Influence of Human Capital Ecosystem on Growth of Leather Manufacturing Small and Medium Enterprises in Kenya

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Abstract

Purpose: The purpose of this study is to investigate the influence of the human capital ecosystem on the growth of leather manufacturing small and medium enterprises in Kenya.

Methodology: The study used a mixed research design that is both qualitative and quantitative. Data was collected using questionnaires and secondary data collection sheet. The collected data was analysed by use of SPSS software program version 23. The quantitative data in this research was analysed by descriptive statistics using the mean and standard deviation. A regression model was adopted to test the relationship between the variables.

Findings: The findings show there is a strong relationship between Human capital ecosystem and growth of SMEs in leather manufacturing in Kenya.

Unique Contribution to Theory, Practice and Policy: SMEs should invest in capacity building of their staff through short and long-term programmes so as to make them experts and competent in their various fields of specialization.

Keywords: Human Capital Ecosystem, Entrepreneurial Growth

How to cite in APA format:


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INTRODUCTION

The influence of the human capital ecosystem on the growth of small and medium enterprises (SMEs) in the leather manufacturing sector in Kenya is multifaceted and crucial for sustainable development. The human capital ecosystem encompasses various factors such as education, skills training, workforce diversity, entrepreneurship support, and access to financing. In the context of leather manufacturing SMEs, a skilled and educated workforce is essential for driving innovation, improving productivity, and enhancing the quality of products. Investing in vocational training programs tailored to the needs of the industry can equip workers with the necessary technical skills and expertise required for efficient leather processing and production.

Zahra (2011) carried out a study on entrepreneurial capability. The study focused on finding out why some companies can adapt and reinvent themselves as industry leaders while others fail to do so. The study noted that successful business ventures benefit from a well-honed set of entrepreneurial capabilities of human capital, which have been developed and refined as time changes. To affirm the sentiments, Ngugi (2013) found those intellectual components such as innovativeness improved sales in SMEs. The scholar observed that SMEs with human capital ecosystem were able to develop new product lines, accelerating their growth. It was measured in terms of acquisition of new customers, increase in sales, and increase in the number of employees. Acs, Estrin, Mickiewicz, and Szerb (2018) observed that entrepreneurial capability works well in the knowledge economy. The scholar notes that business now depends on the information economy and knowledge economy, and the intellectual ecosystem enables a business to synthesize the information for its growth. For instance, market information for business growth and increase in sales, among other things.

Mason and Brown (2013) proposed that management skills play a crucial role in business growth. The scholar notes that businesses expand and retain sustainability with good managerial skills. Besides, they advise that entrepreneurs should be proactive in managing their business ecosystem to gain competitive advantages over others and serve their purpose of job creation and solving societal problems. The reviewed study focused on business opportunities and how they impact game-changing in business. It used a qualitative approach, while the current study focuses on the moderating role of entrepreneurial culture on entrepreneurial determinants. A study carried out by Tasnim et al. (2013) explored the synchrony between entrepreneurial education and training in business start-up. The study was conducted in Malaysia. The study concluded that training and entrepreneurial education, elements of intellectual infrastructure, play an essential role in the entrepreneurial process and success. For instance, the study found that intellectual capital has a positive relationship with customer capital; as such, it influences the contribution of the current and future revenues of the business.

