

**BUSINESS CONSULTANCY SERVICES AND PERFORMANCE  
OF KPMG TOP 100 SMALL AND MEDIUM ENTERPRISES IN  
KENYA**

**BY**

**GRACE WAIRIMU MUNGAI**

**A RESEARCH PROJECT SUBMITTED IN PARTIAL  
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## DECLARATION


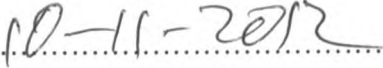
This research project is my original work and has not been submitted for examination to any other university.

Signature.......... Date..........

**GRACE WAIRIMU MUNGAI**

**D61/76064/2009**

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

Signature.......... Date..........

**DR. JOHN YABS**

**LECTURER**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**SCHOOL OF BUSINESS**

**UNIVERSITY OF NAIROBI.**

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Special thanks and guidance to my partner Ronald Alan Graham whom I sincerely wish to appreciate for continued support and encouragement, Family and friends without whom the task would have been difficult to complete.

## DEDICATION

This project is dedicated to Jesus Christ Eph 4:14,15 ‘That we should no longer be children, tossed to and fro and carried about with every wind of doctrine, by the trickery of men, in the cunning craftiness of deceitful plotting. But, speaking the truth in love, may grow up in all things into Him who is head – Christ’

## ABSTRACT

Small and medium are known to perform dismally in their inception years. Some SMES are known to collapse due to business related problems though most of them do survive to continue with their business. Consultancies are said to be aware of industry 'best practices' and businesses go for their expertise and experience in solving their business related problems. In Kenya some SME companies have managed to overcome the business related problems and thus managed to make it to the Top 100 SME's in the country annually. This study sought to determine the relationship between business consultancy services and the performance of the KPMG Top 100 small and medium enterprises (SMEs) in Kenya.

The literature review expounded the challenges that SME's faced in their business process which were major obstacles in the business success. The literature review also introduced and looked into the business consultancy concept and its processes. The business consultancy field has so many specializations that firms seek help from, with an aim of getting their problems solved.

On a practical ground the study focused on the top 100 mid-sized companies in Kenya in the years 2009, 2010 and 2012. Through exploratory research design the study helped in determining and explaining the relationship between the consultancy services provided and the performance of the SMEs. The data was collected via primary data in form of questionnaires and secondary data from previous studies; the study applied quantitative analysis techniques to analyze the data and presented it in form of tables, charts and narratives.

The study revealed out that indeed there was a relationship between business consultancy and the performance of the top 100 mid-sized companies in Kenya. Indeed the companies faced challenges which lead them to seek consultancy help. Among the consultancy services sought after were financial assistance and auditing, business strategies, marketing, HR and IT. The study concluded that whilst the named companies in the KPMG Top 100 SME surveys benefited from such services to achieve good performance, not all SMEs embrace this approach for various reasons.

The researcher thus recommended that other SMEs should copy from those that have benefited from consultancy services. Further that consultancy firms need to come up with ways of reaching the masses: explaining the value of what they do, where they can be found and at what cost among other recommendations.

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## ABBREVIATIONS AND ACRONYMS

<b>FiRe</b>	Finance, Insurance and Real Estate
<b>ICT</b>	Information and communication Technology
<b>IT</b>	Information Technology
<b>KPMG</b>	A leading audit, tax and advisory services firm operating in Kenya and East Africa
<b>PRO</b>	Public Relations Officer
<b>SBO</b>	Strategic Business Options
<b>SBS</b>	Strathmore Business School
<b>SME</b>	Small and Medium Technology

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

Loindah, (2005) affirms that seeking a consultancy service is considered a strategic move for any business seeking to solve problems fast and effectively, diversify and excel. Organizations hire the services of consultants for a number of reasons which include; gaining external and more objective advice and recommendations, gaining access to the consultants 'specialized expertise', or simply as temporary help during a one-time project. Because of their exposure to and relationships with numerous organizations, consultancies are also said to be aware of industry 'best practices,' (Bokea et al, 1999).

There is a current hype on Awards and Award Schemes that seek to rank companies according to particular preset criteria of performance. These range from growth rate, consumer satisfaction, employee satisfaction, profitability, corporate governance, amongst others. There is the FiRe Awards, Entrepreneur of The Year Award, Best Bank of the Year Awards, Best Employer of the Year Award etc, all of which conduct surveys across and within industries with an aim of establishing which one is. One of the latest entrants was The KPMG Top 100 Small and Medium Enterprises Awards. This one also set specific criteria of assessment which can change by survey per year as determined by the initiators. A company recognized in any of these Awards and Award Schemes instantaneously becomes the envy of many and can easily gain mileage even in seeking financial support from a bank on this basis.

Amazingly, all the awards and their hype tend to indicate that a firm's excellent success was based on shareholder and management prowess in designing and driving

strategy. It is a known fact that businesses face various challenges from inception to success some of which are better solved with the involvement of an external party, mainly a consultant. It is therefore an interesting observation that none of the awards even mention the involvement of a consultant and his/her contribution if any to the success of the area or areas measured in these awards. On the other hand, business consultancy was now more than ever a very prevalent phenomenon whose growth in the recent years had been tremendous. This growth must relate to an increase in demand for their services to a good extent.

### **1.1.1 Business Consultancy**

Business consulting defines both the industry, and the practice of helping organizations improve their performance, primarily through thorough analysis of existing business problems and development of plans for improvement (King & McGrath, 1998). Organizations hire the services of management consultants for a number of reasons, including, for example, to gain external, and presumably more objective advice and recommendations, to gain access to the consultants 'specialized expertise', or simply as temporary help during a one-time project. Because of their exposure to and relationships with numerous organizations, consultancies were also said to be aware of industry 'best practices,' although the transferability of such practices from one organization to another was the subject of debate.

Consultancies provide organizational change management assistance, development of coaching skills, technology implementation, strategy development, or operational improvement services. They bring their own proprietary methodologies or frameworks to guide the identification of problems, and to serve as the basis for recommendations for more effective or efficient ways of performing business tasks. In

order for a firm to stay in business all performance aspects must return positive results. Any mishap in any of the aspects affects a firm's performance negatively and may result in exit in business. Business consultancy follows these aspects and identifies the nagging issues of retarded performance and provides solutions.

There are numerous specializations of consultancy services, such as information technology consulting, human resource consulting, and others, many of which overlap, and most of which are offered by the large diversified consultancies (Smith, 2002). One important and most recent change in the industry had been the spin-off or separation of the consulting and the accounting units of the large diversified firms. For these firms, which began business as accounting firms, management consulting is a new extension to their business. But precipitated by a number of highly publicized scandals over accounting practices, such as the Enron scandal, accountancies began divestiture of their management consulting units, to more easily comply with tighter regulatory scrutiny that arose in the wake of the scandals.

### **1.1.2 Firm Performance**

Business or firm performance refers to various activities that take place in a firm or an organization. Precisely firm performance is the essence of staying in business and realizing the intended purpose of the business which is solely, profits. Richard et al. (2009) also described firm performance as an encompassment of three specific areas of firm outcomes financial performance, product market performance and shareholder return. It also refers to a firm's overall financial health at a particular time and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation.

Performance is a whole discipline in itself but regarding this study, the main aspect was the need to maintain optimum business performance for SME's in Kenya with the help business consultancy. According to (Brush 1992) assessment of business performance for businesses should include not only financial measures, but incorporate other measures such as employee satisfaction, social contributions, goal achievement, and effectiveness. For example the KPMG top 100 SME's performance measurements for the year 2011 were financial measures e.g. profitability, liquidity, return on equity and level of indebtedness.

### **1.1.3 The KPMG Top 100 SMEs Survey**

The KPMG Top 100 SMEs survey was first launched in Kenya in 2008, in Uganda in 2009 and in Tanzania in 2010. The Survey focuses on fast growing mid-sized companies in recognition of the fact that the SME sector is a key contributor to the economic growth of each of the East African countries.

Strathmore Business School (SBS) had been the knowledge partner of this worthy survey. The theme of the Top 100 Mid-Sized Companies survey was 'One Market. More Opportunities', which was driven by the East African Market protocol, which sought to have the countries lying within East Africa, operate as one common market which would yield immense opportunities for the businesses represented.

A 'Top 100 Mid-sized Company' ('Top 100 Company') is one which ranks ahead of its peers in terms of revenue growth, profit growth, returns to shareholders and cash generation/liquidity. The Top 100 SMEs survey – the brainchild of audit firm KPMG and Business Daily, ranks Kenya's businesses with a turnover of between Sh70

million and Sh1 billion based on profitability, liquidity, return on equity and level of indebtedness among other performance indicators.

Kenya's small and medium-sized companies were riding the regional integration wave to increase sales in neighboring countries, giving a fresh impetus to the rate at which the key middle segment of the economy was expanding, a survey indicated. Sale of goods and services in neighbouring Uganda and Tanzania was the top most driver of revenue growth in 76 per cent of Kenya's Top 100 small and medium-sized firms (SMEs), positioning East Africa's integration effort at the center of the country's economy, according to the survey by consumer market research firm, Synovate. Entrepreneurs running Small and Medium sized Enterprises (SMEs) in Kenya are invited to enter the competition within defined deadlines and set parameters.

