

Dynamics of Entrepreneurial Orientation on the Performance of Women owned Enterprises in Kenya

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Abstract

This study sought to establish the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Kenya. The independent variable of the study was Entrepreneurial Orientation and the dependent variable was Performance of Women Owned Enterprises. The study was conducted in the four (4) Sub Counties of Embu County. The study employed a Cross-Sectional Descriptive Research Design also known as statistical research and the population was sampled through stratified random sampling. Structured questionnaires and observation schedules were used to collect data. Data gathered was analyzed and presented using descriptive statistics, processed by Microsoft SPSS Version 20.0 and presented using graphs, pie charts, tables and percentages. The study reviewed literature on the dependent and the independent variables of the study

Results of this study indicated that, Entrepreneurial Orientation had a positive relationship and played a major role on the Performance of Enterprises as evidenced by the increase in market share and cash flow stability in the business. The need for Continuous Learning among women entrepreneurs and creation of Conducive Business Environment was recommended to enhance Business Performance.

Key Words: *Entrepreneurial Orientation, Performance, Women Entrepreneurs, Women Owned Enterprises(WOE)*

Introduction

Micro and Small Scale Enterprises play a major role in strengthening the Kenyan economy. The Sessional Paper No. 2 of 1992 on Small Scale and Jua Kali Development in Kenya (GoK, 1992) focused on the role of Micro and Small Enterprises (MSEs) and stressed the potential of the MSE sector to function as a catalyst of growth for the country's development.

A study by Nthuni (2014) stated that the SMEs in Kenya employed 3.2 million people and accounted for 18% of the National GDP. The Sessional Paper No. 2 of 1996 on Industrial Transformation to the Year 2020 (GoK, 1996) also states that recent years have demonstrated the dynamism of the MSE sector in creating employment and providing attractively priced products. It further recognised that it was only through rapid and sustained economic growth that the national wealth can be created and thus increased employment and incomes viable enterprises (WB, 2013).

For a long time, women have been marginalized from economic participation, leaving out the greatest percentage of human capital from development. (Yunus, 2000; Khandakar & Danopoulos, 2004; Scarborough, 2011). Majority of the women lacked capital to run their businesses and they could not access credit from banks due to lack of collateral coupled with poor educational background and lack of access to professional careers. MSEs have low survival rate, less than a third of Women businesses survive the transition from second to third generation ownership (Bowman, 2006, Nthuni, 2014). This calls for entrepreneurial intervention strategies to enhance their performance in the county.

The Government of Kenya has been proactive in turning around this situation by coming up with measures to address the plight of women. In the country's long term blue print Kenya Vision 2030, which aims at creating a globally competitive and prosperous country with a high quality of life by the year 2030, the aspiration of the Kenyan government is to reduce gender disparities by making international community's commitment to the realization of the UN MDGs by 2015. The Women Enterprise Fund promotes the realization of the United Nations First (1st) and Third (3rd) Millennium Development Goals (MDGs) on poverty reduction and Gender Equality and Women Empowerment. Women empowerment is recognised in the Kenya's Constitution (COK, 2010)

Statement of the Research Problem

Micro and Small Enterprises experience a myriad of constraints that range from financial (Marlow & Carter, 2004; Fielden & Davidson, 2005), lack of training (Stevenson & St-Onge, 2005; Mutuku et al, 2006), markets for their products (GOK, 2005), regulatory procedures (Kibas, 2006) and competition from large and other MSEs (K'Aol, 2008). All these pose a great danger to the existence and the performance of the MSEs. One of the biggest obstacles that has been cited in MSEs is access to either start-up or expansion entrepreneurial capital (Abel & Oketch, 2009; Arasi & Garajafary, 2012; Kaur, 2010; Khanka, 2012). Lacking sufficient credit, entrepreneurs are seldom able to take advantage of quantity discounts on new materials, and are unable to extend credit to their customers (Mousavi & Jari, 2012). Despite the various government intervention strategies, MSEs Performance, growth and existence still remain quite low (Roomi, 2009; Afza & Rashid, 2009; Nthuni, 2014). Ideally, Women Owned Enterprises need to exhibit a tendency to grow in size, sales volume, Number of employees and profitability (Mwaura et el .2014). The current situation is that many Women Owned Enterprises have remained small or failed to grow.

The study therefore seeks to address the gap between the current scenario and the ideal situation by exploring the factors influencing the Performance of Women Owned Enterprises

The Specific Objective

To investigate the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Embu County.

