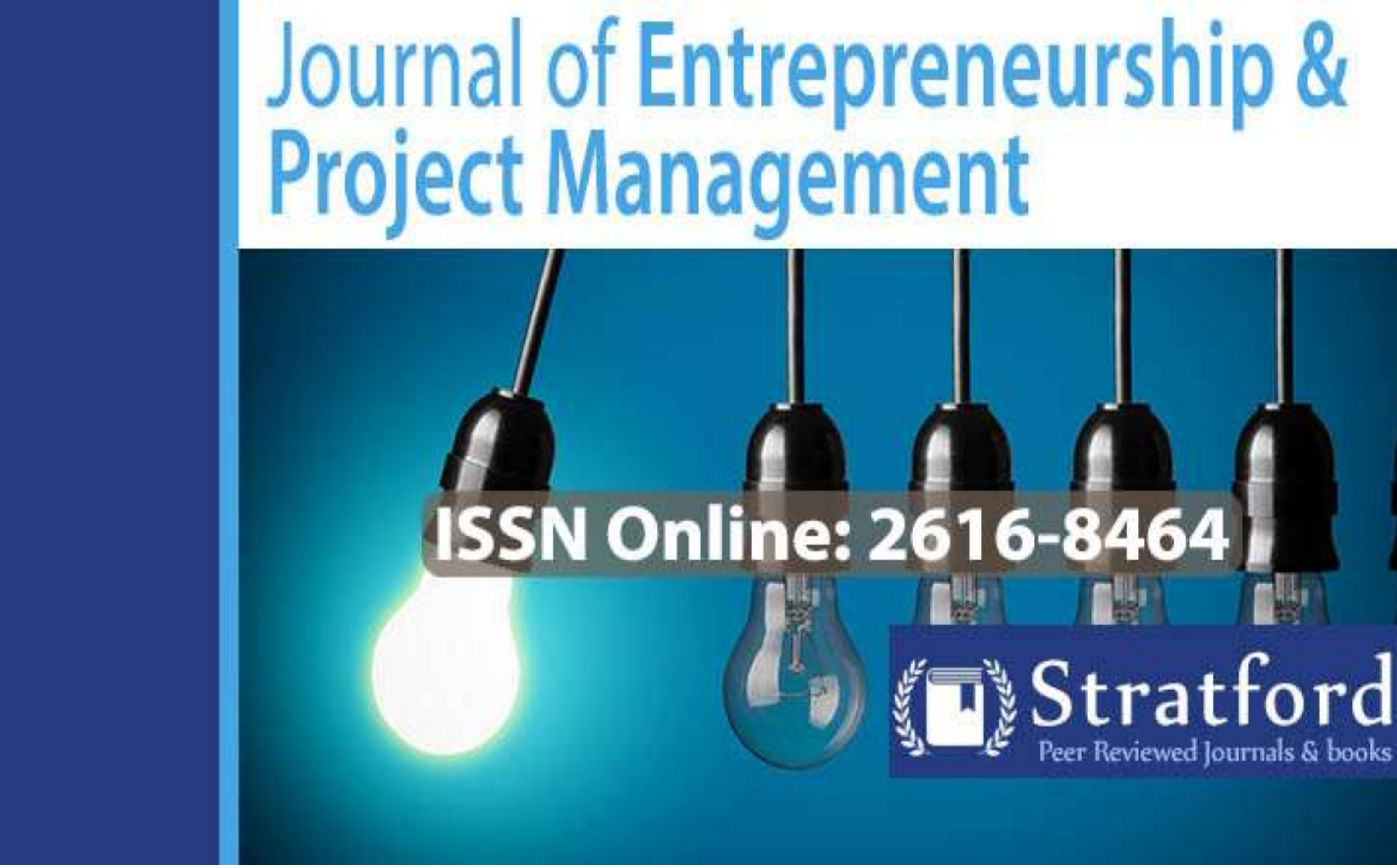

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Performance Drivers in Project Planning and Management of Registered Auto-Garages in Nairobi County, Kenya

