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## **Book of Abstracts**



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## **EFFECT OF FINANCIAL PLANNING PRACTICES ON FINANCIAL PERFORMANCE: A SURVEY OF MISSION HEALTH FACILITIES IN KISII COUNTY, KENYA**

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It had been established that Mission health facilities in Kisii County face vast and unique financial challenges that run from lack of enough funds to cater for the day-to-day operating expenses and obligations of the health facilities through to the unfortunate miniature level of financial resources to guarantee investment projects such as expansion, modernization and upgrading of the facilities (Diocesan Archives health records/reports, 2019). Many a time, these challenges have been blamed on the lack of proper implementation of financial planning practices in the management of these mission health facilities, which had affected their level of financial performance and sustainability. The main objective of this study was to study the effect of financial planning practices on the financial performance of Mission Health Facilities in Kisii, Kenya. The study focused on the following specific objectives: To find out the effect of budgeting practices on the financial performance of Mission Health Facilities in Kisii County, Kenya; to determine the effect of cash management practices on the financial performance of Mission Health Facilities in Kisii County, Kenya; to find out the effect of investment practices on the financial performance of Mission Health Facilities in Kisii County, Kenya. This study adopted a descriptive survey design. The target population comprised 23 health facilities with sample size of 46 respondents. The study used purposive non-probability sampling technique. This study used primary data. A questionnaire analysis instrument was used to collect data. Data cleaning, coding and keying into the statistical package for social science (SPSS) software was done. The data was analyzed using descriptive statistics such as pie charts, tables, frequencies and mean. The study concluded that budgeting practices have a substantial effect on the financial performance of mission health facilities.

### **Key Words:**

Financial planning, financial performance, investment practices, Budgeting practices

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## **The Effect of Job Enlargement on the Performance of Academic Staff in Public Universities in Kenya.**

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Public universities are significantly constrained in terms of resources. The human resource attribute is, in fact, the most affected with a lecturer to student ratio of 1:30 for social science undergraduate studies. With the onset of performance contracting, the government requires standard performance from university staff. This calls for a review and analysis of the prevailing staff motivation measures applied in universities in Kenya. Previous research indicates that job design impacts execution of duties. The research herein takes the job enlargement construct of job design and how the same affect staff performance in public universities in Kenya. The study utilized an exploratory research design that aimed to acquire data on scholarly staff. A multistage analysis was used, and via simple random sampling, ten state-funded universities and 206 academic staff were selected for the study. The

closed-ended questionnaires were used to gather information classified using descriptive statistics, mean, standard deviation, and inferential measurements, including correlation, simple, and multiple regression analysis. The research established a positive and significant relationship between job enlargement and the performance of academic staff in public universities in Kenya.

**Key Words:**

Job Enlargement, Job Design, Academic Performance

3

## **Effect of product and process technological innovation strategies on organization performance in Kenya communication industry**

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The accelerating pace of technological innovations has affected many organizations performance today. Some firms respond defensively, seeing technology as a problem, while others through strategic use of technological innovation strategies gain permanent advantage. The study analysed the effect of product and process technological innovation strategies on organization performance in the Kenya communication industry. A case of the Safaricom Kenya, in Nakuru County. The study adopted ex post facto research design. It used secondary data obtained from company publications, journals, periodicals and internet information. Correlation analysis was also used to establish the relationship that exists between the variables of the study namely innovation and technology management practices and business survival. Analysis of data collected was compared with the theoretical approaches and documentations cited in the literature review.

This study contributes to the existing body of scientific knowledge on information systems. Policy and Decision makers at various levels of management will gain value added information. Managers responsible for strategy may use the findings to formulate effective monitoring and control systems to mitigate against the challenges while formulating and adopting business strategies. Academics and business researchers will borrow from the findings of this research to support literary citations do further research.

The correlation analysis showed that there was a positive and significant correlation between product innovation strategy and performance. The multiple regression analysis confirmed an increase in product innovation led to an increase in performance and this was significant. That there was a positive association between process innovation and performance but this was not significant. Regression analysis confirmed that there was a linear relationship between process innovation and performance but this was not significant. The study concludes that among the technological innovation strategies included in the study, product innovation strategy had the most influence on performance of Safaricom (K) Limited. It is also concluded that process innovation had the least impact on performance of Safaricom (K) Limited.

**Key Words:**

technological innovations ,technological innovation strategies ,organization,Safaricom Kenya

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## **EFFECT OF MICROFINANCE SERVICES ON FINANCIAL INCLUSION IN ARID AND SEMI-ARID LANDS IN KENYA: A CASE STUDY OF**

## BARINGO COUNTY, KENYA.

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Financial inclusion has been identified as an important factor that accelerate the growth of any economy and alleviate poverty. MFI's offer various financial services to its clients. However, little has been documented on how the Micro-finance services affect financial inclusion in Arid and Semi-Arid lands in Kenya. Thus, this study sought to establish the effect of microfinance services on financial inclusion in Arid and Semi-arid lands in Kenya. The objectives of this study were to determine the effect of: Lending services, Savings products, Payment services and Financial education by microfinance institutions on financial inclusion in Arid and Semi-Arid Lands in Kenya. Financial Intermediation theory, Social capital theory, Finance-Growth Nexus Theory and Modern Development theory, were reviewed to guide this research. The study adopted descriptive research study method. The target population for this study was 476; comprising 56 microfinance institutions officials (the manager and credit officers) from all the 14 microfinance institutions operating in Baringo County and 420 clients from all the microfinance institutions in the county. A total sample size of 254 respondents was used to provide the data for this research. Data was collected using structured questionnaires containing both open and closed ended questions. The data was analyzed using SPSS. Quantitative data from the questionnaires were coded and entered into the computer for computation of descriptive statistics including frequency counts, percentages, modes and means. The analytical technique used in this study was multiple regression model. A significance level of 95% ( $\alpha=0.05$ ) was used in the analysis of the effect of microfinance institutions services on financial inclusion. The p-values for the variables; lending services, savings products, payment services and financial education were 0.037, 0.000, 0.016 and 0.024 respectively. The probability values of the independent variable were less than  $\alpha=0.05$  thus implies that the predictor variables influenced financial inclusion significantly.

