

ABSTRACT

The purpose of the study is to investigate if strategic planning practices can help solve the challenges among MSME's; Strategic planning is known to help entrepreneurs make decisions and get organized in order to remain competitive and last in the market. The researcher seeks to determine why MSME's in Kitengela are challenged in their businesses. Many MSME's close after a short period with others opening the similar or different business in the same location. The researcher has noted with keen observations the frequency of how MSME's start and close down and noted that a lot needs to be done to help the MSME's in the Kitengela community with regards to management and information, human capital, training among other issues faced by MSME's. The specific objective is centered around determining if MSME's have strategic planning practices in place as tools for management and what strategic planning practices the MSME's can implement in order to achieve the highest results and returns amidst the available competition. Anchoring the literature on the human resource-based theory will help give an informed decision on the importance of the human capacity development element in the strategy development and success of organizations. This will give the research a platform to assess and determine how the challenges faced by MSME's can depend strategic planning practices that involve building human capacity, decision-making, information, and the intervening variables and the future based on available data and taken in the light of their possible effects and consequences over time. The research will be carried out by determining the relationship between strategic planning practices and the challenges faced by MSME's. Data will be collected using Questionnaires and Interviews targeting 50 MSME's in various fields in Kitengela as respondents from a target population of 100 under the assumption that 2 people will be given a questionnaire in each MSME. This will assist in gaining a comparative correlation and determining if the human resource theory is an effective strategic planning tool for enhancing competition. The data will be analyzed using Social Package for social science (SPSS) software (version 16) where conclusions will be drawn. The findings will be used in assessing if the challenges faced by MSME's can be best solved through building the human capital as a tool of effective organizational development and strategic management as best practices for MSME's in Kitengela. The human resource-based theory as a competitive advantage in particular provides the underlying theoretical foundation for this paper