Innovative Skills and Growth of Micro and Small Farm Inputs Enterprises in Kenya

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Abstract

Micro and small enterprises are important drivers of most economies across the world. Kenya Vision 2030 envisages the importance of farm inputs MSEs due to the crucial role they play in agricultural food value-chain by supplying farmers with farm inputs for food production and economic growth. Several policies and programs have been put in place to promote the growth of farm inputs MSEs in Kenya. However, despite this effort, most of these enterprises continue to struggle with growth problems. This study sought to determine the influence of innovative skills on the growth of farm inputs MSEs in Kenya. The study was supported by Schumpeter's Theory of Innovation. The study adopted a positivist research philosophy and descriptive survey design. The target population was 4,931 micro and small farm-inputs enterprises registered by the Agricultural Market Trust of Kenya. Data was analyzed using descriptive and inferential statistics through Statistical Package for Social Sciences (SPSS) version 23. The findings indicated that innovative skills had a positive and significant influence on the growth of farm inputs MSEs in Kenya (b=1.088, p=0.000). The study concluded that innovative skills significantly and positively contribute to the increase in the growth of farm inputs MSEs in Kenya. The study recommended the need for farm inputs for MSE owners to strengthen innovative skills through training for improved growth of enterprises. In particular, the farm inputs MSE owners should focus on enhancing the following aspects of innovative skills: introduction of new products and services, new markets for the existing products, new markets for new products, and new channels of product distribution.

Keywords: *Innovative Skills, Growth, Micro and Small Farm Inputs Enterprises*

1.0 Introduction

Agribusiness plays a key role in the economic growth of most economies across the world. Micro and small farm inputs enterprises are crucial players in this sector since they serve as an intermediary between the manufacturers of agricultural inputs and farmers, and therefore function to supply farmers with inputs such as seeds, fertilizers, agrochemicals, veterinary drugs, animal feeds and tools for food production and economic growth (Staudacher et al., 2021). These enterprises not only sell farm inputs to farmers but also play an important role in disseminating information from the manufacturer on the product's benefits. Therefore,

entrepreneurs in this field need to hone their entrepreneurial skills such as innovative skills to grow their enterprises (Kwakye et al., 2019; Rother 2018; Rutsaert & Donovan, 2020).

According to Bhasin (2020), innovation is the ability of individuals or organizations to come up with new ideas, new products, new workplace processes, and upgrades that add value to existing situations or conditions of services, products, and processes. This is mainly done to increase competitiveness among businesses to generate profits. Additionally, human growth and the ability to explore new vistas in life are dependent on the ability to innovate. An individual with strong innovative skills would be able to think creatively as well as solve business problems. An innovative person has a lot of patience, as well as practical and operational skills (Bhasin, 2020). According to Melati, Arief, and Baswara (2018), innovation is related to entrepreneurship because it is one of the critical success factors among entrepreneurs. Moreover, innovation is needed among entrepreneurs to come up with solutions that could help tackle problems experienced in businesses daily as well as generate new products and/or services.

According to the Alliance for Green Revolution in Africa report (2019), the growth of farm inputs MSEs in Africa has been experiencing challenges since the structural adjustment programs (SAP) implemented in the mid-1980s to late 1990s. During this period, farmers' access to seeds and fertilizers as well as other agricultural extension services were adversely affected. Moreover, deprivation of public funding by governments left only a few public seed enterprises surviving and the private sector investment was slow to take off. This situation created a vacuum in the farm-inputs supply and agricultural growth (AGRA, 2019).

In the early 2000s, a report by AGRA (2020) showed that the gravity of farm inputs supplies to farmers shifted upward with the support injected into the region from several donors such as the Rockefeller Foundation, Bill and Melinda Gates Foundation, and the establishment of Alliance for a Green Revolution in Africa. The shift moved towards the private sector and more specifically towards promoting the growth of indigenous, "farm inputs MSEs" in the rural areas in African countries. Further, policies encouraging innovativeness and liberalization of agricultural inputs supplies to farmers also encouraged more start-ups in the farm inputs MSEs sector. This period initiated a new era in many of the African countries leading to the demand for improved and quality farm-inputs supplies (Africa Agriculture Status Report, 2018).

