO/business partnerships, specifically their combination of on-the-ground projects, added value activities and traditional fundraising/advocacy work. Partnerships are qualitatively different from other institutional relationships, owing to the time and resources required to establish and manage them: Different opportunities and challenges arise during the partnership lifecycle. Differences between NGOs and business contribute to their core competencies, representing a potential source of strength to partnerships. The partnership concept is familiar and can engage a broad range of organizations across both sectors. Partnerships between medium-size organizations in particular maximize the partners' dynamism and experience in identifying/scaling up opportunities. Their incorporation into the CSR debate would increase the diversity of case studies and enable the focus to shift from responsibility towards sustainability (Copeman, 2005).

#### **2.4. Non Governmental Organization's Strategies**

According to research, NGOs have four basic strategies for engaging business, and they are often divided by strategy. However, there is almost uniform unhappiness with the "level" and nature of interaction with corporations to date. Exchanges are usually confrontational, incidental, purely opportunistic, or around short-term joint projects. People want to get to the "meta-level" conversation and "the rules of

the game.” Similarly, there is much more unity among NGOs about the key qualities of their long-term visions (Waddell, 2004). The four major change strategies of non-governmental organizations are forcing change through confrontation and challenge, promoting change by bringing business into civil society spaces, facilitating change through collaboration and joint work and producing change by working in a minority position inside an industry to create basic reform by taking business share. These strategies are all valid, collective and form an ecology of engagement that promises to be very powerful if they are coordinated (Waddell, 2004).

Present non-governmental strategies prevail at the moment according to some studies. It is clear that an active bargaining strategy prevails. In particular Nature, consumer interest groups and labour rights groups have embraced this strategy. All these groups have extensive experience in these areas and often constitute part of the institutionalized bargaining setting in particular countries. Interviews show that NGOs adopt five generic strategies towards corporations i.e. a bargaining strategy (complementary strategy of action and conversation- 48%), a dialectic ‘push-pull’ strategy (expressing criticism, while at the same time trying to put realistic alternatives into the market – 16%), direct cooperation with companies (bundling means, competencies, strengths and experience – 20%), bridging brokering sometimes in combination with the supervisory role - 9%), diversification (adopting a large number of roles to be flexible and



effective in dealing with very complex relations – 7 %) From the same findings, almost half of all the NGOs anticipate that their role will not change at all, although they do anticipate that the intensity of their interaction with companies will increase. The importance of two roles is expected to increase slightly: partnerships (Pingos, 2004) and strategic stakeholder dialogues (Strongos, 2004). NGOs are particularly interested in operational partnerships with firms. This illustrates their increasingly pragmatic orientation. The number of NGOs that considers (strategic) stakeholder dialogues an important tool of future interaction with firms increases slightly from one in eight to one in six. Labour rights NGOs and environmental NGOs in particular are pursuing stakeholder dialogue. But the majority of NGOs do not yet want to focus on a dialogue that involves relative interdependency (Egmond, 2004).

According to other researches, there exist a number of business strategies that come up due to collaboration with business. This is a spectrum that is composed of two factors. One is the ideology factor, which refers to whether an NGO strategy reflects a critical analysis or viewpoint of business activity. NGOs with exclusively business membership like the International Business Leaders Forum, for example, are unlikely to take a highly critical analysis of fundamental business sector dynamics since they attempt to affect change from within. More “radical” NGO strategies see business system values and structures as fundamental barriers to their world vision. Businesses’ drive to increase consumption is criticized as a key factor in

environmental degradation, for example. The second factor of the confrontation-to-collaboration spectrum is influence. This refers to the use of pressure or inducement in the NGO strategy. It ranges from environ-terrorists killing executives of corporations seen to be causing environmental destruction to NGOs becoming agents of the business sector and undermining the cause that they purport to espouse—particularly obvious with notorious “business” labor unions. NGOs like the Global Reporting Initiative (GRI) purposefully have advocacy civil society organizations as one key (Waddell, 2004).

## **2.5. Challenges Facing Small And Medium Enterprises In Kenya**

According to previous literature, small and medium enterprises in Kenya face unique challenges, which affect their growth and profitability and hence, diminish their ability to contribute effectively to sustainable development. The most common challenges discussed are, Lack of Managerial Training and Experience, Inadequate Education and Skills, Lack of Credit, National Policy and Regulatory Environment, Technological Change, Poor Infrastructure and Scanty Markets information. (King and McGrath, 2002).

