

**THE EFFECT OF ORGANIZATIONAL CORE FACTORS ON
ENTREPRENEURIAL BEHAVIOR OF UNIVERSITY OF
NAIROBI**

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DECLARATION

I declare that this research project is my original work and has not been submitted to any other college, institution or university for academic credit.

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D66/86405/2016

This research project has been submitted for examination with my approval as the appointed supervisor.

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I give thanks to God for giving me sufficient grace to complete this project. I thank my supervisor Dr. Kennedy Ogollah for encouragement and support that enabled me to clear this project.

DEDICATION

I dedicate this project to the family members for the moral and financial support

ABBREVIATIONS AND ACRONYMS

DVC Deputy Vice Chancellor

UON University of Nairobi

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ABSTRACT

The objective of this study was to determine the effects of organizational core factors on institutional entrepreneurial behavior of the University of Nairobi. The study adopted a cross sectional survey with a descriptive research design. The study targeted 13 respondents comprising of directors of enterprises in Nairobi University. The study gathered data from primary sources with the aid of interview guides. The study used content analysis to process the gathered information. It was established that the University of Nairobi had put in place a number of enterprises so as to generate more revenues. These enterprises were affected by organizational core factors like the culture, leadership in place as well as availability of resources including land. The study concludes that core organizational factors play a key role as far as entrepreneurial behaviour in the firm is concerned. The study recommends that any organization that wishes to compete in a globalized economy must critically examine its organizational core factors to ensure that are well aligned with the forces of the environment. The management of the University of Nairobi should improve on some of the items of organizational factors like the culture and leadership so as to improve on entrepreneurial behavior. Efforts are required to ensure that innovative ideas raised by staff among the enterprises at UON are implemented.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Changes in societies, technology and innovation have resulted into challenges in corporate responsibilities, survival and performance in efforts to fulfilling their missions and goals (Scarborough, 2013). To overcome the environmental and organizational challenges, organizations have been considered to require entrepreneurs and entrepreneurship (Wickham, 2006). As part of aligning the public sector management practices with those of the private sector, reforms in the western world have focused on corporate entrepreneurship which has emerged as a result of several influencing factors (Salimath & Cullen, 2010). Developing entrepreneurship culture upon the rich histories of corporate organizations have been found to maximize new and existing opportunities forming a basis for continuously improving performance. Regardless of organization size and ownership, entrepreneurial activities of innovation, risk taking, environmental, structure, motivation and performance measurement seem constant (Rwigema, 2011).

This study was guided by two theories in entrepreneurship: Entrepreneurial Bricolage Theory and the Effectuation Theory. The Entrepreneurial Bricolage Theory was formulated by Levi-Strauss (1967) to help explain the decisions made by organization to improve their wellbeing by applying the different combination of resources at their disposal to respond to new challenges and opportunities. This theory emphasizes on combination and reuse of resources already present in an organization for different applications in addition to those they were originally meant for or used in (Baker & Nelson, 2005).

The combination of pre-existing resources for new tasks has helped organizations in timely responding to the changing business environment to emerge successful. Effectuation theory was developed by Sarasvathy (2001) to help explain the adoption of logic that deviates from the traditional causation approach largely because of resource constraint situation. It provides reasons as to why businesses end up with new business ventures even when these new ventures did not form part of their initial goals and mandate (Sarasvathy & Dew, 2005).

The higher learning institutions in Kenya have experienced dynamic changes which have changed the operating environment. Initially, government funding for higher education was only advanced to public universities (Commission of University Education, 2018). But this situation has changed, since there are fewer public universities currently operating in the country as there are the privately owned universities. However, the enactment of the universities Act 2012 allowed private universities to admit state sponsored students. In addition, the number of institutions offering higher education has been increasing since 2012 against an almost constant student to declining qualified student numbers for university programmes (Commission of University Education, 2018). The support from the central government to public universities also started declining forcing the universities to start looking for new ways to support their operations. Each university has to come up with innovative ideas and entrepreneurial to be able to increase their revenue streams. Some of the activities started by universities include entrepreneurial ventures initially outside their mandate but that support their core activities. This study will therefore seek to determine the effects of organizational factors on institutional entrepreneurial behavior of the University of Nairobi.

1.1.1 Organizational Core Factors

Organizational factors comprise the policies and practices guiding the flow of activities within an organization (Aparicio, 2017). These factors make up a great proportion of organizational culture as they define how tasks get performed to achieve preset objectives (Arunga, 2017). This comprises compensation or reward system, culture, modes and means of communication, structure, control, regulatory systems, and leadership styles (Kimwomi, 2015). A study by Park (2017) identified industrial relations, technology application levels, and strategy as additional organizational factors that have a bearing on entrepreneurial behaviour among large organizations.

The culture in an organization covers aspects of shared values, norms, beliefs and the way members in an organization accept unfolding as way of life (Mbaka, Winnie & Gitonga, 2017). This could take the shape of structure adopted in terms of chain of command that could be either bureaucratic or organic. Reward system deals with the way employees are compensated. Zhao's (2015) identified key organizational factors as including support accorded by top management teams, reward schemes, leadership styles employed, culture, and strategy and communication channels.

1.1.2 Entrepreneurial Behavior

Entrepreneurial behavior refers to the process of generating income and coming up with a new and valuable product or service to other persons through linking financial risks to factors of production (Wilson, Kickul & Marlino, 2007). It is concerned with utilization of resources in an innovative manner (Wickham, 2006). This innovative mindset approach to development of products that meet the rapidly changing customer needs is needed in all organizations regardless of their size (Jain, 2011).