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Abstract

The study established the performance drivers in project planning management of registered auto-garages in Nairobi, Kenya. The research questions examined how leadership and governance influenced the direction of auto-garages in Nairobi and determined how access to credit facilities influenced the direction of registered auto-garages in Nairobi. The study was anchored on: Customer satisfaction theory and Interaction theory. A mixed-method approach was used in the study. The study population was the 82 registered auto-garages in Nairobi. The target population for the study was 625, and the sample size was 222; for quantitative data, a simple random technique was used, and for triangulation purposes, purposive sampling and simple random techniques were applied. The study used primary data collected using structured and unstructured interviews. A pilot study was conducted to test and improve the validity and reliability of the research instrument for quantitative data yielding Cronbach's alpha of 0.600 which was found to be consistent and reliable. The study achieved a response rate of 92.79%, equivalent to 206 employees. Quantitative data were analyzed using descriptive statistics for frequencies and Pearson Correlation using Statistical Package for Social Sciences (SPSS version 23) at a 5% significance level. Qualitative data was analyzed and presented verbatim according to the research questions. The research also performed correlation and regression analysis to test and assess the relationships among variables to predict the management of registered auto-garages in Nairobi County, Kenya. Analyzed data was presented using tables to display the information. The research found that with better leadership and governance, there is always better management of auto garages in the study area. The study recommended that management have better leadership styles and managerial skills through training for better use of resources for quality service.

Keywords: *Performance drivers, Project planning, Management, Registered auto-garages, Nairobi*

1.0 Background of the study

Auto garages are significant in the automotive industry, as they play a crucial role in driving various economic factors (James, Kumar, Bhalla, Amar & Jain, 2021). Moreover, auto garages create job opportunities and stimulate the economy. They employ mechanics, technicians, customer service representatives, and other professionals who work in the automotive industry. According to UNDP (2011), institutional qualities and governance principles are critical for developing and implementing practical and equitable policy measures to mitigate the impact of economic crises. Institutional qualities are performance, adaptability, and stability; the main governance principles are participation/inclusion, non-discrimination/equality, and the rule of law. Businesses must be positioned for success and should therefore have performance management as a core skill, which includes goal setting, and tracking changes, because with good leadership and governance, personal and unit goals are achieved (Harvard Business Essentials, 2006). Management of the automotive industry in Thailand and Korea acknowledges knowledge management as vital for developing organizational leadership and product innovation; thus, it invests in innovative human capital (Shvetsova, Tanubamrungsuk, and Lee (2021). Any task during car repair in a garage is likely to have minimal risks. Foreseeing risks and how to source material is essential (Ashar, 2019). Organized garages easily handle mechanical and electrical problems. Tools such as Electronic Parts Catalogue (EPC) are readily available in a structured garage under proper management given Whetten and Cameron (2016), for they utilize resources with experts, and spare parts can be ordered faster using digital platforms. Car owners prefer one auto garage to the other for reasons, and others prefer to start a roadside mechanic business in the middle of the town.

The challenge in 2021 is resource-based in the automotive industry because the number of projects is growing daily while the number of qualified employees remains the same. Governments worldwide have a responsibility to provide opportunities for all and attract young people to consider engineering as a vocation and profession. These career choices depend on access to training, information, and finances. Today, it is necessary that businessmen and women know how to use modern technology to access the market and to drive improved performance (OECD, 2020). There is a need for innovative engineering and technology-based solutions. Engineering capacity and competency-building activities are critical to ensuring an adequate number of engineers capable and ready to work on these global challenges. Engineering has a central role in the UN 2030 Agenda for Sustainable Development, adopted by the United Nations in 2015, which set forth 17 Sustainable Development Goals (SDGs 1 and 8). Proper management of automobiles worldwide is one of the most significant contributions to realizing the SDGs (UNESCO, 2021). Japan International Cooperation Agency (JICA) highlighted the importance of the African Automotive Industry along with significant trends such as innovation and de-carbonization regulation. It emphasized the urgency for Africa to industrialize as the last significant opportunity in the global automotive sector, which required leadership and deliberate intervention based on clear strategies across governments. There was a need to regulate used vehicle imports and a professional labor force due to increased demand for vehicle maintenance and low-quality and sub-standardized parts (JICA, 2021).

In Africa, 80% of all employment opportunities are created by SMEs despite the failure to sustain their performance (Biswas, 2014). It is undeniable that SMEs play a significant role in the economy. According to Meghana, Thorsten, and Asli (2003), the SME sector is a core element in its strategy to foster economic growth, employment, poverty alleviation, and its role in sustained global and regional economic discovery. It supports generating government revenue, creating economic development, and fostering Research and Development (R&D) and innovation. The automotive industry is identified as one of Kenya's manufacturing sector contributors to the Big Four Agenda, enabling the achievement of the country's industrialization and economic transformation (GoK, 2019). The performance of auto-garages will contribute to the rate at which Kenya grows, thus determining its ability to integrate with the global economy through trade and investment. That is why enterprises must trade and invest as the Government makes policies in trade and investment areas. The performance of any business requires proper management where operators are conscious of the essential and unique dynamics and demands of new business perspectives. Businesses require skills and styles beyond the old mindsets with limited critical awareness and mere application of traditional management approaches that do not work.