## **1.2 The Research Problem**

Business survival literature is explicit that majority of businesses did not survive more than three years after inception. As Wanjohi (2009) outlined, there are major reasons cited for high fallout rates; including lack of managerial training and experience, lack of education and skills, lack of access to credit, limiting national policy and regulatory environment, rapid technological changes, poor infrastructure and inadequate markets information; all resulting to poor performance. According to King and McGrath (1998), small businesses face unique challenges, which affect their growth and profitability and hence, diminish their ability to contribute effectively to sustainable development.



King and McGrath (2002) also confirm lack of education as being one of the factors that impact negatively on growth of firms. Entrepreneurs with larger stocks of human capital, in terms of education and (or) vocational training, are better placed to adapt their enterprises to constantly changing business environments. These inadequacies often results in lack of formal structures, poor delegation and accountability, loss of information amongst others. Majority of the lot carrying out SMEs in Kenya are not well equipped in terms of education and skills. Studies suggested that those with more education and training were more likely to be successful in the SME sector (King & McGrath, 2002). Past statistics indicate that three out of five businesses failed within the first few months of operation (Amyx, 2005). The SME sector by then was the largest and fastest growing in the economy of Kenya with significant support from banks, international organizations, and government agencies.

Many authors including, Kipping and Engwall (2002) argued that consultancy was of great importance to SMEs and many consultancy firms are continuously increasing their influence on saving up of dying of SMEs through provision of tailor-made advisory services. However, a search through published literature did not revealed any information linking the use of consultancy services to the performance of the enterprises including the KPMG Top 100 SMEs listed over the years. It was therefore unclear how and to what extent the consultancy services, if any provided to the performance and success of the Top 100 SMEs in Kenya. Have consultancy services contributed to the performance of SMEs?

### **1.3 Research Objectives**

The objective of the study was to determine the relationship between business consultancy services and the performance of the KPMG Top 100 small and medium enterprises (SMEs) in Kenya.

### **1.4 Value of the Study**

Research shows that it is natural and common for any business to face challenges during its toddler years, due to a number of factors as earlier mentioned. Whilst to a good extent these challenges do get addressed, it was not clear if use of business consultancy services had been a contributing factor to this success. Furthermore awareness of existence of these services and access to them by SMEs has not been determined. The study sought to add value to SMEs in commercial business across all sectors who seek to survive, excel and probably become the next Top 100 or blue chip companies. By confirming if the KPMG Top 100 SMEs used consultancy services, in what area, to what extent and at what cost would encourage those ignorant or struggling to seek the same. It would also benefit business consultancy firms to know if the SME sector was a worthwhile and viable targets market for their services; the extent to which the services facilitated the growth of SMEs and therefore, encouraging them to be more aggressive in marketing and provision of such services. Even present blue chip companies were SMEs at one stage of their growth cycle, with business consultancy services having played a significant role or other in their endeavors.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

The chapter contains a review of literature based on the variables of the study, which formed the theme of the study. The issues covered include the concept of business consultancy, the concept of firm performance and small and medium enterprises.

### **2.2 The Concept of Business Consultancy**

In the history of business consulting, Kipping (2002) highlights that it grew with the rise of management as a unique field of study. The first management consulting firm was Arthur D. Little, founded in 1886 by the MIT professor of the same name and was incorporated in 1909. Though Arthur D. Little later became a general management consultancy, it originally specialized in technical research. Booz Allen Hamilton was founded by Edwin G. Booz, a graduate of the Kellogg School of Management at Northwestern University, in 1914 as a management consultancy and the first to serve both industry and government clients.

The first wave of growth in the consulting industry was triggered by the Glass-Steagall Banking Act in the 1930s, and was driven by demand for advice on finance, strategy, and organization. From the 1950s onwards consultancies not only expanded their activities considerably in the United States but also opened offices in Europe and later in Asia and South America. After World War II, a number of new management consulting firms formed, bringing a rigorous analytical approach to the study of management and strategy. Work carried out at McKinsey, Boston Consulting Group, AT Kearney, Booz Allen Hamilton, and the Harvard Business School during the 1960s and 1970s developed the tools and approaches that would define the new field

of strategic management, setting the groundwork for many consulting firms to follow. In 1983, Harvard Business School's influence on the industry continued with the founding of Monitor Group by six professors.

An earlier wave of growth in the early 1980s was driven by demand for strategy and organization consultancies. The wave of growth in the 1990s was driven by both strategy and information technology advice. In the second half of the 1980s the big accounting firms entered the IT consulting segment. The then Big Eight, now Big Four, accounting firms (PricewaterhouseCoopers; KPMG; Ernst and Young; Deloitte Touche Tohmatsu) had always offered advice in addition to their traditional services, but from the late 1980s onwards these activities became increasingly important in relation to the maturing market of accounting and auditing. By the mid-1990s these firms had outgrown those service providers focusing on corporate strategy and organization. While three of the Big Four legally divided the different service lines after the Enron scandals and the ensuing breakdown of Arthur Andersen, they are now back in the consulting business. The industry stagnated in 2001 before recovering after 2003, with a current trend towards a clearer segmentation of management consulting firms.

There are numerous specializations, such as financial consulting, marketing consultancy, information technology consulting, human resource consulting, legal consultancy and many others, many of which overlap, and most of which are offered by the large diversified consultancies. So-called 'boutique' consultancies, however, are smaller organizations specializing in one or a few of such specializations. Consulting is also becoming more prevalent in non-business related fields as well. As the need

for professional and specialized advice grows, other industries such as government, quasi-government and not-for-profit agencies are turning to the same managerial principles that have helped the private sector for years.

Businesses are likely to contract business consulting services when there is the presence of elements that seem to be preventing the enterprise from realizing its full potential as part of the discernment process, the business consultant will also seek to identify ways to enhance the overall business operating model, and help the business to make better use of existing resources. Business consulting also includes the process of projecting possible avenues of future growth and how to go about preparing to initiate that growth (McLarty and Robinson, 1998).

According to Biech, (1998) consultancies may also provide organizational change management assistance, development of coaching skills, technology implementation, strategy development, or operational improvement services to SME's. Management consultants often bring their own proprietary methodologies or frameworks to guide the identification of problems, and to serve as the basis for recommendations for more effective or efficient ways of performing work tasks.

Business consulting is the profession of discerning the status and general operating procedures associated with a given corporation as well as small and medium enterprise (Schaffer, 2002). Successful consultants bring a mixture of experience, expertise as well as formal education to the task. The expertise may include a background in areas such as computer science, sales, marketing, operational management, finances, or human resources (Dawson, 2000). These are well trained are well trained professionals who have gathered extensive experience and a wide

range of capacity to oversee detect probe and address trends in a business aspect(Dawson ,2000).

A good Business Consultant has experience working in and working with a broad range of businesses. It is the accumulated business history of a Business Consultant which makes the consultant valuable. As Loindah (2005) depicts good a business consultant is experienced in a lot of different types of businesses and industries, while also having very specific experience in running companies, in the financing of a company and most importantly in the marketing and sales of a company. Experienced Consultants have experience with companies in all stages of Growth: Existence, Take-off, Survival, Success, and Maturity.

There is no one specific procedure that business consulting must always follow. In general, the process is dictated in large degree by the current status and position of the SME's, as well as the resources currently in the control of the business. The future aspect of the SME's may also dictate. Attention is often paid to the condition of the industry that the company operates in, and the projected trends of demand as they relate to consumer expectations at a particular time season or period (Loindah, 2005). In just about every business consulting situation, the process eventually leads to identifying both the strengths and the weaknesses of the current business structure.

According to Stone et al (1992), professionals who work within business consulting may take several approaches to their work. One approach is to specialize in one or a few industry types. Other business consultants may choose to offer their services across a wide spectrum of industries. Still others may prefer to focus on business

consulting projects that are tailored to the needs of the small business or the large corporation. As Biech (1998) clusters them in short, a business consultant will minimize expenses and maximize profits through a proven process.

According to Greiner and Metzger (1993) a business consultant first and foremost, gets to know and understand the business focus, operations, staff and systems. It is only until this complete understanding that the consultant can be of help. Albeit this follows on the type consultancy service being offered to your company. For example ICT consultancy understands the company's structure. Marketing consultancy explores company's market and marketing strategy while human resource consultancy edits the employees (Dawson, 2000).

Biech (1998) further depicts that after a Business Consultant has learned the details of the business, the consultant goes to work identifying problems and opportunities. Those may be certain problems and opportunities pointed out to them, or new ones discovered. A Business Consultant brings fresh eyes, experience and an open mind to the business enterprise, providing a completely different perspective than that of someone who has been running the company for some time or someone looking to start a new venture.

Identifying the problems and opportunities of the business leads to a Business analyzing this gathered information in order to provide solid solutions and plans for the future (Alila& Pedersen, 2001). The consultant takes a micro view at the business and provides solutions for the macro outlook, strategizing for the future success of your business. Often times, business ownership is so focused on working "in" the business that short term and long term outlooks and strategies are overlooked and

neglected. The Business Consultant re-focuses a company's strategies in order to solve immediate problems, while taking advantage of future opportunities. According to Alila and Pedersen, (2001), steps taken in a good business consulting process includes learning about the business, identifying problems, identifying future opportunities, performing analysis, providing solutions through a concrete plan, listening to feedback and adjusting plan and implement and track the plan.

