Contribution of Business Consultancy Services on the Growth of Micro and Small Enterprises

A Case of Business Sector in Arusha City

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Business Consultancy services providers are firms which provide business consulting and advisory services to help organizations improve performance, efficiency and improve growth. This study aimed at examining the contribution of business consultancy services on the growth of Micro and Small enterprises in Business sector in Arusha City. Models of business consultancy services, challenges of MSEs in reaching their potential growth, Managerial constraints were reviewed in order to achieve expected results, a questionnaire, interviews guides and documentary review were used for data collection. The statistical Package for Social Sciences (SPSS), Correlations (Spearman's rho) and content analysis were used to aid data analysis. The contribution of business services in Arusha was extensively studied to cover the research gap of unknown influence in MSEs growth. The study finding revealed that MSEs in Arusha showed the need and necessity of using consultancy services and those using the services declared on the importance towards growth of their business. Business consultancy services and financial resource mobilization, the study reveals that consultancy firm acts as an intermediary professional to certify the information and plans of MSEs so as they can access finance. Business consultancy and managerial skills, the finding indicates that MSEs improved their managerial capabilities after receiving consultancy services. This study concludes that there is an existence of the relationship between business consultant's services and growth of MSEs in Arusha at correlation coefficient of above 50%. Firms achieve their growth needs through using consultancy services. The researcher suggests further research; the evaluation of marketing and positioning strategies used by business consultancy firm.