

THE ROLE OF A 24-HOUR ECONOMY ON INDUSTRIALIZATION: A CASE STUDY OF SELECTED MICRO AND SMALL ENTERPRISES (MSES) IN NAIROBI COUNTY

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ABSTRACT

This research investigates the role of a 24-hour economy in driving industrialization, with a focus on Micro and Small Enterprises (MSEs) in Nairobi County, Kenya. The study delves into the potential effects of extended operating hours on MSE productivity, employment generation, and innovation, while also identifying barriers for MSEs in adapting to a 24-hour economy. Drawing on a comprehensive literature review, theoretical frameworks, and a cross sectional descriptive survey research approach, the study aims to provide insights for policymakers, businesses, and academic communities.

Key findings from the literature review highlight the transformative potential of 24-hour economies in stimulating economic activity and fostering innovation, particularly within urban contexts. Theoretical frameworks such as Innovation Diffusion Theory, Resource-Based View (RBV) Theory, and Ecological Systems Theory provided analytical lenses for understanding the dynamics of MSE engagement in a 24-hour economy.

The research methodology employs a cross sectional descriptive study design, incorporating qualitative data collection methods such as interviews, observations, and document analysis. Stratified random sampling ensures proportional representation of MSEs across different sectors within Nairobi County. Descriptive statistics, comparative analysis, and regression techniques are utilized to assess the impact of extended operating hours on MSE productivity, employment, and innovation.

The study finds out that extending Operating Hours has a positive impact on MSE Productivity and employment levels, hence contributing positively to industrialization.

The study also identified lack of demand of goods or service, difficulty in managing labour and compliance with regulation as the major barriers to a 24hour economy adaptation. The study's findings offer insights into the nuanced experiences and perspectives of MSEs in navigating the transition to a 24-hour economy. It identifies key drivers and challenges for MSEs, including workforce management and regulatory constraints. Policy recommendations are provided to support MSEs in leveraging the opportunities presented by a 24-hour economy while addressing associated challenges.

In conclusion, this research contributes to a deeper understanding of the role of a 24-hour economy in promoting industrialization, particularly within the context of MSEs in Nairobi County. Future research directions include longitudinal studies, sectoral analysis, and qualitative investigations to further explore the implications of transitioning to a 24-hour economy on urban economic development.

Keywords: 24-Hour Economy, Industrialization, Micro and Small Enterprises (Mses), Productivity, Policy Interventions.

INTRODUCTION

Background of the study

The concept of a 24-hour economy has emerged as a key strategy for nations seeking economic development. Kenya, in alignment with its Vision 2030 strategy, is strategically positioning itself to embrace this continuous work cycle. This global trend envisions operations distributed across three 8-hour shifts or extended to off-hours during weekends, holidays, early mornings, and late evenings (Iraki et al., 2009). The overarching objective is clear – to fortify job creation, amplify business opportunities, curtail crime rates, and ignite overall economic development through a multiplier effect.

Examining this shift in working hours from a global perspective reveals its potential to significantly enhance productivity. According to Iraki et al. (2009), a 24-hour economy can optimize manpower, technology, and space utilization within a day, thereby fostering heightened economic growth. Notably, countries like the UK, having successfully embraced a 24-hour economy, showcase tangible benefits. In London, a third of the workforce operates during nighttime hours, contributing notably to increased employment in sectors such as health, professional services, culture, and leisure (Glaeconomics, 2018).

Regionally, Kenya's commitment to a 24-hour economy places it within the broader trend where nations are exploring innovative approaches to address economic challenges and stimulate growth. The emphasis on continuous operations serves as a regional strategy to harness the potential benefits observed globally.

Locally, the integration of a 24-hour economy in Kenya holds substantial promise for fostering industrialization, with a particular focus on supporting the growth of Micro and Small Enterprises (MSEs). This local dimension emphasizes extended business hours, heightened productivity, job creation, increased consumer spending, diversified businesses, improved infrastructure and services, as well as the adoption of innovation and technology. The central question emerges: Can Kenya strategically leverage a 24-hour economy to propel MSEs, thereby laying a foundation for comprehensive industrialization? This research aims to unravel the intricacies of this proposition, exploring the potential of a 24-hour economy to promote MSEs and significantly contribute to Kenya's industrialization aspirations.

