

**RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND
PERFORMANCE OF FIVE STAR HOTELS IN NAIROBI, KENYA**

BY

VICTORIA MUTHEU MUTUKU

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DECLARATION

This research Project is my original work and has not been presented in any other institution for examination

Signature.....

Date.....

VICTORIA MUTHEU MUTUKU

D66/77828/2015

SUPERVISOR DECLARATION:

This research project has been prepared and submitted for examination with my approval as University Supervisor.

Signature.....

Date.....

DR. FLORENCE MUINDI

SUPERVISOR:

DEDICATION

I dedicate this project to my loving family.

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First I would like to thank the Almighty God for his blessings, strength, grace and mercy. It has been an exciting and instructive study period in the University of Nairobi and I feel privileged to have had the opportunity to carry out this study as demonstration of knowledge gained during the period studying for my master's degree. Exceptional thanks to my supervisor Dr. Florence Muindi who has given me inspiration, exemplary guidance, support and constructive criticism. Without her help this project would not have been a success. With these acknowledgments, it would be impossible to remember those who in one way or another, directly or indirectly, have played a role in the realization of this research project. Let me, therefore, thank them all equally. I take this opportunity to express my deep gratitude to my loving family, my mum, dad and friends who are a constant source of motivation and for their never ending support and encouragement during this project.

ABBREVIATION AND ACRONYMS

EO:	Entrepreneurial Orientation
EI:	Entrepreneurial Introduction
EP	Entrepreneurial Presentation
IHG:	Intercontinental Hotels Group
NIM:	Net Interest Margin
RBV:	Resource Based View
ROA:	Return On Asset
ROE:	Return On Equity

ABSTRACT

The effects of Entrepreneurial Orientation (EO) on company execution are not always the same, importantly; the different components of EO may have differential impacts on performance of a firm. Consider first risk taking, greater corporate risk taking is usually associated in hotel firms with enhanced company performance. The standard view is that hazard taking is one of the three key components of EO, and one that improves organization gainfulness. The motivation behind the study was to set up the relationship between entrepreneurial introduction and execution of five star lodgings in Nairobi. The study utilized a clear research outline to build up the relationship between entrepreneurial introduction and execution of five star inns in Nairobi, Kenya in light of the exploration objective. The objective populace of this study involved every one of the five star lodgings situated in Nairobi County. The objective populace was the general directors and different heads of key offices which involved Business advancement; human asset; system and business; fund and quality affirmation. The information was gathered from the general administrators and leaders of the offices. Essential information was gathered through an organized survey that was regulated to the general chiefs and leaders of the offices in the 22-five star hotels in Nairobi. The questionnaire had closed ended questions. The senior managers were selected through a census method in the 22- five star hotels in Nairobi. These respondents were better placed in providing required data because they played a leading role in ensuring that they positioned the organization favorably within the dimensions of entrepreneurial orientation. The questionnaires were administered through face -to- face to allow for further probing. The questionnaires were then be picked later by the research assistant. The research was quantitative in nature. Descriptive statistics technique used quantitative analysis to analyze the findings from the structured questionnaire. The descriptive statistics comprised of means and standard deviation measure for the close ended questions. Inferential statistics made use of Pearson correlation coefficient to establish the relationship between entrepreneurial introduction and execution at the five star hotels in Nairobi. The researcher also used multiple regression model. From the coefficients of determination, Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage and Autonomy had positive consequences for the execution of five star hotels in Nairobi Kenya. The study found that the Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage and Autonomy as entrepreneurial orientation aspects affecting the performance of five star inns in Nairobi. The study recommends that the hotels should have a well-established Customer-Management. The study suggests that a study be done how the fear mongering has influenced the hotel business in Kenya.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Creative, including ideas or exercises that speak to a takeoff from what is as of now accessible concerning advancements of items, administrations or procedures, must be hazard arranged, to experiment with new and unverifiable items, administrations and advertises and must be more proactive than contenders toward new commercial center open doors (Covin and Slevin, 2010). The change can be connected with imaginativeness, star vivacity and peril taking conduct of the firm, which suggests an entrepreneurial presentation estimation. The relationship between's the entrepreneurial presentation of the firm and its execution has been broadly talked about, capably (Covin and Slevin, 1991); Lumpkin and Dess, 1996) and likely (Wiklund and Shepherd, 2005; Covin and Slevin, 1989; Lumpkin and Dess, 2001).