The Research Question

What is the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Embu County?

The Conceptual Framework

The study conceptualized that Entrepreneurial Orientation influences the Performance of Women Owned Enterprises in Embu County. This relationship is shown in Figure 1.

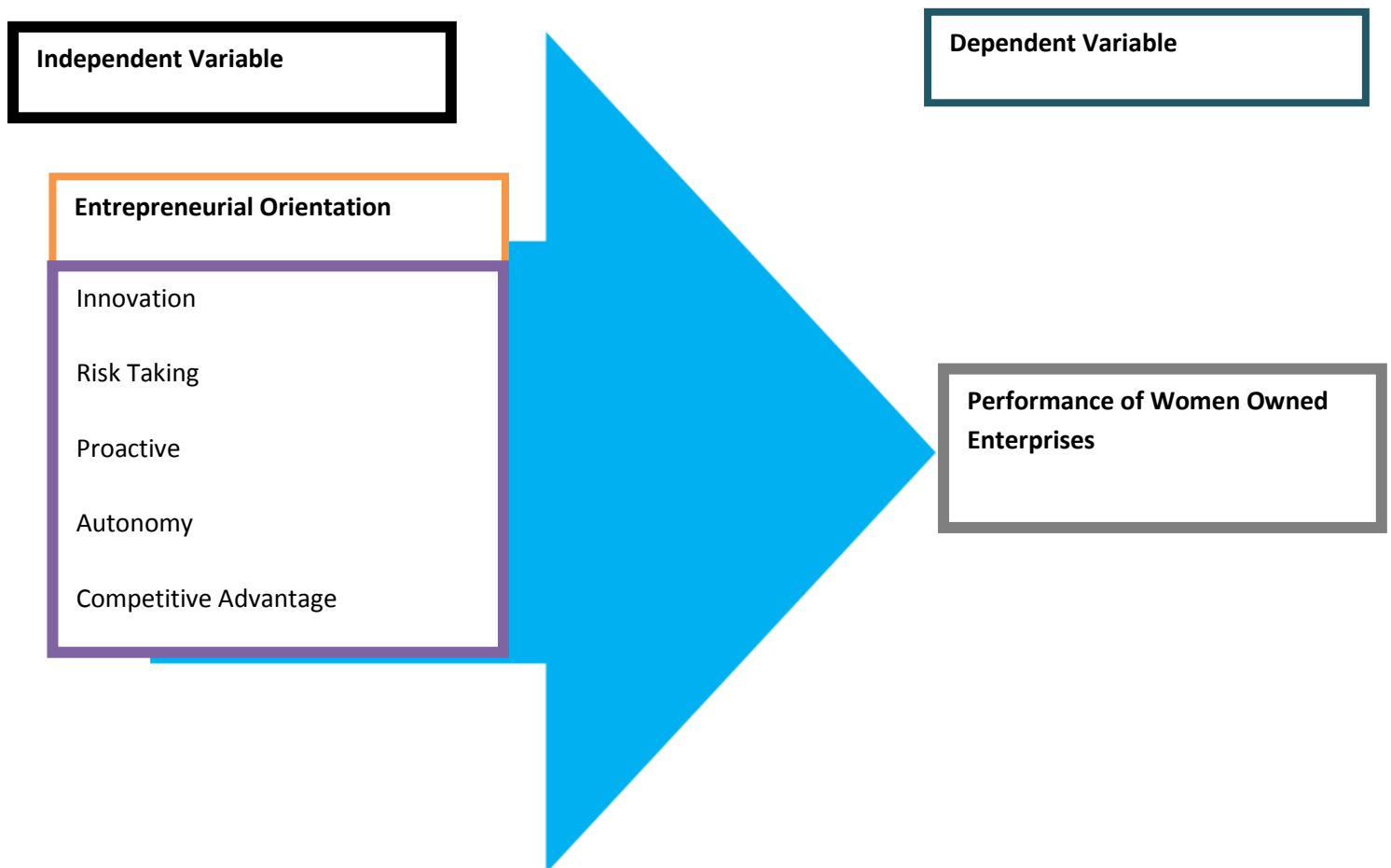


Figure 1: Conceptual Model

Performance of Women MSEs

The variable was studied as a criterion or outcome variable (dependent variable). (Cooper & Schindler, 2009; Kumar, 2009; Kothari, 2009). The variable was measured, predicted and monitored and it was expected to be affected by the manipulation of the independent variable of the study, namely, Entrepreneurial Orientation. The key aspects of WO MSEs Performance that the study focused on included; business sales levels, profitability. Assets Acquisition and Number of Employees over a period of five (5) years prior to this study (Gathenya, 2011; Irungu, 2008; Otieno, 2012; Fatoki, 2011)).