Lack of Managerial Training and Experience is a major challenge faced by many owners’ and managers of small and medium enterprises in Kenya. The typical owner or managers of small

businesses develop their own approach to management, through a process of trial and error. As a result, their management style is likely to be more intuitive than analytical, more concerned with day-to-day operations than long-term issues, and more opportunistic than strategic in its concept (Hill, 1987). Although this attitude is the key strength at the start-up stage of the enterprise because it provides the creativity needed, it may present problems when complex decisions have to be made. A consequence of poor managerial ability is that SME owners are ill prepared to face changes in the business environment and to plan appropriate changes in technology. (Wanjohi, and Mugure, 2008). Majority of those who run SMEs are ordinary lot whose educational background is lacking. Hence they may not well equip to carry out managerial routines for their enterprises (King and McGrath, 2002).

Education and skills are needed to run micro and small enterprises. Research shows that majority of the lot carrying out micro and small enterprises in Kenya are not quite well equipped in terms of education and skills. Study suggests that those with more education and training are more likely to be successful in the SME sector (King and McGrath, 2002). As such, for small businesses to do well in Kenya, people need to be well informed in terms of skills and management. SMEs in ICT appear to be doing well with the sprouting of many commercial colleges offering various computer applications. Further,

studies show that most of those running SMEs in this sector have at least attained college level education (Wanjohi and Mugure, 2008).

Lack of access to credit is almost universally indicated as a key problem for SMEs. This affects technology choice by limiting the number of alternatives that can be considered. Many SMEs may use an inappropriate technology because it is the only one they can afford. In some cases, even where credit is available, the entrepreneur may lack freedom of choice because the lending conditions may force the purchase of heavy, immovable equipment that can serve as collateral for the loan. Credit constraints operate in variety of ways in Kenya where undeveloped capital market forces entrepreneurs to rely on self-financing or borrowing from friends or relatives. This problem of lack of access to long-term credit for small enterprises forces them to rely on high cost short-term finance (Muteti, 2005).

There are various other financial challenges that face small enterprises. They include the high cost of credit, high bank charges and fees. The scenario witnessed in Kenya particularly during the climaxing period of the year 2008 testifies the need for credit among the common and low earning entrepreneurs. Numerous money lenders in the name of Pyramid schemes came up, promising hope among the 'little investors,' that they can make it to the financial freedom through soft borrowing. The rationale behind turning to these schemes among a good number of entrepreneurs is mainly to seek alternatives

and soft credit with low interest rates while making profits. Financial constraint remains a major challenge facing SMEs in Kenya (Wanjohi and Mugure, 2008).

The national policy and regulatory environment has an important impact on technology decisions at the enterprise level. The structural adjustment programs (SAPs) implemented in many African countries is aimed at removing heavy policy distortions, which have been viewed as detrimental to the growth of the private sector. SAPs tend to severely affect vulnerable groups in the short run and have been associated with the worsening living conditions in many African countries (USAID, 1991).

The findings in the study by Wanjohi and Mugure (2008) indicate that business environment is among the key factors that affect the growth of MSEs. Unpredictable government policies coupled with 'grand corruption,' high taxation rates, all continue to pose great threat, not only to the sustainability of SMEs but also to the Kenyan economy that was gaining momentum after decades of wastage during KANU era. Change of technology has posed a great challenge to small businesses. Since the mid-1990s there has been a growing concern about the impact of technological change on the work of micro and small enterprises. Even with change in technology, many small business entrepreneurs appear to be unfamiliar with new technologies. Those who seem to be well positioned, they are most often unaware of

this technology and if they know, it is not either locally available or not affordable or not situated to local conditions. Foreign firms still remain in the forefront in accessing the new technologies. In most of the African nations, Kenya inclusive, the challenge of connecting indigenous small enterprises with foreign investors and speeding up technological upgrading still persists (Muteti, 2005). There is digital divide between the rural and urban Kenya. With no power supply in most of the rural areas, it is next to impossible to have Internet connectivity and access to information and networks that are core in any enterprise. Thus technological change, though meant to bring about economic change even among the rural lot, does not appear to answer to the plight of the rural entrepreneurs (Wanjohi and Mugure, 2008).