Understanding the connection between entrepreneurial introduction (EI) and associations execution has remained a major astound on numerous work force specialists. The impacts of EO on organization execution are not generally the same, vitally; the diverse parts of EO may impactly affect execution of a firm. Consider first hazard taking, more noteworthy corporate hazard taking is generally related in hotel firms with upgraded organization execution. The standard view is that risk taking is one of the three key parts of EO, and one that enhances association benefit (Miller, 1983; Miller and Le Bruton-Miller, 2011). Expanded intensity, showcase globalization and the impact of innovation on business make entrepreneurial introduction a requirement for most firms (Tajeddini and Trueman, 2008). In this way, it gets to be important to break down how hotels: exploit new open doors; grow new items/administrations and markets; create proactive practices and go for broke (Godwin and Abaho, 2013).

This has driven various firms to put entrepreneurial introduction in the spotlight of their aggressiveness. The study considered two particular hypotheses that are applicable in comprehension entrepreneurial introduction and its impact on execution of five star hotels in Nairobi, Kenya. The theories taken for the study were the stewardship theory and the advantage based view speculation. Stewardship speculation battles and looks interchange kind of motivation for chiefs, who are reliable to the association and charmed by finishing world class, non-cash related flashes drive the overseers. The benefit based view by Penrose (1959) fights that access to resources by creators is a key marker of chance based business endeavor and new interest improvement this theory concentrates on the criticalness of cash related, social, and HR.

The inn business in Kenya has a rich history going back to the period before the nineteenth century when the primary cooking unit was worked at the drift. The principal inn to be recorded in Kenya was implicit Mombasa and was called "The Grand Hotel which was situated at the site of the previous "Minor Hotel". In Nairobi, a portion of the main hotels to be set up are the Stanley Hotels which have stayed of the key players in the hotel business in the capital city. Today they are among the main 5-star hotels in the capital city. The hotel business is firmly connected to the tourism business and subsequently changes in last situations directly affect the previous. Subsequent to accomplishing freedom, Kenya kept on empowering tourism, along these lines upgrading a further measurement to the inn business (Gathenya, 2012).

1.1.1 Entrepreneurial Orientation

Entrepreneurial introduction alludes to a company's vital introduction concerned fundamentally with recognizing openings and making an arrangement of assets through which prospects can be misused, catching particular entrepreneurial parts of basic leadership styles, techniques and practices. Consequently, it is alluding to the style how the firm works. It can be expressed that an entrepreneurial firm is the one that advances the consistent hunt down upper hands through item, process and market developments, undertaking rather dangerous ventures and is proactively attempting to remain one stage ahead than contenders. Entrepreneurial introduction has been generally concentrated on in business writing, accepting extensive applied and experimental consideration. Also, it is a region with a quickly developing aggregate corpus of learning (Hult, et al. 2003). Mill operator (1983) was the first to discuss entrepreneurial introduction and imagined it as firm conduct portrayed by advancement, master animation and hazard taking. Later on, Covin and Slevin (1991) finished Miller's definition expressing that an association's entrepreneurial introduction relies on upon the degree in which it favors change and development, going for broke and contending forcefully.

This study took after Miller's (1983) meaning of entrepreneurial introduction. As per him, entrepreneurial introduction is a multidimensional idea coordinated by the steady scan for advancement, master animation and the will to go for broke. Advancement requests such a show of assets, to the point that it will get to be gainful just when beginning speculations are adjusted (Kreiser et al., 2013). As such, the higher the development level is, the better the association's outcomes should be. Ace animation mirrors the company's will to rule its rivals

by method for forceful moves, for example, the presentation of new or inventive items or administrations, or the reckoning of future requests (Ke et al., 2007). This stance permits following up available future inadequacies and potential needs, which makes an upper hand. Firms that are equipped for expecting high hazard levels are likewise fit for accepting better favorable position of open doors and of getting higher long haul benefit levels in a setting of hoisted instability.

