

RELATIONSHIP BETWEEN BUSINESS DEVELOPMENT SERVICES AND GROWTH OF SMALL AND MEDIUM ENTERPRISES IN KENYA

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#### **Abstract**

**Purpose:** The purpose of this study was to find out the relationship between business development services and growth of small and medium enterprises in Kenya

Methodology: The study adopted a descriptive survey design. The target population was 422 manufacturing SMEs in Nairobi County who are members of Kenya Association of Manufacturers. Nairobi County was purposively selected. Both stratified and simple random sampling was used to select a representative sample. Both primary and secondary data collection techniques were employed. A Pilot study was conducted on 20 manufacturing SMEs in Kiambu County to establish and improve on the validity and reliability of research instruments. Data collected was coded and stored in tabular form using Microsoft Excel. Data was analyzed using both quantitative and qualitative data analysis methods. Ouantitative data was analyzed using Statistical Package for Social Sciences (SPSS) Version 25 software through descriptive statistics (measures of central tendency and measures of dispersion). Data was presented through Tables.

**Results:** The study found out that there was a significant positive relationship between business development services and growth of small and medium enterprises in Kenya. According to the results of this study, 23% of growth of small and medium enterprises in Kenya is explained by business development services.

Unique contribution to theory, practice and policy: The study recommended that policies should be formulated to strengthen public-private partnerships should be established and strengthened to nurture and support the overall entrepreneurial ecosystem in order to encourage greater growth among manufacturing SMEs, foster academia-industry collaborations for creation of new technologies and innovation in the existing technologies. Appreciate the local technologists and encourage local technology development by providing tax reliefs for preferred industries.

**Key words:** Business Development Services, Growth, Small and Medium Enterprises



### INTRODUCTION

Business development services (BDS) was devised in the 90's by Donor Agencies for Small Enterprise Development (CDASED) to supplement the term 'non-financial services and defined them as services that improve market accessibility, competitiveness and overall performance of an enterprise. BDS is a means through which SMEs can overcome market failure by providing information needed by businesses, availing consultancy services, enhancing skills and business training, improving quality through technology transfer, providing access to subsidized infrastructure, improving market accessibility and helping it gain a competitive edge (Brijlal, 2008; Okeyo, 2014). This study will use market access, infrastructure, technical assistance and technology as indicators of BDS.

Market access can be achieved through market management which is postulated to have the ability to enhance an enterprise's competitive advantage through increased market outreach. Management of markets through continuous innovation, products or processes in anticipation of, and response to, dynamic customer requirements, competitors and supply analysis is the essence of SME survival and growth (Price, Stoica & Boncella, 2013). Small Enterprise Education Program, SEEP, (2001) argued that market access consists of: market linkages, trade fairs and exhibitions, market information, outsourcing, market research, packaging and advertising. According to Mahmoud (2011), market development enables firms to try new ideas, seize the opportunity which are essential during market access and gain competitive advantage.

Infrastructure refers to the physical structures that enable enterprises to run smoothly. They are viewed as the basic structures (physical and organizational) that provides support for development of an organization or economy. It is regarded as an essential linkage between an enterprise and its markets which can have the potential to impact on the enterprise revenues and overall effectiveness (Price, et al., 2013). In manufacturing SMEs, infrastructure facilities consist of the factory, equipment, warehousing, transport and delivery, incubators, banking facilities, internet access, computer and secretarial services. According to Okeyo, Gathungu and K'Obonyo, (2014), well-developed infrastructure facilities reduce the impact of inter-regional distances, integrating the local markets as well as connecting them at low cost to markets in other countries and regions. White, O'Connor and Rowe (2004), argued that, unavailability of appropriate infrastructure could lead to excessive capital investments, support levels and inadequate organizational flexibility. Thus, strained access to infrastructure components may have adverse implication for performance in a manufacturing SME.

Technical assistance encompasses rendering a wide range of services such as marketing, management, finance and strategic planning technical assistance efforts help to develop sustainable and financially stronger business enterprises thus enabling the entrepreneur to start up, grow or expand their enterprises (Abor & Quartery, 2010). The most predominant need for SMEs to survive and grow is its ability to access capital and thus, most technical assistance efforts assist businesses by helping them obtain financing for operations or for larger or new



facilities. Technical assistance programs are not income generating on their own and are not self-sufficient and thus their effectiveness should be measured on the basis of support they offer to the enterprises. Technical assistance providers help SMEs through programs such as: mentoring, feasibility studies and business plans, exchange visits and business tours, franchising, technical training, counseling/advisory services, legal services, financial and taxation advice, accountancy and book- keeping, management, marketing plans, licenses and permits among others (Community Economic Development, 2011).

