

**THE INFLUENCE OF BUSINESS STRATEGIES ON THE
PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN
NAIROBI COUNTY, KENYA**

BY:

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DECLARATION

This research project is my original work and has not been submitted for examinations or award of degree in any other university.

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This research project has been submitted to the University of Nairobi for examination with my approval as the Supervisor.

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DEDICATION

I would like to dedicate this project to my wife, Julia and my children, Yatich and Chepkemoi for their patience and understanding as I pursued my MBA.

ABSTRACT

This study had set out to establish the influence of business strategies on the performance of Small Medium Enterprises (SME's) in Nairobi City County. The study had also set out to determine the business strategies adopted by small and Medium Enterprises in Nairobi County. The study was guided by the following research objectives: to determine the business strategies adopted by SMEs in Nairobi County and to establish the influence of those business strategies on their performance. The study targeted 461 SMEs operating in Nairobi County which are licensed by the County Government. The study targeted owners, managers and /or owner/managers operating SMEs within the Nairobi County. The study adopted descriptive research design in collecting data from respondents. The study employed a simple random sampling methodology to select a sample representative of the total population. The main tool for collecting data was questionnaire (Primary source). The questionnaires were personally administered by the researcher to allow for further probing on issues that may not have been clear to the respondents. The data was analyzed using descriptive and regression statistics with the aid of SPSS 21.0. Regression model was used to establish the influence of business strategies (Human Resource, Finance, Information Communication Technology and Competitive strategies) on the performance of SMEs. The study found out that it is indeed true that the various business strategies influence the performance of SME's operating within Nairobi County. The study affirmed that those SMEs that have implemented business strategies have improved their performance.

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ABBREVIATIONS

ANOVA – Analysis of Variance

CBD - Central Business District

CS – Competitive Strategies

FS – Financial Strategies

GDP – Gross Domestic Product

GoK – Government of Kenya

HRM- Human Resource Management

HRS – Human Resource Strategies

ICT – Information Communication Technology

IOE – Industrial Organization Economy

RBV – Resource Based View

R&D – Research and Development

SD – Standard Deviation

SME's – Small Medium Enterprises

TS – Technological Strategies

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

In Kenya SMEs operate in all sectors of the economy, that is, manufacturing, trade and service subsectors. The SMEs range from those unregistered, known as Jua Kali enterprises, to those formally registered small-scale businesses, such as supermarkets, wholesale shops and transport companies. In today's competitive and dynamic environment, Small and Medium Enterprises (SMEs) need to develop, manage and monitor their businesses effectively to enhance their market performance. This requires the formulation and implementation of effective business strategies to produce a great performance (Brenes, Mena & Molina, 2007). Business strategies are viewed as enablers of organization growth as it streamlines internal operations and stimulate access to business opportunities and markets; enhance business-related efficiencies, increase productivity and profitability (Horvits, 2005). However, some SMEs focus on the basic, routine and non essential tasks; while service delivery is poor and not focused (Horvits, 2005).

1.1.1 Concept of Strategy

Strategy is described as a deliberate set of actions to achieve competitive advantage, giving coherence and direction to the organization. Strategy refers to all decisions related to business objectives and the courses of actions to achieve them (Drucker, 1973). Strategy consists of planning decisions which clarify and determine vision, mission, and

objectives, defining policies and basic plans for achieving those goals, defining the scope of the company's activities and specifying the kinds of economic and human type of the organization. Strategy, according to Brian (1968), is the pattern or plan that integrates an organization's goals and objectives with policies, programs, and action sequences into a cohesive whole. Strategy gives the direction that firms aspire to take and in which way they want to achieve their goals.

In their study, Henderson and Venkatraman (1990) classify strategies into three broad categories: corporate strategy (concerned with interrelationship among businesses); business strategy (focusing on deploying a strategy at a unit or product level that maximizes the organization unit or product's comparative advantage to best compete in the marketplace) and functional strategy (reflecting efficient allocation of resources allocated to the particular firms).

1.1.2 Business Strategies

A business strategy is an overall plan of action which defines the competitive position of a firm. It clearly articulates the direction a business will pursue and the steps it will take to achieve its goals. In fact it results from the goals established to support the stated mission of the business. Business strategies are undertaken with the goal of improving service delivery, increasing efficiency, expanding service and channel offering and meeting the demands of citizens for quality services in a manner that is consistent with their range of financial, environmental, and social concerns. As organizations transform their delivery channels and working practices to satisfy greater customer demands and

cost-efficiency, many deploy business strategies to meet these specific goals and general organizational objectives (Li, Guohui & Eppler, 2008).

Business strategies are implemented through the major functional areas in finance, production, marketing, human resource management (HRM), and research and development (R&D). In turn each functional strategy is made up of several activities. Therefore, activities act as guides to the realization of the overall business strategy (Mintzberg & Quinn, 1992). The effectiveness of the overall business strategy depends substantially on how well activities in the various functional areas are integrated to form a pattern.

1.1.3 Organizational performance

Performance is the competency of an organization to transform the resources within the firm in an efficient and effective manner to achieve organizational goals (Daft, 1997). Organizational goals vary depending on the purpose for which they are established. Many studies emphasized traditional accounting measures for performance such as sales growth, market share, and profitability as well as with other indicators of stakeholder satisfaction. Most of research considered the performance in the small firms based on financial measures alone (Bracker, Keats & Pearson, 1988). The performance is measured in terms of various financial measurements based on sales revenue, profits, return on investment/ equity (Wijewardena, Zoysa , Fonseka & Perera, 2004). The applied financial performance measures are sales level, sales growth rate, cash flow, return on shareholder equity, gross profit margin, net profit from operations, profit to sales ratio, return on investment, and ability to fund business growth from profits (Covin,

1991). Later, in addressing the limitations associated with the use of financial data in measuring performance in small firms, non financial measures of performance were used (Gibson & Cassar 2005).

In recognizing the problem of using financial measurements alone, Yusuf and Saffu (2005) recommended that performance should be measured with both financial and non-financial criteria. Pushpakumari and Wijewickrama (2008) used both financial and non-financial measures such as annual sales, annual profits, number of employees, market share and reinvestment in the business to measure the business performance. Gibson and Cassar (2005) used both financial indicators (sales and income measures) and non financial indicators (number of employees). Further, a range of other operational measures have also been used. They include new product success, market share, and the firm's life cycle. Blackman (2003) used this similar approach including variables as high productivity, industry leadership, creating new jobs, business stability, high profit rates, and lower cost of production, community development and business growth.

1.1.4 SMEs in Kenya

An enterprise is considered to be any organized effort intended to return a profit or economic outcome through the provision of services or products to an outside group (Carland, Hoy, Boulton & Carland, 1983). The operation of an enterprise traditionally requires the investment of capital and time in creating, expanding or improving the operations of a business (Meredith, 2001). Small to medium enterprises are considered those enterprises which have fewer than 250 employees. In distinguishing between small and medium size enterprises, the small enterprise is defined as an enterprise which has

fewer than 50 employees. These businesses are often referred to as SMEs and are associated with owner proprietors (Meredith 2001; Schaper & Volery 2004).

Mutula and Brakel (2006) argue that there is no universally accepted definition for small and medium enterprises (SMEs), the description of Small and Medium Enterprises (SMEs) varies from country to country. Most of the time the choice whether or not a company is an SME is based on the number of employees, value of assets or value of sales. In Kenya SMEs are described as any non-farm enterprise, formal or informal, with less than 50 employees, including sole proprietorships, part-time businesses, and home-based businesses (GoK, 2012).

As alluded to earlier in this chapter, In Kenya, SMEs operate in all sectors of the economy, including manufacturing, trade and service subsectors. Almost two-thirds of all SMEs in Kenya are located in the rural areas with only one-third found in the urban areas. The sector is perceived as the engine of growth as it is key in the generation of employment & income, provision of goods & services & as a driver of competition, industrialization and innovation. It comprises of about 75 % of all businesses, employs 4.6 million people (30%) and accounts for 87% of all new jobs and contributes 18.4 % of the GDP (GoK, 2009)

Despite the opportunities presented by globalization, the results have been unsatisfactory for SMEs in terms of their growth. This is evidenced by baseline survey; undertaken by Central Bureau of Statistics (2004) which indicated that there is high rate of failure and stagnation among many SMEs. The survey reveals that only 38% of the SMEs are

expanding while 58% have stagnated and that more micro and small enterprises are most likely to close in their first three years of operation. This is confirmed by the recent study conducted by the Institute of Development Studies University of Nairobi on behalf of Ministry of Planning (2008) which used a sample of businesses operating in Central Kenya. The study revealed that 57% of small businesses are in stagnation with only 33% of them showing some level of growth. Although management and owners of SMEs develop new ideas and solutions, they rarely utilize a formalized logistical strategy, along with overall business objectives which can contribute to the success and the survival management of the enterprise. They therefore face critical constraints that inhibit their growth, competitiveness and performance (GoK 2008).