Entrepreneurial introduction has been conceptualized as the procedure and basic leadership exercises utilized by business people that prompts passage and support of business exercises (Kropp, Lindsay and Shoham, 2006); and as the system making forms that give associations with a premise to entrepreneurial choices and activities. Encourage, EO has been conceptualized as involving three measurements in particular; ingenuity, chance taking and proactiveness (Frank, Kessler and Fink, 2010). In this way, entrepreneurial introduction by and large considered as a key element for the achievement of a firm. Forthcoming, Kessler and Fink (2010) characterize EO as a company's vital introduction, one which catches the particular entrepreneurial parts of basic leadership styles, strategies, and practices.

Handle chairman (1983) delineated an entrepreneurial firm as "one that partakes in thing - showcase change, handles to some degree dangerous ventures, and is first to think of "proactive" types of progress, swindling contenders". He utilized the estimations of headway, master extravagance, and risk taking to assess undertaking. These three estimations have been gotten a handle on by most past studies (Covin and Slevin, 1991; Gathenya, 2012). In spite of the way that the term entrepreneurial colleague has been utilized with all things considered recommend the strategy of individual mental traits, qualities, attributes, and

points of view distinctly connected with an inspiration to share in entrepreneurial exercises (Timmons, 2000), entrepreneurial presentation is moreover a firm-level shape is unfalteringly connected with basic association and the key fundamental organization handle.

1.1.2 Firm Performance

Firm performance can be measured in different ways. These may incorporate yet not restricted to deals development rate, piece of the overall industry, efficiency and productivity (Ichniowski et al., 1997). Bargains advancement rate is an extent that measures the rate of advance in arrangements once in a while or a foreordained time period. The use of bona fide advancement rates is one of the systems for assessing future improvement. Bit of the general business is the rate of a market, which may be described similarly as either units or wage, spoke to by a specific component. Bit of the general business is a key pointer of market forcefulness, that is, the way well a firm is getting along against its adversaries. Organization's budgetary execution is measured in cash related terms.

A firm fiscal execution is pondered in its landing theory, return on assets, regard included among others. Advantage is an authoritative goal of business banks. To gage the advantage of firms there are collection of extents used of which Return on Asset (ROA). Return on Equity (ROE) and Net Interest Margin (NIM) are the genuine ones (Murthy and Mouritsen, 2011). ROE is a money related extent that suggests how much advantage an association earned appeared differently in relation to the total whole of shareholder esteem contributed or found on the benefit report. ROE is the thing that the shareholders look as a side effect of their theory. ROA is an extent of wage to its total asset (Khrawish, 2011). In this study, ROE was used as the measure of money related execution for the associations.

Balanced scorecard is a device of execution organization system that maps an affiliation's essential objectives into execution estimations in four perspectives: fiscal, internal techniques, customers, and learning and advancement. It was started by Drs. Kaplan and Norton in the mid-1990s as an execution estimation structure that additional key non-monetary execution measures to standard money related estimations to give supervisor and powers a more "adjusted" perspective of authoritative execution (Kaplan and Norton, 1992). It besides adjusts business exercises to the vision and game plan of the alliance, overhauls inward and outside correspondence and screens connection execution against key targets.

The balanced scorecard supplements money related measures of past execution with measures of the drivers of future execution. It gives officials far reaching structure that interprets an organization's vision and procedure into a rational arrangement of execution measures. Numerous organizations have vision proclamations to convey the principal qualities and convictions to all representatives (Kiragu, 2005). The statement of purpose as talked about by Simons, (1995), addresses center convictions and recognizes target markets and center items. To better gage an association's execution, one must modify all domains of the business. By centering on money related results as well as on the operational, promoting and formative contributions to these, the adjusted scorecard gives a more exhaustive perspective of a business, which thus helps associations act in their best long haul premiums. To leave on the adjusted scorecard way an association first should know and comprehend the organization's statement of purpose and key arrangement or vision (Armstrong and Baron 2005).