Entrepreneurial Orientation

Entrepreneurial Orientation is usually defined as a multidimensional construct, applied at the organizational or entrepreneur's level, which characterizes entrepreneur's or firm's entrepreneurial behaviour and includes one or several of these three dimensions: risk-taking, innovativeness and pro-activeness. The study explored the key aspects of Entrepreneurial Orientation (innovation; Proactiveness; risk taking; Autonomy and Competitive Aggressiveness). (Irungu, 2008; Lumpkin & Dess, 1996; Nyambariga, 2012; Otieno, 2012; Njeru, 2013; Gathenya, 2012).

Theoretical Framework

Social Cultural Theory of Entrepreneurship

The study was founded on the Social Cultural Theory of Entrepreneurship. The theory was propounded by Hoselitz (1964) on the assumption that certain persons are endowed with creative power in any cultural or social group and they develop different attitudes while practicing social conduct, entrepreneurship can be developed in a society in which cultural norms permit variability in the choice of paths of life and in which the relevant processes of socialization of the individual are not so completely standardized. The entrepreneurs develop their attitudes in the direction of productivity and creative integration. The advocate of the social cultural theory point out that entrepreneurship is a product of culture (Mohanty, 2005). Entrepreneurial talents come from cultural values and cultural systems embedded into the cultural environment. In a society where entrepreneurship traits such as innovation, creativity, risk taking, initiative, aggressiveness and competitiveness is promoted, and where social processes are not rigid then such personalities become interested with starting and operating their own enterprises (Mwaura et al, 2014; Deakins & Freel, 2009; Khanka, 2012).

The theory seemingly presents a holistic view of entrepreneurship by considering the influence of factors such as innovation, managerial skills, social class, leadership skills and personal traits (Deakins & Freel, 2009; Khanka, 2012) on Business Performance.

Entrepreneurial Orientation and Performance of Women Owned Enterprises

In order to emphasize the theoretical context of Entrepreneurial Orientation in this study, the relationship of Entrepreneurial Orientation to Entrepreneurship is briefly revisited as follows. The definition of Entrepreneurship is taken to be the pursuit of opportunity (Shane and Venkataraman, 2000). An Entrepreneurial Orientation is defined as the dimensions of Entrepreneurial behaviour along which opportunity is pursued, these consists of

Proactiveness, Innovativeness, Competitive Aggressiveness, Autonomy and Risk Taking Propensity: the processes of entrepreneurial behaviour as developed by Lumpkin and Dess (1996). Lumpkin and Dess (1996:162) argue that any enterprise “that engages in an effective combination of Autonomy, Innovativeness, Risk Taking, Proactiveness, and Competitive Aggressiveness is entrepreneurial”. For Miller (1983), entrepreneurship is “the process by which organisations renew themselves and their markets by pioneering, innovation and risk taking”, and it is this conception that Lumpkin and Dess (1996) developed into the larger construct through the inclusion of autonomy and competitive aggressiveness.

In this context entrepreneurship is taken to be characterised by certain processes or Characteristics related to the pursuit of opportunity, associated with individuals or Enterprises: an entrepreneurial orientation (Lumpkin & Dess, 1996). An Entrepreneurial Orientation is therefore taken to represent the process of pursuing and Seizing opportunity along defined dimensions. Entrepreneurial Orientation supports opportunity recognition in new markets and according to Lumpkin and Dess (1996), an Entrepreneurial Orientation “refers to the Processes, practices, and decision making activities” that lead to the essential act of Entrepreneurship, involving intentions and actions which are helpful and contributes towards the Business Performance and makes the entrepreneur satisfied with the overall performance (Covin & Slevin, 1989; Razzaq, 2013).

