

**MANAGEMENT OF OWNERSHIP CHANGE IN SMALL AND MEDIUM
ENTERPRISES IN NAIROBI COUNTY OF KENYA**

BY

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DECLARATION

I hereby declare that this research project is my original work and that it has never been presented in any other university for an award.

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Declaration by Supervisor

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DEDICATION

I would like to dedicate this work to my late friend, mentor and Dad Dr. Thomas Odegi Opiyo, I still look up to your teachings, and my steps towards the goal are surely coming to reality.

ACKNOWLEDGEMENT

I would like to express my very great appreciation to Proff. Martin Ogutu, whose invaluable guide during this research project cannot be gain said, to my family Zack, Phill, Arnold and Thomas Odegi Jnr and my loving Mum Isabel, you have always been the source of my strength and inspiration. To Vincent Odhiambo, Chris Karanja, Joan Koima, Sadia Nuru and Irene Tindi, our times, friendship and support at the University of Nairobi, will always remain cherished. To all the SMEs in Nairobi County, you made it all possible for me. To the Staff of University of Nairobi thanks for making it a comfortable learning environment for me, and may God Bless you richly.

ABSTRACT

Change is an important factor for the survival and performance of any business organization. It becomes imperative to formulate a strategy that stems the unsavory impact of change within the turbulent business environment. Unlike large business entities, ownership management in SMEs is carried out by the owner who carries out the owner-manager role. This research project attempted to investigate how SMEs within Nairobi County, Kenya apply management of ownership change to adapt to the effects of turbulence in the operating environment. The study further examined the challenges of management of ownership change and the strategies employed by these SMEs to address the challenges they face in the management of ownership change. Various studies have been reviewed on the importance of formulation and implementation of strategies to ensure SMEs transition smoothly from the hands of owner-manager to another manager. Authors talk of change as identified by scale and divided into four different characteristics: fine-tuning, incremental adjustment, modular transformation, and corporate transformation. The study has taken a descriptive research design approach where both open-ended and closed ended questionnaires were used to obtain information from a sample size of 120 respondents. The primary data obtained was then presented, analyzed, and interpreted using descriptive statistics and content analysis methods. The findings of the study revealed that many SMEs endorse organizational culture as an instrument that influences continuity and business development. This culture embodies how management transitions are made, and how sourcing for competent managers is done. The study also found that most SMEs face challenges of mismanagement or even closure after the exit of owner-manager. Ownership management change therefore becomes an important strategy to address such challenges. The study also recommended that proper mechanism to address management change transition as well as strategic planning be entrenched in organizations operations, this will aid communication of future plans and continuity of organizations in the face of Ownership management in SMEs.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizations' sustained competitive operation, must always be anchored on a continuous renewal of the organizations' structure, direction inform of strategy and capabilities to serve the ever changing needs of the internal and external customers' (Moran & Brightman, 2001). This clarity of Organizational purpose is ably reflected in the Vision and mission of such establishments, characterized by elaborate clear planning and involvement of all the relevant stakeholders in their formation; a common practice in well structured and managed institutions. Small and Medium Enterprises (SMEs), being predominantly owner-managed, is not an exception to operation in the ever changing environment, where clarity of purpose and continuity must be well planned out (Burnes, 2004). The constant renewal of the direction of such organizations, to adapt to the market changes and sustain competitive operation, becomes of great concern, when the Owner - Manager who is the soul custodian of the organization's vision and mission have to give way. This cannot over emphasize further, the importance and dilemma on how to manage ownership change in small and medium enterprises, with particular reference to those within the county of Nairobi Kenya (Senior, 2002).

The increasing importance of Small and Medium Enterprises (SMEs) ownership change management is a global phenomenon brought about by market forces, technological advances, personal career aspirations and the underlying demographic changes of the population (Curran & Blackburn, 2001). In Nairobi County, with a total of 600 registered SMEs broadly classified under; Services, Commercial, Trade, and light manufacturing. The SMEs have been identified as key to the economic future contributing over 50% of new jobs created in the year 2005, however with a worrying trend of three out of five SMEs going under within the first few months of operation (Kenya Bureau of Statistics, 2007). This makes the case for the whole importance for continuity in operation of SMEs, well after the owner-manager has outlived His/her engagement with the establishments. Thus ways of management of ownership change in SMEs within Nairobi County is of great importance to ensure continuity in the economic growth, and employment contribution.

1.1.1 Concept of Change

Ansoff and Sullivan (1993) define change as any planned or unplanned transition from one scenario to another. It is also known as making a material difference in something compared to an earlier state, transforming or converting something, or simply becoming different. In business entities, change could range from: technological infrastructures, markets or marketing strategies, management and decision-making practices and organs among others. Since the nineteenth century and the Industrial Revolution, business entities have had to deal with change on an increasingly rapid scale. The greater the turbulence in the internal and external environment, the more necessary it becomes for corporations to provide effective management and develop solid organizational practices that can deal with changes (Ristino, 2000).

Ever than before, the modern day is characterized by ever-changing environment owing to global economy, expanding markets, new ways of doing business and technological changes. Organizations must, therefore, find ways for operating by developing new competences as the old advantage and competences gained is quickly eroded (Johnson & Scholes, 2002). Because of the fact that changes are a necessity in private as well as public sector, every organization must change with the environment otherwise, it would become irrelevant. Jeff (2007) states that change management is the process tools and techniques to manage the people within an organization to achieve the required business outcomes and realize the change effectively within the social infrastructure of the workplace. It is a set of practices or processes employed to ensure that significant changes are implemented in an orderly, controlled and systematic fashion to effect organizational change (Burnes, 2000).

1.1.2 Ownership Change Management

Ownership change occurs within the period when an owner involuntarily exit the business through death or the business entity exceeds period of time the owner wishes to stay in the business. It could denote the entire process of transfer of ownership rights from one person to another. Instead of the business entity closing down, owner exits, by selling the business to a new, external owner or transferring ownership to other employees or family members in an internal, non-market based transaction (Stokes, Blackburn, & Henry-Crawford, 2001). When the ownership of a particular business is transferred from one hand, it is generally accompanies other

changes. Business ownership change may happen if an individual decides to sell his business or provide a person with the control of a certain part of the business (Yonnedi, 2010).

Ownership change arises, inevitably, in the Small and Medium Enterprises (SME) development and is a major transition process for the SMEs as it has a great implication on the SMEs' development stage: survival, growth, expansion and maturity. Additionally, an SME changing hands can be an enormous jolt to its employees as many will, quite naturally, worry about their future with the firm, whether the company changes direction or not. Change in ownership also creates a state of disequilibrium as people react very differently to change; some thrive on it, while some prefer stability. Management, thereof, becomes quintessential. Just like strategic management, in the face of a high level of uncertainty and change within and without organizational environments, change management should represent a continuous and simultaneous process (Weir and Laing, 1998).

1.1.3 Small and Medium Enterprises (SMEs)

The term SME covers a wide range of definitions varying from country to country and between the sources reporting SME statistics (McAdam and Armstrong, 2001). Although there is no universally agreed definition of SME some of the commonly used criteria are the number of employees, value of assets, value of sales and size of capital as well as turnover. Among them the most common definitional basis used is employees because of the comparatively ease of collecting information and here again there is variation in defining the upper and lower size limit of an SME. In developing countries the number of employees and size of assets or turnover for SMEs tend to be much smaller compared to their counterparts in developed countries due to their relative size of business entities and economies.

The Small and Medium Enterprises are businesses in both formal and informal sector employing 1-50 workers (Republic of Kenya, 2009). These enterprises cut across all sectors of employment and provide one of the most prolific sources of employment creation, income generation and poverty reduction. The SME sector accounts for 80% of the total persons engaged in employment. The sector's contribution to the Gross Domestic Production (GDP) has increased from 13.8 per cent in 1993 to about 40 per cent in 2008 (ibid). SMEs are the main source of economic growth in developed and developing countries alike.

1.1.4 SMEs in Nairobi County

The SMEs play an important role in the Kenyan Economy. According to the Economic Survey in 2006, the sector contributed over 50 percent of new jobs created in the year 2005 in Nairobi County (Republic of Kenya, 2006). Despite their significance, past statistics indicate that three out of five businesses fail within the first few months of operation (Kenya National Bureau of Statistics, 2007). According to Amyx (2005), one of the most significant challenges is the negative perception towards SMEs. Potential clients perceive small businesses as lacking the ability to provide quality services and are unable to satisfy more than one critical project simultaneously. Often larger companies are selected and given business for their clout in the industry and name recognition alone.

SMEs in Nairobi County are broadly categorized under light manufacturing, services and commercial and trade. This accounts for the total 600 SMEs registered in Nairobi (SME Register Nairobi, 2012). Starting and operating SMEs in Nairobi County includes a possibility of success as well as failure. Because of their small size, a simple management mistake is likely to lead to sure death of a small enterprise hence no opportunity to learn from its past mistakes. Lack of planning, improper financing and poor management have been posited as the main causes of failure of small enterprises (Longenecker, 2006). Lack of credit has also been identified as one of the most serious constraints facing SMEs and hindering their development (Oketch, 2000).

1.2 Problem Statement

In the current turbulent global business environment, change is imperative for the survival and performance of business organizations. Therefore, strategy formulation and implementation is of essence and it should be continuously done to adapt to changes brought by the turbulent environment (Mintzberg, 1990). Unlike large business entities, ownership management in SMEs is carried out by the owner who carries out the owner-manager role. Therefore, change in ownership of SMEs has strategic implication to the continuity of the business entity.

Management of ownership change is a concept that has been used by many SMEs to address the challenges that both the internal and external environments pose to the operations of these enterprises. According to the research done to examine the nature and extent of organizational

change in Queensland Australia by Nicole Poole, it emerged from the findings that the main change drivers in these SMEs possessed a moderate profile in relation to management skills. The findings further reflected the view that managers tended to support forms of limited employee participation and consultation (Poole, 2009). Mederith (2010) conducted a research on the importance of change management to SMEs to approach new markets and new products and/or services. The findings of this research revealed that it is important to have a Lewin's Model approach which emphasizes planning as key to neutralizing the effects of the operating environment on businesses. Finally, Bowen, Morara and Mureithi (2009) studied management of business challenges among SMEs in Nairobi and found out that these enterprises experience challenges ranging from competition, poor security, debt collection, to lack of working capital.

Owing to the paucity of empirical studies on SMEs in Kenya, especially regarding management of ownership change, this study is motivated by the need to fill in this knowledge gap. Consequently, it will attempt to investigate how SMEs within Nairobi County, Kenya apply management of ownership change to adapt to the effects of turbulence in the operating environment. It is against this backdrop, that the study will examine the challenges of management of ownership change and the strategies employed by SMEs in Nairobi County to address the challenges they face in the management of ownership change.

1.3 Objectives of the Study

- i) To establish how management of ownership change is carried out by SMEs in Nairobi County.
- ii) To determine the strategies employed by SMEs in Nairobi County to address the challenges they face in the management of ownership change.

1.4 Value of the Study

The study is expected to contribute to the frontiers of knowledge as well as to be a reference material for future researchers on related topics. Equally the research work will be used by policy makers and stakeholders in formulation of practices on management of ownership change in SMEs. Finally, the study will be significant in building management of ownership change theories.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter will present the literature review on Management of ownership change in small and medium enterprises in Nairobi county of Kenya. The chapter specifically discussed the literature related to the research objectives discussed in this study.

2.2 Theoretical Review

Moran and Brightman (2001, p. 11) defined change management as ‘the process of continually renewing an organization’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers’. Change can be explained as an ever-present feature of organizational life (Burnes, 2004) and as such, cannot be divorced from organizational strategy as observed by Rieley and Clarkson (2001). It should be noted that the need for change is usually unpredictable, reactive, and occasioned by organizational problems (Nelson, 2003 and Burnes, 2004). The acceptability of successful change management as imperative to the survival and performance of organizations in today’s turbulent business environment is almost unanimous among scholars as noted by Rune (2005). However, there are some scholars who report the failure rate of applying change management and further attribute it to the lack of framework for implementing the same in organizations (Balogun & Hope-Hailey, 2004). There are three categories of change that have been identified to link the main theories and approaches of change management (Senior, 2002).

2.2.1 Change Management

According to Rieley and Clarkson (2001), organizations find it difficult to improve performance in an environment where there is constant flux. Hence, management of change, for the due was utopian rather than practical. Their desperation was debunked by Luecke (2003) who argued that given the constant change and the difficulty of implementing change management, organizations needed routines to be effective and to enhance performance. Burnes (2004) has however, insisted that it is important for organizations to undergo continuous change and that routines would negate the concept of change management. Perhaps Burnes was supporting Leifer (1989) who posited that change is a normal and natural response to internal and external environmental turbulence.

The main types of change are categorized by the rate of occurrence as either discontinuous and/or incremental change. Discontinuous change is marked by rapid shifts in either strategy, structure or culture, or in all the three (Grundy, 1993). According to Senior (2002), this rapid change can be sparked off by major internal crises or by considerable external shock. Discontinuous change is seen as cost-effective since it seldom promotes an endless process of costly change initiatives besides creating less turmoil as characterized by continuous change (Guimaraes & Armstrong, 1998 and Rune, 2005).

2.2.2 Change and How it Comes About

There are various approaches that organizations can take depending on how change comes about. Burnes (2004) explained that notwithstanding the lack of a widely acceptable approach, a clear and practical approach to organizational change management that explains what changes need to be made is a planned approach. This emphasizes the importance of understanding the different states which an organization will have to go through to weather the storm caused by the turbulent environment (ibid). Planned approach was Lewin in 1946 and he devised a model named after him, Lewin's Model (Rune, 2005). In Lewin's Model, there is a stipulation for three distinct steps in change management if it is to be effective. Those are unfreezing the present, moving from the present and freezing. If this model is not followed, then changes will be short-lived. Driving forces facilitate change because they push employees in the desired direction. Restraining forces hinder change because they push employees in the opposite direction (Lewin, 1951).

