

**CHALLENGES OF ASSET CREATION IN STATE CORPORATIONS.
A CASE STUDY OF KENYA POWER.**

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ABSTRACT

This purpose of the study was to bring out the challenges facing the asset creation in corporations and the available mitigations. It singled out creation of power distribution network in KPLC. The study was designed on a descriptive survey and the data obtained was analysed by descriptive statistics and content analysis technique. The target population was 150 KPLC staffs all based in Nairobi region with three strata of engineers, accountants and supply chain officers. A well distributed power supply is the key to development in any country. Power distribution network must be professionally constructed to ensure minimal power loss and outages. The cost of inputs should also be controlled to ensure that the cost of distribution lines is affordable to most of the citizens who are always required to meet cost of constructing the power supply lines to their premises. Power is one of the factors required in ensuring that development through industrialization and uplifting of standards of living of a society is achieved. The study has given a route map to achieving a well-balanced distribution network that is reliable and capable of ensuring the achievement of vision 2030. The findings of the study enumerated the various challenges among them high cost of labor and transport, vandalism, poor workmanship, poor quality of construction material, system power losses and lack of government support and regulation of the power sector. The necessary mitigations for these challenges were found to be majorly government regulation and support in terms of price controls on construction materials, enacting laws that are more punitive to vandals, abolishing scrap metal business to curb vandalism, regulating the quality of inputs and output through quality assurance agencies such as KEBS and licensing of qualified contractors to undertake construction of power distribution lines.