The entrepreneurs focus their attentions on the Financial (objective) and Non-Financial measures (subjective). Financial measures include profits, revenues, returns on investment (ROI), and returns on sales and returns on equity, sales growth, and profitability growth. Non-Financial measures include overall performance of the firm relative to competitors, employment of additional employees, customer satisfaction, employee satisfaction, customer loyalty, brand awareness and owner’s satisfaction with the way the business is progressing. The combinations of these two measures (Financial and Non financial) help the owners-managers to gain a wider perspective on measuring and comparing their performance. Meilan (2010) agrees that this is a holistic approach and Balanced Scorecard approach to performance evaluation for SMEs. Firms that are innovative have the ability and willingness to support creativity, new ideas and experimentation which may result in new products/services (Lumpkin & Dess, 1996; Mwaura et al; Gathenya et al, 2011; Pearce & Robinson, pg 428-429, 2009). Firms that are proactive anticipate and act on future wants and needs in the market which would enable them to gain first mover advantage ahead of the competition. According to Drucker (1995) as quoted by Maragia (2008), entrepreneurs involve themselves in maximizing opportunities. He says that entrepreneurship does not just take place in the blues; it is generated as a result of response to what the entrepreneurs sees as undeveloped and untapped opportunities ie, perceiving opportunities that would sufficiently enhance innovation.

Positive relationship between Entrepreneurial Orientation and Performance have been noted by a number of researchers (Covin & Slevin 1991; Lumpkin & Dess, 1996; Wiklund, 1999; Kriesar, Marino & Weaver, 2002; Kraus et al 2005, Al Swidi & Mahmood, 2011; Mahmood & Hanafi, 2013). In order for Women to have a competitive advantage, there is need to increase their level of Entrepreneurial Orientation to survive the dynamic, fast faced and complex business environment which is characterized by short life cycles, globalization and continuous improvement in technology. Entrepreneurial Orientation is considered as a mechanism for

survival and success of WO MSEs. A Study finding on the attitude of the top managers, employees and entrepreneurs towards Entrepreneurial Strategic Planning Practices indicated that the top management appreciated the role of entrepreneurship to the performance of the enterprises. The findings as confirmed by the spearman's rho correlation analysis indicated that $r=0.191$ (Entrepreneurial Orientation and Employees), $r=0.188$ (Entrepreneurial Orientation and Employees and sales) and $r=0.222$ (Entrepreneurial Orientation and Employees and Performance levels) at 0.05 levels of significance. From this research, it can be concluded that Entrepreneurial Orientation had a positive relationship and played a major role in the Performance of Enterprises. (Gathenya et al, 2011).

In a research conducted by Callaghan (2009) in South Africa, it was reported that Entrepreneurial Orientation played a significant role in the informal sector, in that it was found to be associated with increased earnings for Informal Street Traders. Learning related factors were shown to increase Earnings. The findings suggested that factors such as education provided some way that individual Informal Street Traders could experience upliftment through increased earnings and satisfaction in the business context. An implication of the findings was that practitioners in local or national government, and others that have an interest in the upliftment of these individuals involved in Street Trading, might be able to increase the earnings of street traders through the increased Provision of training courses and educational opportunities.

Entrepreneurial Orientation and its five (5) Component Dimensions: of Innovativeness, Autonomy, Proactiveness, Competitive Aggressiveness and Risk Taking Propensity (Lumpkin & Dess, 1996; Callaghan, 2009) are explored below:

Innovativeness

Innovativeness has been noted as the only consistent theme in literature on entrepreneurship. it is a central component in an entrepreneurial strategy (Deakins & Freel, 2012). Lumpkin and Dess (1996) credited Schumpeter with "being amongst the first to emphasise the role of innovation in the entrepreneurial process", in the form of a "process of creative destruction, by which wealth was created when existing market structures were disrupted by the introduction of new goods or services" reallocating resources from existing firms to new firms and growth.

Joseph Schumpeter, held that the "purest type of entrepreneur genus" is "the entrepreneur who confines himself most strictly to the characteristic entrepreneurial function, the carrying out of new combinations" or innovation. According to Lumpkin and Dess (1996) innovativeness reflects a tendency for an enterprise "to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services, or technological processes". Innovation is an important means of pursuing opportunities and so is an important component of an Entrepreneurial Orientation (Lumpkin & Dess, 1996).

Innovation in businesses can be classified into two (2) categories, namely: product market innovation and technological innovation (Lumpkin & Dess, 1996; Callaghan, 2009). Innovation represents a continuum ranging from willingness to try new innovations to a serious commitment to innovation. Firms that are highly innovative grow, however researches have reported that an innovative strategy is essentially speculative, with returns unknowable in advance, innovators run the risk of wasted resources if investment does not yield the hoped for results. Innovations that become successful also risk imitation. However alertness to and investment in new ways to

create and capture value are key characteristics of businesses that pursue entrepreneurial strategy (Deakins & Freel, 2012; Callaghan, (2009).Drucker (2007, introduced the concept of knowledge based innovation as the “super star” of entrepreneurship. Such innovations could be scientific, technical or social in nature.Knowledge Based Innovation require careful analysis of all the necessary factors and clear focus on the strategic position which entails developing systems, market focus and occupying the strategic position for effective business performance.

