

**STRATEGIES ADOPTED TO DEAL WITH CHALLENGES AFFECTING
FIRMS IN KAJIADO LIVESTOCK MARKET**

BY

TOTO NICKSON LOISA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS OF THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION (MBA), SCHOOL OF BUSINESS, UNIVERSITY OF
NAIROBI**

NOVEMBER, 2016

DECLARATION

This research project is my original work and has not been submitted for examination at any other university.

Signed Date.....

TOTO NICKSON LOISA

D61/65765/2013

This project has been submitted for examination with my approval as the university supervisor.

Signed Date.....

Professor Martin Ogutu,

Senior Lecturer, Department of Business Administration

University of Nairobi

ACKNOWLEDGEMENT

I would like to thank the Almighty God for giving me grace, strength, health and providence during entire study period. I wish to acknowledge the support of my supervisor, Prof. Martin Ogutu for his guidance through every stage for this project which was critical for its success. I also thank my wife and children for enduring long months and days as I undertook my studies. To my parents, I say thanks for your advice. I would also like to thank fellow students for their encouragements. To the library staff, thank you so much for your continuous support. Lastly, I want to thank the respondents for their cooperation and input, to all the above, only God can pay you back.

Thank you.

DEDICATION

This project is dedicated to my wife Tina, my children Bryan and Laura for enduring long nights and days during my studies.

ABSTRACT

The livestock sub-sector of the agricultural sector is an important global player with significant and wide-ranging social, economic and environmental impacts. Worldwide, livestock production employs 1.3 billion people, providing livelihoods for a billion of the world's poor. It also accounts for 40 per cent of the global agricultural GDP, (Steinfeld, 2007). In Kajiado, livestock production and marketing is the main economic activity, with about 70 per cent of the people depending on livestock and livestock products. Although livestock and their products are considered high value commodities and hence expected to fetch good prices in the markets, this is not the case for pastoralists, as observed by (Taylor et al 2014). Due to challenges posed by the external environment, such as political, economic, social cultural ecological and legal factors, the pastoralists are all work but little pay. The result is heartbroken producer pastoralists producing less for the market putting at risk those that depend on these commodities. The objectives of the study therefore were to understand challenges faced by livestock firms and to apply strategies to mitigate these challenges to ensure a vibrant sector for all players. A descriptive survey was used and a sample of 50 per cent out 117 of the entire population was under study. Simple random method was used to compute the sample size. Primary data was collected using semi structured questionnaires. The data was then analyzed using descriptive statistics by way of graphs, pie-charts and measures of central tendency. From the results, the researcher found out that firms are highly affected by the dry season which had a mean of 4.66. The highest adopted strategies was adoption of trading blocks within the firms.

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENT	iii
DEDICATION	iv
ABSTRACT.....	v
TABLE OF CONTENTS.....	vi
LIST OF TABLES	1
LIST OF ABBREVIATIONS.....	2
CHAPTER ONE	3
INTRODUCTION	3
1.1 Background of the Study.....	3
1.1.1 Concept of Strategy	4
1.1.2 Livestock Industry in Kajiado	5
1.3 Research Objectives	9
1.4 Value of the Study.....	10
CHAPTER TWO	11
LITERATURE REVIEW	11
2.1 Introduction	11
2.2 Theoretical Foundation	11
2.2.1 Resource Dependence Theory	11
2.2.2 Market Imperfection Theory	13
2.3 Environmental Challenges	14
2.3.1 Political and Legal Environment	14
2.3.2 Economic Environment	15
2.3.3 Social Cultural Factors	18
2.3.4 Technological Environment	20

2.4 Organization Strategic Responses	21
2.4.1. Partnerships and Cooperatives.....	22
2.4.2 Trading Blocks	23
2.4.3 Civic Education	23
2.4.4 Market Information.....	24
2.4.5 Value Addition	24
2.4.6 Modern Technology	24
CHAPTER THREE	27
RESEARCH METHODOLOGY.....	27
3.1 Introduction	27
3.3 Population of Study.....	28
3.4 Sample Size and Sampling Design.....	28
3.5 Data Collection.....	28
3.6 Data Analysis	29
CHAPTER FOUR.....	Error! Bookmark not defined.
DATA ANALYSIS, RESULTS AND DISCUSSION	30
4.1 Introduction	30
4.2 Response rate.....	30
4.2.1 Respondents position	31
4.2.2 The period the firm has been in operation.....	31
4.2.3 Size of the organization	32
4.3 Environment challenges.	32
4.3.1 Respondents responses pertaining to political and legal environment challenges.	32
4.3.2 Respondents responses pertaining to Economic environment challenges	33
4.3.3 Respondents responses pertaining Social/Cultural environment challenges	34

4.3.4	Respondents responses pertaining Technological environment challenges.	34
4.3.5	Respondents responses pertaining Ecological environment challenges.....	35
4.4	Organizational response strategies	36
4.4.1	Respondents responses on Organizational response strategies	36
CHAPTER FIVE		38
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.....		38
5.1	Introduction	38
5.2	Summary of findings.....	38
5.3	Conclusion.....	39
5.4	Limitations of the study.....	40
5.5	Suggestions for further study	40
REFERENCES		42
APPENDICES		45
APPENDIX I :INTRODUCTION LETTER.....		45
APPENDIX III: LIST OF FIRMS IN KAJIADO LIVESTOCK MARKET		51

LIST OF TABLES

- Table 4.1 Respondents position in the organization
- Table 4.2 Respondents response pertaining to political and legal challenges.
- Table 4.3 Respondents responses pertaining to Economic environment challenges
- Table 4.4 Respondents responses pertaining to Social/cultural environment challenges
- Table 4.5 Respondents responses pertaining to Ecological environment challenges
- Table 4.6 Respondents responses pertaining to Organizational response strategies

LIST OF ABBREVIATIONS

GDP	Gross domestic product
ASAL	Arid and semiarid land
PESTEL	Political economic social technological ecological and legal
MOL	Ministry of livestock

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The livestock sub-sector of the Agricultural sector is an important global player with significant and wide-ranging social, economic and environmental impacts. Worldwide production of livestock creates employment for 1.3 billion people providing livelihoods for 1 billion of the world's poor and it translates to 40 per cent of the global agricultural GDP (Steinfeld et al 2007). The main source of livelihood to majority of rural households in Kajiado County is pastoralism. Livestock production and marketing is the main economic activity, with close to 70 percent of the population depending on livestock and leveraging on livestock and their products. Despite livestock and livestock products being considered of high value hence are expected to fetch good prices in the markets, this has not been the case for the pastoralists.

It is therefore necessary to study the strategies adopted to deal with challenges affecting firms in Kajiado livestock market with the objective of determining the factors that influence livestock pricing and whether the margin between producer and retail price wholly reflects the marketing costs (Mohammed, 2009). Some of the challenges affecting firms in Kajiado livestock market are low productivity, Environmental degradation, Inadequate water for livestock, Poor market infrastructure, Poor market information dissemination, Low level of value addition and Over reliance on one livestock enterprise.

There are a number of theories that help in explaining the concept of how organizations relate to the internal and external environment, and how organizations can handle the factors that affect the operations of an organization both internally and externally. These theories include industry and environmental based theory, resource dependence theory, market imperfection theory, organizational theory, strategy based game theory and strategy based network theory. All these theories will try to explain how organizations relate to the challenges related to the external environment and strategies to apply in dealing with such challenges; however this study will be based on the resource dependence theory and market imperfection theory.