1.1.3 Five Star Hotels in Nairobi

In Kenya, the Restaurant and Hotel Act Cap 494 is responsible for permitting of inns and eateries furthermore directs the way inns are worked in the nation. The Act characterizes a hotel as an introduce other than those predefined in the third calendar on which settlement is provided or accessible for supply with or without nourishment benefits in return for cash or funds' worth. The inns are named per the Hotel and eatery act utilizing star appraisals, from one star inn's to five star inns. The inns have a bed limit extending from forty six beds to seven hundred and sixteen beds. As of now ,there are twenty two five star inns in the Nairobi area specifically Intercontinental inn, Hilton Hotel, Sarova Stanley hotel, Norfolk Hotel, Safari Park and Casino, Sankara Hotel, Nairobi Serena Hotel, Laico Hotel which was formally the Grand Regency Hotel, Windsor Hotel, Villa Rosa Kempinsky , Eastland Hotel, Bidwood Suite Hotel, Ole Serena Hotel, The Boma Hotel , Radisson Blu Hotel, Tribe Hotel , Panari Hotel, Crowne Plaza Hotel, Holiday Inn, Nairobi Safari Club , Hemmingways Hotel and Western Premier Hotel (Kenya Association of Hotels Keepers and Caterers, 2016).

These participants have expanded the opposition in the market as they all attempt to get a bit of the customer base. Likewise, every one of them are sourcing from a constrained work showcase. Facilitate, the worldwide chains like Villa Rosa Kempinski and Radisson Blu acquire their universal experience that implies that adjustments in the officially existing players in the business to survive. New inns mean new condition of workmanship rooms and eatery administrations and the old players need to search for approaches to stay focused by undertaking activities like remodels that are aggressive.

Every one of these variables in this manner implies that hotels need to legitimately deal with their accessible constrained assets in order to perform and stay focused. Greenery (2004) states that weight from contending goals remain a risk and all things considered the need to reconsider Kenya's item offering with a specific end goal to repackage and reposition it versus the opposition. This represents a test for the hotels being that they fall under the tourism business. This implies they need to always screen and survey their techniques about their items and administrations. Entrepreneurial introduction along these lines turns into a basic part of execution administration.

1.2 Research Problem

Entrepreneurial Orientation (EO) is found to assume a key part in upgrading firm execution (Soininem, 2013). EO speaks to an enunciated hypothetical system worked in various factors in regards to key stance and conduct that catches the entrepreneurial disposition of a firm and goes for clarifying association's execution, for example, development, chance taking, focused forcefulness, star animation and self-rule. Story, et al (2013) found that culture (entrepreneurial culture) positively affects entrepreneurial introduction of a business person. Campos et al, (2013) contends that organizations with higher Entrepreneurial Orientation (EO) perform better, in any case, an imperative message from past research endeavors is that this relationship is more mind boggling. The idea that the relationship between an EO and execution is diverse for some sorts of organizations, particularly little business, is not new. There are two clarifications for these uncertain results: the execution ramifications of EO is setting particular and the relationship amongst EO and execution is directed by inner elements. The EO-execution connection is more grounded for long haul introduction than for fleeting introduction.

All around, Covin and Slevin (2011) concentrated on entrepreneurial introduction generally and broadly used operationalization of entrepreneurial culture in both the business enterprise and vital administration writing. In light of their discoveries, that the three measurements of enterprise introduction are vital for development, genius animation, and hazard taking acted must be instructed together to "include a fundamental uni-dimensional key introduction" and ought to be totaled together when leading examination in the field of business enterprise (Garcia-Morales et al, 2011). The study displays that an entrepreneurial presentation the favoritism for a firm to be inventive, risk taking and proactive has a brisk association with the firm execution of a firm. Businessmen/supervisor should truly consider executing approaches and methods to push an entrepreneurial presentation.

Locally, Kenya has been experiencing turbulent times concerning its distinctive leveled hones in the latest two decades. This has fulfilled general low great conditions over the economy and this photograph is genuinely particularly reproduced in the Hotel Industry (Namusonge, Kabare and Mutua, 2012). The reduction in world tourism has awfully impacted hotel deals and represented a danger to hotel administrators since Kenyan inns generally rely on upon the International Tourism Market (Oketch, Wadawi, Brester and Needetea, 2010).

