European Journal of Accounting, Auditing and Finance Research
Vol.4, No.6, pp.81-95, June 2016
Published by European Centre for Research Training and Development UK (www.eajournals.org)

ASSET MANAGEMENT PRACTICES AS A BOON FOR A SUCCESSFUL BUSINESS A CASE OF KENYA'S BUSINESSES

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ABSTRACT: *Business whether large, small, formal or informal contributes largely to the country's economy through increasing trading, provision of employment and livelihood opportunities. Kenya through major support of entrepreneurship has tried to ensure that the businesses become the source of development. Thus, there is need that these businesses are going concerns so as to fulfil this dream. However, many businesses in Kenya are being faced with the challenge of identifying and valuing their assets. The study thus endeavored to determine asset management practice in the business as a solution. Guided by competitive advantage theory by Michael Porter, the researcher purposely dwelt in the concept of asset management in Kenya's business. Library design led to collection of secondary data in August 2015 that was qualitatively analyzed. From the findings, the study integrated the management techniques for both tangible and intangible assets. However, the study recommends more scholarly works to be done on ways to automate the asset management practices in the business and also on intangible assets. This is because these assets are as a result of rapid technological changes.*

KEYWORD: Asset Management System, Tangible Assets, Intangible Assets

INTRODUCTION

Businesses are usually formed to achieve a certain goal. They are also known as a firm or enterprise which an organization that deals with trade of goods and services or both to the customers (Sullivan & Sheffrin, 2003). A business can either be privately or state-owned, for profit or not – for – profit. In most countries, businesses play an important role in fostering economic growth and development. According to United Nations Environment Programme, UNEP, there is need to streghhthen the businesses and industry because they play a crucial role in the social and economic development of a country. In this case, business enterprises, large and small, formal and informal, provide major trading, employment and livelihood opportunities. According to Wheeler and McKague (2002), majority of businesses around the world are small and medium enterprises (SMEs) as well as family businesses who are the greatest contributors to employment and the maintenance of livelihoods. In Kenya, the government is the frontline in ensuring that entrepreneurship is nurtured as a source of development, more so to attain the Vison 2030 blue print (To be a middle class economy). For example, in July 2015, Kenya became the first sub- Saharan country to host the 6th Global Entrepreneurship Summit (GES). Notably, businesses are part and parcel of economic development in any country and thus need to be managed well.

Assets are the main economic resources in the business and thus need to be managed well. A huge percentage of finances in businesses are invested in purchasing assets which forms the basis of valuation. ISO 55000 is the leading international standards covering management of assets was launched in January 2014 which replaced the initial standard (Publicly Available Specification, PAS 55). According to ISO 55000: 2014, asset is an item, thing or entity that

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

has potential or actual value to an organization. In this regard therefore, this standard refers asset management as a coordinated activity of an organization to realize value from assets. According to International Financial Reporting Standards, IFRS Framework an asset is a controlled resource from which future economic benefits are expected to flow to the enterprise. In these definitions therefore, it is noted that assets are key to any organization and thus there is need to for business owners to understand, control and manage them well to reap future benefits.

There are many classes of assets that are found in a business and according to Siegel, Dauber and Shim (2005) and their monetary value is recorded in the balance sheet or statement of financial position. Assets major classes are tangible or intangible (Siegel et al., 2005; Downes & Goodman, 2003). Under tangible category, assets can either be fixed or current. On the other hand, intangible assets include the nonphysical resources and rights that are valuable to firm for example good will, copyrights, trademarks, patents and computer programs. According to Campell, Jardine and McGlynn (2011), there are congruous asset classes developing which include the real estate and facilities, plants and production, mobile assets, infrastructure and information technology. The study thus endeavors to look into the need to manage assets well in the Kenya's business which will act as a bridge to success.

Statement of the problem

Asset management is an important practice which has been always emphasized by many experts. Assets of a firm need to be controlled (IFRS Framework) since they have potential value (ISO 55000: 2014). ISO 55000: 2014 is an international asset management standard which suits all types of assets, all firms and organizations. Based on this standard therefore, businesses are required to develop strategies in ensuring that assets are managed well. According to Woodhouse (2007), there is need for effective asset management which represents the sustained best mix of asset care (maintenance and risk management) and asset exploitation (use of the asset to achieve some corporate objective or performance benefit).