1.1.1 Concept of Strategy

Most well run organizations attempt to develop and follow strategies (Mutisya, 2011). Strategies are designed to enable organizations achieve long-term goals. A strategy is the link between the organization and its environment. Organizations exist in complex and volatile commercial, economic, political, technological, cultural and social environments. The environmental changes caused by these factors are complex to some firms than others due to their unique positions in their areas of operations.

The company's strategy is considered to be the action plan of top management for operating businesses and carrying out operations in the company. Crafting of a strategy represents a managerial pledge to pursue a particular set of actions in growing the business, competing successfully, attracting and pleasing customers, conducting operations and improving the company's financial and market performance. Hence according to Thompson.et.al, (2009).a company's strategy is all about how management intends to grow the business, how it will build a loyal clientele and out- compete rivals,

how each functional piece of business will be operated and finally how performance will be improved.

1.1.2 Livestock Industry in Kajiado

Kajiado County approximately covers an area of 21,900km² and is located in the southern region of Kenya. Kajiado County is bordering the United Republic of Tanganyika in the South West region, Taita Taveta County in the South East region, Machakos and Makueni Counties in the East region, Nairobi City County in the North East, Kiambu County to the North and Narok County to the West region. Most regions of this county are Arid and Semi-Arid (ASAL) with livestock rearing being the major economic activity in the Counties. Pastoralism is the main source of livelihood to majority of rural households in the county, save for the highland areas of Ngong hills and a section of Kilimanjaro where horticulture thrives. The county also embraces bee keeping as an alternative method of livestock farming, an effort that is benefiting them. In addition the County also promotes Fish farming in the region. There are 650 fish ponds in the county (Kajiado county profile, 2012).

The main economic activity in Kajiado County is cattle production and marketing in, with about 70% of the population depending on livestock and their products. Despite livestock and livestock products being considered commodities of high value and are expected to fetch attractive prices in the markets, this has not been accumulated to better proceeds for pastoralists. The scenario therefore is too much work and fewer profits for pastoralists and most profits for livestock traders. Heartbroken producers encounter low production of these commodities by which it has a negative direct bearing on the growth

of this sub-sector. It is therefore necessary to assess the situation with a view to study the factors that affect the sub-sector and suggest possible strategies to overcome it.

1.1.3 Challenges Affecting livestock Firms

Animal production is a major economic and social activity for the communities living in both dry and remote areas. Within the dry and remote areas, it accounts for nearly 90 percent of opportunities in employment and nearly 95 percent incomes families. Animal production contributes about 5.5 percent of the GDP and accounts for about 22 percent of the agricultural GDP and over 40 percent of farm gate value of agricultural commodities (Economic Survey 2015). Being a major economic activity animal production is faced by various challenges that affect all stakeholders.

According to Kajiado county ministry of Agriculture, department of livestock production, there are 117 firms dealing with livestock and livestock products in the Livestock market. These include firms that are involved in value addition of the products. However, these firms experience many challenges in their pursuit of set objectives. These challenges resonate from various factors they operate in. They include political developments such as government regulations, economic state eg. existing taxation and interest rates, social cultural factors like the social values, attitudes and demographic trends, technological forces in production, exploitative rules and erratic weather which affects production.

1.2 Research Problem

The Livestock industry is a major source of income to majority pastoralists and also a source of food to communities living in the Arid and semi-arid areas. But due to various challenges affecting it, against expectations within this industry. The study therefore looked into application of strategies in reversing the current situation in order to save the industry for better health and wealth. Applying strategies such as reducing the number of while increasing the quality of livestock to protect land from degradation, to improve the quality and quantity of foliage hence mitigate on soil erosion during flush flooding, planting of various types of foliage to supplement livestock feed, irrigation of land to reduce dependence of rain fed agriculture bringing sustainability in livestock supply. Routine vaccination against identifiable diseases will reduce the prevalence and severity of these diseases on livestock, proper land policies by government will control urbanization and other land-use changes to protect livestock grazing areas, both levels of government should control wildlife numbers to reduce pressure on existing resources leading to human-wildlife conflicts, efforts should be made to ensure modern technology is embraced in livestock production and flow of information, the government should provide infrastructure besides linking farmers to existing markets. Bilateral agreements should be created to create new markets for livestock and livestock products, while reducing barriers to international trade.

A strategy is defined as a company's plan of action to achieve one or more of its set goals. For many if not every organizations, the overriding objective is to achieve superior performance (Charles.et.al 2008).This subsector is faced with various challenges that when remain unchecked ,will bring it to its knees putting into jeopardy the welfare of

many whose lives are dependent on it besides hurting the Kenya economy. Despite the importance of the sub-sector in the county it is faced by various challenges such as Persistent drought and famine negatively impacting on the pastures and water availability. Effects of climate change have been manifested in crop failure and livestock losses, leading to a growing level of land speculation in the urban parts of the Kajiado county leading to excessive subdivision of land to small portions and sometimes uneconomic plots, few value addition business, restricted access to markets mainly due to poor infrastructure in the county , little productivity and lack of access to accurate and real time information on the market and expanded services that are insufficient triggered by high ratio of farmers to staff. Moreover, the extension personnel are not well equipped to access emerging knowledge on new and modern practices in farming. The result of these challenges is a reduced number of commodity and depressed prices. This has affected the firms in Kajiado market in various ways for instance production of substandard livestock - products, shortages of the products and markets lack the consistency of supply of the products.

Several studies have been carried out in relation to Strategic responses to environmental challenges Oluoch (2013), Mokeira(2013), Kazinguvu(2011), Nyiramataama (2011).These studies agree that firms are faced with challenges in their operating environment. Other studies looked by other scholars are Wekesa (2013) studied, Strategic responses to globalization challenges in the livestock sector, a case study of International livestock research institution (ILRI), Kibet (2011) studied, Major challenges facing Kenyan agricultural sector, Ng'ethe (2007) studied, Group ranch concept and farming in Kenya

with special emphasis on Kajiado Analysis of the Kenyan land use, Tully (2004) studied, Livestock market and feasibility of a livestock business. None of these studies has tackled strategies to deal with challenges affecting firms in Kajiado livestock market.

The Kajiado livestock market is faced by various challenges that makes it difficult for its growth and meet the needs of the people. Different industries and organizations would respond differently to the challenges. This study sought to fill in the existing gap in this area of strategic approaches and challenges faced by the Kajiado livestock market. Therefore what challenges does the Kajiado livestock market face? What are the strategies adopted to deal with challenges affecting firms in Kajiado livestock market? The Research questions to be looked at are: what does a livestock market consists of? Which are the firms operating under the livestock industry in Kajiado? Who are the people involved in the operation of the livestock market? Under what environmental Conditions do these firms operate? What are the challenges faced by the firms in Kajiado livestock market? What strategies will be used to control such challenges?

1.3 Objectives of the Research

Research objectives were to:

- i. Determine challenges faced by the Kajiado livestock market.
- ii. Determine strategies adopted by firms in Kajiado livestock market to avert the challenges.