Nairobi County might need business operators who influence change and can engage with government officials and political leaders to influence the implementation of supportive business policies that contribute to better management of auto garages as SMEs. In the National Environment Management Authority Quarterly Publication of 2012, NEMA has to implement the domestication of environmental policies at workplaces, like planting trees. It noted what still needed to be done by Ministries, Departments, and Agencies concerning waste management, like reusing and recycling waste and developing and implementing mechanisms to dispose of electronic waste (E-Waste) properly. The report made was vivid about the Government's responsibility to put in place measures to mitigate water, air, noise, and other forms of pollution. According to NEMA Strategic Plan 2019-2024, NEMA has to play a role in achieving the Kenya Vision 2030 policy and Sustainable Development Goals, especially goal number 11, by implementing National Solid Waste Management Strategy. The management of auto garages in Kenya must be looked at holistically through specific performance drivers. According to Mugambi and Karugu (2017), garages deal with motor vehicle body building, accidental repairs, reconditioning of old vehicles, and customization. Most of the garages also act as training centers for mechanics. The garages operate as companies, partnerships, and sole proprietorships. They rely on permanent and casual workers, with casual employees being hired when there is a stretch on available labor. They also help prevent economic waste and environmental degradation by repairing cars that would otherwise be grounded and dumped. Most vehicles used in Kenya are second-hand, accounting for 70 percent of the motor vehicle market in Kenya using poor roads. The increased demand for vehicle maintenance by people working in Nairobi County has contributed to establishing of many vehicle services centers around the city Centre's neighborhood.

1.2 Statement of the Problem

The number of registered vehicles has steadily increased in Kenya, with an average of 9% growth between 2011 and 2019. As a result, the demand for auto garages has also increased. However, proper management of auto garages is necessary to ensure quality service delivery and customer satisfaction. Auto garages with good leadership, governance, and access to credit for expansion and growth are more likely to attract customers assured of quality service. The preference for auto garages in Nairobi highlights the need for well-managed garages in the city. The lack of personnel with competent managerial skills and techniques raises questions about leadership and governance in some garages. The collapse of auto garages after operating for a short time suggests poor planning and inadequate funds for expansion and growth. This, in turn, leads to customer complaints about reliability and safety concerns.

Mechanics prefer working in auto garages with proper leadership, interpersonal relationships, precise scheduling, communication management, motivation, and feedback. On the other hand, car users prefer garages with enough parking and security, as well as transparency and accountability in service delivery. Scanty research has been done on performance drivers in Nairobi's auto garages; for instance, Mwatela (2020), in his study, dwelt much on quality and operational performance in Mombasa County. Therefore, the study aimed to establish the effect of leadership and governance, access to credit, and the implementation of auto garages in Nairobi. The automotive industry demands continuous improvement, starting with proper management of auto garages, whether small or large.

1.3 Research Objectives

The study sought to establish the performance drivers in project planning management of registered auto-garages in Nairobi, Kenya.

1.3.1 Specific Objectives

The study was guided by the following specific objectives:

i. To examine how leadership and governance influence the management of auto-garages in Nairobi, Kenya.
ii. To determine how access to credit influences the management of auto-garages in Nairobi, Kenya.

2.0 Literature Review

The section discussed the theories that inform the study and the empirical review of the study variables.

2.1 Theoretical Review

This provided the research with the lens to view the world and formed the links between the theoretical aspects and practical components of the problem under investigation, by looking at two theories: customer satisfaction theory and interaction theory.

2.1.1 Customer Satisfaction Theory

Customer satisfaction theory must be traced in the SERQUAL Model derived from the study of Parasuraman, Zeithaml, and Berry in 1985 where with the increasing pressure in the banking industry due to financial and resources constraints, managers were to demonstrate that their services were customer-focused and that continuous performance improvement was being delivered. There should always be a link between what is expected and what is actually delivered. It is also said that the theory does not define perceived service quality and it’s weak because of its ill-judged adoption of this disconfirmation model. The theory is criticized for concentrating on the process rather than focusing on the outcomes of the service encounter (Kang &James, 2004). Under operational aspects, many scholars have argued that the components of SERVQUAL fail to fully evaluate customer perception on service quality in certain industries (All answers Ltd, 2018). The strength of this theory lies in the identification of gaps during planning and repair of cars. The theory reminds the study that assumptions will always be there and customers would always wish to have the best solutions to their issues. Such information assisted managers in identifying cost-effective ways of closing service quality gaps and prioritizing on which gaps to focus on. The theory is clear on the point that perceptions would always exist. The effort to clear the perception between management and customer expectations and the vice versa is key. What is important is the dialogue between service provider and the customer to share the experience and the expected results and agree on the best way forward which could mean agreeing on spare parts.