### Key Words:

Microfinance, Financial inclusion, Financial Education, Lending, Savings.

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## Role of financial institutions in promoting financial literacy among micro and small enterprises in Kericho County, Kenya.

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### ABSTRACT

Financial institutions in Kenya play a vital role in realizing financial inclusion among micro and small enterprises. Financing has been identified as a key element for micro and small enterprises to thrive in developing countries. Researchers have argued that lack of financing is almost universally indicated as a key problem for micro and small enterprises. The study was guided by the following objectives: to establish the role financial institutions play in promoting financial literacy micro and small enterprises in Kenya. The study adopted a cross sectional survey design from a population of 7277 micro and small enterprises. Stratified and simple random sampling was used to sample the 380 micro and small enterprises. Questionnaires were used in the data collection. Data was analyzed using both descriptive and inferential statistics with the aid of SPSS version 25. The research findings

indicate that there exists a statistically significant positive relationship between the role of financial institutions and financial literacy among micro and small enterprise. The study concluded that micro and small enterprises were able to access financing of new products, top-ups credit, mobile banking and agency banking, while new requirements were needed to access credit facilities. Further it was concluded that financial institutions did not embrace financial literacy of the micro and small enterprises. The study also concluded that the micro and small enterprises were not provided forums to be educated and informed on any new and changing financial information.

The study recommended that financial institutions come up with new products to cover micro and small enterprises financial needs. Further, the study recommended policy formulation and amendments that will include transparency of financial institutions to uphold inclusion of financing. Fora and workshops to be created to educate and inform micro and small enterprises on issues regarding financing.

**Key Words:**

Financial institutions, financial literacy, micro and small enterprises

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## **The Role of Motivation in the Relationship Between Reward Management Practices and Employee Performance in the State Corporations: Kenyan Perspective.**

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The state corporations are marred by under-performance which in turn translates to losses and misappropriation of public funds as majority of the state corporations have been found to register losses and dependent on exchequer for budgetary allocation and survival. This can be associated to lack of a comprehensive reward management system which creates dissatisfaction among employees leading to decreased staff morale and consequently decreased employee performance. The main objective of this study was to establish the role of motivation in the relationship between reward management practices (financial rewards, non-financial rewards, employee benefits and allowances and work life balance benefits) and employee performance in state corporations in Kenya. Various theories which underpinned the study included Abraham Maslow's hierarchy of needs, Vroom's Expectancy theory and Reinforcement Theory. The study used descriptive and explanatory research designs and targeted 6 respondents from the 107 sampled state corporations in Kenya totaling to 642. Data obtained from field survey was analyzed by use of SPSS to test null hypothesis which stated that there is no significant moderating influence of motivation on the relationship between reward management practice and employee performance in the State Corporations in Kenya. The study used regression analysis to test the significance of the variables at 95% confidence ( $p < 0.05$  significance level). The findings showed a significant moderating effect of motivation on the relationship between reward management practices and employee performance. The study recommends that state corporations in Kenya needs to establish a reward management policy/system and involve employees in determining acceptable and affordable rewards based on achievement of performance targets and the organization's ability to pay or provide for these rewards which will increase their motivation to work and subsequently their performance to meet organizational goals.

**Key Words:**

Reward management practices, Motivation, Organizational Performance, State Corporations

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## **Employee commitment, engagement and leadership, a panacea**



## to organizational success

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**Key words:** Geothermal, Commitment, Engagement, Leadership, Success, Human Resource Management, Ministry of Energy, Republic of Kenya,

This study brings to a sharp focus the role of employee commitment, engagement and leadership on organizational success in the energy industry in Kenya. The study was carried out with an aim of optimizing employee involvement in the industry as a means of gaining competitive edge that enhances the optimal work output to achieve organization success leading to a panacea to achieving desired results. The objective of the study was thus to investigate the effects of employee commitment, engagement and leadership for organizational success in the energy industry in Kenya singling out Geothermal Development Company Ltd. This is Government of Kenya state owned institution mandated with exploration, development and exploitation of all geothermal resources in Kenya. The study used a descriptive cross sectional survey design which gives the quantitative relationship between employee commitment, engagement and leadership practices employed and organizational success at a particular point in time to be used for generalization for other times in future. The survey was conducted in the Company's three satellite branches namely Nairobi, Nakuru and Baringo. The study used primary data collected using structured questionnaires administered using the drop and pick method. The collected data was then sort for validity and reliability and coded then quantitatively analyzed using mean and standard deviation. This was done independently for each of the independent variables. This was then followed by a correlation analysis. The study findings will be used to draw recommendations on the combination of various strategies that optimize organizational success. The emphasis would be on the proportion to which each strategy is to be used as well as a study to explore the modalities of applying sound management approach that will enhance satisfaction and thus productivity at Geothermal Development Company.