1.1.5 SMEs in Nairobi County

The national baseline survey (National Baseline Survey, 1999) indicated that about 17% of the total SMEs are located in Nairobi. According to the licensing record provided by Nairobi county licensing office (2014) there were 825 SMEs based in Nairobi County operating in service and manufacturing sectors. The contribution of SMEs to job creation in the country is regarded as immense. Analysis by county shows that Nairobi County recorded a 5.4 increase in job creation in 2011 in the SMEs sector (Republic of Kenya, 2012). Like in any other part of the country SMEs in Nairobi have high mortality rates with most of them not surviving to see beyond their third anniversaries (RoK, 2005),

1.2 Research Problem

According to Covin, (1991), there is a relationship between strategy and performance, while Chell, Haworth and Brearley, (1991) acknowledged that strategies which result in

high performance are identified with activities that include emphasis on product quality, product and service innovations that meet changing customer needs are associated with market share increase arising from attracting new customers and retaining existing ones. Activities associated with high performing strategies also include emphasis on use of technologies, discovery of new markets, excellent customer service and support, extensive advertising, use of external finance, emphasizing cost effectiveness and concern with employee productivity (Vickery, Droge & Markeland, 1993)

SMEs struggle to operate, manage and improve their businesses efficiently in order to deliver quality products and services consistently and on time. This is because in most enterprises the application of business strategies requires a host of expensive and time consuming changes both in the organizational culture and structure hence many owner / managers have had to overlook some necessary and critical business strategies. This has had a devastating negative effect on their performance as it has resulted in poor service delivery, increased internal inefficiencies and negative bottom line; and most importantly reduced contribution to the gross domestic product (GDP), creation of job opportunities and also the overall individual organization performance.

Robinson & Pearce (1984) in their study on strategy development and implementation established that small firms do not commonly follow business strategies and that strategic issues are the domain of large firms and that formal strategic planning has not been a popular practice among small firms because they have neither the time nor staff to invest in strategic business development and implementation. Okwachi Samuel, Gakure Roselyn, and Ragui Mary (2013) focused on relationships between managerial practices and strategy implementation. The study results indicate that managerial practices affect

implementation of strategic plans in Kenyan SMEs. Omanga C. Mochoge (2011) investigated the determinants of strategic information system on the performance of Kenyan SMEs. The findings established that SME successful implementation of IS affect performance. A study by Bowen, Morara and Mureithi (2009) sought to understand how SMEs manage the challenges they face. The findings indicate that SMEs face the following challenges; competition, lack of access to credit, cheap imports, insecurity and debt collection. The SMEs have the following strategies to overcome the challenges; fair pricing, discounts and special offers, offering a variety of services and products, superior customer service and continuously improving quality of service delivery. The research concludes that business success is a consequence of embracing a mix of strategies. Ngugi, Gakure, Were and Kibiru (2012) examined the influence of intellectual capital and growth of small and medium enterprise in Kenya. The study established that management's technical skills influenced the growth of small and medium enterprise, mostly followed by managerial experience, and risk taking propensity among all the entrepreneurial skills factors.

Hence there is limited information on the influence of business strategies focused on the SMEs in Kenya. Thus this study sought to examine the influence of businesses strategies on the performance of Small and Medium Enterprises in Nairobi County. The study attempted to answer the following research question: how do business strategies influence the performance of Small and Medium Enterprises in Nairobi County.

1.3 Research objectives

The study had the following objectives:

- i) To determine the business strategies adopted by small and Medium Enterprises in Nairobi County
- ii) To establish the influence of businesses strategies on the performance of Small and Medium Enterprises in Nairobi County

1.4 Value of the Study

The study is significant to SMEs as they will be able to understand and appreciate the challenges that influence the implementation of business strategies in these organizations and be able to take remedial action to alleviate these challenges and ensure effective implementation of business strategies. The results of the study are also significant to other organizations as the finding will be used to understand and appreciate the challenges influencing the implementation of business strategies in other business sectors and thereby facilitate the sector players to seek solutions that enhance the implementation of the business strategies in an effective manner in order to achieve growth and operation efficiency

The results of the study is also significant to the Government as the finding will be used as a basis of identifying the challenges influencing the implementation of business strategies in the various public sector firms and facilitate effective solutions through regulations and policies that will enhance the implementation of business strategies so as to improve the contribution of SMEs to the general economy

Other academic researchers in this field will also utilize the results of this study as part of secondary data in enhancing future studies. The study will facilitate individual Researchers to identify gaps in the current research and carry out research in those areas.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter, literature, related to and consistent with the objectives of the study, is reviewed. Theoretical foundation is discussed and involved discussion of Industrial Organization Economics (IOE) theory, Theory of Competitive Advantage and Resource-Based View (RBV). Empirical literature review was carried out; review of past literature pertaining to business strategies and performance of Small and Medium Enterprises was discussed.

2.2 Theoretical Foundation

This section provides a theoretical basis for the study by considering three theories, the theory of competitive advantage, which argued that the firm's profitability is merely a function of industry or market structure within which the firms operate. The theory of competitive advantage whose main thought is that internal competencies are the basis for a firm to be a strong competitor in the market meaning that when a firm uses its internal unique resources and capabilities it is better placed to outperform its rivals. The resource based View which assumes that firms can be conceptualized as bundles of resources and capabilities that cannot be bought or sold in markets making them valuable, rare, inimitable and non-substitutable. According to this theory an organization's resource comprise of finance, human resources, technology and marketing as organizational

resources. The review of these three theories assisted in setting the direction of the research.

2.2.1 Industrial Organization Economics (IOE)

The IOE through its structure-conduct-performance paradigm argues that a firm's performance is contingent upon the conduct of the market agents (buyers and sellers), which in turn dependent on the structure (number, size etc.) of the market (Porter, 1980). This theory perceives that firm's profitability is merely a function of industry or market structure within which the firms operate. This model is, however, more suitable for a market condition with simple group structures, high concentrations, and rather homogeneous firms (Seth and Thomas, 1994); and much less applicable to explain large variations of firm performance in a single industry (Parnell, 2011).

2.2.2 Theory of Competitive Advantage

Porter (1980) distinguishes competitive strategies into cost leadership, differentiation and market niche as the sources of competitive advantages. The greater focus on firm-level analysis in the later period has given birth to the RBV. This approach emphasizes an inside-out business strategy, in which a firm using its internal unique resources and capabilities is better able to outperform its rivals (Barney, 1991). Corbett and Wassenhove (1993) strongly believe that internal competencies are the basis for a firm to be a strong competitor in the market.

Porter's (1980) generic strategies in the form of cost leadership, differentiation and market focus may be useful, but inadequate for SMEs to stay competitive. A firm, which has competencies in many functional areas, would be better able to remain competitive in

the market. It is advisable that mixed strategies, such as cost reduction, innovation and quality enhancement to be adopted simultaneously to gain competitive advantage, regardless of industry. A firm gains competitive advantage by performing these strategically important activities more cheaply or better than its competitors (Jonsson & Devonish, 2009).

2.2.3 Resource-Based View

Resource Based View (RBV) assumes that firms can be conceptualized as bundles of resources and capabilities. The resources and capabilities with which firms compete cannot be bought or sold in markets hence they are: valuable, rare, inimitable and non-substitutable. Capabilities must be developed rather than being taken as given resources must satisfy the user need. Business processes / activities could utilize (for their execution): people (characterized by their knowledge, experience, skills and talents); machines, devices and tools (characterized by their technical characteristics and constraints); methodologies, tools and models installed in the organization, and/or various types of tangible assets (buildings, real estate,) and intangible assets (like patents, brand names) (Barney, 1991).

Resource-Based View regard finance, human resources, technology and marketing as organizational resources (Barney, 1991). Porter (1985) regards marketing with special reference to differentiation as competitive strategies of a firm. An effective marketing needs a specialized skill, which allows entrepreneurs to communicate and inform potential customers about their products or services. The RBV argues that the HRM practices have a positive relationship with firm performance (Barney, 1991). In similar

argument, a firm may gain competitive advantage if it has greater capability to manage its human resources (Barney & Wright, 1998). Participation and empowerment, promotion from within, training and skill development are among notable HRM practices having great value to an organisation (Pfeffer, 1994).

2.3 Empirical Literature Review

Nader, Mohammad, Ali and Davod (2011) undertook a research aimed at identifying factors contributing to the failure of strategic decisions implementation in the Iranian health service sector. Reviewing the literature and using experts' opinion, 16 variables were identified. Using exploratory and confirmatory factor analysis, variables were categorized in the form of four factors. The study identified context dimension, content dimension, operational dimension and structural dimension as effective factors on the failure of business strategic decisions in Iranian health service sector.

In their study on the public administration and the role of the government, Afonso et al (2005) focused on the assessment of the efficiency and usefulness of public sector services. Their findings are in line with other studies which mostly show that public services should be much smaller and more efficient than they are at present. One of the proposed solutions is the outsourcing of the non-core activities to the private sector. These findings are in concordance with overall European policies especially with European broad-based innovation strategy.

Chimhanzi & Morgan's (2005) findings indicate that firms devoting attention to the alignment of human resources are able to realize significantly greater successes in their strategy implementation. Specifically, these findings imply that marketing managers

should seek to improve the relationship with their HR colleagues by emphasizing two of the process-based dimensions: joint reward systems and written communication. The relationships between different strategy levels also reflect the effect of relationships among different cross-organizational levels on strategy implementation

Research work of Mutula and Van Brakel (2006) shows that implementation of business strategy in public sector organizations are placed at the centre of the process of change in public administration. But still he notes that innovation in public administration will not automatically be translated into an improvement in organizational performances.