Autonomy

The success of a firm dependent on the level of autonomy exhibited by the Entrepreneurs.Autonomy refers to independent action in terms of “bringing forth an idea or a vision and carrying it through to completion”, including the concept of free and independent action and decisions taken (Lumpkin & Dess, 1996). Entrepreneurs are associated with more of a degree of freedom in combining and organising resources (Bird,1988). With reference to entrepreneurship in the context of strategy formulation, two types of autonomy are referred to by scholars (Lumpkin & Dess, 1996). The first type of autonomy refers to decisive decision making where a vision is driven to implementation through individual leadership while the second type of autonomy refers to the individual autonomy that enables entrepreneurial activities and decision making at lower levels of an enterprise. These types of autonomy are consistent with the concept of Entrepreneurial Orientation, according to Lumpkin &Dess (1996).

Individuals with a need for autonomy might not necessarily be associated with positive associations in certain contexts. In terms of potentially negative conceptions around autonomy, research has indicated that individuals with a high need for autonomy are also associated with certain negative behaviors (Deakins & Freel,2012;Callaghan (2009)) .Individuals with a high need for autonomy are associated with a preference for working alone, control over the workplace, and tend to be averse to “excessive rules and procedures” . According to Porter et al.(2003), research shows that performance for individuals with a high level of need for autonomy is contingent on participation in the determination of tasks. The response of individuals with a high need for autonomy to external pressures for conformity in terms of group norms has also been shown to not be positive.

In Micro and Small Enterprises, the Levels of autonomy may depend on the firm size, management style or ownership. In a firm in which the primary decision maker is the owner/manager, autonomy is implied by the rights of ownership” (Lumpkin & Dess, 1996; Callaghan (2009). The level of autonomy in this research is tested with regard to the Individual Woman, who is autonomous to a certain extent by definition, since the enterprise is made up of the individual alone.

Proactiveness

Proactiveness is related to initiative and first-mover advantages and to “taking initiative by anticipating and pursuing new opportunities” (Lumpkin & Dess, 1996). The oxford dictionary defines proactiveness as “acting in anticipation of future problems, needs, or changes”. Lumpkin and Dess (1996) argued that proactiveness may be crucial to an Entrepreneurial Orientation because it suggests a forward-looking perspective that is accompanied by innovative” and entrepreneurial activity. Proactiveness relates to market opportunity in entrepreneurship by

“seizing initiative and acting opportunistically in order to shape the environment, that is, to influence trends and, perhaps, even to create demand”. The characteristics of a Proactive enterprise involve aggressiveness and unconventional tactics towards rival enterprises in the same market segment, such enterprises shape their environments by actively seeking and exploiting opportunities. Proactive firms introduce new products, technologies, administrative techniques to shape their environment and not react to it (Callaghan (2009)).

Risk Taking Propensity

Risk taking relates to a business readiness to pursue opportunities despite uncertainty around the eventual success (Deakins and Freel, 2012). It entails acting boldly without knowing the consequences. On risk taking, it is the firm knowingly devoting the resources to projects with chances of high returns but may also entail a possibility of higher failure (Mahmoud & Hanafi, 2013). The psychological theories of locus of control and need for achievement which entail a moderate level of risk taking propensity (Deakins & Freel, 2012; Callaghan (2009)), have also been associated with higher performance by individuals. This might predict that a moderate level of risk taking propensity would be associated with higher levels of performance. However, in terms of different contexts, the effects of the dimensions of Entrepreneurial Orientation, including risk taking propensity, were expected to differ in terms of their effect on performance according to the specific context. Lumpkin and Dess (1996) identified three (3) types of risks that businesses face in pursuing entrepreneurial activities; Business Risks associated with entering new markets or supporting unproven technologies; Financial Risks relating to the financial exposure required and the risk/return profile of the new venture. It may include borrowing heavily or committing large proportions of their resources and Personal Risks referring to the reputation effects of success or failure in the business. Success to the business entails giving the entrepreneur considerable influence over the future direction of the firm and failure can have the opposite effects. Risk taking is commonly associated with entrepreneurial behaviour and the general successful entrepreneurs are risk takers (Kuratko & Hodgettes, 2009). Drucker argued that entrepreneurs are not typically risk seekers rather like any other rational individuals, they take steps to minimize risks, and this may involve developing strategies that entail a higher tolerance for risk, but the calculation of risks.

