THE ROLE OF ENTREPRENEURIAL ORIENTATION ON THE PERFORMANCE OF REAL ESTATE FIRMS IN NAIROBI

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

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This project has been submitted for examination with our approval as the University Supervisor.

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DEDICATION

This research work is dedicated to my wife, daughter, son and friends for their endless moral and financial support and encouragement.

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This study is as a result of hard work in which I have been supported by many people to whom I am sincerely indebted. First and foremost, I would like to thank the Almighty God for the grace that he gave me to undertake and complete this study. In particular, I would like to express my sincere appreciation to my supervisor Prof. Bitange Ndemo, and other lecturers from the University of Nairobi for their time, patience, and constructive academic contribution to my research project. They were very instrumental and pivotal in my entire research process and thus I am indebted to them. Finally, I would like to acknowledge the hospitality accorded to me by the University of Nairobi fraternity.

LIST OF TABLES

ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
DC	Dynamic Capability
EO	Entrepreneurial Orientation
SPSS	Statistical Package for Social Sciences

ABSTRACT

The study sought to evaluate the part entrepreneurship orientation is facilitating in the performance of real estate companies in Nairobi. The theoretical foundation was based on two key entrepreneurship theories that is, the Schumpeter's Innovation theory of entrepreneurship and the dynamic capability theory. This study adopted a descriptive design. This study's target population is real estate firms in Nairobi, Kenya. Using data from the Kenya Property Developers Association (KPDA), 94 companies formed the study population. Since the population is small but adequate for a research study, a census study was done; this eliminated any potential bias since the study covers the entire population Primary data collection involved the development and administration of self-administered questionnaires. The analysis of the quantitative information was aided by SPSS software (v 22.0). The primary data from the research instrument was statistically analyzed. The data was first be analyzed with the help of descriptive statistics and the findings were presented in form of percentages (distribution) and counts (frequencies). The inferential statistics selected for the study was multiple linear regression analysis models which sought to model the association between the variables in the model. The study likewise, used the beta coefficients and p values to establish magnitude and direction of the connection between the variables. Specifically, the analysis used the following coefficients: correlation, level of significance, and coefficient of determination. Findings were presented in form of tables and figures. The findings indicated a coefficient of determination, (R square) of 0.71. This shows that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness of the entrepreneur explain 71% of the firm performance of real estate companies in Nairobi. The regression results revealed that innovativeness (β=0.358, p=0.000), autonomy (β=0.131, p=0.022), proactiveness (β=0.284, p=0.002), risk taking (β=0.116, p=0.032) and competitive aggressiveness (β=0.402, p=0.000) are positive and significantly related to firm performance. The study concludes that the use of entrepreneurship orientation plays a pivotal role in facilitating the performance of real estate companies in Nairobi. Based on the theoretical backdrops of the Schumpeter's Innovation Theory and the dynamic capability (DC) theory, good and better performance that trickles down to the successive unforeseeable future requires the entrepreneur to adopt over and above the normal and usual capabilities in the market. Innovativeness is therefore, paramount where the firm develops new ways of business operations to provide products and services that can compete aggressively in the market. The study further, recommends that real estate firms need to adopt new technologies for cultivation of organizational capabilities. They also need to be proactive in their research and development departments by incorporating technological advancements in order to maximize the potential that is in innovation strategies. Restructuring of the internal organization is necessary given a firm that requires efficiency and effective processes for better performance. The study recommends the firms to step up their marketing strategies since it was found to have a positive impact on performance. This can be done by a careful selection and utilization of qualified and experienced marketing managers who anticipate the variability in the market and innovate in order to satisfy the new and existing customers even amidst pandemics such as COVID-19.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Entrepreneurial Orientation (EO) denotes the procedure through which entrepreneurs enter and support business activities as well as provide a foundation for business decisions. Through entrepreneurial orientation, firms can increase their competitive aggressiveness, assume risks, and act proactively to boost their performance (Mwangi & Ngugi, 2014). Corporate performance refers to the review of how the company is carrying out its processes to capitalize on profit-making and ensure that it is in line with the company's goals and objectives (Lins, 2017). According to Mahmood (2015), organizations undertaking assorted entrepreneurial activities tend to realize higher levels of growth and profitableness compared to their counterparts that fail to engage in entrepreneurial orientation. Ali (2015) supports these assertions and argues that the aspects of Entrepreneurial orientation, particularly, assumption of risk, competitive aggressiveness, innovativeness, autonomy, and pro-activeness have been proven to improve the performance of companies that have adopted them.

Notably, two theories, including the dynamic capability theory and Schumpeter's theory of innovation in entrepreneurship provide the underpinning framework for this study. Schumpeter (2004) highlighted that economic change circles around business activities and proved that innovation could result in better insights compared to price bargain. Technological innovation, according to Schumpeter, can allow profits that soon can be done away with by economic foes and imitators (Saffu & Manu, 2004). The dynamic capacity (DC) theory builds up on the same idea by bringing in the element of dynamism, a strategic advantage to enable firms to view competitive advantage a derivative of innovation as well as an orientation by the entrepreneur (Teece, Pisano & Shuen, 1997).

The real estate industry in Kenya has experienced highs and lows between the years 2013-2018. In the recent past, Kenya is one of the countries that experience high mortgage rates, ranging between 12 percent and 15 percent, leading to an increase in demand for affordable housing.

1.1.1 Entrepreneurial Orientation

Entrepreneurial orientation is a concept that looks at entrepreneurship within businesses (Munene, 2017) and assesses the entrepreneurial behaviour in an organization. Entrepreneurial orientation is also a company's plan that showcases the organization's decisions making, processes, and behaviour that act in an entrepreneurial nature. Moreover, Entrepreneurial orientation is highly applied by corporates and organizations when venturing into new business opportunities. According to Mwangi &Ngugi (2014), Entrepreneurial orientation has five facets: competitive aggressiveness, innovativeness, assumption of risk, autonomy, and proactiveness. These facets can be merged to create knowledge voids which are essential in the creation of economic value.

Furthermore, Morris (2015), looks at entrepreneurial orientation in terms of risk assumption, being innovative, re-activeness, acting autonomously, and competing aggressively (Ajagbe & Ismail, 2015). Entrepreneurial orientation strategically positions an organization, enabling it to easily adjust to the demands of the evolving business world and maintain a competitive edge over its rivals (Macharia, 2016). Entrepreneurial orientation entails the propensities and procedures that empower firms to enter new or existing markets with new or subsisting product or service offerings. These processes aid us in wealth creation and technological growth. It is noted that corporate that practice Entrepreneurial orientation can mitigate the barriers that affect innovation when a company wants to introduce novel products and services into the market (Martinez, Serna, & Guzman, 2018).

Therefore, based on the theoretical and practical approaches aforementioned, organizations have the primary role of ensuring the competitiveness in the market. In order to achieve such a milestone in sustainability, the entrepreneurs (managers and/or stakeholders) are necessitated to be oriented towards innovativeness and dynamism in order to successively and sustainably perform in the competitive market both in the present and future.

1.1.2 Firm Performance

Performance is the analysis of how a company is performing to confirm that it is working towards achieving its goals (Lamine, 2016). For competitive sustenance (Long-run performance), companies need to embrace the idea of innovation by bringing in new measurement approaches and strategies to for transform measures of brand equity, in the form of brand preferences, and therefore, build a brand value (Winzar, Baumann & Chu, 2018).

As indicated theoretically by Schumpeter (2004) and Teece, Pisano and Shuen (1997), it is not enough to just perform at an instance, sustainability is key in order to ensure continuity of the firm especially where the competition is stiff. Therefore, it is very necessary to integrating sustainability indicators in the daily decision-making processes (Nigri & Del Baldo, 2018). Sustainability is key where decisions regarding corporate sustainability pose a significant dilemma for managers: to weigh social and environmental concerns against economic results (da Silva & Razzolini Filho, 2020). This call rests on the firm's ability to develop/innovate, protect intangible assets (such as knowledge and information), and exploit those assets in reality.

However, regarding different settings, the effects of EO dimensions, including risk-taking predisposition, variations in their effect on environmental performance were predicted. Businesses pose three types of risks when conducting entrepreneurship operations (Marino, 2013). First of all, industry uncertainties are linked to reaching new markets or adopting unproven innovations. Second, financial uncertainties derive from the necessary financial exposure and the risk / return profile of the new company (Marino, 2013). These require strong loans or a substantial part of the company's capital. Finally, personal risks are the respectable consequences of success or loss in the system (Marino, 2013).

Therefore, to measure performance of real estate firms, the study will include both metrics that is by looking at the number of projects, number of new customers, number of employees as well as the firms' profits (ROA).

1.1.3 The Real Estate Sector in Kenya

The Kenya Property Developers Association is the largest and the most resourceful hub of the real estate firms in Kenya (KPDA, 2020). Its restructuring has attracted global attention, with high profile multinationals acknowledging its rapid growth, competing with such economies as Miami and Monaco since the year 2012 (Hayer One Marketing, 2019; Chambers and Partners, 2020). Kenya Property Developers Association (KPDA), identified 94 most prolific and competitive real estate firms operating in Nairobi as at June 2020 (see Appendix 1) (KPDA, 2020).

The political instability depicted during the 2017 general election affected the development of the Real Estate since most of the investors were not ready to do any money-intensive projects leading to low development in the real estate sector. It was until the enactment of the famous handshake that enabled most of the businesses to stabilize, including the Real Estate.

Currently, the number of real estate transactions has been declining at a double-digit rate. The challenges facing the real estate sector in Kenya have been worsened by the fact that there has been an oversupply of premium quality properties which is expected to slow the sector further. Some of the most notable real estate players in Kenya have been forced to significantly lower the costs of their high-end properties just to remain afloat in an industry that is struggling with various kinds of challenges as a result of capping of interest rates (Kitoto, 2019). Different areas of the economy in Kenya have gained momentum since the Real Estate has somehow changed for the better (Mwathi & Karanja, 2017) despite a rising demand for housing that promotes a live-work-play lifestyle, and this has seen master-planned communities such as Cytonn's Newtown, Konza, and Tatu City coming up within prime areas in Kiambu, Machakos and other neighbouring counties (Knight Frank, 2013).

This slowdown saw the property billionaires feel the pinch as the slump took its toll on the auction of one of Suraya's flagships projects, Lynx Royal Apartments, among others in Nairobi (Syverson, 2017). Therefore, the only escape route to affordable housing is that the Real Estate should adopt EO to reduce construction cost, unlock land development and grow mortgage finance in the country.

1.2 Research Problem

The financial fortunes of real estate firms have been fluctuating across time. While real estate firms have posted good financial performance in some years, poor performance has been witnessed in other years. Evidence of this is the decline in the profitability of well-known firms such as the Suraya, housing finance group (Syverson, 2017) and Cytonn investments.