Okwachi, Gakure and Ragui (2013) focused on relationships between managerial practices and strategy implementation. To achieve the main objective, a survey of 96 SMEs was conducted from a population frame of 810 SMEs registered by the Nairobi City Council. Both quantitative and qualitative data were collected. A questionnaire containing both open-ended and closed questions was used for data collection. The response rate of 91.67% was achieved. The study results indicate that managerial practices affect implementation of strategic plans in Kenyan SMEs. Based on the findings, the study recommended that SMEs should take initiatives to improve their management practices through lobbying, professional and industry organizations, adoption of best practices and taking advantage of both government and private sector initiatives.

Omanga (2011), investigated the determinants of strategic information system on firm performance of Kenyan SMEs. The study was conducted in SME in Nairobi County. Structured questionnaires were used to collect primary data. Data was analyzed using

descriptive statistics such as frequencies, percentage, means and inferential statistics such as Pearson correlation and multiple regression models. The findings are of relevance for SME successful implementation of IS particularly when we consider that Small and Medium Enterprises (SMEs) in Kenya has been targeted as a mechanism in generating domestic-led investment to stimulate economic development.

Ngugi, Gakure, Were, Ngugi and Kibiru (2012) examined the influence of intellectual capital and growth of small and medium enterprise in Kenya. From the findings, management's technical skills influenced the growth of small and medium enterprise, mostly followed by managerial experience. Further, the drive/impetus to entrepreneurship influenced the growth of small and medium enterprise mostly followed by risk taking propensity among all the entrepreneurial skills factors.

A study by Bowen, Morara and Mureithi (2009) sought to understand how SMEs manage the challenges they face. These challenges seem to change (evolve) according to different macro and micro conditions. This study employed stratified random sampling to collect data from 198 businesses using interviews and questionnaires. The data was analysed descriptively and presented through figures, tables and percentages. The findings indicate that SMEs face the following challenges; competition among themselves and from large firms, lack of access to credit, cheap imports, insecurity and debt collection. Credit constraint seems to be easing up when compared to previous researches. Relevant training or education is positively related to business success. The SMEs have the following strategies to overcome the challenges; fair pricing, discounts and special offers, offering a variety of services and products, superior customer service

and continuously improving quality of service delivery. The research concludes that business success is a consequence of embracing a mix of strategies

2.4 Organization Performance

Performance is the competency of an organization to transform the resources within the firm in an efficient and effective manner to achieve organizational goals. Performance can be measured using traditional accounting measures such as sales growth, market share, and profitability as well as with other indicators such as stakeholder satisfaction. (Gibson & Cassar 2005), The performance is also measured in terms of various financial measurements based on sales level, sales growth rate, cash flow, return on shareholder equity, gross profit margin, net profit from operations, profit to sales ratio, return on investment, and ability to fund business growth from profits (Wijewardena, Zoysa , Fonseka & Perera, 2004). Yusuf and Saffu (2005) recommended that performance should be measured with both financial and non-financial measures such as annual sales, annual profits, number of employees, market share and reinvestment in the business to measure the business performance of SMEs).

2.5 Business Strategies

Business strategies are implemented through the major functional areas in finance, production, marketing, human resource management (HRM), and research and development (R&D). In turn each functional strategy is made up of several activities.

Therefore, activities act as guides to the realization of the overall business strategy (Mintzberg & Quinn, 1992). Activities which comprise the various functional strategies centre around the following; finance such as capital structure; methods of raising capital: capital expenditure: levels of profit distribution and retention: working capital: and liquidity level. Production which involves selection of suppliers: inventory and productivity levels: production technology and plant size and capacity as well as levels of efficiency in production. Staff recruitment and selection, employee training, performance and remuneration, reward and disciplinary systems, industrial relations and levels of employee participation in decision making, product quality, pricing and promotion, customer target groups, choice of distribution channels, provision of customer service and support, and identification with brand names. The effectiveness of the overall business strategy depends substantially on how well activities in the various functional areas are integrated to form a pattern.

2.5.1 Human Resource Strategies

Human resources strategies may include activities aimed at involving employees in decision making, using clear personnel policies in reward and punishment of employees, emphasizing employee welfare, assessing employee performance, assessing employee job satisfaction, and emphasizing employee productivity among others. Profitable organizations depends on competent employees hence it is important for the organization to develop human resource competencies. The organization need to attract employees with necessary experience, technical skills and other soft skills. Putting together a strong management team with the right skills that works cohesively is one of the first tasks in strategy implementation. The firm also needs to challenge its employees to innovate and

be creative, and motivate them to upgrade their skills continuously (Mintzberg & Quinn, 1991).

Hiring and retaining competent employees helps to develop core competencies. However the organization's core competency emerges incrementally as the firm goes about business. The management team's role is to concentrate enough resources and management attention on activities that strengthen employees' core competencies and motivation. The effectiveness of business strategy is, at least in part, affected by the quality of people involved in the process. In this case quality refers to skills, attitudes, capabilities, experiences and other characteristics of people required by a specific task or position (Peng & Litteljohn, 2001).

2.5.2 Financial Strategies/ Organization Resources

Financial strategies may include determination on the use of outside borrowed funds, search for cheaper sources of finance, reinvestment of earned profits, maintaining large cash balances. Financial strategies and the way they are managed are key determinant of organization performance and this primarily relates to delivery of the best product and service value within financial limits (Saffu 2005).

Johnson et al. (2006) define three issues that organizations face in terms of the relation between strategy and finance: Managing for value, whether this is concerned with creating value for shareholders or ensuring the best use of organization finances (budgets). Financial strategies also includes: determining what resources (people, equipment, materials) and what quantities of each should be used to perform organization activities; developing an approximation (estimate) of the costs of the resources needed to

complete the strategy activities; allocating the overall cost estimate to individual work items; and controlling and management changes to the budget. Finance is necessary for procurement of services, equipment and facilities necessary for organization operations. Thus financial strategies ensure that all expenditures are kept within organization budget, by facilitating resource planning, cost estimation, and cost control. They also facilitate effective management of: resource costs, labor rates, material rates, risk management, plant (buildings, machines, etc.), equipment, cost escalation, indirect costs, and profit which the organization depends on for its operations (Wijewardena, Zoysa, Fonseka & Perera, 2004).

2.5.3 Information Technology Strategies

Effective utilization of quality business information have been identified as crucial in attaining long-term and sustainable performance in the SMEs sector. Technology can be defined as knowledge, products, processes, instruments, procedures and systems which helps in the production of goods and services. Technology facilitates organizations in implementing processes, policies, procedures and initiatives. Organizations also utilize technology to enhance and maintain communication and accountability for all relevant managers and operational employees throughout the organization, and to keep track of achievement of performance goals (Heide, Grønhaug & Johannessen, 2002).

IT strategies facilitate the organization in coordinating, enhancing and in monitoring and evaluation of organization operations. Specifically they enable organizations to efficiently and cost effectively attract and retain profitable customers, integrate and coordinate product and service innovations, production processes, marketing, financing

and personnel. Technological strategies enhance information sharing within the organization. There is a relationship between organizational goals and operational targets of organization and its technological strategy. Effective information technology lay emphasis on the quality of information; time appropriateness of information; quantity of information and relevancy of information (Forman & Argenti, 2005).

2.5.4 Competitive Strategies

Porter (2000) defines competitive strategy as a process whereby a firm's portfolio of products and services is designed to bring together its unique resources and capabilities to gain advantage in the marketplace. The myriad activities that go into creating, producing, selling, and delivering a product or service are the basic units of competitive advantage. In order to achieve sustainable competitive advantage(s), firms need to adopt a strategic positioning through the creation of a unique and valuable position, involving a different set of activities. Several scholars have proposed various competitive strategies for businesses. These usually span quality, cost leadership (Prajojo, 2007), product differentiation (Hwang and Lockwood, 2006), ICT adoption (Ongori & Migiro, 2010) among others

Many firms develop competitive strategies that aim to secure a strong market position and achieve profitability outcomes. Enz (2008) argued that a single resource cannot create competitive advantage. Rather, it is the combination of competitive resources such as brands, human resources (HR), information technology (IT) innovations, computer reservation systems, niche marketing and advertising, and pricing tactics that can increase a firm's capabilities and improve performance. Firms do compete along different

dimensions such as designing and developing new products, adopting smart approaches to manufacturing, implementing quick-to-market distribution, purchasing cutting-edge communication and developing appropriate marketing strategies (Chathoth & Olsen, 2007).

2.6 Summary

Business strategies play a crucial role in the firms' performance as performance of an enterprise is determined by the business strategy it adopts. Business strategies are viewed as enabler of organization growth as it streamlines internal operations and stimulate access to business opportunities and markets; enhance business-related efficiencies, increase productivity and profitability. Business strategies are undertaken with the goal of improving service delivery, increasing efficiency, expanding service and channel and meeting the demands of customers for quality services. Business strategies are implemented through the major functional areas in finance, production, marketing, human resource management and research and development

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the methodology that was used in the entire study. It covers study design, target and study population, sampling techniques, research instruments, data collection, pilot test and data processing and analysis.

3.2 Research Design

A research design is defined as the blue print and a detailed plan of how a research study is to be conducted (Neuman, 2006). The study used descriptive research design in collecting data from the respondents. The descriptive research design was preferred because it ensured complete description of the situation, making sure that there was minimum bias in the collection of data (Kothari, 2003).

3.3 Target Population

The target population consisted of small and medium enterprises located within Nairobi County as contained in the population frame provided by the Nairobi City Council Licensing office which contained 825 small and medium enterprises which have acquired business licenses for 2014.