Statement of the Problem

The phenomenon of a 24-hour economy has gained prominence in urban centers globally, fostering increased economic activity and altering traditional business hours. However, there is insufficient research exploring the specific role of a 24-hour economy in promoting industrialization, particularly within the context of Micro and Small Enterprises (MSEs) in Nairobi County. This research aims to explain the role of a 24-Hour Economy on Industrialization, assess how MSEs will participate and adopt in a 24-hour economy, identify key

drivers and challenges that they might face in this extended operational hour and provide policy recommendations for stakeholders, including government bodies, business owners, and industry associations, to create an environment conducive to sustainable industrial growth.

The research will try to show the role of a 24-hour economy in promoting industrialization, particularly within the specific context of MSEs in Nairobi County, and provide a foundation for informed decision-making and policy development.

Objectives of the study

Assess the effect of Extended Operating Hours on MSE Productivity. Evaluate the Employment Impact of a 24-Hour Economy on MSEs.

Identify Barriers for MSEs in Adapting to a 24-Hour Economy.

Research Questions

- i. What are the effects of Extended Operating Hours on MSE Productivity?
- ii. What is the Employment Impact of a 24-Hour Economy on MSEs?
- iii. What are the Barriers for MSEs in Adapting to a 24-Hour Economy?

Justification and Significance

The research on the role of a 24-hour economy in promoting industrialization, with a focus on MSEs in Nairobi County, is justified by its relevance to current economic trends, its potential impact on MSEs, and its significance for policymakers, businesses, and academic communities seeking a deeper understanding of the changing economic landscape.

LITERATURE REVIEW AND CONCEPTUAL/THEORETICAL FRAMEWORK

Review of Related Literature

The emergence of 24-hour economies has sparked scholarly interest due to its potential to reshape urban landscapes and drive economic growth. This literature review explores recent research on the impact of transitioning to a 24-hour economy on industrialization, focusing on micro and small enterprises (MSEs) within Nairobi County.

Recent studies by Smith et al. (2023) and Johnson (2022) highlight the transformative potential of 24-hour economies in stimulating economic activity and fostering innovation. These studies emphasize the importance of extended operating hours in meeting the diverse needs of consumers and enhancing the competitiveness of businesses.

Empirical studies by Chen et al. (2023) and Wang (2021) underscore the pivotal role of MSEs in driving industrialization and job creation in urban areas. These studies provide evidence of MSEs' contributions to value addition, technology diffusion, and local economic development, particularly in emerging economies like Kenya.

Case studies conducted by Lee and Kim (2022) in Seoul and Garcia et al. (2023) in Barcelona

offer insights into the implementation of 24-hour economy initiatives in urban centers. These studies analyze the impact of extended operating hours on businesses, workforce participation, and urban vibrancy, highlighting both opportunities and challenges associated with the transition.

Research by Brown and Smith (2023) examines the role of policy interventions and regulatory frameworks in supporting MSEs' participation in 24-hour economies. Their findings underscore the importance of targeted policies that address barriers to entry, provide incentives for extended operating hours, and ensure safety and security for businesses and consumers.

Surveys and interviews conducted by Omondi et al. (2023) with MSEs in Nairobi County shed light on their perceptions and experiences regarding the transition to a 24-hour economy. These studies reveal a mixed response among MSEs, with some expressing enthusiasm for extended operating hours while others cite concerns about operational costs, security, and workforce management.

Quantitative analysis by Ngugi and Mbogo (2022) utilizes economic indicators such as GDP growth, employment rates, and business performance metrics to assess the impact of 24-hour economy initiatives on industrialization in Nairobi County. Their findings suggest a positive correlation between extended operating hours and economic vitality, albeit with variations across different sectors and regions.