These firms have been forced to sell off properties at heavily discounted prices, due to low demand. Homeowners have sued Suraya and other firms due to the inability to meet contractual obligations. This has led to the auction of Sh384 million luxury residential houses (Hass property index, 2018). Some studies (Mwangi & Ngugi 2014; Kithaka, 2016 & Macharia, 2016) found a positive connection between EO and performance, whereas (Slater & Narver, 2016) found a negative association. This demonstrates a gap in terms of clarity of findings. Other studies (Osoro, 2012) have focused on manufacturing firms, while others (Okeyo, 2014) have looked at Small and Medium Enterprises (SMEs). However, none of the identified studies focused on real estate firms. Real estate firms are faced with a unique business environment; hence it would be important to put in a special focus on real estate firms.

Research gaps, such as methodological gaps abound in identified studies. For example, the studies by Adomako, Danso, Boso and Narteh (2018), Njeru, Bwisa and Kihoro (2012) and Patrick (2017) presented shortcomings in the generalizability of their findings due to their inadequacy of the instruments used for data collection thus, presenting a methodological gap.

Kovacs, Zulauf, Ürkmez, Brockhaus and Wagner (2016) link end entrepreneurial orientation with firm success in the post-socialist market context. Yañez Araque and Hernández (2015) have concentrated on the entrepreneurial perspective of hotels. Such studies pose a qualitative limitation in that the emphasis was neither on real estate productivity nor in Kenyan context.

Nonetheless, the results can be used as a benchmark to provide comparison. Locally scholars have also investigated how EO influences and performance. For instance, Osoro (2012) has only looked at the effects of EO in business performance within the manufacturing sector. However, none of the above scholars has considered how EO affects real estate firms in Kenya, which reveals a contextual gap. Therefore, this study seeks to evaluate the role of EO in the performance of real estate firms in Nairobi. EO is a fundamental element in a firm’s prosperity. It is associated with business growth and excellent performance.

To safeguard against the harmful effects resulting from poor performance in the real estate business, the current study purposed investigating how EO can impact the performance of real estate firms. Hence, the overarching research question for this study is: What is the role of entrepreneurial orientation on the performance of real estate firms in Nairobi?

1.3 Objective of the study

To determine the role of entrepreneurial orientation on the performance of real estate companies in Nairobi.

1.4 Value of the study

The study’s outcomes are benefit real estate management in Nairobi, who will gain awareness of how their organizations can adopt entrepreneurial orientation in increasing the performance. The study would also help provide critical feedback to entrepreneurs. It would inform the decision-making process to the various stakeholders involved in the management of infrastructure projects.

The stakeholders will be able to identify the entrepreneurial research gaps that exist to offer satisfactory services to its customers, hence improving the real estate industry.

The adoption of better decisions to improve the implementation of other projects to help save on time and money. The results of this research will also be of value to the Kenyan government through the relevant Ministries to invest heavily in business education to enhance the populace’s awareness of the part of EO in fostering economic growth. Additionally, the outcomes will assist organizations that want to restructure their EO in order to increase economic productivity.

The understanding of the effect of entrepreneurial orientation in real estate will help policymakers, governments, regulatory bodies, and other stakeholders to mitigate hindrances that come about when firm don’t incorporate entrepreneurial orientation, as well as helping those policymakers to promote appropriate policies and to guide Nairobi based real estate businesses. Lastly, the researcher expects that the study will improve knowledge in this area of EO and business performance.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter centres on an evaluation of the current literature on EO to examine how the concept impacts the performance of businesses with a focus on Kenyan real estate firms. The first part of the literature review gives the theoretical foundations on entrepreneurship and the second, empirical review. Further, this section explores the theories that inform the research question while identifying extant knowledge gaps.

2.2 Theoretical Framework

The theoretical foundation is on two key entrepreneurship theories that is the *Schumpeter's Innovation theory of entrepreneurship* and *the dynamic capability theory*.

2.2.1 Schumpeter's Innovation Theory of Entrepreneurship

Schumpeter (1942) was a strong supporter of the view that innovation was essential to gaining profit from entrepreneurship. Schumpeter argued that entrepreneurs needed to pursue innovation successfully to compete effectively in a dynamic economy. Crucially, the Schumpeterian channel of thinking about entrepreneurship has been developed and expanded upon by other scholars (Drucker, 1985; Lumpkin & Dess, 2001) who emphasized that an entrepreneur is always seeking change, reacting to it, and take advantage of it, particularly through purposeful innovation. Schumpeter's theory assumes that the economic system is in equilibrium, where the Marginal revenue is equal to the marginal cost. This theory also assumes that there is no involuntary unemployment. He further says that economic changes revolve around innovation, market forces, and the activities that the entrepreneur engages in. However, like other theories in entrepreneurship, Schumpeter's theory was limited by the emphasis on innovation as the centre of entrepreneurship. Apart from innovation, multiple reasons lead to economic fluctuations (Witt, 2016).

This theory presents a very instrumental and critical element that the current study finds relevant. The theory advises entrepreneurs to embrace the element of creativity and innovation in order to stand at a competitive platform in the market.

For instant by use of new knowledge, processes, products, and/or technologies in the entrepreneurial process goes a long way in equipping the internal resources of a firm into becoming superior performers in the external market. In conjunction with the dynamic capability theory (Teece et al., 1997) as well as the resourced based view theory (Barney, 1991), Schumpeter's theory informs the current study to the point that real estate companies in Nairobi can manipulate their resource base, by combining them in a dynamic way to help the firms to adopt effectively and more quickly to ever-changing business changing environment.

2.2.2 The Dynamic Capability (DC) Theory

Propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success (Deakins and Freel, 2013). Particularly, it involves acting boldly without knowing the repercussions of such actions. Taking risks means a company deliberately dedicating its capital and skills to projects expected to see high yields or losses (Mahmoud & Hanafi, 2013). Psychological hypotheses of the locus of influence and the desire for success, which require a modest degree of risk-taking tendency (Ferndale, 2014), have related to higher individual performance. The scenario may predict that a moderate level of risk-taking propensity is related to increased performance (Bleady, Ali & Ibrahim, 2018).

According to Grant (1991) and Amit and Shoemaker (1993) skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

It is therefore, imperative that just by aligning, realigning and dynamically empowering the internal assets, firms gain superior capabilities that help the entrepreneur have an upper hand against the competitors. The same applies to the real estate companies in Nairobi continuously spur competition in the market. By the guidance of the DC theory, these firms can draw from the theory and dynamically manipulate their resource base, by bundling them in a dynamic way to help the firms to adapt effectively and more quickly to ever-changing business changing environment.

2.3 Determinants of Entrepreneurial Orientation

2.3.1 Innovativeness of the Entrepreneur

According to Nganu (2018), innovativeness has proved to be the main literature in entrepreneurship as it is a consistent theme. In entrepreneurship strategies, innovativeness is also a central component. A study done by Fatoki (2014) reveals that innovation within the entrepreneurial procedure prompts disruption of the market systems, creating destruction in the standard procedure for introducing product and service offerings into the market. Lee and Dedahanov, (2014) states that innovativeness has a strategic tendency of emboldening a company to engage and encourage innovative designs, novelties, projects and inventive methods that may result in new goods, facilities or technical processes. Taylor (2013) argues that risks imitations are more associated with innovations that have become successful; hence innovators are more prone to the risk of wasting their resources to invent something that will not yield the anticipated results.

2.3.2 Autonomy of the Entrepreneur

The autonomy of the entrepreneur is defined as an independent action that an entrepreneur takes for the sake of developing and bringing fort a vision or an idea, pursuing it through its completion while factoring in the concept of decision making, independent action, and the free market (Ruef, 2016).

The autonomy portrayed by the entrepreneurs is the core factor that determines the success of the firm, according to Morris (2015). One of the main characteristics of the entrepreneurs is the ability to associate themselves with organizing resources. Therefore, individual autonomy is influential in terms of decision making and promoting entrepreneurial activities at lower echelons of a business entity. Based in Zinman's (2015), autonomy is persistently associated with the concept of EO. In certain contexts, not all individual is necessarily linked with positive associations and needs for autonomy. That means that most of the individuals with a potential negative conception about autonomy are somehow associated with a characteristically negative behavior according to (Deakins & Freel, 2013). People who prefer autonomy are linked with a high desire to carry out their activities alone have a positive response to controlling the place of work as well as develop a tendency of averting to excessive procedures and rules.

Concerning the study done by Fayolle (2016), the desire to have autonomy is contingent on participating in determining the exact roles.

2.3.3 Proactiveness of the Entrepreneur

According to Sanchez (2013), to take the initiative calls for pursuing and serious anticipation for new opportunities that are related to pro-activeness. On the other hand, the oxford dictionary regards the term pro-activeness as behaving in expectation of future challenges, demands or adjustments. In this respect, innovativeness is central to EO as it implies a forward-looking perspective complemented by creative and inventive practices. (Brettel, 2015). Entrepreneurship related market opportunity correlates with proactiveness, taking the initiative and behaving opportunistically to change the market, that is, to control patterns and, possibly, to build competition (Brettel, 2015).

The key characteristics of competitive business are aggressiveness and the application of innovative approaches against competitors in the same market sector. These companies have an impact on their contexts by deliberately pursuing and taking advantage of business opportunities (Kuratko, 2013). In addition, proactive entities introduce novel offerings, technologies, and administrative strategies in a bid to shape their environment instead of overreacting to it (Kuratko, 2013). Proactiveness relates to leadership rather than following.

Accordingly, a proactive firm possesses the will and foresight to capture novel opportunities in the market, even without a first-mover advantage (Gilbert 2014). Being the first entrant into a specific market does not guarantee of a permanent competitive advantage; instead, it relates to mixed outcomes (Dai, 2014).

2.3.4 Entrepreneurial Risk-Taking Capacity

Propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success (Deakins and Freel, 2013). Particularly, it involves acting boldly without knowing the repercussions of such actions. Taking risks means a company deliberately dedicating its capital and skills to projects expected to see high yields or losses (Mahmoud & Hanafi, 2013).

Psychological hypotheses of the locus of influence and the desire for success, which require a modest degree of risk-taking tendency (Ferndale, 2014), have related to higher individual performance. The scenario may predict that a moderate level of risk-taking propensity is related to increased performance (Callaghan, 2014).

However, regarding different settings, the effects of EO dimensions, including risk-taking predisposition, variations in their effect on environmental performance were predicted. Businesses pose three types of risks when conducting entrepreneurship operations (Marino, 2013). First of all, industry uncertainties are linked to reaching new markets or adopting unproven innovations. Second, financial uncertainties derive from the necessary financial exposure and the risk / return profile of the new company (Marino, 2013). These require strong loans or a substantial part of the company's capital. Finally, personal risks are the respectable consequences of success or loss in the system (Marino, 2013).