Unlike small organizations where entrepreneurial initiatives are geared towards generation of new knowledge that result in development of new products and services, large well established organizations engage in entrepreneurial initiatives are centered on day to day entrepreneurship in terms of new style of management geared towards performing tasks in an entrepreneurial way (Rwigema, 2011). Entrepreneurial behavior enables organization seize opportunities in relation to new markets, businesses and processes. In addition, it enables large and well established organizations to compete proactively against small more flexible companies (Wilson, et al., 2007). It also stimulates an organizational workforce to foster retention of managerial talent. Entrepreneurial behaviour also fosters development of innovative and adaptive capabilities by providing alternatives of combining internal resources creatively (Wickham, 2006). Entrepreneurial behaviour promotes entrepreneurial activities that accelerate managerial practice for enhanced competency for continuous corporate transformation.

1.1.3 University of Nairobi

The University of Nairobi is a corporate body founded under the Universities Act 2012 of the laws of Kenya together with University of Nairobi Charter (UoN, 2019). The University is the pioneer institution of University education in Kenya and the region. In its earlier years, the University produced the necessary human capital at National, Regional and Africa through development of strong and diversified academic programmes in humanities, applied sciences, social sciences, arts and basic sciences (UoN, 2019). The University operated a restricted in-take for Government sponsored programmes until early 2000 when it ventured into module II programmes as a way of raising additional revenue to meet its increasing expenditure (UoN, 2019).

To make sure it maximized its entrepreneurial development, the University established the University of Nairobi Enterprises and Services (UNES) in 1996 whose responsibility is to promote and coordinate income-generating activities on the behalf of the University (UoN, 2019). UNES provides diverse services ranging from professional training, product innovations, institutional research and consultancy. It also provides Bookstores, financial management commercial activities, hospitality among other services to both the University community and the public (UoN, 2019). Some of the flagship entrepreneurial activities of the University include: Chiromo Funeral Parlor, Arziki Restaurants and Conference Center, Diagnostic Imaging and Radiation, Haematology Services, Financial management business unit, Vet farm, University Library, animal clinic and the University Dental Hospital (Dental Plaza) (UoN, 2019).

1.2 Research Problem

The corporate sector entrepreneurship is meant to help such organizations become self-sustenance, meet their missions and goals in response to reduced government funding. The field of corporate entrepreneurship has been considered to focus on improving the performance of higher institutions (Rwigema, 2011). The factors determine how successful an organization can start new ventures outside their mandate in profitable way (Wickham, 2006). The creation of organizational entrepreneurship is a result of efforts for self-sustenance and the desire to perform. Corporate entrepreneurship is meant to generate extra funds that supplement government funding to institutions. Park (2017) examined factors that stimulate and constrain corporate entrepreneurship in the public sector such as; environment, resources, political and organizational structure. Private sector entrepreneurship is considered to be well established compared to public sector entrepreneurship.

Operations at the University of Nairobi have been affected by a growing student debt and raising current liabilities that stood at Sh5.7 billion against current assets of Sh4.3 billion as at June 2018 (Auditor General's Report, 2018). This has been attributed to a decline in capitation from the Ministry of Education, drop in student enrolment, and continued academic staff industrial action. Despite the enormous resources in terms of experts in different fields and other physical assets which lie in different department as though they are worthless. But, the entrepreneurial spirit within organizations is a function of organizational factors. One of the strategies adopted by the University to boost its financial revenues is entrepreneurial behaviour which has seen the University generate income and coming up with new and valuable product or service which were initially outside their mandate (UoN, 2019).

Yadolahi, Meisam, Mahmoud and Aidin (2014) examined different institutional factors that affected academic entrepreneurship in University setting using data from the University of Tehran. From the findings, academic entrepreneurship in Iran was affected by governance structures, training programs on entrepreneurship, the interaction of the University with the industry, policies and regulations set by Government, laws and regulations on intellectual property, reward system, methods of enforcing rules and academic attitude towards entrepreneurship. In another study, Maktabia and Babakhanian (2015) sought to identify factors affecting organizational entrepreneurship among technical schools. The study identifies three key factors as structural, environmental and behavioral that has pushed technical schools to engage in entrepreneurship activities and projects to be able to supplement their sources of revenues.

Muhammad, Jingdong, Usman and Khalid (2018) focused on the mediating role of factors that affected entrepreneurial behaviour among employees working in telecommunication firms in Pakistan. The study notes that failure factors need to be given appropriate attention as they seemed neglected. Olowa and Olowa (2015) used the case of Nigeria to study factors that affected development of entrepreneurship among agribusiness enterprises. The findings identified gender, age, business size, family size, secondary occupation, and membership to cooperative societies as key influencers to development of entrepreneurship. This study concentrated on individual entrepreneurship as opposed to institutional entrepreneurship thus limiting the application of its findings in the current study setting.

Eresia-Eke and Gunda (2015) reviewed entrepreneurial intentions among studies in institutions of higher learning in Botswana. From the findings, no gender-based differences were established in entrepreneurial intentions. Any gender that was interested would get in entrepreneurial activities without having to skip any barriers that may affect their intentions. In addition, no association was established between entrepreneurial intentions and entrepreneurial abilities of the people.

In Kenya, Mueni (2016) used the case of United States International University-Africa to examine factors that determined entrepreneurial intentions among students. From the results, entrepreneurial education and training, age, gender and personal attributes influenced student intentions to engage in entrepreneurial activities. Omari (2018) studied the way that organizational characteristics influenced the relationship between entrepreneurial behaviour and human motivations at the Kenya Revenue Authority. Findings show that organizational factors influenced the way human factors affected entrepreneurial behaviour.

From the above examination of empirical studies, it is evident that various scholars have paid attention to organizational factors on institutional entrepreneurial behavior. However, their scope of coverage in terms of variables and context limited their application to the current study setting. As such these studies created knowledge gap in terms of context, the methodologies adopted and conceptual gaps. This has created a gap that the current study sought to fill by answering one research question: How does organizational core factors affect institutional entrepreneurial behavior of the University of Nairobi?

1.3 Research Objective

The objective of this study was to determine the effects of organizational core factors on institutional entrepreneurial behavior of the University of Nairobi.