There has additionally been a low bed inhabitation limit of 10-20% in hotels in Kenya and the circumstance is set out toward more regrettable if something is not done (Nzuve and Nyaega, 2011). Various hotels have been closed and this has made staff be laid off. Kamau (2008) states that in the tourism region under which motels are found in Kenya have confronted different challenges which have spoken to a hazard to their nearness. These difficulties

incorporate rivalry, socio-social changes, innovative changes and financial difficulties. The hotel business has however been under a condition of high rivalry. Kamau and Waudu (2012) found that Hotel industry in Kenya is in a high focused market. The new five star hotels that have come up have left inns attempting to keep up their piece of the pie. Advance, Kuria, Peter and Alice (2011) uncovered that star Hotels have basic issue of gifted labor, extraordinarily culinary specialists, and ability to contend all around. Hotels like different organizations are currently swinging to entrepreneurial introduction to build execution.

Wadongo, (2010) explored the key performance pointers in the Kenyan Hospitality industry where they presumed that the friendliness directors in Kenya only screen aggressiveness and monetary measurements of performance with next to zero consideration being paid to non-money related or determinant measures. Ayele (2012) researched the situating methodologies received by five star hotels in Nairobi. Kuria, Wandari and Alice (2011) investigated on the elements impacting work throughput in three and five star hotels in Nairobi. They neglected to take a gander at how entrepreneurial introduction influences performance in hotels. The current writing on entrepreneurial introduction is basically in view of learning gained in the business part, works concentrated on the hotel area being somewhat rare (Tajeddini, 2010).

A survey of these studies demonstrates the meager consideration regarding EO and performance of hotels in Kenya. The considerable greater part of these studies measure business performance subjectively, expanding on firm directors' about their outcome desires. The finishes of these studies are not clear. The concentrate subsequently is gone for making up this lack, given that hotels are a standout amongst the most essential segments around the world. In this manner the principle explore question was what is the relationship between entrepreneurial introduction and performance of five star hotels?

1.3 Objective of the study

The main aim of the study was to identify the relationship between entrepreneurial orientation and performance of five star hotels in Nairobi, Kenya.

1.4 Value of the study

Managers from the five star hotels will profit by comprehension the significance of entrepreneurial introduction and its impact on performance. What's more, they will likewise take in the significance of connecting performance to technique to accomplish intensity. Hotels in different classifications and the neighborliness business by and large will profit by the investigation on the connection between entrepreneurial presentation and execution.

Suggestions of the research study will help policy makers as a source of perspective for future strategies including hotel industry. The discoveries from the examination will expand information in the zone of business enterprise and hotel performance and push hotels policy makers to receive the guessed connections. The discoveries of the study will add to the business enterprise writing by revealing the hidden procedure through which entrepreneurial introduction influence performance of hotels.

This exploration will be helpful in principle working as it will add to the general comprehension of the relationship between entrepreneurial presentation also, execution. Facilitate, it propels the information about the speculations that shape the premise of this study. This exploration tries to connect the present crevice that exists in the assortment of learning. This examination will likewise add to the current assemblage of learning through

the data that will be accessible to analysts and researchers. The examination tries to go about as a boost for further research around there of study. Researchers in different controls of business administration will utilize the writing from this exploration in principle working in their territories of forte.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section brings together the writing reviewed to convey a theoretical grounding for the research study. It also classifies the research matters that are being studied. It gives overall researches that have been done on the relationship between entrepreneurial introduction and execution of five star hotels in Nairobi .This enabled the researcher to analyze and expand knowledge on the topic.

2.2 Theoretical Foundation for the Study

The study was secured on two hypotheses; stewardship hypothesis by Donaldson and Davis (1993) and the asset based view hypothesis by Penrose (1959). The study looked to set up the relationship between entrepreneurial introduction and execution. While previous research may have focused on singular theoretical perspectives, the current research applied the views and extensions of the Resource Based View (RBV), and the stewardship hypothesis all of which consider firm-specific analysis.