Competitive Aggressiveness

Competitive Aggressiveness refers to the efforts a business makes to outperform its rivals. It is the firm's propensity to directly and intensely challenge its competitors to achieve entry or Improve position”: to outperform industry rivals in the marketplace, this is characterized by responsiveness in terms of confrontation or reactive action (Deakins & Freel, 2012). Competitive Aggression as a dimension of an Entrepreneurial Orientation refers to “the type of intensity and head-to-head posturing that new entrants often need to compete with existing rivals”. In contrast to proactiveness, which relates to market opportunities, Competitive Aggressiveness refers to how enterprises “relate to competitors” and “respond to trends and demand that already exist in the marketplace” with regard to competitors. (Deakins & Freel, 2012; Lumpkin & Dess, 1996,)

Lumpkin and Dess (1996) stressed that Competitive Aggressiveness is an important dimension of an Entrepreneurial Orientation. Miller (1983), however, considers only Proactiveness, Innovativeness, and Risk Taking as the only dimensions of an Entrepreneurial Orientation. Lumpkin and Dess (1996) developed the construct further from Miller's (1983) original theory by incorporating Competitive Aggressiveness and Autonomy.

In terms of the original theory of Entrepreneurial Orientation: An entrepreneurial firm is one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with "proactive" innovations, beating competitors to the punch. A non entrepreneurial firm is one that innovates very little, is highly risk averse, and imitates the moves of competitors instead of leading the way. This tentatively views entrepreneurship as a composite weighting of these three variables. (Miller, 1983; Mahmood & Hanafi, 2013; Deakins & Freel, 2012). Entrepreneurship Scholars have argued that more aggressiveness is not always positive, that businesses may damage their reputation and lose goodwill by being too aggressive and that competitive aggressiveness is a strategy best used in moderation.

The Research Gap

The existing body of knowledge was not sufficient to show the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Kenya. The literature reviewed generally outlined Entrepreneurial Orientation and its effect on general Business Performance and laid little emphasis on the role of Entrepreneurial Orientation on Performance of businesses Owned by Women. This study sought to fill the research gap by establishing the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Kenya.

Research Methodology

The aim of the study was to establish the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Kenya. To achieve this, the study employed a Cross-Sectional Descriptive Research Design also known as statistical research which answers research questions like who, what, where, when and how (Bryman & Bell, 2011; Cooper & Schindler, 2009; Mwaura et al, 2014). Descriptive research design was employed to describe the nature of a situation, as it exists at the time of the study and to explore the cause/s of particular phenomena (Leary, 2001). The study population was Seven Hundred and Ninety Five (795) Women in Embu County. The Stratified Random Sampling Technique was used to select Two Hundred and Sixty (260) Women who had benefited from Women Enterprise Fund Loan more than twice. A questionnaire was the main instrument of data collection. The data collected was analyzed using SPSS Version 20.0.

Research Findings and Discussions

This section reports the findings of the study which investigated the influence of Entrepreneurial Orientation on the Performance of Women Owned Enterprises in Kenya. The researchers hypothesized that; the Entrepreneurial Orientation influences the Performance of Women Owned Enterprises in Kenya.

Table 1: Entrepreneurial Orientation

Responses	N	Minimum	Maximum	Mean	Std. Deviation
I always engage in high risk business activities	260	1	5	1.57	.856
I aggressively seek and exploit market opportunities in WOE	260	1	5	1.74	.603
I have new products /services all the time in my WOE	260	1	5	1.67	.865
I always have an opportunity to learn new business ideas	260	1	4	1.73	.524
As an Entrepreneur am rarely in control in WOE	260	1	5	3.60	1.126
I am always very certain on decisions I make concerning the future of WOE	260	1	4	2.16	.613
I rarely anticipate future wants and needs in the market	260	1	5	3.79	.707
I always respond to what the competitors bring in the market	260	1	5	3.99	1.019
N	260				