1.4 Value of the Study

The outcomes of this research were beneficial to livestock farmers, traders and the industry by providing insight into how organizations can successfully respond and adapt to challenges affecting the industry. The study clearly showed the challenges faced by the industry and the strategies to help curb the challenges within it.

The findings of this study will also be useful to the government and professional bodies involved in policy making, as it will provide information on the strategic approaches to challenges affecting the livestock industry in Kajiado County. This study will also assist both the county and national government in formulating policies on regulating process in the industry to ensure economic growth and development.

The findings will also be used by stakeholders in the industry who will be interested to know what is going on in the livestock industry in relation to the market trends in terms of why under production or over production. This includes the pastoralists, abutters, traders and the firms within the industry.

The research findings will also be vital to researches and scholars in the field of strategic management as they will be able to use the information gathered as a basis for further studies. They may use the finding as a source of reference for further research to fill existing research gaps. The research will therefore contribute to existing body of knowledge in Strategic management.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature review in the form of theoretical review and past literature related to the study. The principal concepts of the study and theories such as resource dependence theory and market imperfection theory will be discussed. The chapter will also look at the environmental challenges that affect these firms as they transact in the Kajiado Livestock Market besides discussing their response strategies in their pursuit of profitability.

2.2 Theoretical Foundation

The study reviewed two theories which according to the researcher facilitated the acquisition of in-depth knowledge relating to the area of study. The theories are: Resource dependence theory and Market imperfection theory.

2.2.1 Resource Dependence Theory

Resource dependence theory (RDT) can be described to be the study of how an organization's external resources affect its organizational behavior. Both the tactical and strategic management of whichever company considers the procurement of external resources to be an important tenet. However, the RDT was not adequately recognized in spite of its significance till it was formalized in the 1970s, through the publication of "The External Control of Organizations: A Resource Dependence Perspective" by Pfeffer and Salancik in 1978. Resource dependence theory affects many aspects of the

organizational strategy in regards to the optimum division of structure in organizations, production strategies, recruitment of board members and employees, relations extending to the external organizational, contract structure and any other organizational strategy aspects.

RDT can be described to be the behavioral study on how organization's external resources affects the effectiveness of organization. (pfeffer et al.,1978). The theory proposes that players lack critical resources will be depending on others so as to acquire required resources. Likewise, organizations try to change their dependence relations by either increasing the reliance of other firms on them or reducing their own reliance. RDT is glued to the belief that the key to organizational prosperity and basis of power is that control and access of resources. Organizations often control resources that are not controlled by organizations that are in need of them, this means that to maintain open access to resources strategies must be carefully considered.

Resource dependence theory rest on the main assumption that organizations are made of coalitions, both internal and external that arise from interactions of a social nature that emerge to influence and dictate behavior. The immediate environment consist of scarce but valued resources essential to the survival of the organization, thus posing the challenge of organizations being subjected to uncertainty in acquiring resources, and organizations work towards the two interrelated objectives of acquiring and controlling resources that reduce their interdependence on different organizations to control resources that increase their dependence of other organizations on them (Oluoch, 2013).

2.2.2 Market Imperfection Theory

According to Degennario et al, 2005, Market imperfection is defined as anything that affects trade of goods and services. The theory tends to look at two forms of imperfections. The first imperfections may cause a market participant who is rational to deviate from holding a market portfolio. The other market imperfections can cause a market participant who is rational to move away from his preferred level of risk. Market imperfection generates costs which interfere with trades that individuals make .According to Hymer 1976, imperfections of a market follow structure, emanating from structural movements away from, perfect competition in the end product market caused by exclusive and permanent control of proprietary technology, privileges access to inputs, economies of scale, controlled systems of distribution, and differentiation of product, in the absence of which markets are perfectly efficient.

An imperfect market refers to a situation in a given market which doesn't meet the accurate criteria of a hypothetically perfect (or "purely") competitive market, as discovered partial equilibrium models by Marshallian. Imperfect markets occur every time stake holders can individually alter prices of production or otherwise when perfect information is unknown to all participants in a market.

Market imperfection theory talks of various policies on trade that can correct for some market imperfections in a given market. Some examples include government instituted charges as are taxes, tariffs, quotas, licenses and requirements of local content. The market imperfection theory is a theory on trade that arises from markets of an international nature where competition is lacking. It is assumed that therefore at least one among many assumptions for perfect competition is broken and out of it comes is

referred to as an imperfect market. Common situations that violate perfect competition are market structures like monopolies, monopolistic competition and oligopolies. (Dr.Loy, 2004).

2.3 Environmental Challenges

The business environment is basically divided into external and internal environment. The internal environment of a business is consists of the resources and all capabilities that are found in the organization. Which can influences its ability to action in the other hand, the external environment can be divided into macro-environment which forms the wider environment consisting of political, economic, social, legal, , and technological influences. A technique commonly known as PESTEL is a tool used in organization in terms of political, economic, socio-cultural, technological, environment and legal aspects of the organization (Gerald et al, 2011).

2.3.1 Legal and Political Environment

Legal and Political factors are as a result of changes in regulations and laws. They result from legal and worldwide and considerably impact organizations and managers all over the world. Processes of a political environment shape laws of a nation and international laws that oversee the relations among countries and regions. Laws determine the operational processes of organizations and those managing them thus creating both threats and opportunities (Heinz et al 2010).

The political environment is perhaps among the least predictable elements in any business environment. Political divergence has led to rising of tension in the country which is not a fertile ground for growth. Tax regimes are high and hence discourage

investments. Raising interest rates have affected lending by finance institutions hence denying producers and traders of livestock the needed capital to expand. Corruption in the country means a lot of beauracracy in government support activities which deny players in the industry the discovery of new markets e.g. foreign markets.

2.3.2 Economic Environment

According to Gerald et al 2011, the economic environment part of the business environment is described in a collection of ever changing variables that affect supply and demand the organization ultimately. Economics is defined as a branch of social science which looks at production, chains of distribution and consumption of goods and services. Organizations focus their economic environment because it can affect production, costs that are brought about by management of financial currency resources like the cost of capital and other costs associated with rates of currency exchange and the power of consumers to spend or demand by customers.

Economic factors include exchange rates, unemployment levels, inflation and economic growth. Tension forces from of the economy impose many threats and opportunities for manager's .Falling interest rates and Lower level of unemployment give more people more disposable income and as a result businesses have many chances of selling more services and goods. Good economic ties positively influence supplies, it become easier to secure economic resources and organization have a flourishing opportunity. In contrast, deteriorating macroeconomics situations pose a huge danger as they limit the ability of managers to access the resources required by their organizations (Jones.et.al, 2011).

Supply chains consist of a network of suppliers and traders, which is considered to be inefficient. This is due to the high number of agents/middlemen and the relatively high levels of risk and costs to which the middlemen are exposed to. For instance, long travel distances, high animal mortality en-route, banditry, high transport costs, and local trade taxes. Transportation poses the highest cost in the trading of livestock, representing a figure between 25% and 40% of the overall cost of livestock trading from plan to terminal markets (Aklilu, 2002). Supply chain is also a link to the suppliers, manufacturers and distributor. It represents a structural model that enables the flow of feedback information and feedback materials and information flow. The major difference between livestock products supply chain and other supply chains is, it is based on the exceptional product form of products from livestock. The constituents of livestock product supply chain is the products from livestock and it forms the core business, through the control of capital flow and information flow, it coordinates the interest demand between supplier of livestock products and the capital goods, livestock slaughtering and processing enterprises, farmers, livestock product consumers and brokers. It starts from the acquisition of veterinary medicine, feed and breeding livestock and poultry to finish a series of processes of livestock product production processing and deliveries on distribution.