1.4 Value of the Study

This study would be valuable to several stakeholders. Specifically, the beneficiaries comprise of academicians, managers in public and private universities and the Government of Kenya in formulation and implementation of policies on entrepreneurial behaviour among institutions of higher learning. The manner in which each of these stakeholders will benefit is highlighted below:

For the academicians, this study would contribute to growth of literature as it will join the sources of empirical literature that can help direct future research. The study also generates new knowledge and application of theories that may help guide future scholars as they plan to undertake their studies. It also identifies areas with researchable gaps to recommend for future scholars to concentrate on.

The study may also provide information to the Government of Kenya especially the Ministry of education through the commission of University Education on the appropriateness of entrepreneurial behaviour among institutions of higher learning. It would help point out the contributions of entrepreneurial behaviour on combination of university resources to enable them deal with emerging challenges and exploit opportunities to the optimal.

The study may also be helpful to management teams in institutions of higher learning by providing information on the different organizational factors that affect their entrepreneurial behaviour. This may help them formulate and implement more appropriate strategies for better entrepreneurial behaviour. This may also improve their adaptation to the changing business environment for improved sustainability.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of literature on factors influencing entrepreneurship. The chapter begins with a theoretical review on concept of entrepreneurship and entrepreneurial theories, followed by review on the several categories of entrepreneurship. These are discussed in detail in the following sections.

2.2 Theoretical Foundation

Theories can be explained as sets of concepts used to illustrate facts and phenomena, repeatedly tested and widely accepted to make estimates about natural occurrences (Greener, 2011). This study was anchored on Entrepreneurial Bricolage Theory and the Effectuation Theory. These theories are discussed in detail below to bring out their contribution to the current study.

2.2.1 Entrepreneurial Bricolage Theory

This theory was formulated by Levi-Strauss (1967) to help explain the decisions made by organization to improve their wellbeing by applying the different combination of resources at their disposal to respond to new challenges and opportunities. This was further applied by Baker and Nelson (2005) in their argument that organizations are continuously faced with limited and resources yet the challenges are unlimited. These circumstances present organizations with three options: seek for resources from outside the organization, avoid new challenges or enact bricolage by making do through application of a combination of resources at their disposal to respond to new challenges as they maximize the opportunities present (Baker & Nelson, 2005).

This theory emphasizes on combination and reuse of resources already present in an organization for different applications in addition to those they were originally meant for or used in. The combination of pre-existing resources for new tasks has helped organizations in timely responding to the changing business environment to emerge successful. Some of the resources already owned are very important as espoused in the Resource based View theory.

These pre-existing resources if well utilized presents an opportunity to emerge competitive as other organizations may not know how to access these resources. This theory was relevant to this study especially the case of the University of Nairobi because the University possess enormous resources some of which are not being fully utilized or are regarded as “worthless” yet if well combined, could be used to respond to the challenges the University is facing as it seeks to take advantage of the opportunities in its operating environment. Thus, the theory is relevant to the study.

2.2.2 Effectuation Theory

This theory was developed by Sarasvathy (2001) to help explain the adoption of logic that deviates from the traditional causation approach largely because of resource constraint situation. It provides reasons as to why businesses end up with new business ventures even when these new ventures did not form part of their initial goals and mandate (Sarasvathy & Dew, 2005). It argues that businesses assume risks to that extent that they can absorb losses as they maintain their ability to align their operations to the changing business environment (Sarasvathy, Kumar, York & Bhagavatula, 2014). As such, the concerned organizations pursue new business opportunities to grow their profitability and sustainability (Sarasvathy & Dew, 2008).

Fisher (2012) noted that the Effectuation logic mainly flourishes in environments characterized by instability making it difficult to predict. As such, the involved organizations learn by doing as suggested by Sarasvathy and Dew (2005). This theory boost of seven dimension for successful Effectuation: experimentation which describes the phase of trying different approaches in trying to find the best business practice to adopt (Sarasvathy, 2008); affordable losses as opposed to expected returns which describes the extend that an entrepreneur can absorb losses within resource constraint boundaries; starting the business with the limited resources at the disposal of an entrepreneur regardless of how little it is. The fourth dimension deals with risking little and failing cheap as the resources are scarce.

Entrepreneurs are therefore called upon to be creative to find ways of how they can survive with the little they have to emerge successful. They are required to risk little capital in an incremental manner so that in case they fail, they fail cheap and are able to recover to start all over again (Reuber, Fischer & Coviello, 2016). The fifth dimension is to enter into some form of strategic alliances while the sixth dimension if to be as flexible as possible to understand what works and what does not. The final dimension relates to exploitation of contingencies as opposed to existing knowledge (Chandler, DeTienne, McMelvie & Mumford, 2011).

2.3 Organizational Core Factors and Entrepreneurial Behaviour

Several studies have focused on the influence that organizational factors have on entrepreneurial behaviour across the world. Malek (2013) identified support from the top management as a key component of entrepreneurial behavior in organizations. This is because employees cannot be allowed to act outside the provisions imposed.

Management commitment to actions undertaken by staff goes a long way in motivating them to innovate and come up with new ways of combining existing resources to deal with emerging challenges and opportunities. Management support could be exhibited in the form of provision of finances for the entrepreneurial activities, training, supporting collaborations with strategic partners and development of knowledge repositories. Some of the support that can lead to increase staff commitment can include monetary and also non-monetary benefits.

In Another study, Muhammad, Jingdong, Usman and Khalid (2018) focused on the mediating role of factors that affected entrepreneurial behaviour among employees working in telecommunication firms in Pakistan. Through a descriptive design on 381 employees, the findings identified communication openness, fairness in reward, level of tolerance on failure and work discretion as key factors that influenced entrepreneurial behaviour among employees. There was a mediating effect of effective commitment. The study notes that failure factors need to be given appropriate attention as they seemed neglected. Some of the failure factors comprised unstable political environment, complex taxation, poor law and order maintenance together with corruption played a key role in entrepreneurial behaviour.