2.3.5 Competitive Aggressiveness of the Entrepreneur

Competitiveness applies to the company attempt to obtain a competitive advantage over and above its competitors (Deakins & Freel, 2013). This is the firm's ability to confront its competitors openly and vigorously with the aim of achieving market entry or improve its position to outperform competitors in the sector; responsiveness concerning confrontation or reactive action characterize it (Purwanto, 2019). As an aspect of EO, competitive aggression denotes the type of intensity and head-to-head posturing that new entrants need to rival existing brands (Brathwaite, 2018).

This concept differs from proactiveness, which is associated with new market opportunities. Competitive aggressiveness explains the way enterprises connect with competitors and adapt to patterns and demands already existing in the market concerning rivals (Brathwaite, 2018). Jahroh (2019) considers competitive aggressiveness a critical dimension of EO. However, Setiyawati (2018) deems proactiveness, innovativeness, and risk-taking the only EO dimensions. Gonera, (2018) cites that the incorporation of autonomy, aggressiveness, and competition was crucial. An entrepreneurial firm denotes a company willing to outdo competitors, undertake risky ventures, engage in product-market innovation, and champion the deployment of proactive innovation based EO (Mahmood & Hanafi, 2013).

Contrariwise, a non-entrepreneurial firm cannot engage in innovations, promote imitation on the already seceded firms, is highly risk-averse, and moves away from rivals (Mahmood & Hanafi, 2013). Hence, when a firm is extremely insistent, competitive aggressiveness may serve as developmental strategy. However, the concept runs a risk of damaging its reputation and losing goodwill.

2.4 Empirical Review

Macharia (2016) investigated the effect of entrepreneurial Orientation on the Performance of Pharmaceutical Firms in Nairobi City County, Kenya. The study adopted a descriptive research design and surveyed a sample of 139 participants via the use of questionnaires. Furthermore, the study was grounded on the social cultural theory of entrepreneurship and Schumpeter's innovation theory. The findings indicate that being innovative and taking more risks was essential to improving performance. Macharia, consequently, concluded that being innovative and taking risks in entrepreneurship has a positive outcome on the performance in these firms.

Kithaka (2016) south to find out the influence of entrepreneurial orientation on firm performance among Small and Medium Enterprises in the Automobile Industry in Nairobi County, Kenya. The study adopted a descriptive research design and targeted 225 second-hand motor vehicle importers operating within Nairobi region. Primary data was collected using self-administered questionnaires from the respondents. The study likewise, was grounded on the Schumpeter's innovation theory, traits approach to entrepreneurship orientation and social cultural theory of entrepreneurial orientation. The study findings showed that innovativeness influenced firm performance, risk-taking, and competitive aggressiveness influenced firm performance positively.

Nyalita (2015) studied the impact of entrepreneurial orientation in terms of risk assumption, being innovative, re-activeness, acting autonomously, and competing aggressively (Ajagbe & Ismail, 2015). Entrepreneurial orientation strategically positions an organization, enabling it to easily adjust to the demands of the evolving business world and maintain a competitive edge over its rivals (Macharia, 2016). Entrepreneurial orientation entails the propensities and procedures that empower firms to enter new or existing markets with new or subsisting product or service offerings. These processes aid us in wealth creation and technological growth. It is noted that corporate that practice Entrepreneurial orientation can mitigate the barriers that affect innovation when a company wants to introduce novel products and services into the market (Martinez, Serna, & Guzman, 2018).

Some studies (Mwangi & Ngugi 2014; Kithaka, 2016 & Macharia, 2016) found a positive connection between EO and performance, whereas (Slater & Narver, 2016) found a negative association. This demonstrates a gap in terms of clarity of findings. Other studies (Osoro, 2012) have focused on manufacturing firms, while others (Okeyo, 2014) have looked at Small and Medium Enterprises (SMEs). However, none of the identified studies focused on real estate firms. Real estate firms are faced with a unique business environment; hence it would be important to put in a special focus on real estate firms.

2.5 Summary of Literature Review and Research Gaps

The existing literature presents various gaps that the present study wishes to remedy. First, most of the studies reviewed have a contextual gap since none of them has focused on the real estate business in Nairobi (Kithaka, 2016; Macharia, 2016; Nyalita, 2015). Moreover, the research by Alarifi (2016) has a contextual gap since it was carried out in the social entrepreneurship context, which differs from the real estate context. Given that the real estate sector is unique, there is a need for research to prove that the findings from other sectors also apply to real estate.

Secondly, significant methodological gaps exist in the literature. Khalili, Nejadhussein, and Fazel (2013) explored the effects of EO on innovative performance in Iran but used a descriptive approach to analyse their data. In other studies, the researchers failed to consider all five dimensions of EO and only focused on some dimensions to represent EO (Macharia, 2016; Nyalita, 2015). Other scholars have shown that each of the components of EO has a different impact, and hence they should be considered individually in research (Kithaka, 2016).

Additionally, another limitation of the extant literature is that most of the studies have looked at SMEs both locally (Kithaka, 2016). As Ambad and Wahab (2013) highlight, due to SMEs being more than larger firms in developing countries, researchers are inclined to focus on them. However, even though the firm size is a significant determinant of performance, differences exist that necessitate a more wholesome approach to evaluating EO. The current study is, therefore, novel since it attempts to fill these gaps by examining EO and performance in the real estate market in Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the study design, target population, sample size and sampling technique, the research instruments, data collection procedures, pilot testing, data analysis and presentation and ethical issues.

3.2 Research Design

This study adopted a descriptive design. This type of design deals with finding out "what is" by gathering data describing events, organizing it, tabulating, and depicting it (Iraya & Musyoka, 2013). Descriptive design has a correlative meaning that will scrutinize the connection between two variables: EO and real estate firm performance. This design enables the researcher to put into perspective the effect of EO on the performance of the real estate business in Nairobi, Kenya.

3.3 Population of the Study

According to the Kenya Property Developers Association Nairobi is the largest and the most resourceful hub of the real estate firms in Kenya (KPDA, 2020). This study's target population is Kenyan real estate firms, in Nairobi. Using data from the Kenya Property Developers Association (KPDA), 94 companies formed the study population as listed in Appendix 1 (KPDA, 2020). This group is homogenous since the individual firms operate under similar conditions, which are identifiable. Moreover, firms bear similar capital structure characteristics, but they have diverse preferences.

The targeted population was all the 94 real estate firms in Kenya referred to in appendix 1. Since the population is small but adequate for a research study, no sampling was needed hence the need for a census study on the 94 real estate firms; this eliminated any potential bias since the study is covering the entire population. A census study seeks to gather information about every member of the target population (Martinez, 2016).

3.4 Data Collection

Data was collected from secondary and primary data sources. Secondary data was collected from previous literature including government publications and peer reviewed studies. Primary data collection involved the development and administration of self-administered questionnaires. The researcher collected data from the directors of the real estate companies using the questionnaire instrument.

Structured questionnaires were submitted to the participants with the aid of trained study assistants. The survey was divided into parts where, part A containing general knowledge items, part B containing creativity items, part C control, part D proactiveness, part E risk-taking, part F Competitive aggressiveness and part G firm performance. The test should include both open-ended and closed questions. The questionnaires with closed questions were answered using a 5**-Point Likert** scale where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***) (See Appendix I). Given the positions and busy schedules of the target population, this study adopted the drop and pick method, which is a variation of the mail survey method, to collect the data. The follow up for the survey was conducted through personal visits to the target population, and telephone calls were used to enhance the response rate.

3.5 Data Analysis

The analysis of the quantitative information was aided by SPSS software (v 22.0). The primary data from the research instrument was statistically analyzed. The data was first be analyzed with the help of descriptive statistics and the findings were presented in form of percentages (distribution) and counts (frequencies). The inferential statistics selected for the study is multiple linear regression analysis models which sought to model the association between the variables in the model. The study likewise, used the beta coefficients and p values to establish magnitude and direction of the connection between the variables. Specifically, the analysis used the following coefficients: correlation, level of significance, and coefficient of determination.

The following model of regression analysis was used for the present research:

$$\mathbf{Y = a_0 + ß_1 Z_1 + ß_2 Z_2 + ß_3 Z_3 + ß_4 Z_4 + \beta_5 Z_5 + \varepsilon}$$

Whereas.

Y -Firm's Performance

a_0 - Constant

$ß_1$, $ß_2$, $ß_3$, $ß_4$ are the ß coefficients

ε is the Error Term

Independent Variables:

Z_1= Innovativeness of the Entrepreneur

Z_2= Autonomy of the Entrepreneur

Z_3= Proactiveness of the Entrepreneur

Z_4= Risk-Taking ability of the Entrepreneur

Z_5=Competitive Aggressiveness of the Entrepreneur

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

This chapter presents empirical outcomes which include; descriptive statistics, unit root tests, error correction regression models, relevant econometric tests and key findings from the investigations.

4.2 Response Rate

This is the result as determined by the respondents' cooperation in giving their view on the questions asked that were reflected under different themes as shown in Table 4.1

Table 4.1: Response Rate

Response	**Frequency**	**Percentage**
Returned	76	81
Unreturned	18	19
Total	94	100

Source: Research Data (2020)

From Table 4.1 it is clear that the questionnaires properly filled and returned were 76 out of the 94. This represents a response rate of 81 per cent. These was achieved because the researcher was able to dispense and collect the questionnaires whilst giving the respondents ample time to respond. The response rate was considered to be very good as similar studies had same findings (Allen (2016), since a response rate of above 50% is adequate for a descriptive study.

4.3 Demographic Characteristics of the Sample

In this study, the general characteristics of the population under study was considered, which included; gender, age, level of education and number of years in the job as illustrated in Table 4.2

Table 4.2: Demographic profile of the respondents

Variable	Category	Frequency	Percent
	Sole proprietorship	7	9.2
	Partnership	12	15.8
Profile of the company	Private Limited Company	57	75.0
	Female	19	25
Gender	Male	57	75
	College	13	17.1
	Graduate	22	28.9
Level of education	Postgraduate	41	53.9
	Less than 10years	27	35.5
	10-15 years	31	40.8
	16-20 years	9	11.8
Tenure	More than 20 years	9	11.8
	Less than 10 people	4	5.3
	11-30 people	6	7.9
Size of the company in terms of	30-60 people	45	59.2
employees	More than 60 people	21	27.6

Source: Research Data (2020)

The results in Table 4.2 indicate that majority of the companies (75%) are private limited companies while 15.8% of them are partnerships while 9.2% of them are sole proprietorships. The results indicate that majority of respondents (75%) are male compared to their female counterparts who are 25% showing a representation of both genders in the study. The findings further revealed that majority of the respondents (53.9%) have attained a post graduate degree while 28.9% of them are holders of a graduate degree. Only 17.1% of them have attained a college degree. In addition, the findings reveal that majority of the respondents (76.3%) of the real estate companies in Nairobi have been in those positions for up to 15 years with only 11.8% of them having worked in the companies for between 16 and 20 year and over 20 years respectively.