The independent variable, Entrepreneurial Orientation was rated as follows on likert scale for the closed questions: (1) Strongly Agree (2) Agree (3) Neutral (4) Disagree and (5) Strongly Disagree. Table 2 shows various mean and standard deviation on the core dimensions of Entrepreneurial Orientation; risk taking (1.57), aggressiveness (1.74), innovativeness (1.67) and proactiveness (1.73). This is an indication that majority of the respondents agreed or strongly agreed with the

statements on Entrepreneurial Orientation. On autonomy and control (mean of 3.60 and standard deviation of 1.126) and Competitive Advantage (mean of 3.99 and standard deviation of 1.019) of the business, the respondents strongly disagreed and disagreed on the statement that they were rarely in control of WOE and always respond to what the competitors bring in the market. This implied that the women entrepreneurs were in charge of the enterprises and exercised control over the operations of the businesses and had the advantage of planning ahead of the competitors. This is an indication that the women were in control of the major decisions relating to their enterprises. The study established that women entrepreneurs conformed to the components of Entrepreneurial Orientation namely; innovation, proactiveness, risk taking, autonomy aggressiveness and competitive advantage all of which are key in promoting growth and expansion in businesses.

Table 2: Entrepreneurial Orientation and Performance of Business

Responses	Strongly Agree		Neutral	Strongly Disagree		Total
	Agree	Agree		Disagree	Disagree	
	%	%		%	%	%
My regular engagement in high risk business activities has greatly enhanced performance of the WOE	50.0	41.9	5.0	1.2	1.9	100.0
My constant search and exploitation of market opportunities promote performance of WOE	41.9	54.2	2.7	.8	.4	100.0
My constant change of products /services always leads to enhanced performance of WOE	43.1	45.4	5.8	1.9	3.8	100.0

One clear pattern among successful, growth minded entrepreneurs is their focus on opportunity identification. Opportunity Orientation means that such entrepreneurs are constantly aware of opportunities that exist in everyday life. Successful entrepreneurs start with the opportunity and let their understanding of it guide other important issues. Risk taking propensity was found critical in the study. The findings of the study agree with Scholarly works of Kuratko (2009) that when entrepreneurs decide to participate in a venture, they do so in a very calculated, carefully thought out manner. They avoid taking unnecessary risks. This strategy entails getting others to

share inherent financial and business risks such as persuading partners and investors to put up money, creditors to offer special terms and suppliers to advance merchandise. Joseph Schumpeter defined entrepreneurship as based on innovation, he perceived innovation as the creative act of entrepreneurship and that it led him to argue for a dichotomy between Entrepreneurs and Non Entrepreneurs (McCormick & Pedersen, 1960)

Table 3: Encouragement to Remain in the Same Business

Responses	Frequency	Percentage
Security	72	28
Family and Future Stability	50	19
Desire to Grow	84	32
Increased Income	54	21
N	260	100

From the findings as indicated in table 3, it was observed that majority of respondents got encouragement to start and remain in the same business due to family, economic or personal related reasons and this may be a contributing factor for expansion and growth of the enterprises. This findings concur with the scholarly works of Kuratko (2009) that entrepreneurs engage in business due to reasons which could be categorized broadly into two (2); that is, Active forces (pulling factor) and Reactive forces (pushing factors) an indication of entrepreneurial mindset.

Performance of Women Owned Enterprises

In this study a combinations of Financial and Non financial indicators were used to measure the Business Performance. This helped the owner-managers to gain a wider perspective on measuring and comparing their performance. Meilan (2010) agrees that this is a holistic approach and Balanced Scorecard approach to performance evaluation for SMEs.

Table 4: Cash Flow Stability

Cash Flow Stability (Year)	Increased %	Remained the Same %	Decreased %	Total %
2010	40.5	51.3	8.2	100.0
2011	61.0	34.9	4.1	100.0
2012	44.8	40.5	14.7	100.0
2013	60.8	33.5	5.8	100.0
2014	76.9	22.7	.4	100.0

Table 4 and 5 shows the Cash Flow Stability and Market Share of the enterprises studied for Five (5) years, from year 2010 to year 2014. The research results showed that the Cash Flow Stability increased from 40.5% in 2010 to 61% in 2011. However, in 2012, there was poor

Enterprise Performance in terms of Cash Flow Stability and Market Share respectively, there was a drop in Cash Flow Stability in 2011 and 2012 from 61% to 44.8%, this could have been contributed by the fear, trauma and losses that Kenyan experienced in 2007-2008 following the post election violence. This was a period characterizes by political volatility and Economic instabilities in Kenya and many Kenyan feared that there would be a repeat of 2007/2008 post election violence.

