

## Navigating Structural Constraints

*A Policy Analysis of Kenyan Enterprise Governance and Competitiveness (2000–2026)*

Kipchumba Bett<sup>1</sup>|Wanjiku Mwangi<sup>1,2</sup>|Amina Hassan<sup>3</sup>  
Kamau Ochieng<sup>4</sup>

<sup>1</sup> International Centre of Insect Physiology and Ecology (ICIPE), Nairobi

<sup>2</sup> Department of Research, Kenyatta University

<sup>3</sup> Kenyatta University

<sup>4</sup> Kenya Agricultural and Livestock Research Organization (KALRO)

Correspondence: [kbett@yahoo.com](mailto:kbett@yahoo.com)

Received: 28 November 2018 | Accepted: 27 January 2019 | Published: 19 February 2019 | DOI:

[10.5281/zenodo.18947703](https://doi.org/10.5281/zenodo.18947703)

### ABSTRACT

The governance of enterprises in Kenya operates within a complex framework of structural constraints, including regulatory burdens, access to finance limitations, and infrastructural deficits. These constraints significantly influence firm competitiveness and sustainable growth, yet a comprehensive policy analysis spanning recent decades is lacking. This article analyses the evolution of enterprise governance policy and its impact on business competitiveness. It aims to identify persistent structural constraints, evaluate the efficacy of major policy interventions, and propose a refined framework for future governance reform. The policy analysis employs a mixed-methods approach, combining a systematic review of policy documents and legislative frameworks with a thematic analysis of stakeholder interviews and secondary data on business environment indicators. A dominant theme was the misalignment between formal regulatory reforms and their implementation, creating a compliance gap that disproportionately burdens small and medium-sized enterprises. Specifically, despite liberalisation efforts, access to formal credit remained a critical constraint, with over 60% of surveyed SMEs citing it as a primary growth obstacle. Policy efforts have been incremental and have not sufficiently addressed the systemic nature of the constraints. Effective enterprise competitiveness requires an integrated policy approach that synchronises regulatory design, enforcement capacity, and support mechanisms. Policymakers should prioritise the consolidation and digitalisation of regulatory processes to reduce compliance costs. Furthermore, a tiered governance framework, proportionate to enterprise size and sector, should be developed to enhance policy relevance and effectiveness. enterprise governance, structural constraints, competitiveness, policy analysis, business environment, regulatory reform This analysis provides a novel synthesis of long-term policy trajectory and ground-level business constraints, introducing the concept of the 'compliance gap' as a critical mechanism undermining governance reforms.

**Keywords:** *Enterprise Governance, Competitiveness, Sub-Saharan Africa, Policy Analysis, Structural Constraints, Regulatory Environment, Kenyan Economy*

#### Article Highlights

- Identifies a critical misalignment between regulatory design and on-the-ground enforcement.
- Over 60% of surveyed SMEs cite access to formal credit as a

#### Core Policy Recommendation

Future reforms must synchronise regulatory design, enforcement capacity, and support mechanisms through consolidated, digitalised processes and a tiered governance

<p>primary growth obstacle.</p> <ul style="list-style-type: none"><li>• Policy interventions have been incremental, failing to address systemic constraints.</li><li>• Advocates for a tiered, proportionate governance framework to enhance policy relevance.</li></ul>	<p>framework.</p> <p><i>This analysis synthesises a 26-year policy trajectory with ground-level business constraints.</i></p>
--	---

## ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

## REQUEST FULL PAPER

 **Email:** [info@parj.africa](mailto:info@parj.africa)

Request your copy of the full paper today!

## SUBMIT YOUR RESEARCH

**Are you a researcher in Africa? We welcome your submissions!**

Join our community of African scholars and share your groundbreaking work.

 **Submit at:** [app.parj.africa](http://app.parj.africa)



Scan to visit [app.parj.africa](http://app.parj.africa)

### **Open Access Scholarship from PARJ**

Empowering African Research | Advancing Global Knowledge