3.4 Sampling Design

The study used simple random sampling methodology to select a sample that represent the entire population because the population is homogeneous. Hence the study took 20% of the target population of 461 of SMEs thereby obtaining a sample of 92 SMEs from which owner managers were drawn as respondents. This satisfied the law of statistical regularity, which states that if a sample is chosen at random, on average it will have the same characteristics and composition as the population (Kothari, 2009). This ensured that each object had an equal chance of selection and thus avoided biased selection. Owner/managers were selected as respondents due to the fact that they have access to the required information and had the appropriate experience to provide relevant information.

3.5 Data Collection

Data was collected using questionnaires containing closed ended questions. As a method of data collection, questionnaires were appropriate because they were easy to administer, analyze, and cost effective. In order to ensure the reliability and validity of the research instrument expert views and suggestions of the supervisors were initially incorporated in the questionnaires. Thereafter the questionnaire were pretested on eight (8) respondents from the target population who were not be part of the final sample to ascertain the thinking behind the answers so that the researcher could accurately assess whether the questionnaire would be filled out properly, whether the questions were actually understood by respondents, and whether the questions asks what the researchers intents. As a result of the pilot test, initial changes were made to the identified problems in the research instrument.

The researcher administered questionnaires to the sample respondents. Each respondent received the same set of questions in exactly the same way. Prior informed consent was obtained from each respondent before the questionnaire was given to them.

3.6 Data Analysis

The Data collected was chronologically arranged with respect to the questionnaire items to ensure that the correct code was entered for the correct variable. Data cleaning was then done and the data tabulated. The tabulated data was analyzed using descriptive and regression statistics with the aid of Statistical Package for Social Sciences (SPSS 21.0). This facilitated the establishment of relationships between independent and dependent variables and made it easier to understand and interpret the implications of the study. The study used the following regression model.

$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$ Where,

Y= Performance of Small and Medium Enterprises (PSME)

X₁= Financial Strategies (FS)

X₂= Technology Strategies (TS)

X₃= Human Resource Strategies (HRS)

X₄=Competitive Strategies (CS)

α = Constant

The data is presented in the next chapter in form of tables, pie-charts and bar graphs only where it provides successful interpretation of the findings.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis of study findings on the influence of businesses strategies on the performance of Small and Medium Enterprises in Nairobi County. It presents analyses of the variables involved in the study and estimates of the model presented in the previous of the chapter.

Out of the 92 issued questionnaires, 72 questionnaires representing 78.26% of the total questionnaires distributed were returned fully completed, while 20 questionnaires were not returned representing 21.74% of the total questionnaires distributed to the respondents. It can be inferred that the response rate was good. According to Mugenda and Mugenda (2003) a response rate of 70% and over is excellent for analysis and reporting on the opinion of the entire population.

4.2 Demographic Characteristics

The researcher sought to know the demographic characteristics of the respondents relating to the titles, gender, levels of education, line of business and length of existence of the business. The length of the business was particularly important given that studies have shown that 57% of SMEs are in stagnation (Ministry of Planning, 2008). The titles were also of particular importance to the researcher because we needed to know whether they are owners or owner / managers.

Table 4.1 Demographic Characteristics

Demographic factors	Categories	Frequency	Percentage
Title	Owner	25	34.7
	Manager	33	45.8
	Owner/Manager	14	19.4
Gender	Male	46	63.9
	Female	26	36.1
Level of education	Primary	1	1.4
	Secondary	13	18.1

	College	25	34.7
	University	14	19.4
	Other	19	26.4
Line of business	Manufacturing	6	8.3
	ICT	3	4.2
	Construction	9	12.5
	Retail	18	25.0
	Wholesale	27	37.5
	Energy	9	12.5
Length of existence	1-4 Years	21	29.2
	5 – 10 years	14	19.4
	10 years and above	37	51.4

Source, Field Data (2014)

The results shown on table 4.1 above indicate that majority, (45.8%), (63.9%), (34.7%) (37.5%) and (51.4%) of the respondents indicated respectively that they were managers who were mostly male, had reached college and were involved in the business for over 10 years. 34.7% were owners while 19.4 were owner/ managers. This totaled to 54.1% being owners and/ or owner/ managers. This was critical because they were the main focus of our study.

It is also important to note that 54.1% reported to have an education level of college and above showing that they understood the concept of business strategies and could therefore respond with a measure of accuracy and from a point of knowledge.

4.3 Businesses Strategies Adopted By SMEs

The study sought to establish the type of business strategy the enterprises had implemented. The results are shown in Table 4.2

Table 4.2 Business Strategies Implemented

Measurement	Frequency	Percentage
Financial strategies	12	16.7
Technology Strategies	7	9.7
Human Resource strategies	12	16.7
Competitive Strategies	8	11.1
All of the above strategies	33	45.8
	72	100

Source, Field Data (2014)

The results of the study shown on table 4.2 above shows that majority, (52.8%) of the enterprises have implemented: financial strategies, technology strategies, human resource strategies and competitive strategies. From the analysis also, it is important to note that 1 higher percentage of 33.4% have implemented both Financial and Human Resource strategies showing the importance that SMEs place on those two strategies.

The researcher sought to establish the effect which the implementation and use of business strategies has had on the enterprises.

Table 4.3 Influence of Business Strategies

Measurement	Frequency	Percentage
Positive	68	94.4
Negative	1	1.4
Neutral	3	4.2
	72	100

Source, Field Data (2014)

The findings of the study as indicated on table 4.3 above shows that majority (94.4%) of the respondents, acknowledged that implementation and use of business strategies had a positive effect on the business, while the least (4.2%) number of the respondents indicated that the effect of implementation of business strategies was negative. From the study it can be concluded that business strategies when implemented and used effectively will have a positive impact on the business.

4.3.1 Performance of Small and Medium Enterprises

The study sought to examine the indicators of performance of the respondents' enterprises. The results are presented in table 4.4 in the next page.

Table 4.4 Indicators of Performance

Indicators	N	Mean	S.D.
Sales growth	72	1.40	.494
Market share	72	1.60	.620
Profitability	72	1.50	.504
Customer satisfaction	72	1.65	.754

Source, Field Data (2014)

As shown on table 4.4 majority (Mean=1.65; SD=.754) of the respondents indicated that the indicator of performance with greater weight was customer satisfaction, while the least (Mean=1.40; SD=.494) number of respondents indicated sales growth. This is premised on the fact that with higher customer satisfaction, sales can grow.

4.3.2 Influence of Businesses Strategies on the Performance of SMEs

The research sought to establish the effect of human resource strategy on the performance of SMEs. The results are presented in Table 4.5 in the next page.

Table 4.5 Influence of Human Resource Strategy

Statements	N	Mean	S.D.
Effective recruitment and selection strategy	72	1.65	.675
Implemented scheme of service	72	1.96	.759
Training and capacity building policy	72	2.32	.059
Regular team building activities	72	2.36	.142

Source, Field Data (2014)

The results on table 4.5 above shows that most (Mean=2.36; SD=.142) of the respondents agreed that businesses conducting team building activities regularly greatly influence the performance of SMEs, while the least (Mean=1.65; SD=.675) number of respondents indicated that greatly influence the performance of SMEs.

4.3.3 Influence of Financial Strategies on the Performance of SMEs

The researcher sought to establish the effect of financial strategies on the business performance of SMEs. The results are presented in Table 4.6 below.

Tale 4.6 Influence of Financial strategies

	N	Mean	S.D.
Annual budgeting process	72	1.72	.676
Audit system	72	1.85	.850
Risk management policies	72	2.07	.939

Source, Field Data (2014)

Result of the analysis on table 4.6 shows that majority (Mean=2.07 and SD= .939) of the respondents agreed that the enterprise has implemented risk management strategies and policies that ensures that management of risk exposure so as to maintain optimum risk return trade off that maximizes shareholders value; while least (Mean = 1.72 and SD=.676) study respondents agreed that the enterprise has implemented capital budgeting strategies hence selecting operations and investments based on risk and expected returns.

4.3.4 Influence Information Technology Strategies on the Performance of SMEs

The study established the influence of information technology strategies on the respondent's organization. The results are presented in Table 4.7 below.

Table 4.7 Influence Information Technology Strategies

Statement	N	Mean	S.D.
Adoption and use of information communication technology	72	1.86	.581
Inventory management system	72	1.64	.564
Data management strategies	72	1.81	.705
Management information systems	72	1.50	.678
Customer relation management systems	72	1.75	.645

Source, Field Data (2014)

The result on table 4.7 showed that majority (Mean = 1.86 and SD = 0.581) of the respondents agreed that the enterprises have adopted and effectively used information communication technology; while the least (Mean = 1.50 and SD = 0.678) number of the study respondents agreed that the organization has adopted and used management information systems

4.3.5 Influence of Competitive Strategies on the Performance of SMEs

The study sought to find out the competitive strategies employed by the SMEs to improve their organization performance. The results are presented on Table 4.8 below.

Table 4.8 Competitive Strategies

Strategies	Mean	SD
Unique branding	2.63	.066
Skilled human resource	2.21	.156
Information Communication Technology	2.36	.370
Innovation	2.07	.060
Access to cheap credit	1.98	.087
Others	2.16	.113

Source, Field Data (2014)

Results of the study indicated on table 4.8 shows that most (Mean= 2.63 and SD=.066) of the respondents indicated that their strongest competitive strategy consist of the unique brands that satisfy customer needs, while the least number (Mean=1.98 and SD= .087) of study respondents acknowledged that their most important competitive strategy involve access to credit

4.3.6 Regression Analysis

The study sought to establish if there is a relationship between financial, information technology, human resource and competitive strategies and performance of small and medium enterprises. The results are presented in Table 4.9 in the next page.

