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What is the Effect of Government Strategic Plan (2006-2011) on Growth of Micro Enterprises in Nakuru Municipality?

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Abstract
Kenya, like other economies, has been concerned about the persistent stagnation and decline in economic growth, accompanied by unemployment and community deterioration; and hence has considered micro enterprise (ME) development as one of the strategies to help reverse this trend. The government, being the manager of the economy as a whole on behalf of the community, is significantly affected by the activities of the MEs. This study sought to analyze the effect of Government Strategic Plan (2006-2011) on growth of ME in Nakuru municipality by determining the government interventions available to MEs as well as finding out the effects of these interventions on growth of MEs.
Keywords: Micro enterprise, Government Strategic Plan, Government of Kenya

1.0INTRODUCTION
The growing global concern about persistent stagnation and even decline in economic growth accompanied by chronic unemployment, poverty and its resultant social problems has led to increased search for strategies which could stimulate economic activities in these economies. One such strategy that has been growing in importance is entrepreneurship development through micro and small enterprises, based on the premise that an increase in entrepreneurship can lead to an increase in economic activities. Both developed and developing countries have therefore focused on entrepreneurship development (Kibera, 1996).

1.1Statement of the problem
Many studies done on growth of MEs have dwelt on entrepreneurial and business characteristics and their effect on growth, (Meads, 1998). Evans (1987), in his study estimated the impact of owner and firm characteristics on firm growth. Glancey (1998), modeled firm growth as a function of size, age, location, inter-industry differences and profitability of business. There has hardly been a study on the effect of government strategic plan on growth of MEs, especially in Kenya. The choice of purpose by the government and the moulding of micro enterprises' identity are strategic in this case. The government is trying to define what needs to be done to foster growth in MEs. Because of the importance of micro enterprises, it is necessary to find out whether government policy interventions affect their growth. This study therefore sought to analyze the effect of GSP (2006-6011) on growth of micro enterprises focusing on Jua Kali artisans at Bama in Municipal Council of Nakuru.

1.2 Objectives of the Study
i. To determine the government interventions available to MEs.
ii. To establish the effects of the government interventions on growth of MEs.

1.3 Research Questions
i. What government interventions are available to MEs?
ii. What are the effects of the government interventions on growth of MEs?

2.0 LITERATURE REVIEW
Strategies Used By the Government to Promote ME Growth
In order to address strategic issues affecting micro enterprise growth, the government has developed strategic objectives, and various strategies on how to achieve these strategic objectives. One such strategic objective is promotion of development, growth and graduation of MEs, (GoK, 2006). The strategies developed towards the achievement of these objectives are product development, market development and joint venture.
Theories of Micro and Small Enterprise Growth and Development
In recent years, growth in micro and small businesses has received considerable attention from researchers and policy makers showing the importance of these businesses to various economies of the world. Several theories have over the years been put forward on the development of small enterprises, Pedersen (1998) reviewed four complementary theories which include the theory on labour supply and the urban informal sector; output demand and the urban informal or small enterprise sector, commercialization of the rural areas, and industrialization and small enterprise development (Mshenga, 2009).

Conceptual Framework

The primary role of strategic planning is to enhance the organizations' ability to adapt to changing environmental conditions, allow organizations to respond proactively to threats and opportunities presented by their environment and to provide a mechanism for reducing environmental uncertainties and foster growth. In order to address strategic issues affecting micro enterprise growth, the government develops strategies to direct its work and improve its program efficiency and effectiveness. The variables of study are government policy interventions and ME growth. Most of the environmental factors impeding growth and graduation of MEs can only be tackled by the government through its policy interventions for the sector. These factors include inadequate work space, limited market accessibility, inadequate training and limited access to credit facilities. The government through its policy interventions is able to create an enabling environment by defining what needs to be done and managing strategic issues that enhance growth in this sector.