It is noted that in 2012/2013 Kenyans were preparing to engage in another National General Election which was to usher in the Devolved System of Government as enshrined in Kenya Constitution 2010. To many entrepreneurs then, there was strong perception and the fear of the unknown of the impact of 2012/2013 General Election on the economic development of the Country (Gathenya, 2013).

Table 5: Market Share

Market Share (Year)	Increased %	Remained the Same %	Decreased %	Total %
2010	61.6	30.6	7.8	100.0
2011	42.7	46.9	10.4	100.0
2012	45.6	41.7	12.7	100.0
2013	66.2	29.2	4.6	100.0
2014	75.0	23.1	1.9	100.0

Future Plans

The entrepreneurs studied had various future plans for their businesses as indicated in Table 6. 15% (38) of the respondents had the plan of building own premises; 25% (64) wanted to expand in other areas; 25% (65) planned to build own premises to accommodate business; 24% (62) wanted to become wholesalers; while 11% (31) had plans of increasing stock. Bwisa (2011) distinguished between entrepreneurial ventures and non-Entrepreneurial ventures. Unlike a social activity, an Entrepreneurial Venture is profit oriented, requires total commitment, is results oriented and aims at growth and expansion. All the women expressed an entrepreneurial spirit and had clear intentions; all expected a return on investment and viewed the enterprises as on-going concern.

Table 6: Business Future Plans

Responses	Frequency	Percentage
Build own Premises	38	15
Expand in other areas	64	25
Build own premises to accommodate business	65	25
Become a wholesaler	62	24
Increase Stock	31	11
N	260	100

Table 7: Advice to Potential Loanees

Responses	Frequency	Percentage
Use Loan Wisely	92	36
In business before taking loan	63	24
Take loan the business able to pay back	105	40
N	260	100

The advice given by the women entrepreneurs to potential Loanees is recorded in table 7. 36% (92) of the respondents advised the potential Loanees to use the loan wisely; 24% (63) felt that one must be in business before taking a loan and 40% (105) advised them to plan first and take a loan that the business was able to pay back. Diverting the loan taken to other non business activities strains the business and affects the performance of the firm adversely.

Conclusions

The study established that Entrepreneurial Orientation influenced the Performance of Women Owned Enterprises). The study found out that the key dimensions of Entrepreneurial Orientation namely: Innovation, Risk Taking Proactiveness, Autonomy in Business and Competitive Advantage aided the Performance of Businesses as indicated by the increase in Market Share and Cash Flow Stability in the business. The research results showed that the Cash Flow Stability increased from 40.5% in 2010 to 61% in 2011 while the market share either increased or remained the same in the businesses under study. Given these revelations, the study concluded that: Entrepreneurial Orientation influenced the Performance of Women Owned enterprises. The performance of businesses to a large extent was affected by external factors such as political and economic development of the country. Given the fact that Entrepreneurial Orientation is the propensity to act autonomously, innovate, take risks, and act proactively when confronted with market opportunities, the findings establish that women entrepreneurs conform to this degree. Other measures of Entrepreneurial Orientation scored highly where over 90% of respondents said their businesses had high propensity to act autonomously, were aggressive to competition and innovative respectively.

Recommendations

The business environment of the twenty first century has produced dramatic changes that affect the procedures, processes, programs, philosophy and products of a growing firm. This calls for the need of the entrepreneurs to dedicate time to learning new techniques and principles for the businesses. In this research, Entrepreneurial Orientation among women positively influenced the Performance of businesses. One way of instilling an entrepreneurial mindset is through Education and Learning related factors which are critical in developing Entrepreneurial Orientation. The study recommends:

Continuous Learning

There is need for the Government of Kenya at the National and County Level, Private Sector, the Women Entrepreneurs and all Stakeholders to partner and create opportunities for women to: form Trade Association; attend seminars and conferences and have publications and institutions that provide courses that aid the entrepreneurs acquire Entrepreneurial Orientation. This will assist Women entrepreneurs to stay abreast of industry changes, instill Entrepreneurial Culture and maintain a competitive edge for effective Business Performance

Conductive Business Environment

The Business Environment has to do with the forces that have an impact on the day-to-day operations of the enterprise. These forces may support or limit the extent to which the business may achieve its objectives. The forces may be internal /external and either are manipulated or highly not manipulated by the entrepreneur. The study recommends the creation of a Conductive Business Environment by the Government of Kenya and all stakeholders by providing adequate Security. Businesses need a supportive and favorable business environment to facilitate growth and sustainability.

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