2.2.1 The Stewardship Theory

The Stewardship theory that was produced by Donaldson and Davis (1991) is another viewpoint that comprehends the current connections amongst possession and administration of the organization. The business vision ought to be made and executed and conceivably unmitigated changed by dynamic times to give improvement, better execution, and at last accomplishment of the business. Stewardship theory acknowledge that managers are stewards whose lead is changed in accordance with the objectives of their principals

(Eisenhardt, 1989). The speculation battles and looks exchange kind of motivation for boss, who are reliable to the association and enthused about achieving first class, non-budgetary sparkles drive the executives. The theory moreover fights that an affiliation requires a structure that licenses harmonization to be refined most beneficially by chairmen and proprietors. Right when an expert and steward gets together, the essential demonstrations deftly and the second gets a handle on sold, and this results in a condition where the two social affairs end up grasping an administrator position (Van, 2006).

One of the presumptions of stewardship is that it is static; it considers the relationship of supervisor at a solitary point in time. Subsequently it doesn't mirror the inspiration that specialists may need to go astray from an operator position towards that of steward. Exactly when a pro and steward gets together, the essential demonstrations shrewdly and the second feels betrayed, and this results in a condition where the two social occasions end up grasping an administrator position (Van, 2006).

The speculation expect that there is no hopeless circumstance among heads and proprietors and that the goal of organization is to find the segments and structure that support the best coordination between the two social affairs. Stewardship theory holds that there is no inborn issue of authority control, inferring that heads tend to be accountable for their exercises (Donaldson, 1990).

Stewardship hypothesis expect that turning into a steward is the consequence of a judicious procedure. In this judicious procedure, the individual assesses the upsides and downsides of one position versus the other. Le Brown and Steier (2004) commitments to stewardship writing contend that stewards are not unselfish, but rather that there are circumstances where

administrators see that serving shareholders' interests additionally serves their interests. In this circumstance, specialists would perceive that the organization's performance specifically impacts impression of their individual performance. In being compelling, the stewards of the association add to the development of their professions (Daily et al., 2003).

2.2.2 The Resource Based View Theory

The Resource-Based hypothesis as contended by Barney (1991), states that supported upper hand gets from the assets and abilities a firm controls that are significant, uncommon, incompletely imitable, and not substitutable. These assets and abilities can be seen as groups of substantial and impalpable resources, including a firm's administration aptitudes, its hierarchical procedures and schedules, and the data and learning it controls. Rumelt (1991) portrays the association as a heap of assets and abilities. These assets and capacities are comprised of physical, budgetary, human and immaterial resources. The hypothesis is molded on the way that assets are not homogenous and are constrained in portability. The firm can translate these benefits and limits into a key favored angle in case they are critical, unprecedented, in-imitable and the firm is made to mishandle these advantages. It was found that the RBV or the company's high ground is one of the major fundamental organization theories apropos to clear up successful use, and it is moreover a part of the greater organization theory family. Taking a gander at legitimate high ground from the RBV grants the relationship to gage the span of essentialness put upon its viable execution of key game plans and capacities particularly towards accomplishing a high ground level, thusly giving further support and increase to the RBV.

2.3 Dimensions of Entrepreneurial Orientation

As showed up by Lumpkin and Dess (1996), EO incorporates autonomous components and in the late gets some data about it is poor down as a multidimensional thought (Lumpkin and Dess, 1996; Kreiser et al., 2002; Rauch et al., 2009). Handle executive (1983) depicted entrepreneurial presentation in three estimations: inventiveness, chance taking and proactiveness. By then Lumpkin and Dess, (1996) included charging forcefulness and self-organization to Miller's 3 estimations. In this study, subordinate upon various models of corporate wander we utilize 5 estimations of business undertaking; imaginativeness, hazard taking, proactiveness, powerful constrain and self-run the show.