### **2.3 The Concept of Firm Performance**

The dictionary definition of a firm is that it is a business concern, especially, one involving a partnership of two or more people. A business (also known as enterprise or firm) is an organization engaged in the trade of goods, services, or both to consumers. Businesses are predominant in capitalist economies, where most of them are privately owned and administered to earn profit to increase the wealth of their owners. Businesses may also be not-for-profit or state-owned. A business owned by multiple individuals may be referred to as a company, although that term also has a more precise meaning.

A wide variety of definitions of firm performance have also been proposed in literature (Barney, 2002). Business or firm's performance refers to various activities that take place in a firm or an organization. According to Performance Improvement Institute, firm performance can be termed as the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed (Druckman, 2000). Firm performance can also be looked at as the results of an organization measured against its intended goals and objectives. Richard et al (2009) also expounds on firm performance as an encompassment of three specific areas of



firm outcomes, financial performance, product market performance, shareholder return.

Financial performance is the conspicuous area of performance and it refers to a firm's overall financial health at a particular time. As Brush (1992) describes, it can be used to compare similar firms across the same industry or to compare small and medium enterprises (SMEs) across industries or sectors in aggregation. According to Arthur et al (2003) there are various ways to measure financial performance, such as profits, return on assets, and return on investment among others. Line items such as revenue from operations, operating income or cash flow from operations can be used, as well as total unit sales. Furthermore, an analyst or investor may wish to look deeper into financial statements and seek out margin growth rates or any declining debt.

The product market is concerned with purchasing by organizations for their own use, and includes such items as raw materials, machinery, and equipment, which may in turn be used to manufacture items for the consumer market (Druckman, 2000). Shareholder return represents the total assets that an investor receives for one or more securities held. In the case of stock, this includes capital gains from increases in stock price as well as dividends issued. This is a very mathematical aspect of measuring performance requiring often expertise.

Managing an SME's performance requires a range of different skills and functional approaches. Richard *et al.* (2009) describes business performance improvement as the measuring of output of a particular process in SME, then modifying the process to increase the output efficiency and effectiveness of the process. Different measurement

and management techniques and approaches have developed independently. Financial and particularly management accounting have been concerned with measuring and controlling the financial performance of SME's and organizations, operations have been concerned with work flow often focusing on improving throughput and efficiency whether that be from a manufacturing or a service perspective, strategy have been concerned with developing plans to deliver future objectives and personnel have been concerned with managing the performance of people (Richard et al, 2009).

Performance Improvement Institute describes performance management as the having been more extensively and effectively investigated than performance measurement. Themes from the fields of strategy, accounting and operations management have converged to form a field that is developing a momentum of its own. For example, the most widely known approach to performance measurement, the Balanced Scorecard is now widely used as a strategy development and execution tool but was developed in an operational environment. A performance management system is meant to be interactive (Neely, 1998; Kaplan and Norton, 2001) since its main roles are to facilitate the implementation of the business strategy and to question strategic assumptions.

Performance measurements are also used in a compensation system or performance appraisals process. With time previous academic research on this topic has been mainly concerned with the use of accounting measures in incentive schemes or in performance evaluation processes. It was until the mid-90s, when researchers started to focus on the use of non-financial measures in annual incentive schemes. Performance and behavioral effects of staff were used incorporating non-financial

measures in incentive for employee's performance contracts. However, none of these researchers explicitly outlines what type of financial and non-financial performance measures were used by them.

The problem of how SME's assess their performance has been a great challenge for management. Financial measures have long been used to evaluate performance of commercial organizations as well as SME's. However there has been growing realization that, given the increased complexity of performance as a discipline and the markets in which SME's compete, it was no longer appropriate to use financial measures as the sole criteria for assessing success. As Johnson and Kaplan (1987) highlighted; many of the deficiencies in the way in which management information is used to manage SME and failure of firm performance measures to reflect changes in the competitive circumstances and strategies of modern business structure. Profits alone are considered an insufficient performance measure, as measures should reflect what SME's have to manage in order to profit (Bruns, 1998). Today measures like employee and Customer satisfaction surveys, brand performance, human resource lined evaluations; perception tests among others are slowly being adopted. Cost focused measurement systems provide a historical view, giving little indication of future performance and encouraging short terms (Bruns, 1998). The performance frameworks identified display a number of key characteristics that help an SME to identify an appropriate set of criteria against which to assess and manage their performance.

The works of Kaplan and Norton (1992), and Keegan et al. (1989) emphasize the fact that the set of measures used by an SME has to provide a balance picture of the

business. The set of measures should reflect financial and non-financial measures; internal and external measures; and efficiency and effectiveness measures.

## **2.4 Small and Medium Enterprises**

A small business is a business that is privately owned and operated, with a small number of employees and relatively low volume of sales. Small businesses are normally privately owned corporations, partnerships, or sole proprietorships. The legal definition of "small" varies by country and by industry, ranging from fewer than 15 employees under the Australian Fair Work Act 2009, 50 employees in the European Union programs. These businesses also include small and micro enterprises (SMEs) which play an important role in a country's Economy. According to the Economic Survey (2006), the sector contributed over 50 percent of new jobs created in the year 2005. The small businesses also include small and micro enterprises (SMEs) which play an important role in the economy of any developing and developed country. According to Economic Survey (2006), over 50 percent contribution of new jobs was created in the year 2005. Despite this significance, past statistics indicate that three out of five businesses fell within the first few months of operation (Amyx, 2005).

### **Challenges faced by Small and Medium Enterprises**

There are various challenges that have continued to have negative impact on the growth of SMEs in Kenya (Wanjohi and Mugure, 2008). These challenges include but may not be limited to poor infrastructure, insecurity and high cost of energy. There has also been unfavorable investment climate occasioned by poor governance, institutional failures, macroeconomic policy imperfections and inadequate infrastructure, as well as rampant corruption, bureaucratic red tape, weak legal systems and a lack of transparency in government departments.

SMEs face numerous constraints in accessing affordable finance for small business primarily in: issues of access to loans without collateral. Due to limited land ownership status, they are unable to provide collateral needed for loan requests. Financial resources are often limited forcing company to select a solution, which appears to be cheap initially. However, the hidden costs start to emerge during implementation. This sometime causes the project to be abandoned altogether or sometime sends the company into further financial crisis.

The lack of IT support is another challenge. Although IT personnel are in high demand they are often attracted to bigger companies and multinational corporations. It is very difficult for SMEs to attract good IT personnel since they are expensive and even more difficult to retain them. Most SMEs do not have formal procedure or often these are not documented. Furthermore, there is tendency for these procedures to change frequently. This makes it difficult for third party and newcomer to understand the existing business practices. There has been complains regarding tedious registration and certification processes (Wanjohi and Mugure, 2008).As a company grows, new managers are often introduced into the company. There will also be old managers who are promoted from the rank and file. Some of these managers may not have been trained in the leadership and management skill. These uneven skill among the managers often caused conflicts during the implementation.

Although there are efforts towards Enhancing SMEs Growth, Kiiru (1991) argues that for the sector to grow there is need for the sector to adequately strengthen itself and come up with solid solutions that can be implemented. Despite the fact that there are

certain self-advanced strategies that can be adopted by the sector itself, there are also external efforts that can still be made (and are being made). Business consultants often save time and effort, and help to prevent pitfalls during project implementations. However, most SMEs lack in working with consultants. The lack of knowledge in identifying good consultant and often feel that the consultant cost is too high and they can handle it with their own staff who may not be as experienced or knowledgeable.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

In this chapter, the research design, targeted population, data collection and data analysis are presented as used in carrying out the research.

### **3.2 Research Design**

The study was a survey conducted through exploratory research design and helped in determining and explaining the relationship between the consultancy services provided and the performance of the SMEs

### **3.3 Population**

The population of the study comprised of the KPMG Top 100 SMEs in the years 2009 and 2010 and 2011. These were small and medium enterprises that had been assessed according to the criteria set by KPMG. The study was a census of all the Top 100 SMEs the three years and therefore, there was no sampling. The firms were approached to participate in the study through the proprietor, partners, manager in-charge and significant individuals who could provide information. These formed the targeted respondents group.

### **3.4 Data Collection**

Data was collected using both primary and secondary means. Primary data was collected from respondents through questionnaires. These were semi-structured comprising both open and closed-ended questions. The open-ended questions were used to collect data on respondents' perceptions of the issues under study. The closed-

ended questions were formulated on a Five Point Likert scale where respondents were required to make choices that best describe the situation regarding the issues under question. Secondary data was collected from relevant published materials both in print and online.

### **3.5 Data Analysis**

The data collected was analyzed both quantitatively and qualitatively using descriptive and inferential statistical methods and presented by use of frequency distribution tables, charts and results expressed in percentages. Inferential statistics was also used to show relationships that existed between variables.



# CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

## 4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology.

## 4.2 Profile

### Companies interviewed

The study achieved a response rate of 30 KPMG Top 100 SME's in Kenya in the year 2009 2010 and 2011. The names of the companies that responded are listed in the table below.