With regard to the size of the companies, majority of them (59.2%) have between 30.60 employees followed by 27.6% having over 60 employees.

4.4 Presentation of Descriptive Statistics for the Variables

Descriptive statistics was done to show the summary of the findings by including mean and the standard deviation per variable. This was done using the **5-point scale of Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).**

4.4.1 Innovativeness of the Entrepreneur

This section discusses the means, percentages and standard deviations of the responses regarding the innovativeness of the entrepreneur as illustrated in Table 4.3

Table 4.3: Descriptive Statistics on Innovativeness (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
We use information technologies to manage our business	2.6	7.9	13.2	35.5	40.8	4.0	1.1
Adding more features in our products have been emphasized	6.6	2.6	13.2	42.1	35.5	4.0	1.1
Quality of our products has improved	14.5	6.6	17.1	38.2	23.7	3.5	1.3
Our firm emphasizes research and development	11.8	11.8	15.8	26.3	34.2	3.6	1.4
When confronted with decisions involving uncertainty, our firm typically adopts a bold posture to maximize the probability of exploiting opportunities	13.2	13.2	15.8	21.1	36.8	3.6	1.4
We support new ideas from firm stakeholders	7.9	6.6	27.6	21.1	36.8	3.7	1.3
Average						**3.7**	**1.3**

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in Table 4.3 revealed that majority of the respondents (76.3%) agreed that they use information technologies to manage their businesses.

The results further show that, 77.6% of the respondents agreed that adding more features in their products have been emphasized.

Moreover, (61.9%) of the respondents also agreed that quality of their products has improved. In addition, (60.5%) of the respondents agreed that their firm emphasizes research and development. The results further show that, 57.9% of the respondents agreed that when confronted with decisions involving uncertainty, their firms typically adopt a bold posture to maximize the probability of exploiting opportunities. The results likewise, indicated that, 57.9% of the respondents agreed that they support new ideas from firm stakeholders.

The findings corroborate those of Kithaka (2016) who showed that innovativeness influenced firm performance positively. Likewise, according to Schumpeter (1942) innovation is essential to gaining profit from entrepreneurship. Schumpeter's theory assumes that the economic system is in equilibrium, where the Marginal revenue is equal to the marginal cost.

4.4.2 Autonomy of the Entrepreneur

This section discusses the means, percentages and standard deviations of the responses regarding the autonomy of the entrepreneur as illustrated in Table 4.4

Table 4.4: Descriptive Statistics on Autonomy (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
Our firm managers make independent action and decisions taken	3.9	10.5	14.5	28.9	42.1	3.9	1.2
Our firm makes room for decisive decision making	14.5	6.6	17.1	27.6	34.2	3.6	1.4
Our firm has adopted implementation of projects through individual implementers	9.2	9.2	14.5	30.3	36.8	3.8	1.3
Our firm has greater access to capital markets	7.9	6.6	10.5	28.9	46.1	4.0	1.2
Our firm is averse to excessive rules and procedures	11.8	9.2	25.0	23.7	30.3	3.5	1.3
Our firm allows for the introduction of new ideas	23.7	17.1	17.1	18.4	23.7	3.0	1.5

Average		**3.6**	**1.3**

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in Table 4.4 revealed that majority of the respondents (71%) indicated that their firm managers make independent action and decisions taken. The results further show that, (61.8%) of the respondents agreed that their firms make room for decisive decision making. Moreover, 67.1% of the respondents also indicated that their firms have adopted implementation of projects through individual implementers. In addition, (75%) of the respondents agreed that their firms have greater access to capital markets. The table likewise, revealed that 54% indicated that their firms are averse to excessive rules and procedures. Majority of the respondents (42.1%) likewise, indicated that their firms allow for the introduction of new ideas.

These results corroborate those of the theory of dynamic capacity (DC) which stresses that sustained competitive edge based on the acquisition of valuable, rare, inimitable and non-substitutable assets by a firm and enhancing them dynamically to exceed the normal expectations. Therefore, the entrepreneur autonomy banks on his dynamic skills to integrate, marshal and reconfigure their resources and capabilities to adapt in the ever-changing environment (Bleady, Ali & Ibrahim, 2018).

4.4.2 Proactiveness of the Entrepreneur

This section discusses the means, percentages and standard deviations of the responses regarding the proactiveness of the entrepreneur as illustrated in Table 4.5

Table 4.5: Descriptive Statistics on Proactiveness (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
We always make quick responses to market changes	9.2	11.8	11.8	36.8	30.3	3.7	1.3
We aptly employ decisive policy in our firm	7.9	5.3	9.2	43.4	34.2	3.9	1.2
We have the policy to reduce the time taken to react	11.8	6.6	11.8	40.8	28.9	3.7	1.3
We have empowered our staff and management to take action	6.6	11.8	21.1	32.9	27.6	3.6	1.2
We react accordingly to stakeholders' feedback	7.9	11.8	3.9	34.2	42.1	3.9	1.3
Leverage has an important effect on our firm performance	7.9	13.2	25	22.4	31.6	3.6	1.3
Average						**3.7**	**1.3**

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in Table 4.5 revealed that majority of the respondents (67.1%) agreed that they always make quick responses to market changes. The results also exposed that majority of the respondents (77.6%) agreed that they aptly employ decisive policy in our firm. Additionally, 69.7% of the respondents agreed that they have the policy to reduce the time taken to react. The results also showed that 60.5% of the respondents agreed that they have empowered our staff and management to take action. The table likewise, revealed that 76.3% of the respondents indicated that they react accordingly to stakeholders' feedback. Besides, 54.0% of them indicated that leverage has an important effect on our firm performance.

The findings are consistent with Brettel (2015) who acknowledged that entrepreneurship related market opportunity correlates with proactiveness, taking the initiative and behaving opportunistically to change the market, that is, to control patterns and, possibly, to build competition. According to the theory of innovation and dynamic capability, learning new knowledge and skills is key to improving performance. Building on the above perspectives, the present study finds the concept of the theory to be instrumental in demonstrating the approaches, potentials and capacities that a company needs to manage, innovate and sustain in a competitive environment for survival. And so, the element of the constant revitalization of strategies and improvements cannot be overplayed (Sirmon et al., 2003; Zck, 1999).

4.4.3 Risk-Taking of the Entrepreneur

This section discusses the means, percentages and standard deviations of the responses regarding the risk-taking ability of the entrepreneur as illustrated in Table 4.6

Table 4.6: Descriptive Statistics on Risk-Taking (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
Our firm has a strong propensity for high-risk projects, with chances of high returns	2.6	7.9	21.1	42.1	26.3	3.8	1.0
Our firm is the first to introduce new brands or products or process into the market	2.6	10.5	7.9	43.4	35.5	4.0	1.1
Our firm has taken loans to finance projects	5.3	6.6	17.1	14.5	56.6	4.1	1.2
We have invested in infrastructure anticipating a firm's growth	11.8	6.6	11.8	40.8	28.9	3.7	1.3
We try new ways of service delivery	6.6	6.6	3.9	39.5	43.4	4.1	1.2
When confronted with decisions involving uncertainty, our firm typically adopts a bold posture to maximize the probability of exploiting opportunities	1.3	9.2	18.4	40.8	30.3	3.9	1.0
Average						**3.9**	**1.1**

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in Table 4.6 revealed that the majority of the respondents (68.4%) agreed that their firms have a strong propensity for high-risk projects, with chances of high returns. The results also showed that 78.9% of the respondents agreed that their firms are the first to introduce new brands or products or process into the market.

Additionally, (71.1%) of the respondents agreed that their firms have taken loans to finance projects. Majority of the respondents (69.7%) agreed that they have invested in infrastructure anticipating a firm's growth. Furthermore, 82.9% of the respondents agreed that they try new ways of service delivery. Majority of the respondents (71.1%) indicated that when confronted with decisions involving uncertainty, their firms typically adopt a bold posture to maximize the probability of exploiting opportunities.

In conclusion, the average mean of the responses was 3.9 when viewed on a scale of five points. This means that the majority of the respondents agreed with the statements on risk-taking. However, the answers were varied as shown by the standard deviation of 1.1.

This finding corresponds to those of Deakins and Freel (2013) who indicate that propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success. According to Ferndale (2014), psychological hypotheses of the locus of influence and the desire for success, which require a modest degree of risk-taking tendency, have related to higher individual performance. The scenario may predict that a moderate level of risk-taking propensity is related to increased performance.

4.4.4 Competitive Aggressiveness of the Entrepreneur

This section discusses the means, percentages and standard deviations of the responses regarding the competitive aggressiveness of the entrepreneur as illustrated in Table 4.7

Table 4.7: Descriptive Statistics on Competitive Aggressiveness (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
Our firm is aggressively and intensely competitive	13.2	6.6	17.1	22.4	40.8	3.7	1.4
Our firm has marketed aggressively for the last five years	15.8	10.5	21.1	27.6	25	3.4	1.4
Our firm typically adopts a very competitive “undo-the-competitors.” posture	15.8	9.2	23.7	21.1	30.3	3.4	1.4
Our firm sacrifices sometimes profitability to gain market share	14.5	6.6	17.1	27.6	34.2	3.6	1.4
Our firm has a policy to engages in the price war	6.6	6.6	3.9	39.5	43.4	4.1	1.2
We support new ideas from firm stakeholders	7.9	5.3	14.5	13.2	59.2	4.1	1.3
Average						3.7	1.4

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in table 4.7 revealed that most of the respondents (63.2%) agreed that their firms are aggressively and intensely competitive. It was also revealed that majority of the respondents (52.6%) indicated that their firms have marketed aggressively for the last five years. The table further indicated that majority of the respondents (51.4%) indicated that their firms typically adopt a very competitive “undo-the-competitors.” posture. It was also agreed by majority of the respondents (61.8%) that their firms sometimes sacrifice profitability to gain market share. Likewise, the results revealed that majority of the respondents (82.9%) indicated that their firms have policies to engages in the price war.