### Key Words:

**Key words:** Geothermal, Commitment, Engagement, Leadership, Success, Human Resource Management, Minis

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## Influence of Market Focus Strategy on Performance of Private Universities in Kenya

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### Abstract:

There is rapid growth of university education in Kenya from five public universities to 24 in number and private universities also rose to 24 in number. Such high rate of expansion means, targeting the same customers, the students leading to emergency of competitive strategies in order for the universities to remain afloat. Market focus strategy is one of those critical strategies that universities can use as a competitive advantage tool. The main objective of this study was to analyze the influence of market focus strategy on performance of private universities in Kenya. The study was based on Bowman's Strategy Clock Model and Balanced Scorecard Model. The study adopted descriptive research design targeting 248 employees working in the Directorate of Quality Assurance, the deans of faculties. The sample size was determined using Yamane (1967) formula which resulted into 153 sample size. The study used structured questionnaire for data collection and data was analyzed using regression analysis technique. The study established a significant relationship between the use of market focus strategy and performance of private universities in Kenya ( $\beta = -0.779$ ,  $p = 0.000$ ) indicating that market strategy used by private universities did not influence performance of private universities in Kenya. The study recommends that the study recommends that that private universities in

Kenya need to strengthen the quality assurance policy by re-organizing independence of internal quality systems to achieve checks and balances of university operations.

Keywords: Market Focus Strategy, University Performance, Competitive Strategy, University Programmes

**Key Words:**

Market Focus Strategy, University Performance, Competitive Strategy, University Programmes

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## **Influence of Retained Earnings on the Growth of Small and Medium Size Manufacturing Enterprises in Rwanda**

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The purpose of this study was to analyze the influence of retained earnings finance structure on the growth of manufacturing SMEs in Rwanda. To reach the study objective, mixed research design was used in collecting, analyzing and interpreting quantitative data. The target population of this study consisted of all the 868 small and medium manufacturing enterprises registered with Rwanda Development Board as of November 2017. A study sample size of 273 firms was considered using stratified and random sampling techniques. Close-ended questionnaires were employed in data collection. The data collected was analyzed using Statistical Package for Social Science to generate descriptive statistics including percentages, frequency tables and mean scores. Multiple regression analysis was used to explore the relationship between retained earnings and the growth of small and medium size manufacturing enterprises in Rwanda. The study findings from regression coefficients on retained earnings and growth of small and medium manufacturing enterprises revealed a beta coefficient of  $\beta=0.255$ ,  $p=0.000 < 0.05$ . These results indicate that retained earnings have a positive and significant effect on growth of manufacturing SMEs in Rwanda. Hence, a unit increase in retained earnings would result into an increase of 0.225 units in growth of small and medium manufacturing enterprises among the recommendations, the management of the SMEs in Rwanda should consider reinvesting some of the profits into business to support growth. Similarly, governments, NGOs and Lending institutions must come together to create a forum where small business are trained in cash and capital management. This will ensure that some small businesses retain their earnings to finance firm expansion and growth during times of low liquidity such as the turbulent financial times created by the COVID 19 pandemic.

**Key Words:**

Retained earnings; Small and Medium Size Manufacturing Enterprises

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## **Production of Aloe turkanensis as an alternative enterprise for sustainable livelihood in Turkana**

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In response to drought, hunger, intertribal conflicts, and the unsustainable livelihood challenges facing the poor rural community in Turkana county, the study, compelled action to help redress this deplorable situation. The study utilized the Community Project Cycle (CPC) approach. The CPC targeted the following key objectives, to scrutinize the potential of the targeted community in terms of local resources, to help develop the appropriate interventions for aloe farming, reviewing the initiatives undertaken in promotion of aloe subsector within the project area, Aloe product Market chain within, Aloe industry in Turkana as a social enterprise. The study showed widespread aloe species with the varied distribution. The area has the commercial Aloe Turkanensis species which has been exploited for traditional medicine and commercial reasons. There were two value addition processes evident in the area. The first one was the utilization of aloe sap in processing of cosmetic products by women groups who had received support from various organizations. This was deemed to be sustainable as aloe sap from a few leaves would process a lot of products. The other aloe value addition process evidenced during the study was the boiling of aloe sap to make aloe gum which was sold in nearby markets for exports. This method was deemed unsustainable. The study noted various interventions towards aloe promotion. Regardless of this there is no significant output and impact to positively change the livelihoods of the people. This study therefore recommended that a deliberate effort be made to set up an aloe factory, Build the capacity of the community by their inclusion in the factory and training them to enhance aloe production, Assist the community to build technologies for aloe value addition and improve market penetration for the aloe-based products

**Key Words:**

Aloe Turkanensis, sustainable production, Turkana county, Alternative enterprise

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## **influence of entrepreneurial networking structural dimensions on growth of SMEs in Trans Nzoia County Kenya.**