Poor infrastructures pose a major challenge to small enterprises in Kenya. In Kenya, the provision of better infrastructures has lagged behind over years. There are poor roads, inadequate electricity supply. According to the proceedings of the National Investment Conference, November 2003, Kenya still stands in need of better infrastructures. It has been the pledge NARC government (when it took over from KANU in 2002) to improve the infrastructures, but there is yet much to be done (National Investment Conference, November 2003)

Lack of sufficient market information poses a great challenge to small enterprises. Despite the vast amount of trade-related information available and the possibility of accessing national and international databases, many small enterprises continue to rely heavily on private or even physical contacts for market related information. This is due to inability to interpret the statistical data (Muteti, 2005) and poor connectivity especially in rural areas. Since there is vast amount of information and only lack of statistical knowledge to interpret and Internet connectivity, small enterprises entrepreneurs need to be supported. With connectivity being enhanced (by connecting Kenya globally through Fiber Optic Cable project) there is renewed hope for the SMEs (Muteti, 2005).

## **2.6. Factors Influencing Strategies for Business Development**

Businesses are affected by an external environment as much as they are affected by the competitors. Global factors influencing business are legal, political, social, technological and economic. Understanding of these factors is important while developing a business strategy (Saxon, 2010)

Social factors are those related to changes in social structures. These factors provide insights into behaviour, tastes, and lifestyles patterns of a population. Buying patterns are greatly influenced by the changes

in the structure of the population, and in consumer lifestyles ([www.AnnArborUSA.org/Expand](http://www.AnnArborUSA.org/Expand), 2010) Age, gender, etc all determine the buying patterns and understanding of such changes is critical for developing strategies which are in line with the market situations. In a global environment it is important that business strategies are designed keeping in mind the social and cultural differences that vary from country to country. Consumer religion, language, lifestyle patterns are all important information for successful business management (Saxon , 2010)

Legal factors according to ([www.AnnArborUSA.org/Expand](http://www.AnnArborUSA.org/Expand), 2010) these are factors that influence business strategies are related to changes in government laws and regulations. For a successful business operation it is important that the businesses consider the legal issues involved in a particular situation and should have the capability to anticipate ways in which changes in laws will affect the way they must behave. Laws keep changing over a period of time. From the point of view of business it is important that they are aware of these changes in the areas of consumer protection legislation, environmental legislation, health & safety and employment law, etc (Saxon 2010)

Economic factors involve changes in the global economy. A rise in living standards would ultimately imply an increase in demand for products thereby, providing greater opportunities for businesses to make profits. An economy witnesses fluctuations in economic



activities. This would imply that in case of a rise in economic activity the demand of the product will increase and hence the price will increase. In case of reduction in demand the prices will go down. Business strategies should be developed keeping in mind these fluctuations (Saxon, 2010). Other economic changes that affect business include changes in the interest rate, wage rates, and the rate of inflation. In case of low interest rates and increase in demand Businesses will be encouraged to expand and take risks. Therefore, business strategies should have room for such fluctuations ([www.AnnArborUSA.org/Expand](http://www.AnnArborUSA.org/Expand), 2010)

Political factors refer to the changes in government and government policies. Political factors greatly influence the operation of business. This has gained significant importance off late. For example: companies operating in the European Union have to adopt directives and regulations created by the EU. The political arena has a huge influence upon the regulation of businesses, and the spending power of consumers and other businesses. Business must consider the stability of the political environment, government's policy on the economy etc (Saxon, 2010)

Technological factors greatly influence business strategies as they provide opportunities for businesses to adopt new innovations, and inventions. This helps the business to reduce costs and develop new

products. With the advent of modern communication technologies, technological factors have gained great impetus in the business arena ([www.businessteacher.org.uk](http://www.businessteacher.org.uk), 2010). Huge volumes of information can be securely shared by means of databases thereby enabling vast cost reductions, and improvements in service. Organizations need to consider the latest relevant technological advancements for their business and to stay competitive. Technology helps business to gain competitive advantage, and is a major driver of globalization. While designing the business strategies firms must consider if use of technology will allow the firm to manufacture products and services at a lower cost. Firms can select new modes of distributions with the help of technology. It has become easier for companies to communicate with their customer in any part of the world (Saxon, 2010)

## CHAPTER 3

### RESEARCH METHODOLOGY

#### 3.1. Research Design

The research design represented a general plan of how the research questions were to be answered. The strategy informed the methodologies used during data collection (Saunders, Lewis and Thornhill, 2003, 90-91). The research design selected for this research was that of a cross sectional survey. Consequently this section opened with a discussion of the cross sectional survey strategy, its objectives, data sources and constraints. It then addressed how the survey was to be identified and its scope defined. The cross sectional survey was one in which the data was collected from one point to represent a large population (Owens, 2002). This was distinct from the “longitudinal” survey, which usually deals with trends, panels, and cohort type of surveys that require data to be collected for a specified period of time and population. Longitudinal survey study is a co relational research study that involves repeated observations of the same items over a long period of time (Owens, 2002).