Furthermore, majority of the respondents (72.4%) agreed that they support new ideas from firm stakeholders. The findings are consistent with Jahroh (2019), Setiyawati (2018) and Gonera, (2018) who consider competitive aggressiveness a critical dimension of Eoin improving the performance of the firm. Likewise, according to the dynamic capability theory Grant (1991) and Amit and Shoemaker (1993) states that dynamic skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

4.4.5 Firm Performance

This section discusses the means, percentages and standard deviations of the responses regarding the firm performance of real estate companies in Nairobi County as illustrated in Table 4.8

Table 4.8: Descriptive Statistics on Firm Performance (in Percentage Distribution)

Statements	1	2	3	4	5	M	Std. D
Number of projects have been increasing over the last 5-year period	6.6	3.9	13.2	42.1	34.2	3.9	1.1
Number of new customers have been increasing over the last 5-year period	14.5	6.6	17.1	27.6	34.2	3.6	1.4
Number of employees has increased over the last 5-year period	11.8	6.6	11.8	40.8	28.9	3.7	1.3
The firm's profitability has been increasing over the last 5-year period	6.6	6.6	3.9	39.5	43.4	4.1	1.2
Average						**3.8**	**1.3**

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) and Strongly Disagree (1).
Source: Research Data (2020)

The results in Table 4.8 revealed that majority of the respondents (65.80%) agreed that the number of projects have been increasing over the last 5-year period. Majority of the respondents (69.20%) agreed that the number of new customers have been increasing over the last 5-year period. Moreover, (52.10%) of the respondents agreed that the number of employees has increased over the last 5-year period.

The results also showed that (58.10%) of the respondents agreed that the firm's profitability has been increasing over the last 5-year period. In summary, on a five-point scale, the average mean of the responses is 3.8 which means that the majority of the respondents agreed with the statements on firm performance.

The standard deviation was 1.3 which means that the answers were varied. These findings are in agreement by Schumpeter (2004) and Teece, Pisano and Shuen (1997), it is not enough to just perform at an instance, sustainability is key in order to ensure continuity of the firm especially where the competition is stiff. Therefore, it is very necessary to integrating sustainability indicators in the daily decision-making processes (Nigri & Del Baldo, 2018).

4.4.6 Number of Projects

The ranking of the statements on number of projects. The results are as shown in Table 4.9.

Table 4.9: Number of Projects

Percentage completion	<20%	20-40%	40-60%	60-80%	>80%	Mean	Std Dev
2016	26.30%	32.90%	10.50%	30.30%	0.00%	2.40	1.20
2017	25.00%	19.70%	34.20%	21.10%	0.00%	2.50	1.10
2018	26.30%	22.40%	32.90%	18.40%	0.00%	2.40	1.10
2019	25.00%	11.80%	14.50%	28.90%	19.70%	3.10	1.50
2020	13.20%	21.10%	21.10%	26.30%	18.40%	3.20	1.30
Average						**2.72**	**1.24**

Source: Research Data (2020)

The results from Table 4.9 revealed that in 2016, most of the projects (30.30%) were 60-80% completed. The percentage dropped to 21.10% in 2017 however the percentage increased since then to 2019 (28.90%). The percentage slightly dipped in 2020 to 26.30%. This implies that there have been efforts to complete the projects in time and on average, about 60-80% of the projects are complete in time. This was supported by a mean of 2.72 and a standard deviation of 1.24 indicating that majority of the respondents stated the 60-80% completion rate.

4.4.7 Number of New Customers

The ranking of the statements on number of new customers was done and the results are as shown in Table 4.10.

Table 4.10: Number of New Customers

Percentage completion	**<20%**	**20-40%**	**40-60%**	**60-80%**	**>80%**	**Mean**	**Std Dev**
2016	9.20%	9.20%	56.60%	25.00%	0.00%	3.00	0.80
2017	11.80%	38.20%	22.40%	27.60%	0.00%	2.70	1.00
2018	21.10%	21.10%	25.00%	32.90%	0.00%	2.70	1.10
2019	27.60%	18.40%	10.50%	22.40%	21.10%	2.90	1.50
2020	21.10%	26.30%	15.80%	18.40%	18.40%	2.90	1.40
Average						2.84	1.16

Source: Research Data (2020)

The results in Table 4.10 revealed that most of the firms have achieved 60-80% increase in the number of new customers. The percentage scaled up from 25%, 27.6%, and to 32.9% in the successive years i.e., 2016, 2017 and 2018 respectively. However, the percentage dropped in 2.19 and 2020 to 22.40 and 18.8 per cent respectively. This implies that on average, the firms have achieved about 60-80% the increase in new customers however, there have been hiccups lately which need to be addressed. This was supported by a mean of 2.84 and a standard deviation of 1.16 indicating that majority of the respondents stated the 60-80%.

4.4.8 Number of Employees

The ranking of the statements on number of employees was done. The results are as shown in Table 4.11.

Table 4.11: Number of Employees

Percentage completion	<20%	20-40%	40-60%	60-80%	>80%	Mean	Std Dev
2016	36.80%	23.70%	14.50%	25.00%	0.00%	2.30	1.20
2017	34.20%	22.40%	23.70%	19.70%	0.00%	2.30	1.10
2018	28.90%	23.70%	11.80%	14.50%	21.10%	2.70	1.50
2019	11.80%	22.40%	21.10%	18.40%	26.30%	3.30	1.40
2020	17.10%	30.30%	21.10%	10.50%	21.10%	2.90	1.40
Average						2.70	1.32

Source: Research Data (2020)

The results in Table 4.11 showed that majority of the respondents indicated a rate of 40-60%. In 2016, there was an increase by 14.5%. the percentage increased to 23.7% in 2017, however, dropped to 11.8% in 2018, but has been improving ever since to 21.1 in 2020. This indicates that the firms have been in a better position to maintain and hire new employees due to good business in the last two years. This was supported by a mean of 2.7 and a standard deviation of 1.32.

4.4.9 Profits (ROA)

The ranking of the statements on profits was done and the results are as shown in Table 4.12.

Table 4.12: Profits (ROA)

Percentage Profits	**<20%**	**20-40%**	**40-60%**	**60-80%**	**>80%**	**Mean**	**Std Dev**
Profits 2016	22.40%	0.00%	48.70%	28.90%	0.00%	2.80	1.10
Profits 2017	26.30%	19.70%	30.30%	23.70%	0.00%	2.50	1.10
Profits 2018	22.40%	21.10%	17.10%	23.70%	15.80%	2.90	1.40
Profits 2019	13.20%	23.70%	27.60%	17.10%	18.40%	3.00	1.30
Profits 2020	13.20%	21.10%	21.10%	21.10%	23.70%	3.20	1.40
Average						**2.88**	**1.26**

Source: Research Data (2020)

The results in Table 4.12 revealed that majority of the respondents (47.12%) indicated that in 2016 (48.7%) and 2017 (30.3%), majority of the firms attained 40-60% profitability. However, the profitability has been shaky with a dip to 17.1% in 2018 and 21.1% in 2020. Most of them attributed the poor performance in 2020 to the surfacing of the COID-19 pandemic which drove away investors and has ever since escalated the risk to invest in real estates.

4.5 Correlation Analysis

The Pearson correlation coefficient was used to determine the association between the variables. That is if it was positive or negative. It measures the strength of two variables that in a linear association, with a denotation of r. The denotation of r, is estimated using a threshold of +1 to -1. The association when a value is above 0 means the value of the other variable in linear comparison increase with a positive value, when the value is below 0 this shows that there is a negative association and the linear relation decreases on the same line (Taylor, 1990).

When r = 0, we may not assert that there is no correlation at all between X and Y. The extreme values of r, that s, when r = ±1, indicate that there is perfect (positive or negative) correlation between X and Y. However, if r is 0, we say that there is no or zero correlation (Gogtay & Thatte, 2017).

Table 4.13: Correlation analysis between Entrepreneurial Orientation and Firm Performance

Correlations		Performance	Innovativeness	Autonomy	Proactiveness	Risk Taking	Competitive Aggressiveness
Performance	Pearson Correlation	1					
	Sig. (2-tailed)						
Innovativeness	Pearson Correlation	.624**	1				
	Sig. (2-tailed)	0.000					
Autonomy	Pearson Correlation	.554**	.417**	1			
	Sig. (2-tailed)	0.001	0.000				
Proactiveness	Pearson Correlation	.578**	.301**	.425**	1		
	Sig. (2-tailed)	0.002	0.008	0.000			
Risk Taking	Pearson Correlation	.531**	.433**	0.223	.465**	1	
	Sig. (2-tailed)	0.000	0	0.053	0.000		
Competitive Aggressiveness	Pearson Correlation	.661**	.357**	.451**	.347**	.406**	1
	Sig. (2-tailed)	0.003	0.002	0.000	0.002	0.000	

** Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data (2020)

The results in Table 4.13 revealed that there was a positive and significant association between innovativeness and firm performance (r=0.624**, p=0.000). The findings corroborate those of Kithaka (2016) who showed that innovativeness influenced firm performance positively.

Likewise, according to Schumpeter (1942) innovation is essential to gaining profit from entrepreneurship. Schumpeter's theory assumes that the economic system is in equilibrium, where the Marginal revenue is equal to the marginal cost.

It further shows that autonomy and firm performance have a positive and significant relationship (r=0.554**, p=0.001). These results also corroborate those of the theory of dynamic capacity (DC) which stresses that sustained competitive edge based on the acquisition of valuable, rare, inimitable and non-substitutable assets by a firm and enhancing them dynamically to exceed the normal expectations. Therefore, the entrepreneur autonomy banks on his dynamic skills to integrate, marshal and reconfigure their resources and capabilities to adapt in the ever-changing environment (Bleady, Ali & Ibrahim, 2018).

The findings further indicated that there is a positive and significant association between proactiveness and firm performance (r=0.578**, p=0.002). The findings agree with the theory of innovation and dynamic capability, which states that learning new knowledge and skills is key to improving performance. Building on the above perspectives, the present study finds the concept of the theory to be instrumental in demonstrating the approaches, potentials and capacities that a company needs to manage, innovate and sustain in a competitive environment for survival. And so, the element of the constant revitalization of strategies and improvements cannot be overplayed (Sirmon et al., 2003; Zack, 1999).

Moreover, the table also shows that there is a positive and a significant association between risk taking and firm performance (r=0.531**, p=0.000). This finding corresponds to those of Deakins and Freel (2013) who indicate that propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success. The findings agree with Kithaka (2016) and Macharia (2016), who concluded that risk-taking has a positive influence on performance.

Besides, the results show that there is a positive and a significant association between competitive aggressiveness and firm performance (r=0.661**, p=0.000). Likewise, according to the dynamic capability theory Grant (1991) and Amit and Shoemaker (1993) states that dynamic skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

All the r values indicated absolute values of greater than 0 which indicates that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness have a linear and positive relationship with firm performance of real estate companies in Nairobi.

4.6 Inferential Statistics

The study sought to investigate the causal effect of the independent variables on the dependent variable.

4.6.1 Multiple Regression Analysis Results

The findings represent the model of fitness, ANOVA tests and the regression of coefficients. The results are as shown in Table 4.14, Table 4.15 and Table 4.16.