3.0 RESEARCH METHODOLOGY

The area of study was Bama business centre situated within Bondeni area of Nakuru Municipality. The study was done by use of census survey method. Survey method was appropriate in this study because it is concerned with describing, recording, analyzing and interpreting relationships that exist, opinions that are held and effects that are evident. Since this study sought to find out the effect of Government Strategic Plan on growth of the respondents, it sought descriptive and self reported information from the respondents. The target population of this study was seventy three (73) jua kali artisans in Bama. These were artisans who were registered by MCN as at April 2010 by virtue of paying operational license fees. This data was obtained from MCN (Department of Social Services). First, a semi structured questionnaire was developed for use in the survey. A pre-test was then undertaken to check on the validity and reliability of the instrument. Primary data was collected by use of semi structured questionnaires which were administered to the respondents. Secondary data was obtained from government policy documents, the Ministry of Labour and Human Resource, Department of ME Development, and also from Kenya Industrial Estates which facilitates the provision of services to the sector. The data collected were both quantitative and qualitative in nature. Modified version of Evans growth model estimated as ordinary least squares (OLS) was used to determine the effect of government policy interventions on growth of Micro enterprises. Growth was calculated as change in average assets between 2006 and 2009 ;(Vpr-Vpst/Vpst). This measure was found to be a better indicator of growth than revenue or employees since many businesses did not have any significant increase in employees. Also revenue was not considered due to the fact that most business owners divert business income to other activities.

$G_{A=}\beta_1 + \beta_2PACF + \beta_3PMA + \beta_4PT + \beta_5PWS$

Where: G_A - Growth in Asset

PACF -Provision of Access to Credit Facility

PMA -Provision of Market Accessibility

PT - Provision of Training

P WS - Provision of Work Space

RESULTS AND DISCUSSIONS

4.1 Entrepreneur Characteristics, Business Characteristics and Government Policy Interventions

4.2 Entrepreneur Characteristics

This section describes the entrepreneur characteristics in terms of gender, age of the entrepreneur, marital status and educational background. These are given in terms of frequencies and averages.

4.2.1. Gender

Of the 73 micro entrepreneurs surveyed, 82% were male while 18% were female. This indicates that these businesses are dominated by men. The sector is mainly a male area as it is a fairly tough job that requires a lot of energy. The women who have ventured into this business mainly let the men do the metal beating while they finish up the moulding of the energy saving jikos, as they supervise their stands. This concurs with similar studies done on this subject. Papadaki and Chami (2002) in their survey found out that men own two thirds of the micro and small businesses surveyed.

4.2.2 Age of ME Owner

In the study, the mean age of the ME owners was found to be 33.2 years with the youngest being 18 years old and the oldest 63 years old. 68% of the respondents were found to be younger than 35 years. This indicates that mostly these businesses are owned by younger to middle aged people with limited participation of very old or very young. The results also indicate that these businesses are owned by people who are still young hence energetic to carry out the work of metal beating. This supports the finding of Felsentein et al (2002), who found out that 61% of the respondents were younger than 40 years. However, these findings are contrary to those of Papadaki and Chami (2002) who found out that most of the micro and small business owners were between the age of forty and sixty years with only 17% being below forty years. An analysis of age of the entrepreneur is important since there is a general belief that MEs attract relatively young people who may not have entered into formal employment due to lack of it.

4.2.3 Level of Education

Education was considered in terms of the years of formal schooling from primary to the highest level of formal education. The average education level of the entrepreneurs was found to be 9.3 years. In terms of education classes, the results indicated that 27.7% of the respondents had a secondary school education. This showed that few of the business owners had a secondary school education. This is an indication that MEs are dominated by people with relatively low levels of education. Analysis to determine if there was a relationship between business performance and education did not provide conclusive results. Given the low level of education in the ME sector, the entrepreneurs often create survival - oriented MEs due to lack of alternative employment opportunities.

4.2.4 Other Sources of Income

Out of the 73 respondents, 86.3% indicated that they had no other sources of income and wholly relied on that business. Of the other 13.7%, 70% had other business, 20% had inheritances while 10% had retirement benefits.

4.2.5 Motivation for Starting Business

In this study, a majority of 46.6% ventured into this business as a source of income. 41.1% wanted to be self employed, 6.8% started the business because they had nothing else to do while 5.5% got encouragement from friend to start this kind of business. This indicates a positive motivation of 87.7%, which is necessary for business to perform well since the entrepreneurs thus throw all their weight behind their businesses to see them succeed. The 12.3% who either had nothing else to do or were encouraged by friends to start this business may not be committed to the businesses. MEs are seen as a source of income for most people with no formal employment. These results are shown in Table 2 below.

Table 2: Motivation for starting the business

	%
Source of income	46.58
encouragement from friends	5.48
To be self employed	41.10
Had nothing else to do	6.85
Total	100.00

Source: Survey Data

4.3.0 Business Characteristics

Business characteristics such as age of the business, location, ownership, employment, start up capital and membership of associations, joint business with larger companies or the government are discussed in this section.