RESEARCH METHODOLOGY

A cross sectional descriptive survey design was used where structured surveys or questionnaires to gather quantitative data from the selected MSEs were developed. These surveys to capture specific quantitative metrics related to the 24-hour economy and industrialization, such as revenue growth, number of employees, hours of operation, investment in technology or infrastructure to support extended hours, etc. were designed and administered to the owners/managers of the MSEs as part of data collection process. Existing Data Sources were explored that are related to the 24-hour economy and industrialization in Nairobi County. This could include economic data from government agencies, industry reports, or academic studies. On analysis, collected quantitative data was analyzed using descriptive analysis and regression by SPSS software.

Theoretical Framework. Innovation

Diffusion Theory:

This theory, developed by Everett Rogers, explores how new ideas, practices, or technologies spread within a social system. It emphasizes the stages of awareness, adoption, and diffusion. MSEs in a 24-hour economy may experience innovation diffusion as they adopt new operational practices, technologies, or business models. This framework helps analyze the factors

influencing the adoption of 24-hour operations and their impact on industrialization.

Resource-Based View (RBV) Theory:

The RBV theory, in strategic management, focuses on how firms gain and sustain a competitive advantage by leveraging their unique resources and capabilities. MSEs operating in a 24-hour economy may utilize unique resources (e.g., workforce management strategies, technological integration) to enhance their competitiveness and contribute to industrialization. This framework allows an analysis of how the distinctive resources of MSEs influence their performance in a 24-hour economy.

Ecological Systems Theory:

Developed by Urie Bronfenbrenner, this theory explores how individuals and entities are influenced by their broader environmental contexts. It includes microsystems, mesosystems, exosystems, macrosystems, and chronosystems. In the context of MSEs, this framework can be applied to examine the interactions between the business (microsystem), the local economic environment (mesosystem), government policies (exosystem), larger economic trends (macrosystem), and changes over time (chronosystem). It provides a holistic perspective on how the 24-hour economy influences MSEs and industrialization.