According to Lewin, the first step in the process of changing behavior is to unfreeze the existing situation or status-quo. The status quo is considered the equilibrium state (Lewin, 1951). Unfreezing is necessary to overcome the strains of individual resistance and group conformity. The second step in the process of changing behavior is movement. In this step, it is necessary to move the target system to a new level of equilibrium. Three actions that can assist in the movement step include: persuading employees to agree that the status quo is not beneficial to them and encouraging them to view the problem from a fresh perspective; work together on a quest for new; relevant information; and connect the views of the group to well-respected, powerful leaders that also support the change (ibid). Finally, the third step is refreezing. This step

needs to take place after the change has been implemented in order for it to be sustained or “stick” over time. It is highly likely that the change will be short lived and the employees will revert to their old equilibrium (behaviors) if this step is not taken. It is the actual integration of the new values into the community values and traditions. The purpose of refreezing is to stabilize the new equilibrium resulting from the change by balancing both the driving and restraining forces (Lewin, 1951).

Kotter (1995) in his book ‘Leading Change’ formulated an eight-step change process. The first step is to establishing a sense of urgency through obtaining a cooperation of many individuals and making sure they are motivated to participate. The second step is creating the guiding coalition by getting enough manpower to lead the change effort. The third step is developing a change vision to help direct the change effort, and develop strategies for achieving that vision. In the fourth step, the leader communicates the vision for buy-in and making sure as many as possible understand and accept the vision and the strategy. The fifth step is to empower broad-based action by removing obstacles to change, change systems or structures that seriously undermine the vision, and encouraging risk-taking and nontraditional ideas, activities, and actions. The sixth step generating short-term wins by planning for achievements that can easily be made visible. The leader then, follows-through with those achievements and recognizes and rewards employees who were involved.

In the next step, Kotter (1995) argues that the leader builds on the change by never letting up. S/He uses increased credibility to change systems, structures, and policies that don't fit the vision, also hire, promote, and develop employees who can implement the vision, and finally reinvigorate the process with new projects, themes, and change agents. The final step is about incorporating or anchoring the changes into the organization’s culture. The leader ensures that the change become part of the core of the organization as culture determines what gets done, so the values behind the vision must show in day-to-day work. The leader articulates the connections between the change and organizational success (Kotter & Cohen, 2002). Linking Kotter’s 8-step theory and Lewin’s model, the first four steps focus on de-freezing the organization, the next three steps make the change happen, and the last step re-freezes the organization with a new culture. Kotter explains that change management goes best if the 8 steps

happen in order (Paton & McCalman, 2000). Skipping steps creates only the illusion of speed and never produces satisfactory results.

In his study of more than 300 companies undergoing change, Prosci published ADKAR model of change management which has five elements acronyms: awareness of the need for change; desire to make the change happen; knowledge about how to change; ability to implement new skills and behaviors; and, reinforcement to retain the change once it has been made (Hiatt, 2006). The power of the ADKAR model is that it creates focus on the first element that is the root cause of failure making one to immediately identify where the process is breaking down and which elements are being overlooked. This avoids generic conversations about the change that rarely produce actionable steps. This results-oriented approach helps focus energy on the area that produces the highest probability for success.

Emergent approach which rather than seeing change to be top-down driven, it looks at change driven from the bottom-up (Bamford & Forrester, 2003). Change is seen to be rapid hence impossible for senior managers to effectively identify, plan and implement the necessary organizational responses. For this reason, organizational change management must be devolved. It focuses on change as perceived not as a series of linear events within a given period of time, but as a continuous open-ended process of adaptation to changing circumstances (Burnes, 2004). The emergent approach stresses the unpredictable nature of change, and views it as a process that develops through the relationship of a multitude of variables within an organization.

2.2.3 Scale of Change

Dunphy and Stace (1993) have posited that change identified by scale can be divided into four different characteristics: fine-tuning, incremental adjustment, modular transformation, and corporate transformation. According to Nelson (2003), fine-tuning describes organizational change as an ongoing process to match the organization's strategy, processes, people and structure. Usually, it is manifested at a departmental level of an organization. Its aim is to develop a staff suited to the present strategy, linking mechanisms and create specialists units to increase attention to cost and quality. Modular transformation is change identified by major shifts of one or several departments. Contrary to incremental adjustment, this change can be radical. However, it focuses on a part of an organization rather than on the organization as a whole (Senior, 2002). If the change is corporate-wide and characterized by radical alterations in

the business strategy it is described as corporate transformation (Dunphy & Stace, 1993 and Rune, 2005).

2.3 Empirical Review

According to the study done by Kelly and Luo (1999) in China, it emerged that owner managed firms are characterized by ownership being concentrated to one or a few individuals, who are also active in the strategic management of the business. The owners are visible within the company and it is not unusual for them to have close, personal relationships with employees, customers and suppliers. The duo found out that owner managed firms are driven by multiple goals. Moreover, parallel to financial goals are often social goals, such as commitment towards and responsibility for employees and the local community.

In his study of African owned businesses in Kenya, Hyden (2006) discovered a further characteristic of privately held businesses is stability in ownership and management. Often the business is kept within the same circle of owners for a considerable length of time – often extending over several generations. In addition, in privately owned firms the managing director stays over extensive periods of time. The continuity of ownership and management also means that owners and managers of privately owned businesses identify with the business. To exit the business implies, therefore, a challenge to the owner's/manager's identity. For many, transferring the business and losing contact with the business means losing a part of themselves.

A further implication of the stability of ownership and management as observed in South Korean firms is strategic continuity (Chung, Yi & Jung, 1997). Over time owner-managers tend to develop a stable way of thinking concerning the appropriate way of doing business, including long-term goals and visions. The stability and continuity of ownership and management also mean that privately owned businesses tend to have strong cultures. Transfer of ownership and leadership implies role transitions. The transition of ownership and leadership sometimes occur simultaneously, for instance when the company is sold and the owner leaves the firm. But in many cases, a new managing director takes over beforehand, as part of an imminent transfer of ownership/generational change. In these cases the entrepreneur is faced with the challenge of exiting the role of managing director and beginning to more actively exercise the role as owner.

Ownership change is crucial for the survival and development of SMEs (Levy & Powell, 2004). Transfers tend to be demanding processes. Numerous studies and real life cases have stressed the challenging nature of ownership transfers. Although every transfer is different, there are a number of issues and aspects that unify all transfer processes. An understanding of these issues and aspects is crucial for the ability to wisely manage processes of business transfers. Every year, thousands of businesses are bought, sold, or merged to raise profits, reduce costs, increase market share, or otherwise interact in the dynamic economy.

Many articles are devoted to identifying change factors from both the external and internal environments. As organizations face the dynamic, changing environment, they are required to adapt, change and in some cases, totally transform. Earlier research examines environmental factors that motivate organizations to change in response to external environmental threats and opportunities and focus on environmental factors that may motivate organizations to change (Hedberg et. al., 1976; Lawrence, 1990; and Kotter, 1996) showing that there are many driving forces that trigger the need for change. The most widely-stated causes come from macro-environmental factors such as major economic and political changes, technological advances, rapid expansion in the global marketplace and altering demographic and social structures (George & Jones, 2002). Organizations go through various internal change processes throughout their normal life cycle where organizational leaders may create change-driving forces within the organization. For instance, some organizations initiate radical change that results in structural transformation through which organizations attempt to revitalize business orientations (Chandler, 1962; Child, 1972; Miller, 1982; Miller & Friesen, 1982; and Miller & Friesen, 1984) through changing the reporting structure. Other changes such as mergers and acquisition, new top management teams and changing company dynamics because of reorganization and restructuring require organizations to make significant changes not only in strategy and structure, but also organizational culture and processes (Keifer, 2005).

Research indicates that ongoing organizational change has reflected a spiraling effect where organizations are becoming increasingly engaged in multiple and even ongoing internal change events. Still more research indicates that major restructuring as a result of downsizing the size of

the organization (Parker, Chmiel & Wall, 1997, Pfeffer, 1998, and Keifer, 2005) and instituting reengineering requires new patterns of behavior throughout the entire organization (Champy, 1997, and Erakovic & Wilson, 2005). Often, the revolutionary types of change that result from restructuring and reengineering are necessary only because an organization and its managers ignored or were unaware of changes in the environment and did not make incremental changes as needed. Regardless of which forces cause organizations to see the need for ownership change, organizational leaders continue to struggle to maintain or increase their companies competitive advantage as rapid changes occur both in the external and internal environments. Conclusions drawn by these researchers are that the driving forces for ownership change are the result of the need to constantly improve productivity and efficiency (Arnetz, 2005). Once organizational leaders realize the need for change, they also face challenges in terms of successfully implementing initiatives that will lead to change.

There is significant research that focuses on the process of implementing organizational change, with issues such as how change occurs, who initiates the implementation of change and reactions to the fairness of the change implementation, specifically whether the implementation process was handled fairly or unfairly handled. When an organization is going through change, it is time for management to exercise leadership. They should become the role models for the rest of the staff and exhibit behaviors that demonstrate what is expected from employees in relation to the change. This would be consistent with social learning theory (Miller & Dollard, 1941 and Bandura, 1986) and the concept that people learn through observation of others. Also during a time of organizational change, management needs to send positive messages about the change itself. On one level, positive verbal reinforcement from management that the organizational change is desirable and beneficial will expedite employees' willingness to learn the change. On another level, this will motivate employees in a direction of change. While this tactic does not fall under a learning theory per se, it is a vital motivational approach for management to employ during organizational change phases as a means of laying the groundwork for new learning and changes in behavior to take place. Robbins (2005) emphasizes the fact that some sort of reinforcement is necessary to produce changes in behavior, so management needs to be very active during change phases to institute reinforcement tactics.

One method to use that does not cost money is verbal reinforcement. Verbal reinforcement of behaviors that fit into the organizational ownership change will increase employee repetition of those new change behaviors. Overtime, old behaviors will hopefully become extinguished as they are replaced with new behaviors. It really depends on the extent of the organizational change taking place as to what type and how intense reinforcement needs to be. The essential point is that reinforcement of some sort is a necessity for change to take place in the individual. An organization can change its structure and policy by simply writing new rules and procedures, but the workers are not going to change quite as easily. That is where the link between learning theories and organizational change really is and where reinforcement comes in as a vital part of organizational change. Whether it is negative or positive, some reinforcement is going to have to be put into place for employees to successfully adapt to changes in the organization (Robbins, 2005).

2.6 Summary of Literature

The literature discusses the postulations and relevant works that have been done that underpins change management within organizations. It discusses Lewin's Model which postulates that change can be managed through three distinct steps. This include: unfreezing the existing situation or status-quo, moving from the present to a new level of equilibrium and refreezing the change implemented to sustainable (Lewin, 1951). In his 8 steps process, Kotter breaks the unfreezing step into creating a sense of urgency, creating the guiding coalition for change implementation, developing a change vision and communicating the vision for buy-in. Kotter further breaks Lewin's second step into empowering broad-based action by removing obstacles to change, generating short-term wins and building on the change by never letting up. Kotter reclassifies the last step in Lewin's model into incorporating or anchoring the changes into the organization's culture (Paton & McCalman, 2000).

ADKAR model advocate that change management involves: awareness of the need for change; desire to make the change happen; knowledge about how to change; ability to implement new skills and behaviors; and, reinforcement to retain the change once it has been made (Hiatt, 2006). It is also stated that rather than looking at change management as a top-down driven, it should be driven from the bottom-up (Bamford & Forrester, 2003). Ownership change is crucial for the

survival and development of SMEs as it follows the need to raise profits, reduce costs, increase market share, among others (Levy & Powell, 2004).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter outlines the overall methodology used in the study for gathering and analyzing data. This includes the research design, target population of the study, sampling techniques, sample size, sample frame, data collection methods, research procedures and data analysis and presentation.

3.2 Research Design

The study adopted a descriptive research design. The researcher used this design because the research was not be confined to the collection and description of the data but also sought to establish the existence of certain relationships among the variables, besides collection of qualitative data for content analysis and quantitative data for deriving informative statistical inferences.

3.3 Target Population

The target population of this study was 600 SMEs, registered in Nairobi County that would be in various strata: light manufacturing, commercial and trade, services, with specific attention to the owners and staff of the small and medium enterprises.

3.4 Sampling Procedure and Sample Size

The study employed stratified random sampling, with a target of 180 registered small and medium enterprises within Nairobi County. The number represented 30% of the total number of registered SMEs within Nairobi County which is 600 (NCC, 2012). SME Register Nairobi.

In this systematic random sampling, the first item is selected at random then every k^{th} item is selected (Babbie, 1995).

Table 3.1: Target Population and sample Size

Type of SMEs	Target Population	Sample Size
Light Manufacturing	100	30
Commercial and Trade	220	66
Services	280	84
Total	600	180

Source: Author (2012)

3.5 Data Collection

Primary data for the purpose of this study was used and reference to secondary data was made where necessary. The primary data was obtained through administration of interview guides, which had been pretested for eliminate ambiguities, as well as to achieve clarity of purpose to all respondents'. The questionnaires had open and closed ended questions, with the respondents' having the liberty to answer appropriately. The respondents were given 5 working days to complete the interview guides.

3.6 Data Analysis

Singleton, Straits and Straits (1993) defined data analysis as systematically looking for patterns in the data collected and formulating ideas that account for those patterns. The process was broken down into three related tasks namely organizing, developing ideas, drawing and verifying conclusions.

The researcher analyzed quantitative data using descriptive statistics. This incorporated all the most important popular analytical procedures for use in financial investment, social sciences and business research (Obure, 2002). The findings were therefore presented in percentages and frequency tables. Qualitative data was analyzed through creation of categories, themes and patterns and establishing the relationship among categories.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND DISCUSSIONS

4.1 Introduction

This chapter presents the analysis of data collected from SMEs within Nairobi County and the discussions of findings by the researcher. The data is then interpreted in relation to the research objectives which sought to establish how management of ownership change is carried out by SMEs in Nairobi County. The data obtained is presented in tabular form, percentages and in descriptive statistics such as bar graphs and pie charts.