Umrani, Kura and Ahmed (2018) investigated the possible relationship between entrapreneurship at the corporate level, culture and performance in the context of commercial banks in Pakistan. Through Resource based Theory by Wernerfelt (1984), the study acknowledges that the success of an organization in entrepreneurial behaviour is determined by resources within an organization both assets and capabilities. The culture within an organization could promote or inhibit entrepreneurial culture.

Ozaralli and Rivenburgh (2016) examined Entrepreneurial intention by looking at antecedents to entrepreneurial behavior using data drawn from United States of America and Turkey. The focus was on students attending institutions of higher learning in the two countries. The findings identify innovativeness and entrepreneurial intention as key factors followed by risk taking propensity. The focus of the study was on individual students as opposed to the corporate institution like the University hence limiting the application of the findings to the current study setting.

In Africa, Zaki (2016) focused on the case of hospitality undergraduate students in Egypt to study entrepreneurial behaviour. The study was motivated by rampant lack of fairness in salaries, nepotism in filling few available vacant position and increased privatization of firms. From the findings, personality traits and educational qualification played a key role in entrepreneurial behaviour among students. Urban (2017) studied the role played by organizational factors together with alertness of an organization in building entrepreneurship using the case of South Africa. The findings indicated that organizational rewards, flexibility in boundaries and resources available influence entrepreneurial behaviour.

Mbaka (2017) identified organizational culture as a key factor in entrepreneurial behavior in organizations. Culture defines how activities get performed within an organization to achieve set objectives. Through shared values and accepted believes, rules and procedures, culture has the potential of encouraging collaborations and sharing of knowledge within an organization (Zhao, 2015). A culture that prohibits free interaction among staff and exchange of ideas may limit the development of entrepreneurship.

The flow of authority within an organization defined in the structure plays a key role in entrepreneurial development. Arunga (2017) argued that in cases where bureaucratic structures exist, creativity among staff is constrained through enforcement of rules and orthodoxy. This makes processes more automatic with little room for flexibility to accommodate creativity. Actions by staff are defined by strict formal policies and work procedures as no tolerance to ambiguity is entertained. Staff are not allowed to perform contrary to the set rules and processes lest they get penalized.

Kuria (2013) noted that the reward system existing in an organization has a direct bearing on entrepreneurial behaviour among its employees. To motivate employees to engage in entrepreneurial activities, the reward system needs to be structure in such a way that creativity is encouraged. For instance, it should provide room for feedback sharing. Communication is important because it allows information to flow from one level to another for smooth operations.

Khisa and Ogollah (2014) acknowledged the influence of culture in entrepreneurial behavior of enterprises in Kenya. The level of competence among employees posted a direct relationship with corporate entrepreneurship. It was noted that corporates could improve the overall entrepreneurship levels in organizations. Leadership support from management together with their engagement was found to be a key factor in corporate entrepreneurship. Assessing the role of leadership styles in organizational entrepreneurial behaviour, Amer (2017) noted that effective leadership styles accords an organization opportunity to withstand uncertainties it its operating environment in the form of competition and change. Employing appropriate leadership styles promote the rate if innovations leading to new ways of working and unprecedented revolutions.

2.4 Summary of Empirical Literature and Knowledge Gaps

The concept of organizational factors and entrepreneurial behaviour has been of interest to several previous scholars (Muhammad et al. (2018); Ozaralli and Rivenburgh (2016); Mbaka (2017); and Kuria (2013). For instance, Malek (2013) identified support from the top management as a key component of entrepreneurial behaviour in organizations as employees cannot be allowed to act outside the provisions imposed. Muhammad et al. (2018) notes that failure factors need to be given appropriate attention as they seemed neglected. Some of the failure factors comprised unstable political environment, complex taxation, poor law and order maintenance together with corruption played a key role in entrepreneurial behaviour.

Umrani, Kura and Ahmed (2018) acknowledges that the success of an organization in entrepreneurial behaviour is determined by resources within an organization both assets and capabilities. The culture within an organization could promote or inhibit entrepreneurial culture. Ozaralli and Rivenburgh (2016) focus of the study was on individual students as opposed to the corporate institution like the University hence limiting the application of the findings to the current study setting. Mbaka (2017) noted that culture may prohibits free interaction among staff and exchange of ideas may limit the development of entrepreneurship. The context and concepts covered by these studies limit application of their findings to the current study profile. This therefore creates a gap that the current study would like to fill. Hence this study seeks to determine the effects of organizational factors on institutional entrepreneurial behavior of the University of Nairobi.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Methodology concerns itself with the preparations for data collection and analysis. It identifies the key preparations made by a researcher for data collection, the instrument that they plan to use, and how they plan to analyze the data collected. The chapter gives a foundation base for which the researcher will adopt during the process of collecting data and analysis. This section details the research design, population, data collection instruments, data collection procedure and data analysis is well documented in this section.

3.2 Research Design

Research design refers to the structure applied by a researcher in achieving the set objectives (Lewis, 2015). It identifies a systematic plan of events and actions in which a study is to be conducted to achieve a specified objective. This study adopted a cross sectional survey with a descriptive research design. Cross sectional in the sense that the study cut across a number of entrepreneurial activities established by the University of Nairobi. Descriptive design on the other hand gives an opportunity to review to collect more information that would help further the available knowledge on a given phenomenon (Lewis, 2015).

This design was selected upon because it helped in determining and reporting how things as they are without manipulation. It concerns itself with aspects relating to the what, when, how, where and why of a phenomenon. This design has been previously applied by Umrani et al. (2018) in investigating the possible relationship between entrapreneurship at the corporate level, culture and performance in the context of commercial banks in Pakistan.