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The general objective of this study was to determine the influence of entrepreneurial networking structural dimension on growth of small and medium enterprises in Kenya. The study operationalized networking structural dimension by networking density, position, diversity and range. This study was guided by entrepreneurial networking and entrepreneurship theories. The study employed a mixed research design: quantitative and qualitative approaches. Stratified and simple sampling techniques were employed to obtain 363 SMEs from 2,354 SMEs registered by Trans Nzoia County in Kenya. The SMEs were distributed in the subsectors of wholesale trade, retail trade, manufacturing services, restaurant and agriculture. The study used both secondary and primary data. The primary data was collected through questionnaires that were dropped and picked later from SME operators in Trans Nzoia county Kenya. Statistical Package of Social Science (SPSS) was used to analyze data. Descriptive statistics was used to summarize data. Inferential statistic (regressions) was employed in analysis to test hypothesis. Descriptive statistics revealed that entrepreneurial networking structural dimensions had low mean 2.90 indication of disagreement influence on growth of SMEs. The inferential analysis revealed entrepreneurial networking structural dimensions had positive insignificant influence on growth of SMEs in Trans Nzoia County Kenya. The study recommends that the government as a policy setting organ to come up with conducive regulatory policies that encourage SME entrepreneurs/ operators to participate in entrepreneurial networking to address some of the challenges that inhibit growth of enterprises. The study also recommends that SME entrepreneurs should configure valuable entrepreneurial networking to access resources and information that enhance growth of enterprises.

**Key Words:**

entrepreneurial networking structural dimensions

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## **Relationship Between Employee Welfare Practices and Performance of Non - governmental Organization**

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Performance is a key pillar to the accomplishment of the goals of all organizations, whether private, public or non- profit. Employees are the intellectual assets of the organization and they are an avenue to achievement of competitive advantage. An employee welfare service in an organization is vital in fostering employee motivation and improving their productivity. In view of this, the main goal of this research was to determine the relationship between employee welfare practices and performance of non-governmental organizations in Kenya. The study was guided by four objectives namely: to establish the relationship between employee economic support, to determine the relationship between employee recreational facilities at workplace, to evaluate relationship between counselling services and to assess the relationship between employee social support and performance of non-governmental organizations in Kenya. The study utilized survey design using both qualitative and quantitative approaches. In this study, purposive, stratified and simple random sampling technique was used to arrive at a sample of 355 respondents who comprised top managers, middle level managers and lower managers out of the targeted population of 14,283 employees of NGOs working in Nairobi County. The primary data collection tools were questionnaire supplemented by an interview schedule; while secondary data was obtained from reviewed journals, published books and articles. Data analysis was done using Statistical Packages for Social Sciences Software version 23. The study utilized multiple linear regression and structural equation model. The findings of the study were that: employee welfare practices had a positive and significant relationship with performance of NGOs in Kenya. The study recommended that management of NGO boards in Kenya should come up with a comprehensive policy document on employee welfare practices in order to enhance performance of NGOs in Kenya.

**Keywords:** Welfare practices, Economic, Recreational facilities, Counselling, Social Support and Performance.

**Key Words:**

**Keywords:** Welfare practices, Economic, Recreation, Counselling, Social Support, Performance

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## **Influence of Entrepreneurial Characteristics on the Growth of Micro and Small Enterprises in Bomet County, Kenya**

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According to Kenya National Bureau of statistics report of 2016, the high mortality rate of micro, small and medium enterprises in Kenya was due to shortage of operating funds, increased operating expenses, declining income and losses incurred from the businesses. These issues have been addressed by the national and county governments through various initiatives. However, the stunted growth has continued as indicated by flat rate of growth of enterprises in Bomet County. It is plausible that other factors are at play. The objective of the study is determine the influence of entrepreneurial characteristics on the growth of micro and small enterprises in the County. Entrepreneurial skills training will be investigated if it moderates the relationship between the entrepreneurial characteristics and the growth of the enterprises. The target population was micro and small enterprises in the County. They were 14,574 in number in 2016 as per the County statistics. Stratified sampling was used to pick samples from manufacturing, trade and service enterprises. The sample size was 384. Data was collected from the respondents who were owners or managers of the enterprises using a questionnaire. The data was processed using the computer software. Multiple regressions model was used to establish the relationship between the entrepreneurs' characteristics and growth of enterprises. Moderated multiple regression model was used to investigate the moderating influence of entrepreneurial skills training on the relationship between the characteristics and growth of enterprises. The key finding was that entrepreneurial characteristics influence the growth of enterprises in the County, Kenya. It was also established that entrepreneurial skills training moderates the relationship between the characteristics and the growth of enterprises. The major recommendation of the study is that there is need for stakeholders to improve on the characteristics the entrepreneurs through training.

**Key Words:**

Entrepreneurial characteristics, growth of enterprises, Entrepreneurial skills training

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## Effect of Working Capital Management Decisions on Financial Performance of Tea Firms in Kenya

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Effect of Working Capital Management Decisions on Financial Performance of Tea Firms in Kenya

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The title of this study is to investigate the effect of working capital management decisions on the financial performance of tea firms in Kenya. The specific objectives of the study were to determine the effect of the accounts collection period, accounts payment period and inventory conversion period on financial performance. This study was underpinned by three theories: agency/stakeholder theory, risk and return theory and operating cycle theory. The study employed a correlational research design. The target population included 23 multinationals and 17 KTDA managed tea. The study adopted a census approach where all the firms were included in the study. A panel regression model was being used in the study. The analysis of the data was done using both descriptive and inferential statistics. The study illustrated that the accounts collection period is positively and significantly related to return on assets ( $\beta = 0.1299$ ,  $p=0.0160$ ). The study found that the accounts payment period is negatively and significantly related to return on assets ( $\beta = -0.0843$ ,  $p = 0.0070$ ). The study noted that the inventory conversion period is positively and significantly related to return on assets ( $\beta = 0.0623$ ,  $p = 0.0180$ ). The study concluded that the accounts collection period, inventory conversion period is positively and significantly related to financial performance, while account payment period is negatively related to financial performance. The study recommended the tea firms should

increase the level of the account receivables by increasing the debtors and accounts payable period should be made as low as possible.