**Table 1: List of interviewed companies**

Number.	Name of the company
1	Alpha Medical Manufacturers Ltd
2	Apex Communications
3	Bell Atlantic Communication
4	Biselex(K) Ltd
5	Brand ltd
6	Canon Aluminium Fabricators ltd
7	Charleston travel
8	Computer Planet
9	Continental Products
10	Dawa Ltd
11	Despro Engineering Ltd

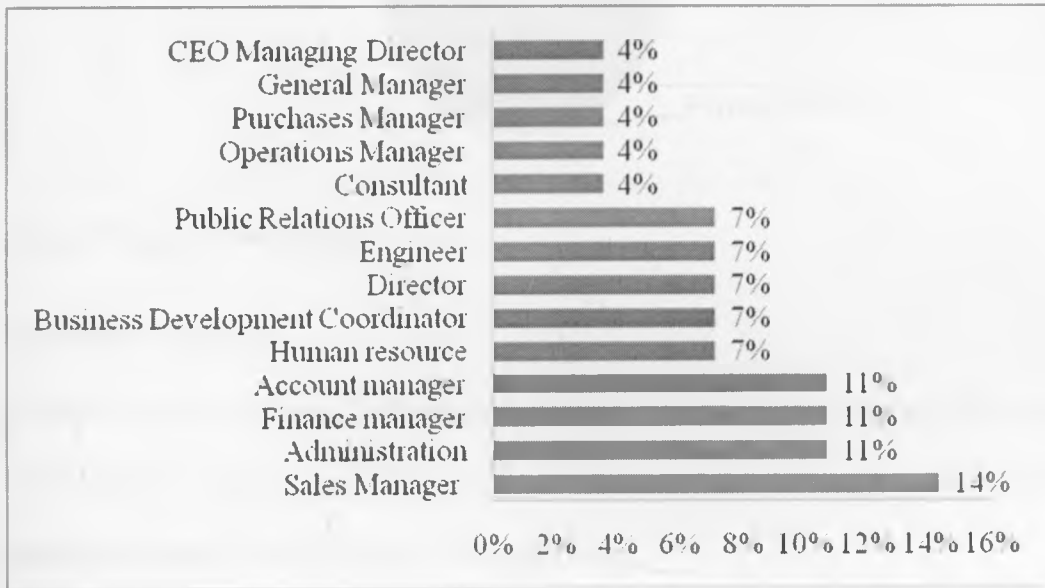
12	Gap Marketing
13	Grait Business Systems
14	Investeq Capital
15	Lota Automobiles
16	Oil Seal & Bearing Ltd
17	Philaft Engineering
18	Premier Industries Ltd
19	Reliable Electrical Engineers
20	Sarach Media Company
21	Satguru tours and travels
22	SBO Research Ltd
23	Sheffield Steel Ltd
24	Sigma suppliers
25	Silverbird travel
26	Spice World Ltd
27	Travel Shoppe Company Ltd
28	Union Logistics Ltd
29	Vitafoam Products
30	Wartsila E.A ltd

Source: Author (2012)

## Respondents' Profile

As shown in the table below, the study interacted with respondents who had different roles in the companies. Sales managers were the most readily available making a total of 14% of the respondents. Those in Administration, Finance and Accounts had 11% each. Business development coordinators, Directors, Engineers and PRO constituted of 7% of the respondents. The rest had 4% each.

**Figure 1: Respondent's Role**

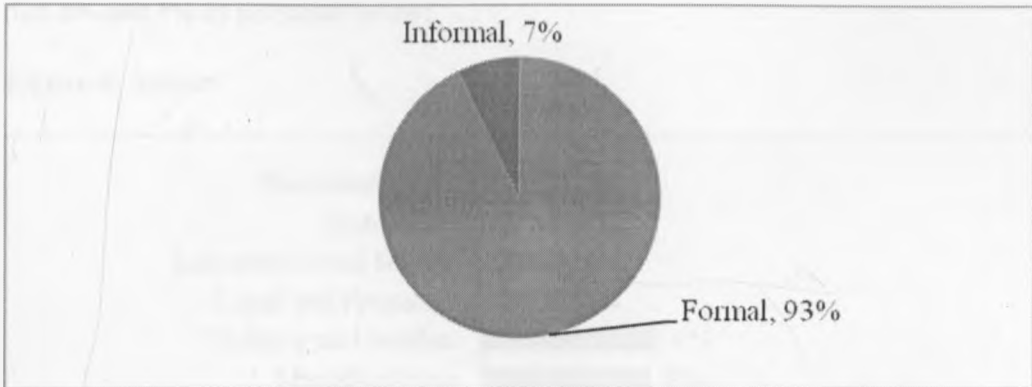


Source: Research data, (2012)

## Formal vs Informal Structure

Most of the companies operated purely formal business (93%). Only 7% of them attested to practicing both formal and informal activities as part of their mandate.

**Figure 2: Type of business operated**

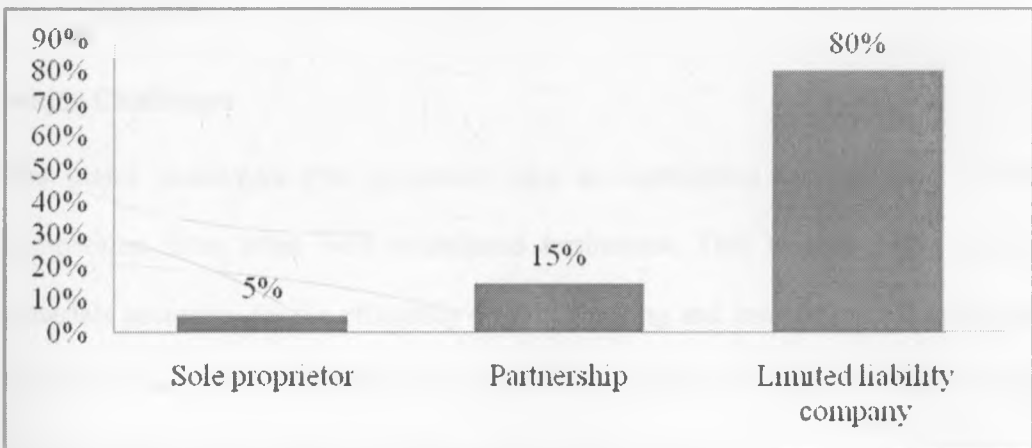


Source: Research data, (2012)

## Formality Category

Limited Liability Company business category formed the largest percentage (80%) of the mid-sized companies that participated. Partnership and Sole Proprietorships were the other categories with 15% and 5% respectively.

**Figure 3: Formality category**

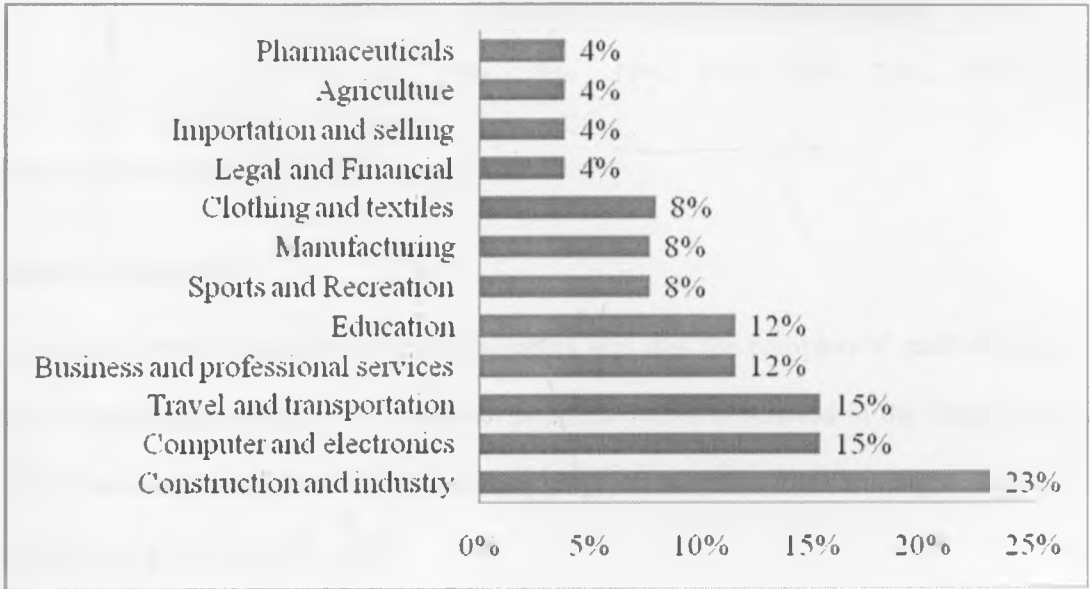


Source: Research data, (2012)

## Sector

As highlighted in the figure below many of the interviewed companies were from the construction at 23%. Travel & transportation and Computer & electronics had 15% each while Business & professional services and Education had 12% each. The rest had 8% and 4% as per table below;