The theory has some weaknesses. Customers may expect certain results based on his or her experiences not knowing that there could be other experience especially in the use of spare parts that could give better results as so long as it matches with specifications. That is why, Shabin (2006) noted that from a best value perspective, the measurement of service quality in the service sector should take into account customer expectations of service as well as perceptions of service provider however much there is little consensus of opinion and much disagreement about how to measure service quality. The study considers this theory as based on the way customers interpret what they expect from certain experiences which is limited thus the need to look at another theory for comparison. The theory is related to the concerns of leadership and governance since it is the duty of managers to ensure that strategies are put in place to deliver quality services to customers. Satisfaction for customers today is not just about the outcome, but includes clarifications, solutions and how the outcome is delivered. Mwatela (2020) says that for there to be service quality, organizations must put in place a framework that enables delivery and services that meets the needs of customers in a faster and easier way than the competitors. The firm must be effective and efficient in their timely service delivery. To share various experiences, interaction becomes crucial.

2.1.2 Interaction Theory

Sociologists trace the theoretical roots of the interactionist perspective to Max Weber who said that we act based on our interpretation of the world around us. In other words, action follows meaning. The theory elucidates how it is that our perceptions of the world and of ourselves within it individually and collectively construct meaning. Herbert Blumer and George Herbert Mead in collaboration developed a clear definition of symbolic interactionism. Drawing from Mead's theory, Blumer coined the term "symbolic interaction" in 1937. In his book titled Symbolic Interactionism he laid out three basic principles of this theory: 1. We act toward people and things based on the meaning we interpret from them; 2 Those meanings are the products of social interaction between people - they are social and cultural constructs; 3 meaning-making and understanding is an ongoing interpretive process, during which the initial meaning might remain the same, evolve slightly or change following these core tenets, symbolic interactionist perspective reveals that reality as we perceive it is a social construct produced through ongoing social interaction and only exists within a given social context (Cole, 2019).

It is vital to look for quality service based on some experience as customers repair their cars from one auto-garage to another. Experience could be the best teacher. However, this theory transcends customer satisfaction and interaction theory by questioning the guiding performance principle of garages. Each garage must aim at achievable quality in order to attract customer and remain on the competitive edge. It therefore follows that managers of auto-garages must be having a strategic plan guided by certain goals and objectives. Otherwise it would mean that customers alone determine the proper management of any auto-garages. The manner in which customers are welcomed, handled right from customer service desk to the managers and mechanics, the environment and tracking records of auto-garages should give hope, assurance and security to clients. The relevance of interaction theory unfolds the importance of interrelationships among variables like leadership and governance and how the management of auto-garages is required to follow regulations and for insurance companies would select well managed garages to repair and maintain cars from clients.

2.2 Empirical review

The importance of this study was supported by what scholars had observed and measured deriving from the experiential knowledge guided by the research questions.

2.2.1 Leadership and Governance on Management of Auto-Garages

Car repairs and maintenance activities are complex and therefore need good planning and may be completed in phases. Servicing is a critical aspect of vehicle maintenance. It may require that before doing overhaul, the car is diagnosed while considering constraints such as scope, time and cost not forgetting the type of mechanic to work on it. The survival and performance of auto-garages depends on efficient management where someone has to plan what has to be done, organize mechanics and material resources including tools for work, lead and direct workers and exercise authority to ensure work is done accordingly. Leadership is crucial in tackling certain matters, influencing others to perform far beyond the actions dictated by formal authority. According to Muriithi (2017), in Africa, besides SMEs' role, there is lack of management skills and competencies. They face internal and external problems due to poor leadership and management. Sitharam and Hoque (2016) established that management competency and skills, limited financial knowledge, lack of business management knowledge, training and technological capabilities are internal environmental factors that affect the growth and success of SMEs in South Africa. The study did point out economic variables and markets like corruption, labour, infrastructure and regulations to mention but a few as external environmental factors influencing success and growth of SMEs. This is established in chapter four of this study.