Statement of the Problem

The entrepreneurial enterprises in Kenya contribute 30% of the GDP and have created 83.6% out of the 846,000 new jobs generated in 2018 (Kenya National Bureau of Statistics, 2019), to improve the performance firm need to embrace entrepreneurial ecosystem. The contribution of entrepreneurial ecosystem is great. For instance, according to Kenya national bureau of statistics economic survey 2021, the contribution of leather manufacturing to Kenya’s economy currently stands at Kshs.10.6 billion and creates employment to over 22,540 people directly and indirectly. The leather goods and footwear subsectors in Kenya have exhibited a lot of potential for growth with an increase of leather goods units to 85. However, industry has had declining production of manufactured leather goods, such as footwear, due to global competitiveness pressures from cheap second-hand imports (Mitumba), non-leather substitutes
and more efficient producers. [Diagnosis, Strategy and Action Plan KENYA LEATHER INDUSTRY REPUBLIC OF KENYA MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE DEVELOPMENT. (n.d.).6]. According to State Department For Livestock Development had identified challenges facing the leather industry including: poor quality of raw material, limited capacity of tanners, lack of appropriate green technologies, high cost of production, poor skills and inappropriate production technologies, quality compliance, weak legal and impediment regulatory framework and unpredictable fiscal/taxation environment at national and regional levels that may hinder the sector’s competitiveness and growth. This despite having comparative resource advantages such as labor and raw-materials. This is a paradox of an industry with great opportunity and potential being faced with poor performance in a competitive market then presents a problem to be resolved.

Objective of the Study

Objective of this paper is to determine the influence of human capital ecosystem on growth of leather manufacturing small and medium enterprises in Kenya

LITERATURE REVIEW

Theoretical Review

Psychological Theory

According to this theory, entrepreneurship gets a boost when society has a sufficient supply of individuals with the necessary psychological characteristics (Kristin, 1999). These characteristics, which include the need for high achievement, a vision or foresight, and the ability to face opposition, are formed during the individual's upbringing, which stresses standards of excellence, self-reliance, and low father dominance (ibid).

The psychological theory of entrepreneurial abilities tries to discover the personality traits of entrepreneurs that distinguish them from the rest of society. According to this approach, the economic actions of individuals are primarily determined by their personality, and some people are better at obtaining entrepreneurial success than others. According to the classical personality trait approach, these traits are of internal origin; they do not depend on external circumstances, and the personal observations of the social environment do not influence their existence (Holt, 2012). The essential personality traits which can be connected to entrepreneurial success that contemporary analyses mention include the following: motivation for performance, self-confidence, enthusiasm, internal control, aspiration to independence, self-efficiency, creativity/innovative character, target orientation, and inclination towards risk-taking tolerance of uncertainties.

Another approach that explains small firm growth holds that business growth results from conscious human action driven by personal motives (Tuck & Hamilton, 1993). Characteristics of owners and managers of small firms, rather than firm-specific and environmental factors, will determine whether the firm grows. Davidsson (1991) argues that economic theories take the willingness to grow a business for granted by assuming profit maximization. He says that growth is a choice of the owner-manager and that profit maximization is only one of the possible motives for business growth.

Researchers have concluded that education equips people with the knowledge and skills they need to effectively manage and succeed in their businesses. That is, as the level of education increases, this, in turn, increases an individual entrepreneur's ability to cope with problems and take hold of opportunities that are important to the firm's growth (Storey, 1994). However,
empirical findings on the relationship between owner's education and business growth are somewhat mixed. While some studies confirm a positive relationship between the prior level of education and firm performance (Barkham, 1994; Cooper et al., 1994; Kangasharju, 2000), others have found that owner–managers' education is not significantly related to business growth (Barkham et al., 1996; Olomi, 2001). This theory holds that business growth results from conscious human action, driven by personal motives and capabilities, which are brought about by entrepreneurial education, training in business start-ups, and social capital.

**Human capital Ecosystem**
- knowledge accessibility
- learning capacity
- workforce optimization

**Growth of SMEs in leather manufacturing**
- Profitability
- Capacity
- Market share

*Figure 1: Conceptual framework*

**SMEs Growth**

Entrepreneurial growth is a natural process of acclimatization and progress that occurs under favourable conditions (Kshetri, 2014). It can be divided into two categories organic growth and inorganic growth. Organic growth is an internal process that is planned and leads to an increase in firm size and resources. On the other hand, inorganic growth is an external growth that involves aspects such as joint ventures or mergers (Szegedi & Korom, 2010). There are several measurements for SMEs' growth.