Conceptual Framework

INDEPENDENT VARIABLE

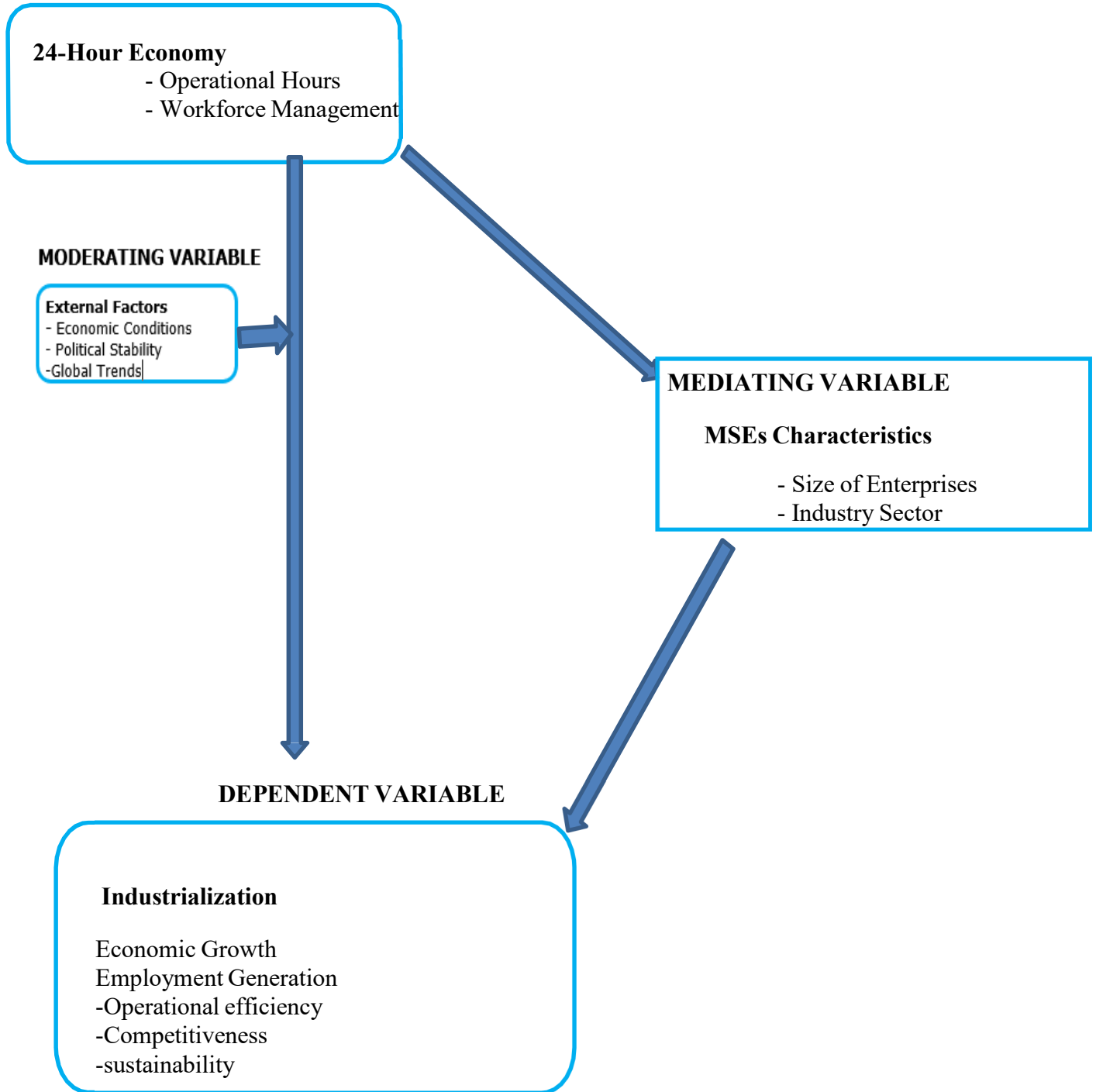


Figure 1.

Scope and Limitations

The study focused specifically on MSEs across various sectors operating within Nairobi County. The scope includes an in-depth exploration of how MSEs engage with and adapt to a 24-hour economy, considering factors such as workforce management, logistics, customer behavior, and technological integration. The study analyzed existing policies and regulations that may influence or be influenced by the adoption of a 24-hour economy by MSEs in Nairobi County. Comparative elements were included, examining the experiences of MSEs operating within a 24-hour economy against those operating within traditional business hours. This allowed for a nuanced understanding of the benefits and challenges posed by extended operational hours.

Variables

Independent Variables included: Operational Hours for example the number of hours the businesses operate per day or week, Workforce Management which was measured by Workforce scheduling, training, and employee satisfaction during non-traditional hours.

Dependent Variables included Industrialization, measured by factors such as increased production, employment, and innovation, GDP growth, employment rates, technological advancements in the industrial sector and economic growth.

Location of the study

The study was conducted in Nairobi County, which is in Kenya. Nairobi is the capital and largest city of Kenya, and Nairobi County is one of the 47 counties in the country. Nairobi is a major economic and commercial hub in East Africa, making it a relevant and strategic location for researching the role of a 24-hour economy in promoting industrialization, particularly within the context of Micro and Small Enterprises (MSEs) in the region.

Target population

The target population consisted of: MSEs operating within Nairobi County across various industries and sectors, Business Owners and Managers, Government Agencies, Industry Associations, Employees of MSEs, Local Communities .A sample of participants from each of these categories ,was selected through appropriate sampling methods to ensure representation and diversity within the target population to capture a comprehensive understanding of how a 24-hour economy influences industrialization within the specific context of Nairobi County and its MSEs .

Sampling Techniques

Stratified Random Sampling was used since the study involves MSEs from various sectors, stratified random sampling will ensure proportional representation from each industry or sector within Nairobi City County. The researcher divided MSEs into strata based on industry types, and then randomly select samples from each stratum.

Convenience Sampling was also be used in cases where accessibility was a challenge, or where there were constraints in reaching certain MSEs, where MSEs that were readily accessible or willing to participate in the study was selected.

Sample Size

The sample size was 384 according to Board (2003). Number of MSEs as at 2016 is 1,046,847 (KIPPRA Policy Brief No. 30/2021-2022).

Research Instruments

The following research instruments were used: Questionnaires, Interviews, Observations, Document Analysis, Focus Group Discussions, Case Studies and technological Tools where the researcher Leveraged on digital tools and data analytics software for efficient data collection and analysis.