Knowing what customers expect helps management to work on the required quality. Mwatela (2020) stated that quality is key to improved profitability and has been found to result in increased customer satisfaction. Survival of organizations require firm management to identify practices which would help them gain capacity and competitive advantages. Therefore, in view Mwatela, to gain competitive advantage, a good leader must restructure the operational performance especially by enhancing firm's products and quality service. This involves listening to customers and providing them with good products and services to be on the competitive adge. The research in Johannesburg by (Garg & Weele, 2012) on the impact of succession planning on the performance of Small Micro Medium Enterprises (SMMEs) within the manufacturing sector, discovered that lack of proper succession planning can lead to the collapse of SMMEs. The study found that there was no preference to recruiting from outside versus developing inside talent in preparation for succession planning. Further, SMMEs did not put plans in place to groom, train and develop top managers. In the study by Kowe and Akinbola (2019) in Nigeria, it was found out that there is a significant influence of strategic planning on sustaining small and medium enterprises for profit performance and thus managers who sustain profitability performance are those that are strategic in planning. It followed therefore that return on investment depended upon the appropriateness of leadership practices in management.

Women are important in matters of economic development. Profeta (2017) on Gender Equality in Decision-Making Positions, acknowledges gender balance in workplace. However, Jamali (2009) in Lebanon, noted that women in developing economies are disadvantaged due to restricted structure of opportunities in labour market and therefore self-employment is often perceived as a survival strategy. Leadership must consider that gender is important because both men and women contribute to economic development as reflected and provided for in the Kenyan Constitution 2010. The study assumed that auto garages are gender balanced and women are contributing positively in entrepreneurship. Therefore, more women are expected to be working in auto garages. This will have to be established because such image motivates workers when both gender is represented.

Owners of auto-garages ought to know that they work within certain limitations. If a car owner wants a car overhaul, such would be a project that would require the manager to consider the constraints seriously. Failure to look at what is to be delivered, when the work is to be complete, the cost, availability of required mechanics, the foreseen risks and quality of service expected could be failure in the management. No wonder managers need to juggle between constraints or perform a trade-off because when the scope increases other constraints are affected (Ashar, 2019). Businesses such as auto garages can also thrive when they have a blueprint with clarified objectives before their commencement (Harvard Business Essential, 2004). The availability of imported products in the domestic market some of which are of low quality or counterfeit (GoK, 2019) affects quality of service thus the management must have a keen eye on it. Garages function better when they have clearly defined purpose, aims and objectives that work in line with a given plan. This is because having good objectives may not necessarily translate to better management, therefore, leaders in the management must clarify and address the right concerns by being responsible Lussier et al. (2010). Clear objectives which are agreed upon, planned, communicated, organized and monitored improve performance (Adair, 2003).

It is obvious that management needs to schedule activities or tasks. Abbas (2012) talks of the need for planning and prioritizing work. Leaders must have a drive; that is a high level, a desire for achievement and ambition to ensure that the intended task has been accomplished within a given time-frame. There can be no quality in business without competition. Competitiveness in many of today's industries is based on the effectiveness of human assets – on the ability of employees to create, to apply skills and accumulate knowledge, to work effectively together, and to treat customers well. Physical and financial assets are often essential, but in many instances, creativity and human resourcefulness are more important as "differentiators" and as sources of long-term competitive advantage (Harvard Business Essentials, 2006). Sitharam et al. (2016) says that competitive standards change continuously due to consumers changing needs and expectations, technological developments and globalization of markets. To perform means to make profit and therefore a manager requires competitive strategies to achieve such ends. Managers of auto-garages need to know about consumer behaviour as a strategy. The study by Mugambi and Karugu (2017) found that overall, entrepreneurial management and competencies have the greatest effect on the performance of motor vehicles' repair firms, followed by entrepreneurial marketing strategies. Management expertise and competence has a direct link to the choice and the subsequent growth of MSEs in motor vehicles' repair business.

2.2.2 Access to Credit on Performance of Auto-Garages

Researchers have identified the importance of credit to businesses. Onduart and Ondabu (2021) established that finance determines the capacity of an enterprise to achieve success factors such as the choice of technology, market performance as well as access to fundamental resources that influence the overall performance of the market. Loans enable the management to secure capital for business start-ups or expansion, which is the primary obstacle faced by entrepreneurs in the SME sector. Any program initiated on subsidized interest rates attracts small borrowers to obtain loans and such firms utilizing the program would always report increased sales that were proportional to the additional loans sources suggesting that the firms were previously credit constrained. Access to credit requires strategic management. Businesses require good governance mechanisms like: proper accounting practices, internal control systems and information to attract financial institutions to invest and give funding (Garg & Weele, 2012). Ndungu (2014) revealed that the number of lending institutions, interest rate charged on loans, collateral security and literacy levels are significant factors affecting access to credit among SMEs in Murang'a. It recommended for trainings and education on finance management, preparation of accounting books, income and expenditure statements and budgets to borrowers. It recommended for the increased number of lending institutions by formation of Savings and Credit Co-operative Societies (SACCOs) for different categories to improve the level of financial deepening.