1.1 Problem Statement

Micro and small enterprises are important drivers of most economies across the world. Kenya Vision 2030 envisages the importance of farm inputs MSEs due to the crucial role they play in the food value chain by supplying farmers with farm inputs for agricultural production and economic growth (Staudacher et al., 2021). These enterprises are expected to sell farm inputs to farmers and disseminate information from the manufacturer on products' benefits and therefore, innovative skills are required to promote the growth of the enterprises (Kwakye et al, 2019; Rother, 2018; Rutsaert & Donovan, 2020).

Several policies and programs have been put in place to promote the growth of farm inputs and MSEs in Kenya (Alex, 2019). Unfortunately, despite the efforts, most of these enterprises continue to struggle with growth problems and fail to meet farmers' demand for inputs supplies (Precision Agriculture Development Report, 2020). For example, in 2020, farm inputs MSEs in Kenya registered a growth rate of 1.8% while MSEs in other sectors such as construction experienced favorable growth, with dealers of timber and wood products, bitumen, and cement achieving higher growth rates of 69.6% and 15.2% respectively (Kenya National Bureau of Statistics report, 2020). Moreover, besides the sector growth gap, the introduction of

government subsidies in some inputs such as fertilizer and seeds, and other challenges like product counterfeiting distorted the agricultural inputs markets hence affecting sales among farm inputs MSEs adversely (Okadia, 2022). This clearly shows there are issues affecting the growth of farm inputs MSEs in Kenya that need addressing. Could innovative skills offer a solution to the increasing growth challenges among the farm inputs MSEs in Kenya?

Averburg (2020) asserts that innovative skills have a significant effect on the economy and lives of people by increasing productivity, competitiveness, and job creation. Accordingly, Yıldırım, Trout, and Hartzell (2019) observed that a lack of innovativeness among entrepreneurs could limit them from recognizing opportunities, generating new ideas, products, and services, and being innovative in general. This leads to growth stagnation and the ultimate closure of enterprise operations (Jobs, 2020). This study hypothesized that innovative skills could enhance the growth of farm inputs MSEs in Kenya. Several studies on innovative skills focused on the performance and survival of SMEs in Saudi Arabia (Adam & Alarifi, 2021), the success of Kenya's Small and Medium Manufacturing Enterprises (Nyoike, 2018), the performance of pharmaceutical manufacturers in Kenya (Kanyi et al., 2023), and growth of SME businesses in Nairobi County (Kimathi, 2021) among others. However, little is known regarding innovative skills and the growth of farm inputs MSEs. This study examined the influence of innovative skills on the growth of farm inputs MSEs in Kenya.

1.2 Research Hypothesis

Ho: Innovative skills have no significant influence on the growth of farm-inputs MSEs in Kenya.

2.0 Literature Review

2.1 Theoretical Review

Schumpeter's Theory of Innovation advanced by Schumpeter in 1939 was adopted in the study. The theory holds that innovation happens to bring change in routines of companies and markets and therefore the notion of a general equilibrium is applied to explain economic developments after the change has occurred. Through innovation (introduction of new products, processes, and markets) the economic ecosystems are pushed away from the neighborhood of equilibrium. Consequently, and gradually, as the effects of innovation wear off, a new neighborhood of equilibrium is restored (Schumpeter, 1939). Schumpeter (1949) further highlighted the importance of entrepreneurship in the light of innovation in the creation of profit opportunities. This was made possible through innovativeness and creativity which integrated the idea of generating profits.

The importance of this theory was supported by various authors. For instance, Abramowitz (1956) and Solow (1957) were able to show that there was some level of influence of entrepreneurial capital in the financial sector. Masterclass (2021) also supported the theory by indicating that innovation was an important element in promoting the overall growth of small businesses in a competitive environment. Scholars such as Estrin et al. (2020) averted from the idea that Schumpeterian innovation theory had the potential of expounding on the innovation concept leading to growth among enterprises. Schumpeter's theory was critiqued as having dwelled more on innovation function while overlooking other important traits of an entrepreneur such as risk bearing, planning, management, and organizational skills among others (Shekhar & Rawal, 2018).