Technology is a broad term which involves creation of tools, processing actions and extracting materials. Technology is an important aspect in the growth of manufacturing enterprises in that it helps to simplify day to day lives. It is applicable in many areas such as in communication, transportation, learning, and manufacturing, securing data and scaling businesses among others (Ramey, 2013). Amaral, Anderson and Parker (2011) posited that, proper application of technology results in product development and thus, manufacturing SMEs will require technology to remain competitive hence creating and delivering new products and services to their customers efficiently and effectively. According to Hanadi and Aruna (2013), new technologies are often developed in research and development institutions which transfer these to the market to be adopted by all growing institutions through incubation facilities. Technology helps to improve communication both within and outside the firm, encourages innovation and creativity in doing business thus improving efficiency of operations hence improved productivity (Scott, 2011; Hackbert, 2010; Holford, 2015).

Entrepreneurial ecosystem refers to a set of interdependent actors and factors that are coordinated in such a way that they contribute to development and growth of entrepreneurial ventures. The concept is drawn from the biological concept of the interaction between living organisms in their physical environment (Stam, 2015). Stam, posited that, just like the biological ecosystems, an entrepreneurial ecosystem consists of different elements, which can be individuals, groups, organizations and institutions that form a community by interacting with one another together with environmental determinants that have an influence on how these actors work and interconnect. It is a recently emerged concept that helps to balance focus on entrepreneurs as individual actors and the system-level conditions as contextual factors with the recognition that individual entrepreneurial actions are largely influenced by the local business environment (Mason & Brown, 2014).

Globally, many countries offer a variety of incentives for start-ups such as Babson Entrepreneurship Ecosystem Project and Global Entrepreneurship Program for the U.S. Department of State which outlines six key domains of the entrepreneurship ecosystem: conducive culture, enabling policies and leadership, availability of appropriate finance, quality human capital, venture-friendly markets for products, and a range of institutional and infrastructural supports. The idea rests on the premise that no single factor alone can spur and sustain entrepreneurship (CIPE, 2014).



In Africa, case studies of entrepreneurial ecosystem have shown a positive effect on growth of firms. For example, start-ups in South Africa, Angola, Rwanda and Ethiopia have incredibly been vibrant with support infrastructure from investors, government, and private institutions contrary to Senegal, Ivory Coast and Botswana which has recorded low growth due to retrogressive culture, low intake of technology and innovation due to high entry barriers and high government regulations (Mason & Brown, 2014). In Kenya, although much has been done to improve entrepreneurship ecosystem since 2010, with increase in the number of hubs, coworking spaces, incubation and acceleration centers, there has been low growth of firms due to limited connections to networks of international mentors, angel investors, venture capitalists (VCs), poor managerial practices, information failures, inadequate technology difficulties in connecting to global and regional value chains. These internal constraints continue to hold back Kenyan manufacturing SMEs from growing (KNBS, 2019).

In this realization, the Kenyan government has formulated various policies in form of Sessional papers such as sessional paper No. 2 and No. 55 of 2005 and 2012 respectively, which provides for promotion and development of small businesses through creation of an enabling environment for new venture creation and growth. This enabling environment constitutes the entrepreneurial ecosystem factors that form the basis of this study. Despite these efforts by the government, the manufacturing SMEs in Kenya have continued to perform poorly as evidenced by an estimated total of 2.2 million SMEs in Kenya that closed, with 46.3% of them closing during the first year of operation (KNBS, 2017). This poor growth has been attributed to fluctuating supply of raw materials, marketing problems, inadequate entrepreneurial team development, poor seed capital, poor entrepreneurial culture and competition with large-scale companies (Makokha, 2015). Whereas entrepreneurial ecosystem factors are important drivers of enterprise development (Stam, 2015), there are scarce empirical studies on the relationship between them and growth of enterprises that this study intends to establish. Entrepreneurial orientation (EO) which is the entrepreneur's risk-taking behavior, pro-activeness and innovativeness have been found to be important ingredient for enterprise growth (Pratono & Mahmood, 2015), will be used as the moderating variable.