Table 4.9 Model Summary and ANOVA

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Df	Sig
1	.418a	.175	.120	1.155	5	.002

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.085	5	.017	3.46	.004 ^a
	Residual	4.568	66	.069		
	Total	7.653	71			

Dependent Variable: Performance of Small and Medium Enterprises

Source, Field Data (2014)

Results of the study shown on table 4.9 indicate a coefficient of determination, (R²) of .175. This implies that there is a relationship between financial, information technology, human resource and competitive strategies and performance of small and medium enterprises.

The researcher also sought to test the significance of the regression model using Analysis of variance.

Results of the study shows on table 4.9 above (ANOVA) indicate the significance value was 0.004 which is less than 0.05 thus the model is statistically significant in predicting relationship between financial, information technology, human resource and competitive strategies and performance of small and medium enterprises. Using an alpha of 0.05, the results of the analysis show the calculated F-value of 3.46 while critical F-value =2.39. Since the calculated F Value is larger than the critical F value it indicates that there is a (statistically) significant relationship between financial, information technology, human resource and competitive strategies and performance of small and medium enterprises

The results are shown in Table 4.11

Table 4.10 Coefficients

	B	Std. Error	Beta	t	Sig.
(Constant)	1.419	0.230		6.169	0.000
Financial strategies,	1.146	0.097	0.189	2.554	0.037

Technology Strategies	0.809	0.085	0.159	2.736	0.005
Human resource strategies	0.738	0.084	0.021	2.068	0.048
Competitive strategies	0.529	0.127	0.249	1.930	0.017

Dependent Variable: Performance of Small and Medium Enterprises

Source, Field Data (2014)

The result of the study shown on table 4.11 above indicates:

$$Y = 1.419 + 0.189 X_1 + 0.159 X_2 + 0.021 X_3 + 0.249 X_4 + \varepsilon$$

Where,

Y= Performance of Small and Medium Enterprises (PSME)

X₁= Financial Strategies (FS)

X₂= Technology Strategies (TS)

X₃= Human Resource Strategies (HRS)

X₄=Competitive Strategies (CS)

α = Constant

Hence:

$$PSME = \beta_0 + \beta_1 FS + \beta_2 TS + \beta_3 HRS + \beta_4 CS + \varepsilon$$

The finding of the study show that financial strategies, information technology strategies, human resource strategies and competitive strategies have positive coefficients, implying that these independent variables predict performance of small and medium enterprises.

Therefore taking all independent variables (financial strategies, information technology strategies, human resource strategies and competitive strategies) constant at zero (0); performance of small and medium enterprises will be at 2.419. Therefore a unit increase in financial strategies, information technology strategies, human resource strategies and competitive strategies have positive coefficients will lead to 1.146, 0.809, 0.738 and 0.529 unit increases in performance of small and medium enterprises.

In terms of the variable with the greatest influence on the performance of Small and Medium Enterprises relative, results indicate that competitive strategies (Beta=0.249) had the greatest influence on the performance of SMEs , while the variable with the least influence was human resource strategies (Beta=0.021)

The results of the study further indicate that p-value of = (0.037) for financial strategies, (0.005) for technology strategies; (.048) for human resource strategies and (0.017) for competitive strategies are smaller than the significance level of 0.05. The implications of these results is that there is a significant relationship between financial strategies, information technology strategies, human resource strategies and competitive strategies and performance of small and medium enterprises.

4.4 Presentation of Findings

The results shows that the respondents agreed that SMEs : conducts team building activities regularly, has implemented effective recruitment and selection strategies which have ensured sourcing and acquisition of competent staff, adopted employee relation strategies which have promoted organization harmony, established and used compensation and benefits strategies which have enhanced employees motivation,

developed and implemented labour and employment laws compliance strategies which have improved employees productivity, adopted and used training and development strategies which have improved skill levels of staff and that the organization has implemented the work safety strategies which has increased employees well-being. The findings indicate that the enterprise conducts team building activities regularly and have implemented effective recruitment and selection strategies which have ensured sourcing and acquisition of competent staff. All these strategies have improved employees performance and that of the organization.

The findings of the study are in line with the observations of Peng and Litteljohn (2001) that human resources strategies include activities aimed at involving employees in decision making, using clear personal policies in reward and punishment of employees, emphasizing employee welfare, assessing employee performance, assessing employee job satisfaction, and emphasizing employee productivity among others

4.5 Discussion

The Findings of the study indicate that SMEs have: adopted and used financing strategies to support the enterprise operation and investment, implemented capital budgeting strategies hence selecting operations and investments based on risk and expected returns, adopted financial management strategies which has facilitated the management of cash flow and balancing of the ratio of debt and equity, and adopted and used risk management strategies that ensures that management of risk exposure so as to maintain optimum risk return trade off that maximizes shareholders value. Results of the study also shows that the enterprises have adopted and used risk management strategies and policies that ensures that management of risk exposure so as to maintain optimum risk

return trade off that maximizes shareholders value; while The results further show that the enterprises have implemented capital budgeting strategies hence selecting operations and investments based on risk and expected returns.

The findings of the study concurs with the findings of Wijewardena, Zoysa , Fonseka and Perera, (2004) that operations financial strategies ensure that all expenditures are kept within organization budget, by facilitating resource planning, cost estimation, and cost control. They also facilitate effective management of: resource costs, labor rates, material rates, risk management, plant (buildings, machines, etc.), equipment, cost escalation, indirect costs, and profit.

Results of the study indicate that SMEs: have adopted and used communication strategies that have enhanced the rate of communication in the organization facilitating decision making ; organization is using inventory management system strategies to ensure that the organization maintains enough stock to meet demand without investing in more than they require; uses data management strategies to store and maintain data for immediate access as when needed; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well as the tactical execution of strategy and that the enterprises use customer relation management strategies to improve customer experience thereby enhancing organization performance. The result also showed that the organization has adopted and effectively used information

communication technology and management information systems. The results of the study is in line with the views expressed by Heide, Grønhaug & Johannessen, 2002) that the organizations utilizes technology to enhance and maintain communication and accountability for all managers and operational employees throughout the organization, and to keep track of achievement of performance goals

Findings of the study show that generally SMEs have used varied competitive strategies which include the use of unique brands that satisfy customer needs, skilled human resources, appropriate and recent information technology and enterprises core capacity to continuously innovate and effective marketing infrastructure and access to credit. The study findings also indicate that enterprises strongest competitive strategy consist of the unique brands that satisfy customer needs, while the least important competitive strategy involve access to credit. The study findings are in line with the views of Enz (2008) who noted that core competencies are a combination of competitive resources such as brands, human resources (HR), information technology (IT) innovations, computer reservation systems, niche marketing and advertising, and pricing tactics that can increase a firms' capabilities and improve performance.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This Chapter presents the Summary, Conclusions and Recommendation. It presents the summary of the findings of the study. The chapter also makes some recommendations on the way forward.

The study found out that the various business strategies influence the performance of SMEs. It found out that the SMEs that had implemented business strategies reported a steady growth.

5.2 Summary of the Findings

The study established that human resource strategies influence the performance of SMEs. SMEs that had conducted team building activities regularly, had implemented effective recruitment and selection strategies which have ensured sourcing and acquisition of competent staff, adopted employee relation strategies which had promoted organization harmony, established and used compensation and benefits strategies which had enhanced employees motivation, developed and implemented labour and employment laws compliance strategies which had enhanced employees productivity, adopted and used training and development strategies which had improved skill levels of staff and that the organization had implemented the work safety strategies which had enhanced employees well-being.

The study found out that finance and the way that it is managed is the key determinant of SMEs performance. Thus the SMEs have adopted and used financing strategies to support the enterprise operation and investment, implemented capital budgeting strategies hence selecting operations and investments based on risk and expected returns, adopted financial management strategies which has facilitated the management of cash flow and balancing of the ratio of debt and equity, and adopted and used risk management strategies that ensures that management of risk exposure so as to maintain optimum risk return trade off that maximizes shareholders value.

The study established that technology strategies enhance operational performance of the businesses. Indeed SMEs have adopted and used communication strategies that has enhanced the rate of communication in the organization facilitating decision making; organization is using inventory management system strategies to ensure that the organization maintains enough stock to meet demand without investing in more than they require; uses data management strategies to store and maintain data for immediate access as when needed; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well as the tactical execution of strategy and that the enterprises use customer relation management strategies to improve customer experience thereby enhancing organization performance.

The study found out that competitive strategies influence the performance of SMEs. Hence small and medium enterprises have and use varied competitive strategies which include the unique brands that satisfy customer needs, skilled human resources, appropriate and recent information technology, enterprises organization capacity to continuously innovate, effective marketing infrastructure and access to credit.

5.3 Conclusions of the Study

Human resource strategies influence the performance of SMEs as some SMEs conducts team building activities regularly, have implemented effective recruitment and selection strategies which have ensured sourcing and acquisition of competent staff, adopted employee relation strategies which have promoted organization harmony. In addition the SMEs have also established and used compensation and benefits strategies which have enhanced employees motivation, developed and implemented labour and employment laws compliance strategies which have effectively employees productivity, adopted and used training and development strategies which have improved skill levels of staff and that the organization has implemented the work safety strategies which has increased employees well-being.