Schumpeter's theory of innovation was linked directly to the key indicators of innovative skills investigated in the study such as developing new products, venturing into new markets, and

coming up with new processes required an individual who was creative and innovative. The theory was also supported by several studies such as that by Adam and Alarif (2021) and Nyoike (2018) which showed that being innovative boosted the growth of enterprises.

2.2 Empirical Review

The relationship between high growth and innovation was investigated by Arlija and Bilandi (2018). The data set for this study included 181 Croatian SMEs. Four steps of empirical analysis were carried out. SMEs that were found to be creative in the first stage were compared to SMEs that were not. Human capital, profitability, export market and strategic orientation, and technological and product originality all differed. The second stage involved a comparison of high-growth and low-growth SMEs. High-growth SMEs were younger, had higher turnover capacity, utilized newer technology, were more growth-oriented, and financed more internally. The comparison of high-growth SMEs that were innovative and high-growth SMEs that were not innovative revealed only differences in indebtedness and product uniqueness in the third section of the analysis. The research concluded with the construction of a model for high-growth estimates utilizing factor analysis and logistic regression to estimate the likelihood of an SME achieving high growth and identify factors that influence growth. The contextual gap is that the study was carried out in Croatia while the current study is in Kenya. A conceptual gap is that the study focused on the relationship between innovation and the high growth of SMEs while the current study looked at the innovative skills and growth of farm inputs MSEs. The methodological gap is that the study utilized a sample size of 181 respondents while the current study utilized a sample size of 318 respondents.

Adam and Alarifi (2021) study, aimed at building a theoretical model that would shed light on the relationship between innovative practices and SMEs' performance and survival, while also emphasizing the auxiliary role of external support in such a relationship. The data was collected from 259 randomly selected SME managers in Saudi Arabia via an online questionnaire, and the data was analyzed using the SmartPLS3 program. The structural equation modeling results revealed that SMEs' innovation activities in response to COVID-19's consequences had a beneficial impact on business performance and survival. External support aids improve the favorable impact of SMEs' innovation activities on firm survival rather than development, according to PLS-SEM bootstrap results. The contextual gap is that the study was based in Saudi Arabia while the current study is based in Kenya. The conceptual gap is that the study focused on the performance and survival of SMEs while the current study focused on the growth of farm inputs MSEs. The methodological gap is that structural equation modeling design was utilized whereas in the current study descriptive survey design was utilized.

Nyoike (2018) looked at how innovative methods affect the success of Kenya's Small and Medium Manufacturing Enterprises (SMMEs). The study specifically looked into how SMME growth is influenced by creativity, organizational structure, research and development, and commercialization. The association between innovative practices and SMMEs' performance was mediated by entrepreneurial orientation. Stratified random selection was used to choose a representative sample of 254 managers or entrepreneur owner-managers from manufacturing enterprises registered with the Kenya Association of Manufacturers. The data was collected using a self-administered, semi-structured questionnaire. The study included both qualitative and quantitative data. To establish the relationship between the dependent and independent variables, the regression analysis model was created. Commercialization, organizational structure, R&D, and innovation were all found to be independently significant predictors of SMMEs' performance in the study. Entrepreneurial orientation was also found to considerably modify the association between innovative techniques and SMMEs growth. Overall, the study

found a link between innovative activities and the success of small and medium-sized businesses. The contextual gap is that the study focused on the small and medium manufacturing enterprises (SMMEs) while the current study focused on the farm inputs MSEs. The conceptual gap is that the study looked at the success of SMMEs while the current study focused on the growth of farm inputs MSEs. The methodological gap is that the study utilized a sample size of 254 respondents compared to 318 sample size in the current study.