Ishengoma and Kappel (2011) in their study intended to analyze changes in Uganda's business environment between 2004 and 2010 by carrying out a survey on SME owner-managers. The study employed the use of secondary data and the findings revealed a significant deterioration during the study period. The study highlighted external factors such as limited access to finance, corruption, deficient public services, high taxes, and inefficient administrative services which restricted business development. The results of the study revealed a positive correlation between SME growth and access to business development services and financing resources. The study concluded that, limited access to the market and productive resources (financing, business development services), and high taxes, were both negatively correlated with SME growth.

Okeyo, Gathungu and K'Obonyo (2014) studied the effect of business development services on performance SMEs in Nairobi, Kenya using market access, procurement services and



infrastructure facilities as measures of BDS. The study was a cross sectional survey. Data was analyzed using inferential statistics, descriptive statistics and measures of central tendency and dispersion to establish relationships between variables. The study found out that, procurement services and infrastructure facilities had a positive and significant influence on performance of the enterprises while market access did not show any relationship. The study also revealed that three variables joined together had a great effect on performance than each individual effect and thus enterprises should adopt strategies that enhance procurement and improve infrastructure facilities to experience better performance. Kimando, Sakwa, and Njogu (2012), in their study on the impact of training by business development services providers on small and micro enterprises in rural Kenya found that there is positive relationship between training offered by the BDS and MSE's performance.

The manufacturing sector plays a critical role in economic development and creation of employment globally, regionally and in Kenya. In USA, UK, Italy, France and Germany, it contributes to 52%, 62%, 79%, 63% and 60% in employment respectively (Petty, et al., 2012) while in china, it contributes to 80% and 60% to employment and GDP respectively (Sham, 2014). In Kenya, the employment growth rate was 1.8 % in 2016 accounting for 11.8% of wage employment while in 2015, it accounted for 11.9% (KNBS, 2017). In 2017, the GDP growth rate was projected at 3%. Thus, the sector is a crucial tool for Kenya to achieve her long-term economic strategy, the Vision 2030 and the Big Four Agenda for the Jubilee Government, (National Planning Commission, 2013).

However, in Kenya, the sector has been facing significant challenges in the last 15 years with significant drop in its contribution to GDP hence the premature de-industrialization phenomenon. This is evidenced by constant reduction in the manufacturing firms and employment levels as well as the rise in the service sector's share to the GDP (KNBS, 2017). The share of GDP has remained stagnant with only limited increases in the last three decades, contributing an average of 10% from 1964-73 and rising marginally to 13.6% from 1990-2007 (KAM, 2018). The GDP has declined from 11.8% in 2011 to 9.2% in 2018, while the sector's growth declined to 3.5% in 2016 from 7.2 % in 2011 which is against the vision 2030's annual growth rate target of 10%. The employment growth rate has also declined from 11.9% in 2015 to 11.8% in 2016 despite the increased policy interventions by the government such as creation of enabling business environment, access to business development services and promotion of an entrepreneurial culture through introduction of entrepreneurship education at all levels of education to change the status of the sector (KNBS, 2018).

Entrepreneurial ecosystems factors have been recognized to play a significant role in promoting entrepreneurial activity and creating high growth entrepreneurial ventures (Acs, Autio & Szerb, 2014; World Economic Forum, 2013; Feld, 2012). However, majority of the studies in this field have been carried out in developed economies: Mason & Brown (2014); Stam (2015) & Spigel (2017). Regional studies have mainly focused on the state of entrepreneurial ecosystems but have not measured how the factors relate with enterprise growth: Sheriff & Muffatto (2015) &



Rahatullah (2013). In Kenya, majority of the studies have focused on technology start-ups: Hain & Jurowetzki (2017); Bramann (2017) & Ankarcona & Holm (2016). In addition, most empirical studies on manufacturing SMEs have focused on one element of the ecosystem: Bunyasi (2012); Kimando, Sakwa & Njogu (2012); Bwisa & Ndolo (2011) while according to Park, Martins, Hain and Jurowetzki, (2017) a more holistic view of the ecosystem factors is useful in determining the weak and strong elements. Furthermore, Ogollah (2014) & Ombongi (2018) focused on other variables other than entrepreneurial ecosystem factors discussed in this study. From the foregoing, there is little extant literature on the relationship between entrepreneurial ecosystem and growth of small and medium manufacturing enterprises in Kenya hence the need to carry out this study.