4.2 Demographic Information

4.2.1 Response Rate

The researcher had a target population of 600 respondents within Nairobi County. Among them, a sample size of 30% (180 respondents) was identified and given the questionnaires. Out of the 180 questionnaires, 120 were returned. Of the 120 respondents who got the questionnaires, 20 were top managers, 50 were middle-level managers, and 50 were support staff. The researcher, managed to collect 100 questionnaires from different levels of management.

The Table 4.1 below shows the response rate of the study.

Table 4.1: Response Rate

Questionnaires	Frequency	Percent
Returned	120	67
Not Returned	60	33
Issued	180	100

Source: Researcher (2013)

Table 4.1 shows that 180 questionnaires were distributed to the respondents and 120 were collected and used in the analysis. This represents a response rate of 67% which is high and hence the results can be used to demonstrate the opinion of the general population.

4.2.2 Gender of Respondents

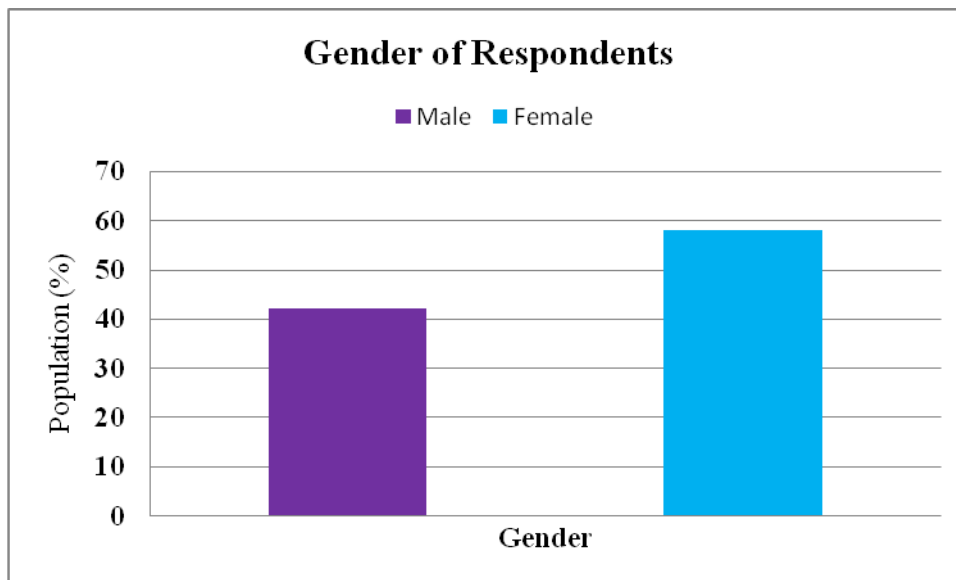
The researcher asked respondents to state their gender when responding to the questionnaires. The table and figure below present this finding.

Table 4.2 Gender of Respondents

Gender	Frequency	Percent
Male	50	42
Female	70	58
Total	120	100

Source: Researcher (2013)

Figure 4.1: Gender of Respondents



Source: Researcher (2013)

Table 4.2 and Figure 4.1 show the gender distribution of the respondents. Female respondents comprised 58% of the total respondents (70 respondents) while male respondents was 42% (50). From this data, it is evident that there were more female respondents who gave their responses compared to male respondents.

4.2.3 Age of Respondents

The table 4.3 below presents the age distribution of respondents who participated in the survey.

Table 4.3: Respondents' Ages

Age Distribution	Frequency	Percent
Below 30 years	10	8
30 – 39 years	30	25
40 – 49 years	40	33
50 – 59 years	20	17
60 – 69 years	20	17
Total	120	100

Source: Researcher (2013)

The highest number of respondents was between 40 to 49 years (12). This indicated that the company has many young and fresh staff who can adapt easily to change. This group was followed by 25% representations of those between the ages of 30 – 39 years. The old aged staff reflected by these groups revealed that there were equal percentages for those between 50-59 years and 60-69 years. They both comprised a total percentage of seventeen (17%).

4.2.4 Firms' Years of Operation

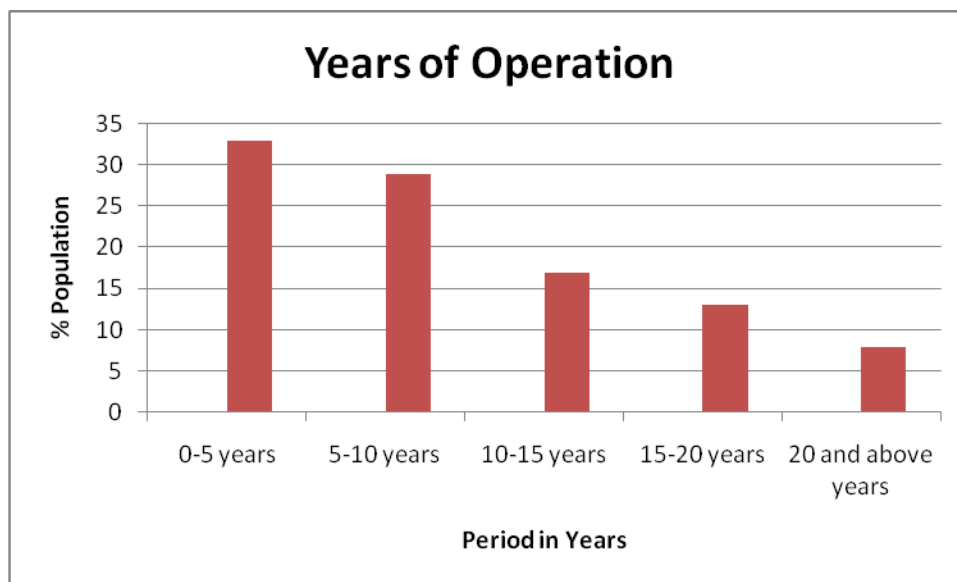
Table 4.4 and Figure 4.2 show the results for how long the firms have been in operation.

Table 4.4: Years of Operation

No. of Years	Frequency	Percent
0-5 years	40	33
5-10 years	35	29
10-15 years	20	17
15-20 years	15	13
20 and above years	10	8
Total	120	100

Source: Researcher (2013)

Figure 4.2: Firms' Years of Operation



Source: Researcher (2013)

From the Figure 4.2 majority of the firms (33%) have in operation for between 0 – 5 years; followed by 29% of firms which had operated for between 5 – 10 years. Firms which had operated between 10 to 15 years comprised 17% while those which had been in operation for 15-20 years and above 20 years constituted 13% and 8% respectively.

4.2.5 Respondents' Level of Education

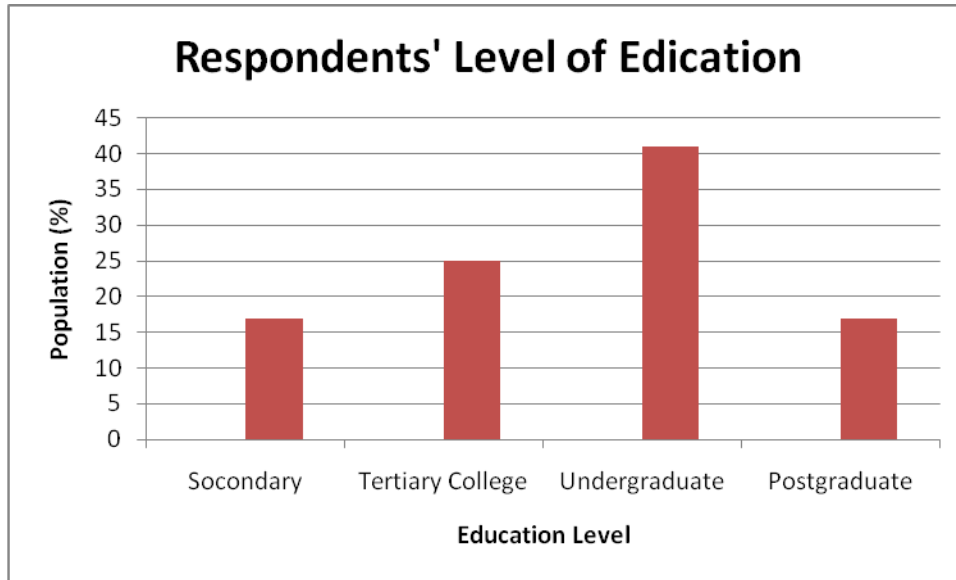
Table 4.5 and Figure 4.3 show the results for the respondents' level of education.

Table 4.5: Respondents' Level of Education

Level	Frequency	Percent
Secondary	20	17
Tertiary College	30	25
Undergraduate	50	41
Postgraduate	20	17
Total	120	100

Source: Researcher (2013)

Figure 4.3: Respondents' Level of Education



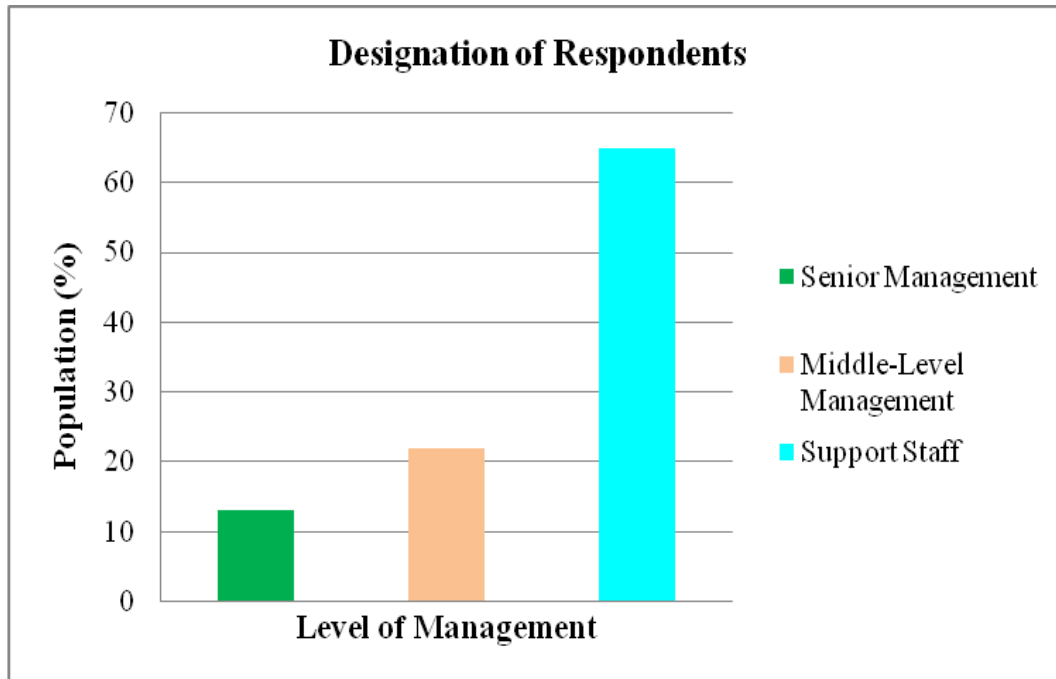
Source: Researcher, 2013

Table 4.5 and Figure 4.3 show the respondents' level of education. It is evident from the figure that 17% of the respondents had secondary and post graduate level of education respectively. 25% of the total respondents had a tertiary College level of education while 41% of the total respondents were undergraduates.

4.2.6 Designations of Respondents

Figure 4.4 below is an illustration of the designations of respondents who participated in the study.

Figure 4.4: Designations of Respondents



Source: Researcher (2013)

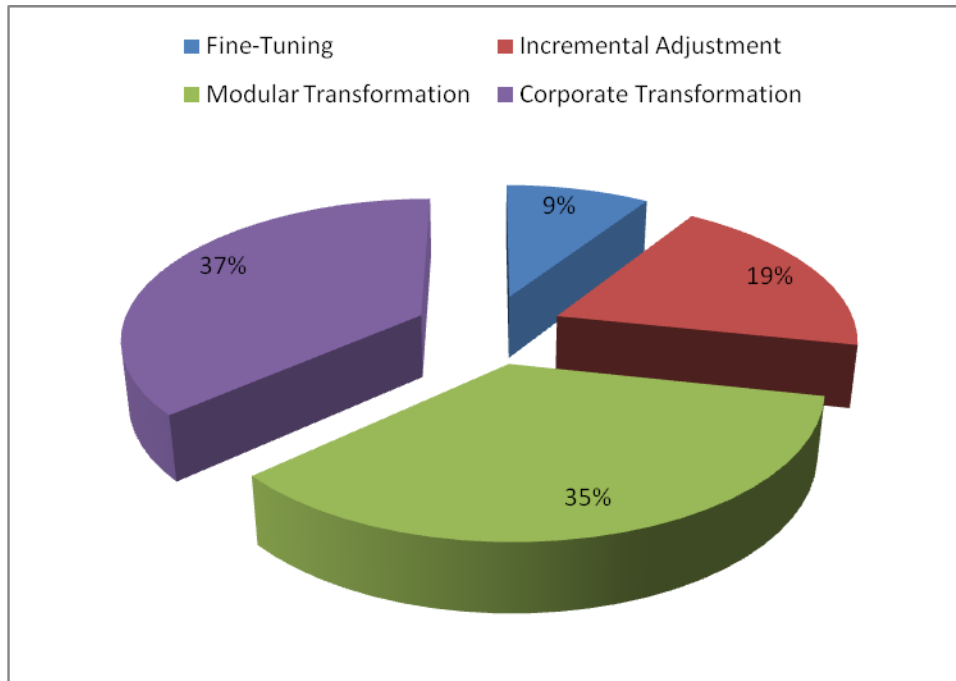
From the above figure 4.5 more respondents were drawn from support staff (65%); while those from top level/senior management were the least at 13%. Respondents from the middle-level management comprised 22%. This distribution means that the support staff that does operational work was rightly placed to give their responses with respect to the study. Senior and middle-level managers also gave out their strategic views on leadership effects that informed the responses given by the support staff.