Kanyi, Wanjau, and Kyalo (2023) assessed the effects of entrepreneurial passion on process innovation and enterprise performance in Kenya. A survey was conducted on 150 enterprise owners/managers and the results revealed that process innovation had a positive and significant effect on the performance of pharmaceutical manufacturers in Kenya. Entrepreneurial passion had a significant moderation effect on the relationship between process innovation and performance. Enterprises that had higher passion levels achieved greater performance on process innovation implementation. The contextual gap is that the study focused on pharmaceutical manufacturing enterprises while the current study focused on farm inputs MSEs. The conceptual gap is that the study looked at the performance of pharmaceutical firms while the current study focused on the growth of farm inputs MSEs.

Kimathi (2021) looked into the impact of the entrepreneurial mindset's inventive component on the growth of small and medium businesses in Kenya. The study used a survey research design to focus on a population of 268,100 licensed small and medium enterprises in Nairobi County, Kenya, from which a sample of 400 SMEs was selected using a multi-stage probability sampling method, in which stratified sampling was used first to select firms under sector strata's (manufacturing, services, wholesale and retail trade, and real estate activities), and then simple random sampling was used to select representative firms. Questionnaires were used to collect quantitative data, which was then analyzed using the Statistical Package for Social Science (SPSS) and Microsoft Excel. According to the findings, innovation had a favorable and considerable impact on the growth of small and medium-sized businesses in Kenya. According to the findings, innovation boosted the growth of small and medium businesses in Kenya. Small and medium businesses led by innovative owners/managers outperformed those led by less innovative owners/managers. The survey also found that innovation leads to high-return investments, which promotes the growth and sustainability of small and medium-sized businesses. The contextual gap is that the study focus was on Nairobi County while the current study focused on the entire country, Kenya. The conceptual gap is that the study looked at the growth of SMEs while the current study focused on the growth of farm inputs MSEs.

3.0 Methodology

The study adopted a positivist research philosophy and descriptive survey design. The target population was 4,931 micro and small farm-inputs enterprises registered by the Agricultural Market Trust of Kenya. The unit of analysis was the Farm inputs MSEs whereas the unit of observation was the farm inputs MSEs owners/managers. A stratified random sampling technique was used to select the sample. For the sampling procedure, the farm inputs MSEs were stratified according to counties in Kenya. From the strata, a simple random technique was applied to arrive at a sample size of 370 respondents. A structured questionnaire, observation guide, and document analysis were used for data collection. Descriptive and inferential statistics were used in the data analysis through Statistical Package for Social Sciences (SPSS) version 23. Descriptive statistics were summarized into frequencies, percentages, and measures of central tendency and presented using figures, tables, and pie charts. Simple linear regression analysis was done to establish the relationships between the study variables.

4.0 Results and Discussion

4.1 Descriptive Analysis

4.1.1 Innovative skills and growth of farm inputs MSEs in Kenya

The respondents were asked to rate the statements measuring the concept of innovative skills using a 5-Likert scale as follows: strongly disagree (SD), disagree (D), undecided (UD), agree (A), and strongly agree (SA).

The findings indicate (Table 1) that the majority of respondents agreed that introducing new products in the stock portfolio has led to increase in sales revenue (mean=4.0, std. dev=0.9), introducing new markets for the existing products has helped the enterprise grow its business and open additional outlets (mean=4.2, std. dev=0.9), introducing new markets for the new products has helped the enterprise increase sales revenue (mean=3.6, std. dev=1.2), and introduction of new channels of product distribution has helped the enterprise increase sales revenue (mean=3.5, std. dev=1.2). Further, the majority of respondents disagreed that the introduction of improved ways of service delivery to customers has attracted new employees into the enterprise (mean=2.3, std. dev=1.2). The findings revealed that most of the responses ranged between the mean of 4.2 to 3.5. This meant that the majority of the respondents were in agreement with the statements measuring the influence of innovative skills on the growth of farm inputs MSEs in Kenya. Likewise, the standard deviations of the items ranged between 0.9 and 1.2. Meaning that the responses to items were converging towards the expected responses. The findings confirm the statement by Adam and Alarifi (2021) who asserted that innovative skills are related to enterprise growth. Additionally, the findings of this study are in line with those of Nyoike (2018) who observed that innovative skills in business positively affected the success of small and medium manufacturing enterprises (SMMEs) in Kenya. The findings on improved process of service delivery to customers (Mean=2.3, std. dev=1.2) disagreed with that of Kanyi, Wanjau, and Kyalo (2023) who demonstrated that process innovation had a positive and significant effect on the performance of pharmaceutical manufacturers in Kenya. Overall, the findings confirmed that innovative skills in terms of new product development, new market development, and new channels of product distribution influenced the growth of farm inputs MSEs in Kenya.