Many studies have revealed improper management as the leading cause of many businesses failures. Management is key since it is a process which consists of functions as planning, controlling, directing, staffing and coordination. For instance, if the business owner lacks management experience, the entire business management in the business will be at risk. According to Mwongo (2010), there is need for proper management of money used for investment since it is a resource only available after being withheld from consumption. This sounds pretty good since for the business to acquire assets, their need to invest huge sums of money. In return therefore, the acquired assets need to be managed well. According to Ames (1983), the two asset management related causes of business failure are poor inventory management (current asset) and over – investment in fixed assets. Peel and Wilson (1996) notes that cash flow management and stock control are the most internal problems facing SMEs. In a study by Kotala, Päällysaho and Kuusisto (2010) in Finland, SMEs are not very conscious of intellectual property since only 27% of the sampled enterprises reported to have formal or written plan for protecting intellectual assets. In attempt to define SMEs based on asset base, Gibson and Van der Vaart (2008) notes that SMEs in developing countries (Kenya included) rarely have a precise estimate of the value of their fixed assets. According to Republic of Kenya (2011), majority of entrepreneurs in the SMEs sector do not possess the requisite financial techniques desired to manage their enterprise cash appropriately. In this case, cash is an important current asset for the enterprise. The study by Ondiek, Deya and Busaka (2013) in

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

Eldoret town, Kenya focused on the importance of cash management, which is a current asset and concluded that it contributes to a great extent on survival or failure of the SMEs in Kenya.

These studies thus reveal enterprises are facing serious challenges when it comes to management of assets. However, despite these problems, there is need for ensuring that assets are well managed at all times. By doing so, the businesses in Kenya will be a going concern and the country will attain its Vison 2030 as well as being the fastest growing economy, both regionally and internationally. The study thus aims at providing sufficient knowledge to such businesses in regards to asset management. To fulfil this objective, the researcher sought to answer the research question; **what are the key asset management practices that can be used by businesses in Kenya to succeed?**

LITERATURE REVIEW

Theoretical Framework

The competitive advantage theory proposed by Michael Porter in 1985 was found relevant to this study. This is because business competitiveness is all about its competitive advantage (attributes that enable a business to outperform their competitors). The theory posits that the main attribute to gain competitive advantage is by possessing superior skills. Under the operational effectiveness competitive strategy in the theory, there is need for the business to perform internal activities better than competitors. This study thus aims at providing insights on the asset management, a vital skill to be used by Kenya's businesses to succeed and out-compete their rivals.

Asset management system

Assets in a business exist as a result of investment made by the owners to increase the future economic benefits. According to IFRS Framework and ISO 55000:2014, assets hold an actual and potential value of the firm. Given the major asset classes to include tangible or intangible (Siegel et al., 2005; Downes & Goodman, 2003), there is need to ensure that the business is able to identify all its assets under each of these two categories. Businesses in Kenya thus need to categories their assets so as to easily manage them, increase future economic benefit by avoiding misappropriation or theft. Asset management aims at ensuring that all the assets are controlled in the business. According to Lopez (2014), asset management is risk management and there is need for stability and standards including awareness of key assets (tangible and intangible). Lopez further defines asset system as a group of assets that interact and/ or interrelated so as to deliver a required business function or service. Thus, he states that 'Assets = Asset system'. In order to understand this concept, the researcher has referred to the International Organization for Standardization (ISO) documents which is a European based developer of International standards. To be specific, the study will focus on the ISO 55000:2014, ISO 55001 and ISO 55002. According to ISO (2014), the first edition of ISO 55000 was released on 15th January 2014 and it consists of ISO 55001 (specifies requirements for an asset management system) and ISO 55002 (give guidance on how ISO 55001 should be interpreted and applied within a specific sector or to particular asset types). These standards ensure that there is efficient and effective management of assets in the organization. ISO 55000:2014 can be applied to all types of assets and by all types and sizes of organizations. As quoted by Lopez (2014), the following are the benefits of optimized asset management according to ISO 55000:2014;

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

a) Alignment of processes, resources and functional contributions
b) Creating a transparent audit trail for what is done, when and why.
c) Better understanding and usage of data and information to provide informed and consistent decisions.
d) Improved planning (especially capital expenditure)
e) Consistent, prioritized and auditable risk management.
f) Alignment and coordination of existing initiatives, including competency development.
g) Greater engagement of the workforce, including leadership, communications and cross-disciplinary teamwork.