4.3 Management of Ownership Change

4.3.1 Degree of Change

The researcher asked the respondents the extent to which their organizations experience change. This depicted the degree of change in the organizations represented. The following Figure 4.5 shows how the respondents perceived the degree of change in their respective organizations.

Figure 4.5: Degree of Change



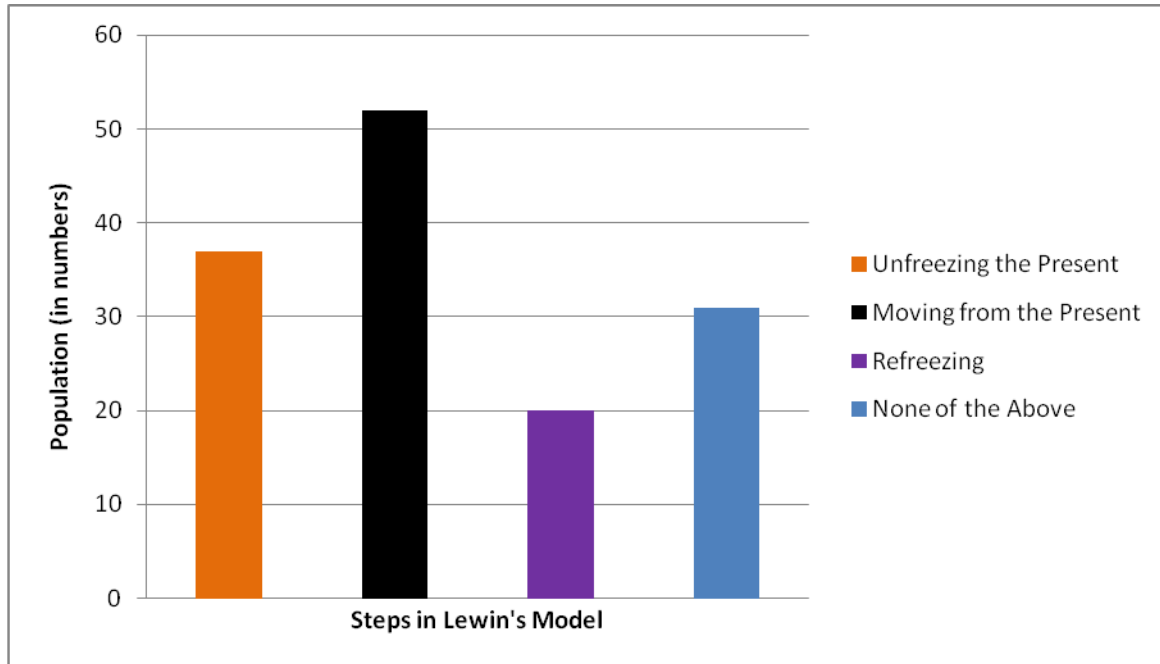
Source: Researcher, 2013

From the above Figure 4.5, it is evident that majority of the respondents (37%; that is 44) have experienced corporate transformation as a degree of change in their various organizations. This was followed closely by 35% of respondents who have observed modular transformation in their organizations. The least degree of change obtained was fine-tuning which was experienced by 9% (11 respondents).

4.3.2 Application of Lewin's Model of Change Management

Respondents were asked the step/stage in Lewin's Model of change management where their respective organizations have reached. They were required to tick the appropriate stage of the model, if applicable. The following Figure 4.6 illustrates the response that was obtained by the researcher.

Figure 4.6: Lewin's Model of Change Management



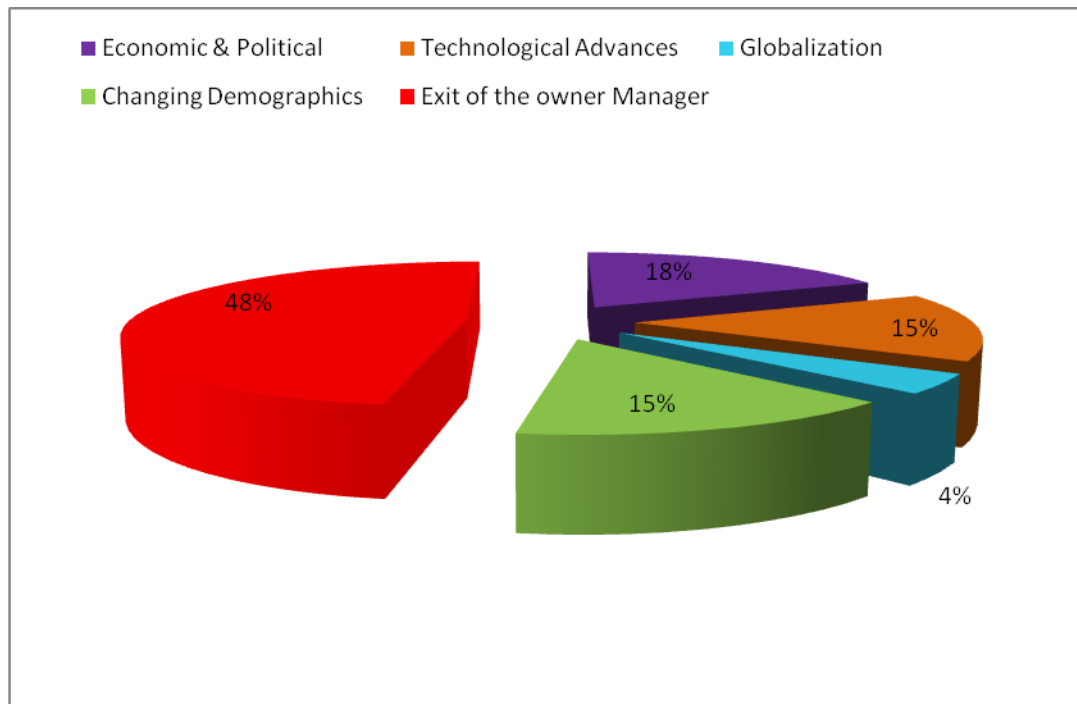
Source: Researcher, 2013.

It is evident from the Figure 4.6 above that most SME organizations are at the second step of Lewin's Model of change management (52). This could be attributed to the sensitization of SMEs regarding the necessity to address problems related to change management. This was followed by 37 respondents who are still at the unfreezing stage, the introductory stage where the status quo is changed. Respondents whose organizations have not implemented the model comprised 31 and they ticked 'none of the above' option.

4.3.3 Major Cause of Change Management in SMEs

The researcher posed a question on the major cause of change or the likely environmental turbulent that occasion change management in the SMEs. The responses obtained from the respondents are illustrated in the figure 4.7 below

Figure 4.7: Major Cause of Change Management



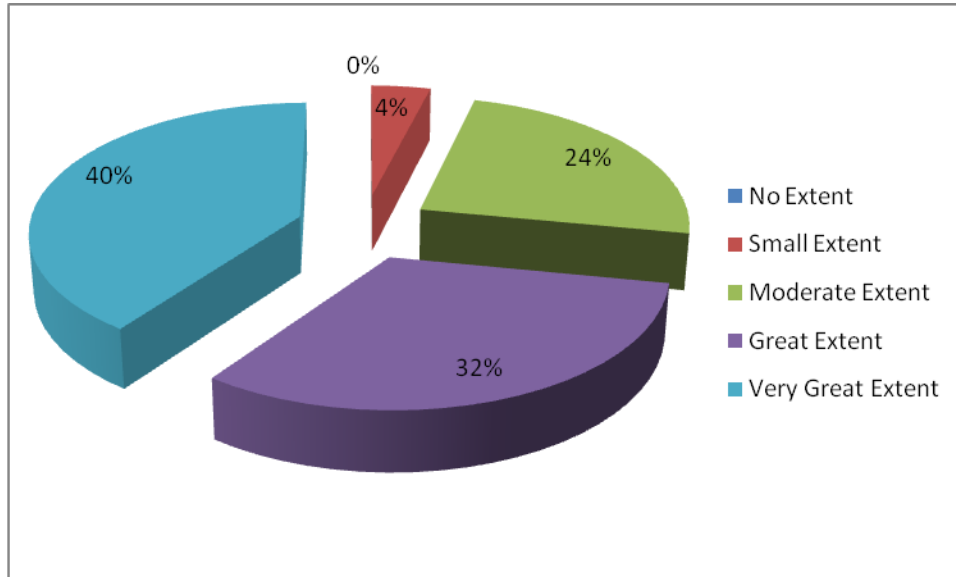
Source: Researcher, 2013

The above figure 4.7 presents the responses obtained regarding the major cause of management change in SMEs. Most respondents (48%) singled out *exit of the owner manager* as the major cause. Perhaps this is influenced by the necessity to replace him or how, thus altering the management structure of the organization which is felt by the lowest employee. Equal percentage of respondents (15%) reported that change management is brought about by *the changing demographics* and *technological advances*. Economic and political factors were identified as the major causes by 18% of the respondents; while globalization was mentioned by 4% of the respondents.

4.3.4 Impact of Structural Changes in the Firm's Continuity

The researcher asked respondents the extent to which the structures of their firms influence business continuity and development. The figure 4.8 below illustrates how they responded.

Figure 4.8: Impact of Structural Changes in Firm's Continuity



Source: Researcher (2013)

From the above figure 4.6, majority of respondents (40%) concurred that to a very great extent, the structure of a firm has an impact of the firm's continuity and business development. This was closely followed by 32% who agreed that indeed, there is an impact to great extent. This distribution shows that most SMEs surveyed place a premium on a firm's structure which eventually ensures a continuity and business development should there be change of management ownership. Nevertheless, there were some respondents who noted that this impact is to a small extent. The latter comprised a percentage of 4, which is insignificant compared to the respondents of other respondents.

4.4 Strategies for Ownership Change Challenges

4.4.1 Strategy Formulators

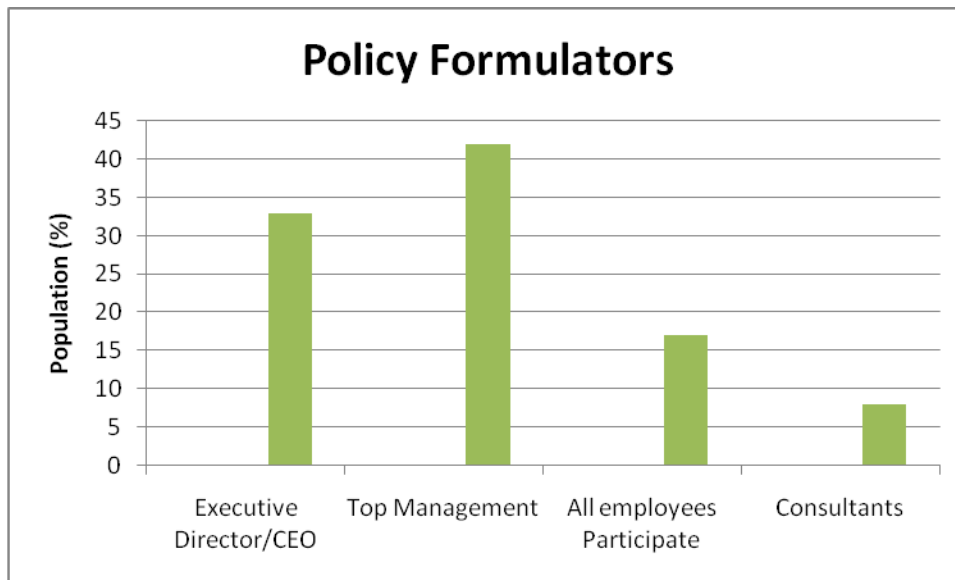
The respondents were asked who were entrusted with the responsibility of formulating strategies in their organization. Table 4.7 and Figure 4.5 show the distribution of the responses given.

Table 4.6: Strategy Formulation

Policy Maker	Frequency	Percentage
Executive Officer/CEO	40	33
Top Management	50	42
All employees participating	20	17
Consultants	10	8
Total	120	100

Source: Researcher (2013)

Figure 4.7: Policy Formulators



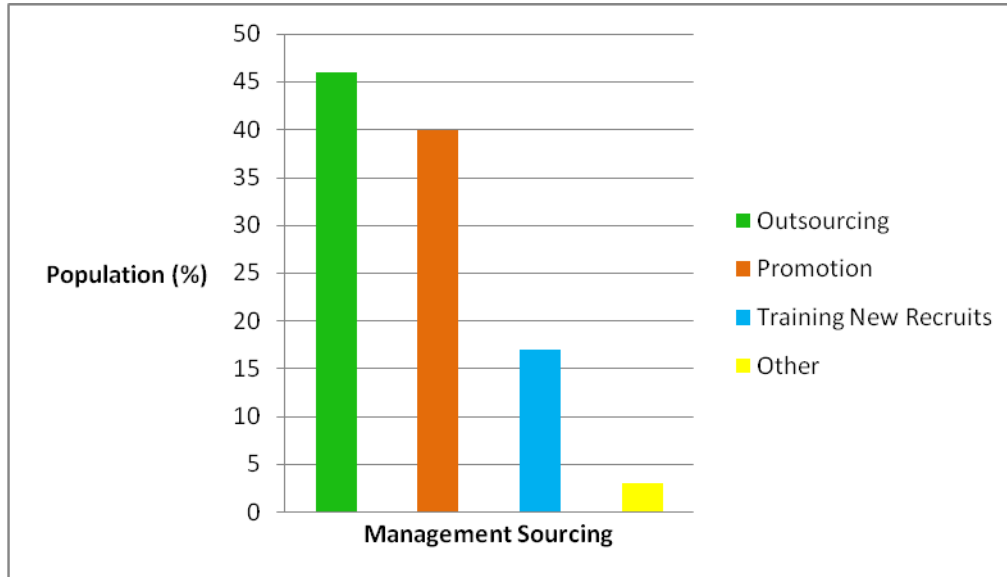
Source: Researcher (2013)

As indicated in Table 4.7 and Figure 4.7, majority of respondents, 42% (50), were unanimous that strategy formulation is entrusted to top management in the organization. . This was followed by 40 respondents (33%) who asserted that it is the responsibility of executive director/CEO. Respondents who said that it involves the participation of all employees were 20 (17%); while those who felt that the consultants were the ones in charge were 10 (8%).