Table 1: Descriptive statistics on Innovative skills

Statement	SD	D	UD	A	SA	M	Std. dev
The introduction of new products has helped the enterprise increase sales revenue.	25.0%	41.2%	1.1%	26.8%	6.0%	2.5	1.3
The introduction of new services has led to an increase in sales revenue.	1.1%	9.2%	6.3%	56.0%	27.5%	4.0	0.9
The introduction of improved ways of service delivery to customers has attracted new employees into the enterprise.	31.7%	39.8%	5.3%	18.3%	4.9%	2.3	1.2
The introduction of new markets for the existing products has helped the enterprise grow its business and open additional outlets.	3.2%	2.1%	2.8%	53.5%	38.4%	4.2	0.9

The introduction of new markets for new products has helped the enterprise increase sales revenue.	2.8%	20.4%	19.7%	23.9%	33.1%	3.6	1.2
The introduction of new channels of product distribution has helped the enterprise increase sales revenue.	2.1%	23.2%	27.8%	20.8%	26.1%	3.5	1.2
Average						**3.3**	**1.1**

4.1.2 Growth of Farm Inputs MSEs in Kenya

The researcher further attempted to establish growth measures of farm inputs MSEs in Kenya witnessed in the last five years. The respondents were asked to rate the extent of agreement or disagreement on the following statements regarding the growth of farm inputs MSEs in Kenya. The 5-Likert scale used is as follows: strongly disagree (SD), disagree (D), undecided (UD), agree (A), and strongly agree (SA).

The findings show (Table 2) that the majority of respondents agreed with statements that the enterprise has increased its sales (mean=3.9, std. dev=0.9), and there has been an overall growth of the enterprise (mean=4.0, std. dev=1.0). The results showed that the means were in the range of between 3.9 and 4.0 and therefore agree with the statements that the enterprise had increased sales. Also, the standard deviations of these items were in the range of between 0.9 and 1.0 indicating that the responses were not far away dispersed from each other. Further, the majority of respondents disagreed that the enterprise had an increased number of employees (mean=3.1, std=1.2) and several additional outlets (mean=2.9, std. dev=1.2). The findings revealed that most of the responses ranged between the mean of 2.9 to 4.0 meaning that the majority of the respondents were moderately in agreement with the statements measuring the growth of micro and small farm inputs enterprises. Likewise, the standard deviations of the items ranged between 0.9 – 1.2 implying that the responses to items were converging towards the expected responses. This agrees with the finding that small businesses can achieve sustained success by utilizing dynamic networking capabilities in a competitive environment to increase sales and overall growth of an enterprise (Abbas et al, 2019).

Table 2: Descriptive statistics on the growth of farm inputs MSEs in Kenya

| Statement	SD	D	UD	A	SA	M	Std. dev
The enterprise has increased its sales	1.1%	13.0%	2.1%	63.4%	20.4%	3.9	0.9
The number of employees has increased.	2.1%	44.0%	6.3%	36.6%	10.9%	3.1	1.2
The enterprise has increased the number of outlets.	4.9%	52.8%	2.5%	29.6%	10.2%	2.9	1.2
There has been an overall growth of the enterprise	3.2%	8.5%	2.8%	58.8%	26.8%	4.0	1.0
Average						**3.5**	**1.1**

The results from the document analysis revealed that in terms of sales revenue, the farm input MSEs in Kenya made an average of Kes 3.9 million in 2018, Kes 4.2 million in 2019, Kes 3.5

million in 2020, Kes 4.9 million in 2021, and Kes 4.4 million in 2022. The findings point to fluctuations in annual sales of farm inputs MSEs over the past five years.