Businesses in Kenya are in dire need of a good asset management system which will help them gain more benefits as stipulated above by ISO 55000:2014.**Management of Intangible assets**

Intangible assets cannot be physically seen in the organization by they contribute equally to the valuation of the firm. In this case, there is need to ensure that the business put measures to manage them well else risking losing the business's competitiveness for good. In addition to tangible assets, there is need for the business to understand the intangible assets. These include good will, copyrights, trademarks, patents and computer programs (Siegel et al., 2005; Downes & Goodman, 2003). According to Fiduccia (2001), intangible assets consist of intellectual property, trade secrets, pricing formulas, customer lists, business plans and recipes which are as a result of information age and act as a source of competitive advantage. In order to manage well, the business needs to understand what intangible assets consist of and how to identify them. Reilly (2014) notes that intangible assets lack physical substance but they should have attributes as;

- It is subject to a specific identification and recognizable description
- It is subject to legal existence and legal protection
- It is subject to the rights of private ownership, and that private ownership should be transferable
- There is some tangible evidence or manifestation of the existence of the intangible asset
- It is created or it comes into existence at an identifiable time or as the result of an identifiable event
- It is subject to being destroyed or to a termination of existence at an identifiable time or as the result of an identifiable event
- There should be a specific bundle of legal rights associated with the intangible asset

According to Carayannis (2004) intangible assets are as a result of intellectual capital (Process generation, best practices, experience, intuition and wisdom) and social capital (Internal networks, external relationships, communities of practice, goodwill, shared values and internalized standards). According to International Accounting Standard, IAS 38, an intangible asset is an identifiable non-monetary asset without physical substance. The standard states that it is identified when it is separable (capable of being separated and sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract) or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations. Furthermore, these assets are acquired by separate purchase, as part of a business combination, by a government grant, by exchange of assets or by self-creation (internal generation). IAS 38 gives intangible assets to include patented technology, computer software, databases and trade secrets, trademarks, trade dress,

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

newspaper mastheads, internet domains, video and audio-visual material (e.g. motion pictures, television programmes), customer lists , mortgage servicing rights , licensing, royalty and standstill agreements , import quotas , franchise agreements , customer and supplier relationships (including customer lists) and marketing rights.

The Financial Accounting Standards Board (FASB) is a private non- profit organization which aims at establishing and improving the generally accepted accounting principles (GAAP). These principles are applicable in many countries including Kenya. In the Accounting Standards Codification, ASC: 805-20-55 which is provided by FASB, intangible assets have been categorised into five and thus the study found this to be applicable to Kenya's businesses in addition those by other scholars;

Table 1: Categorization of intangible assets

Intangible assets category	Examples
Marketing-related intangible assets	Trademarks, service marks, trade names, collective marks, certification marks, trade dress (unique color, shape, or package design), internet domain, noncompetition agreements
Customer-related intangible assets	Customer lists, customer contracts, non-contractual customer relationships, order or production backlogs.
Artistic intangible assets	Plays, books, magazines, newspapers, other literary works, Musical works, Photographs, drawings, clip art, Audio-visual material (motion pictures, music videos, television Programs)
Contract-related intangible assets	License, royalty, standstill agreements , Advertising contracts, Lease agreements, Construction permits, Broadcast rights, Franchise rights, Operating rights, Use rights, Servicing contracts, Employment contract
Technology-related intangible assets	Patented or copyrighted software, Mask works, Unpatented technology, Databases Trade secrets

Source; ASC (805 – 20 – 55) by FASB

Carayannis (2004) states that intangible assets coexist within the same organizational environment along with tangible assets and are impacted by management decisions either purposefully or unknowingly. Thus they should be co-managed by the development of an understanding of their relationships. However, there are many challenges that humper the management of intangible assets in many organizations. The Generally Accepted Accounting Principles (GAAP) states that only intangibles purchased from outside the company can be included in a company's financial statement and exclude internally generated intangibles.

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

According to Ellis and Kenan (2010), Intellectual property (IP), effective management, worker know - how, and business methods are widely recognized for their role in propelling the growth of the United States of America's economy. However, the country is still largely failing to acknowledge the real value of these intangible assets and to provide innovative companies with the funding they need to capitalize on them. For example, Ellis and Kenan noted that in the U.S.A, more than $1 trillion annually is invested in the creation of intangible assets, and in 2005 their total value was estimated at $9.2 trillion but only a portion of that value shows up in company financial reports. The main challenges reported in the study that hindered many from recognizing intangible assets include lack of standard model to assess intangible assets, IP and other intangible assets not given due credit for playing vital role on income statement, separability and transferability issues and perceptions of high risks in case of default on securities collateralized by IP.