Keywords: Working capital, Accounts Collection Period, Accounts Payment Period and Inventory Conversion Period

**Key Words:**

Working capital, Collection Period, Payment Period and Inventory Conversion Period

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**To investigate the moderating influence of supervisor support on the relationship between determinants and perceived organization support among academic staff in public universities in Kenya.**

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**ABSTRACT**

Universities are faced with challenging issues of dealing with the perception that employees have regarding support they get from their employers. Academic staffs perceive that universities are reluctant in supporting them in achieving their goals. The criteria used by universities in supporting employees may not be clear, this discourages competent staff reducing their commitment and hence decline in performance. The main objective of this study was to investigate the moderating influence of supervisor support on the relationship between determinants and perceived organization support among academic staff in public universities in Kenya. The study was supported by Job Demand Resources Model. It was guided by pragmatism philosophy and used mixed methods approach design. The target population was 8878 academic staff in public universities in Kenya. A sample of 374 academic staff was selected for the study. Questionnaires were used to collect data from academic staff and interview guide from Administration Registrars. Likert scale was used to examine how strongly subjects agree or disagree with statements on a 5 point scale. Stratified random sampling was used to select respondents. A pilot study on their use was conducted to establish their validity. Data was analyzed by use of content analysis for qualitative data and through multiple regression and Karl Pearson's coefficient of correlation analysis for quantitative information and is presented in tables and figures. The findings indicate that there was the moderating influence of determinants of supervisor support on perceived organization support was positive and not significant ( $r=0.24^{**}$ ,  $p=0.672$ ). on perceived organization support among academic staff in public universities in Kenya. The study is relevant to the management of universities, academic staffs, the public and the Government. It will contribute to knowledge and assist for further research.

**Key Words:**

Supervisor support, moderator, perceived organization support, public universities, Kenya

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Strategic performance measurement systems (SPMS) play a critical role of stimulating learning and triggering change in behavior. Effective performance measurement systems must be designed to reflect dynamism around and within the firm. It's expected to have adequate flexibility to accommodate demands for contingency and changes. Medium sized firms are major players in economic development. Nonetheless, in Kenya more than 90% fail to transition to large firms as expected. Inadequate flexibility in SPMS employed by these firms has been cited as a potential weak link. This descriptive research examined the effect of SPMS flexibility on sustainable performance of medium sized service firms in Kenya. The study was guided by dynamic capabilities theory. Target population comprised of 3,060 registered medium sized service firms in Kenya as at 2016 (KNBS, 2016). A sample size of 323 was determined using Krejcie & Morgan (1970) sampling table. The study achieved 46% response rate. Standardized questionnaire was used to collect primary data from chief executive officers. Data analysis involved measures of central tendency and inferential statistics. Findings were presented in charts and tables. The study indicated that SPMS employed by most medium sized service firms in Kenya lack adequate flexibility. Two thirds of the firms do not regularly review performance and effectiveness of their SPMS. Hence, the systems are not flexible enough to quickly capture and respond to changes. The study also established that flexibility of SPMS is a statistically significant positive predictor of sustainable performance by rejecting the null hypotheses of no effect at alpha level of 0.05. The study recommends regular review of SPMS. The study contributes to knowledge by providing empirical evidence on the effect of flexibility of SPMS on sustainable performance. It shows that flexible SPMS is a key strategic tool for achieving strategic organizational agility to emerging challenges and opportunities.

**Key Words:**

Flexibility, Strategic Performance Measurement System, Sustainable Performance, Medium sized Firms

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## **Effect of Procurement Related Losses on Financial Sustainability of County Governments in Kenya**

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Kenya government loses about one third of the national budget to corruption engineered through unexplained purchases with the County Governments leading in such unexplained purchases as is annually raised by the Auditor General leading to stalled projects, under-development and massive wastage of public resources. For example, in Vihiga County in 2018/2019 financial year Kshs. 3,454,884 and another Kshs. 15,805,000 was raised as audit query of unexplained legal fees expenditure and purchases of motor vehicles and land. In Busia County, Kshs 6,699,428 and Kshs. 7,800,000 in contracts of the construction of faulty laundry machines. In Marsabit County, Kshs. 1,475,000 of supplies of solar power systems as unsupported purchase of fuel. The investigation examined the effect of procurement related losses on financial sustainability of County Governments in Kenya. We tested the hypothesis H01: that procurement related losses do not significantly affect financial sustainability of County Governments in Kenya. The study used a casual correlation research design taking a census of the 47 County Governments in Kenya. The study analyzed panel data regression between 2014 to 2018, a period of 5 years. The study established statistically significant effect of procurement related losses in audit queries raised by the Auditor General on financial sustainability of County Governments ( $\beta = -1.20875$ ,  $p=0.008$ ) indicating that an increase in procurement related losses in audit queries by 1 unit leads to a decrease in financial sustainability of County Governments in Kenya 1.20875 multiple units. The study therefore concluded that procurement related losses in

audit queries raised by the Auditor General negatively affected financial sustainability of County Governments in Kenya. The study recommends that the County Governments in Kenya should evaluate their respective Procurement Policy aligning them with PPDA Act 2015 with a deliberate intention of reducing procurement related losses which negatively affect financial sustainability of County Governments in Kenya.