4.3.1 Age of Business

The age of the business was measured by the number of years the business had been in operation. The average operating age of the business was found to be 8 years. It is expected that work experience should prove to be highly important for developing capabilities within MEs and by expanding entrepreneurs' network.

4.3.2 Number of Employees

The size of the organization is one of the indicators of business growth. Majority of the businesses (97%) had less than five employees. Only 2.9% had five or more employees. The average number of employees was found to be 1.4 in 2006 and 1.8 in 2009. This justified the fact that the businesses interviewed were in the micro business sector.

4.3.3 Start up Capital

The mean start up capital was found to be Kshs 19,408 with the minimum being Kshs 1000 and maximum Kshs 100,000. The results showed that the sources of start up capital were typically from savings (55.6%) or from friends and relatives (31%), as indicated in figure 2 below. This finding is supported by Mason (1998) whose study found out that entrepreneurs across the world typically start businesses primarily though their own savings because of limited access to start up capital. An international development bank (IDB) study done in Latin America, Asia and Europe also found out that personal savings was the most important source of start up financing in all countries. This is because access to bank financing is more limited due to lack of collateral and substantial amount of savings demanded as a qualification for borrowing.

Figure 2: Source of start up capital

Source: Survey Data

4.3.4 Ownership/Legal Form

The ownership structure of these businesses was skewed towards sole proprietorship which represented 84.5%. Of remaining, 15% were partnerships with no limited company.

4.3.5 Membership to Associations

Of the respondents in the study 63% indicated that they did not belong to a business association while 37% did. Of those who belonged to an association, 50% agreed that these associations assisted them in their businesses in interacting with their fellow business owners and exchanging business ideas. They also indicated that it is a source of social capital. As pointed out by Johannesson in Mshenga (2009), belonging to an association is a source of capital. Social networks can also help entrepreneurs identify business opportunities and overcome a number of obstacles related to business costs and regulations. In some cases however, traditional customs associated with these networks may hinder ME growth.

4.3.6 Undertaking Joint Businesses with Government and Larger Companies

Study revealed that no respondent undertook any joint business with the government while only 4.1% undertook joint business with larger companies. Of those who undertook joint business with larger companies, 10.5% indicated that they received training from these business, 5.3% indicated that they got marketing assistance while another 5.3% indicated that they got capital assistance.78.9% indicated that they received no assistance from these companies. The study also revealed that 41% of the respondents said joint activities have contributed to increase in their assets, 25% to increase in employees and 33.3% to increase in revenue. Businesses that participate in value chain must by definition interact with other firms and related entities such as universities and regulatory agencies. Inter-firm cooperation is a driver of ME growth, more so in vertical and horizontal linkages and supporting markets.

4.3.7 Sources of Business Advice

Of the 73 respondents, 46.1% got their business advice from customers. 31.5% from friends and relatives, 5.5% from nobody while 13.7% from business association.

Figure 3: Source of business advice
Source: Survey Data

4.3.8 Sources of Additional Finance

The results of the study showed that 37.5% of the total respondents got additional capital from micro finance institutions, 27% from private individuals, 20% from associations while 11.1% from banks and 1.4% from the government. This indicates that MEs rely mostly on micro finance institutions, private individuals and associations for additional finance. Government loan was the least selected as a source of additional source of financing.

4.3.9 Revenue

The average revenue was found to increase between 2006 and 2009 from Kshs 70877, 77871, 80605, 83055 respectively. However, further analysis of the increase revealed that it was at a decreasing rate. In 2006 revenue increased by Kshs. 6994; in 2007 it increased by Kshs. 2732 while in 2008 the increase was kshs 2450. On reasons for change in revenue, 2.7% cited improved credit facility, 15.1% cited improved market accessibility and 35.6% cited better skills while 15.1% cited better working tools.

4.3.10 Assets

From the study there was an increase in the average annual business assets between 2006 and 2009. Value of assets in kshs was 31721.5, 34711.3, 37124 and 41605.4 respectively. However, further analysis revealed fluctuation in the growth rate. In 2006, growth rate was 0.025%, in 2007 was 0.03% while in 2008 it was 0.0048%. Average growth rate was 0.02%. 28.8% of respondents cited improved credit facilities from micro finance institutions, 27.4% cited improved market, and 23.3% cited better skills while 20.5% cited better working tools as the reason for change in asset value.