3.3 Population of the Study

Population is a set of people, elements, individuals, events, group of things or households that are of interest to a researcher (Creswell & Creswell, 2017). The population of this study will comprise managers of each of the established entrepreneurial enterprise at the University. Records from the University of Nairobi (2019) identify thirteen entrepreneurial enterprises led by 13 directors.

The study therefore contacted the director for the purposes of data collection. These directors report to the Deputy Vice Chancellor (DVC) Finance. In order to ensure adequate and appropriate data is collected, a researcher needs to identify the appropriate respondents who possess key information on the variables under review. For this study, the target directors of the entrepreneurial enterprises together with the office of the DVC finance were targeted. The study therefore targeted 13 respondents.

3.4 Data Collection

This study used primary data that was collected through an interview guide as the method of data collection instrument. The advantage of using an interview guide is that it collects more insight information that questionnaires and other instruments may not be able to collect (Wang, 2015). The interview guides further give the respondents the space and freedom to express their views, opinions and perceptions of a subject matter without being limited to the specific wordings used in other standard research instruments (Creswell & Creswell, 2017). The interview guide was structured such that it gave information on the demographics of the respondents and the second part covered questions on the study variables. This way the information collected could easily be grouped into themes as per the study variables.

The researcher administered the interviews in person so as to read the mood of the interviewees on matters which they may have limited information. The study picked on senior management to the enterprises because of their key involvement in formulation and enforcement of business strategies in their respective business establishment. These persons are deemed to know key information sought by the study.

3.5 Data Analysis

Collected data was majorly qualitative as the interview guide did not provide room for collection of quantitative data. The researcher typed the data collected and arranged it in thematic areas for easy of analysis. Content analysis is where the researcher interprets the data in the context that it was collected so as to make meaning out of it. The analysed data was presented in prose format in accordance with the key themes in the study.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter is set out to provide the analysis of the data that was exclusively gathered from the field using interview guides. The study gathered information from directors of 13 entrepreneurial enterprises at the University using the interview guides. This means that the information obtained from the field was largely qualitative in nature. The analysis of the findings was conducted by exploring the key themes using a technique called content analysis.

The analysis was conducted progressively based on how the interview guides were designed so as to achieve the study objective. The first section details the general information of the interviewees while the subsequent sections cover the themes on organizational core factors as well as entrepreneurial behaviour. The information is presented in continuous prose covering the key themes of the study.

4.2 General Information

The study sought to gather the general information of the respondents including their position, years of experience at the university and in the entrepreneurial establishment and well as the highest levels of education. The rationale for collection of the general information was to assess the suitability of the interviewees in taking part in the study. It also helped in understanding the participants in the study so as to know whether the required information was sought by the study.

The interviewees were asked to indicate the positions they held in their respective entrepreneurial establishment. From the results, a vast majority of the interviewees were the managers and directors of their respective establishments. Having been drawn from senior positions, it can be inferred that the interviewees were knowledgeable on organizational core factors that was the focus of the study.

The study collected information on the number of years that the interviewees had been working at the University. On average, the study established that majority of the interviewees had worked at the University for a period of over 5 years. The implication of this finding is that the interviewees had worked in the university for a long period of time and thus could be seen to be knowable on organizational core factors and their interaction with entrepreneurial behavior in their institution.

The study sought further to determine the number of years that interviewees had worked in their respective entrepreneurial establishments. The study noted that on average, majority of the interviewees had worked in their respective entrepreneurial establishments for a period of over 3 years. This has an implication that they had had information and knowledge on organizational core factors that are in place in their respective entrepreneurial establishment and how they influenced their entrepreneurial behavior.

The interviewees were also asked to indicate their highest level of education attained. It was established that all the interviewees had undergraduate degrees although in different fields and specializations including Bachelor of Sciences (BSC) as well as Bachelor of Commerce (B-Com). This means that the interviewees were learnt and thus were in position to read and interpret the research questions as sought by the study.

4.3 Organizational Core Factors and Institutional Entrepreneurial Behavior

The study sought to determine why the University had established the respective enterprises. Most of the interviewees noted that their establishments were largely put in place so as to generate income for the University. One interviewee shared that the University establishment entrepreneurial establishments so as to meet the demands of the customers. The other reasons advanced for putting in place entrepreneurial establishments as indicated by the interviewees included the need to offer accommodation to students as well as provide catering services.

The interviewees were asked to indicate the core factors that played a key role on the success of their enterprises they managed. All the interviews gave the leadership style embraced as a key factor that shaped success of their enterprises. The study noted that effective leadership resulted into a sense of motivation and shared direction among other junior staff which made it possible for the enterprises to realize the formulated goals. Availability of land for expansion purpose also emerged as another core factor that determined success of the studied enterprises. The other core factors that were shared by respondents included high level of professionalisms as well as the restrictive measures adopted where the products were only sold to staff members in the University.

The interviewees were asked to indicate how the University management commitment affected the performance of the studied enterprises. The study established that the management of UON played a key role in provision of the required infrastructures including land and water as well as electricity. The interviewees said the University management availed the required resources including finances to the enterprises.

The study sought to establish how communication openness within the enterprise and University at large affected entrepreneurial behavior in their establishment. It was shown that there was good communication within the enterprises covered by the study. It was shown that outside communication in the enterprise was hard particularly for written forms of communication. It was shown that it was not easy to get to the senior and top management of the University in as much the flow of information within the respective enterprises was easy. This inability to access the top management of the University in a way affected entrepreneurial behavior in the studied firms.

The role of fairness in reward within the enterprise and University was assessed and how it affected entrepreneurial behavior in the studied establishments. All the interviewees said that there were no reward systems and thus the entrepreneurial behavior was not affected in any way. It can be inferred from this finding that rewards systems as well as the degree of fairness in these rewards is a key organizational core factor influencing entrepreneurial behavior of an entity. Because of the absence of the reward systems, most of the interviewees said that there was low level of motivation.