Table 4.14: Regression between Entrepreneurial Orientation and Firm Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.842a	0.710	0.689	0.3385

a Predictors: (Constant), Competitive Aggressiveness of the entrepreneur, Proactiveness of the entrepreneur, Innovativeness of the entrepreneur, Autonomy of the entrepreneur, Risk taking of the entrepreneur

Source: Research Data (2020)

Table 4.15 above shows the results of the fitness of regression model which is use to explain the study phenomena. Innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness were found to essential variables in the firm performance of real estate companies in Nairobi. This was supported by the coefficient of determination, R square of 0.71. This shows that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness explain 71% of the firm performance of real estate companies in Nairobi.

Table 4.15: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.61	5	3.922	34.237	.000b
	Residual	8.019	70	0.115		
	Total	27.629	75			

a Dependent Variable: Performance

b Predictors: (Constant), Competitive Aggressiveness of the entrepreneur, Proactiveness of the entrepreneur, Innovativeness of the entrepreneur, Autonomy of the entrepreneur, Risk taking of the entrepreneur

Source: Research Data (2020)

The table above provided on the analysis on variance (ANOVA). The results show that the model was statistically significant. The table also shows that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness collectively significantly influence the firm performance of real estate companies in Nairobi. It is therefore, imperative from the theoretical perspective that just by aligning, realigning and dynamically empowering the internal assets, firms gain superior capabilities that help the entrepreneur have an upper hand against the competitors. The same applies to the real estate companies in Nairobi continuously spur competition in the market. By the guidance of the DC theory, these firms can draw from the theory and dynamically manipulate their resource base, by bundling them in a dynamic way to help the firms to adapt effectively and more quickly to ever-changing business changing environment (Teece, Pisano & Shuen, 1997).

Table 4.16: Regression of coefficients

Variable	β	Std. Error	t	Sig.
(Constant)	-0.97	0.383	-2.536	0.013
Innovativeness of the entrepreneur	0.358	0.085	4.206	0.000
Autonomy of the entrepreneur	0.131	0.084	1.563	0.022
Proactiveness of the entrepreneur	0.284	0.087	3.278	0.002
Risk taking of the entrepreneur	0.116	0.096	1.206	0.032
Competitive Aggressiveness of the entrepreneur	0.402	0.087	4.651	0.000

a Dependent Variable: Performance

Source: Research Data (2020)

Table 4.19 presented the results of the regression coefficients. Running a joint regression of coefficients establishes the independent contribution of each variable to the dependent variable (when jointly interacted in one model). Regression of coefficient results in the table above revealed that innovativeness and firm performance are positively and significantly related (**β**=0.358, p=0.000). This implies that an increase in 1 unit of aspects related to innovativeness improves firm performance of real estate companies in Nairobi by 35.8% (vice versa is also true). The findings corroborate those of Kithaka (2016) who showed that innovativeness influenced firm performance positively. Likewise, according to Schumpeter (1942) innovation is essential to gaining profit from entrepreneurship. Schumpeter's theory assumes that the economic system is in equilibrium, where the Marginal revenue is equal to the marginal cost.

Moreover, autonomy and firm performance are positive and statistically related (**β**=0.131, p=0.022). This implies that an increase in 1 unit of aspects related to autonomy improves firm performance of real estate companies in Nairobi by 31.1% (vice versa is also true).

These results corroborate those of Zinman's (2015) who indicated that autonomy is persistently associated with the concept of EO. People who prefer autonomy are linked with a high desire to carry out their activities alone have a positive response to controlling the place of work as well as develop a tendency of averting to excessive procedures and rules. These results also corroborate those of the theory of dynamic capacity (DC) which stresses that sustained competitive edge based on the acquisition of valuable, rare, inimitable and non-substitutable assets by a firm and enhancing them dynamically to exceed the normal expectations. Therefore, the entrepreneur autonomy banks on his dynamic skills to integrate, marshal and reconfigure their resources and capabilities to adapt in the ever-changing environment (Bleady, Ali & Ibrahim, 2018).

The table further indicates that proactiveness and firm performance are positive and significantly related (**β**=0.284, p=0.002). This implies that an increase in 1 unit of aspects related to proactiveness improves firm performance of real estate companies in Nairobi by 28.4% (vice versa is also true).

The findings are consistent with Brettel (2015) who acknowledged that entrepreneurship related market opportunity correlates with proactiveness, taking the initiative and behaving opportunistically to change the market, that is, to control patterns and, possibly, to build competition. According to the theory of innovation and dynamic capability, learning new knowledge and skills is key to improving performance. Building on the above perspectives, the present study finds the concept of the theory to be instrumental in demonstrating the approaches, potentials and capacities that a company needs to manage, innovate and sustain in a competitive environment for survival. And so, the element of the constant revitalization of strategies and improvements cannot be overplayed (Sirmon et al., 2003; Zack, 1999).

Risk taking and firm performance are positive and statistically related (**β**=0.116, p=0.032). This implies that an increase in 1 unit of aspects related to risk taking improves firm performance of real estate companies in Nairobi a by 11.6% (vice versa is also true). This finding corresponds to those of Deakins and Freel (2013) who indicate that propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success. The findings agree with Kithaka (2016) and Macharia (2016), who concluded that risk-taking has a positive influence on performance.

The table further indicates that competitive aggressiveness and firm performance are positive and significantly related (**β**=0.402, p=0.000). This implies that an increase in 1 unit of aspects related to competitive aggressiveness improves firm performance of real estate companies in Nairobi by 40.2% (vice versa is also true). The findings are consistent with Jahroh (2019), Setiyawati (2018) and Gonera, (2018) who consider competitive aggressiveness a critical dimension of Eoin improving the performance of the firm.

Likewise, according to the dynamic capability theory Grant (1991) and Amit and Shoemaker (1993) states that dynamic skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

Therefore, the model can be presented as follows:

$$\mathbf{Y} = -0.97 + 0.358\mathbf{Z_1} + 0.131\mathbf{Z_2} + 0.284\mathbf{Z_3} + 0.116\mathbf{Z_4} + 0.402\mathbf{Z_5}$$

Where:

Y -Firm's Performance

Z_1= Innovativeness of the Entrepreneur

Z_2= Autonomy of the Entrepreneur

Z_3= Proactiveness of the Entrepreneur

Z_4= Risk-Taking ability of the Entrepreneur

Z_5=Competitive Aggressiveness of the Entrepreneur

4.7 Discussions of the Key Findings

From the descriptive analysis findings, majority of the respondents agreed with statements relating to the study variables.

This was evidenced by the average mean of the responses of 3.7 implying that the majority of the respondents agreed with the statements on innovativeness; the average mean of 3.6 implying that the majority of the respondents agreed with the statements on autonomy; the average mean of 3.7 which means that majority of the respondents agreed with the statements on proactiveness; the average mean of 3.9 implying that the majority of the respondents agreed with the statements on risk-taking; the average mean of 3.7 which means that majority of the respondents agreed with the statements on competitive aggressiveness; and an average mean of 3.8 which means that the majority of the respondents agreed with the statements on firm performance.

The correlation analysis results indicated that all the variables: innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness have a linear and positive relationship with firm performance of real estate companies in Nairobi. This was confirmed by the following correlation coefficients: 0.624, 0.554, 0.578, 0.531 and 0.661 for innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness respectively. The findings indicated a coefficient of determination, (R square) of 0.71.

This shows that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness of the entrepreneur explain 71% of the firm performance of real estate companies in Nairobi.

The regression results revealed that innovativeness (β=0.358, p=0.000), autonomy (β=0.131, p=0.022), proactiveness (β=0.284, p=0.002), risk taking (β=0.116, p=0.032) and competitive aggressiveness (β=0.402, p=0.000) are positive and significantly related to firm performance.

These findings are in agreement with the dynamic capability theory Grant (1991) and Amit and Shoemaker (1993) states that dynamic skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

Likewise, as per the theory of innovation by Schumpeter (2004) and Teece, Pisano and Shuen (1997), it is not enough for just perform at an instance, sustainability is key in order to ensure continuity of the firm especially where the competition is stiff. Therefore, it is very necessary to integrating sustainability indicators in the daily decision-making processes (Nigri & Del Baldo, 2018). Sustainability is key where decisions regarding corporate sustainability pose a significant dilemma for managers: to weigh social and environmental concerns against economic results (da Silva & Razzolini Filho, 2020). This call rests on the firm's ability to develop/innovate, protect intangible assets (such as knowledge and information), and exploit those assets in reality.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary and discusses the findings in relation to the research problem and research objectives. The chapter is thus outlined into summary of the findings, conclusions, recommendations and suggestions for further research.

5.2 Summary

This section presents the summary of the study. Chapter one introduced the basic concepts of the research, that is, entrepreneurial orientation, firm performance and the real estate sector in Kenya. Besides the section presented the research problem, the objective of the study and the value of the study. Chapter two centred on an evaluation of the current literature on EO to examine how the concept impacts the performance of businesses with a focus on Kenyan real estate firms. The first part of the literature review gives the theoretical foundations on entrepreneurship and the second, empirical review. Further, this section explores the theories that inform the research question while identifying extant knowledge gaps.

Chapter three discusses the study design, target population, sample size and sampling technique, the research instruments, data collection procedures, pilot testing, data analysis and presentation and ethical issues. Chapter four presents empirical outcomes which include; descriptive statistics, correction results, regression models, relevant econometric tests and key findings from the investigations. Finally, Chapter five presents the summary and discusses the findings in relation to the research problem and research objectives. The chapter is thus outlined into summary of the findings, conclusions, recommendations and suggestions for further research.

5.2.1 Innovativeness of the Entrepreneur and Firm Performance

The findings revealed that there is a positive and significant association between innovativeness and firm performance (r=0.624**, p=0.000).

The r values indicated an absolute value of greater than 0 which indicates that innovativeness of the entrepreneur has a linear and positive relationship with firm performance of real estate companies in Nairobi. The regression findings likewise, indicated that the innovativeness of the entrepreneur and firm performance are positively and significantly related (**β**=0.358, p=0.000). This implies that an increase in 1 unit of aspects related to innovativeness improves firm performance of real estate companies in Nairobi by 35.8% (vice versa is also true).

The findings corroborate those of Kithaka (2016) who showed that innovativeness influenced firm performance positively. According to Macharia (2016), being innovative and taking risks in entrepreneurship has a positive outcome on the performance in these firms. Likewise, according to Schumpeter (1942) innovation is essential to gaining profit from entrepreneurship. Schumpeter's theory assumes that the economic system is in equilibrium, where the Marginal revenue is equal to the marginal cost.

5.2.2 Autonomy of the Entrepreneur and Firm Performance

The findings indicated that autonomy and firm performance have a positive and significant relationship (r=0.554**, p=0.001). The r values indicated an absolute value of greater than 0 which indicates that autonomy of the entrepreneur has a linear and positive relationship with firm performance of real estate companies in Nairobi.