4.4.0 Government Policy Interventions

This section discusses government policy interventions which are; provision of training, provision of workspace, provision of access to credit facilities and provision of market accessibility and how they affect growth of MEs

4.4.1 Training

On whether the government provides the MEs with training, the study revealed that only 6.8% of the respondent, numbering five have been provided with training. 93.2% said they have not had government training. As a result, they felt high employee skills are not attributed to government training, but to their innovativeness and personal effort. On training requirements 42.9% of the respondents stated that they mostly required marketing skills, technical and management skills training came in second place with 25.4%. Table 5 below shows how the respondents ranked their training needs in order of importance.

Table 3: Preference of Training

Preferred Training	% points
Marketing	42.9
Technical	25.4
Management	25.4
Record keeping	4.8
Computer	1.5
Total	100

Source: Survey Data

4.4.2 Provision of Access to Credit Facility

Of the 73 respondents, 71 (97.3%) said the government does not provide them with access to credit facilities. Only 2.7% responded on the positive. Of those who had received credit from the government, the highest received was Kshs 20,000. For various reasons ranging from lack of collateral to bias against micro enterprises, MEs cited a great challenge in accessing credit facilities. MEs typically started their businesses through their own savings because of limited access to start up capital. Even after overcoming this hurdle, lack of credit still posed a problem in additional finance. Microfinance institutions provide important sources of financing for MEs though their credit conditions are unfavourable. However, as Table 5 below shows, those who cited access to improved credit facilities had a higher mean annual growth in assets than those who did not. This is an indication that improved credit facility is important in asset growth. Existing literature on MEs indicate that lack of capital is a strong constraint to growth (National Baseline Survey, 1995, 1999). Over the life of the firm, growth can be hindered by credit constraints that curb investment to maintain or improve technology. According to these studies, most MEs rely mainly on own savings to finance their businesses. While ME owners cited insufficient credit as their most pressing obstacle, it may be a necessary factor but not a sufficient condition for growth. Although it is most frequently cited as constraint, perhaps this is because it is the most readily identified (Dressing, 1990).

Table 4: Effect of improved access to credit facility on average annual growth in assets

Response	Mean	N
No	6145.1852	71
Yes	8491.6667	2
Total	14,636.8519	73

Source: Survey Data

4.4.3 Provision of Support to Market Accessibility

97.3% of the respondents had never received any assistance in marketing their products by the government, while only 2.7% affirmed to have received government assistance in marketing their products. The 2.7% had been contracted by the government to supply their products to government institutions. The respondents who cited improved access to market recorded a significantly higher mean annual growth than those who did not. This is explained in Table 6 below. This shows that increase in market accessibility is significant and would lead to increase in asset growth. Access to markets and lack of market information is one of the most critical constraints to the growth of MEs. As is cited by 97.3% of the respondents, the policies for addressing this problem do not seem to have achieved much success.

Table 5: Effect of improved access to market on average annual growth

Response	Mean	N
No	4893.0556	56
Yes	15382.3529	17
Total	20275.4085	73

Survey Data

4.4.4 Provision of Work Space

On the issue of provision of work space, 72.6% of the respondents said the government does not provide them with workspace. The 27.4% who said they were provided with workspace were renting permanently constructed rooms with electricity from the Municipal Council of Nakuru. Comparatively, they experienced higher growth in assets as Table 7 shows. The size of the workspaces ranged from 10 by 10 feet to 20 by 20 feet. Majority of the respondents; 89% operated in 10 x 10 feet shades. Lack of access to electricity has hindered technological growth for MEs given that modern processes are electrical. The high cost of electricity (including high connection charges) has also been a hindrance to access to power. For those who worked in permanently constructed rooms with electricity, their mean annual growth was significantly higher than those who operated in makeshifts. This is an indication that if the ME owners are provided with good infrastructure, their businesses would experience growth.

Infrastructure as it relates to provision of workspace, power, water and sewerage has been a major constraint in growth and development of MEs. This is supported by Bokea, Dondo and Mutiso in Mshenga (2009). The government has failed to provide a good infrastructure framework which is essential for the growth of a competitive ME sector. Although several politically inspired attempts have been made to provide good infrastructure; mainly work sheds for MEs, this is not often included in town planning.