Depending on the enterprise, the growth measurement can be absolute or relative, to mean there is no universal growth measurement but depend on the SME owner (Smith, 2021, Agyapong, Mmieh, & Mordi, 2017). However, there are two types of standard measurement, employment-based measures, which focus on an increase in the number of full-time paid employees, and accounting-based measurements, which entail sales, revenues, and profits, such as market shares. Entrepreneurial firms can be done in several ways, and again, context is essential (Kachlami & Yazdanfar, 2016).

Studies done in the USA have utilized employment-based and accounting-based measures (Mason & Brown, 2013). Kok and Vroonhof (2011) used descriptive and multivariate regression analysis to examine business growth and entrepreneurial ecosystems in the USA. Their result found that the firm's size, determined by the number of employees, employee intelligence, financing, and the network relationship, influences growth elements such as sales, market share, and overall profit. However, other variables, such as education and the firm's age, do not have a significant relationship with the firm's growth, suggesting that the accounting and employment measurements are more effective than the perceived age of the firm.

Agyapong, Mmieh, and Mordi's (2017) examine "the factors that affect the growth of small and medium-sized enterprises (SMEs) in the context of Ghana," using entrepreneurs of SMEs as the unit of analysis. The study, conducted in three months, involved 75 owner-managers
from agriculture, manufacturing, and services. The study revealed that the level of education, poor energy supply, access to external finance, competition, inflation, and government policies influence the growth of SMEs in Ghana. The study recommends that sustained energy supply, review of lending and borrowing regulations, favourable fiscal policies, measures to combat unhealthy competition, provision of adequate training centres to equip entrepreneurs, and regulation on land acquisition should be the government's priority to ensure consistent growth of SMEs in Ghana. The situation is not unique to Kenya.

Empirical Review

The success of any entrepreneur can perform business tasks that give returns effectively. Human capital enables a firm to transform, identify opportunities, evaluate them, and exploit the desirable ones to become more competitive and realize more profits. Abeer Pirzada (2015) observed in enterprises in Pakistan and Canada that human resource professionals must possess technical knowledge to achieve business success.

A study carried out by Tasnim et al. (2013) explored the synchrony between entrepreneurial education and training in business start-up. The study was conducted in Malaysia. The study concluded that training and entrepreneurial education, elements of intellectual infrastructure, play an essential role in the entrepreneurial process and success. For instance, the study found that intellectual capital has a positive relationship with customer capital; as such, it influences the contribution of the current and future revenues of the business.

Yingwen and Hong (2014) studied the impact of entrepreneurial failures on subsequent entrepreneurial intention. This study was carried out in the Zhejiang province of China. The study took a sample of 159 Chinese entrepreneurs with experience of entrepreneurial failure. The research used the questionnaire as the data collection tool. The findings of the study revealed that when entrepreneurs meet with severe failure, they are demoralized and may not have the motivation to start again. Entrepreneurial failure will result in a lack of commitment to their idea, business, and subsequent entrepreneurial intention.

Brodack and Sinell (2017) studied promoting entrepreneurial capabilities. It was conducted in Germany and employed a case study approach suited to quantitative data analysis. Data was collected through interviews. The study sampled 60 entrepreneurs from whom data was collected using semi-structured interviews, with each interview taking between 20 and 60 minutes. The findings of this study showed that teams that exhibited more excellent knowledge of knowledge bases, methods, and mind-sets which we consider inter-disciplinary, will engage their ideas, maintain productive interaction and implement their ideas. In this study, the spin-off founders observed stringently developed proposals and implementation strategies by looking at them from multiple angles. These founders experienced high levels of appreciation following the contributions of each other and developed a strong sense of responsibility and motivation, leading to a high degree of commitment. They tapped from the expertise of each other in their various fields, overcame professional jargon, and developed effective communication. The researcher, on their part, explored how an interdisciplinary approach could benefit or promote entrepreneurial capabilities. On the other hand, the current study shifts away from this and explores entrepreneurial intellectual infrastructure can impact SMEs in the manufacturing industry in Kenya and not in Germany.