### **Social Networking Theory of Entrepreneurial Ecosystem**

Network is defined as groups or systems of interconnections between people and organizations whose aims and purposes is provision of services. A social network consists of a set of actors (nodes) and the relations (ties or edges) between these actors (Muijs, West & Ainscow, 2010). The theory was founded in 1930 by Durkheim and states that, the availability of social networks that connect entrepreneurs with advisors, investors and human resources makes it possible for knowledge and skills to flow. The theory focusses on relationships between entrepreneurs and others that provide the resources that are important in establishing a business. They get support, knowledge and access to distribution channels through their social networks (Ogunnaike & Kehinde, 2013).

Entrepreneurs today are not looked at as autonomous in their behavior and in the decisions they make but are embedded in their social networks (Defourny & Nyssens, 2010). Thus, the theory views social relationships in terms of nodes (individual actors within the network) and ties (relationships between the actors). Network researchers have identified broad range of types of ties such as communication ties (who talks to whom, or who gives information or advice to whom), formal ties (who reports to whom), affective ties (who likes whom, or who trusts whom), material or work flow ties (who gives money or other resources to whom), proximity ties (who is spatially or electronically close to whom) and cognitive ties (Jaafar, Abdul, & Sahari, 2009).

According to Fatoki (2011), social relationships are crucially important to the entrepreneurial process because the information needed to start and grow a business is passed to the entrepreneur basically through the existing social networks. The entrepreneurs therefore must build relationships which can enhance their reputation with external resource providers who are ready to share information, technology, goods and finance that are valuable to the entrepreneur (Jaafar & Sahari, 2013). Entrepreneurs have ideas, knowledge and competence to run the business, but for them to succeed, they require complementary resources that will help them improve on the production and delivery of their goods or services. They are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that sustain a new firm (Clarysse, Tartari & Salter, 2011). This theory contributed to



the objective number two of finding out the relationship between business development services and growth of small and medium manufacturing enterprises in Kenya.

### 2.0 METHODOLOGY

The study adopted a descriptive survey design. The target population was 422 manufacturing SMEs in Nairobi County who are members of Kenya Association of Manufacturers. Nairobi County was purposively selected. Both stratified and simple random sampling was used to select a representative sample. Both primary and secondary data collection techniques were employed. A Pilot study was conducted on 20 manufacturing SMEs in Kiambu County to establish and improve on the validity and reliability of research instruments. Data collected was coded and stored in tabular form using Microsoft Excel. Diagnostic tests for a regression model were carried out to determine data normality, auto-correlation, multi-collinearity, homoscedasticity and linearity. Data was analyzed using both quantitative and qualitative data analysis methods. Quantitative data was analyzed using Statistical Package for Social Sciences (SPSS) Version 25 software through descriptive statistics (measures of central tendency and measures of dispersion) and inferential statistics (Pearson correlation coefficient (r), multiple linear regression models and ANOVA). T-test was used to test the hypothesis. Thematic analysis was used for qualitative data. Analyzed data was presented using Tables.

### 3.0 RESULTS

### 3.1 Descriptive Statistics on Business Development Services

Table 1 gives the descriptive statistics on a how the respondents agreed or disagreed with statements relating to business development services and growth of manufacturing enterprises. A Likert Scale of 1-5 was used to represent the response in categories comprising of Strongly Disagree, Disagree, Not Sure, Agree and Strongly Agree respectively. From the findings, 53.5% of the respondents agreed that market development services help their firms to come up with new ideas and seize opportunities ,53.9% ventured in both domestic and international markets while 48.6% agreed that trade fairs, exhibitions and market research has led to growth of their firms. Majority of respondents (52.5%) agreed with the statement that well-developed infrastructure has provided essential linkages between their firms and markets, (53.1%) agreed that infrastructure policies have facilitated affordable business premises and equipment thus increasing the level of operations, (50.4%) agreed with technical assistance programs has helping the firms be sustainable and financially stable hence our firm's growth. 49.7% also agreed that their firms have been able to access capital when in need due to the technical assistance and 55.3 % and 52% respectively agreed that easy access to technology providers has led to adoption of new technologies has led improved technology and use of new technologies have led to firm's growth. The other respondents were either indifferent or disagreed with the statements.