**Figure 4: Sector**



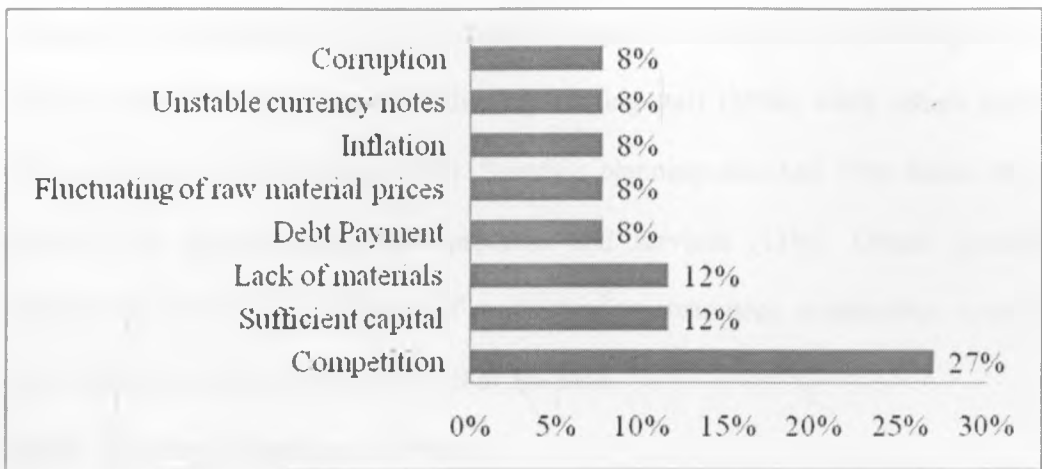
Source: Research date, (2012)

## 4.3 Challenges

### Major Challenges

The major challenges that businesses face as highlighted by the study include competition from other well established businesses. This was at 27%. Lack of materials necessary for the efficiency of their working and insufficient capital to start businesses had 12% each. Other major challenges included: Corruption 8%, Unstable currency 8%, Inflation and Fluctuating raw material prices 8%.

**Figure 5: Major challenges.**



Source: Research data, (2012)

### Minor Challenges

Among the most highlighted minor challenges was that the company's staff did not have the required skills, 37%. The other problem was low demand in the supply for goods and services 16%. The rest including poor infrastructure, low trading, transport breakdown etc. scored 5% each.

**Figure 6: Minor challenges**

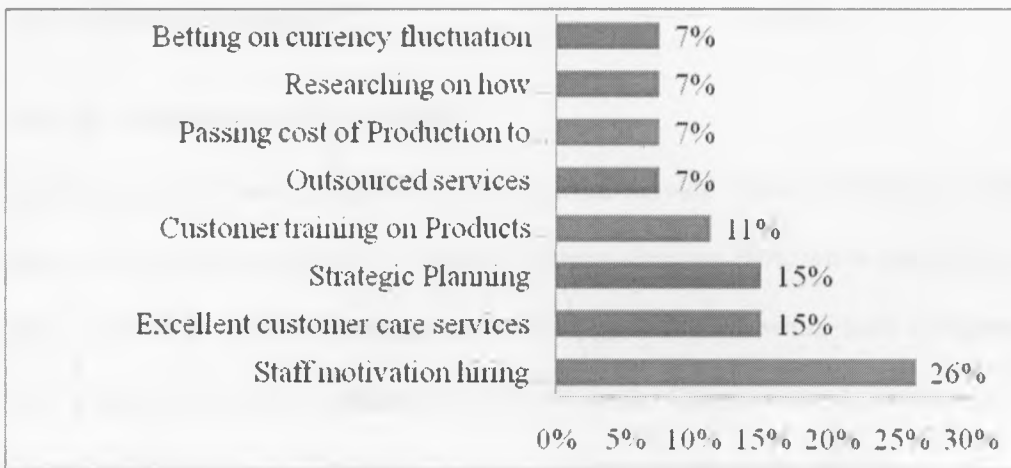


Source: Research data, (2012)

## Overcoming the Challenges

Amongst the highlighted ways in which the companies overcame the challenges were hiring competent , training and motivating existing staff (26%), while others sort to offer excellent customer care (15%). Strategic planning also had 15% while others trained their customers on their products and services (11%). Others included Outsourcing, Passing on the cost of production to customers, competition research and betting on currency fluctuation all at 7% each.

**Figure 7: Overcoming the challenges**

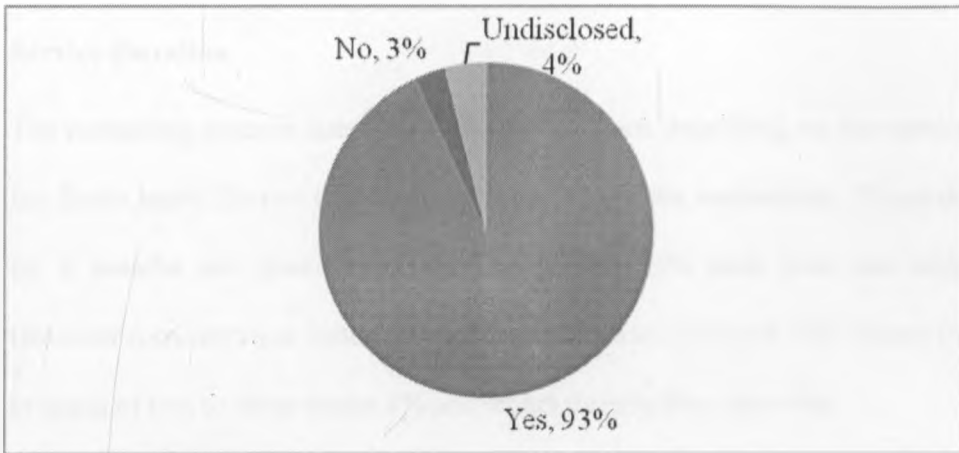


Source: Research data, (2012)

### 4.4 Seeking Professional Assistance

Most of the SME's sought professional assistance from time to time as attested to by some 93% of the respondents. Only 3% of them said that they do not seek the professional assistance while the other 4% did not disclose whether or not they sought the professional assistance.

**Figure 8: Seeking professional assistance**

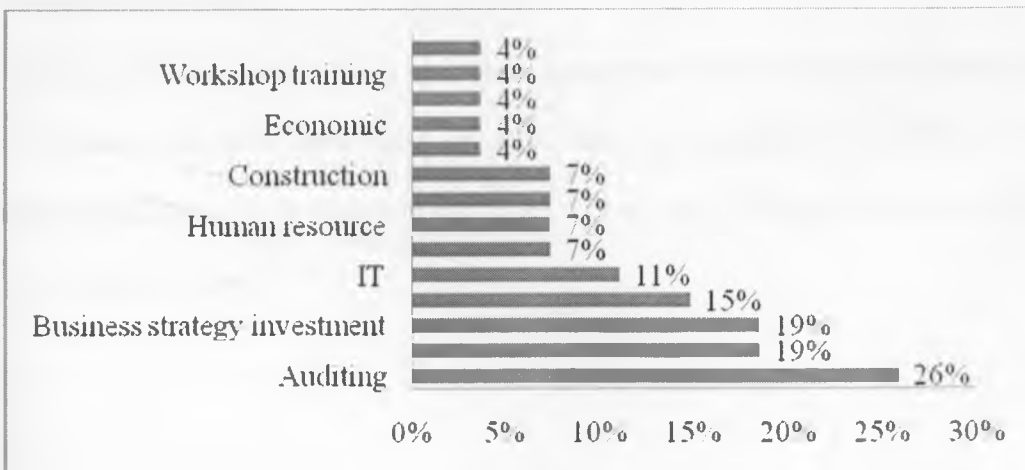


Source: Research data, (2012)

**Type of consultancy service sought**

Auditing was the most sought after professional service (26%), which was closely followed by Finance with 19%. Business strategy also had 19%, while marketing had 11%. Matters to do with Information technology had 11% while staff recruitment, HR, Manufacturing and construction had 7% each. Others were Accountancy 4%, Organizational help 4%, Training 4% and Customer Satisfaction with 4%.

**Figure 9: Type of consultancy service sought**



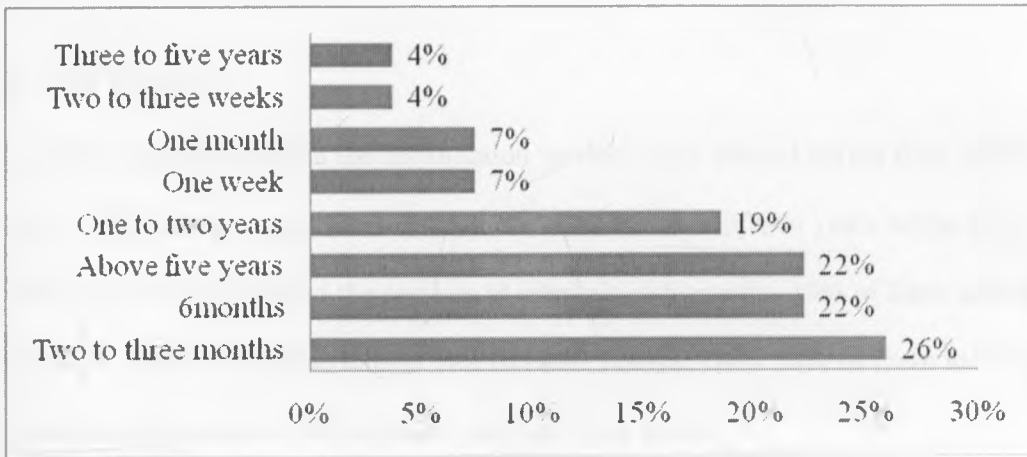


Source: Research data, (2012)