**Key Words:**

Procurement Practices, Audit Queries, Public Finance, Financial Sustainability

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## **Effect of Board and Senior Management oversight Guideline on Financial performance of Commercial Banks in Kenya**

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Banking failures coupled with declining profitability have been experienced in the Kenyan banking sector for a couple of years. This comes even after the Central Bank of Kenya has made concerted efforts to address the problem by introducing the risk management guidelines in 2005. Additionally, in its report on the financial of the Kenyan banking sector for 2016/2017, banks profitability recorded a decline compared to the previous year. This situation raises the issue of whether these guidelines have had any effect on enhancing bank performance. The objective of this study was to determine the effect of Board and senior management oversight on the financial performance of commercial banks in Kenya. This study was guided by Stakeholder theory. A descriptive research design was used for the study and the study's target population comprised of all the 42 commercial banks licensed by the central bank to operate in Kenya. Sampling was not required since the study adopted a census of all the banks. Both secondary and primary data were used in the study. Primary data was obtained using structured questionnaires while the secondary data was collected from the audited financial reports of the commercial banks. Data analysis was done using both descriptive and inferential statistics with the help of Statistical Package for Social Sciences (SPSS) version 24. The study established that board and senior management was a statistically significant predictor of the financial performance of the commercial banks in Kenya  $P(t 0.25, 71 > 5.344) < 0.05$ . The findings of this study are beneficial to the Central Bank of Kenya in informing the review of the guidelines, management of commercial banks in making decisions, and other scholars in the same area of study to provide literature.

**Key Words:**

Financial Institutions, Risk Management Guidelines, Financial Performance

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## **The moderating effect of Hotel Star Rating on the Relationship between Service Tipping Strategy and Performance of Hotels in Kenya**

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The main purpose of this study was to investigate the moderating effect of Hotel star rating on the relationship between service tipping and performance of hotels in Kenya based on Balanced Score Card Perspectives. The study was based on Resource-Based Theory and Balanced Scorecard Framework. The study adopted descriptive quantitative survey design with a sample frame of 183 hotels in four tourism circuits in Kenya. The unit of analysis of the study included star rated hotel managers featuring General Managers, supervisors and head of departments as respondents. The researcher adopted the Yamane (1967) formula that was used to calculate a suitable sample size of 126 elements. The study used a structured questionnaire to collect the required data from the respondents. The study established that when star rating was introduced as a moderating variable, the relationship between service tipping strategy and hotels performance remained statistically significant, although the value of the regression coefficient reduced slightly ( $r=1.089-1.088 = 0.001$ ). This slight change in the coefficient is the statistical proof that when star rating was introduced, it slightly reduced the regression coefficient although the relationship between service tipping and hotels performance remained statistically significant. The study recommended that Tourism Regulatory Authority (TRA) which is the policy body of Hotel industry in Kenya develops a Service Tipping Policy to guide in service operations in the star rated hotels in Kenya and promote service tipping strategy among the star rated hotels for effectiveness of Service tipping policy across all the levels of star rated hotels. Further the study calls upon players in the industry to consider adoption service tipping strategy to revive hotel business after the pandemic.

**Key Words:**

Service Tipping Strategy, Financial Performance, Internal Business Process, Organizational Learning,

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## **Influence of External Stakeholder participation on project sustainability of Fairtrade Flowers Premium Funded projects in Kenya**

**Author:** Siele<sup>None</sup>

Influence of External Stakeholder Participation on the Sustainability of Fairtrade Premium Funded Projects in Kenya

**ABSTRACT**

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Theme: Sub-Theme 2; Issue- Development partners and project Sustainability

The Development partners are institutions or organizations that support the project with the necessary resources required including financial support. Stakeholders can be broadly classified as internal or external, each playing a unique role in defining project sustainability. Despite billions of dollars spent in community projects in Africa, the sustainability of the projects remains an area of concern. Fairtrade, has been in place for over 15 years, supporting projects in flower farms in Kenya. The working hypothesis in the study postulates that there exist a positive relationship between project sustainability and external stakeholder participation. The research sought to determine the influence of external development partners, recipient community and government participation on the sustainability of Fairtrade Premium funded projects in Kenya. A descriptive research design was used. The study targeted 225 respondents comprising Sub county officers in charge of health and education projects, Fairtrade liaison officer, Fairtrade Premium Committee (FPC) project heads, top management representative and community opinion leaders in each of the 38 Fairtrade certified flower farms in Kenya. Questionnaires were used as the main data collection instrument. Descriptive statistics mainly frequency distribution were used for data presentation. Both Correlation and multiple linear regression analysis were used to test the relationship between the variables. Statistical Package for Social Science version 24 was used as the data analysis software. The study found that participation of development partners, government and recipient community has a positive influence on the sustainability of Fairtrade premium funded projects in Kenya. The study concludes that

external stakeholder participation plays a significant role in the sustainability of Fairtrade premium funded projects.