### **3.2. Target Population**

The research intended to target all non-governmental organizations in Kenya where a sample of 25 Kenyan non-governmental organizations out of fifty stable non-governmental organizations in Kenya were selected to represent the rest of the population. The people to complete the questioners were the top employees to the non-governmental organizations and a conclusion made to justify the data of the survey.

### **3.3. Sample Design**

Systematic random sampling design was used in that each and every member of the population had an equal and independent chance of being selected. A random sample was used where 25 non-governmental organizations were selected in every 2 of the 50 NGOs in Kenya.

### **3.4. Data Collection**

Consideration was given to the search tactics employed, for both secondary data sources and the collection of primary data through questionnaires. Primary and secondary sources were treated as complementary and used in conjunction with one another to ensure the validity of the survey (Yin, 2003, 85). However, as any document was written with a specific purpose and audience in mind other than those of the survey that was carried out, any potential evidence was

confirmed with questionnaires (Yin, 2003, 87). Questionnaires were to represent the main data source, enabling actors to reveal their understanding of the survey. The questions were open-ended, asking respondents for both facts and opinions (Yin, 2003, 90). This study intended to use semi-structured interviews, based around a series of themes and questions. Interviews represented “verbal reports” and were subject to problems of bias and poor recall (Yin, 2003, 92), so triangulations were carried out on two levels to ensure the data’s integrity.

### **3.5. Statistical Analysis**

The approaches to statistical analysis were not only included in the collection, analysis and interpretation of the data, but also the planning of the collection of data in terms of the design of the survey and experiment. The deductive approach offered a more defined pathway to answering research questions, but also brought “the possibility of introducing a premature closure on the issues to be investigated” (Saunders, Lewis and Thornhill 2003, 388). Consequently the researcher did improve his data with the design of experiments and survey sampling. Descriptive method of statistical sampling were used to summarize and describe the data collection that was also made as analytical aids; especially summaries and self-memos, to ensure that issues identified by the sample were addressed. In addition, all the evidence was attended to ensure that the survey’s

most significant aspects were studied and the researcher's prior knowledge was applied (Yin, 2003, 137). Statistical analysis was based on pattern matching (Stake 1995, 78). Finally, the hypotheses developed prior to and during the data collection phase was tested (see also Saunders, Lewis and Thornhill 2003, 381-4).

## CHAPTER FOUR

### DATA ANALYSIS AND FINDINGS

#### 4.1. Introduction

This chapter gives a detailed analysis of data collected and it presents the findings of that analysis. The data was collected by use of a questionnaire where conclusions were used to determine the extent of which the strategies are applied in the non governmental organizations where the respondents, by ticking, are able to explain the extent the strategies applied in their organization I.e. 1=Not at all, 2=Little Extent, 3=Moderate Extent, 4=Great Extent and 5= Very Great Extent.

#### 4.2. Factors Influencing Strategies for Business Development of SMEs

Factors influencing NGO strategies for business development are legal, political, social, technological and economic (Saxon, 2010).

Social factors relate to changes in social structures. These factors provide insights into behaviour, tastes, and lifestyles patterns of a population. Buying patterns are greatly influenced by the changes in the structure of the population, and in consumer lifestyles ([www.AnnArborUSA.org/Expand](http://www.AnnArborUSA.org/Expand). 2010) Age, gender, etc all determine the buying patterns and understanding of such changes is

critical for developing strategies which are in line with the market situations. In a global environment it is important that business strategies are designed keeping in mind the social and cultural differences that vary from country to country. Consumer religion, language, lifestyle patterns are all important information for successful business management (Saxon , 2010)

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Business strategies should be developed keeping in mind these fluctuations (Saxon, 2010). Other economic changes that affect business include changes in the interest rate, wage rates, and the rate of inflation. In case of low interest rates and increase in demand businesses will be encouraged to expand and take risks. Therefore, business strategies should have room for such fluctuations ([www.AnnArborUSA.org/Expand](http://www.AnnArborUSA.org/Expand), 2010)

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cost reductions, and improvements in service. Organizations need to consider the latest relevant technological advancements for their business and to stay competitive. Technology helps business to gain competitive advantage, and is a major driver of globalization. While designing the business strategies firms must consider if use of technology will allow the firm to manufacture products and services at a lower cost. Firms can select new modes of distributions with the help of technology. It has become easier for companies to communicate with their customer in any part of the world (Saxon, 2010)

### **4.3. Challenges Faced by NGOs in Developing SMEs**

The most common challenges discussed are, Lack of Managerial Training and Experience, Inadequate Education and Skills, Lack of Credit, National Policy and Regulatory Environment, Technological Change, Poor Infrastructure and Scanty Markets information.