### Service Duration

The consulting process lasted for different durations depending on the service sought for. Some lasted for two to three months for 26% of the respondents. Those that lasted for 6 months and above five years were from 22% each from the respondents. However some services lasted for one month 7% and one week 7%. Others took place in spans of two to three weeks 4% and others three to five years 4%

Figure 10: Service Duration

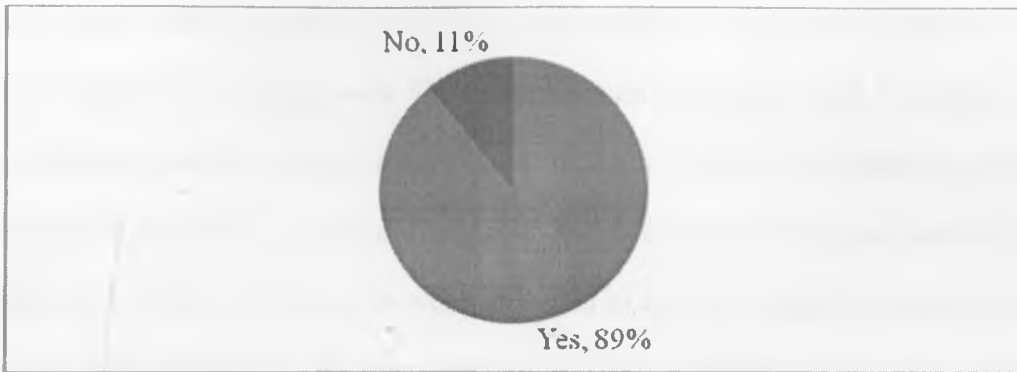


Source: Research data, (2012)

### Demand for Service

Most of the respondents from the SME agreed that they needed the professional consultancy services from time to time. This was attested to by 89% of the respondents. This is as shown in the figure below. Only 11% said that they did not need these services.

**Figure 11: Service demand**

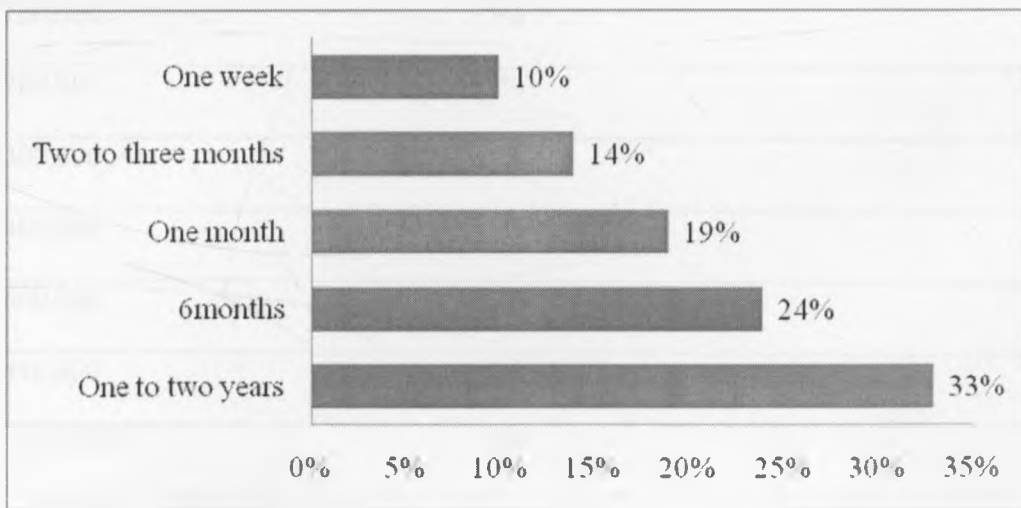


Source: Research data, (2012)

### Service Rotation

Rotational basis for which the consultation services were needed varied from SME to SME. 33% said that they needed the services at intervals of two years while 24% of them said that they needed the services at intervals of 6 months. 19% of them said one month, while 14% said periods of two to three months. Only 10% of them said they would need the service for one week. See the figure below.

**Figure 12: Service rotation**



Source: Research data, (2012)

## Service Importance

Amongst those SME's that had sought the business consultancy, some confirmed that the services had a usefulness of 4.67 in a Likert scale of 5. Since the companies that participated in this study were SME's the amount of money spent in seeking the professional services was relatively small quantities. The most expensive service sought by the SME's was valued at Kes15, 000,000 while the cheapest service was valued at Kes50, 000. Services were perceived to be good value for money as the value was rated at 4.11. in Likert scale of 5. This was equal to 82% level of good value for money perception.

**Table 2: Service importance by amount spent**

Amount spent	Percentage
100,000	18%
500,000	14%
50,000	9%
3,000,000	9%
15,000,000	9%
160,000	5%
200,000	5%
300,000	5%
400,000	5%
600,000	5%
850,000	5%
1,500,000	5%
2,000,000	5%

10,500,000

5%

Source: Research data, (2012)

### Business Consultancy contribution to Top 100 KPMG SMEs

A 90% of the respondents confirmed that business consultancy services contributed to them getting into the top 100 KPMG awards. Business consultancies helped the SMEs to establish strategic business plans (44%), establish good public relations (12%), improved quality on products (12%)and increased the revenue(12%). There were also associated benefits realized from seeking business consultancy services. Only 10% did not attribute their success to consultancy services

Figure 14: Business Consultancy contribution to Top 100 KPMG SMEs



Source: Research data, (2012)

### Utilization of business consultancy Services

Utilization question was based on a Likert scale of 5 where there the scores of were converted to percentages. Business consultancy services helped SMEs to steer ahead of competition (86%). Business consultants were also said to be helpful in providing

new business 83%. They further helped to provide information for new businesses (83%), increase efficiency and improve business image (80% each). However business consultancy services were not perceived to be cheaper than experts hired on full-time basis and thus were thought to be equally expensive (66%).

**Table 3: Utilization of business consultancy Services**

Statement	Mean	Percentage score
Business consultants provide new ideas about how to run a business	4.14	83%
Business consultants results to increased efficiency	4.00	80%
Business consultants help business to be at part or ahead of competition	4.29	86%
Business consultants resulted to an improved image for my business	4.00	80%
Business consultants are cheaper than hiring experts on full time basis	3.32	66%
Business consultants help my business to be compliant with the law	3.79	76%
Business consultants are expensive	3.32	66%
Business consultants help my business to be more formal	4.07	81%
Business consultants contributed to the growth of our business	3.75	75%

Source: Research data, (2012)

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND**

### **RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the findings of the study in a summarized state, deriving conclusions from the findings and further suggesting recommendations on the way forward. It also gives suggestions for further research.

#### **5.2 Summary of Findings**

This study was exploring the relationship between business consultancy services and the performance of the KPMG Top 100 (SMEs) in Kenya. The study revealed that numerous SMEs engage in various types of business categories and specializations. They undertake their activities in an attempt to serve the market and attain both profits and growth. However this is not always the outcome. As pre-discussed earlier in the study SMEs face various. These problems if not well tackled lead to strained performance or total failure.

The study revealed that there was presence professional business services which entailed of highly qualified and experienced experts in different aspects of the business environment. These were the consultants and consultant companies whose services were sought to help address varying concerns in business.

Though the services were not for free benefits were often positive as most of the SMEs realized growth, efficiency and massive turnovers in profits. Equally the consultancies were also growing into a fully-fledged industry though not well established in the market. They continue to provide new ideas about how to run

businesses, increase efficiency as they offer competitive advantage to SMEs in the country.

### **5.3 Conclusion**

After the analysis of the results of the study, a number of conclusions can be drawn. First that there are numerous SMEs of different specializations that operates within the country. These belong to both formal and informal sectors operating in different categories in different sectors of the economy. The SMEs have different structures that help them to execute their tasks efficiently.

Secondly, SMEs face numerous challenges in their operations, ranging from competition to financial problems among others. As a result the SMEs always seek different ways of tackling these challenges including seeking business consultancy services. The type of consultancy service sought depends on specialization, complexity and capacity of the SME to pay for it. Specializations include finance, marketing, IT, Manufacturing, Construction, Human Resource amongst others.

Thirdly, the consultancy process can be as short at one week or as long as five years depending on the urgency and complexity. Further, the services can be required on rotational or interval basis from one week, months and or years. Most rotational cycles are however limited to two years as the SMEs follows the growth curve from inception, growth, maturity, stagnation and decline. Naturally some services apply one stage and not necessarily another stage. Other services are not needed on basis of stage of business growth.

Last but not least, SMEs spend different amounts of money on services sought ranging from Kenya shillings fifty thousand to fifteen million. The amount paid depends primarily on capacity of the firm to pay. Some consider hiring full-time specialists who they think cost on average the same as the external expert.

Finally, this study concludes that indeed most companies featured on The KPMG Top 100 SMEs surveys to a large extent benefited from the services of business consultants to achieve their performance. However, the utilization of such services is not embraced by all SMEs. Some confirmed not knowing about them at all during their business infancy stages when they needed them most. Others convinced that having performed well without them confirms that they do not need them at all. Majority however confirm that engaging these services has been very beneficial to them.