Human capital can impact entrepreneurial ecosystems when mediated through knowledge and innovative capability, as has been demonstrated in other studies (De Winne and Sels, 2010; Popkova and Segri, 2020). A growth in entrepreneurial achievement depends on how an
enterprise’s human capital, supported by knowledge and innovative management, is able to improve innovative capability (Subramaniam and Youndt, 2005; Anand et al., 2007; Ghosh et al., 2019; Chatterjee et al., 2020a; Rosado-Pinto and Loureiro, 2020).

METHODOLOGY

Research Design

This study used a mixed research design which includes qualitative and quantitative resign design to achieve optimal results. The study was therefore a quantitative method paradigm. The design was chosen since it allows triangulation of data collection tools for the research. According to Okombo (2010) population is an entire group of individuals or objects having a common observable characteristic. The target population for this study was 200 employees working in management of Small and Medium Leather Enterprises registered by the Kenya Leather Development Council (KLDC, 2022). Five responses from each enterprise (CEO, Finance manager, sales and marketing manager, human resource manager and Operations manager) were considered. Therefore, the target population for this study was 200 respondents having picked settled on 5 people from each of the 40 firms. Currently there are a total of four leather associations registered by KLDC which include Leather Articles Entrepreneurs Association of Kenya (LAEA), Kenya Footwear Manufacturers Association (KFMA), Kenya Cobblers Association, Tanners Association of Kenya (TAK) as well as independent players that do not belong to any of the four associations mentioned in this paragraph. The population of firms registered under each of the associations is illustrated in Table 1 below.

Target Population

Table 1: Number of Firms Registered Under These Associations

<table>
<thead>
<tr>
<th>Name of Association</th>
<th>No. of Firms Registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leather Articles Entrepreneurs Association of Kenya</td>
<td>11</td>
</tr>
<tr>
<td>Kenya Footwear Manufacturers Association</td>
<td>8</td>
</tr>
<tr>
<td>Kenya Cobblers Association</td>
<td>1</td>
</tr>
<tr>
<td>Independent Players</td>
<td>6</td>
</tr>
<tr>
<td>Tanners Association of Kenya</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Kenya Leather Development Council (2022)

Sample Size

The sample size depends on what one wants to know, the purpose of the inquiry, what is at stake, what is useful, what has credibility and what can be done with available time and resources (Paton, 2002). Owing to the relatively small target population of 200, the study adopted census meaning sample size for the study was 200 respondents.

Sampling Design and Procedure

All the 40 firms were divided into strata consisting of the various Associations where they have membership. The independent players were also treated as an Association their own. Thereafter the percentage represented by each association were calculated and the respondents selected from each stratum was calculated based on the percentage. The second stage involved application of purposive sampling to select firms from each stratum that are found within Nairobi, Kiambu and Machakos. Table 2 illustrates sample size selection.
Table 2: Sample Size Selection

<table>
<thead>
<tr>
<th>Name of Association</th>
<th>No of firms</th>
<th>Percentage</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leather Articles Entrepreneurs Association of Kenya</td>
<td>11</td>
<td>27.5</td>
<td>55</td>
</tr>
<tr>
<td>Kenya Footwear Manufacturers Association</td>
<td>8</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Kenya Cobblers Association</td>
<td>1</td>
<td>2.5</td>
<td>5</td>
</tr>
<tr>
<td>Independent Players</td>
<td>6</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>Tanners Association of Kenya</td>
<td>14</td>
<td>35</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
<td><strong>200</strong></td>
</tr>
</tbody>
</table>

*Source: Researcher (2022)*

Data Collection Instruments

Primary data was collected using structured questionnaires while secondary data was collected through interviews and journals and related publications. The method was preferred because it enabled a standardized way of gathering responses; its familiarity with many people reduced bias (no influence of the researcher's opinion) and the ease of analysis of the collected data. It was also selected because the target population was expected to be literate. The study used a structured questionnaire to collect data. Both open and close-ended questions were used to collect the information. The choice of the design was appropriate as it saves time. The open-ended questions helped in validating the close-ended questions. The questionnaires were administered through drop and pick later method.