 Table 1
 Descriptive Statistics on Business Development Services

	SD	D	I	A	SA
Our firm has market development services which have helped our firm to come up with new ideas and seize opportunities hence growth of our firm.	11 (7.7)	24 (16.9)	31 (21.8)	45 (31.7)	31 (21.8)
We have ventured in both domestic and international markets leading to growth our firm	8 (5.4)	21 (14.5)	35 (24.1)	40 (27.6)	41 (28.3)
Trade fairs, exhibitions and market research has led to growth of our firm	21(14.6)	25 (17.4)	28 (19.4)	38 (26.4)	32 (22.2)
We have a well-developed infrastructure facility thus reducing our cost of production	14 (9.5)	25 (16.9)	31 (20.9)	51 (34.5)	26 (18.3)
The well-developed infrastructure has provided essential linkages between our firm and markets	12 (8.3)	23 (15.9)	34 (23.4)	52 (35.9)	24 (16.6)
Our infrastructure policies have facilitated affordable business premises and equipment thus increased level of operations.	21(14.3)	18 (12.2)	30 (20.4)	45 (30.6)	32 (22.5)
Technical assistance programs has helped our firm to be sustainable and financially stable hence our firm's growth	13 (8.8)	21 (14.3)	39 (26.5)	47 (32.0)	27 (18.4)
Mentorship programs, feasibility studies, business plans and advisory services has enabled us to increase our level of operations hence growth of our firm.	15(10.4)	35 (24.3)	33 (22.9)	42 (29.2)	19 (13.2)
Our firm have been able to access capital whenever in need due to the technical assistance which have helped to grow our firm	19(12.9)	32 (21.5)	23 (15.6)	31 (21.1)	42 (28.6)
Easy access to technology providers has led to our adoption of new technologies hence improved productivity.	8 (5.4)	12 (8.4)	44 (30.8)	41 (28.7)	38 (26.6)
We have been able to procure and install new technologies leading to efficient production methods hence growth of our firm.	15(10.3)	33 (22.6)	22 (14.8)	32 (21.9)	44 (30.1)

### 3.2 Regression Analysis

## 3.2.1 Regression Analysis of the Relationship between Business Development Services and Growth of Small and Medium Manufacturing Enterprises in Kenya

The study sought to establish whether there is a relationship between business development services and growth of small and medium manufacturing enterprises in Kenya. From literature review in this study as well as theoretical reasoning, business development services is associated with growth indicators. The following hypothesis was formulated and tested:

### $H_{02}$ : There is no significant relationship between business development services and growth of small and medium enterprises in Kenya

To test this hypothesis, Analysis of Variance (ANOVA), model summery and Beta coefficient were tabulated and illustrated in table 2. From table 2 F- Calculated =43.584 and p-value is .000



which is less than 0.05 hence, business development services had a significant explanatory power on growth of small and medium manufacturing enterprises in Kenya. In the regression model summary, the coefficient of determination is indicated by Adjusted R square which is equal to a regression model summarized in Table 4.23. From the table, the coefficient of determination as indicated by Adjusted  $R^2$  is 0.231 implying that 23% of growth of small and medium enterprises in Kenya is explained by business development services.

From Table 2 of Beta coefficients, the regression equation can be written as: Y = 2.006 + .447X2, where X2 is business development services and Y is Growth of small and medium enterprises. The regression equation above shows that when business development services is held constant at zero, growth of small and medium manufacturing enterprises would be 2.006 units. Thus, there is a relationship between business development services and growth of small and medium enterprises. A unit increase in business development services increases the growth of small and medium manufacturing enterprises by 0.447 Units. Since the p-value is less than 0.05 and the F computed 0.583 which is less than the F-critical, we reject the null hypothesis and conclude that there is a significant positive relationship between business development services and growth of small and medium enterprises which concurs with findings of Okeyo, Gathungu and K'Obonyo (2014); Gathenya, Bwisa & Kihoro, (2011) and Kimando, Sakwa & Njogu (2012) on business developments services and growth of SMES who concluded that business development services such as procurement services and infrastructure facilities had a positive and significant influence on performance of the enterprises. However, they found a negative relationship between market access and performance of SMEs. It also agrees with findings of Faustin & Rusibana, (2020) that enterprises benefit from training and technical assistance in areas such as policy and regulations awareness, infrastructure, operation or maintenance of markets, industrial parks or sheds, business incubators, storage and cooling facilities, power, information and communication technology (ICT) infrastructure; specialized services such as legal, financial management and auditing services and policy advocacy services among others.