4.4.2 Sourcing for Competent Managers

The researcher asked respondents how their various firms achieve the implement the strategy of sourcing for competent managers. The figure 4.8 below illustrates the responses obtained.

Figure 4.9: Sourcing for Competent Managers



Source: Researcher (2013)

From the above figure 4.6, it is evident that the highest number of respondents indicated that their firms source for competent managers through external outsourcing (47%). This was followed closely by those who said internal promotion at 40%. Training new recruits was distant third option at 17%, while other ways of sourcing comprised 03%. An example of the latter is recruiting a relative to take over the management of the firm by the owner. This picture gave a glimpse on the way management transition takes place in SMEs in Kenya.

4.4.3 Leadership Skills Training Programs

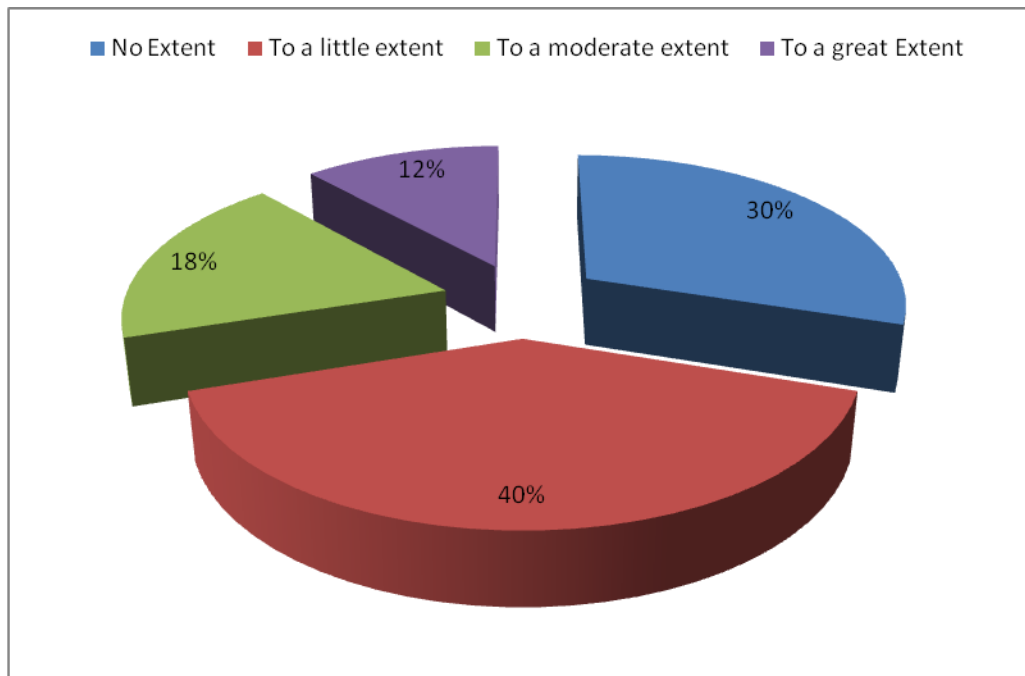
The respondents were asked whether or not their organizations have training programs to enhance leadership skills. This was one of the strategies that the researcher identified as necessary in tackling leadership vacuum occasioned by the exit of owner manager. Majority of respondents (68%) reported that there are no such programs in their organizations. Some further commented that in their organizations what is there are programs that enhance their technical

competence but not leadership skills. The remaining 32% of respondents reported that there are intermittent programs that enhance leadership skills. It therefore means that, in most SMEs the problem of lack of leadership will still be experience if the responses obtained is anything to go by.

4.4.4 Open-door Management Strategy

The researcher asked the respondents whether their organizations adopt open-door management policy. This question was informed by the fact that organizations that has a similar policy tend to empower their staffs hence ease of knowing how to operate without fear of negative criticism or reprimand. The figure 4.10 below illustrates how the respondents answered this question.

Figure 4.10: Open-door Management Strategy



Source: Researcher, 2013.

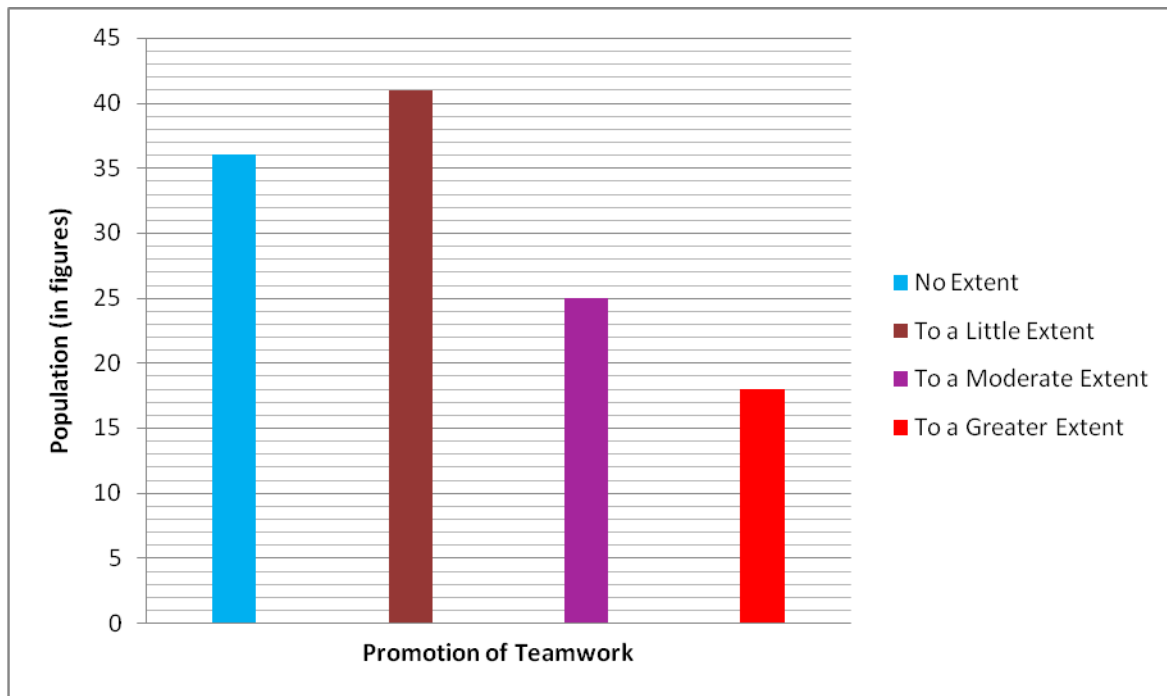
From the above figure 4.10, it is evident that most SMEs (40%) that participated in the research use open-door management policy to a little extent. Respondents who reported that their organizations use the strategy to a moderate extent comprised 18% ; while those whose organizations use it to a great extent was only 12%. This shows that a greater number of SMEs are still not convinced with the benefits of open-door management policy. They have not fully

formulated it to so that it can become a norm in the organizational culture. A whopping 30% of the respondents reported that their organizations have not used open-door management policy.

4.4.5 Promotion of Teamwork among Staff and Duty Delegation

The figure below illustrates the findings obtained with reference to promotion of teamwork among staff and duty delegation.

Figure 4.11: Promotion of Teamwork among Staff



Source: Researcher, 2013.

The above figure 4.11 illustrates how respondents reported on the extent to which their SMEs promote teamwork among staff and duty delegation. It is evident that 41 SMEs do promote teamwork among their staff to a little extent. This is followed by 36 SMEs that do not promote teamwork at all. Since it is through teamwork that leaders and future managers can be nurtured, organizations that hardly promote it together with allowing room for delegation of duty, find it very difficult to make smooth leadership transition. Among those respondents who reported that their SMEs promote teamwork and delegation were 25 (to a moderate extent) and 18 (to a large extent).

4.4.6 Impact of Strategic Plan on Business Continuity and Development

The impact of strategic plan on Business continuity and development was responded to differently by the respondents of the study. Some of the respondents concurred that strategic plan aids in communicating future trends to organizational members; others argue that it provides a central purpose to the activities of the organization; it provides a basis for other management functions. The analysis further revealed that adoption of strategic plan by organization helps in developing a competitive advantage over other firms. This is enabled through various departmental functional strategies, which are derived from the firm's strategic plans.

4.4.7 Influence of Organizational Culture on Business Continuity

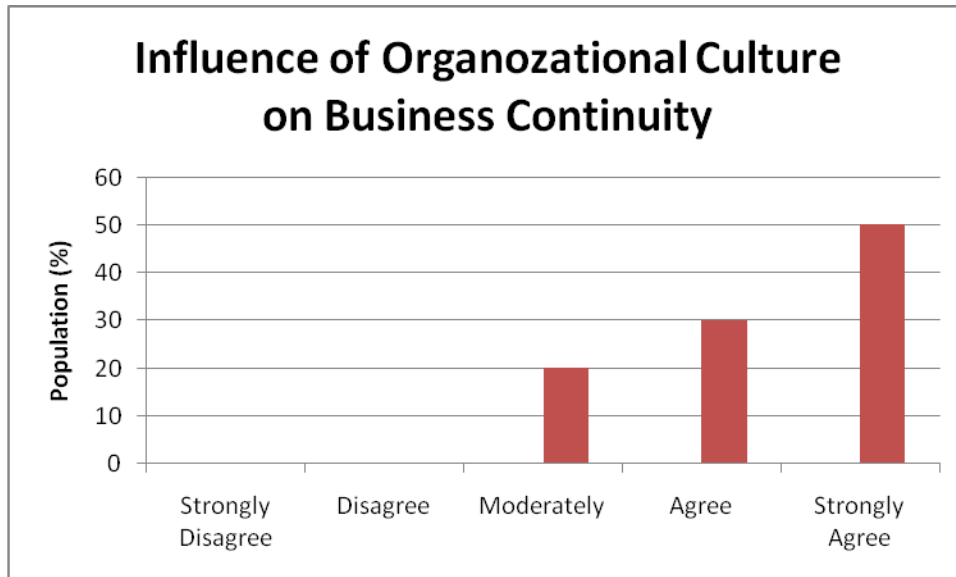
The researcher asked the respondents whether the organizational culture of the company has influenced the business continuity and development. The Table 4.4 and Figure 4.4 below present these findings.

Table: 4.7: Influence of Organizational Culture on Business Continuity

Likert Scale	Frequency	Percentage
Strongly Disagree	0	0
Disagree	0	0
Moderately	30	25
Agree	40	33
Strongly Agree	50	42
Total	120	100

Source: Researcher (2013)

Figure 4.12: Influence of Organizational Culture on Business Continuity



Source: Researcher (2013)

Majority of respondents were in agreement that the organizational culture of the company has influenced its continuity and development. Forty-two percent of the respondents strongly agreed that culture has indeed a greater influence on the business continuity and development. Thirty-three percent of the respondents also agreed to this opinion while 25% of the respondents moderately agreed to the opinion. Reasons cited by respondents who agreed to this opinion include; culture shapes what people do in an organization; it influences employees' decisions and behaviours and finally, it controls the daily routines and daily execution of operational tasks.

The respondents to the above question also added that culture contributes to the continuity and development of the firm by enhancing better growth and communication among employees and employers. They, in addition concurred that organizational culture can be improved in an organization by involving all the concerned parties and working as a team to achieve the overall goal of the business.

4.5 Discussions of Findings

To begin with, the respondents gave varied responses regarding the degree/scale of change within their organizations. Majority of the respondents (37%; that is 44) reported that they have experienced corporate transformation as a degree of change in their various organizations. This was followed closely by 35% of respondents who reported modular transformation in their organizations. The least degree of change obtained was fine-tuning which was experienced by 9% (11 respondents). Nelson (2003), and Dunphy and Stace (1993) had previously identified these degrees of scale in SMEs and there is little doubt that they are still replicated in the way SMEs operate in the 21st century. So, it can be said that whilst most SMEs experience radical strategic change emanating from the corporate management, a minority experienced fine-tuning which emanates from departments and is mild in nature.

The researcher found that most SMEs apply Lewin's Model of change management and they are at the second stage. This yielded a figure of 52 SMEs. Actually, this could be attributed to the sensitization of SMEs regarding the necessity to address problems related to change management. The group was followed by 37 SMEs that are still at the unfreezing stage, the introductory stage where the status quo is changed. Respondents whose organizations have not implemented the model comprised 31 SMEs. The picture given by this pattern of response originate from the fact of life, where resistance to change has become a normalcy. The second stage was crowded, perhaps because this is where mark-timing takes place. The results were in agreement with Lewin's observation that at this stage, organizations propose changes to be made and employees are persuaded to adapt to the new business environment where management has been altered (Lewin, 1951).

The researcher found that SMEs experience various turbulence that necessitate management change. Most respondents (48%) singled out *exit of the owner manager* as the major cause. Perhaps this is influenced by the necessity to replace him or how, thus altering the management structure of the organization which is felt by the lowest employee. Equal percentage of respondednts (15%) reported that change management is brought about by *the changing demographics* and *technological advances*. The changing demographics and social structure

were also pointed out by George and Jones (2002). The reason for the tie in response results could be attributed to their concomitance. That is, as technological advancement takes place, the demographics also change and with it the social structure. This makes it necessary for an organization to change so as to suit the new demographics and become techno-savvy. Economic and political factors were identified as the major causes by 18% of the respondents; while globalization was mentioned by 4% of the respondents.