Despite challenges noted in regard to intangible assets, there is a ray of hope from other studies done which gives the firms ways to manage intangible assets. In the his study Carayannis (2004) states that as part of management of the intangible assets in the organization, there is need to understand the intangible assets that it possesses, intangibles assets must be linked to tangible resources, the results or outcomes must be included in the budgeting process and that there must be a continual cycle of "Link, Measure, Manage, and Budget" that will allow the effective operationalization of steps 1 through 3. PricewaterhouseCoopers (2012) gives ways to protect intangible assets which include privacy and protection of technology supporting creation of intangible assets. According to Fiduccia (2001), intangible assets are as a result of information age or technology and are woven throughout the fabric of the organization. As a result, there is need to protect all by implementing protection measures as legal filings to document their ownership, confidentiality or non-disclosure agreements, employment agreements, data back up, Computer passwords, safes and locked file cabinets.

Table 2: Ways to protect Intangible assets

Intangible asset	*Protection measure*
Patents, copyrights and trademarks	Legal filings to document their ownership
Trade secrets	Confidentiality or non-disclosure agreements
Pricing formulas and customer lists	Employment agreements
Digital documents	Data back up on zip disk or CD
Other proprietary information	Computer passwords, safes and locked file cabinets

Source; Fiduccia (2001)

Management of tangible assets

According to Marriot, Edwards and Mellet (2002), current assets (debtors, cash and stock) significantly change as a result of business operations, are short term assets held for resale, conversion into cash or are cash itself. On the other hand, the authors defined fixed assets to include those assets (premises, plant, machinery, furniture and motor vehicle) which remain in

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

business for longer periods of time. In this case, they will only be sold or scrapped when they are of no further use. Carayannis (2004) categorises assets as tangible and intangible assets based on the type of capital. According to the author, tangible assets can be financial capital (Monetary investment, land and buildings, equipment) and human capital (Manual labor, repetitive tasks, low-tech skills and process execution).

In an organization, there is need to ensure that tangible assets (current and fixed) are established and managed well. Ingram (2015) points out that tangible assets as real property, productive equipment, inventory and cash, can be a challenge to keep safe at all times thus there is need for internal controls. This control will are policies that will prevent theft of, and damage to, a company's valuable assets. According to Ingram (2015), tangible assets can be managed by using techniques such as; Controlled access to key areas of your operations, as inventory storage facilities, cash vaults and equipment rooms, with locks or security checkpoints; Delegation of activities involving open access to inventory, cash and other valuables to your most trusted employees; securing tangible assets by thoroughly locking the gate; Recording access to sensitive areas whenever possible; Performing regular and random audits; and making internal controls policies completely transparent to employees, customers and business partners.

Fixed assets - According to Sage (2011), the business need to understand ways of managing fixed assets such as; eliminating “ghost” assets (property that is lost, stolen, or unusable, but is still listed as an active fixed asset in the system); conducting physical asset inventories (can either be full inventory verification - physical inventories can be conducted concurrently at every location, cyclical inventory verification - conducting multiple partial inventories within different departments, possibly at different times of year); Tagging assets appropriately (giving unique identifier in the form of bar code labels); Selecting the right asset inventory hardware based on number of fixed assets to be inventoried, number of inventories conducted annually, conditions under which inventories are conducted, Other uses expected from the bar code reader devices and available hardware budget; and Choosing the best asset inventory software.

Current assets (Cash) – Cash management is a way that a company will manage all financial aspects of the financial end of the business for collection of revenue as well as the investing of the company's cash and other assets (Business Dictionary). Laitinen (1992) states that a key predictor in the failure of newly founded firms has been cash flow problems. For instance, in a study to investigate cash flow problems of 673 family-owned businesses by Zuiker et al. (2002), it was found out that businesses with cash flow problems had higher total liabilities than businesses without cash flow problems. In addition, the study revealed that young business managers who worked for more hours had more cash flow problems compared to women managers. Nigro (2015), cash flow is the lifeblood and the ‘king’ of business to function from day to day and thus there is need to manage it well. According to Nigro, mismanagement of cash flows often augurs liquidity crises and compel businesses to borrow money. In addition it helps avoid liquidity problems. The critical management decisions include management of accounts receivable, accounts payable, inventory and debt load.