On the additional outlets, the farm inputs MSEs had an average of 4 outlets in 2018, 2019, and 2020, while in 2021 and 2022 the average number of outlets was 3. This implies that growth in terms of additional outlets has reduced for most farm inputs MSEs in Kenya in the past five years.

Furthermore, these farm inputs MSEs had an average of 4 employees between 2018 and 2019. However, the number reduced to 3 employees in 2020, 2021 and 2022 respectively. This implies that growth in terms of the number of employees has reduced in the past five years among the farm inputs MSEs in Kenya.

Further, the researcher computed sales revenue growth for the past five years. Figure 1 shows fluctuations in sales revenue growth throughout the study period. The trendline indicates a general decline in annual sales growth of farm inputs MSEs in Kenya over the past five years.
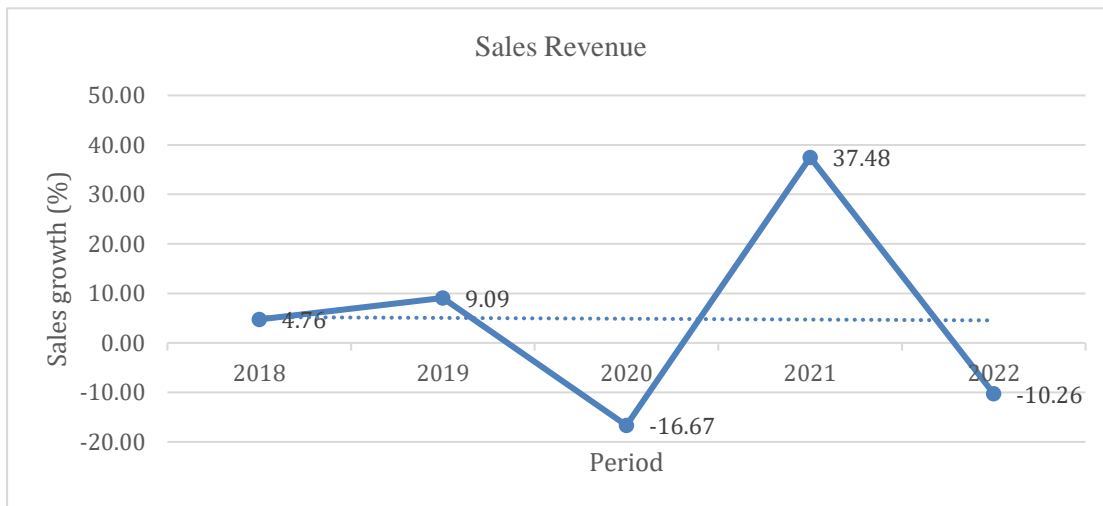
**Figure 1: Farm Inputs MSEs Sales Revenue Growth in Kenya**