Data Analysis

Collected data was coded to put responses into a limited number of categories. Data classification was done by reducing the data into homogeneous groups, and the assembled data was then arranged into some logical order and displayed in compact form. Percentages were used to present data from 0-100 to facilitate reliable descriptions. Quantitative data was analysed using descriptive statistics. Mean, standard deviation, and percentages were applied, and results will be presented in tables.

Regression analysis was carried to test relationship between Independent and dependent variable.

FINDINGS AND DISCUSSIONS

Response Rate

A total of 200 questionnaires were distributed to various respondents by the researcher out of which 170 were returned duly filled. This gave a response rate of 85%. According to Johnson and Christensen, Mertens (2014) observed that a response rate of seventy percent has been generally recommended as acceptable is adequate for data analysis.

Table 3: Response Rate

<table>
<thead>
<tr>
<th>Response Rate</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response</td>
<td>170</td>
<td>85</td>
</tr>
<tr>
<td>Non response</td>
<td>30</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Descriptive Analysis Human Capital Ecosystem

The study wanted to establish the influence of the human capital ecosystem on the growth of leather manufacturing SMEs in Kenya. Table 4 show the results from various parameters on human capital. The results with highest mean was effective communication with a mean of 4.2, followed by Entrepreneurial education and Entrepreneurial strong resilience which had means of 4.05, which were then followed by employee capacity with a mean of 4.01. These findings are in agreement with Unger et al. (2011) which integrated results from three decades of human capital research in entrepreneurship. They found a significant relationship between human capital and success. They state that the interest in human capital should be more pronounced, as many scholars have concluded that human capital is related to success (e.g., Bosma et al., 2004; Cassar, 2006; Van der Sluis et al., 2005). This is further supported by Mason and Brown (2013) who proposed that management skills play a crucial role in business growth. The scholar notes that businesses expand and retain sustainability with good managerial skills. Besides, they advise that entrepreneurs should be proactive in managing their business ecosystem to gain competitive advantages over others and serve their purpose of job creation and solving societal problems.

Table 4: Human Capital Ecosystem

<table>
<thead>
<tr>
<th>Human capital ecosystem parameter</th>
<th>SA %</th>
<th>A %</th>
<th>ND%</th>
<th>D%</th>
<th>Mean</th>
<th>Std. D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proactive entrepreneurs are able to gain competitive advantages over other</td>
<td>75</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>3.62</td>
<td>1.00</td>
</tr>
<tr>
<td>We have managed to remain relevant due to employee capacity through training</td>
<td>60</td>
<td>32.5</td>
<td>7.5</td>
<td>0</td>
<td>4.01</td>
<td>2.76</td>
</tr>
<tr>
<td>Our managers are self- motivated and committed and are aggressively carrying out market research to promote growth in leather manufacturing</td>
<td>50</td>
<td>25</td>
<td>17.5</td>
<td>17.5</td>
<td>3.55</td>
<td>1.42</td>
</tr>
<tr>
<td>Entrepreneurial education is a necessity for the growth of leather manufacturing SMEs</td>
<td>50</td>
<td>45</td>
<td>5</td>
<td>0</td>
<td>4.05</td>
<td>1.77</td>
</tr>
<tr>
<td>The entrepreneur who owns a SME must have a strong resilience to counteract unforeseen challenges</td>
<td>65</td>
<td>35</td>
<td>0</td>
<td>0</td>
<td>4.05</td>
<td>0.78</td>
</tr>
<tr>
<td>Effective communication is a must for entrepreneurs running SMEs</td>
<td>65</td>
<td>30</td>
<td>5</td>
<td>0</td>
<td>4.2</td>
<td>1.92</td>
</tr>
<tr>
<td>Risk taking and innovation of new products is vital to satisfy the ever changing market needs among SMEs</td>
<td>60</td>
<td>25</td>
<td>15</td>
<td>0</td>
<td>3.95</td>
<td>1.63</td>
</tr>
<tr>
<td>SMEs should promote organizational learning to build competence and innovativeness</td>
<td>60</td>
<td>35</td>
<td>5</td>
<td>0</td>
<td>4.00</td>
<td>1.73</td>
</tr>
</tbody>
</table>
Regression Analysis for Human Capital Ecosystem