Hindrances to access of credit include: poor information about lending institutions and fear to offset loans. According to Thuku (2017), firm characteristics, the size of a firm and location affects access to finance and older firms with good records have better experiences of applying for loans. Books of account and financial audit statements with collateral facilitate access to credit. Financial institutions are more reluctant to provide long term finance to SMEs thus access to credit does not give a positive effect on business performance and growth. Study by Onduart et al. (2021) states that despite the MFIs giving loans and doing capacity building on savings and training many youths do not utilize MFI services to improve performance of businesses. That is partly the reason why Snyder (2000) emphasizes on the importance of separating business income from domestic money and injecting profits back into business. In her research, "Merry-go-round is a local savings and credit facility which succeeds on the foundation of trust and friendship. Support programs by the United Nations could influence financial institutions locally. According to World Bank (2021), problems are exacerbated in unstable high-inflation environment.

In less developed financial markets, programs may assist in strengthening local institutions through training and intercountry exchanges of experience in preparing bankable projects, testing innovative services such as credit guarantee schemes, and extending the group lending model based on peer guarantees to the needs of small businesses while avoiding subsidized lending which distorts financial markets. As shown by UN agencies such as ILO and UNIDO, donor programs can help in developing capacities to prepare business plans for accessing credit and facilitating the process. Like the UNDP-initiated Enterprise Africa programme helps member countries to become creditworthy borrowers and helping the financial institutions to develop relationships with the entrepreneurs. The Kenya Rural Enterprise Programme (K-Rep) applies its micro-finance lessons to commercial SME lending. To support SMEs functionality, on October 16th 2019, section 33B of the banking (Amendment) Act of 2016 was repealed in parliament to eliminate what had been disincentive for banks to lend to SMEs and thus restored potency of monetary policy (World Bank, 2019). There is a strong demand for the government of Kenya to elaborate and implement policies and strategies for financing enterprises and improving financial institutions (Ngugi, 2015). The study established other schemes that enable auto garages to access credit as explained in chapter four.

2.3 Conceptual framework

The conceptual framework illustrates the relationship between the independent variables which consist of leadership and governance and access to credit and the dependent variable performance of auto-garages in Nairobi.

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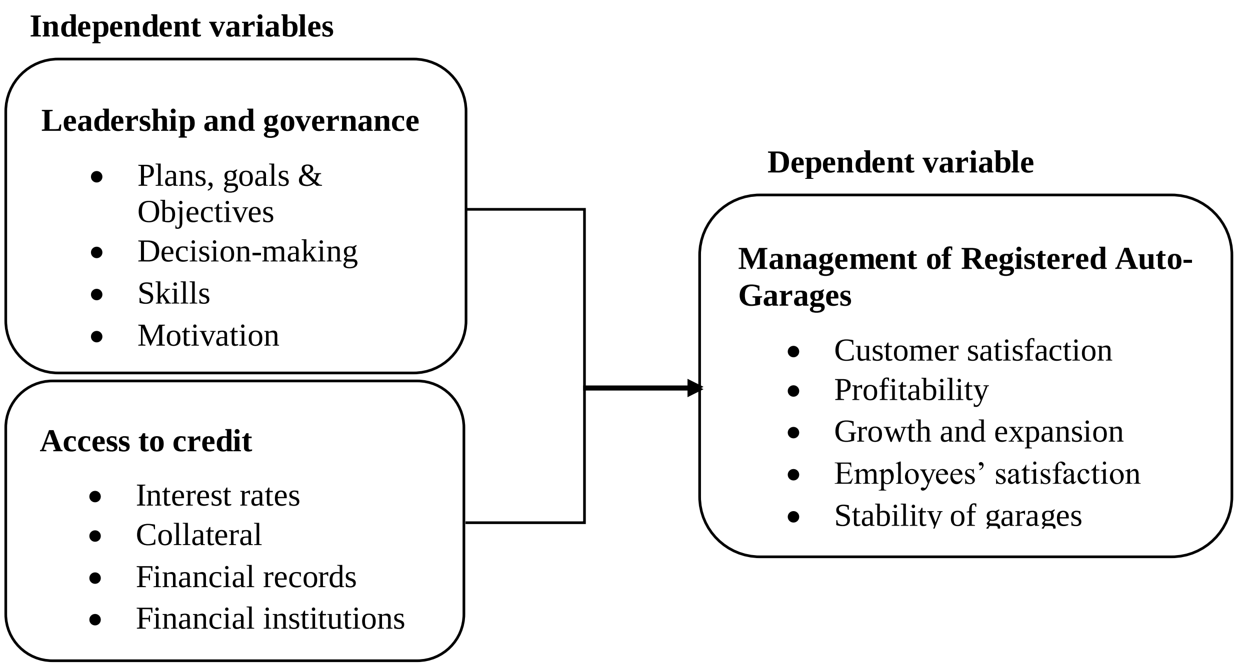