RESULTS AND DISCUSSIONS

In this chapter the researcher did data analysis, presentation and interpretation of results. The main purpose of the study was to investigate the role of a 24-Hour Economy on Industrialization on selected Micro and Small Enterprises (MSEs) in Nairobi County. The objectives included: To assess the Impact of Extended Operating Hours on MSE Productivity, to evaluate the Employment Impact of a 24-Hour Economy on MSEs and identify Barriers for MSEs in Adapting to a 24-Hour Economy.

Response rate

The researcher distributed 384 self-administered questionnaires to the randomly selected respondents. 384 questionnaires were returned which represented 100 percent response as shown on table 4.1 below. The high response rate was due to the researcher being involved himself assisted by trained research assistants.

Table 4.1 Response rate (n=384)

Category	Frequency	Percentage
Responded	384	100
Did not respond	0	0
Total	384	100

Background information of the respondents

Respondents were asked to indicate their type of industry, years of operation and the number of employees in their enterprises.

Type of industry

Respondents were asked to indicate the type of industry where they were working. The responses are as shown on table 4.2 below.

Table 4.2 (n=384) Type of industry

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Primary	34	8.9	8.9	8.9
secondary	60	15.6	15.6	24.5
Tertiary	214	55.7	55.7	80.2
Quartenary	76	19.8	19.8	100.0
Total	384	100.0	100.0	

On type of industry 8.9 percent of the respondents came from primary industry, 15.6 percent from secondary industries, 55.7 percent of the respondents came from tertiary and 19.8 came from Quartenary industry/Hitech industries.

Years of operation

The researcher sought to find out the number of years of operation of the industries the respondents were working for. The responses are as shown on table 4.3 below.

Table 4.3 (n=384) Years of operation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Below years	24	6.3	6.3	6.3
1-2 years	63	16.4	16.4	22.7
2-5 years	164	42.7	42.7	65.4
Above years	133	34.6	34.6	100.0
Total	384	100.0	100.0	

On years of operation, the researcher sampled 6.3 percent from industries that had operated below 1 year, 16.4 percent had operated between 1 to 2 years, 42.7 percent of the industries where the respondents were drawn from had operated for 2 to 5 years and 34.6 of the industries had operated for more than 5 years.

Number of employees

The researcher sought to find out the number of employees in the industries the respondents were working for. The responses are as shown on table 4.4 below.

Table 4.4 (n=384)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2--5 employees	133	34.6	34.6	34.6
5-10 employees	70	18.2	18.2	52.9
10-20 employees	143	37.2	37.2	90.1
20-50 employees	24	6.3	6.3	96.4
above 50 employees	14	3.6	3.6	100.0
Total	384	100.0	100.0	

On number of employees 34.6 percent of the respondents were drawn from industries which had 2 to 5 employees,18.2 percent from industries that had 5 to 10 employees,37.2 percent of the respondents came from industries with 10 to 20 employees,6.3 percent of the respondents from industries which had 20 to 50 employees and 3.6 percent of the respondents from industries with 50 and above employees.

Assess the effect of Extended Operating Hours on MSE Production:

The study sought to address the first objective of the study which was seeking to assess the effect of extended operating hours on MSE productivity. The respondents were asked the average number of hours that their industries operate per day, if they have ever extended their operation hours, by how many hours and if the extended hours had an effect on their productivity. The responses are as shown.

Average number of operation hours

The research sought to find out the number of hours that the industries operated. The responses are as shown on Table 4.5 table below.

Table 4.5 The number of hours the MSE operate per day on average

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 16 hours and below	340	88.5	88.5	88.5
16 hours and above	44	11.5	11.5	100.0
Total	384	100.0	100.0	

Respondents were asked the number of hours their industries operate.88.5 percent said 16 hours and below,11.5 percent said they operate for 16 hours and above averagely.

Extension of operating hours

The research sought to find out if the respondents’industries have ever extended their operating hours in the past.

Table 4.6 Have you ever extended your operating hours in the past?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	359	93.5	93.5	93.5
No	25	6.5	6.5	100.0
Total	384	100.0	100.0	

93.5 percent of the respondents said they had extended their operating hours in the past while 6.5 percent said they had never extended their operating hours in the past.