Risk –taking was clearly a key trademark connected with business try. It at initially inferred the perils individuals take by working for themselves instead of being used, be that as it may have since been generally connected with relationship, for example, when directors settle on decisions that present a huge amount of preferences for attempts with flawed results. Lumpkin and Dess (1996: 144) depicted hazard taking loving as an impression of exercises of entrepreneurial firms, for example, "securing overwhelming duty or making broad asset commitments, in light of a true blue sensitivity toward getting extraordinary yields by seizing openings in the business center". Chance taking conduct is an essential part that segregates business visionaries from others since it can make debacles and variations from the norm in the execution (Morris and Kuratko, 2002), regardless it is the behavioral estimation of an EO along which opportunity is searched for after (Lumpkin and Dess, 1996).

Proactiveness depicts the regular for entrepreneurial activities to hypothesize future open portals, both to the degree things or drives and concerning business parts and customer inquire. This trademark was at the purpose of merging of early cash related thinking in this field: the business visionary was considered as some individual who perceives openings in the business center and proactively searches for after them (Lumpkin and Dess, 1996).

Inferred the level of the firm, proactive affiliations are pioneers in the market, rather than supporters. Proactiveness is in addition portrayed as looking for new open entryways in the market and firms can be proactive by expecting future requesting and openings in the market, sharing in making markets, forming the earth, and showing new things also marks before their enemies, (Venkatraman, 1989). Proactive affiliations perform superior to anything adversaries since they react pitch changes in a split second (Hughes and Morgan, 2007), and they find the opportunity to be pioneers of the business with conditions they find before their foes (Lumpkin and Dess; 1996).

Inventiveness relates to the sorts of things and affiliations an alliance has familiar with the market. For a few investigators, creativity is normally associated with business undertaking in that business visionaries make new mixes of focal points by the very reality of their way into the market. As for EO, innovativeness is depicted all the more hardly, concentrating on the significance of mechanical action to the affiliation, and similarly changes in its thing offerings. As showed by Lumpkin and Dess (1996: 142), imaginativeness reflects "ability to bolster imagination and experimentation in displaying new things/associations, and idiosyncrasy, mechanical power and R&D in growing new methodologies". Schumpeter is

one of the powers who firstly underlined the essentialness of ingenuity in entrepreneurial techniques and depicted imaginativeness as doing new things or doing existing things in new ways (Schumpeter, 1947). As indicated by Drucker (1985), ingenuity is the most essential subject of business undertaking and correspondingly Lumpkin and Dess (1996) discovered it as the key a section of business and those that relentlessly search for after their foes' objective markets. Centered forcefulness moreover insinuates "a company's inclination to direct and truly challenge its opponents to fulfill area or upgrade position, that is, to defeat industry squares with in the business focus" (Lumpkin and Dess, 1996:148). Moreover, they saw centered forcefulness as reactions of associations to fulfill high ground in the market.

Self-organization "hints the free development of an individual or a social affair in passing on a thought or a dream and passing on it through to fulfillment" (Lumpkin and Dess, 1996) without being kept around irrationally stringent authentic destinations. In spite of the way that this part appears to in a general sense have "defy authenticity" as to far reaching affiliations, various experts have associated it to the setting of little associations and got really enormous revelations. As indicated by Mintzberg and Waters (1985), business visionaries are solid pioneers on the grounds that their basic leadership forms requires unequivocal and hazardous activities, so entrepreneurial self-governance is identified with flexibility of business people, free activities and autonomous basic leadership (Lumpkin and Dess, 1996).

2.4 Organizational Performance Measures

In today's business world it is significantly underscored on organisation execution. Regardless, there are significant measures of criteria used as a bit of studies and picking the execution. As indicated by Venkatraman and Ramanujam (1986), performance can be measured with budgetary and operational (non-money related) markers. In addition, they asked for execution data in two estimations; pivotal or associate data. Fundamental information is clearly totaled from affiliations and discretionary data are amassed from direct open sources. Another get-together in the execution measure wires objective and subjective measures.

Target execution measures derive assessed markers. They are all around money related pointers and secured from affiliations. Of course, subjective measures depend on upon judgmental evaluations of respondents and these markers cover both financial and non-cash related pointers (Gonzalez-Benito, and Gonzalez-Benito, 2005). In the association field, Gonzalez-Benito, and Gonzalez-Benito (2005), endorse the use of subjective measures in light of the way that subjective measure stimulates the estimation of complex estimations of execution. In like way two or three makers found hard to get target measures and see target measures as insecure in light of the way that the data can be thin in development or can't be in the present style (Pitt, Caruana, and Berthon, 1996).