Among the strategies that were identified by respondents as necessary in the mitigation of challenges of change management was the sourcing for competent managers. It was evident from the findings that highest number of respondents indicated that their firms source for competent managers through external outsourcing (47%). Actually, this could be the reason where there is always disconnect between the previous management and the current management of SMEs since no proper orientation and organizational culture inculcation is done to the new management. This group was followed closely by those who said internal promotion at 40%. Training new recruits was distant third option at 17%, while other ways of sourcing comprised 03%. An example of the latter is recruiting a relative to take over the management of the firm by the owner. This picture gave a glimpse on the way management transition takes place in SMEs in Kenya and why some are thriving even after the exit of owner managers; and the death of others as a result of a clueless new management.

The respondents were asked whether or not their organizations have training programs to enhance leadership skills. This was one of the strategies that the researcher identified as necessary in tackling leadership vacuum occasioned by the exit of owner manager. Majority of respondents (68%) reported that there are no such programs in their organizations. Some further commented that in their organizations there are programs that enhance their technical competence but not leadership skills. The remaining 32% of respondents reported that there are intermittent programs that enhance leadership skills. It therefore means that, in most SMEs the problem of lack of leadership will still be experience if the responses obtained is anything to go by. This finding showed that not many SMEs are keen on homegrown leaders and perhaps this is the reason why most of them experience challenges during management transition periods.

The researcher had asked the respondents whether their organizations encourage teamwork and delegation of duties as a way of preparing young leaders to take the reins of leadership should the owner-manager exits. It was found that 41 SMEs promote teamwork among their staff to a little extent. This is followed by 36 SMEs that did not promote teamwork at all. Since it is through teamwork that leaders and future managers can be nurtured, organizations that hardly promote it, experience difficulties in making smooth leadership transition. The unsuccessful transition of management of most SMEs can therefore be attributed to this lack of teamwork and duty delegation. Among those respondents who reported that their SMEs promote teamwork and delegation were 25 (to a moderate extent) and 18 (to a large extent). Such SMEs are known to weather the storm of turbulence with success.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the researcher gives a summary of findings, conclusion and recommendations of the study. The researcher set out to examine the challenges of management of ownership change and the strategies employed by SMEs in Nairobi County to address the challenges they face in the management of ownership change. This chapter contains the summary of findings of the research on how management of ownership change is carried out by SMEs in Nairobi County. It also summarizes the findings on the strategies employed by these SMEs to address the challenges they face in the management of ownership change.

5.2 Summary of Findings

The study targeted a population of 600 SMEs within Nairobi County. Among them, a sample size of 180 respondents was identified and given the questionnaires. Out of the 180 questionnaires, 120 were returned. Of the 120 respondents, 20 were top managers, 50 were middle-level managers, and 50 were support staff. The researcher, managed to collect 100 questionnaires from different levels of management. This is represented a response rate of 67% which is high and hence the results could be used to demonstrate the opinion of the general population.

The researcher found that majority of the respondents (37%; that is 44) had experienced corporate transformation as a degree of change in their various organizations. This was followed closely by 35% of respondents who have observed modular transformation in their organizations. The least degree of change obtained was fine-tuning which was experienced by 9% (11 respondents). Moreover, most SME organizations were found to be applying Lewin's Model of change management and according to the respondents, majority (52) of these organizations were at the second step of the model. This was followed by 37 respondents who are still at the unfreezing stage, the introductory stage where the status quo is changed. Respondents whose

organizations have not implemented the model comprised 31 and they ticked ‘none of the above’ option.

The researcher found that the major cause of turbulence in SMEs that necessitate change management is the exit of the owner-manager. Most respondents (48%), actually, singled out *exit of the owner manager* as the major cause. Perhaps this is influenced by the necessity to replace him or how, thus altering the management structure of the organization which is felt by the lowest employee. Equal percentage of respondents (15%) reported that change management is brought about by *the changing demographics* and *technological advances*. Economic and political factors were identified as the major causes by 18% of the respondents; while globalization was mentioned by 4% of the respondents.

The highest number of respondents indicated that their firms source for competent managers through external outsourcing (47%). This was followed closely by those who said internal promotion at 40%. Training new recruits was distant third option at 17%, while other ways of sourcing comprised 03%. This picture gave a glimpse on the way management transition takes place in SMEs in Kenya. The researcher further found out the extent to which leadership had influenced the firms’ continuity and development. From the analysis, all the respondents agreed that leadership influences a firm’s continuity and development. Fifty percent of the respondents agreed that leadership have an influence on a firm’s continuity to a very great extent. Thirty-three percent asserted that it did influence a firm’s continuity to a great extent while seventeen percent asserted that it did influence continuity to a moderate extent.

On the major cause of change that necessitates change management in SMEs, most respondents (48%) singled out exit of the owner manager as the major cause. Perhaps this is influenced by the necessity to replace him or how, thus altering the management structure of the organization which is felt by the lowest employee. Equal percentage of respondents (15%) reported that change management is brought about by the changing demographics and technological advances. Economic and political factors were identified as the major causes by 18% of the respondents; while globalization was mentioned by 4% of the respondents.

The question about strategy formulation received various responses where majority of respondents, 42% (50), were unanimous that strategy formulation is entrusted to top management in the organization. This was followed by 40 respondents (33%) who asserted that it is the responsibility of executive director/CEO. Respondents who said that it involves the participation of all employees were 20 (17%); while those who felt that the consultants were the ones in charge were 10 (8%).

The researcher asked respondents whether or not their organizations have training programs to enhance leadership skills. This was one of the strategies that the researcher identified as necessary in tackling leadership vacuum occasioned by the exit of owner manager. Majority of respondents (68%) reported that there are no such programs in their organizations. Some further commented that in their organizations what is there are programs that enhance their technical competence but not leadership skills. The remaining 32% of respondents reported that there are intermittent programs that enhance leadership skills. It therefore means that, in most SMEs the problem of lack of leadership will still be experience if the responses obtained is anything to go by.

On the question about teamwork and duty delegation, respondents that 41 SMEs did promote teamwork among their staff to a little extent. This is followed by 36 SMEs that did not promote teamwork at all. Given that it is through teamwork that leaders and future managers can be nurtured, organizations that hardly promote teamwork maong employees and managers encounter difficulties when making leadership transition. Among those respondents who reported that their SMEs promote teamwork and delegation were 25 (to a moderate extent) and 18 (to a large extent).

5.3 Conclusions of the Study

This era of turbulent global business environment calls for change in the operations of business organizations for their survival and performance. Therefore, strategy formulation and implementation is of essence and it should be continuously done to adapt to changes brought by the turbulent environment. Unlike large business entities, ownership management in SMEs is

done by the owner who carries out the owner-manager role. Consequently, change in ownership of SMEs has strategic implication to the continuity of the business entity.

The researcher was motivated by the paucity of empirical studies on SMEs in Kenya, especially regarding management of ownership change, thus the need to fill in this knowledge gap. The study attempted to investigate how SMEs within Nairobi County, Kenya apply management of ownership change to adapt to the effects of turbulence in the operating environment. It also examined the challenges of management of ownership change and the strategies employed by these SMEs to address the same.

The literature reviewed point to the fact that organizations face difficulties to improve performance in an environment where there is constant flux (Rieley & Clarkson, 2001). Some scholars considered management of change as utopian rather than practical. This desperation was debunked by Luecke (2003) who argued that given the constant change and the difficulty of implementing change management, organizations needed routines to be effective and to enhance performance. Burnes (2004) has however, insisted that it is important for organizations to undergo continuous change and that routines would negate the concept of change management. Perhaps Burnes was supporting Leifer (1989) who posited that change is a normal and natural response to internal and external environmental turbulence.

Major types of change are categorized by the rate of occurrence as either discontinuous and/or incremental change. Discontinuous change is marked by rapid shifts in either strategy, structure or culture, or in all the three (Grundy, 1993). This rapid change can be sparked off by major internal crises or by considerable external shock. Discontinuous change is seen as cost-effective since it seldom promotes an endless process of costly change initiatives besides creating less turmoil as characterized by continuous change (Guimaraes & Armstrong, 1998 and Rune, 2005). Dunphy and Stace (1993) have posited that change identified by scale can be divided into four different characteristics: fine-tuning, incremental adjustment, modular transformation, and corporate transformation. According to Nelson (2003), fine-tuning describes organizational change as an ongoing process to match the organization's strategy, processes, people and structure. Usually, it is manifested at a departmental level of an organization.

The study adopted a descriptive research design it sought to establish the existence of certain relationships among the variables. It had a target population of 600 SMEs, registered in Nairobi County. The study employed stratified random sampling, with a target of 180 registered small and medium enterprises within Nairobi County. The study utilized questionnaires to collect information from respondents. The completed questionnaires were then analyzed using descriptive statistics.

The findings indicated that the highest number of respondents were unanimous that their firms sourced for competent managers through external outsourcing (47%). This was followed closely at 40% by those who observed that their organizations rely on internal promotion of experienced staff to take up managerial positions. Training new recruits was distant third option at 17%, while other ways of sourcing comprised 03%. This response gave a glimpse on the way management transition takes place in SMEs in Kenya.

The researcher found that the major cause of turbulence in SMEs that necessitate change management is the exit of the owner-manager. As a matter of fact, most respondents (48%) singled out this as the major cause. Perhaps this choice is influenced by the necessity to replace him or how, thus altering the management structure of the organization which is felt by the lowest employee. Equal percentage of respondents (15%) reported that change management is brought about by *the changing demographics* and *technological advances*. Economic and political factors were identified as the major causes by 18% of the respondents; while globalization was mentioned by 4% of the respondents.

5.4 Recommendations of the Study

Given the findings of the study, the researcher recommends that SMEs should have a proper mechanism to address management transition. Majority of respondents reported that sourcing for competent managers externally can be appropriate and for this reason, SMEs should adopt this method. Another way of sourcing would be promoting experienced staff to the managerial

positions. This can be very instrumental especially if smooth transition and continuity of business are to be achieved in the event of owner's exit.

The researcher also recommends strategic planning to SMEs since it has a greater impact on business continuity and development. Given the response obtained, it is evident that that strategic planning aids in communicating future trends to organizational members; and provides a central purpose to the activities of the organization. Lastly, strategic planning provides a basis for other management functions within the organization.

It is recommended that a similar study be conducted in other counties to establish whether the same results can be obtained. There many SMEs in the country that face more or less similar challenges and if a study is done using the same approach in different locales managers would be able to get strategies that steer these organization to greater business performance. Even if, a dissimilar finding is obtained then mechanisms of exploiting or mitigating it will be establish to ensure business continuity.

5.5 Limitations of the Study

The researcher encountered a number of challenges which eventually comprised the limitations of this study. The first challenge was the vastness of target population. Nairobi alone has more than 600 SMEs and to reach out to all these organizations is a difficult endeavor, both financially and temporally. The researcher was there left to get a sample of 180 SMEs which constituted 30% of the total population. It would have been better if the study could get a sample size of about 50%.

The study also suffered from the dearth of local empirical studies that would have made comparison and contrast much easy. Consequently, it had to rely on international empirical studies on the SME theme which due to differences in demographic and economic characteristics may not be juxtaposed.

The study was only restricted to change management within SMEs. Since SMEs is an industry with huge growth potential, it would be important to look at other aspects such as expansion, profitability, impact on socio-economic life of Kenyans among others.

5.6 Suggestions for Further Research

The study was only confined within Nairobi County. It would be important to investigate similar variables on SMEs in other counties so that comparisons can be made and viable solutions to the challenges found.

It is also suggested that further research be done on other facets of SMEs such as their ability to expand and become large enterprises; the impact they have on the socio-economic life of the society where they operate; how they have been affected by globalization in general; et cetera.

The research, finally, suggests that a further research be conducted on upcoming entrepreneurs can utilize SMEs as a platform for innovation and profitization.

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APPENDIX I: INTRODUCTION LETTER

Dear Respondent,

RE: PERMISSION TO CARRY OUT RESEARCH

I am a student at the University of Nairobi taking a Master degree in Business Administration (MBA). As a requirement for the fulfillment of the Master degree, I intend to carry out research project on '*Management of Ownership Change in Small and Medium Enterprises in Nairobi County of Kenya*'.

You have been chosen as you are in the right position of bringing to light the ownership change management practices of the SME. I, therefore, request that you fill-in the attached questionnaire. Any documentation that you may have that is relevant to this study may be availed to me at your discretion.

Your identity and the information you provide will be treated as and remain confidential. The research findings will be confidential and will only be used for academic purposes.

Thank you in anticipation of your co-operation.

Yours Faithfully,

Ken Odegih Opiyo

APPENDIX II: QUESTIONNAIRE

SECTION A: BIO DATA

1. Gender Male [] Female []

2. Age Below 30 years [] 30-39 years [] 40-49years []
 50-59 years [] 60-69 years []

3. Years of operation?
 - a) 0-5 years []
 - b) 5-10 years []
 - c) 10-15 years []
 - d) 15-20 years []
 - e) 20 and above years []

4. What is your highest level of education?
 - i. Secondary [] iii. Tertiary College []
 - ii. Undergraduate [] iv. Postgraduate []
 - v) Other (specify)

5. Your position in the organization
Top level [] Middle level []
Lower level []

6. Does your firm have core values?
Yes [] No []

SECTION B

- 1 To what scale does your organization experience change? Please tick the appropriate.
 - a) Fine-Tuning Scale: Ongoing and Departmental []

- b) Incremental Adjustment: Ongoing and Corporate []
- c) Modular Transformation: Major shifts in strategies []
- d) Corporate Transformation: Radical and Corporate []

2 What step of Lewin's Model of Change Management has your organization attained?
Please tick where appropriate.

- a) Unfreezing the present []
- b) Moving from the present []
- c) Re-freezing []
- d) None of the above []

3 What is the *major* factor that would necessitate change management in your organization? Please tick (one) the appropriate answer.

- a) Economic and Political Factors []
- b) Technological Advances []
- c) Globalization []
- d) Changing Demographics []
- e) Exit of the owner manager []

Add any other

.....

SECTION C

1. Who formulates strategies in your company?

- i. Executive Director/CEO []
- ii. Top management []
- iii. All employees participate []
- iv. Consultants []

2. How does the firm source for competent leaders?

- i. Outsourcing from external sources
- ii. Promotion of its experienced staff
- iii. Training of newly recruits

Other specify.....