Figure 1: Conceptual framework

3.0 Research Methodology

The research used a mixed method approach with a focus on concurrent research design. The target population for the study comprised of managers, supervisors of mechanics, customers and one county official. The target population consisted of 82 registered in Nairobi County as provided by the Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works the year 2022. From the interviews carried out on managers, it was revealed that a registered garage in Nairobi had a minimum of three mechanics (82x3 = 246), one supervisor of mechanics (82x1=82) and at least a manager (82x1=82). This informed the target population which was 410 employees. Yamane formula (1967) was applied to calculate a sample of 202 employees for quantitative data where simple random technique was used to distribute questionnaires. For triangulation purposes, purposive sampling was applied to sample 7 managers with a view to filtering for better insights and relevant results on management strategies, skills and relationships with other stakeholders like government and financial institutions. Managers were considered key informants in the study. The study adopted both quantitative and qualitative methods to collect data. The quantitative data was collated and analysed using descriptive statistics such as measures of frequencies and correlation, to show the spread of the data and relationship of variables using Statistical Package for Social Sciences (SPSS, version 23.0). The regression model was as follows:

Equation $Y=\beta_a+ \beta_1X_1+\beta_2 X_2+ \varepsilon$

Where;

Y = management of auto-garages in Nairobi, Kenya

X_1 = Leadership and governance

X_2 = Access to credit facilities

b_1, b_2…etc. beta coefficients of independent variables

a = constant

ε = error term.

4.0 Findings and Discussion

The study targeted a sample size of 222 respondents from which 206 were filled in and returned making a response rate of 92.79%. Majority of the respondents were male with 73.6% whereas female had 26.4 which was indicative that there was gender balance though women had a smaller per cent. The study respondents indicate their age category found that 50.2% of the respondents were aged between 30-39 years, 24.4% of the respondents were aged between 40 to 49 years, 13.4% of the respondents were aged over 50 years, 8% of the respondents were aged between 25 to 29 years and 4% were aged less than 25 years. Educational background of the respondents includes 70.1% of the respondents held diploma, 19.4% of the respondents held certificates and 10.4% had bachelor's degree which implied that the respondents were well educated.

4.1 Descriptive Statistics

The descriptive statistics presents the results of the responses of the respondents in the as per the statements form from the sub-variables.

4.1.1 Influence of Leadership and Governance on management of auto garages

Table 1: Leadership and governance

	Frequency	Percent
Strongly disagree	6	3.0
Disagree	2	1.0
Neutral	3	1.5
Agree	69	34.3
Strongly agree	121	60.2
Total	**201**	**100.0**

The study sought to examine how leadership and governance influenced the management of auto-garages in Nairobi, Kenya. As data in table 7 above indicates, 60.2% of the respondents strongly agreed that when there is good leadership and governance with clear plans, goals and objectives, there is proper management of auto-garages in Nairobi, 34.3% of the respondents agreed, 1.5% of the respondents moderately agreed, 1.0% of the respondents disagreed and 3.0% of the respondents strongly disagreed. Besides the collected data, a few interviewees responded as follows:

> "The garage has a culture and good plans alone cannot be sufficient. Most of the mechanics we recruit either held diploma or certificate from TVETs or had trained on apprentice. We have had experienced mechanics in the garage with different motives and needs and so a manager must be smart enough to interact, dialogue and relate with other stakeholders and build team work spirit" (Respondent 1, 3rd June 2022).

Another interviewee indicated,

> "Leadership must be empowered that is why in our garage we attend seminars offered by Subaru, Isuzu and Toyota on new developments like capacity building. When we employ mechanics we consider the work experience, level of training especially in handling both electronic and mechanical issues in car repair and maintenance" (Interviewee 2, 3rd June 2022).

Another participant pointed out,

> "Our purpose is making profit and we face stiff competition depending on where we are located and accessibility to spare parts shops" (Interviewee 3, 7th June 2022).

Another participant mentioned,

> "Successful management is concerned with doing the right thing. We have failed sometimes to make the right decisions, to maintaining our clients due to lack of humane values, poor updates, communication breakdown with empowered right staff that acknowledges gender balance at workplace for integral decision making" (Participant 4, 4th June 2022).