#### **5.4 Recommendations**

From the study it is very clear that business consultancy services are important to performance of SMEs. KPMG Top 100 SMEs used the services of business consultants to address various problems, improve performance and also become more formal. Other firms can copy from the successful businesses on utilizing these services to their advantage. Even informal businesses need to consider this very critically and actively seek this expert intervention in order to be formal therefore more structured and compliant with the law.

On the other hand, consultants and consultancy firms need to come up with ways of reaching the masses: explaining the value of what they do, where they can be found and at what cost. There is need by them to conduct advertisements using all avenues



especially those designed to reach the masses like vernacular media houses, word of mouth, daily news papers amongst others.

Since some of the consultancies help the businesses to comply with the law and regulation, the government needs to provide incentives or create linkages between consultants and SMEs. This can be through sponsored programmes, project facilitation through international fund organizations and multinationals, sponsoring advertisements of local companies or subsidizing costs that would otherwise be borne by the SMEs.

### **Recommendations for further research**

Business collapse at infancy stage and below three years remains a challenge, yet SMEs are identified as the largest sector in any growing economy. More research therefore needs to be conducted to address the business support services needed by SMEs, how they are to be packaged exactly, when they are most relevant and how the SMEs can be educated to appreciate this. A more direct link between each sector of SME and each type of consultancy or each problem area and each interventionary measure needs to be established so as to avoid generalizing these issues. By so doing, consultancy as far as performance of SMEs is concerned will be demystified.

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# APPENDIX 1: QUESTIONNAIRE

Q1 Type of business operated

- a) Formal
- b) Informal

Q2 Role of the respondent from the company?

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Q3 Type of business operated?

A Sole proprietor	1
B Partnership	2
C Limited liability company	3

Q4 To which category does your business belong to?

Entertainment	1	Legal and Financial	8
Business and professional services	2	Media and Communication	9
Clothing and textiles	3	Science and Research	10
Computer and electronics	4	Real Estate	11
Construction and industry	5	Sports and Recreation	12
Education	6	Travel and transportation	13
Food and Dining & Hotels	7		

Q5 What are the major challenges faced by your business?

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Q6 What are the minor challenges faced by your business?

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Q7 How did you overcome these challenges?

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Q8 Did your business seek any professional consultancy assistance?

[1] Yes [2] No

Q9 What type of consultancy did you seek help for?

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Q10 What was the duration of the service offered to your business by the consultant?

One week	1	6months	5
Two to three weeks	2	One to two years	6
One month	3	Three to five years	7
Two to three months	4	Above five years	8

Q11 Would you say that you need the service from time to time?

[1] Yes [2] No

Q12 What is the rotational basis for you to need the services?

Weekly	1	Six months	5
Two to three weeks	2	One to two years	6
Monthly	3	Three to five years	7

Two to three months	4	Above five years	8
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Q13 What area of business consultancy have you sought in the past?

Accountancy and Auditing	1	Legal	5
Business Training	2	Marketing	6
Business and professional services	3	Others (Specify)	7
Computer and Software	4		

Q14 How would you describe business consultancy service you have sought in the past?

Very useful	Quite useful	Not sure	Not useful	Not useful at all
5	4	3	2	1

Q15 Approximately how much do you spend in a year on business consultancy services?

---

Q16 Considering how much money you spend on business consultancy would you say it is \_\_\_\_\_ value for money

Excellent	Very Good	Fair	Poor	Very Poor
5	4	3	2	1

Q17 Would you say business consultancy services contributed to you getting into the Top 100 KPMG Awards, 2011?

Yes....1 No .....2

Why?

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Q18 The following are some of the things people have said about business consultancy services, please tell me the extent to which you agree or disagree with each statement

Statement	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
A) Business consultants provide new ideas about how to run a business	5	4	3	2	1
B) Business consultants results to increased efficiency	5	4	3	2	1
C) Business consultants helped my business to be at par or ahead of competition	5	4	3	2	1
D) Business consultants resulted to an improved image for my business	5	4	3	2	1
E) Business consultants are cheaper than hiring experts on full time	5	4	3	2	1

basis					
F) Business consultants help my business to be compliant with the law	5	4	3	2	1
G) Business consultants are expensive	5	4	3	2	1
H) Business consultants contributed to the growth of our business	5	4	3	2	1
I) Business consultants help my business to be more formal	5	4	3	2	1

Q19 Any other comment of Business consultancy services

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**THANK YOU FOR YOUR TIME AND PARTICIPATION**

**APPENDIX II: LIST OF KPMG TOP 100 COMPANIES IN****KENYA 2009-2011**

<b>2009 KENYA TOP 100 COMPANIES</b>	
<b>RANK</b>	<b>NAME OF COMPANY</b>
1	MELLECH ENG. & CONS. LTD
2	TOP IMAGE (K) LTD
3	LINKSOFT TELECOMS NETWORKS LTD
4	GAP MARKETING LTD
5	OCEAN AGRICULTURE
6	TRUFOODS LTD
7	FLOORING INTERIORS LTD
8	MANJI FOOD INDUSTRIES LTD
9	CRAFT SILICON LTD
10	ELRIS COMMUNICATIONS
11	STANTECH MOTORS LTD
12	AFRICAN TOUCH SAFARIS LTD
13	ALPHA DAIRY PRODUCTS LTD
14	SOKO SWEETS LTD
15	I SOLUTIONS
16	HOGGERS LTD
17	FARAM EA LTD

18	MASTER POWER SYSTEMS LTD
19	EXPRESS COMPANY LTD
20	VAJAS MANUFACTURERS LTD
21	ULTIMATE ENGINEERING
22	TIGER BRANDS (K) LTD
23	MURINGA HOLDINGS LTD
24	DISTRIBUTED COMMUNICATION SYSTEMS LTD
25	MADHUPAPER KENYA LTD
26	STOIC COMPANY LTD
27	KENWEST CABLES LTD
28	VIVA PRODUCT LINE LTD
29	NILA PHARMACEUTICAL LTD
30	FAST CHOICE LTD
31	INDENT LTD
32	ENGINEERING SUPPLIES 2001
33	SKYLARK CREATIVE PRODUCT
34	GLACIER PRODUCTS LTD
35	KANDIA FPS LTD
36	DESBRO ENGINEERING LTD
37	ALEXANDER FORBES
38	INTERSAT AFRICA LTD
39	ALPINE COOLERS LTD

40	GENESIS KENYA INVESTMENT
41	WARREN ENTERPRISES LTD
42	SARACEN MEDIA
43	MEDIAEDGE INTERACTIVE LTD
44	GINA DIN CORPORATE
45	BAUS OPTICAL LTD
46	TONONOKA ROLLING MILLS LTD
47	VITAFOAM PRODUCTS LTD
48	CAPITAL COLORS CREATIVE DESIGN LTD
49	POWER CONTROLS LTD
50	CECYPO LTD
51	KENYA BUILDERS & CONS. LTD
52	SIMBA TECHNOLOGY LTD
53	LOTA MOTORS LTD
54	PRIME FUELS KENYA LTD
55	KENTONS LTD
56	CARIBON LTD
57	CREATIVE EDGE LTD
58	THE PHOENIX LTD
59	MENTOR HOLDINGS
60	SECUREX AGENCIES (K) LTD
61	CHEMSERVE CLEANING
62	IMPALA GLASS INDUSTRIES

63	SPECICOM TECHNOLOGIES LTD
64	CHARLESTON TRAVEL LTD
65	CHANDARANA SUPERMARKETS
66	MUKURWEINI-WAKULIMA DAIRY LTD
67	RADAR LTD
68	CIRCUIT BUSINESS SYSTEMS
69	MASTER FABRICATORS LTD
70	RIFT VALLEY AGENCIES LTD
71	CAPITAL AIRTIME LTD
72	TECHBIZ LTD
73	SEASONS RESTAURANT & HOTELS
74	HENKEL CHEMICALS E.A
75	MICROSKILLS I.T(K) LTD
76	PHARMART CHEMISTS
77	OIL SEALS AND BEARINGS CENTRE
78	KAPS LTD
79	DEEPA INDUSTRIES LTD
80	RELIABLE ELECTRICAL
81	HEALTHCARE DIRECT LTD
82	VICTORIA FURNITURE'S LTD
83	FAIRVIEW HOTEL
84	TRANS BUSINESS MACHINES
85	SCHINDLER LTD



86	PRECIOUS INSURANCE BROKERS LTD
87	CHEMOQUIP LTD
88	MAKINI SCHOOL LTD
89	TRAVEL CARE LTD
90	WINES OF THE WORLD
91	PWANI CELLULAR SERVICES LTD
92	NIVAS LTD
93	RAMCO PRINTING WORKS LTD
94	SHEFFIELD STEEL SYSTEMS
95	BIMAS
96	ELECTRO WATTS LTD
97	SOFTWARE TECHNOLOGIES LTD
98	WINAFRIQUE TECH
99	COMPUTECH LTD
100	TRAVEL AFFAIRS LTD

#### 2010 KENYA TOP 100 COMPANIES

RANK	NAME OF COMPANY
1	PROFESSIONAL MARKETING SERVICES
2	DESIGN CORPORATE LTD
3	COMPUTER PLANET
4	ULTIMATE ENGINEERING LTD
5	FLOORING & INTERIORS LTD