The level of tolerance of failure within the enterprise and University at large was examined and how it affected entrepreneurial behavior in the establishments studied. The study noted that tolerance of failure negatively affected entrepreneurial behavior particularly in the event that an individual in the firm is not thoroughly followed. The study note that tolerance of failure slows down the core mandate of the enterprises spoils the level of reputation besides overloading other workers in the enterprise. It emerged successful business entities are those that have minimal tolerance of failure.

An assessment of the political environment and how it affected entrepreneurial behavior in the studied establishments was conducted. Most of the interviewees said that the entrepreneurial behavior in their respective enterprises was not significantly affected by the political environment in the country. However, one interviewee said that the tax system slowed down the running and day to day operations of the enterprise.

The study examined the taxation system in the county and how it affected entrepreneurial behavior in the studied establishments. From the results, majority of the interviewees said that the tax system had no effect on entrepreneurial behavior in their enterprises. However, one of the interviewee said that the taxation system resulted into an increase in prices charged on products by the enterprises.

Interviewees were asked to indicate how law and order maintenance in the country affected entrepreneurial behavior in the establishments. It was shown that the police post located in close vicinity of the studied firms positively contributed towards entrepreneurial activities in the enterprises covered. The study noted that maintenance of law and order brought about peaceful coexistence and operation of the studied enterprises.

The study looked at internal resources at the University and how they affected entrepreneurial behavior in the studied establishments. The study noted that availability of adequate internal resources resulted into smooth running of the operations among the enterprises. It emerged that few enterprises relied on internal resources of the University but rather, on the produce generated by respective enterprises.

The study sought to determine how innovativeness at the University had affected entrepreneurial behavior in the studied establishments. One of the interviewee said that PHD students are bringing in new ideas and projects that positively impact on entrepreneurial behavior of the studied firms. One respondent noted that although innovativeness was in place resulting into new ideas, the high level of bankruptcy has adversely affected consideration and implementation of the new ideas that emerged.

An assessment of culture in the University and how it affected entrepreneurial behavior in the establishments was conducted. From the results, the interviewees said that culture had a negative effect on entrepreneurial behavior since it made businesses to move at a slower pace. The interviewees further noted that the culture of the enterprise adversely affected the operations in terms of decision making ability. Because of the culture in some of the enterprises, the study noted that it took a long time to procurement items as well as make necessary approvals. Resistance to change was another aspect of culture where most of the individuals in the studied enterprises were not willing to change from the usual and daily processes and slowed down the operations in some of the studied enterprises.

The study further looked at internal policies and work procedures in the University and how they affected entrepreneurial behavior in the studied establishments. The study noted that internal policies and work procedures resulted into increased efficiency in the operations of the enterprises covered. On the contrary, another interviewee said that internal policies and work procedures resulted into delays in the organization hence stagnating the operations of the entity. It was shown that people are forced to adhere to the established internal policies and work procedures although their ideas are not fully put in place in some of the studied enterprises.

The interviewees were asked to indicate how leadership styles in the University had affected entrepreneurial behavior in this establishment. It was established that some of the leadership styles are not flexible in the sense that some of the individuals are forced to adhere to the established hierarchies (the leaders) and thus inability to follow their subordinates. The study revealed that some of the enterprises are characterized by dictatorial leadership such that majority of the staff develop fear as they carry out their duties in the firm.

The study explored other ways through which the University's core factors affected entrepreneurial behavior in the establishments. From the results, some of the interviewees said that the management in their enterprises was not given opportunities to go out and come up with new ideas. Another respondent said that the hierarchy in the University acted as a hindrance for the enterprises to move to higher levels.

4.4 Discussions

The study noted that the need to have in place income generating activities informed the decision of UON to have in place entrepreneurial enterprises. A number of core organizational factors influencing entrepreneurial behavior of these enterprises were established by the study including the adopted leadership style, availability of land for expansion purpose, high level of professionalisms as well as the restrictive measures adopted where the products were only sold to staff members in the University. The findings are empirically supported by Kimwomi (2015) who noted that organizational core activities comprise compensation of reward system, culture, modes and means of communication, structure, control, regulatory systems, and leadership styles.

The study established that the management of UON played a key role in provision of the required infrastructures including land and water as well as electricity. Zhao's (2015) identified key organizational factors as including support accorded by top management teams, reward schemes, leadership styles employed, culture, and strategy and communication channels. It was shown that there was good communication within the enterprises covered by the study. Compared to external communication, the study established effective communication was largely internal in the studied enterprises. Muhammad et al. (2018) identified communication openness, fairness in reward, level of tolerance on failure and work discretion as key factors that influenced entrepreneurial behavior among employees.

The study noted that there was no reward system in the studied enterprises and thus it did not have an effect on entrepreneurial behavior. The political as well as tax system did not have an effect on entrepreneurial behavior in the firm. On the other hand, law and order maintenance was found to have an effect on entrepreneurial behavior. These findings contradict Yadollahi et al. (2014) noted that academic entrepreneurship in Iran was affected by the policies and regulations set by Government, laws and regulations on intellectual property, reward system, methods of enforcing rules and academic attitude towards entrepreneurship.

It was shown that availability of adequate internal resources resulted into smooth running of the operations among the enterprises. Culture was to have a negative effect on entrepreneurial behavior since it made businesses to move at a slower pace. The finding is supported by Umrani et al. (2018) who established that culture within an organization could promote or inhibit entrepreneurial culture.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The essence of this chapter is to provide a summary of the analyzed findings from the field. The findings are summarized based on the themes that were explored through the use of content analysis. The chapter also makes conclusions of the findings as informed by the analysis on the data that was gathered in the study. The conclusions are also informed by the theories that provided anchorage to the study.