**Key Words:**

Development partner, sustainability, stakeholders, participation

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## **THE INFLUENCE OF HUMAN RESOURCE TRAINING READINESS ON STAR-RATED HOTELS COMPETITIVENESS IN THE COVID 19 PANDEMIC ENVIRONMENT IN KENYA**

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THE INFLUENCE OF HUMAN RESOURCE TRAINING READINESS ON STAR-RATED HOTELS COMPETITIVENESS IN THE COVID 19 PANDEMIC ENVIRONMENT IN KENYA

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### **ABSTRACT**

In Kenya where the hotel industry injects KShs. 200B into the economy and most depends on tourists and travellers, the impact of Covid-19 pandemic is huge and is already being felt in the industry as well as other industries associated with it. Strategic readiness to continue operating while managing the pandemic is, therefore, important. However, the strategic readiness of the hotel industry key actors has not been established as yet. Therefore, the purpose of this paper was to find out the human resource training readiness as a component of strategic readiness of the star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. The study was guided by the Human Capital Theory. The study used a descriptive cross sectional survey research design and used systematic random sampling formula to select 138 hotels across Kenya which were from the target population of 211 star-rated hotels. Data was collected using questionnaires and interview schedules for the top management in the star-rated hotels through purposive sampling. Quantitative data was analyzed using both descriptive and inferential statistical analysis that involved the regression model.

**Keywords:** Strategic Readiness, Hotel Industry Key Actors, Human Resource Training Readiness, Competitiveness

**Key Words:**

Strategic Readiness, Hotel Industry Key Actors, Human Resource Training Readiness, Competitiveness.

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## **THE EFFECTS OF POLITICAL ENVIRONMENT ON SUSTAINABLE GROWTH OF MICRO AND SMALL ENTERPRISES IN NAKURU TOWN, KENYA**

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#### ABSTRACT

Micro and small enterprises play a critical role in driving sustainable economic growth. Political environment is a significant influence of sustainable growth of Micro and Small Enterprises. This study sought to establish correlation between the political environment and the sustainable growth of Micro and Small Enterprises in Nakuru Town, Kenya. The elements of political environment included political stability, political system, and policies and regulations. The objectives of the study were to examine the effect of political stability, and each of its elements on sustainable growth of Micro and Small Enterprises. Political Business Cycle and the Real Business Cycle theories were used to underpin the study. The research employed a descriptive survey design, collecting data using a questionnaire, from the population of 1338 businesses in Nakuru Town. Nassiuma approach was used to arrive at the sample size of 102 businesses. A pilot research, used to verify the reliability of the research instrument, yielded individual variables' Cronbach's alpha scores of > 0.7 (0.7492, 0.7317, 0.9244 and 0.7112 averaging 0.7791). From descriptive statistics and Pearson correlation analysis, the research findings indicated that political environment has an effect on the sustainable growth of Micro and Small Enterprises in Nakuru Town. The study revealed that political stability, and government policies and regulations, had a low but negative statistical effect on sustainable growth of Micro and Small Enterprises indicated by a Pearson correlation coefficient of  $p < 0.05$  (-0.019 and -0.0758 respectively). Political system with a correlation coefficient of 0.0143 indicated a low but positive correlation with the sustainable growth of Micro and Small Enterprises. Any manipulation of the political environment will have a significant statistical effect on sustainable growth of Micro and Small Enterprises. The study recommends that the county government of Nakuru therefore should consider carefully political environment aspects that positively and negatively affect sustainable growth of Micro and Small Enterprises in the county.

#### Key Words:

Political Environment, Sustainable Growth, Micro and Small Enterprises

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## Challenges, Responses, and Prospects for Post COVID-19 Higher Education Management in Kenya

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This article explores the prospect for higher education management post Covid-19 in Kenya. The arrival of Coronavirus Disease 2019 (Covid-19) in Kenya March 2020 did not only present a challenge due to the closure of universities alongside other schools but also presented an opportunity for higher learning institutions to be innovative in their delivery of content to students. As such, it is necessary for scholars to explore how the institutions of higher learning will live with the new normal given that the situation has prolonged more than expected. This article therefore tries to tackle two objectives: to find out how higher education institutions in Kenya responded to the Covid-19 pandemic and to predict how higher education management in Kenya will look like post-Covid-19. The authors adopted Kurt Lewin's 1947 change management model. The theory recognizes that when organisation is faced with a challenge, it has to undergo three stages of change (unfreeze, transition and refreeze). This theory was used to understand the transition that institutions of higher learning had to undergo in order to adopt ways of surviving in the new normal. Descriptive research design was used in this study in which data was collected from the archives regarding the way institutions of higher learning in Kenya and elsewhere responded to Covid-19 pandemic. As such, archival retrieval

and exploration of existing literature on Covid-19 response was obtained. The collected data was put in themes and through triangulation and predictions were made and conclusion drawn. The findings of this study adds to the increasing literature on Covid-19 pandemic and specifically contribute to the impact of Covid-19 pandemic to higher education sector

**Key Words:**

Responses, Prospects ,Covid-19 and Higher education

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## **Influence of Inflation Rate on Growth of Bond Markets in Kenya**

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**Abstract**

Bond market plays a great part in the economy of Kenya as it provides a platform for companies and individuals to invest. The study sought to establish the influence of inflation rate on the bond market growth in Kenya. The study further investigated the moderating effect of diaspora remittance on the relationship between inflation rate and the growth of bond market in Kenya. Monthly secondary data for the period from January 2000 to December 2019 obtained from the CBK, KNBS and NSE was used in the study. Time series regression model was used to establish the relationship between the moderating effect of diaspora remittance on inflation rate and their combined effect on bond market growth. The study employed descriptive research design. The study established that the inflation rate had a major effect on the growth of bond market for the period of study. The study findings revealed that the inflation rate had a strong positive influence on the growth of bond market and that when it was moderated the effect improved even more given the p-value of 0.000 recorded was less than 5% significance level. The study concluded that there was a positive statistically significant effect of inflation rate on bond market growth in Kenya. The study recommends that the capital market authority as a policy maker should enhance policies that promote investment in the bond market. Further studies should also be carried out incorporating other macroeconomic variables not included in this study. Finally, the study also recommended that CBK should ensure that it improves on measures that control the inflation rate and diaspora remittance as they affect the growth of bond market.