Table 5: Regression Analysis

<table>
<thead>
<tr>
<th>SUMMARY OUTPUT</th>
<th>Regression Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Multiple R</td>
</tr>
<tr>
<td></td>
<td>R Square</td>
</tr>
<tr>
<td></td>
<td>Adjusted R</td>
</tr>
<tr>
<td></td>
<td>Standard</td>
</tr>
<tr>
<td></td>
<td>Error</td>
</tr>
<tr>
<td></td>
<td>Observations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>df</th>
<th>SS</th>
<th>MS</th>
<th>F</th>
<th>Significance F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>119.9527</td>
<td>119.9527</td>
<td>0.818657</td>
<td>0.461073</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>293.0473</td>
<td>146.5237</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>413</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Standard Error</th>
<th>t Stat</th>
<th>P-value</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
<th>Lower 95.0%</th>
<th>Upper 95.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter:cept</td>
<td>133.9716</td>
<td>28.85635</td>
<td>4.642708</td>
<td>0.043396</td>
<td>258.1305</td>
<td>9.81276</td>
<td>258.1305</td>
</tr>
<tr>
<td>70</td>
<td>0.615142</td>
<td>0.679867</td>
<td>0.904797</td>
<td>0.461073</td>
<td>-2.31009</td>
<td>3.540375</td>
<td>-2.31009</td>
</tr>
</tbody>
</table>

From the regression output the p-value human ecosystem against growth is 0.0433 meaning it is less than 0.05 hence it has statistical significance. The Pearson correlation of human capital against growth is 0.867 which is closer to 1 meaning that there is a very strong relationship between human capital ecosystem and growth of SMEs in leather manufacturing. These findings reveal collaborate findings by, (Bosma et al., 2004; Cassar, 2006; Van der Sluis et al., 2005) that found a significant relationship between human capital and success. They state that the interest in human capital should be more pronounced, as many scholars have concluded that human capital is related to success.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

From the findings it has been revealed that human capital ecosystem affects growth of leather manufacturing SMEs in Kenya. The findings show that 67% of the respondents indicated that human capital had effect on growth of leather manufacturing SMEs in Kenya. Besides various parameters on human capital such as effective communication, Entrepreneurial education, Entrepreneurial strong resilience and employee capacity with strong means and standard deviations. These findings are in agreement with Unger et al. (2011) which integrated results from three decades of human capital research in entrepreneurship. They found a significant relationship between human capital and success. They state that the interest in human capital should be more pronounced, as many scholars have concluded that human capital is related to success (e.g., Bosma et al., 2004; Cassar, 2006; Van der Sluis et al., 2005). Results from regression also show that human capital ecosystem had P value of 0.043396 which is less than 0.05 meaning it had a significant statistic value on the study. This is supported by Mason and Brown (2013) who proposed that management skills play a crucial role in business growth. The scholar notes that businesses expand and retain sustainability with good managerial skills. Besides, they advise that entrepreneurs should be proactive in managing their business ecosystem to gain competitive advantages over others and serve their purpose of job creation and solving societal problems.
Conclusions
From the findings it is a fact that human capital ecosystem plays a vital role in growth of leather manufacturing SMEs in Kenya. This has been clearly being proved by the results of Pearson correlation which show a close relationship between human capital ecosystem and growth. It is very important to SMEs to invest in trainings, and hiring qualified personnel for them to be able to sustain and keep up with competition in the leather manufacturing industry.

Recommendations
Success of any business enterprise depend on the capability of its work force to comprehend and command their responsibilities. It is important for SMEs in the leather manufacturing to embrace hiring qualified and experience staff to be competitive in the market. SMEs should also embrace training of their staff on emerging issues such technology and sound management and organization culture. SMEs should also invest in capacity building of their staff through short and long-term programmes so as to make them experts and competent in their various fields of specialization.
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