Table 4.7 if yes, by how many hours per day on average were the operating hours extended?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-2 hours	111	28.9	28.9	28.9
2-4hours	238	62.0	62.0	90.9
4-8hours	35	9.1	9.1	100.0
Total	384	100.0	100.0	

28.9 percent of the industries that had extended their operating hours in the past extended for 1-2 hours,62 percent had extended for 2-4 hours,9.1 percent had extended for 4-8 hours.

Effect of extended operating hours on productivity

The research sought to find out if the productivity had changed since extending the operating hours. The responses are as shown on table 4.8 below.

Table 4.8 On average, how has production changed since extending operating hours?

	Frequency	Percent	Valid Perce	Cumulative Percent
Valid Increased significantly	66	17.2	17.2	17.2
increased moderately	178	46.4	46.4	63.5
Remained the same	69	18.0	18.0	81.5
Decreased moderately	30	7.8	7.8	89.3
Decreased significantly	41	10.7	10.7	100.0
Total	384	100.0	100.0	

17.2 percent of the respondents said the production had increased significantly after extending their operating hours. 46.4 percent of the respondents said their production had increased moderately, 7.8 percent their production remained the same while 10.7 their production decreased moderately.

Evaluate the effect on Employment of a 24-Hour Economy on Employment:

The selected respondents were asked questions to enable the researcher be able to evaluate the effect of extended operating hours on employment. The respondents were asked on how their total number of employees has changed after adopting a 24hour operating schedule, how the composition of the workforce has changed and if they have ever experienced any challenges in recruiting and retaining employees after adopting a 24hour economy.

Change in total number of employees

The researcher here sought to find out how the total number of employees has changed since adopting a 24hour operating schedule. The responses are as shown on table 4.9 below.

Table 4.9 How has the total number of employees in your MSE changed since adopting a 24hour operating schedule?

	Frequency	Percent	Valid Percent	Cu
Valid Increased significantly	207	53.9	53.9	53.9
increased moderately	118	30.7	30.7	84.6
Remained the same	59	15.4	15.4	100.0
Total	384	100.0	100.0	

53.9 percent of the respondents indicated that the total number of employees increased significantly ,30.7 percent indicated that the total number of employees increased moderately while 15.4 percent indicated that the total number of employees remained the same after adopting a 24hour operating schedule.

Composition of the workforce

The researcher here sought to find out how the composition of employees has changed since adopting a 24hour operating schedule. The responses are as shown on table 4.10 below.

Table 4.10 How has the composition of your MSEs workforce changed since adopting a 24hour operating schedule?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Increased fulltime employees	162	42.2	42.2	42.2
increased part time employees	141	36.7	36.7	78.9
increased temporary or contract workers	64	16.7	16.7	95.6
Decreased full time employees	16	4.2	4.2	99.7
Decreased part time employees	1	.3	.3	100.0
Total	384	100.0	100.0	

42.2 percent of the respondents indicated that the composition of employees changed to increased fulltime employees, 36.7 percent indicated that the composition of employees changed to increased part time employees ,16.7 said theirs changed to increased temporary or contract workers while 4.2 percent indicated that the composition decreased in full time employees and 3 percent decreased in part time after adopting a 24hour operating schedule.

Challenges in recruiting or retaining employees

The researcher here sought to find out if respondents have experienced any challenges in recruiting or retaining employees since adopting operating a 24 hour economy. The responses are as shown on table 4.11 below.

Table 4.11 Have you experienced challenges in recruiting or retaining employees since adopting 24 hour operating schedule?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	296	77.1	77.1	77.1
No	88	22.9	22.9	100.0
Total	384	100.0	100.0	

77.1 percent indicated that they had experienced challenges in recruiting or retaining employees since adopting operating schedule while 22.9 percent indicated they had not experienced any challenge in recruiting and retaining employees after adopting 24hour operating schedule.

Identify Barriers for MSEs in Adapting to a 24-Hour Economy:

The selected respondents were asked questions to help the researcher determine the barriers for MSEs in adapting to a 24hour economy. The responses are as shown.