**Table 2: ANOVA** 

Model		Sum Squares	of Df	Mean Square	F	Sig.
1	Regression	20.689	1	20.689	43.584	.000 <sup>b</sup>
	Residual	66.933	141	.475		
	Total	87.622	142			

				Std.	Error	of	the
Model	R	R Square	Adjusted R Square	Estim	ate		
1	.486	.236	.231	.6889	9		
Duadiat	.400		.231	.0009	7		

a. Predictors: (Constant), X2

		Std.		t(Standardize	
	B(Unstandardize	Error(Unstandardize	Beta(Standardize	d	
Model	d Coefficients)	d Coefficients)	d Coefficients)	Coefficients)	Sig.
1 (Constant	2.006	.240		8.361	.000
)					
X2	.447	.068	.486	6.602	.000

a. Dependent Variable: Y

### Regression Analysis of the moderating Influence of entrepreneurial orientation on the relationship between business development services and growth of small and medium enterprises in Kenya

The study also sought to establish the moderating effect of entrepreneurial orientation on the relationship between business development services and growth of small and medium enterprises in Kenya Following the theoretical arguments, the following hypothesis was formulated and tested:

# ${\rm H}_{05}b$ : There is no moderating influence entrepreneurial orientation on the relationship between business development services and growth of small and medium enterprises in Kenya

To test this hypothesis, Analysis of Variance (ANOVA), model summery and Beta coefficient were tabulated and illustrated in table 3. As illustrated in table 5, F Statistic was 37.612 which is greater than the critical value of 3.85. Since the p-value is less than 0.05, then business development services and the interaction effect had significant explanatory power on growth of small and medium manufacturing enterprises in Kenya (F=37.612 and p-value <0.05). As indicated in Table 3 the coefficient of determination is 0.436 this indicates that 43.6% of the growth of small and medium enterprises is explained by business development services, entrepreneurial orientation and the interaction effect of business development services and entrepreneurial orientation. Table 3 shows the regression coefficients of the regression model of growth of small and medium enterprises and business development services ( $X_2$ ), entrepreneurial



orientation (Z) and the interaction effects of business development services and entrepreneurial orientation ( $X_2Z$ ). Since the coefficient of the interaction effect is significant, we conclude that there is moderating effect of entrepreneurial orientation on the relationship between growth of small and medium enterprises and business development services.

Table 3 ANOVA

Mo	odel	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	n 39.259	3	13.086	37.612	.000 b
	Residual	48.363	139	.348		
	Total	87.622	142			
					Std. Error	of the
Mo	del R	R Square	Adjusted	l R Square	Estimate	
1	.669 <sup>a</sup>	.448	.436		.58986	
			Std.		t(Standardize	
		B(Unstandardize	Error(Unstandardize	Beta(Standardize	d	
Mo	odel	d Coefficients)	d Coefficients)	d Coefficients)	Coefficients)	Sig.
1	(Constant	799	.839		953	.342
	)					
	$X_2$	.741	.237	.806	3.128	.002
	Z	1.062	.231	1.065	4.591	.000
	$X_2Z$	147	.059	-1.031	-2.479	.014

### 4.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

### **Summary**

The results of the study showed that, there was a significant positive relationship between business development services and growth of small and medium enterprises in Kenya. According to the results of this study, 23% of growth of small and medium enterprises in Kenya is explained by business development services. Through BDS, manufacturing SMEs are assisted in supply of inputs at affordable and cost-effective way through provision of supplier information, negotiation with suppliers and facilitating collaborative or joint procurement. In addition, firms can be supported in technology development and Transfer through assistance in research and development of appropriate technologies; promoting, distribution and installing such technologies, developing distribution channels for the technologies and advising on appropriate technologies. The factors that were in consideration were market access, infrastructure, technical assistance and technology



### Conclusion

The study concluded that business development services play a great role in the growth of manufacturing SMEs with majority of the respondents agreeing that market access to both domestic and international markets playing a very important role in the growth of manufacturing SMEs.

### **Recommendations**

The study recommended that policies should be formulated to strengthen public-private partnerships should be established and strengthened to nurture and support the overall entrepreneurial ecosystem in order to encourage greater growth among manufacturing SMEs, foster academia-industry collaborations for creation of new technologies and innovation in the existing technologies. Appreciate the local technologists and encourage local technology development by providing tax reliefs for preferred industries.

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