The recommendations for policy and practice are provided largely informed by the findings of the study. The chapter also has the limitations arising from the concepts, context as well as the methods used in the study. The areas for further research are provided that would expand the available literature on organizational core factors and their interaction with entrepreneurial behavior in entities.

5.2 Summary

This study aimed at determining the effect of organizational core factors on institutional entrepreneurial behavior of the University of Nairobi. The study established that the University has set up various enterprises largely driven by the need to generate more revenues and meet the demands of the customers. Various core factors that played a key role in the success of these enterprises include leadership, availability of land, professionalism as well as the restrictive measures adopted, the degree of commitment of the University management and communication openness.

It was established that the management of the University played a key role in provision of the required infrastructures including land and water as well as electricity for the enterprises and thus positively influencing entrepreneurial behavioral. The study noted that internal communication was more effective as compared to external communication in the studied enterprises. There was no reward system in most of the enterprises and thus fairness in reward was found to have no significant effect on entrepreneurial behavior in the studied firms.

The study established that high tolerance of failure negatively affects entrepreneurial activities at the University. The political environment as well as the tax systems was found to have insignificant effect on entrepreneurial activities in the University. The study noted that law and order maintenance has positive effect on entrepreneurial behavior in the University. Internal resources at the University were also found to have an effect on entrepreneurial behavior.

The study established that although innovativeness was encouraged at the University, the new ideas generated received little attention and consideration due to high level of bankruptcy in some of the enterprises. The study noted that the culture of the University has negative effect on entrepreneurial behavior. This is particularly in regard to whether there is resistance to change among employees in the firm. Internal policies and the work procedures may have a positive or negative effect on entrepreneurial behavior in the firm. The negative effect of internal policies could be explained in terms of increased rigidity and inflexibility as the established policies should be adhered to.

5.3 Conclusion

Organizational core factors have been found to have an effect on the entrepreneurial core behavior of the firm. Some of these organizational core factors that may affect entrepreneurial behavior include the culture of the organization, the policies and work procedures, tolerance to failure, leadership, and the internal resource of the organization as well as the flow of communication in an entity. The study noted that much of the organizational core factors that affect entrepreneurial behavior are those that arise from within the entity as compared to external factors like the tax system and the political environment.

Some of these organization core factors that are largely internal to an entity can be illustrated in terms of resources that the firm has in place. The view of these organizational core factors in terms of resources of the firm is well supported by the Entrepreneurial Bricolage Theory that explain the role played by resources in the firm to effectively respond to new challenges and opportunities. Resources of the firm can be a major source of competitive advantage and a driver for entrepreneurial activities as justified by this theory.

Some of the organizational core factors like the culture, the internal policies and work processes as well as fairness in reward are negatively related with entrepreneurial behavior in an entity. Some forms of culture in the firm like resistance to change only increase rigidity and inflexibilities thus adversely affecting entrepreneurial activities. The same case applies to excessive internal policies which complicate the approval process and speed at which activities in the firm are conducted. On the other hand, the organizational core factors like leadership, the systems of information flow, the management of the Universality as well as law and order maintenance.

5.4 Recommendations of the Study

The role played by organizational core factors in entrepreneurial behavior in the firm cannot be overlooked if the business wants to survive in the ever turbulent environment. Any organization that wishes to compete in a globalized economy must critically examine its organizational core factors to ensure that are well aligned with the forces of the environment. The organizational core factors can be internal or external in a firm. Unlike the external core organizational factors, the internal factors like the culture and leadership of the firm seems to have a larger effect on entrepreneurial behavior.

The study noted that organizational core factors have mixed effect of positive as well as negative influence on entrepreneurial behavior. There is need for the management of UON to improve on some of the items of organizational factors like the culture and leadership so as to improve on entrepreneurial behavior. Efforts are required to ensure that innovative ideas raised by staff among the enterprises at UON are implemented. Resistance to change and poor leadership were found to have an adverse effect of entrepreneurial behavior at UON. The study raises the need for the management to adopt effective change management strategies as well as improving on leadership in place.

5.5 Limitations of the Study

The context of the present study was on the University of Nairobi with specific reference to 13 entrepreneurial enterprises (refer to appendix I). The rationale for selection of UON was that it is one largest public University in Kenya with a relatively large number of enterprises. By selecting on UON, it was possible to generalize the findings of the study to the larger population of Universities in Kenya.

The methodologies used in the study included adoption of survey and cross sectional design that was descriptive in nature. The study relied on information obtained from the first hand sources. More specifically, the study gathered data with the use of interview guides. It therefore implies that information used in the study was largely qualitative as only open ended responses were used in the interview guides. To process these responses obtained from the interview guides, the study adopted the use of content analysis. This entailed exploration of various themes in the study in prose and continuous manner.

5.6 Areas for Further Research

The study relied on qualitative data that was gathered with use of interviews. The study adopted content analysis in processing of the results. It is therefore recommended that future studies should adopt advanced methods of analysis including the use of regression analysis. This is informed by the fact reliable deductions can only be drawn from inferential statistics.

The study gives recommendations for further research in other Universities apart from UON. There are 22 public Universities in Kenya that operate in spread across the 47 Counties. Besides these public Universities, there are also private institutions of higher learning operating in Kenya. This study therefore recommends for further research to be conducted with a larger sample constitution of both private as well as public institutions of higher learning. Further research can also be conducted in the Universities operating across the East Africa region as a whole.