In the study in Eldoret town, Kenya to establish cash management techniques, Ondieki, Ochieng and Busaka (2013) found out to include speeding cash collection and delayed payment of creditors. Goodrich (2013) cash flow management is used as a practice to describe the balancing of income and expenses. In order to ensure proper management in business, Goodrich states the need to project cash flow (know when to receive and need to spend money is part of the budget process); address cash shortages (for example applying for a loan from a

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

banking institution or individual, applying for a line of credit from a banking institution, speed up the collection process, finance the purchasing of equipment through leasing or loans, liquidate assets and delay payments to vendors); and maximizing use of projected cash surpluses.

Current asset (Inventory or stock) – There is need to ensure that inventory is managed well because according to Harrington (1996), it is often where the biggest costs are hidden in businesses. Guido van Heck (2009) states that inventory management helps specify the size and placement of stocked goods in different locations within the organization. Reid and Sanders (2007) gives the main goals of inventory management to consist of ensuring availability of goods for running operations and to achieve this service level against optimal costs. Deveshwar and Dhawal (2013) too points out that inventory management help to determine and maintain optimum level of investment in inventories. In the conclusion of their study, Mahyadin, Mahidin and Saad (ICTOM 04) states the business economy and efficiency

can be enhanced due to effective and frequent inventory control. The business thus need to focus mainly on inventory management because stocks are responsible for a large part of the total working capital costs (Goor & Weijers, 1998), stocks are a source for risks - can catch fire, can be stolen damaged or decay overtime (Visser & Goor, 2004; Fawcett et al., 2007) and that inventory costs are some of the easiest to identify and reduce when attacking supply chain problems (Johnson & Pyke, 2001).

According to Committee of Sponsoring Organizations of the Treadway Commission, COSO (1998), the common inventory management techniques include periodic inventory count, restricted access to record adjustments, monthly analytical review, daily inventory report review, exception report review and supervisory store audits. Inventory management software is a computer-based system for tracking inventory levels, orders, sales and deliveries (Lesonsky, 1998). According to Piasecki (2010), this software plays major roles in the organization which include maintaining a balance between too much and too little inventory, tracking inventory as it is transported between locations, receiving items into a warehouse or other location, picking, packing and shipping items from a warehouse, keeping track of product sales and inventory levels, cutting down on product obsolescence and spoilage and avoiding missing out on sales due to out-of-stock situations. In the recommendation by Mukhoma (2014) there is need to have proper inventory management system to avoid over stock of inventory resulting efficient outcome of investment. Businesses in Kenya need to have this in their minds if they want to succeed.

Current asset (Account receivables, AR or debtors) – Debtor is an expression used in the accounting world to specify a party who owes money to a company or individual (e – economic UK, 2015). Pike and Cheng (2001) define debtors as ‘debt’ owned to the firm by customers arising from sale of goods or services in the ordinary course of business. Most of the times, the term debtor and AR are used interchangeably. Needles, Powers and Crosson (2010) defines accounts receivables (shown in the balance sheet as an asset) as a legally enforceable claim for payment held by a business against its customer or clients for goods supplied and/or services rendered in execution of the customer's order. In the recent times, many financial managers are struggling to identify the basic accounts receivables drivers, appropriate level of accounts receivables to hold so as to minimize risk, effectively prepare for uncertainty and improve the overall performance of their businesses (Lamberson, 1995). Deloof (2003) points out the need of managing accounts receivables because it aims at maintaining an optimal balance between cash, receivables, inventory and payables. By doing so, the business will gain competitive

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

advantage. In a nutshell, Filbeck and Krueger (2005) assert that business success heavily depends on the ability of the financial managers to effectively manage receivables, inventory, and payables. Businesses in Kenya need to understand the need of AR management so as to be successful after gaining competitive advantage over their competitors.