3. Are there any training programs to enhance leadership skills within the organization?

- Yes [] No []

4. To what extent does your organization employ *open-door management* strategy? Tick the appropriate answer

- No extent [] To a little extent [] To a moderate extent []
To a great extent [] To a very great extent []

5. To what extent does your organization promote teamwork among staff and duty delegation?

Tick the appropriate answer.

- No extent [] To a little extent [] To a moderate extent [] To
a great extent [] To a very great extent []

APPENDIX II: LIST SMEs

	Name of SME	Industry/Sector
1	Baldesh Enterprises Shop	Retail Shop
2	Balozi Enterprises Shop	Services - Shoe Repair
3	Baraka Stores	Retail Shop
4	Baron Kinyozi and Salon	Services - Beauty
5	Coach Barbers	Services - Beauty
6	Mocca Café	Hospitality/Hotel
7	Batiana Enterprises	ICT
8	Broder Computers	ICT
9	Beauty Spot Studio	Entertainment
10	Benru Barbers And Salon	Services - Beauty
11	Best Ladies Ltd	Retail - Beauty
12	Best 5 Outfitters	Retail
13	Sir Henrys Ltd	Retail Shop
14	Besta Electronics Shop	ICT
15	Bhangwaji Communication	Entertainment
16	Big Five Enterprises	Retail
17	Big Sound Electronics	Retail - Entertainment
18	Bil Bella Hotel	Hospitality/Hotel
19	Ranalo Hotel	Hospitality/Hotel
20	Bill Nyong'o Dealers	Retail
21	Blackman Enterprises	Artisan
22	Bleach Salon and Kinyozi	Retail - Beauty
23	G&R Restaurant	Hospitality/Hotel
24	K-Chick Fast Food Ltd	Hospitality/Hotel
25	Blessed Enterprises Library	Education
26	Esetoric Cyber Ltd	ICT
27	Blits Cyber And Training Ltd	ICT
28	Bliz Technologies	ICT
29	Block Entertainment	Retail - ICT
30	Blu Entertainment Ltd	Retail - ICT
31	Bloet Meter Ltd	Electricals
32	Bondeni Enterprises Ltd	Retail
33	Bonistar Computers Ltd	ICT
34	BM Electronics Ltd	Electricals
35	Boot Cut Salon	Services - Beauty
36	Tribute Salon and Kinyozi Ltd	Services - Beauty

37	Petma Hotel	Hospitality/Hotel
38	Brand Zone Enterprises	ICT
39	Noma Restaurant Ltd	Hospitality/Hotel
40	Brooklyn Hotel	Hospitality/Hotel
41	Brothers Clothline Ltd	Retail
42	Brownsecon Curio	Retail
43	Buffalo Koya Enterprises	Retail
44	Busy Link Communication	ICT
45	Buzz Entertainment Ltd	Retail
46	C-112 Computers Ltd	ICT
47	Sizzlin Hotel	Hospitality/Hotel
48	Café Deli	Hospitality/Hotel
49	Café Dully	Hospitality/Hotel
50	Tribeka Bar and Restaurant	Hospitality/Hotel
51	Mojos Bar and Reaustarant	Hospitality/Hotel
52	KIPs Hotel	Hospitality/Hotel
53	Handson Cyber Café	ICT
54	Atlas Builders and Plumbers Ltd	Real Estate - Construction
55	Kinyua Agents	Real Estate
56	Mwangaza Solar Ltd	Retail
57	AAR Agents Services	Financial Sector
58	Eclipse Ltd	Services
59	Habesha Hotel Ltd	Hospitality/Hotel
60	Crown Bus Ltd	Transport
61	E-Manamba Agency	Transport
62	Classic Buses Services	Transport
63	Carlos Kinyozi and Salon	Services - Beauty
64	C-Com Communication	ICT
65	Chacha Investments	Real Estate
66	Changanya Enterprises	Retail
67	Chez Baleke Enterprises Ltd	Retail
68	Chronic Pictures	Services
69	e-Kom Cyber Ltd	ICT
70	Classic Data Services	ICT
71	Classic Library	Education
72	Copy Cat Ltd	ICT
73	Click Dstv & Enterprises Show	ICT / Entertainment
74	Clickz Kinyozi	Services - Beauty
75	Club Vegas Enterprises	Hospitality/Hotel
76	Cocorido Plastic Dealers	Retail

77	Coner Exhibition	Retail
78	Connectors Computer Enterprises	ICT
79	Conta Net Cyber	ICT
80	Creative Arts	Retail
81	Curtain Centre Limited	Retail
82	Dong Fang Curtains Ltd	Retail
83	Jamia Mall Central Hotel	Hospitality/Hotel
84	Supreme Consultants Ltd	Services - Consultancy
85	Rivercorp Holdings Ltd	Retail
86	Besty Cyber Café Pro	ICT
87	Cyber Zone Ltd	ICT
88	Cybernet Ltd	ICT
89	D & D Shoe Makers Ltd	Retail
90	Imax Entertainment	Entertainment
91	Pasaras Restaurant	Hospitality/Hotel
92	Pronto Restaurant Ltd	Hospitality/Hotel
93	D Max Enterprises Ltd	ICT
94	Daidoo Wear	Retail
95	Danny Music Shop	Entertainment
96	Delta Enterprises Ltd	Retail
97	Demco Computer Services	ICT
98	Destiny Cyber Café	ICT
99	Dexter General Merchants	Retail
100	Digital Shop	Retail
101	Dilan Enterprises Ltd	Retail
102	Dimtech Sounds Ltd	Retail
103	PhoneXpress Ltd	Retail - ICT
104	Milano Cloth Line	Retail
105	Disney Library	Retail
106	Downtown Stereo Ltd	Entertainment
107	Dubz Entertainment Ltd	Entertainment
108	E3 Cyber Ltd	ICT
109	Easlis Enterprises Center	Retail
110	El Shadai Curio Shop	Retail
111	Emirates Sega Exhibition	Retail
112	Wanjala Cloths and Fittings	Retail
113	Executive Cytz Barbers	Services - Beauty
114	Florida Clubs	Hospitality/Hotel
115	Bettys Club	Hospitality/Hotel
116	Elimatt distributors	Small Hardware

117	Monica nyanjau ndungu	Small shop and M-pesa
118	Neypart communications ltd	M-pesa services/photocopy
119	Marinoz enterprises	Cyber cafe
120	Al mosko ventures	Scrap metal dealers
121	Makro communications	Mpesa/ mobile accessories
122	Cleatech communication & accessories	Mobile accessories M-pesa services
123	Cilas enterprises ltd	General supplies
124	Prince uniforms	Relining & tailoring uniforms
125	Cumaki productions	Music shop
126	Grace wangui wa - mathaai hawkers pride	Hawkers ware
127	Isotech interconnections ltd	Mobile accessories- Mpesa
128	Vabene couture	Retail of clothes
129	Keylink distributors	Imports wholesale and retail of tailoring accessories & storage
130	Tell tell	Retail and wholesale of hardware and general merchandise
131	Partex enterprises	Tailoring and readymade garments
132	Vaghela men's wear ltd	Tailoring and readymade garments
133	Kagochi spot shop	Retail shop & Mpesa
134	Express garments	Medium trader
135	Kibrose school uniforms	Readymade clothing & tailoring
136	Benwa african wear	Retail of cloth
137	Krish trading co.	General merchants
138	Sewtech (k) limited	Sales and service of sewing machines
139	Ben electronics	Retail of radio and television & electronic spares
140	Beauty b services	Secretarial services
141	Mvinyo centre	Wholesale & retail of mobile phones & accessories, calling cards, electronics, electrical / M-pesa
142	Kenya toner & ink suppliers	Retail of stationery
143	Mara creations	Selling of beads and textiles
144	Vineyard communications	M - pesa, scratch cards, photocopy & mobile accessories
145	Krish trading co. Ltd	General merchants
146	Strategic mobile ltd	Retail of mobile accessories/ Mpesa
147	Best image exhibition	Electronics mobile accessories
148	Delight technology	Mobile and accessories
149	San liam (k) ltd	Belts retail and wholesale
150	Daves corner electricals ltd	Retail of electricals / equity agency
151	Telemon communication	M-Pesa , sale of scratch cards
152	Rohi textiles	Retail services
153	Uniform distrubutors ltd	Wholesalers/retailers/general

154	Jaylin stores ltd	Dealers in suiting materials and accessories
155	Naran's	Retail and wholesale of readymade garments
156	M ismail and bros	Retail stationery and electronics
157	Gobss wholesalers	Wholesale of garments
158	Gemdip wears	Wholesale /retail of readymade garments -travelling goods shoes
159	Krish trading company	Retail general merchants
160	Five star tailors	Retail of textiles
161	Fast card point	Retail of greeting cards
162	Worth foto studio	Photographic shop
163	Grace wangui itotia t/a wa - mathaai hawkers pride	Hawkers goods
164	Kigutha music store	Music shop & duplicating
165	C k gakuru & sons	General merchant shop and retail of polythene bags and tailoring
166	High view optical centre	Optician
167	Soft and fair cosmetic	Retail of cosmetics & mpesa
168	Channia transport co. Ltd	Courier services
169	Fine glass merchants	Retail of glass and mirrors
170	Control fire systems limited	Supply & installation of fire alarm & security systems
171	Depeniel links enterprise ltd	Stationery & printing papers
172	Iftin electricals	Electricals
173	Combo store	Mini shop & M-pesa
174	Capter enterprises	Small hardware shop
175	Capri shop	General merchant
176	Tevan enterprises	Retail hawkers items
177	Bizz connections	Mobile phones and accessories/M-pesa
178	Delight twechnology	Retail shop, mobile and M-pesa
179	Green seas enterprises	Wines and spirit wholesalers
180	Balozi beauty care	Wholesale of cosmetics
181	Jasper rose	Mobile accessories and Mpesa
182	Baraka communications and electronics	Mobile accessories & electronics & Mpesa
183	Comlink invesments	Mpesa/computer services & photocopying
184	Njambas book centre	Bookshop
185	Shayna cosmetics ltd	Sale of cosmetics
186	Shaneva stockist	Gift goods (storage)
187	Top achievers bookshop	Bookshop and storage
188	Bereka hawkers point	Selling hawkers accessories toys, hairpieces
189	Regent book supplies (e.a)	Suppliers of text books
190	Stewan computer garage ltd	Sales & repair of second hand computers
191	Krish trading company	General retail merchants

192	Treadstone ventures ltd	Import & export
193	Paradise eye care	Retail opticians - optics
194	Dolphin cellular services	Phone & beauty accessories/Mpesa services
195	Benwide general suppliers	Retail of stationery/ equity agent
196	Jowaka beauty salon	Salon & Kinyozi/ Massage
197	Touchline agencies ltd	Safaricom airtime and mpesa
198	Julius wanjohi maina	General merchant
199	Texkim agencies	Mobile accessories/M-pesa services
200	Josrick merchants	General supplies
201	Petty designs	Tailoring
202	Ernest mburu	Soda distributor
203	Magnum africa ltd	Sale of motor bikes and spare parts
204	Esko polythene centre	Wholesale and retail of packaging bags
205	Kiwi communication ltd	Mpesa & sale of CDs & electrical items
206	Bliston enterprises	Retail of textiles
207	Sarabs beauty ware house	Cosmetics products
208	Premier trading company ltd	Whole sale retail of general merchant /motor bikes/bicycles/sewing machine/electrical appliances
209	Touchline agencies ltd	Mobile phone, accessories & M-pesa
210	Candy land ltd	Confectionery and general traders
211	Kichewa trading agencies	Import and retail
212	Spurtech enterprises	Toys shop
213	Tracejack limited	Sale of CD-Rs, audio tapes and general supplies
214	Samuna enterprises systems	Buying & selling of stationery, text books
215	A one electronics ltd	Import, wholesale of electronics
216	Camp david electronics	Grocery and Mpesa services
217	Bestman cosmetics shop	Retail of cosmetics products/ storage
218	Lexus auto spares	Retail of motor vehicles spares
219	Mirror sew -knit parts	Retail of sewing and knitting and raw material s of imitation jewellery
220	Cake art	Wedding cakes and services
221	Corner polythene shop	Retail of polythene bags, photocopy services & soda
222	Profile kenya ltd	Retail shop
223	Isotech interconnections ltd	Mobile accessories & Mpesa services
224	Urembo centre ltd	Retail of beauty care products
225	Premier Trading Company Ltd	General merchandise motor bike, sewing machine, electrical appliances
226	JK Vision Ltd	Electronics retail and wholesale
227	Brysalexonn Electro Services & M-Pesa	Sale of electronics & M-pesa
228	Kamusinga Shop	Retail shop with Mpesa
229	Keen Merchandisers	Beauty products

230	Blueberry art company	Printing and stationery shop
231	Starwest technologies limited	Mpesa services and spare parts
232	Aquanetiks gift shop	Pet products
233	Zolar enterprises	Stall management office
234	Roms communication	Mobile Phones Repair And Mpesa
235	Sowaki electricals	Electricals
236	Beauty beat cosmetics	Beauty products & telephone accessories
237	Coptex	Wholesale and retail of textile garments
238	Prince wears	Dealers in textiles
239	Shethia wholesalers	Wholesale and retail trade of garment shoes and general merchant
240	Bumper harvest ltd	General merchants
241	Raj ushanga house ltd	Import/wholesale/retail medium trader shop
242	Eagle wholesalers ltd	Wholesale & retail of readymade garments
243	Idris enterprises ltd	Retail of watches & electronics repair
244	Vic agencies limited	Wholesale & retail of general items
245	Ushanga ltd	General merchant and storage
246	Mibisco ltd	Medium grocery
247	Chase collections ltd	Sale of clothes/ shoes and storage
248	Turtle wines and spirits	Sale of wines and spirits/storage
249	New faith beauty cosmetics	Retail hawkers items
250	Ndathe bata stokist	Foot wear
251	Overt services	Mpesa, snack and mobile phone accessories
252	Feliwama cyber cafe	Cyber cafe
253	Blue Nile Investment and trading company limited	M-pesa and cosmetics
254	Sebarchy logistics	Storage
255	Sew-tech (kenya) ltd	Sales & services of sewing machines
256	Roselyn packs	Stephen polythene
257	Muhoro electronics & boutique	Electronics boutique
258	White rose drycleaners ltd	Spare parts
259	Grand destiny company ltd	Selling of Music Accessories/Mpesa
260	Friendly exhibitions	Boutique
261	Multi tools (k) ltd	Retail of hardware items
262	D m cosmetics	Retail of Cosmetics and M-pesa services
263	Intensive printing works ltd	Small printing & stationery
264	Jitegemee enterprises	Sale of second hand clothes & shoes
265	Yag general suppliers	Suppliers of stationery
266	Joseph macharia ngonyi	Sale of second hand clothes and shoes
267	Branvic agencies	Printing and stationery
268	Acts enterprises	Stationary (Text Books) and M-pesa