The livestock product supply chain is not only a product producer to consumer, but also a value adding chain that increases its value during the processing process, packaging and transportation of livestock product in supply chain (Tu Shaoyu, 2007). The required infrastructure for effective delivery of livestock inputs, products and services include water supply systems, telecommunication roads and power. Specific Infrastructures that

deal with livestock marketing include holding grounds, stock routes, livestock markets and sorting yards. A large size of Kenya's arid and semi-arid lands have been very poorly developed with economic and social infrastructure. According to The point 2001, this greatly exerts influence on the pastoralist economy through further decreasing the investment potential value of these areas.

The poor state of roads in and out of ASALs in Kenya severely limits the access to markets outside these areas for the producers of livestock and its products. Virtually all pastoralist communities in the country do not have easy and dependable access to the urban areas wherein the meat produced by them is consumed. This means that the livestock keepers are at a disadvantage in terms of delivering the animals to the markets in good time. While it is understood that the availability of the basic infrastructure is a necessary requirement for the development of the livestock industry, most of the infrastructure relating to livestock production and marketing is in relatively poor state. Producer pastoralists in the remote, under-developed areas are often unable to or have limited access to markets and livestock-related services. The lack of these facilities and services is a major obstacle to pastoralists' income and livelihoods and prevents market efficiency.

According to Ministry of livestock, 2008, good infrastructure directly facilitates effective market and trade performance and by extension affects prices of producers. At the moment Kenya's infrastructure (roads, holding grounds, stock routes for livestock, etc) is in bad condition, and therefore not conducive for efficient livestock marketing, High insecurity inhibit livestock transportation to various markets and thus, reduces

performance of livestock trade. For example, trekking livestock to the markets have been seen to be more cost effective than truck transport, but it is currently unsafe.

According to Abbot (1979), marketing of livestock forms an integral party of any livestock system it enables a mechanism whereby producers exchange their produced livestock and livestock products for money. The money is therefore used to acquire other goods and services that they can't produce themselves, in order to satisfy a variety of needs which range from food items, medication, clothing, and cost reduction and even purchase of breeding livestock. Also other inputs used in production and suppliers. Marketing of livestock are considered an important part of production of livestock from pastoral herds because increase in production is not possible to be sustained in these areas unless the product can be bought and sold. Therefore livestock marketing is the most important part step in the process of livestock production. The key to production increase lies in motivating producers through a marketing system which is efficient. (Ministry of Livestock, 2008) .The state of the economy dictates the direction of any business. A stable economy may result to a stable firm but an unstable economy must result to unstable business. Thus, supply and demand are guided by the state of the economy at any time. In cases of inflation, firms are affected and vice versa. The growth of the world economy influences firms positively. Frequent changes in interest and exchange rates are factors that affect any firm.

2.3.3 Social Cultural Factors

The social cultural factors in the macroeconomic environment largely comprises of social values, attitudes and beliefs, preferences in different lifestyles, age and gender and the available skills (Gerald et al, 2011). More to that according to Jones & George 2011, The

way relationships are arranged between individuals and groups within a society. Different societies differ in the extent to which they emphasize the individual over the group. National culture is defined as the set of values that a society considers important and norms of behavior that are accepted or sanctioned in that society. Both particular managers and organizations must respond to changes in and differences among social structures and national cultures of different countries under which they operate in.

Kajiado is home to a strong and conservative culture. Livestock is the main economic stay and factor of influence in the county. It is also a sign of pride among the people. A large herd is highly regarded and pastoralists keep them for fame as opposed to economic gains. The Maasai culture for example prohibits the haphazard disposal of this resource. More often, less is sold but more is lost in times of drought. Supply is greatly affected leading to poor performance by firms. The dominant culture also dictates that livestock rearing is a social activity hence large herds are kept together compromising their health in case of disease out breaks.

Competition among different communities leads to cattle rustling. Cattle- rustling is the act of forcefully raiding of livestock from one community by another using lethal weapons and leaving behind destruction of property and loss of lives (Cheserek et al, 2012). This always leads to loss of life and destruction of property and it is a major cause of insecurity among the pastoralists. The main livestock keeping parts of Kenya such as the north-eastern and north-western districts are characterized by high incidences of cattle theft during which great disruptions to people's lives occur.

Cattle rustling are so extensive that it sometimes takes place across countries. This presents a common law enforcement problem for both countries since criminals and rustlers disrupt lives on both sides of the border and are often able to escape into the second country after committing the crime of stock theft. In addition, the population neighboring ASALs is too high, it has been realized that there is encroachment by cultivators upon the lands of the pastoralists. Levels of social conflict and the problems of banditry are worsened by the fact that firearms used in political conflicts across the continent are accessible to the rustlers (The point, 2001)

2.3.4 Technological Environment

According to (Jones.et.al, 2011), among the most pervasive factors in a business environment is technology applied. Technology includes inventions and even techniques which also include the vast store and organized knowledge about everything from aerodynamics to zoology. It influences ways of doing things that is product design, produce, channels of distribution and selling of goods and services. Technological forces are seen to be results of changes in the technology used by managers use to design, produce or distribute goods and services. Forces of technology have profound implication for mangers and organization. Although technological change can threaten an organization .It can also create a host of raw opportunities for designing, making or distributing new and better kinds of goods and services, (Heinz et al 2010). Lack of technological knowhow continues to prohibit new technology development and uptake, especially in value addition investment ventures (MOL, 2008). Extension services in the pastoral areas are insufficient hence it is not easy to treat or improve the animals. It is

difficult to provide these services due to insecurity and given that the pastoralists are always on the move.

2.3.5 Ecological Environment

Ecology refers to the relationship between people and other living things with their immediate environment, such as soil, water and air. Pollution of Land, water or air is of great concern to everyone in the world. Land pollution can be caused by industrial waste such as materials used in packaging. Water pollution can be caused by a number of sources such as acid rain, fumes vehicle exhausts and carcinogens from industrial manufacturing processes (Jones/George 2011). Kenyan climate is characterized by rainy and dry seasons. Inevitably, dry conditions shrink the amount of available feed. Animal production and growth suffers accordingly. One of the greatest challenges faced by Kenyan farmers is resiliency. Very few of them have the capacity or knowledge to harvest and store forages that can be used to sustain production through the dry season.

2.4 Organization Strategic Responses

Strategic responses involves changes to the organizations strategic behavior (Ansoff and McDonnell, 1990).The change can be slow or even more faster to revolutionize(Thompson,1997).(Pearce and Robinson 1997),defines strategic response as a collection of discussions that that bring about the formulation and implementation of plans designed to achieve a firms' objectives.

According to (Johnson and Scholes 2000), after the environmental analysis, the firm is bound to select a strategy to respond to opportunities and risks the firm faces in the

environment .It incorporates competitive moves and approaches to deliver the best performance and satisfaction of all the stakeholders. (Pearce Robinson 2000) contends that a firm's business surrounding is comprised of all the conditions and forces that determine its strategic options and defines the organization competitiveness . Some of the strategic generic responses include strategic planning and restricting strategy. Faced with uncertainty, firms in the Kajiado livestock market adopt various strategies to mitigate or at least reduce the existing challenges in their business environment.