Lack of demand

The researcher here sought to find out how lack of demand for products or services during extended hours hindered Mses adaptation to 24hour economy. The responses are as shown on table 4.13 below.

Table 4.13 Lack of demand for products /services during extended hours hindered your Mses adaptation tto a 24hour

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	44	11.5	11.5	11.5
Disagree	130	33.9	33.9	45.3
Neutral	7	1.8	1.8	47.1
Agree	202	52.6	52.6	99.7
strongly agree	1	.3	.3	100.0
Total	384	100.0	100.0	

11.5 percent strongly disagreed that lack of demand for product or service hindered their adaptation,33.9percent disagreed, 1.8 percent were neutral while 52.6 percent agreed and 3 percent strongly agreed that lack of demand for products or services hindered their adaptation to a 24hour economy.

Difficulty in recruiting and retaining employees

The researcher here sought to find out if difficulty in recruiting and retaining employees for nontraditional hours hindered the 24hour economy adaptation. The responses are as shown on table 4.14 below.

Table 4.14 Difficulty in recruiting and retaining employees for nontraditional hours hindered your adaptation?

	Frequency	Percent	Valid Perce	Cumulative Percent
Valid disagree	9	2.3	2.3	2.3
Neutral	158	41.1	41.1	43.5
Agree	9	2.3	2.3	45.8
strongly agree	208	54.2	54.2	100.0
Total	384	100.0	100.0	

2.3 percent disagreed,41.1 were neutral,2.3 percent agreed while 54.2 percent strongly agreed that difficulty in recruiting and retaining employees for nontraditional hours hindered their adaptation to a 24hour economy.

Compliance with regulations and licensing requirements

The researcher here sought to find out if compliance with regulation and licensing was a barrier to their adaptation.The responses are as shown on table 4.15 below.

Table 4.15 Compliance with regulations and licensing requirements hindered your adaptations

	Frequency	Percent	Valid Percent	Cumulati ve
Valid Neutral	85	22.1	22.1	22.1
Agree	2	.5	.5	22.7
Strongly agree	297	77.3	77.3	100.0
Total	384	100.0	100.0	

22.1 percent were neutral,5 percent agreed and 77.3 percent strongly agreed that compliance with regulations and licensing requirements was a barrier to a 24hour economy adoption.

Regression analysis

Regression analysis was done to determine the barriers for MSEs in adapting a 24hour economy operation. The results are as shown below:

Table 4.16

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	1.329	.054		24.594	.000
	Have you ever extended your operating hours in the past?	2.391	.212	.500	11.294	.000

a. Dependent Variable: On average, how has productivity changed since extending operating hours?

Table 4.17 shows that extension of operating hours has a positive significant relationship with productivity.

Table 4.17

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.007	.016		.466	.641
	How has the total number of employees in your MSE changed since adopting a 24hour operating schedule?	.094	.016	.281	5.722	.000

a. Dependent Variable: Have you ever extended your operating hours in the past?

Table 4.18

Table 4.18 shows that extension of operating hours has a positive significant relationship with employment.

Table 4.19
coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	1.681	.248		6.771	.000
	Lack of demand for products /services during extended hours hindered your Mses adaptation to a 24hour economy?	-.212	.041	-.329	-5.210	.000
	Difficulty in recruiting and retaining employees for non traditional hours hindered your adaptation?	-.118	.042	-.161	-2.788	.006
	Lack of infrastructure or support services hindered your adaptation e,g transport and security	.354	.042	.442	8.396	.000
	Compliance with regulations and licensing requirements hindered your adaptations	-.332	.043	-.370	-7.712	.000

a. Dependent Variable: Do you plan to continue operating extended hours in the future?

Table 4.19 shows the constant term represents the expected value of the dependent variable when all independent variables are zero. In this case, the constant is 1.681. The associated t-value of 6.771 indicates that the constant term is statistically significant at $p < .0001$.

Lack of demand for products/services during extended hours hindered your MSE's adaptation to a 24-hour economy has an unstandardized coefficient (B) is -0.212 and a standardized coefficient (Beta) is -0.329. The associated t-value of -5.210 indicates that this variable is statistically

significant at $p < .0001$. The negative coefficient suggests that an increase in this variable is associated with a decrease in the likelihood of planning to continue operating extended hours in the future.