6	APEX COMMUNICATION LTD
7	DAWA LTD
8	SOFTWARE TECHNOLOGIES LTD
9	GAP MARKETING LTD
10	SWIVEL MARKETING
11	CANON ALUMINIUM FABRICATORS LTD
12	DISTRIBUTED COMMUNICATION SYSTEMS LTD
13	SECURITY WORLD TECHNOLOGY
14	STANTECH MOTORS LTD
15	MUKURWEINI WAKULIMA DAIRY LTD
16	BELL ATLANTIC COMMUNICATION
17	GINA DIN CORPORATE COMMUNICATION
18	MANJI FOOD INDUSTRIES LTD
19	SATGURU TOURS & TRAVEL LTD
20	LOTA AUTOMOBILES LTD
21	POWER CONTROLS LTD
22	HEALTHCARE DIRECT (K) LTD
23	INVESTEQ CAPITAL LTD
24	VICTORIA FURNITURES
25	TIGER BRANDS (K) LTD
26	SKYLARK CREATIVE PRODUCTS LTD
27	VITAFOAM PRODUCTS LTD

28	BRAND LIMITED
29	KAMILI PACKERS LIMITED
30	BISELEX KENYA LTD
31	SARACEN MEDIA COMPANY
32	GENERAL ALUMINIUM
33	UNES LTD
34	TONONOKA ROLLING MILLS LTD
35	SPICE WORLD LIMITED
36	ISOLUTION ASSOCIATES
37	CHARLESTON TRAVEL LTD
38	EGGEN JOINEX LTD
39	SAHAJANAND ENTERPRISE LTD
40	RELIABLE ELECTRICAL ENGINEERS(NRB) LTD
41	EXPRESS AUTOMATION LTD
42	VIVA PRODUCT LINE LTD
43	LACHLAN KENYA LTD
44	DESBRO ENGINEERING LTD
45	ALPINE COOLERS
46	KENTONS LTD
47	MURINGA HOLDINGS LTD
48	THE PHOENIX LTD
49	TRANS BUSINESS MACHINES

50	MASTER POWER SYSTEMS LTD
51	GANATRA PLANT EQUIPMENT
52	OIL SEALS & BEARINGS LTD
53	RANGECEM PHARMACEUTICALS LTD
54	SPECICOM TECHNOLOGIES LTD
55	PENTAPHARM LTD
56	SILVERBIRD TRAVEL PLUS
57	SIGMA SUPPLIES LTD
58	HEBATULLA BROTHERS LTD
59	IMPALA GLASS INDUSTRIES LTD
60	WARTSILA EAST AFRICA LTD
61	FURNITURE INTERNATIONAL
62	AVTECH SYSTEMS LTD
63	SAHAJANAND STORES LIMITED
64	KEVIAN KENYA LTD
65	SMART PRINTERS LTD
66	CREATIVE EDGE LTD
67	PREMIER INDUSTRIES LTD
68	PARAPET LTD
69	PELICAN SIGNS
70	KENYA BUILDERS & CONCRETE CO LTD
71	SECUREX AGENCIES(K) LTD

72	MADHUPAPER KENYA LTD
73	KENYA SWEETS LTD
74	TRAVEL AFFAIRS LTD
75	PHILAFE ENGINEERING LTD
76	WINES OF THE WORLD
77	BIODEAL LABORATORIES LTD
78	MICROSKILLS I.T (K) LTD
79	CIRCUIT BUSINESS SYSTEMS
80	CROWN FOODS LTD
81	CAPITAL COLOURS C. D LTD
82	FAIRVIEW HOTEL
83	PWANI CELLULAR SERVICES LTD
84	BROLLO KENYA LTD
85	ONE WORLD COURIERS LIMITED
86	NIVAS LTD
87	DEEPA INDUSTRIES LTD
88	KARNATAKA WATER PUMPS AFRI LTD
89	TRUFOODS LTD
90	PRAFUL CHANDRA & BROTHERS
91	VISH ELECTRIC LTD
92	TYRE MASTERS LTD
93	UNION LOGISTICS LTD

94	ALPHA MEDICAL MANUFACTURES LTD
95	TRAVELSHOPPE CO.LTD
96	CONTINENTAL PRODUCTS
97	SHEFFIELD STEEL LTD
98	SUPERFOAM LTD
99	SAI PHARMACEUTICALS LTD
100	TRAVEL CARE LIMITED

### 2011 KENYA TOP 100 COMPANIES

RANK	NAME OF COMPANY
1	JUNGLE MACS EPZ LTD
2	PENTAPHARM LTD
3	KEMA E A LTD
4	PG BISON KENYA LTD
5	MUKURWEINI WAKULIMA DAIRY
6	SOFTWARE TECHNOLOGIES LTD
7	KENTONS LTD
8	SBO RESEARCH LTD
9	LEE CONSTRUCTION LTD
10	SATGURU TRAVELS AND TOURS SERVICES LTD
11	DAWA LTD
12	TRANS BUSINESS MACHINES
13	UNES LTD

14	HEALTH CARE DIRECT
15	PRINT FAST LTD
16	GAP MARKETING LTD
17	RADAR LTD
18	SPICE WORLD LTD
19	VICTORIA FURNITURES LTD
20	MURANGA FORWARDERS LTD
21	INVESTEQ CAPITAL LTD
22	CANON ALUMINIUM FABRICATORS LTD
23	KENBRO INDUSTRIES LTD
24	LANTECH AFRICA LTD
25	CHEMICALS & SCHOOL SUPPLIES LTD
26	OASIS LTD
27	SEASONS RESTAURANTS & HOTELS LIMITED
28	CHARLESTON TRAVEL LTD
29	SHEFFIELD STEEL SYSTEMS LTD
30	SUNPOWER PRODUCTS LTD
31	BISELEX KENYA LTD
32	PLANNING INTERIORS LTD
33	FURNITURE INTERNATIONAL
34	MASTER POWER SYSTEMS LTD
35	BBC AUTO SPARES LIMITED
36	TRANSPORT & LIFTING SERVICES

37	GENERAL ALUMINIUM FAB LTD
38	COMPUTER PLANET LTD
39	VAJRA DRILL LTD
40	AVTECH SYSTEMS LIMITED
41	TYREMASTERS LTD
42	COMPLAST INDUSTRIES LTD
43	HEBATULLAH BROTHERS LTD
44	OPTIWARE COMMUNICATIONS LIMITED
45	GANATRA PLANT & EQUIPMENT LTD
46	AFRICA TEA BROKERS LTD
47	SAI PHARMACEUTICALS LTD
48	SILVERBIRD TRAVEL PLUS
49	WARREN ENTERPRISES LTD
50	PELICAN SIGNS LTD
51	NAIROBI GARMENTS ENTERPRISES LIMITED
52	CHEMSERVE CLEANING SERVICES LIMITED
53	GINA DIN CORPORATE COMMUNICATIONS
54	MADHUPAPER KENYA LTD
55	KEVIAN KENYA LTD
56	BIODEAL LABORATORIES LTD
57	VIVA PRODUCTLINE LTD
58	CAPITAL COLOURS CREATIVE DESIGN LTD
59	KINPASH ENTERPRISES LIMITED



60	FARAM EA LTD
61	THE PHOENIX LTD
62	KANDIA FRESH PRODUCE SUPPLIER LTD
63	DALCO KENYA LTD
64	UNION LOGISTICS LIMITED
65	CREATIVE EDGE LTD
66	MARKETPOWER INTERNATIONAL LTD
67	WAUMINI INSURANCE BROKERS LTD
68	STOIC FLEET WATCH
69	R & R PLASTICS LIMITED
70	EAST AFRICAN ELEVATOR COMPANY LIMITED
71	ALPINE COOLERS LTD
72	SPECIALIZED ALUMINIUM RENOVATORS LIMITED
73	PANESAR'S KENYA LTD
74	NATIONWIDE ELECTRICALS INDUSTRIES LIMITED
75	TOOLCRAFTS LIMITED
76	CIRCUIT BUSINESS SYSTEMS
77	SAHAJANAND ENTERPRISES LTD
78	WINES OF THE WORLD LTD
79	AIRTOUCH COOLING SYSTEMS
80	HARDWARE AND WELDING SUPPLIES
81	LIMELIGHT CREATIONS LIMITED

82	AXEL ENGINEERING AND MANUFACTURING LTD
83	VIRGIN TOURS LTD
84	SKYLARK CREATIVE PRODUCTS LTD
85	EGGEN JOINEX LTD
86	DESBRO ENGINEERING LTD
87	TIGER BRANDS KENYA LTD
88	CATALYST TRAVELS LIMITED
89	PROFESSIONAL CLEAN CARE LTD
90	PREMIER INDUSTRIES LTD
91	CHUMA FABRICATORS LIMITED
92	PRAFULCHANDRA & BROTHERS LTD
93	PARAPET LIMITED
94	RONGAI WORKSHOP & TRANSPORT LIMITED
95	ZAVERCHAND PUNJA LTD
96	TRAVELSHOPPE COMPANY LTD
97	EUROCON TILES PRODUCTS LIMITED
98	GLOBAL TRADE MARKET PLACE
99	RANGECEM PHARMACEUTICALS LTD
100	VARSANI BRAKELINING LTD