2.4.1. Partnerships and Cooperatives

Cooperatives form the most autonomous, membership-based organizations. They are based on principles of equality and provide a range of services to their members, including market opportunities, and empower all their members - women, men and youth. They represent a unique model of a socially focused enterprise. Agricultural and food cooperatives are important drivers for eradicating poverty and employment generation, and therefore contribute to socio-economic development and, ultimately, food security. Cooperatives provide a variety of services to their members, especially access to productive inputs, output markets, information and communication. They also enable members to obtain access to natural resources and to have a voice in decision-making processes that influence policies affecting them, (FAO, 2012).

Firms in Kajiado livestock market have encouraged individual pastoralists and traders to form partnerships and cooperatives. This increases their investment portfolios and trust among them to reduce tension. The spirit of putting them into cooperatives has given led to more interactions between them to reduce animosity and suspicion. This way cohesion is built and politics is unlikely to affect them meaning businesses will continue

uninterrupted. Despite difference in opinion, they are likely to remain together for their common interest. Further, cooperatives have increased their operating strength through synergy. Bringing these players together have given them influence on authorities hence their influence in decision making by authorities. Their unity is also security used as collateral when they seek loans in financial institutions.

2.4.2 Trading Blocks

Realizing their vulnerability, firms in Kajiado livestock market have formed trading blocks eg. Livestock Marketing Council for purposes of marketing their products both regionally and internationally. Trading in a block gives them bargaining power with authorities and other players. They are able to influence decisions in their favor and create a niche for themselves. Trading in a block allows these firms to enjoy economies of scale hence greater surpluses (Elizabeth & Taylor, 2014).

2.4.3 Civic Education

Holding of agricultural trade-fairs at sub-county and county levels as well as the Nairobi International Show helps in educating the public on the importance of modern herd and farm management. Firms in Kajiado provide civic education to producer pastoralists and traders in the industry. The education focuses among other things the constitution and relevant legislation in order to equip them with necessary information for decision making. Kajiado has low literacy levels hence their little understanding of their role in shaping their destiny in terms of the benefits that the law bestows on citizens including better prices and incentives in livestock trade. The National and County Governments have established demonstration farms to sensitize the pastoralists on better methods of

animal husbandry; it is encouraging cross-breeding of indigenous breeds with hybrid 'Cattle dips have been constructed to breeds to improve the quality of livestock, control pests. Extension services have been provided to give advice to the pastoralists and offer drugs and treatment to the animals.

2.4.4 Market Information

Proper decision making is only possible if the decision maker is well informed. Firms in Kajiado livestock market are taking upon themselves to provide the industry players with real time market information. Arising from this are right decisions. The decision to offer for sale or not is made from an information point of view. Middle men who exploit producers do so for lack of information on the part of producers, thus a well-informed industry makes the right decisions.

2.4.5 Value Addition

Value added products are superior goods that fetch higher prices. Producer pastoralists are adding value to their livestock by having them vaccinated against modifiable diseases to reduce mortality rates (Moses, 2013). Traders in livestock products are processing milk and hides through cooperatives. Abbotires and butcheries are processing animal parts into finished products eg. Fat which sells at higher prices. Through trading blocks, firms created a number of markets through which livestock pass as their value increased.

2.4.6 Modern Technology

Embracing modern technology throughout the industry has been helpful to all. Producer pastoralists use modern technology in production which translates to superior breeds which are drought and disease resistant while producing more beef and milk. Besides,

they can access market information cheaply and conveniently then they are able to see opportunities and seize them. Traders use information technology to transact business faster and efficiently to reduce transaction costs for higher profitability. Use of information technology enables producer's benchmark with others in different parts of the world and learns more. It also allows them discover world markets. Through information technology, traders are able to sustain competition by differentiating their products and improving extension services. Every ward and sub-county in the county is covered by extension officers who from time to time update the farmers on modern ways of improving their stock.

2.5 Challenges and Response Strategies

Livestock firms are faced by various challenges, all of which affect production, marketing and sale of livestock and its products. All these challenges are inter-related to various factors ranging from politics, economy, social cultures, technology, ecology and legal issues. Stakeholders are finding it necessary to come up with strategies to curb these kinds of challenges. For the survival and prosperity of the livestock industry it is important to carry out an internal and external analysis and find out the mismatch between the industry and the environment (Nation Media group, 2016).

The position that an industry takes to handle the environmental issues is very crucial to the growth of the industry. Thus they is need for the industry to develop strategies to handle the challenges that it faces. If the firms are able to apply appropriate strategies and handle its strengths and weaknesses in relation to its environment, then it means that the production will automatically go up thus favoring the goals

of the firms. Various stakeholders have come up with various strategies to curb the challenges in the livestock industry this includes Scale up AI service providers, establish breeders inventory, rehabilitate and construct cattle dips, establish feed reserves, implement strategic disease control programs, promotion of value addition on livestock products; and train community on grazing patterns(igrow.org).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter specified the research methodology used in the study that for the purpose of this research. It is this chapter that outlines the methods and also procedures that were followed in conducting this research. It describes research design and goes beyond to explain the methods of collection of data and states techniques used to analyze data that were employed.

3.2 Research Design

The research employed a descriptive survey design research. This research design is used to answer who, what, where, how much and the how of a phenomenon under research. A descriptive survey research comprises a cross-sectional design in relation to which data are collected mainly by questionnaire or by structured interview on more than one case in the research study, Bryman (2008). It is common as it allows the collection of a large amount of data from a sizeable population in a highly economical way. It is advantageous since a body of quantitative and quantifiable data is collected in relation to two or more variables. This research design was selected because it ensures proper description of the situation under study, making sure that there reduction of errors in interpreting the data biasness in collection of data .

3.3 Population of Study

Target population of interest consisted of livestock firms operating in Kajiado County. According to Kajiado county government, the population is approximately 117 firms. (Copper and Schilder 2003) defines the target population as the total collection of elements about which the researcher wish to base the inferences and the study.

3.4 Sample Size and Sampling Design

The sample design used was probability sampling using simple random sampling technique. This method was preferred because each element of the population had equal possibilities of selection. The appropriate size of the sample for this study was 50% of 117 firms to give room for non-respondents. Sample design is defined as a definite method to obtain a sample from a particular population of target. It is also defined as the technique or procedure used or adopted by the researcher in selecting items for the sample. A sample size is a subset of a particular population.

3.5 Data Collection

The research employed primary data, which was gathered through filling of a semi structured questionnaires. This filled in questionnaire had three sections, section A which contained structured general questions about livestock firms, section B contained semi-structured questions related to challenges faced by livestock firms in Kajiado County and section C contains structured questions related to response strategies to the challenges. The purpose of the primary data was to establish challenges faced by livestock firms in Kajiado County. The preferred method of delivering questionnaires was drop and pick method. The target respondents were all the operation managers or the equivalent.