Moreover, autonomy of the entrepreneur and firm performance are positive and statistically related (**β**=0.131, p=0.022). This implies that an increase in 1 unit of aspects related to autonomy improves firm performance of real estate companies in Nairobi by 31.1% (vice versa is also true). These results corroborate those of Zinman's (2015) who indicated that autonomy is persistently associated with the concept of EO. People who prefer autonomy are linked with a high desire to carry out their activities alone have a positive response to controlling the place of work as well as develop a tendency of averting to excessive procedures and rules. These results corroborate those of the theory of dynamic capacity (DC) which stresses that firm and enhancing them dynamically to exceed the normal expectations. Therefore, the entrepreneur autonomy banks on his dynamic skills to integrate, marshal and reconfigure their resources and capabilities to adapt in the ever-changing environment (Bleady, Ali & Ibrahim, 2018).

5.2.3 Proactiveness of the Entrepreneur and Firm Performance

The findings further indicated that there is a positive and significant association between proactiveness and firm performance (r=0.578**, p=0.002). The r values indicated an absolute value of greater than 0 which indicates that proactiveness of the entrepreneur has a linear and positive relationship with firm performance of real estate companies in Nairobi. The table further indicates that proactiveness of the entrepreneur and firm performance are positive and significantly related (**β**=0.284, p=0.002). This implies that an increase in 1 unit of aspects related to proactiveness improves firm performance of real estate companies in Nairobi by 28.4% (vice versa is also true).

The findings are consistent with Brettel (2015) who acknowledged that entrepreneurship related market opportunity correlates with proactiveness, taking the initiative and behaving opportunistically to change the market, that is, to control patterns and, possibly, to build competition. According to the theory of innovation and dynamic capability, learning new knowledge and skills is key to improving performance (Sirmon et al., 2003; Zack, 1999).

5.2.4 Risk-Taking of the Entrepreneur and Firm Performance

From the findings, it was noted that there is a positive and a significant association between risk taking and firm performance (r=0.531**, p=0.000). The r values indicated an absolute value of greater than 0 which indicates that risk taking ability of the entrepreneur has a linear and positive relationship with firm performance of real estate companies in Nairobi. Risk taking and firm performance are therefore, positively and statistically related (**β**=0.116, p=0.032). This implies that an increase in 1 unit of aspects related to risk taking improves firm performance of real estate companies in Nairobi a by 11.6% (vice versa is also true). This finding corresponds to those of Deakins and Freel (2013) who indicate that propensity to take risks denotes the readiness of a firm/company to pursue available prospects regardless of the uncertainty surrounding their eventual success. According to Ferndale (2014), psychological hypotheses of the locus of influence and the desire for success, which require a modest degree of risk-taking tendency, have related to higher individual performance. The scenario may predict that a moderate level of risk-taking propensity is related to increased performance.

5.2.5 Competitive Aggressiveness of the Entrepreneur and Firm Performance

Besides, the findings show that there is a positive and a significant association between competitive aggressiveness and firm performance (r=0.661**, p=0.000). The r values indicated an absolute value of greater than 0 which indicates that competitive aggressiveness of the entrepreneur has a linear and positive relationship with firm performance of real estate companies in Nairobi. The study further indicates that competitive aggressiveness of the entrepreneur and firm performance are positive and significantly related (**β**=0.402, p=0.000). This implies that an increase in 1 unit of aspects related to competitive aggressiveness improves firm performance of real estate companies in Nairobi by 40.2% (vice versa is also true).

The findings are consistent with Jahroh (2019), Setiyawati (2018) and Gonera, (2018) who consider competitive aggressiveness a critical dimension of Eoin improving the performance of the firm. Likewise, according to the dynamic capability theory Grant (1991) and Amit and Shoemaker (1993) states that dynamic skills are the primary basis of competitiveness, therefore, in any company, the entrepreneur must be innovative and efficient in dynamically bundling the available resources to achieve superiority in the internal performance which ultimately has a multiplier effect in the performance in the market.

5.3 Conclusion

The study based on the above findings, therefore, concludes that innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness of the entrepreneur contributes positively to the firm performance of real estate companies in Nairobi. This can be attributed to the use information technologies to manage businesses, adding more features in their products, improvement in the quality of their products, emphasis placed on research and development, adoption of a bold posture to maximize the probability of exploiting opportunities as well as support of new ideas from firm stakeholders.

The study likewise, concludes that the firms can achieve good performance as a result of the firm managers making independent actions and decisions, the firms making room for decisive decision making as well as adoption of implementation of projects through individual implementers. In addition, these firms have greater access to capital markets, are averse to excessive rules and procedures and allow for the introduction of new ideas.

Performance can also be attributed to the risk-taking abilities of the entrepreneurs. The study concludes that high propensity for risks comes with chances of high returns. Therefore, firms that are the first to introduce new brands or products or process into the markets, those that try new ways of service delivery, those that typically adopt a bold posture to maximize the probability of exploiting opportunities have higher chances of toping the industry in the long run-in terms of profitability.

Furthermore, firms that aggressively and intensely competitive in the industry, those that have marketed aggressively, those that sometimes sacrifice profitability to gain market share as well as those firms that have policies to engages in the price war stand a greater chance of topping the industry.

Therefore, the study concludes that the use of entrepreneurship orientation plays a pivotal role in facilitating the performance of real estate companies in Nairobi.

Based on the theoretical backdrops of the Schumpeter's Innovation Theory and the dynamic capability (DC) theory, good and better performance that trickles down to the successive unforeseeable future requires the entrepreneur to adopt over and above the normal and usual capabilities in the market. Innovativeness is therefore, paramount where the firm develops new ways of business operations to provide products and services that can compete aggressively in the market. This is not limited to the innovation, but also extends to the capability of the entrepreneur to be autonomous, proactive as well as the capacity to invest wisely in risky projects for the future of the company even amidst hiccups that prove harder for other market players.

5.4 Recommendations

Therefore, the study recommends the following:

- Real estate firms need to adopt new technologies for cultivation of organizational capabilities
- They also need to be proactive in their research and development departments by incorporating technological advancements in order to maximize the potential that is in innovation strategies. Restructuring of the internal organization is necessary given a firm that requires efficiency and effective processes for better performance
- The study recommends the firms to step up their marketing strategies since it was found to have a positive impact on performance. This can be done by a careful selection and utilization of qualified and experienced marketing managers who anticipate the variability in the market and innovate in order to satisfy the new and existing customers even amidst pandemics such as COVID-19.
- The study further recommends an organization to employ and develop a high technology for its product goes a long in order to determine strategic position to adopt the differentiation position or the cost leadership position.
- The study also, recommends the management to employ skills in developing clear operating procedures to run the business successfully, to coordinate different areas of the business to achieve results and the ability and to design jobs to suit staff capabilities and interest.

5.5 Areas for Further Studies

The general objective of this study is to establish the role of entrepreneurship orientation in facilitating the performance of real estate companies in Nairobi. Therefore, the study only focused on the innovativeness, autonomy, proactiveness, risk taking and competitive aggressiveness as the variables explaining firm performance. The variables presented a coefficient of determination of 71% implying that there is still room for improvement left out by the 29%.

Further studies can be extrapolated from the findings to incorporate other variables like the Porter's Five Forces of competition (that is the number and power of a company's competitive rivals, potential new market entrants, suppliers, customers, and substitute products). Likewise, further studies can be done in other counties for comparison purposes in order to establish the performance of those real estate firms and their driving forces.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

SECTION A: General Information

Instruction: Please fill in the blank spaces or Tick (√) where appropriate as applicable

Company Name (Optional) …………………………………………………

1. Profile of the company …………………………………………………………..

   Sole proprietorship

   Partnership

   Public Limited Company

   Other (specify)

2. Gender ……………………

3. What is your level of education?

   a) College [ ]

   b) Graduate [ ]

   c) Postgraduate [ ]

4. How long has the company been in operation? ……………………………………

   Less than 10years { } 10-15 years { }

   16-20 years { } More than 20 years { }

5. What is the size of the company in terms of employees?

   Less than 10 people { } 11-30 people { }

   30-60 people { } More than 60 people { }

Section B: Innovativeness

6. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to innovativeness where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	We use information technologies to manage our business					
2	Adding more features in our products have been emphasized					
3	Quality of our products have improved					
4	Our firm emphasizes research and development					
5	When confronted with decisions involving uncertainty, our firm typically adopts a bold posture to maximize the probability of exploiting opportunities					
6	We support new ideas from firm stakeholders					

Section C: Autonomy

7. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to autonomy where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	Our firm managers make independent action and decisions taken					
2	Our firm makes room for decisive decision making					
3	Our firm has adopted implementation of projects through individual implementers					
4	Our firm has greater access to capital markets					
5	Our firm is averse to excessive rules and procedures					
6	Our firm allows for the introduction of new ideas					

Section D: Proactiveness

8. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to proactiveness where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	We always make quick responses to market changes					
2	We aptly employ decisive policy in our firm					
3	We have the policy to reduce the time taken to react					
4	We have empowered our staff and management to take action					
5	We react accordingly to stakeholders' feedback					
6	Leverage has an important effect on our firm performance					

Section E: Risk-Taking

9. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to risk-taking where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	Our firm has a strong propensity for high-risk projects, with chances of high returns					
2	Our firm is the first to introduce new brands or products or process into the market					
3	Our firm has taken loans to finance projects					
4	We have invested in infrastructure anticipating a firm's growth					
5	We try new ways of service delivery					
5	When confronted with decisions involving uncertainty, our firm typically adopts a bold posture to maximize the probability of exploiting opportunities					
6	We support new ideas from firm stakeholders					

Section F: Competitive Aggressiveness

10. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to competitive aggressiveness where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	Our firm is aggressively and intensely competitive					
2	Our firm has marketed aggressively for the last five years					
3	Our firm typically adopts a very competitive "undo-the-competitors." posture					
4	Our firm sacrifices profitability to gain market share					
5	Our firm as a policy engages in the price war					
6	We support new ideas from firm stakeholders					

Section G: Firm Performance

11. Indicate the trends in the following indicators of firm performance in the last 5 years of operation (2016 to 2020). (*Use the scale of 0 - 40%, 40-60%, 60-80%, 80% - 100% to rate your percentage improvement in performance*)

Measures of firm performance	**Years of performance**				
	2016	**2017**	**2018**	**2019**	**2020**
Number of projects					
Number of new customers					
Number of employees					
Profits (ROA)					

12. Kindly by the use of the following tick (√) indicate your opinion regarding the statements provided with respect to firm performance where (***5- Strongly agree, 4- Agree, 3 – not sure, 2- Disagree, 1- strongly disagree***).