269	Kayaba one shop	Retail shop, stationery & Mpesa
270	Pamoja enterprises ltd	Shop
271	Multi - trade investments (e.a) co. Ltd	Selling commodities
272	Joncy textiles	Tailoring materials and accessories
273	Kausik & co ltd	Wholesale retail of textiles and accessories
274	Jessica international	Import of stationery & wholesale
275	Jagi ventures ltd	Supermarket
276	Gawa cosmetics shop	Wholesale & retail of cosmetics
277	Gawa cosmetics shop	Wholesale & retail of cosmetics
278	Beauty city	Sale of cosmetics & sale of phone s and cards
279	Shammah graphics & stationers	Small computer printing
280	Lamini emporium	General merchants/agrochemicals
281	Glass craft limited	Retail household goods
282	Kagwanja emporium	Retail of textile
283	Dunsac textiles	Retail of textile materials
284	Anchor graphics works	stationary shop and printers
285	Elimatt distributors	Supplies of general hardware
286	Gravity trading co. Limited	Retail of sundries and hardware
287	Optiven enterprises	Supply of stationery
288	Hari pharm pharmacy ltd	Dispensing chemist
289	Ridhdhi (e.a) limited	Import wholesale of Massai Beads Shukas Wire Textile
290	Art beads	Medium trader
291	Wananchi optical goods	Optician
292	The music makers	Small music studio
293	Active wear limited	General merchant
294	Sovee limited	Trading in agricultural equipments, generators, water pumps and hardware
295	Afri laboratory supplies	Retail of laboratory equipment
296	Finstar enterprise limited	Retail of house-hold & electrical goods
297	Franiza clothing & materials	Retail of new clothes, telephone services
298	Internet cyber one	Cyber cafe and cyber bureau
299	Manorath office supplies	Medium general supplies
300	Generation insight	Stationery and M-pesa
301	Patel auto mobile house ltd	Retail of new automobile spares, motor cars, batteries & accessories lubricants
302	Jirani pharmacy	Chemist
303	Khoja telecoms	Mobile phones, accessories & Mpesa
304	Tasneem stores ltd	Wholesale and retail of textiles
305	Mobile friendly	Mobile phones and accessories
306	Green seas enterprises	General shop
307	Acts enterprises	Stationery -text books/ M-pesa

308	Topknit sewing	Retail of sewing machines and textiles commodities
309	Gondalwalla trading	Hardware, glass, Stationery and graphic materials
310	Kak & q stationery	Stationery & M-pesa services
311	Sure pharma ltd	Retail of pharmacy Mpesa
312	Style and glamoure ltd	General merchant and M-pesa
313	Air minister music shop	Sale of music production
314	Ponamu ventures ltd	Retail of electronics/Mpesa/Photocopy
315	Pauldon limited	Retail of foodstuff
316	Pesa point ltd-river rd	ATM services
317	Jacks communications	Retail shop & mobile charging
318	Digo emporium	Bicycle dealer s &spares
319	Trust opticians	Selling spectacles frames, lenses & accessories
320	Nitin wholesalers ltd	Wholesale
321	Wireless communication	General merchant
322	East african studios (2004) k ltd	Photo-studio, photoprocessing & retail
323	Ketan emporium.	General merchants
324	Dipkatex	General trader shop and retail services
325	Eye world ltd	Ophthalmic & dispensing opticians
326	Daily domestic ltd	Retail of house hold utensils
327	Manfreco ltd	Small trader-wholesaler
328	Riverside communications	Computer & telephone services and courier service agent
329	Bluehill investment limited	Stationery retail / supplies
330	Livingcos (k) limited	Wholesale retail cosmetics
331	Omulembe enterprises	Retail of picture frames/tailoring
332	Aanfra computer solutions	Sale of computer parts ,accessories &communications
333	Eunice njeri t/ahigh power investments	Hawkers ware
334	Maharshi stationers ltd	Medium trader- stationers
335	Damsolo music work	Music editing and programming
336	Camel Restaurant	Hotel/Hospitality
337	high rise food stuffs	Hotel/Hospitality
338	Ashall shop	General Retail
339	G3 communication centre	ICT
340	G2 shop	General Retail
341	Mutaro pub	Hotel/Hospitality
342	Walkers cafes	Hotel/Hospitality
343	Rwathia butchery	Hotel/Hospitality
344	Satisfiers drinks	Retail - Hotel/Hospitality
345	Mwireri fashions	Retail - Cloth Line
346	Bima fashions	Retail - Jewellery
347	Imenti shoes collections centre	Retail - Shoes

348	Ngumba fashions	Retail - Cloth Line
349	Homeboiz cuts	Services - beauty
350	Supercuts Kinyozi	Services - beauty
351	Waciru retail Outlet	Retail - merchandize
352	blessing collection centre	Retail - Cloth Line
353	cheers hotel	Retail - Hotel/Hospitality
354	Bahamas mens and women's collection centre	Retail - Cloth Line
355	Maguna Andu fashions	Retail - Cloth Line
356	Shah Electronics	Electronics
357	Sighr Hardware Ltd	Retail - merchandize
358	Milineum fashions	Retail - Cloth Line
359	Naxs fashion centre	Retail - Cloth Line
360	Walisper communication centre	ICT
361	Good hope shoes centre	Retail - Cloth Line
362	Beauty point salon	Services - beauty
363	Kinjos' saloon	Services - beauty
364	Waciru beauty point saloon	Services - beauty
365	Bravo key cutters	Service Retail
366	Fresh Butchery Ltd	Retail - Hotel/Hospitality
367	Kerioka hotel	Hotel/Hospitality
368	Thome collection centre	Retail - Cloth Line
369	Kogello fashions	Retail - Cloth Line
370	VICs furniture Ltd	Retail
371	Nyanza furniture centre	Retail
372	Precious Furnishings ltd	Retail
373	Mwangi' centre	Retail
374	Mlembe hotel	Hotel/Hospitality
375	Kk shoes collection centre	Retail
376	Mama brian shoes collection	Retail
377	Matunda shop	Retail
378	Diligent leather shoes	Retail
379	Milimani fitting shop	Retail
380	Njuguna place Restaurant	Hotel/Hospitality
381	Galileo motel	Hotel/Hospitality
382	Mahmuds Shoes Collection Ltd	Retail
383	Shephereds shoes centre	Retail
384	Mbaitu designers	Services - Cloth Repair
385	Musyi fashioners	Retail
386	Mama Evon grocery	Retail
387	Dallas shop	Retail

388	Bottom line kiosk	Retail
389	A-z collections	Retail
390	100s Shop Ltd	Retail
391	Homeboiz sounds	Retail - Entertainment
392	Wakianda studio	Retail - Entertainment
393	Crews hotel	Hotel/Hospitality
394	Cheers hotel	Hotel/Hospitality
395	Chira shop	Retail
396	Eureka fish \$ chips	Hotel/Hospitality
397	Communication solutions	ICT
398	Digital communication solution	ICT
399	Subukia furniture's	Retail
400	Cocorido plastic dealers	Retail
401	Mwathi milk bar	Hotel/Hospitality
402	Agoro Printers	ICT - Retail
403	Omi Business solutions	ICT
404	Jackys Hair Salon	Services - beauty
405	Kushna General Merchants	Retail
406	Awiti and Sons company	Services - Legal
407	Njugunas Genaral Shop	Retail
408	Polo Traders	Retail
409	Pepe Enterprises	Retail
410	Jakom Carpenters	Retail
411	Joy Supermarket	Retail
412	Mwauras Wines and Spirit	Hotel/Hospitality
413	Deos Car wash	Services
414	Italian Wear Ltd	Retail
415	Kioko Shoe Palace	Retail
416	Gikomba Designers	Services
417	Glo Dressmakers	Services
418	Best 5 Outfitters	Retail
419	Gigi Enterprise	Retail
420	D & D Shoe Makers	Retail
421	Waamu Investments	Service - Real Estate
422	KiKi and Sons limited	Services - Legal
423	Mama Kevo Shop	Retail
424	Intel Mpesa Limited	ICT - Retail
425	Kobonyo Carpenters	Retail
426	Seasons Bar and Restaurant	Hotel/Hospitality
427	Lions Den Bar	Hotel/Hospitality
428	Barcelona Stima Kinyozi	Services - beauty

429	Deno Super Shop	Retail
430	Judys Shoe dealers	Retail
431	Opipi Car Wash	Services
432	Mikes Electronics	Retail
433	Chacha Investments	Service - Real Estate
434	Camera Dealers	Retail
435	Jomwamu Investments	Service - Real Estate
436	Upper Hill Traders Limited	Retail
437	Tims Fashions	Retail
438	Best Choice Ladies Fashions	Retail, Cloths
439	Koinange Traders	Retail
440	Grace Shop	Retail
441	Maruti and Sons Limited	Services - Legal
442	Thika Wholesalers	Retail
443	Chania Shoe Dealers	Retail
444	Kisumu Ndogo Shop	Retail
445	Jabali Enterprises	Retail
446	Dexter General Merchants	Retail
447	Mwenda Pole Wholesalers	Retail
448	Otis Furniture Palace	Retail
449	Gikomba textile Shop	Retail
450	Gatukuyu One-Stop Shop	Retail - Curio
451	Moha Traders	Retail
452	Warui Mini Mart	Retail
453	Shiko Pub	Hotel/Hospitality
454	Wakamundu Hotel	Hotel/Hospitality
455	Vinyl Shah Curios	Retail - Curio
456	Kibe Kiosk	Retail
457	Home Base Enterprises	ICT
458	Kama General Traders	Retail
459	Munis Computers Ltd	ICT
460	Green Hotel	Hotel/Hospitality
461	Delta Hotel	Hotel/Hospitality
462	Pot Restaurant	Hotel/Hospitality
463	Joe Mini Pub	Hotel/Hospitality
464	Pablo Barber Shop	Services - beauty
465	Kanyi Electricals	Retail
466	Pamba Traders	Retail - Curio
467	Mututho Wines and Spirit	Hotel/Hospitality
468	Kwa njeri Grocers	Retail
469	Nyeri HardWare	Retail

470	Homa Hills Stores	Retail
471	Naks Merchants Ltd	Retail
472	Wajane Kiosk	Retail
473	Chelsea Kinyozi	Services - beauty
474	Njeru and Sons Stores	Retail
475	Zanze Bar and Restaurant	Hotel/Hospitality
476	Gachoka Shoe dealers	Retail
477	Popo Kiosk	Retail
478	Toto Shoe Place	Retail
479	Gikosh Choma Zone	Hotel/Hospitality
480	The Tree Hotel	Hotel/Hospitality
481	Debbie Hair Saloon	Services - beauty
482	Curtain Centre Limited	Retail
483	Mboya Printers	ICT
484	Matuu Enterprises	Retail
485	Corner Shop	Retail
486	Kigen Mini Shop	Retail
487	Black House Shop	Retail
488	Baagu Investments	Services - Real Estate
489	Kimani Hardware	Retail
490	Mama Dave Investments	Retail
491	P-Unit Designers	Retail - Cloths
492	Dupli Drycleaners Ltd	Service
493	Dan Electronics and Repair Shop	ICT
494	Shira Fashions	Retail - Cloths
495	Joepa General Printers	ICT
496	Kabete Stores	Retail
497	Kiambu Traders Limited	Retail
498	Red Tape Enterprises	Retail
499	Gor Tailoring Shop	Retail
500	Tea Room Hotel	Hotel/Hospitality
501	Dick Investments	Services - Real Estate
502	Hillside Traders 1998	Retail
503	Kwa Njenga Super stores	Retail
504	Njonje Enterprises	Retail
505	Kabul Barber Shop	Hotel/Hospitality
506	Marina Restaurant	Hotel/Hospitality
507	Eldo Investments 1995	Retail
508	Fedha Bookshop	Retail
509	Daima Super Stores	Retail

510	Beva Boutique	Retail - Cloths
511	Mwenda Spares and Hardware	Retail
512	Annivesary Enterprises Show	ICT
513	Arena Dstv	ICT
514	Armets Comm.Enterprises	ICT
515	Aros Consultancy	Services
516	Asai Computers	ICT
517	Asanad Music Studio	Entertainment
518	Kassangas Music Shop and Studio	Entertainment
519	Abuja Connections	ICT
520	African Tai Chi	Hospitality/Hotel
521	Aftermathematics Shops	Retail Shop
522	Amazon Shop	Retail Shop
523	Atete Elec Ltd	Retail Shop
524	Athens General Store	Retail Shop
525	Aurora Communications	ICT
526	Brodgers Computers	ICT
527	Andy Adams Ltd	Service - Consultancy
528	Sonata Ltd	Service - Consultancy
529	Auto Plus Spare	Retail - Hardware
530	Avenue 'De' Old Trafford	Education
531	Avenue Technology College	Education
532	Awiti and Sons company	Legal Services
533	B N B Communication	ICT
534	B4 Connection	ICT