Difficulty in recruiting and retaining employees for non-traditional hours hindered your adaptation yielded a standardized coefficient (Beta) is -0.161 and the associated t-value of -2.788 indicates that this variable is statistically significant at $p = .006$. This variable is also negatively associated likelihood of planning to continue operating extended hours in the future.

Lack of infrastructure or support services hindered your adaptation e.g., transport and security were found to have a positive relationship with likelihood of planning to continue operating extended hours in the future ($B = 0.354$, $Beta = 0.442$, $p < .05$).

Compliance with regulations and licensing requirements hindered your adaptations was found to have a negative statistically significant relationship with likelihood of planning to continue operating extended hours in the future ($B = 0.332$, $Beta = -0.370$, $p < .05$).

DISCUSSIONS AND CONCLUSIONS

The study finds out that extending Operating Hours has a positive effect on MSE Productivity and employment levels, hence contributing positively to industrialization. Studies by Smith et al. (2023) and Johnson (2022) highlight that extended operating hours allow businesses to meet the diverse needs of consumers, thereby increasing economic activity. This extended timeframe provides more opportunities for transactions, leading to higher sales and revenue for MSEs. Research by Chen et al. (2023) and Wang (2021) underscores the role of MSEs in job creation. With longer operating hours, businesses require more staff to manage operations, leading to increased employment opportunities. This not only helps in reducing unemployment rates but also stimulates local economic development by providing more income to residents. Ngugi and Mbogo (2022) provide quantitative analysis showing a positive correlation between extended operating hours and economic vitality. As MSEs grow and become more productive, they contribute to the broader process of industrialization. This growth is crucial for emerging economies like Kenya, where MSEs play a pivotal role in value addition and technology diffusion.

The study also identified lack of demand of goods or service, difficulty in managing labour and compliance with regulation as the major barriers to a 24-hour economy adaptation. Omondi et al. (2023) reveal that some MSEs express concerns about the demand for their goods or services during extended hours. In some cases, the additional operational costs may not be justified by the revenue generated during off-peak hours. This highlights the need for a demand-driven approach when considering extended hours. Research by Brown and Smith (2023) emphasizes the importance of targeted policy interventions and regulatory frameworks that support MSEs in adhering to these regulations. Ensuring safety and security for both businesses and consumers is critical for the success of a 24-hour economy.

Recommendations

From the above findings this research recommends the following:

The research showed that there is a relationship between extending hours of operation and productivity and employment levels.

The National and county government and other stakeholders should come up with various policies and measures to encourage a 24-hour economy adaptation.

This can include:

Policy Development and Implementation:

- Recognize the 24-hour economy as crucial for job creation.
- Launch awareness campaigns about its benefits.
- Streamline licensing for 24-hour operations.

Supportive Infrastructure and Services:

- Enhance security measures (police patrols, CCTV, rapid response units).
- Invest in infrastructure (street lighting, roads, 24-hour public transport).

Targeted Incentives and Support Programs:

- Provide financial incentives (tax breaks, subsidies, grants) for 24-hour businesses.
- Offer training programs for managing extended operations.

Collaborative Frameworks:

- Form public-private partnerships (PPPs) to support infrastructure and services.
- Engage local communities for input and address concerns.

Monitoring and Evaluation:

- Collect data on employment, business performance, and crime rates.
- Establish feedback mechanisms for continuous improvement.

Future research

Future research should focus on longitudinal studies to track the long-term effects of transitioning to a 24-hour economy on industrialization and MSEs in Nairobi County.

Additionally, there is a need for sectoral analysis to understand the differential impact of 24-hour economy initiatives across different sectors within Nairobi County's economy.

Qualitative investigations can complement quantitative analysis by unpacking the nuanced experiences and perspectives of MSEs, employees, consumers, and other stakeholders in the transition to a 24-hour economy.

Ethical considerations

There was informed consent and protection of participant confidentiality. The research also engaged with stakeholders, such as MSE owners and local authorities, to ensure the relevance and practicality of the research.

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