3.6 Data Analysis

Immediately the filled in questionnaires were collected, they were proof read for completeness and consistency before responses were processed. The data was descriptive in nature and hence descriptive statistics was used in analysis of the results. The descriptive statistics included tables, frequency distribution, variance, percentages, means, proportion, modes and standard deviation. Newton et al (2010) defined data analysis as systematically observing for arrangements in the data collected and articulating ideas that justify those arrangements.

CHAPTER FOUR

DATA ANALYSIS, DISCUSSION AND RESULTS

4.1 Introduction

The chapter analyses the results of the data obtained through the structured questionnaires and discusses those results. The study sought to find out the challenges facing livestock firms in Kajiado County and the appropriate strategies applied to the challenges. This study focused on challenges like Political, Economic, Social/cultural and technological. The study was analyzed and presented using frequency, mean, standard deviation and pie charts.

4.2 Response rate

The study targeted 117 firms in collecting the data with a view of determining what were the challenges facing livestock firms in Kajiado with their response strategies. Out of the 59 sample respondents, 33 respondents filled –in and gave back the questionnaires translating to a response rate of 80% and if the response rate is more than 60% of the sample size the data should be further analyzed.

4.2.1 Respondents position

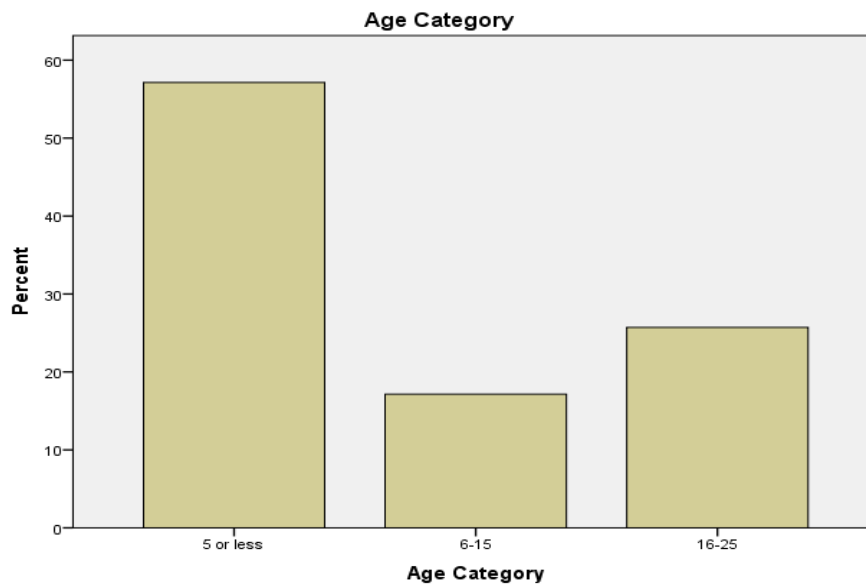
Table 4.1 Respondents position in the organization

Position	Frequency	Percent
Manager	12	34.3
Supervisor	6	17.1
Official	4	11.4
Member	12	34.3
Owner	1	2.9
Total	35	100.0

Source: Author 2016

It was established from the study that minority of the respondents (34%) were managers and members of group, while (66%) had other positions in the firms as indicated in table 4.1 above.

4.2.2 The period the firm has been in operation.



Source: Author 2016

The study sought to establish the period the respondents firms have been in operation. It was determined that majority of the respondents indicated that their firms have been in operation between 5 or less years.

4.2.3 Size of the organization

The study sought to determine how large the organization was in terms of number of employees working in it. It was established that 98% of the respondents indicated that they had an employee population of 50 or less.

4.3 Environment challenges.

4.3.1 Respondents responses pertaining to political and legal environment challenges.

Table 4.2 Respondents’ response pertaining to political and legal challenges.

Political environment	Paying taxes	High interest rates	Corruption	Unstable shilling
Mean	3.77	4.26	4.09	4.54
Std. Deviation	.770	.780	.781	.657

Source: Author, 2016

Table 4.2 illustrates the Political and legal environmental challenges faced by livestock firms in Kajiado. To measure the challenges, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value three(4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that unstable Kenyan shilling against major world

currencies, corruption, high interest rates by financial institutions, paying taxes affected the livestock firms to a great extent as their means were at 4.54,4.26,4.09 and 3.77 respectively. These findings indicate that unstable Kenyan shilling against major world currencies is one of the major challenges affecting livestock firms.

4.3.2 Respondents responses pertaining to Economic environment challenges

Table 4.3 respondents responses pertaining to Economic environment challenges

Economic environment	Falling interest rates	High inflation	Poor economic growth	Unemployment
Mean	4.14	4.29	4.34	4.31
Std. Deviation	.845	.710	.725	.676

Source, Author 2016

Table 4.3 illustrates the economic environmental challenges faced by livestock firms in Kajiado. To measure the challenges, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value three(4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that poor economic growth, unemployment, high inflation rates and falling interest rates affected the livestock firms to a great extent as their means were 4.34,4.31,4.29,and 4.14 respectively. These findings indicate that poor economic growth is one of the major economic challenges affecting livestock firms.

4.3.3 Respondents responses pertaining Social/Cultural environment challenges

Table 4.4 Respondents responses pertaining social/cultural environmental challenges

Social/cultural environment	Social values	Attitudes and beliefs	Demographics trends	Lifestyles and preferences
Mean	4.06	4.20	4.17	4.00
Std. Deviation	.765	.632	.985	1.260

Table 4.4 illustrates the social/cultural environmental challenges faced by livestock firms in Kajiado. To measure the challenges, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value three(4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that attitudes and beliefs of the society ,demographics trends, social value of individuals lifestyle and preference of individuals are challenges faced by livestock firms to a great extent as their means were 4.20,4.17,4.06,4.00 respectively. These findings indicate that attitudes and belief of the society is one of the major social/cultural challenges affecting livestock firms.

4.3.4 Respondents responses pertaining Technological environment challenges

Table 4.5: Respondents responses pertaining Technological environment challenges Statistics

Technological environment	Way of doing things	Design goods and services	Distribute goods	Sell goods	Skilled manpower
Average mean	4.20	3.69	4.03	4.00	4.37

Standard dev.	.868	1.105	.923	1.000	.770
---------------	------	-------	------	-------	------

Source : Author 2016

Table 4.5 illustrates the technological environmental challenges faced by livestock firms in Kajiado. To measure the challenges, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value three(4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that lack of skilled manpower, way of doing things, how to distribute goods, how to sell goods, and how to design goods and services are challenges faced by livestock firms from the highest level to the lowest levels respectively as their means were at 4.37,4.20,4.00,3.69 respectively. These findings indicate that lack of skilled manpower is one of the major technological challenges affecting livestock firms.

4.3.5 Respondents responses pertaining Ecological environment challenges

Table 4.6: Respondents responses pertaining Ecological environment challenges

Ecological Environment	Air pollution	Water pollution	Land pollution	Dry season	Rainy season
Mean	4.46	4.57	4.54	4.66	4.63
Std. Deviation	.505	.502	.505	.482	.490

Source: Author 2016

Table 4.6 illustrates the ecological environmental challenges faced by livestock firms in Kajiado. To measure the responses, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value

two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value four (4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that dry season, rainy season, water pollution, land pollution, air pollution were highly considered as responses to the challenges respectively as their means were at 4. 66, 4.63, 4.57,4.54, and 4.46 respectively.