Lack of Managerial Training and Experience of SMEs which makes the typical owner or managers of small businesses develop their own approach to management, through a process of trial and error. As a result, their management style is likely to be more intuitive than analytical, more concerned with day-to-day operations than long-term issues, and more opportunistic than strategic in its concept (Hill, 1987). Therefore poor managerial ability is that SME owners are ill

prepared to face changes in the business environment and to plan appropriate changes in technology. (Wanjohi, and Mugure, 2008). Majority of those who run SMEs are ordinary lot whose educational background is lacking. Hence they may not well equip to carry out managerial routines for their enterprises (King and McGrath, 2002).

Poor Education skills in running SMEs. The research shows that majority of the lot carrying out SMEs in Kenya are not quite well equipped in terms of education and skills. Study suggests that those with more education and training are more likely to be successful in the SME sector (King and McGrath, 2002). Further, studies show that most of those running SMEs in this sector have at least attained college level education (Wanjohi and Mugure, 2008).As such, for small businesses to do well in Kenya, people need to be well informed in terms of skills and management.

Lack of access to credit by SMEs, this affects technology choice by limiting the number of alternatives that can be considered. Many SMEs may use an inappropriate technology because it is the only one they can afford. This problem of lack of access to long-term credit for small enterprises forces them to rely on high cost short-term finance (Muteti, 2005).

High cost of credit, high bank charges and fees. The scenario witnessed in Kenya particularly during the climaxing period of the

year 2008 testifies the need for credit among the common and low earning entrepreneurs. Numerous money lenders in the name of Pyramid schemes came up, promising hope among the 'little investors,' that they can make it to the financial freedom through soft borrowing. (Wanjohi and Mugure, 2008).

The national policy and regulatory environment has an important impact on technology decisions at the enterprise level. The structural adjustment programs (SAPs) implemented in many African countries are aimed at removing heavy policy distortions, which have been viewed as detrimental to the growth of the private sector. SAPs tend to severely affect vulnerable groups in the short run and have been associated with the worsening living conditions in many African countries (USAID, 1991).

Unpredictable government policies coupled with 'grand corruption,' high taxation rates, all continue to pose great threat, to the sustainability of SMEs. Change of technology has posed a great challenge to small businesses. The challenge of connecting indigenous small enterprises with foreign investors and speeding up technological upgrading still persists (Muteti, 2005). Thus technological change, though meant to bring about economic change even among the rural lot, does not appear to answer to the plight of the rural entrepreneurs (Wanjohi and Mugure, 2008).

Poor infrastructures thus poor roads, inadequate electricity supply pose a big threat too. According to the proceedings of the National Investment Conference, November 2003, Kenya still stands in need of better infrastructures (National Investment Conference, November 2003)

#### **4.4. Responses To The Influences And Challenges Faced By NGOs**

Due to lack of training and experience, NGOs have provided training facilities in form of seminars and conferences in order to help get rid of illiteracy as well as enabling SME owners be able to manage their businesses effectively. Because of inadequate education and skills they have also managed to provide school fee and scholarships to poor children thus enabling them to be efficient entrepreneurs in future.

To enhance a good regulatory environment, they have supported corporate social responsibility (CSR) as well as coordinating with the government to control and monitor the development of SMEs especially in terms of ethical issues and the improvement of better working conditions.

To get rid of scanty market information, NGOs have acted as a consulting ground for SMEs thereby encouraging dialogue among business owners as well as coordinating negotiation between SMEs

and the government. These kinds of negotiations have also fostered globalization.

NGOs have also to a great extent, participated in charitable activities which has helped eradicate poverty by providing financial assistance to starters in order to encourage growth of more SMEs. They sometime also help my boosting stocks to SME owners thus developing and growing SMEs in Kenya.

## CHAPTER FIVE

### SUMMARY, DISCUSSIONS AND CONCLUSIONS

#### 5.1. Introduction

This chapter represents the summary, discussions, conclusions, limitations and recommendations of this research paper according to the objectives of this study which are to determine the strategies adopted by non-governmental organizations in Kenya in promoting business development of small and medium enterprises as well as establish factors influencing strategies adopted by non-governmental organizations for business development for small and medium enterprises in Kenya.