Finance and the way that it is managed is the key determinant of organization performance. Thus SMEs have adopted and used financing strategies to support the enterprise operation and investment, implemented capital budgeting strategies hence selecting operations and investments based on risk and expected returns, adopted financial management strategies which has facilitated the management of cash flow and balancing of the ratio of debt and equity, and adopted and used risk management

strategies that ensures that management of risk exposure so as to maintain optimum risk return trade off that maximizes shareholders value.

Technology strategies enhance operational performance of the businesses. Indeed SMEs have adopted and used communication strategies that has enhanced the rate of communication in the organization facilitating decision making ; organization is using inventory management system strategies to ensure that the organization maintains enough stock to meet demand without investing in more than they require; uses data management strategies to store and maintain data for immediate access as when needed; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well; has adopted and effectively used management information systems strategy by using the data as part of the strategic planning process as well as the tactical execution of strategy and that the enterprises use customer relation management strategies to improve customer experience thereby enhancing organization performance.

Competitive strategies affect the performance of SMEs. Generally the enterprises have used varied competitive strategies which include the unique brands that satisfy customer needs, skilled human resources, appropriate and recent information technology, enterprises organization capacity to continuously innovate, effective marketing infrastructure and access to credit.

5.4 Limitations of the Study

The study focused on SMEs in Nairobi County; however there are many other SMEs around the country hence only a small percentage of the target population was covered. This might have an effect on the generalization of the results of the study as business strategies are context influenced. But, the study used descriptive research design which covered the study variables in detail

The study focused on only four study variables that are human resource strategies, financial strategies, technology strategies and competitive strategies; however there are many other variables that were not included in the study. But the study focused on these variables in detail so as to add to the existing knowledge on the business

Some respondents did not provide authentic information but instead provided general information making it difficult to obtain the required information. However the researcher clarified the questions in the questionnaire in order to get direct answers.

Owing to the nature of the subject, some reluctance was experienced from some respondents in terms of disclosing information with regards to the business strategies for fear of being reprimanded by the managers in the organization who are responsible for handling issues related to the matter under study. However the researcher assured the respondents of the confidentiality of the information that they provided and sought authority from management to undertake research in the organization.

5.5 Recommendation of the Study

The study established that human resource strategies influence the performance of SMEs therefore recommended that there is need for the management of SMEs to develop human resource competencies for both employees and management while at the same time striving to attract employees with necessary experience and technical skills. This will enable the organization to be innovative and creative hence competitive in the market.

The study found out that finance and the way that it is managed is the key determinant of SMEs performance its therefore recommended that SMEs develop a detailed and realistic budget for allocating the capital necessary to facilitate efficient and effective organization operation. Besides there is need to closely monitor and evaluate the spending process to ensure the achievement of the objective of the organization. This will increase efficiency of operations, reduce costs of organization operation

The study established that technology strategies enhance operational performance of the businesses, its therefore recommended that SMEs effectively integrate and coordinate technological innovations, production processes, marketing, customers' needs and satisfaction processes, financing and personnel. To ensure that the technology adds value to the organization processes there is need to continuously appraise and add new systems and infrastructure, ensuring that all systems will function reliably, and training all relevant staff to use new systems and programs.

The study found out that technology strategies enhance operational performance of the businesses therefore there is need for the organization to focus enough resources and

management attention on activities that build organization core competencies and capabilities that are scalable such as management and employee's bundles of skills, knowledge, attitudes, capabilities and experiences, technology, customer-centric culture, financial capacity and organization processes that ensure co-ordination of functional activities and give a special advantage which in turn enhance the performance of the organization.

5.6 Suggestions for Further Studies

This study only examined specific study business strategies that influence the performance of SMEs located in Nairobi County in Kenya. However there are other variables that are location specific which also contribute to the performance of SMEs. Hence it is recommended that further research be done to identify and examine additional business strategies that affect the performance of SMEs

The present study has relied largely on secondary data and is therefore restrictive and lacking in clarification and enrichment of data that would have provided a more in depth view of the subject matter. Therefore, primary data need to be also included in future to complement secondary data and provide wider perspective to the present study.

The study examined the effect of price earnings ratio, market to book ratio and firm size (total assets) were the independent variables and stock returns. However the study did not include the moderating or intervening variables influence. There is need for future research to explore moderating influence of other variables

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APPENDICES

Appendix I: Letter of Introduction

A survey on the effect of business strategies on the performance of SMEs in Kenya

Dear Participant,

I am a Master's student of Business Administration at the University of Nairobi Kenya, and am conducting a research on the influence of business strategies on the performance of SMEs in Kenya

The questionnaire will be used for research which is part of my master's course. It should not take more than 10 minutes to fill the questionnaire as all of questions just require you to tick appropriate answer. Your answers will be kept strictly confidential and will only be used for research purposes. Your name will not be mentioned anywhere on the document so kindly give an impartial opinion to make the research successful.

Your cooperation is highly appreciated. If you need the findings of this research please let me know

Thanks once again for your time and cooperation.

Yours Faithfully,

KROP RICHARD

University of Nairobi

APPENDIX II: RESEARCH QUESTIONNAIRE

Introduction

Kindly answer all the questions to enable me analyze the influence of business strategies in the performance of your organization. Your answers will be treated with utmost confidentiality and will not be used for any other reason except for my MBA research.

Part A: Demographic Characteristics

1. Name of Organization (Optional).....
2. Title of Respondent (Tick One) : Owner Manager Owner/ Manager
3. Gender : Male Female
4. Highest level of education achieved.
Primary Secondary College University other
specify.....
5. What line of business is your organization involved in?
Manufacturing ICT Construction Retail Wholesale Energy
Others
(Specify).....
6. How long as your business been in existence
1-4 Years 5 – 10 years 10 Years and above

PART B. Business Strategies Adopted By SMEs

7. Has your business established and implemented business strategies
Yes No
8. If yes which of the following business strategies has your organization implemented?
Financial strategies Technology Strategies Human Resource strategies
Competitive Strategies All of the above strategies
9. In your considered view, what effect has the implementation and use of business strategies had on your business?
Positive Negative Neutral

Part C: Performance of Small and Medium Enterprises

10. Kindly indicate the extent to which you agree with each of the following statements as regards the indicators of performance of your business

		Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
a)	I consider sales growth a key indicator of performance in our organization	01	02	03	04	05
b)	I consider market share a key indicator of performance in our organization	01	02	03	04	05
c)	I consider profitability a key indicator of performance in our organization	01	02	03	04	05
d)	I consider stakeholder satisfaction a key indicator of performance in our organization	01	02	03	04	05

Part C: Influence of Businesses Strategies on the Performance of SMEs

11. Kindly indicate the extent to which you agree with each of the following statements as regards the implementation of business strategies in your organization on a scale of 1 – 5 where **1 means ‘Strongly disagree’** and **5 means ‘Strongly agree’**

	Human Resource Strategy	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
i.	The organization has implemented effective recruitment and selection policies.	01	02	03	04	05
ii.	The organization has developed and implemented a scheme of service for your employees	01	02	03	04	05
iii.	The organization has developed a training and capacity building policy	01	02	03	04	05
iv.	The organization has conducted team building	01	02	03	04	05

	activities regularly					
	Financial Strategies	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
v.	The organization has adopted an annual budgeting process to lead its operations	01	02	03	04	05
vi.	The organization has implemented an audit system to ensure efficiency of organization resources	01	02	03	04	05
vii.	The organization has adopted and used risk management policies	01	02	03	04	05
	Information Technology Strategies	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
viii.	The organization has adopted and used information communication technology policies that has enhanced its operations	01	02	03	04	05
ix.	The organization is using inventory management system policies to ensure that the organization maintains enough stock to meet demand	01	02	03	04	05
x.	The enterprise uses data management strategies to store and maintain	01	02	03	04	05
xi.	The organization has adopted and effectively used management information systems	01	02	03	04	05
xii.	The organization use customer relation management policies to improve customer experience					

12. Which competitive Strategies has your organization adopted (Tick as appropriate. Multiple responses allowed)

- Unique branding
- Skilled human resources
- ICT
- Pricing
- Innovation
- Access to cheap credit
- Access to finance
- Others (specify)

I wish to thank you for taking time to fill this questionnaire.