4.4 Organizational response strategies

4.4.1 Respondents responses on Organizational response strategies

Table 4.7 illustrates the responses on organizational response strategies applied by livestock firms in Kajiado.

Strategies adopted	Partnerships and cooperatives	Trading blocks	Civic education	Market information	Value addition
Mean	4.11	4.40	4.20	4.09	3.94
Std. Deviation	.832	.651	1.023	1.040	1.083

Source: Author 2016

To measure the responses, the researcher coded the respondents consideration where “Not at all” was given the value one (1.0),”Little extent “was given the value two(2.0),”Moderate extent “was given the value three(3.0),”Great extent “was given the value three(4.0) ,”Very great extent “was given the value five(5.0).According to the table the respondents indicated that trading blocks, holding civic education, operating partnership and cooperatives ,providing market information, ,value addition in products were highly considered as responses to the challenges respectively as their means were at

4.40,4.20,4.06,4.11 and 3.94 respectively. These findings indicate that trading blocks is the most highly recommended as a response strategy.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section covers the summary of the findings, conclusions and recommendations, suggestions for further study and limitations. The study was sought to determine the challenges faced by livestock firms in Kajiado County and the response strategies.

5.2 Summary of findings

The researchers' main objectives were to establish the challenges faced by livestock firms in Kajiado County and the response strategies applied to the challenges. Descriptive survey research design was adopted for this study. The study used a sample of 35 livestock firms from a target of 117 livestock firms in Kajiado County. Most of the firms in the livestock industry are faced by various challenges in regards to how they operate and carry out activities on a daily basis. The study sought to find out challenges which affected livestock firms in Kajiado and the applicable strategies. The challenges ranged from political, economic, Social/cultural, technological and ecological.

The study used primary data was collected from semi-structured questionnaires. Quantitative data was analyzed using descriptive analysis. Quantitative data was coded and entered into statistical packages for social sciences (SPSS version 20.0). Analysis was then based on descriptive statistics.

From the study in regards to the position of respondents, the highest percentage comprised of managers meaning the chance of getting the required data was high.

The study found out that under the political and legal environment challenges, with the unstable Kenyan shilling affected the livestock firm negatively with a mean of 4.54. The livestock firms are also highly affected by the economic challenge with poor economic growth affecting them the most at a mean of 4.34. On social/cultural challenges the attitudes and beliefs affected the firms most at a mean of 4.20. The technological environment challenge with lack of skilled manpower having the highest mean of 4.37 affected the firms highly. The ecological environmental challenges also affected the firms and it was found out that the dry season was one of the major challenges that was faced by the firms at a mean of 4.66.

From the study the livestock firms apply various strategies to handle these challenges that they face. These strategies are partnerships and cooperatives, Trading blocks, civic education, market information and value addition. Trading blocks was considered to be the most highly applied strategies with a mean of 4.40.

5.3 Conclusion

From the findings of the study, it was concluded that different livestock firms faced various challenges at different seasons of the year which greatly affected their operations. These challenges were related to political environment, economic environment, social/cultural environment, technological environment, ecological environment and legal environment.

The unstable Kenyan shilling against major world currencies posed a major challenge under the political environment with a mean score of 4.54. Under the economic challenge poor growth of the economy posed to be the main challenge with a mean score of 4.34. More to that under the social/cultural environment, attitudes and beliefs of the

society affected the firms the most with a mean score of 4.20. Lack of skilled man power posed to be a major challenge under the technological environment with a mean score of 4.37. Finally, the dry season was a major challenge to the firms under the ecological environment with a mean score of 4.66.

From the finding it was revealed that based on these challenges faced by livestock firms, specific strategies were used to handle these challenges. Most of the firms that applied trading blocks as a strategy were able to handle the challenges they faced.

5.4 Limitations of the study

The study had some limitations, one of which was time constraint and respondents being reluctant to answering of the questions. The researcher had to collect data from a wide range of persons in the firms through interviews which took a lot of time since most of the respondents were either busy or working on shifts and the researcher had to conduct interviews at different days and different times to suite the respondents' availability.

The other limitation of study was limited financial resources. The fact that Kajiado is a remote area the researcher encountered difficulties of moving from one area to another in terms of transport. This required boarding of taxis for purposes of movement, which was expensive to the researcher.

Additionally some respondents had been operating the firms for a very short period of time hence couldn't respond based on past experience.

5.5 Suggestions for further study

From the findings of the study, it would be recommended that census research be done to include all the livestock firms and find out what challenges other firms face and the

strategies they apply. Consequently, researchers can also carry out the study to include larger geographic areas to improve on the results of this research

Due to the changing business environment a similar study should be carried out after duration of 5 years in order to investigate whether these challenges will have been fully taken care of and using which strategies. Further studies should be carried to investigate the contribution of livestock to global warming.

The study also recommends that secondary data should be used as a means of data collection to enable data collection from a wide perspective.

REFERENCES

- Alan, B., (2008). *Social Research Methods* 3rd Edition Oxford U Press
- Arthur A. Thompson, Jr., A.J. Strickland III (2009) *Strategic management: concepts and cases* 13th edition Mc Graw Hill
- Ansoff, I., McDonnell, E., (1990). *Implanting Strategic Management* 2nd Edition London: Prentice Hall.
- Chesere G.S, Omondi P, and Odenyo., (2012). *Nature and causes of cattle rustling among pastoral community* .V.A.O
- Cooper D.R, Schindler, Pamela S., (2003). *Business Research methods* 8th Edition Mc Graw Hill/Irwin
- Gerald A.ole & Phil K., (2011). *Book Power Management theory and practice* 7th edition
- Heinz W. M, V.Cannice., (2010). *Management A' Global & Entrepreneurial perspective*, 13th Edition Tata McGraw Hill Harold Koontz New Delhi
- Jones /George., (2014). *Essentials of Contemporary Management*, 14th edition. McGraw Hill International edition
- Moses K.S., (2013) *Diversification of livelihood strategies among Isiria maasai of Lolgorien ward, Narok county Kenya*
- Nation media group (2016) *Business daily challenges* digital edition

Pearce, J. A., Robinson, R. B. Jr., (1997). *Strategic Management Formulation, Implementation and control*. Irwin /McGraw-Hill Edition

Pearce, J. A., & Robinson, R. B.Jr., (2010), *Strategic Management Implementation and Control* 10th Edition .Special Indian Edition

Scholes, G. J., K, Whittington, R.,(2008). *Exploring Corporate Strategy: Text and Cases* (8th Ed).Prentice Hall: Essex

Taylor G.T & Dr.Elizabeth S.A., (2014). *Analysis of the Kenya livestock market and feasibility study of a livestock business*.