The organization needs to identify early the accounts at risk to enable them proactively manage before the customer becomes bankrupt (Bellie et al., 2000). In addition, Harris (2005) calls for the need of AR management so as to have optimal investment in inventory and receivables. This is because according to Harris, profits of the firm are reduced when there is excessive investment in inventory and receivables while risk of not meeting commitments as and when they become due reduces increases. In a study by Afza and Nazir (2007), there is a negative relationship between the profitability measures of the firm and the degree of aggressiveness on accounts receivables policies. Padachi (2006) in the study found lower profitability to be associated with high investment in inventories and receivables. In a study done by Mukhoma (2014) in Nakuru County, Kenya, the findings indicate that there is a strong significant positive relationship between accounts receivables management and firm's financial performance.

AR management techniques need to be established which help the firm will succeed. Kungu et al. (2014) in their study gives credit policy as the most popular medium of managing and regulating receivables. Pandey (2007) defines credit policy to entail the combination of such terms as credit period, credit standards, collection period, cash discounts and cash terms. The organization thus need to adopt either lenient (give credit to customers for longer periods even to those customers whose credit worthiness is not well known) or stringent credit policy (allows credit only to those customers whose credit worthiness have been ascertained and are financially strong) but ensure that it attracts and retains good customers, without having a negative impact on the cash flow (Kalunda, Nduku & Kabiru, 2012). Ojeka (2012) and Kungu et al (2014) both posit that there is a strong relationship between credit policy and the profitability of the firm. Johnson (2015) gives the best practices to manage AR since it is the largest and most visible assets on the balance sheet. These include new customers to fill credit application form before extending credit, timely invoicing to expedite payment from customers, early pay discounts to encourage early payment and debt collection plan to collect a debt from customers who are delinquent. By holding other factors constant, managing AR well will enable businesses in Kenya to improve their financial performances in the long run.

METHODOLOGY

The researcher used purposive sampling so as to study the asset management practices among businesses in Kenya. During the month of August 2015, the researcher used library research design to collect data from University Library in the Catholic University of Eastern Africa (Langata and Gaba Campus Eldoret). The secondary data obtained from books, government documents, relevant journal articles, publications from private and public institutions. Thereafter, there was qualitative data analysis of these data to answer the research question of the study.

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

Findings and Discussions

Assets in the business are key since they are used to generate future economic benefits. There is need for efficient and effective management as they are valuable to the firm (ISO 55000:2014). Through asset management, the business will improve its capital expenditure planning as well as manage the risks (Lopez, 2014). The study's answers to research question (**What are the key asset management practices that can be used by businesses in Kenya to succeed?)** are given below;

Intangible Assets

They are those assets that are not physically seen (Fiduccia, 2001; Reilly, 2014; IAS 38) and they are as a result of information age (Fuduccia, 2001). The study finds the types of intangible assets by FASB; ASC 805 – 20 – 55 to be more detailed for businesses in Kenya to adopt than what other authors have given (IAS 38; Fiduccia, 2001; Downes & Goodman, 2003); Siegel et al., 2005). These assets include;

- Market –related - Trademarks, service marks, trade names, collective marks, certification marks, trade dress (unique color, shape, or package design), internet domain, noncompetition agreements.
- Customer- related - Customer lists, customer contracts, non- contractual customer relationships, and order or production backlogs.
- Artistic - related - Plays, books, magazines, newspapers, other literary works, Musical works, Photographs, drawings, clip art, Audio-visual material (motion pictures, music videos, television Programs).
- Contract-related - License, royalty, standstill agreements , Advertising contracts, Lease agreements, Construction permits, Broadcast rights, Franchise rights, Operating rights, Use rights, Servicing contracts, Employment contract.
- Technological - related - Patented or copyrighted software, Mask works, unpatented technology, Databases Trade secrets.

The most common challenges relating to intangible assets include the difficulty in defining and identifying them, not recognised in many organizations as important (Ellis & Kenan, 2010), partly recognised by the GAAP (those purchased from outside the organization only) and that there is no standard model to assess them. Based on Reilly's, (2014) features of intangible assets, the problem of identification is solved. These features to be looked into are; intangible assets are subject to specific identification; are subject to legal existence and protection; are subject to rights of ownership; can be destroyed or terminated. Based on the findings of the study on management of intangible assets (Fiduccia, 2001; PWC, 2012; Carayannis, 2014), the researcher has integrated the following ways (shown in table 3) to manage intangible assets which can be used by Kenya's businesses;