Table 6: Effect of provision of work space on average annual asset growth

Response	Mean	N
No	7226.0870	56
Yes	9127.4510	17
Total	16357.538	73

Source: Survey Data

4.4.5 Respondents' Perception on Factors Contributing to Growth

The respondents were asked to indicate factors that contributed to growth of their businesses and the result measured on a Lickert Scale of 1-5.These were access to credit, access to market and distribution channels, personal effort and government training. From the responses it was found that a big majority of the respondents felt that government policy interventions do not help them in business growth. 87% contributed growth in assets to personal effort. 31% who strongly agreed that access to finance contributed to growth accessed credit from microfinance institutions, business associations and friends. The results are as indicated in Table 8 below.

Table 7: Respondents' Perception on factors contributing to asset growth

	Responses					
	Strongly disagree	Disagree	Not sure	Agree	Strongly Agree	Total
Factors contributing to growth						
- Access to credit facility (%)	32.9	25.7	7.1	31.4	2.9	100
- Access to markets (%)	37	28.2	5.5	19.7	7.0	100
- Adequate work space (%)	58.6	25.7	7.1	5.7	2.9	100
- Better skills due to government training (%)	62.5	25.4	2.6	3.2	6.3	100
- Personal effort (%)	---	11.6	1.4	27.6	59.4	100

Source: Survey Data

4.4.6 Respondents Perception on Government Success in Assisting Growth of MEs

The respondents were asked to indicate on a Likert scale of 1-5 whether they feel the government has succeeded in assisting growth of jua kali sector. From the responses, it was found that 59.9% of the respondents felt that government interventions had no effect on growth of their businesses at all. 20.8% disagreed moderately, 5.5% were indifferent, and 12.1% agreed to a small extent that it had effect on business growth while 2.7 agreed to a large extent. These results clearly indicate that government interventions hardly affect the operations of the MEs. This is supported by majority of 93.2%, 97.3%, 97.3% and 72.6% who said the government does not provide them with training, access to finance, market accessibility support and work space

4.5 Effect of Government Policy Interventions on ME Growth

An Ordinary Least Square (OLS) multiple regression model was used in determining the effect of government policy interventions on growth.

Table 8: OLS estimate of the determinants of ME growth

Independent variable	Beta	t	P
Provision of training by government	0.074	0.388	0.808
Provision of work space	0.382	2.167	0.307
Provision of credit facility by government	0.361	2.041	0.701
Provision of market accessibility	-0.073	-0.434	0.667

Significant at 0.05

Source: Survey Data

Government policy interventions play a pivotal role as a catalyst in fostering growth of MEs. The government, being in charge of management of the economy; and having recognized micro enterprise sector as key driver of economic growth is able to influence the business environment that determines growth of MEs. This is possible through implementation of policy interventions as stipulated in the strategic plan. This study has shown that government policy interventions are hardly available to MEs and so have no effect on growth of their businesses.

4.5.1 Provision of Access to Credit Facilities

Accessibility to finance and technology, being product development strategy is important in creating new products and modifying existing ones to meet customer needs. However credit accessibility still remains a hurdle. As this study has shown, improved credit facilities can contribute significantly to growth of MEs. If this strategy is addressed, it will result to an increase in asset growth. The government is able to establish schemes that assist MEs access funding for commercial activities. By implementing joint venture strategy, the government can facilitate cooperation arrangements to provide MEs with strong capital base. Results of this study showed that only 2.7% (2) of the respondents had received credit from the government, with the highest amount received being Kshs. 20,000

4.5.2Provision of Access to Market

Market development involves additional geographic markets, regional and international expansion through different forms of infrastructure such as E-Commerce and information and communication technology (ICT). It also involves entering other channels of distribution and advertising media. Improved access to markets is an important determining factor in business growth, and as this study revealed, those who cited improved access to market reported higher asset growth. The number was however negligible (2.7%). The 2.7% had been contracted by the government to supply government institutions.

4.5.3 Provision of Training

By implementing joint venture strategy, the government can facilitate cooperation arrangements between MEs and larger firms to provide MEs with increased expertise to exploit opportunities. This would help enhance skills through training and hands on experience. Besides, it can cater for training needs of the MEs effectively if it facilitates cooperation between MEs and technical colleges and public universities. From the results of this study, only five (6.8%) out of seventy three respondents had received government training.