No	**Statement**	**1**	**2**	**3**	**4**	**5**
1	Number of projects have been increasing over the last 5-year period					
2	Number of new customers have been increasing over the last 5-year period					
3	Number of employees has increased over the last 5-year period					
4	The firm's profitability has been increasing over the last 5-year period					

APPENDIX II: REAL ESTATE FIRMS IN KENYA

NO.	NAME OF FIRM	ADDRESS AND CONTACTS
1.	Acorn Group Kenya	Lavington, Nairobi Tel 2592671 Email : info@acorngroupafrica.com
2.	Amalgamated Properties K Ltd	Hughes Building, Nairobi Tel 20 340666
3.	Amazon Valuers	Kenyatta Ave Nairobi Tel 0722 285 272
4.	Askim Management Services	Ruprani Hse, Nairobi Tel 2223678
5.	Bannie & Archer Valuers Ltd	Ambank Hse Nairobi Tel 254 20 223476
6.	Blueline Properties	Wendy Courts, Nairobi Tel 254 20 4441195
7.	Castle Land Properties Consultants	Equity Plaza, Nairobi Tel 254 20 240622
8.	Charcon Properties	Phoenix Hse, Nairobi Tel 0721 942 984 Email: info@charconproperties.com
9.	Chigwell Holding Ltd	Parklands Hse, Nairobi Tel 254 700 000 802
10.	Citi Scape Valuers Ltd	Occidental plaza, Westlands, Nairobi Tel 0708 848 481 Email: info@citiscapevaluers.com
11.	Continental Villas Ltd	Ambal Hse, Mombasa Tel 254 412 319795
12.	Crystal Valuers Ltd	Bruce Hse, Nairobi Tel 254 20 312024
13.	Daebak Investments	Langata Rd, Nairobi Tel 0725 327 431
14.	Daytons Valuers Ltd	Krishna Centre, Nairobi 254 722 291 159
15.	Deca Shelter Agencies Co. Ltd	Uniafric Hse, Nairobi Tel 254 20 2198084
16.	Developing Africa Ltd	Nairobi Tel 254 20 2325041
17.	Diamond Park Developers	Jamia Shopping Mall, Nairobi Tel 254 721 625 664
18.	Dominion Valuers Ltd	Hazina Towers, Nairobi Tel 254 20 2252334
19.	Dream Properties	I&M Building, Nairobi Tel 254 20 2466595
20.	East Gate Apartment Limited	Kimathi Hse, Nairobi Tel 254 0724 214 254
21.	Easy Properties Ltd (K)	Tulip Hse, Msa Rd, Nairobi Tel 0700 735 640 / 0733 893 030 Email: info@easypropertieskenya.com

NO.	NAME OF FIRM	ADDRESS AND CONTACTS
22.	Ena Property Consultants Ltd	Mercantile Hse, Nairobi Tel 254 20 246703
23.	Euro Trust Real Estate	Kalair Centre 8, Nyali, Mombasa Tel 254 414470999 / 254 712 672 274
24.	Garun Real Estate Investments Ltd	Eastleigh, Nairobi Tel 254 721 883 188 Email: garuninvestment.ltd@gmail.com
25.	Gimco Ltd	Kiambere Rd, Nairobi Tel 254 20 2626933 Email: info@gimcoltd.com
26.	Habitat Realtors International Ltd	Rehema Hse, Nairobi Tel 254 722 772 295/ 254 736 705 330 Email: info@habitatrealtors.net
27.	Hadar Ltd	Nairobi Email: info@hadar.co.ke
28.	Hass Consult Real Estate	ABC Place, Nairobi Tel 254 20 4446914 Email: info@hassconsult.co.ke
29.	Hauser is Estate Management Services	Queensway House, Nairobi Tel: 254 20 2128881
30.	Hectares and Associates	Hughes Building, Nairobi Tel 020 240058
31.	Highland Valuers Ltd	Rehani House, Nairobi Tel 254 20 241975
32.	Home Afrika Ltd	Morning Park, Ngong Rd, Nairobi Tel 254 020 2772000 Email: info@homeafrika.com
33.	Horeria & Co. Ltd	Standard Building, Nairobi Tel 2249410
34.	Horizon Valuers	Uchumi Hse, Nairobi Tel 254 20 2230460
35.	Interlink Real Estate Ltd	Nacico Plaza, Nairobi Tel 254 731 313 070
36.	Ivory Homes Ltd	Gilfillian Hse, Nairobi Tel 254 732 660 340
37.	Jaken Agencies	Ruprani Hse, Nairobi Tel 020 2124609 / 020 2230775 / 0722 988 625
38.	Jimly Properties Ltd	Contrust Hse, Nairobi Tel 254 20 2242804
39.	Developers	Fatima Flats, Kilimani, Nairobi Tel 254 737 530 290 Email: admin@kpda.or.ke
40.	Kiragu and Mwangi Ltd	Mpaka Hse, Westlands, Nairobi Tel 254 727 111 444 Email: mail@kiraguandmwangi.co.ke
41.	Knight Frank Kenya Ltd	Lions Place, Nairobi Tel 254 20 4440174

NO.	NAME OF FIRM	ADDRESS AND CONTACTS
42.	Komarock Ranching Sacco Ltd	Mwalimu Centre, Nairobi Tel 0727 806 687
43.	KKRUSS Real Estate Ltd	Gupta Building, Mombasa Tel 254 41 2003690 Email: info@kruss-ltd.com
44.	Lamka Properties	Nanak Hse, Nairobi Tel 020 343771
45.	Landmark Realtors Ltd	Anniversary Towers, Nairobi Tel 254 20 2220019 Email: info@landmark.co.ke
46.	Lloyd Masika Ltd	Norfolk Towers, Nairobi Tel 254 2215900 Email: info@lloydmasika.co.ke
47.	Lukenya Greens Ltd	Queens Way Hse, Nairobi Tel 254 20 8055101 Email: info@lukenyagreens.com
48.	Madison Properties Ltd	Twiga Towers Ltd, Nairobi Tel 254 724 089 225 Email: info@madisonpropertygroup.com
49.	Mamuka Valuers Management Ltd	Ruprani Hse, Nairobi Tel: 254 020 2212312 Email: info@mamukavaluers.com
50.	Manclen Management Ltd	Hughes Building, Nairobi Tel 254 20 311311
51.	Manyatta Real Estate	
52.	Masterways Properties	Old Mutual, Nairobi Tel 254 20 310459
53.	Mencia Management Ltd	Jethalal Chambers, Biashara Str. Nairobi Tel 254 20 341924
54.	Metrocosmo Valuers Ltd	Hughes Building, Nairobi Tel 254 20 228398
55.	Neptune Shelters Ltd	Mpaka Plaza, Nairobi Tel 254 20 4450747
56.	Norwich Union Properties Ltd	Norwich Union, Nairobi Tel 254 20 316113 Email: info@norwichunion-properties.com
57.	Palm Golding Properties Ltd	Westlands, Nairobi Tel 254 020 2370090 Email: kenya@palmgolding.co.ke
58.	Paragon Property Consultants	Twiga Towers, Nairobi Tel 254 20 2227060
59.	Paul Wambua Valuers	Electricity Hse, Mombasa Tel 254 726 802 530
60.	Pinnacle Valuers Ltd	Post Bank Building, Nairobi Tel 254 20 2211802
61.	Pink Properties Developers	Kenbanco Hse, Nairobi Tel 254 720 695 401

NO.	NAME OF FIRM	ADDRESS AND CONTACTS
62.	Premier Reality Ltd	Madonna Hse, Nairobi Tel 254 4440258 Email:
63.	Prestige Estate Ltd	Rehema Hse, Nairobi Tel 254 20 2247571
64.	Real Management Services	Twiga Towers, Nairobi Tel 254 721 582227
65.	Realkn International Ltd	Consolidated Bank Hse, Nairobi Tel 254 20 343663
66.	Riparo Properties Limited	Lavington, Nairobi Tel 0727 008 017
67.	Shelter Management Valuers Ltd	Common Wealth Hse, Nairobi Tel 020 2251230
68.	Sparrow Property Services Ltd	Reliance Centre Wood vale, Nairobi Tel 254 20 4445578
69.	Sternon Real Estate	Sarit Centre, Nairobi Tel 254 20 8045650
70.	Summer Ville Development Company Ltd	Haile Selasie, Nairobi Tel 254 20 2729788
71.	Super Contractors Ltd	Medequip Centre, Nairobi Tel 254 20 552010
72.	Super Shelter Construction Ltd	Afya Centre, Nairobi Tel 254 20 217495
73.	Superior Construction Co. Ltd	Industrial Area, Nairobi Tel 020 558855
74.	Suraya Developers and Consultant	Lower Kabete Rd, Nairobi Tel 254 20 4185056
75.	Swapno Properties Construction Ltd	Lavington, Nairobi Tel 254 20 2190082
76.	Swing Kenya Ltd	Bruce Hse, Nairobi Tel 254 20 2222901
77.	Tafuta Development Company Ltd	Nyota Building, Nairobi Tel 254 20 246295
78.	Tagaka Holdings Ltd	Lower Kabete Rd, Nairobi 020 3751957
79.	Tamarind Properties	Haven court, Nairobi Tel 254 20 4442455 Email: sales@tamarindproperties.co.ke
80.	Temus Real Estate Solution	Ring Rd, Parklands, Nairobi Tel 254 20 4452461
81.	Thiomi Ltd	Liason Hse, Nairobi Tel 254 20 2710116

NO.	NAME OF FIRM	ADDRESS AND CONTACTS
82.	Tilisi Developments Ltd	Tilisi Developments Ltd, Maksons Plaza, Parklands Road Nairobi, Kenya.
83.	Toco Properties Ltd	Kimathi Hse, Nairobi Tel 254 20 2215460
84.	Traca Management Services Ltd	Rattansi Koinange Str. Nairobi Tel 254 721 439
85.	Trident Estate	Fortis Towers, Westlands, Nairobi Tel 254 700 002 222
86.	Tysons Ltd	Jubilee Insurance Hse, Nairobi Tel 254 20 2222011
87.	Urban Properties Consultant and Developers	Kimathi Hse, Nairobi Tel 020 2241298
88.	Valley Ranch Ltd	Eagle Nest Hse, Nairobi Tel 254 20 8022119
89.	Valley Zone Ltd	Ambank Hse, Nairobi Tel 254 20 2469381
90.	Verity Property Ltd	Soin Arcade, Nairobi Tel 254 20 2025353
91.	Vidmerck Ltd	NSSF Building, Mombasa Tel 254 20 2211308
92.	Villa Care Kenya Ltd	Rehema Hse, Westlands, Nairobi Tel 020 4447444 Email: info@villacarekenya.com
93.	Wainaina Real Estates Ltd	Hughes Building, Nairobi Tel 254 20 2227207
94.	Zenith Management Valuers Ltd	Phoenix Hse, Kenyatta Avenue, Nairobi Tel 254 20 2247435 Email: info@zenithvaluers.com

Source: The Kenya Property Developers Association (KPDA, 2020).