#### 5.2. Summary

This project looks to establish the influence NGOs have in the development of SMEs in Kenya. It looks to establish the following objectives I.e. to determine the strategies adopted by non-governmental organizations in Kenya in promoting business development of small and medium enterprises as well as establish factors influencing strategies adopted by non-governmental organizations for business development for small and medium enterprises in Kenya.

### 5.3. Discussions

The study established that to a very great extent, all NGOs have a good motive and intentions to support corporate social responsibility (CSR) and that it's true that most NGOs support and encourage the development of SMEs in Kenya.

The study also revealed that to a great extent, NGOs use strategies like offering training services to encourage literacy as well as help them manage their businesses. They also provide financial and non financial aid to SMEs to enable self reliance in the process of eradicating poverty in Kenya. To a great extent, they also control and monitor the well being of SMEs. This encourages the rise of entrepreneurship in the country.

According to the study, it was established that to moderate extent, NGOs participate in monitoring ethical issues with the business environment thus providing security to SME owners in Kenya. It also established that to such moderate extent, NGOs are gender sensitive in distributing resources to SMEs owners whereby a greater extent is given to women and children/youth unlike that of men. They also help solve businesses disputes between SMEs and the government which in turn encourages better businesses conditions to SMEs. Globalization is also enhanced by NGOs in the same extent.



Finally, the study revealed that to some little extent, NGOs help solve business disputes between SMEs and the government thus encouraging dialogue among business owners as well as coordinating negotiations among them too. This to the same extent makes the NGOs act as a consultation ground for SMEs in Kenya.

#### **5.4. Conclusion**

In conclusion, Non-governmental organizations have a great influence in the development of small and medium enterprises in Kenya. Its therefore the responsibility of SME owners in Kenya to establish these strategies and take advantage of them for their own benefit.

#### **5.5. Limitations Of the Study**

The first limitation of this study is that the study could not cover the performance of small and medium enterprises as a result of the non governmental organizations intervention or the level to which the non-governmental organizations strategies and its involvement have affected the performance of Small and medium enterprises.

A second limitation is that there are more that 850 NGOs in Kenya according to the NGO Coordination Board yet the study had a sample of 25 NGOs only (N=25) a figure a bit not enough to give a fair representation of the entire population thus a limitation.

## **5.6. Recommendations For Further Research.**

From the above study, I will recommend further study on the SME performance in relation to the NGO involvement. I also recommend a similar research that will be conducted to all NGOs so as to find out whether the same conclusions will be brought out as the end of it all.

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# APPENDIX: QUESTIONNAIRE

## SECTION A

### DEMOGRAPHICS OF NGOS

1. What is the name of the NGO?

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2. What is the country of origin of the NGO?

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3. What sector does your NGO belong to? Tick where appropriate

a) Industrial

b) Media

c) Community

d) Medicine

e) Business

f) Education

g) All the above

4. What is the size of your NGO?

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5. How many branches does it have?

\_\_\_\_\_

6. For how long has the NGO been in Kenya

\_\_\_\_\_

**SECTION B**  
**STRATEGIES OF NGOS**

Using a scale of 1-5, where 1=Not at all, 2= Little extent, 3= Moderate extent, 4=Great extent and 5=Very Great extent. Please tick the number that closely reflects the extent to which your organization applies the following strategies.

Our organization supports the development of small and medium enterprises(SMEs) to eradicate poverty	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>
Our organization provides training services to SME owners	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>
Our organization participates in monitoring ethical issues within the business environment	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>
Our organization helps in fostering globalization within the business industry	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>

Our organization helps in solving business disputes among SMEs owners as well as the government	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization encourages people to improve their education backgrounds so as to ensure literacy in running SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization monitors the well being of SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization in conjunction with the government participates in the control of SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization acts as a consulting ground for SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization provides security on the existence of SMEs in Kenya	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization encourages entrepreneurship in our country	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization supports corporate social responsibility to ensure environmental sustainability	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization provides financial services to SMEs for growth	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization also provides non-financial services like stocks to SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization is gender sensitive in distributing resources to SME owners	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization enhances better business conditions to SMEs	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization often encourages dialogue among business owners	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>

Our organization coordinates negotiations between the SMEs and the government	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization provides soft loans to SME starters in Kenya	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
Our organization works to improve working conditions among SMEs in Kenya	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>

THANK YOU