4.5.4 Provision of Work Space

Lack of workspace has been a major constraint in growth and development of MEs. On the issue of provision of work space, 72.6% of the respondents said the government does not provide them with workspace. The 27.4% who said they were provided with workspace were renting permanently constructed rooms with electricity from the Municipal Council of Nakuru. Comparatively, they experienced higher growth in assets than those who were in makeshifts; indicating the importance of proper work sheds to ME growth. In view of study findings, government policy interventions were found to be unavailable to the MEs. Results showed that 97.3% of the ME owners have never received any credit facilities either from the government or from other sources facilitated by the government. ME owners who reported improved market accessibility was 2.7%. The rest 97.3% have never received assistance in accessing markets for their products. On provision of training only 6.8% of the respondents had received government trainings. None had benefited from cooperation arrangements with larger firms which is key in increasing expertise through hands on experience. The government did not provide MEs with work space as was revealed by the study. They rented work spaces from the MCN. Majority of these work spaces were temporary sheds while only 27.4% were permanent constructions with electricity. Considering the foregoing, the government policy interventions as stipulated in the Government Strategic Plan (2006-2011) did not have effect on growth of MEs. There were MEs that reported growth in their businesses but they were due to factors outside government policy interventions apart from marketing. The MEs that reported growth due to improved credit facilities obtained loans from micro-finance institutions, private individuals, associations or banks. Only 1.4% (2 persons) of the respondents had received a government loan of Ksh 20,000.Training needs of the ME owners were not catered for. Only five (6.8%) of the 73 ME owners had attended a government training; but they felt their training preferences were not met. The study also revealed that the government did not provide workspace. ME owners rented work spaces from MCN. Majority of them (72.4%) operated in temporary makeshifts while only 27.6% operated in permanently constructed rooms with electricity. The latter reported growth due to improved workspace. On provision of market accessibility, a majority of 97.3% of ME owners have never received any government assistance in marketing their products. The 2.7% who reported growth due to improved market accessibility were contracted by the government to supply its institutions.

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

Results showed that jua kali owners were mostly men, fairly young, relatively low education level. Most of them started their businesses as a source of income. Most of these businesses had employees ranging between one and five, qualifying them to be in the micro category. The forms of businesses were all sole proprietorship. These MEs mostly used their personal savings to finance their start up and loans from micro finance institutions, business associations and friends for additional finance. They mainly relied on these businesses as a sole source of income. Majority of the respondents said they got business advice from their clients. They said government policy interventions did not reach them and any growth in their businesses was due to their own personal efforts. The respondents also felt that the government had not succeeded in assisting them grow.

5.2 Conclusion

In view of the findings of this study, it is evident that government policy interventions were not significant on asset growth. Results showed that provision of training was very much limited and only a few MEs (6.8%) had attended government sponsored training. Where trainings were offered, it was not what the MEs felt was important for the growth of their businesses. In their training needs, marketing was top followed by technical, management and record keeping respectively.

Results also revealed a problem in market accessibility which slowed down production of goods. 97.3% of the respondents said they had never received any government assistance in marketing their products. The other 2.7% who were contracted by the government to supply government institutions with their products reported a higher mean annual growth in asset value. This is an indication that improved market accessibility would have a positive effect on asset growth. It was also revealed that there was lack of facilitation for interfirm cooperation by the government, which is important in skills and capital enhancement and also in addressing market constraints. This also included business cooperation with the government. These constraints have resulted in loss of competitiveness for MEs. There has also been draw back in policy implementation due to failure of government to consider policy on MEs as part and parcel of a broader economic policy framework.

5.3 Recommendations

Based on the study findings and available literature, the researcher proposes the following guidelines and strategies that the government can use to boost growth of MEs. The government can implement the strategies as are stipulated in the GSP (2006-2011). The intentions are well put but the intended policy interventions do not reach MEs.To increase competitiveness and hence growth of MEs the government needs to intervene in developing skills of the ME players through education, training and technological efforts. The government can also facilitate subcontracting between MEs and large industrial enterprises. The study has proved that improved credit facility is key in asset growth. It is therefore recommended that the government should establish a micro finance fund to localize access to micro finance. Adequate work sites with ample space and electricity can also be provided by the government by acquiring land and constructing permanent shades, complete with electricity then renting them out to the MEs. The government can also privatize existing shades in order to facilitate their efficient management.Establishment of micro business directorate to advocate for micro businesses to and across the government is also recommended for growth of MEs; sensitize and mobilize them for training. This is likely to bridge communication gap between the government and the MEs. Finally, if the government follows through on its promises and policies to make MEs grow and develop priority in its economic policy then MEs may indeed grow. However the government strategic plan in support of MEs must be matched with concrete actions that nurture the growth and development of MEs. These actions include the enforcement of ME legislation meant to protect establishment of new sources of credit and work space; and fulfillment of training needs.

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