The literature confirmed that leadership must give oversight with regard to personnel (Garg & Weele,2012) and survival of any organization requires firm management to identify certain means to help gain capacity and competitive advantage thus the need for leaders to restructure the operational performance to enhance firms' quality service (Mwatela, 2020). To make profit, entrepreneurial management and competencies followed by entrepreneurial marketing strategies are important factors to consider (Mugambi and Karugu, 2017). Profeta (2017) acknowledges the role of women in labour force and the Kenyan constitution 2010 considers both men and women as equal contributors towards economic development.

4.1.2 Influence of Access to Credit Facilities on Management of Auto Garages

Table 2: Access to Credit

	Frequency	Percent
Strongly disagree	5	2.5
Disagree	8	4.0
Neutral	14	7.0
Agree	95	47.3
Strongly agree	79	39.3
Total	**201**	**100.0**

The study sought to determine how access to credit facilities influenced the management of auto-garages in Nairobi, Kenya. The data in table 6 above indicates that 47.3% of the respondents agreed to the opinion that access to credit is crucial for better management of garages for expansion and growth, 39.3% of the respondents strongly agreed, 1.5% of the respondents moderately agreed 1.0% of the respondents disagreed whereas 3.0% of the respondents strongly disagreed.

The following key informants had the following responses:

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> "Today we face challenges of paying employees, retaining experienced mechanics and sourcing for computer diagnostic tools and machines for hybrid cars which are very expensive" (Participant 4, 4th June 2022).

Another key informant mention that;

> "This place is very expensive to operate on rent even though it is very strategic and to service cars from Jubilee Insurance who pays us at the end of the work and so it requires that we have extra funds standby for emergency and to expand our business to accommodate more departments for repairs and maintenance" (Participant 5, 6th June 2022).

Key informant stated that;

> "Sometimes we get hard up to pay for operational fees and statutory fees thus obliged to borrow money from SACCOs or soft loans from banks" (Interviewee 6, 10th June 2022).

Another key informant said that;

> "Some hindrances to access credit include lack of collateral and other securities and stability of our garages due to low revenue collection" (Participant 8, 8th June 2022).

The needs of a given business can attract the financial institutions to give funding (Garg and Weele, 2012). Other scholars like Ndung'u (2014) revealed that the availability of financial institutions, interest rates charged on loans, collateral security are among the significant factors affecting access to credit. Thuku (2017) in his view sees the size of a firm, location of business and duration in operation as determinants to be considered to by some lending institutions to qualify for credit.

4.2 Regression Analysis

The researcher conducted a regression analysis as well to test the relationship between the independent variables and the dependent variable in the study area. The study applied SPSS Version 23 to code, enter and compute the measurements. According to the model summary in Table 3, R is the correlation coefficient which shows the relationship between the independent variables and the dependent variable.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. E
1	.419[a]	.176	.159	.180

Table 3 shows that there was moderate positive relationship between the independent variables and the dependent variable as R is equal to 0.419. The coefficient of determination (R Square) explains to which extent the changes we can make with independent variables can influence the dependent variable. With R Square of 17.6% (.176) we can conclude that the studied independent variables were influencing the management of auto-garages only at 17.6% and the unexplained factors were influencing the management of auto-garages at 82.4%.

Table 4: Coefficients results

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.807	.097		8.337	.000
	Leadership & Governance	-.016	.016	-.067	-.999	.319
	Access to Credit	-.005	.015	-.023	-.320	.749

a. Dependent Variable: Management

Applying the regression equation $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$ using the SPSS generated coefficient results in Table 4, it could be written mathematically as follows:

$Y = 0.807 + (-0.016X_1) + (-0.005X_2) + \varepsilon$ Where X_1 represents leadership and governance and X_2 is Access to credit. Based on the regression equation established, taking all factors into account (Leadership and Governance and Access to Credit, constant at zero was 0.807). This would imply that taking other independent variables at zero, a unit increase in leadership and governance would lead to a decrease at -0.016; a unit increase in access to credit would lead to a decrease at -0.005.

5.0 Conclusion

The study aimed to investigate the factors that influence the management of auto-garages in Nairobi, Kenya, with a focus on leadership and governance, access to credit facilities, customer satisfaction, and employee motivation. The study found that good leadership and governance with clear plans, goals, and objectives play a crucial role in the proper management of auto-garages in Nairobi. Access to credit facilities was also found to be crucial for the expansion and growth of auto-garages.

6.0 Recommendations

Based on the study findings, the following recommendations were made:

i. Auto-garage owners and managers should invest in developing their leadership and governance skills. This can be achieved through attending seminars and training programs that focus on building effective leadership and management strategies.

ii. Auto-garage owners should explore opportunities to access credit facilities to expand and grow their businesses. This can be done by seeking loans from financial institutions or partnering with other stakeholders in the industry.

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