

BIDDING CAPACITY AND GROWTH OF MSES IN TRANS NZOIA COUNTY, IN KENYA

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ABSTRACT

This study sought to explore the relationship between Micro and Small Enterprises' bidding capacity and their growth in Trans Nzoia County, in Kenya. It is universally acknowledged that

MSEs stimulate economic growth and development. They account for over 80% of employment opportunities and over 70% of many countries' Gross Domestic Product (GDP). Although governments are biggest spenders globally, estimated at 9%-45% of GDP, public procurement market is dominated by large enterprises. MSEs struggle to compete against stringent discriminative procurement requirements besides other technicalities. Among the specific objectives included; to assess the relationship between bidding capacity of the MSE's and their growth in Trans Nzoia County, in Kenya, to determine the relationship between the intervening effect of MSE participation in public procurement and growth of MSEs in Trans Nzoia County. The study was conducted in the County Government of Trans Nzoia. The respondents were sampled from the MSE within the trading associations registered with the MSE Authority in the County. They populated to 771 firms. The study sample was 155 respondents determined statistically using Cochran formula. The study utilized self-administered questionnaires in data collection. It adopted both qualitative and quantitative data analysis. Both descriptive and inferential statistics were utilized in analyzing and presenting the data.

The study established that there exists strong relationship between public procurement and the growth of MSE in Trans Nzoia County at 92% response rate. On the relationship between MSEs bidding capacity and their growth, 79% of the MSEs reported high level of incompetence. The study concluded that there exists strong relationship between public procurement and the growth of MSE in Trans Nzoia County , in Kenya. This phenomenon could be construed to be the case across the counties in Kenya. Recommendations have been drawn at the tail end of the study.

Key Words:

Bidding Capacity, MSEs, MSEs' Growth

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