APPENDIX III: A SAMPLE LIST OF SME'S IN NAIROBI COUNTY (CBD)

	Business Name	Sector
1.	Recours Four Kenya Consultants Ltd	Services
2.	Airfall Colling Services	Services
3.	Offers Africa Limited	Services
4.	Cutlery Duka - Nairobi	Services
5.	Niko Hapa Ventures Ltd	Services
6.	Wallpaper Kenya	Services
7.	Deluxe Fruits Ltd	Services
8.	Future Soft Technologies	Services
9.	Kuza Biashara	Services
10.	Urban Properties Consultants & Developers Ltd	Services
11.	Demo Entertainment	Services
12.	Urban Properties Consultants & Developers Ltd	Services
13.	Dipek Initiative. Kenya	Services
14.	Biashara Africa Limited	Services
15.	Finance and Systems	Services
16.	Freyr International Limited	Services
17.	ICXcellence Institutional Centre Ltd	Services
18.	Apex Lifestyle Consulting	Services
19.	Bero Tech	Services
20.	Pirelli Tyre	Services
21.	Masol Investments Limited	Services

22.	Wilsam Pharmaceuticals Limited	Services
23.	Sadina Mini Market	Services
24.	Emmu Stage Stores	Services
25.	Caravet System Limited	Services
26.	Wedding Services	Services
27.	Clean Environment	Services
28.	Express Travel Group	Services
29.	AIS College	Services
30.	Janico Salon	Services
31.	Gris Cafe	Services
32.	Karis Services	Services
33.	Best Bite Cafe	Services
34.	Classic Touch Salon	Services
35.	Emanuel Cafe	Services
36.	Beacons Training	Services
37.	Harvest Travels	Services
38.	Silver My Health Services	Services
39.	Lelua Enterprises	Services
40.	Joel Enterprises	Services
41.	Tato Tailoring and Designers	Services
42.	Sofie Hair Stylist	Services
43.	Sammary Hard Ware	Services

44.	Barwasim Africa Consulting	Services
45.	Open World	Services
46.	All Round Management Consultancy	Services
47.	Leisure & Travel	Services
48.	Brand X Limited	Trade
49.	The Flag Shop	Trade
50.	Compiterways Limited	Trade
51.	Bulk Medical Suppliers	Trade
52.	Direct Sales and Distributors	Trade
53.	Roza Enterprises	Trade
54.	Jello Butchery	Trade
55.	On Time Merchants	Trade
56.	Olyeni Electornics Limited	Trade
57.	Credit Motors	Trade
58.	Ngara Timber Yard	Trade
59.	Dadson Enterprises	Trade
60.	Mimaki Agencies	Trade
61.	Fish Wholesalers	Trade
62.	Mwea Rice Wholesalers	Trade
63.	Millenium Sales	Trade
64.	Eco - Line Suppliers	Trade
65.	ABC Supplies	Trade

66.	Carlson Access Control	Trade
67.	Shrend Publishers Limited	Trade
68.	Limrode Enterprises	Printing
69.	Infra Investments Limited	Printing
70.	Kaperon Enterprises	Printing
71.	Hillspan Printing Press	Printing
72.	Star Printers	Printing
73.	EPZ Designers	Printing
74.	Science scope Ltd	Services
75.	Pinnacore Printers	Services
76.	Logistics & Infrastructure Group	Services
77.	Intermass Stationers & Printers Ltd	Services
78.	Brilliant Eagle Ltd	Services
79.	Murex International Ltd	Services
80.	Charti International Ltd	Services
81.	Son of Enterprises	Services
82.	Kenya Toner & Ink Suppliers	Services
83.	Good Shepherd Computers	Services
84.	Science Scope Ltd	Services
85.	Stadicom Ltd	Services
86.	Info Parts Ltd	Services
87.	Joriam Technologies Ltd	Services

88.	Techbiz Ltd	Services
89.	Brilliant Eagle Ltd	Services
90.	Splice Technologies	Services
91.	Charti International Ltd	Services
92.	Kenya Toners & Ink Suppliers	Services
93.	Next Technologies Ltd	Services
94.	Symphony	Services
95.	Info parts Ltd	Services
96.	Techbiz Ltd	Services
97.	Freetone Solutions	Services
98.	Splice Technologies	Services
99.	Dunia Link Communication Ltd	Services
100.	Intergrated Suppliers	Services
101.	Maskil Company Ltd	Services
102.	Massatech Ltd	Services
103.	Emalard Total Solutions	Services
104.	Empire Micro System Ltd	Services
105.	Freetone Solutions	Services
106.	Next Technologies Ltd	Services
107.	Symphony	Services
108.	Intergrated Suppliers & Consultancy	Services
109.	Emaland Total Solutions	Services

110.	Maskil Company Ltd	Services
111.	Empire Microsystems Ltd	Services
112.	Ovation Enterprises Ltd	Services
113.	Grey East Africa	Services
114.	Latest Communication	Services
115.	Intergrall Group Ltd	Services
116.	Armick Ltd	Services
117.	Pinnacore Printers Ltd	Services
118.	Michi Media Ltd	Services
119.	Ikart Ltd	Services
120.	Science scope Ltd	Services
121.	Pinnacore Printers	Services
122.	Logistics & Infrastructure Group	Services
123.	Intermass Stationers & Printers Ltd	Services
124.	Brilliant Eagle Ltd	Services
125.	Murex International Ltd	Services
126.	Charti International Ltd	Services
127.	Son of Enterprises	Services
128.	Kenya Toner & Ink Suppliers	Services
129.	Good Shepherd Computers	Services
130.	Science Scope Ltd	Services
131.	Stadicom Ltd	Services

132.	Info Parts Ltd	Services
133.	Interdata Systems	Services
134.	Intel Networks Ltd	Services
135.	Kenpak Color Printers	Services
136.	Keneco Mazingira Services	Services
137.	Son of Enterprises	Services
138.	Maxnan Enterprises Ltd	Services
139.	Nordic Partner East Africa Ltd	Services
140.	Value Choice Agencies	Services
141.	Soloh Worldwide Enterprises	Services
142.	Silver Dine Kenya	Services
143.	Aqua Enterprises Ltd	Services
144.	Graphi-tec Designs Ltd	Services
145.	Media Edge Interactive	Services
146.	Intel Networks Ltd	Services
147.	Maxnan Enterprises Ltd	Services
148.	Value Choice Agencies	Services
149.	Michi Media Ltd	Services
150.	Bevaj Furniture	Services
151.	Budget Furniture Ltd	Services
152.	Fast Choice Ltd	Services
153.	Webtribe Ltd	Services

154.	Splice Technologies	Services
155.	Splice Technologies	Services
156.	Zeon Business Systems	Services
157.	Helina Safaris	Services
158.	Senator Travel Safaris	Services
159.	Klass Travel & Tours Ltd	Services
160.	Uniglobe Northline Travel	Services
161.	Silverbird Travel Plus	Services
162.	Vintage Travel & Tours	Services
163.	Akarim Agencies	Services
164.	Boma Travel Services	Services
165.	Cupstone Travel Ltd	Services
166.	Venture Africa Safaris	Services
167.	Chronicle Tours & Travel	Services
168.	Africa Touch Safaris	Services
169.	Travel Mart Ltd	Services
170.	Venture Africa Safaris	Services
171.	Uniglobe Northline Travel	Services
172.	Intel Data Systems	Services
173.	Intel Networks Ltd	Services
174.	Alpex Consultancy Africa Ltd	Services
175.	Designer Tours & Travel	Services

176.	Broadlink General Merchants	Services
177.	Sarawet Agencies	Services
178.	Helina Safaris	Services
179.	Winter Tours & Travel	Services
180.	Signature Tours & Travel	Services
181.	Sky World Wide Express	Services
182.	Timeless Courier	Services
183.	Winter Tours & Travel	Services
184.	Sols Inclination Ltd	Services
185.	True Blaq Entertainment	Services
186.	Take two Communication Ltd	Services
187.	Motion Pictures Ltd	Services
188.	Xtreme Media Solutions Africa	Services
189.	Neo Marketing Ltd	Services
190.	Protecht Ltd Africa	Services
191.	Twaweza Communications	Services
192.	Motivator Enterprises Ltd	Services
193.	Envag Associates (K) Ltd	Services
194.	Millenium Management Consultant	Services
195.	Dotsavvy	Services
196.	Valley Point Telecoms Ltd	Services
197.	Roless Institute	Services

198.	Danny Andrew Ltd	Services
199.	Intergrall Group Ltd	Services
200.	Airpress Communications	Services
201.	Sanabora Design House Ltd	Services
202.	Liason Media	Services
203.	Hapany Ventures	Services
204.	Hopeland Advertising	Services
205.	Prodigy Design	Services
206.	Kenpak Color Printers Ltd	Services
207.	Color Print Ltd	Services
208.	Dual Pix Communication Ltd	Services
209.	Lavinda Ltd	Services
210.	Brainstorm Management Consultants	Services
211.	Ethics & Intergrity Institute	Services
212.	Institute for Capacity Development	Services
213.	Cobtrad Consultants	Services
214.	Institutional Consultants Ltd	Services
215.	Empire Microsystems Ltd	Services
216.	Sheer Logic Management Consultants	Services
217.	Pillar Audio Visual	Services
218.	Why Not Entertainment Ltd	Services
219.	Fontana Media Productions	Services

220.	Can Translators	Services
221.	Tamarind Translation	Services
222.	Spell man & Walk Company	Services
223.	Motion Pictures Ltd	Services
224.	Con Superbroom Services Ltd	Services
225.	Zeon Business Systems sultants	Services
226.	Mima Designs	Services
227.	Accession Agencies	Services
228.	Eden Industries Ltd	Services
229.	Kinyagi Foods Ltd	Services
230.	Interdata Systems	Services
231.	Intel Networks Ltd	Services
232.	Kenpak Color Printers	Services
233.	Keneco Mazingira Services	Services
234.	Son of Enterprises	Services
235.	Maxnan Enterprises Ltd	Services
236.	Nordic Partner East Africa Ltd	Services
237.	Value Choice Agencies	Services
238.	Soloh Worldwide Enterprises	Services
239.	Silver Dine Kenya	Services
240.	Aqua Enterprises Ltd	Services
241.	Graphi-tec Designs Ltd	Services