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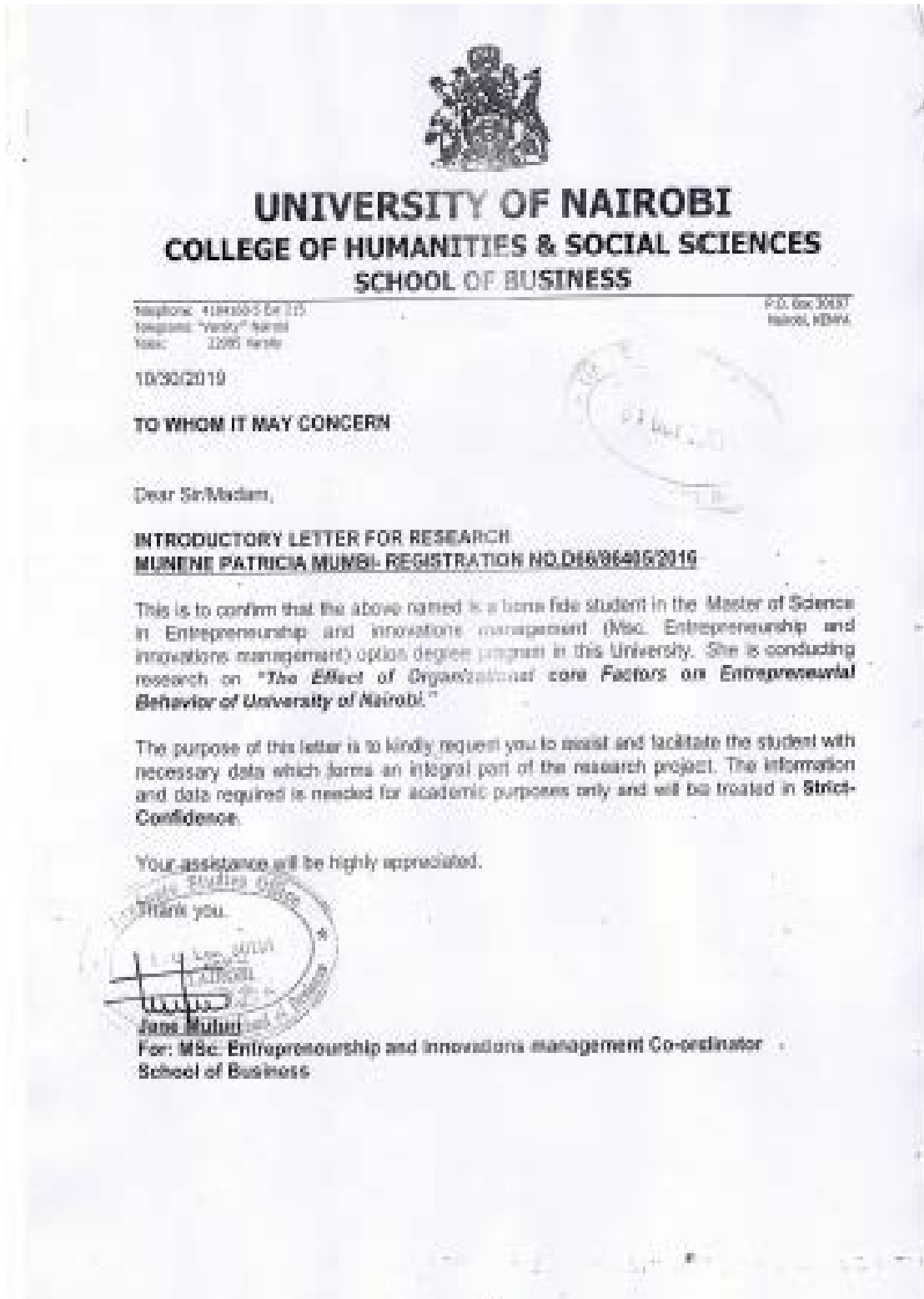
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APPENDICES

APPENDIX 1: INTRODUCTION LETTER FOR RESEARCH



APPENDIX II: INTERVIEW GUIDE

SECTION A: GENERAL INFORMATION

1. What is your position in this entrepreneurial establishment?
2. How many years have you worked at this University?
3. How many years have you worked in this entrepreneurial establishment?
4. What is your highest educational qualification?

SECTION B: EFFECTS OF ORGANIZATIONAL CORE FACTORS ON INSTITUTIONAL ENTREPRENEURIAL BEHAVIOR

5. Why did the University establish your enterprise?
6. What were the core factors that played a key role on the success of this enterprise?
7. How has university management commitment affected the performance of this enterprise?
8. How has communication openness within the enterprise and University at large affected entrepreneurial behavior in this establishment?
9. How has fairness in reward within the enterprise and University at large affected entrepreneurial behavior in this establishment?
10. How has the level of tolerance of failure within the enterprise and University at large affected entrepreneurial behavior in this establishment?
11. How has political environment affected entrepreneurial behavior in this establishment?

12. How has taxation system in the county affected entrepreneurial behavior in this establishment?
13. How has law and order maintenance in the country affected entrepreneurial behavior in this establishment?
14. How have internal resources at the University affected entrepreneurial behavior in this establishment? (comment on assets and capabilities)
15. How has innovativeness at the University affected entrepreneurial behavior in this establishment?
16. How has taxation system in the county affected entrepreneurial behavior in this establishment?
17. How has the culture in the University affected entrepreneurial behavior in this establishment?
18. How has internal policies and work procedures in the University affected entrepreneurial behavior in this establishment?
19. How have leadership styles in the University affected entrepreneurial behavior in this establishment?
20. In what other ways has The University's core factors affected entrepreneurial behavior in this establishment?

**APPENDIX III: LIST OF ENTREPRENEURIAL ENTERPRISES AT THE
UNIVERSITY OF NAIROBI**

1. Chiromo Funeral Parlor
2. Arziki Restaurants and Conference Center
3. Diagnostic Imaging and Radiation
4. Haematology Services
5. Financial Management Business Unit
6. Vet Farm
7. University Library
8. Animal clinic
9. University Dental Hospital (Dental Plaza)
10. Estate Section
11. Transport Section
12. Research and Innovations
13. Student Welfare Authority (Accommodation and Catering Services)

Source: (University of Nairobi, Finance and Administration 2019)

THE END

THANK YOU FOR TAKING PART IN THE STUDY