**Key Words:**

Key words: Inflation rate, Bond market growth, Diaspora remittance

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## **Influence of Inflation Rate on Growth of Bond Markets in Kenya**

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#### Abstract

Bond market plays a great part in the economy of Kenya as it provides a platform for companies and individuals to invest. The study sought to establish the influence of inflation rate on the bond market growth in Kenya. The study further investigated the moderating effect of diaspora remittance on the relationship between inflation rate and the growth of bond market in Kenya. Monthly secondary data for the period from January 2000 to December 2019 obtained from the CBK, KNBS and NSE was used in the study. Time series regression model was used to establish the relationship between the moderating effect of diaspora remittance on inflation rate and their combined effect on bond market growth. The study employed descriptive research design. The study established that the inflation rate had a major effect on the growth of bond market for the period of study. The study findings revealed that the inflation rate had a strong positive influence on the growth of bond market and that when it was moderated the effect improved even more given the p-value of 0.000 recorded was less than 5% significance level. The study concluded that there was a positive statistically significant effect of inflation rate on bond market growth in Kenya. The study recommends that the capital market authority as a policy maker should enhance policies that promote investment in the bond market. Further studies should also be carried out incorporating other macroeconomic variables not included in this study. Finally, the study also recommended that CBK should ensure that it improves on measures that control the inflation rate and diaspora remittance as they affect the growth of bond market.

Key words: Inflation rate, Bond market growth, Diaspora remittance

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## **Influence of intellectual stimulation on implementation of Human Resource Management policies by Kakamega County Government, Kenya**

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Implementation of Human Resource Management policies by governments in developing countries has not translated into development and quality service delivery. Leadership is integral to achieving government goals. This study aimed to establish influence of intellectual stimulation on implementation of Human Resource Management policies by the County Government of Kakamega. A descriptive research design and quantitative method involving use of questionnaire as the primary data collection instrument was adopted. The study population comprised all the 6,328 County Government of Kakamega permanent employees. Both stratified sampling and simple random sampling techniques were applied to get a sample size of 165 respondents. A pilot study was conducted in Bungoma County where the study checked for internal consistency and reliability of the instrument for data collection. Cronbach's coefficient alpha of 0.967 was obtained. Ethics governing research were accorded utmost consideration. A 93.3% questionnaire return rate was attained, good for social statistics analysis. The Statistical Package for the Social Sciences (SPSS) version 23 for windows was used to analyze data in the study. Pearson Product Moment Correlation Coefficient and regression analysis were used in analysis within 95% confidence interval to test for associations, relationships and independence of indicators. Study findings revealed a significant and positive relationship between intellectual stimulation and implementation of Human Resource Management Policies in Kakamega County Government. Based on the study findings, it was concluded that intellectual stimulation as

a construct for transformational leadership had a significant positive influence on implementation of Human Resource Management policies by Kakamega County Government. The study therefore stretches the frontiers of knowledge on the nexus between intellectual stimulation and implementation of Human Resource Management policies and recommends enhancement of reward policy, strengthening of training and development policy and formulation of moderative discipline policy in Kenya.

**Key Words:**

Intellectual stimulation, Implementation, Human Resource Management policies

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# **INFLUENCE OF BUSINESS DEVELOPMENT SERVICES ON MICRO ENTERPRISE PERFORMANCE: A SURVEY OF AGRIBUSINESS ENTERPRISES IN ELDAMA RAVINE SUB COUNTY, BARINGO COUNTY**

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**ABSTRACT**

Microenterprise plays a significant contribution to economic growth. In Kenya, The sector has been recognized by the government through efforts to develop and strengthen appropriate institutional frameworks are estimated to contribute 20% and 72% to the Gross Domestic Product. The purpose of this study was to examine the influence of business development services on microenterprises performance.

The study seeks to examine the influence of training services, business mentorship, market access information and business linkage on success of micro enterprise performance in Baringo County. A descriptive survey research design was used. The target population of this study was 53 Microenterprises.

A census survey was adopted. Primary data was collected using designed questionnaires. The reliability of

data collection instruments was ascertained to be 0.826 thus a reliable data. Training services has a significant positive relationship with enterprise performance at 5% significance level. This was evidenced

by the p value of p>0.05 and conclude that training services had no significant relationship with microenterprise performance (r=-0.112, p>0.05. Business mentorship has a significant positive relationship

with micro-enterprise performance at 5% significance level. This was evidenced by the p-value of p>0.05.

The decision was to fail to reject the null hypothesis with 95% confidence and conclude that business mentorship had no significant relationship with microenterprise performance. (r=-0.165, p>0.05., Business

linkages has a significant positive relationship with microenterprise performance. This was evidenced by

the p-value of p>0.05. The decision was to fail to reject the null hypothesis with 95% confidence and conclude that Business linkages had no significant relationship with microenterprise performance. (r=-0.09,

p>0.05). Ministry of Trade should liaise with county governments to provide business development services for the micro enterprises so as to help polish their knowledge in financial management and other managerial skills. The findings will be used to designing appropriate business development services

**Key Words:**

Training services, Business mentorship, Market access information,  
Business linkage,