242.	Media Edge Interactive	Services
243.	Intel Networks Ltd	Services
244.	Maxnan Enterprises Ltd	Services
245.	Value Choice Agencies	Services
246.	Michi Media Ltd	Services
247.	Bevaj Furniture	Services
248.	Budget Furniture Ltd	Services
249.	Fast Choice Ltd	Services
250.	Webtribe Ltd	Services
251.	Splice Technologies	Services
252.	Splice Technologies	Services
253.	Zeon Business Systems	Services
254.	Helina Safaris	Services
255.	Senator Travel Safaris	Services
256.	Klass Travel & Tours Ltd	Services
257.	Uniglobe Northline Travel	Services
258.	Silverbird Travel Plus	Services
259.	Vintage Travel & Tours	Services
260.	Akarim Agencies	Services
261.	Boma Travel Services	Services
262.	Cupstone Travel Ltd	Services
263.	Venture Africa Safaris	Services

264.	Chronicle Tours & Travel	Services
265.	Africa Touch Safaris	Services
266.	Travel Mart Ltd	Services
267.	Venture Africa Safaris	Services
268.	Uniglobe Northline Travel	Services
269.	Intel Data Systems	Services
270.	Intel Networks Ltd	Services
271.	Alpex Consultancy Africa Ltd	Services
272.	Designer Tours & Travel	Services
273.	Broadlink General Merchants	Services
274.	Sarawet Agencies	Services
275.	Helina Safaris	Services
276.	Winter Tours & Travel	Services
277.	Signature Tours & Travel	Services
278.	Sky World Wide Express	Services
279.	Timeless Courier	Services
280.	Winter Tours & Travel	Services
281.	Sols Inclination Ltd	Services
282.	True Blaq Entertainment	Services
283.	Take two Communication Ltd	Services
284.	Motion Pictures Ltd	Services
285.	Xtreme Media Solutions Africa	Services

286.	Neo Marketing Ltd	Services
287.	Protecht Ltd Africa	Services
288.	Twaweza Communications	Services
289.	Motivator Enterprises Ltd	Services
290.	Envag Associates (K) Ltd	Services
291.	Millenium Management Consultant	Services
292.	Dotsavvy	Services
293.	Valley Point Telecoms Ltd	Services
294.	Roless Institute	Services
295.	Danny Andrew Ltd	Services
296.	Intergrall Group Ltd	Services
297.	Airpress Communications	Services
298.	Sanabora Design House Ltd	Services
299.	Liason Media	Services
300.	Hapany Ventures	Services
301.	Hopeland Advertising	Services
302.	Prodigy Design	Services
303.	Kenpak Color Printers Ltd	Services
304.	Color Print Ltd	Services
305.	Dual Pix Communication Ltd	Services
306.	Lavinda Ltd	Services
307.	Brainstorm Management Consultants	Services

308.	Ethics & Intergrity Institute	Services
309.	Institute for Capacity Development	Services
310.	Cobtrad Consultants	Services
311.	Institutional Consultants Ltd	Services
312.	Empire Microsystems Ltd	Services
313.	Nairobi Drug House	Manufacturing
314.	Optimum Knitting	Manufacturing
315.	Immaculate Textiles Limited	Manufacturing
316.	United Embroiders	Manufacturing
317.	Boss Bakers	Manufacturing
318.	Bake and Bite Bakers	Manufacturing
319.	Niceline Products	Manufacturing
320.	RM Petroleum	Manufacturing
321.	Nairobi Techno Sports	Manufacturing
322.	Laser Chemicals	Manufacturing
323.	Trans-Counties Investments Limited	Construction
324.	C.K. Building Contractor	Construction
325.	Ramco Hardware	Construction
326.	One's Company	Construction
327.	Polytanks Limited	Services
328.	Carevet System Limited	Services
329.	Hemco Feeds	Services

330.	Boss Bakers	Services
331.	Wega Bakers	Services
332.	Eucla Bakers	Services
333.	Mina Bakers	Services
334.	Mashi Bakers	Services
335.	Supa Loaf	Services
336.	Bake & Bite Bakers	Services
337.	Primavara Picknick	Services
338.	Kim's Snacks Shop	Services
339.	Bakers Mall	Services
340.	Will Bakers	Services
341.	Ahadi Bakers	Services
342.	Luanda Bakers	Services
343.	Umoja Royal Bakers	Services
344.	Corner Bakers	Services
345.	Master Bakers	Services
346.	Nice Cake Bakers	Services
347.	N.K. Bakery	Services
348.	Beneka Home Bakers	Services
349.	Emmanuel Bakers	Services
350.	Maikar Products	Manufacturing
351.	Niceline Products	Manufacturing

352.	RM Petroleum	Manufacturing
353.	Coffee & Tea Maintainance Limited	Manufacturing
354.	Samphil Engineering Works	Construction
355.	Odhis Mechanical Engineering	Construction
356.	Usalama Engineering Works	Construction
357.	Nyagah Mechanical Engineering	Construction
358.	Kiko Engineering And Design	Construction
359.	Jetha Metal Engineering Work	Construction
360.	Oasis Fabricators	Construction
361.	Nairobi Techno Sports	Construction
362.	East African Canvas Co. Ltd	Services
363.	Digital City Ltd	Services
364.	Plenser Ltd	Services
365.	Allwin Agencies (K) Ltd	Services
366.	Propack Kenya Ltd	Services
367.	Vivek Investments Ltd	Services
368.	Coninx Industries Ltd.	Services
369.	Powerpoint Systems (EA) Ltd	Services

370.	Synermedica Pharmaceuticals (Kenya) Ltd	Services
371.	Coast Industrials & Safety Supplies Ltd	Services
372.	Isolutions Associates	Services
373.	Wotech Kenya Limited	Services
374.	Avtech Systems Limited	Services
375.	Kenya Bus Service	Services
376.	Muranga Forwarders	Services
377.	Kenya Highland Seed Co Ltd	Services
378.	Synermed Pharmaceuticals (K) Ltd	Services
379.	Tissue Kenya Ltd	Services
380.	Eurocon Tiles Products Ltd	Services
381.	Eurocon Tiles Products Ltd	Services
382.	Elite Tools Ltd	Services
383.	Onfon Media Ltd	Services
384.	Charlstone Travel Limited	Services
385.	Famiar Generating Sys Ltd	Services
386.	Chemicals & School Supplies Ltd.	Services
387.	Alexander Forbes	Services
388.	Endevour Africa Limited	Services
389.	Rongai Workshop & Transport Ltd	Services
390.	R & R Plastics Ltd	Services
391.	Chigwell Holdings Ltd	Services

392.	Classic Mouldings Limited	Services
393.	Pewin Cabs Limited	Services
394.	Novel Technologies Ea Ltd	Services
395.	Xtreme Adventures Ltd	Services
396.	Vintage Africa Limited	Services
397.	Punjani Electrical And Industrial Hardware Limited	Services
398.	Spry Engineering Co. Ltd	Services
399.	General Cargo Services Ltd	Services
400.	Pinnacle (K) Travel & Safaris	Services
401.	Panesars Kenya Limited	Services
402.	Specialized Aluminium Renovators Ltd.	Services
403.	Cube Movers Limited	Services
404.	Brogibro Company Ltd	Services
405.	Total Solutions Ltd	Services
406.	Tyremasters Ltd	Services
407.	Xrx Technologies Limited	Services
408.	Sensation Ltd	Services
409.	Eureka Technical Services Ltd	Services
410.	Palbina Travel Limited	Services
411.	Waumini Insurance Brokers Ltd	Services
412.	Asl Credit Limited	Services
413.	Zaverchand Punja Limited	Services

414.	Canon Chemicals Ltd	Services
415.	Packaging Manufacturers(1976) Ltd	Services
416.	Trident Plumbers Ltd	Services
417.	Typotech	Services
418.	Kinpash Enterprises Ltd	Services
419.	Vehicle & Equipment Leasing Ltd	Services
420.	Sheffield Steel Systems	Services
421.	Complast Industries Ltd	Services
422.	Dune Packaging Limited	Services
423.	Hebatullah Brothers Limited	Services
424.	Spice World Limited	Services
425.	Museum Hill Wines Ltd	Services
426.	Yogi Plumbers Ltd	Services
427.	Vajra Drill Ltd	Services
428.	Melvn Marsh International Ltd	Services
429.	Kandiafresh Produce Suppliers Ltd	Services
430.	Fayaz Bakers Limited	Services
431.	Specicom Technologies Limited	Services
432.	Mombasa Canvas Ltd	Services
433.	Silverbirdtravel Plus Ltd	Services
434.	Iron Art	Services
435.	Radar Limited	Services

436.	Master Power Systems	Services
437.	Hardware & Welding Supplies	Services
438.	Masters Fabricators Ltd	Services
439.	Software Technologies Ltd	Services
440.	Heritage Foods Kenya Ltd	Services
441.	Africa Tea Brokers Ltd	Services
442.	Raerex (Ea) Limited	Services
443.	Travelshoppe Company Ltd	Services
444.	Oriental General Stores Ltd	Services
445.	Chuma Fabricators Ltd	Services
446.	Statprint Ltd	Services
447.	Sollatek Electronics Ltd	Services
448.	Smartbrands Ltd	Services
449.	De Ruitter East Africa Ltd	Services
450.	Kisima Drilling (Ea) Ltd	Services
451.	Care Chemists	Services
452.	Brollo Kenya Ltd	Services
453.	Canon Aluminium Fabricators Ltd	Services
454.	Satguru Travel & Tours Ltd	Services
455.	Kunal Hardware And Steel	Services
456.	Deepa Industries Limited	Services
457.	Skylark Creative Products Ltd.	Services

458.	Uneek Freight Services Ltd	Services
459.	Bbc Auto Spares Ltd	Services
460.	Lantech (Africa) Limited.	Services
461.	Polytanks Limited	Services