Figure 2 shows fluctuations in outlet growth throughout the study period. The trendline indicates a general decline in outlet growth of farm inputs MSEs in Kenya over the past five years.
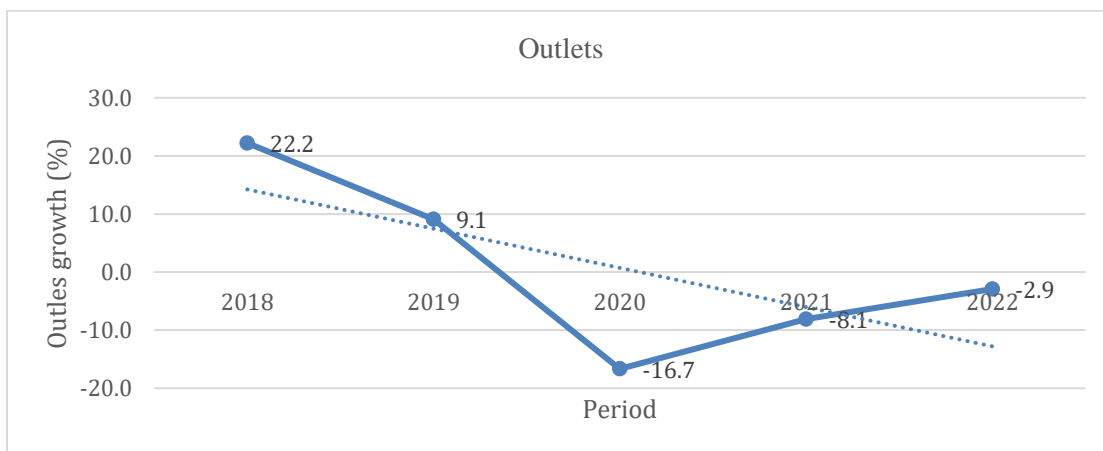
Figure 2: Farm Inputs MSEs Outlets Growth in Kenya

Figure 3 reveals fluctuations in several employees' growth throughout the study period. The trendline indicates a general reduction in the number of employees' growth among farm inputs MSEs in Kenya over the past five years.
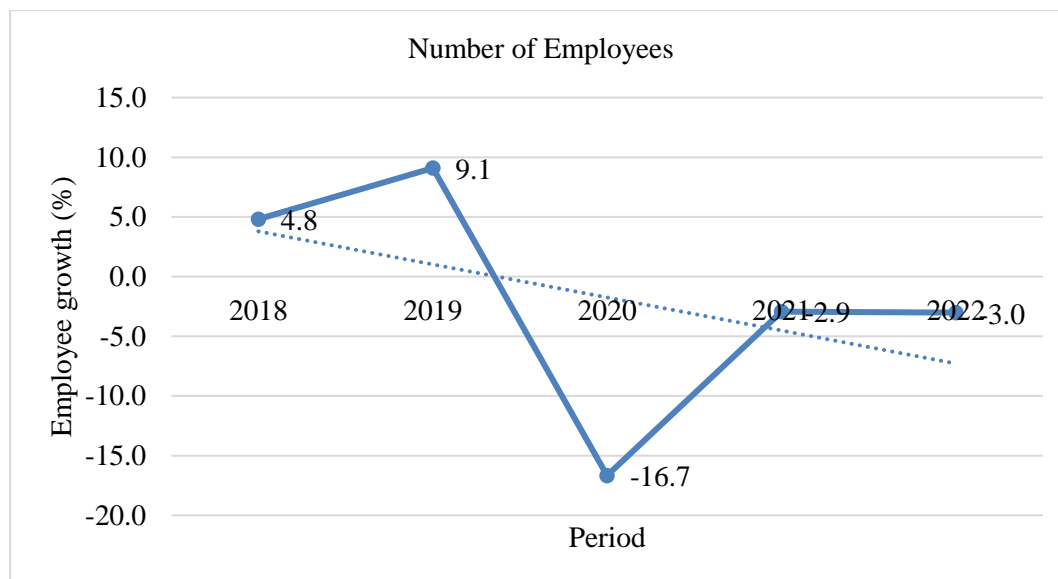
Figure 3: Farm Inputs MSEs Employees' Growth in Kenya

Overall, it can be observed that there is some level of stagnation in the growth of farm inputs MSEs in Kenya. This is whereby the majority disagreed that the enterprises had grown in terms of opening new outlets. This could imply that the enterprises had suppressed revenue which hindered them from expanding. This has also been confirmed through observation whereby a majority of the farm inputs MSEs were in poor physical conditions, the sizes of premises (small), and lack of new products and product diversification on the shelves. Moreover, the analysis of the cash sales receipts, invoices, and salary records also revealed poor fluctuations in the growth of farm inputs MSEs in Kenya. This made some of these enterprises remain closed during sales seasons, others closing down completely and others reducing their employees to remain operational.