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

Table 3: Intangible assets management techniques

IAMT	DESCRIPTION
Identification of intangible assets	To know the types that the business possess
Linking of intangible resources	To tie them to tangible resources of the business
Measurement of intangible assets	To determine their valuation
Privacy maintenance of intangible assets	Use of safes, computer passwords, locks and other restrictions to access them in the business
Confidentiality of intangible assets within the business	Use of non-disclosure agreements made during employment in the business
Legal filings of intangible assets	To document intangible assets legally
Data back up	To keep digital information

Key; IAMT – Intangible Asset Management Technique

Source: Integrated by the author from Literature, 2015

Tangible Assets

These assets have been known and reported by many organizations unlike the intangible assets. They include current and fixed assets (Marriot et al., 2002). In addition, these assets can be further classified based on capita, that is, financial and capital related (Carayannis, 2004). Businesses in Kenya thus need to devise ways of ensuring that proper asset management internal controls (control activities, segregation of duties and internal audit) are implemented to ensure management of tangible assets. The researcher has evaluated the scholarly works by many authors so as to develop integrated tangible asset management techniques for Kenya's businesses to adopt;

Fixed assets – These assets include premises, plant, machinery, furniture and motor vehicle which remain in business for longer periods of time (Marriot et al., 2002). There most common techniques to use in managing them are tagging with unique identifiers, keeping up to date registers and doing physical asset inventories periodically (Sage, 2011).

Cash (Current asset) – There is need to ensure that cash is maintained well else the business will face liquidity problems. The common techniques to use include speeding collection, delayed payment of creditors (Ondieki et al., 2013), projection of cash flow, solving cash shortages problems, maximum use of projected cash surplus (Goodrich, 2013.

Inventory (Current asset) – The business need to manage its inventories because it hides biggest cost (Harrington, 1996), it helps to easily specify size of inventory (Guido van Heck, 2009), help maintain optimal level of inventories (Sanders, 2007; Deveshwar & Dhawal, 2013), and that they are prone to many risks (Visser & Goor, 2004). The techniques to be used in managing the inventory include stock taking, restrictive access to inventory records, store audits, daily and monthly analytical review of inventory reports (COSO, 1998), use of inventory management software (Lesonsky, 1998; Piasecki, 2010).

Accounts receivables, AR (Current assets) – AR in any business need to be managed to maintain optimal balance of debtors or receivables (Deloof, 2003), to ensure success in business by determining its financial performance (Filbeck & Krueger, 2005; Afza & Nazir, 2007; Mukhoma, 2014). In this case therefore, the study has fronted techniques to ensure

efficient and effective management of AR in business. These include the credit policy (Kungu et al., 2012) that describes the 5 C's – credit period, credit standards, collection period, cash discounts and cash terms (Pandey, 2007). In addition, the other techniques to be used include credit application (which help assess credit worthiness of new customers), early pay discounts and timely invoicing (Johnson, 2015).

Table 4; Tangible assets management techniques

ASSETS	TAMTs
Fixed assets; Premises, plant, machinery, furniture and equipment, motor vehicle	- Physical asset inventories - Tagging - Maintenance of asset registers
Current asset; Cash	- Speedy collection - Payment delay tactic of creditors, - Cash flow projection - Utilization of cash surplus - Fixing cash shortage problems on time
Current asset: Inventory	- Sock taking - Inventory record access restrictions - Daily and monthly inventory report analytical review - Store audits - Inventory management software
Current asset: Accounts receivables	- Credit policy - Credit application

Key; TAMTs – Tangible Assets Management Techniques

Source: Integrated by the author from Literature, 2015

CONCLUSIONS

In Kenya and most countries in the world, businesses are vital due to the contributions they make towards economic growth and development. There is thus need for ensuring that businesses remain to be going concerns. The study has looked into the asset management practices among business which if not looked into, there will be problems that will jeopardize their growth. In this regard therefore, the study has identified crucial techniques which when applied in business, success will be achieved. However, the study recommends more scholarly works to be done on ways of automating the asset management techniques used in the business. Furthermore, there is need to do more research on how to identify and manage intangible assets they are associated with technology which changes rapidly.

ISSN 2054-6319 (Print), ISSN 2054-6327(online)

FUTURE RESEARCH

The following areas are suggested by the researcher to be looked into;

1. The effect of asset management on performance of the business in Kenya
2. The challenges faced by businesses in Kenya when applying different techniques to manage their assets

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ISSN 2054-6319 (Print), ISSN 2054-6327(online)