Zhang Y.T.S,(2007)”*On the supply Chain management model of livestock products*. ”Economics & management .vol 4 pp 4-12

<http://www.investopedia.com/terms/i/imperfectmarket.asp#ixzz4EK0yk68K>

www.kilimo.go.ke/content/uploads/2015/05/MoALF-Staregic-c-plan-2013-2017pdf

www.Kenya economic survey 2015

www.kajiado.go.ke

www.ministry of livestock.go.ke

[www.igrow.org/livestock/beef/raising-livestok-in-Kenya-comparing-and-contrasting-animal health-issues](http://www.igrow.org/livestock/beef/raising-livestok-in-Kenya-comparing-and-contrasting-animal-health-issues)

<http://igrow.org/livestock/beef/raising-livestock-in-kenya-comparing-and-contrasting-animal-health-issues/#sthash.4eIURy54.dpuf>

<http://www.fao.org/docrep/x5303e/x5303e05.htm>

www.study.com/academy/lesson/market-theory-foreign-direct-investment.html

www.climatetechwiki.org/control/livestock-disease-mng-1

www.study.com/academy/lesson/market_imperfections_theory_foreign_direct_investment.html

The point (2001) Bulletin of the Institute of Economic Affairs

APPENDICES

APPENDIX I :INTRODUCTION LETTER



UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 31/8/2016

TO WHOM IT MAY CONCERN

The bearer of this letter TOTO NICKSON LOISA

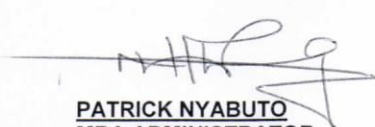
Registration No. D61165767/2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS

APPENDIX II: QUESTIONNAIRE

The aim of this questionnaire is to establish strategies adopted to deal with the challenges affecting livestock industry firms in Kajiado. I am doing this study as part for the award of the degree of Master of Business in Administration at the University of Nairobi. The questionnaire will be used in strict confidence and will be used for academic purposes only.

Please read the instructions given and answer the questions appropriately.

SECTION A: BACKGROUND INFORMATION OF THE ORGANISATION

a) Name _____ of _____ your organization?.....
.....
.....
.....

b) Position _____ of _____ the respondent _____ in _____ the organisation.....
.....
.....
.....

c) Which category represents the current Age of the organization?(Please tick)

- 5 or less years ()
- 6 – 15 years ()
- 16-25 years ()
- 25 and more ()

d) Size of the organization(Tick one)

- 50 or Less Employees ()
- 51 – 100 Employees ()
- 101-200 Employees ()
- 201 and More ()

SECTION B: Challenges faced by the livestock industry

Please indicate the extent to which your firm faces the following challenges.

(Key :1 Not at all,2 Little extent,3 Moderate extent,4 Great extent ,5 Very great extent)

Political and Legal environment

	1	2	3	4	5
1. Paying taxes to the government.					
2. High interest rates by financial institutions.					
3. Level of corruption in discovering of new markets.					
4. Unstable Kenyan shilling against major world currencies.					

Economic environment

	1	2	3	4	5
1. Falling interest rates by financial institutions.					
2.High inflation rates					

3.High level of unemployment					
4.poor growth of the economy					

Social/Cultural environment

	1	2	3	4	5
1.Social values of individuals					
2.Attitudes and beliefs of the society					
3.Demographics trends					
4.Lifestyles and preferences of individuals					

Technological environment

	1	2	3	4	5
i. Way of doing things					
ii. How to design goods and services					
iii. How to distribute goods					
iv. How to sell goods					
v. Lack of skilled manpower					

Ecological Environment

	1	2	3	4	5
i. Air pollution					
ii. Water pollution					
iii. Land pollution					
iv. Dry season					
v. Rainy season					

SECTION C: Strategies adopted by livestock firms to deal with the challenges

Please indicate the extent to which your firm applies the following strategies to deal with challenges encountered.

(Key :1 Not at all,2 Little extent,3 Moderate extent,4 Great extent ,5 Very great extent)

Organizational response Strategies

	1	2	3	4	5
1.Operating Partnership and Cooperatives					
2.Trading blocks					
3.Holding civic education					
4.Providing market information					
5.Value addition in products					

APPENDIX III: LIST OF FIRMS IN KAJIADO LIVESTOCK MARKET

1. MASAI KAJIADO WOMEN DAIRY
2. KULE DAIRY
3. MAGADI MULTIPURPOSE
4. NAMANGA DAIRY
5. OLOOLAISER DAIRY
6. KIMANA FARMERS
7. LEMELEPO FCS FARMERS
8. KISERIAN FARMERS
9. ONGATA RONGAI FARMERS
10. MARTUK MULTIPURPOSE
11. KAJIADO MULTIPURPOSE
12. ILANGENI INVESTMENT
13. ILEMEEYU FARMERS
14. ILESEKO LIVESTOCK SOCIETY
15. NARETISHO LIVESTOCK
16. ILKISEYIA LIVESTOCK SOCIETY
17. NAMANGA BUTCHERIES
18. ILMESHUKI LIVESTOCK TRADERS
19. ILKISHILI SHOATS TRADERS
20. ILKISHON LIVESTOCK SOCIETY
21. DUPOTO LIVESTOCK TRADERS
22. NARAMATISHO LIVESTOCK TRADERS
23. NALEPO MULTIPURPOSE
24. ENYORATA BEE KEEPERS
25. AGRICULTURAL FINANCE COOPRATION
26. KENYA LIVESTOCK MARKETING COUNCIL
27. KAJIADO COUNTY MINISTRY OF LIVESTOCK
28. ENTARARA FARMERS
29. NGONG BUTCHERS
30. LEMELOPO FCS FARMERS
31. NARETO POULTRY FCS
32. KAJIADO SLAUGHTER HOUSE (SAMPU)
33. ILBISIL SALE YARD
34. MILE 46 SALE YARD
35. KITENGELA SLAUGHTER HOUSE
36. KIMANA SALE YARD
37. EMALI SALE YARD
38. SULTAN-HAMUD SLAUGHTER HOUSE
39. NAMANGA SLAUGHTER HOUSE

- | | |
|----------------------------------|-------------------------------------|
| 40. ISINYA SLAUGHTR HOUSE | 58. KAJIADO NORTH TRADERS |
| 41. OLDOINYIONYOKIE SALE
YARD | 59. CHULU SACCO |
| 42. SAMPU SLAUGHTER HOUSE | 60. WAKAJIADO TEGEMEA
SACCO |
| 43. KISERIAN SLAUGHER
HOUSE | 61. LEMELEPO FARMERS |
| 44. NGUSO SALEYARD | 62. KESERIAN FARMERS |
| 45. ILBISSIL SLAUGHTER
HOUSE | 63. OLOBUKE SACCO |
| 46. OLDONYO WUAS SACCO | 64. ONGATA RONGAI FARMERS |
| 47. OLOOLAISER DAIRY | 65. NOOMPOPONG LIVESTOCK
SOCIETY |
| 48. OLEJOLI SACCO | 66. OLOIBORTOTO FARMERS |
| 49. METOI SACCO | 67. MARTUK MULTIPURPOSE |
| 50. ILKISONKO SACCO | 68. KAJIADO MULTIPURPOSE |
| 51. KITEMEZA TRADERS | 69. NARETO POULTRY FCS |
| 52. NORTH KAPUTEI WOMEN
GROUP | 70. KESERIAN FCS |
| 53. ILANYUAK-KAJIADO
SOICIETY | 71. NARRESHO SACCO |
| 54. ILANYAK-MASHUURU
SOCIETY | 72. MATARET-ATE SOCIETY |
| 55. NOONKERA SACCO | 73. MUSANGAIRO FCS |
| 56. ISENYA RURAL SACCO | 74. STEINSO SACCO |
| 57. METOI SACCO | 75. EMPUKANI SACCO |
| | 76. ISAJULONI SALE YARD |
| | 77. MASHUURU SALE YARD |