4.2 Influence of Innovative Skills on Growth of Farm Inputs MSEs in Kenya

The study sought to determine the role of innovative skills in the growth of farm inputs MSEs in Kenya. A bivariate linear regression was conducted to determine how innovative skills influence the growth of farm-inputs MSEs in Kenya.

Table 4 presents the R square value for the extent of variation. The R-square value of .516 indicates that 51.6% of changes in the growth of farm-inputs MSEs are contributed by innovative skills. The findings imply that innovative skills are a strong determinant of the growth of farm-inputs MSEs in Kenya. The remaining 48.4% of variation in farm inputs MSEs growth can be attributed to other factors not included in this model.

Table 4: Model summary; Innovative skills and growth of farm inputs MSEs in Kenya

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.719[a]	.516	.515	.516

a Predictors: (Constant), Innovativeness

Table 5 indicates the analysis of variance (ANOVA) test between innovative skills and the growth of farm inputs MSEs in Kenya. The F statistic value was 301.105 and the p-value of 0.000 (less than 0.05). This implies that the regression model predicts significantly the

dependent variable (growth of farm inputs MSEs). This means that there is a significant relationship between innovative skills and the growth of farm inputs MSEs in Kenya.

Table 5: ANOVA; Innovative skills and growth of MSEs in Kenya

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	80.229	1	80.229	301.105	.000[b]
	Residual	75.138	282	.266		
	Total	155.367	283			

a Dependent Variable: Growth of farm inputs MSE

b Predictors: (Constant), Innovative skills

As indicated in Table 6, the statistical coefficients of innovative skills on growth of farm inputs MSEs in Kenya show that the value of unstandardized coefficient (B3) is 1.088 (p-value <0.05), which confirms that innovative skills are significantly and positively predicting farm inputs MSEs growth in Kenya.

The linear regression model equation is presented as follows;
Y= -.163+1.088X
Where;
Y = farm inputs MSEs growth in Kenya
X= Innovative kills

From this equation, the model predicts that when innovative skills are zero, the farm inputs MSEs growth in Kenya is -.163. It also predicts that for a one-unit improvement in innovative skills, farm inputs MSEs growth increases by 1.088 units holding the other predictors fixed. The findings mirror those of Nyoike (2018) who found that innovative methods affect the growth of small businesses. Additionally, Kimathi (2021) established that innovation had a favorable and considerable impact on the growth of small and medium-sized businesses. The finding of this study links to Schumpeter's (1949) theory of innovation since the theory notes that, through innovation (introduction of new products, new processes, and new markets) the economic ecosystems are pushed away from the neighborhood of equilibrium thus enabling entrepreneurs to earn more profits from the newly created market condition. Other authors such as Estrin et al. (2020) have supported the adoption of the Schumpeterian innovation theory concept since it leads to the growth of enterprises. This has been statistically confirmed in the current study since innovative skills such as the introduction of new products, new markets, new processes, and distribution channels significantly influenced the growth of enterprises.

Table 6: Coefficients; Innovative skills and growth of farm inputs MSEs in Kenya

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B3	Std. Error	Beta		
1	(Constant)	-.163	.211		-.771	.441
	Innovative skills	1.088	.063	.719	17.352	.000

a Dependent Variable: Growth MSE

5.0 Conclusion

The study further concludes that innovative skills significantly and positively contribute to the increase in the growth of farm inputs MSEs in Kenya. The implication is that innovative skills will promote the growth of farm inputs MSEs. The key aspects of focus in innovative skills include the introduction of new products and services, the introduction of new markets for

existing products, the introduction of new markets for new products, and the introduction of new channels of product distribution.

6.0 Recommendations

According to the findings, innovative skills had a significantly positive influence on the growth of farm inputs MSEs in Kenya. The study recommended the need for farm inputs from MSE owners through training, mentorship, and incubation hubs to strengthen their innovative skills for improved growth of the enterprises. In particular, the farm inputs MSE owners should focus on enhancing the following aspects of innovative skills: introduction of new products and services, creation of new markets for the existing products, new markets for new products, and new channels of product distribution and marketing.

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