Subordinate upon close perspectives in the composed work, subjective measures will be utilized as a bit of this study and the relationship between entrepreneurial presentation and execution of the five star hotels will be asked about. Data are accumulated direct from forces

of the motels, which show that urgent data will be used. In like way firm execution addresses in the study blend efficiency and movement questions which mean cash related execution is measured. This study will manufacture the measure for EO concerning Miller (1983).

Happening considers (Covin and Slevin, 1986, 1989; Naman and Slevin, 1993) made and refined the scale that is in a matter of minutes construed as the Miller/Covin and Slevin scale (Brown et al., 2001). Wiklund (1998) saw no under twelve studies in light of this scale, and these studies recommended that this measure is a down to earth instrument for getting firm-level meander. Proactiveness will be surveyed by getting a couple data about the alliance's slant to lead, rather than take after, to the degree developing new approaches, pushes, and new things or affiliations (Miller and Friesen, 1978; Covin and Slevin, 1989).

Forcefulness will be measured by mighty systems utilized by supervisors to search for after enemies or take up new contenders, since its perspective is the resistance (Lumpkin and Dess, 1996). Firm risk taking will be looked into by getting a few information about the affiliation's inclination to share in perilous attempts and boss' inclination for striking versus mindful acts to accomplish firm objectives (Lumpkin and Dess, 1996). Lumpkin and Dess (1996) accept that most business wander get some information about in context of Miller's (1983) considered imagination shows a typical deficiency, that is, Miller (1983) centered around on the thing advance and mechanical parts of headway and required measures for an affiliation's general proclivity of innovative lead. Given this, this study will modify two things from Miller and Friesen (1983) and one thing from Hurt et al. (1977) to quantify firm creative energy.

2.5 Relationship between Entrepreneurial Orientation and Performance

The relationship between entrepreneurial presentation and firm execution has changed into the lead subject of vitality for past made works which are worried with the positive repercussions that entrepreneurial structures have on firm change and execution (Lumpkin and Dess, 1996; Wiklund, 1999; Zahra, Jennings, and Kuratko, 1999). Entrepreneurial presentation is viewed as unavoidable for firms that need to flourish in effective business environment. Notwithstanding, Lumpkin and Dess (1996) suggest that the positive ramifications of the entrepreneurial presentation on firm execution are setting particular and may change uninhibitedly of each other in an offered true blue setting. The EO-execution framing is long-standing, and right studies have for the most part found that relationship with a more EO perform better (Zahra, 1991; Zahra and Covin, 1995; Wiklund, 1999).

Entrepreneurial presentation implies "the techniques, practices, and crucial activity exercises that incite new section" (Lumpkin and Dess, 1996, p.136). EO is revealed through firm-level qualities as thick by Miller (1983, p.771): "An entrepreneurial firm is one that shares in thing uncover advance, handles to some degree hazardous ventures, and is first to consider "proactive" degrees of progress, surpassing contenders." Such properties are associated with upgraded firm execution in today's business surroundings where thing and plan of action life cycles are contracted (Hamel, 2000), and where the future perfect position streams from existing operations are broken and affiliations need to constantly watch out new open passages (Wiklund and Shepherd, 2005).

A couple of studies have found that affiliations demonstrating more entrepreneurial essential presentation perform better (Wiklund, 1999; Zahra, 1991; Zahra and Covin, 1995). Regardless, Smart and Conant (1994) did not locate a monstrous EO-execution relationship, and Hart (1992) suggested that an affiliation's entrepreneurial approach making mode may even influence poor execution especially conditions. It is associated with the preparation of administrators to act in a striking and unequivocal way despite unsteadiness. Firm hazard taking proposes "how much chiefs will make epic and risky asset commitments –i.e. those which have a sensible shot of inordinate disappointments" (Miller and Friesen, 1978). Chance taking is a key estimation of EO as entrepreneurial firms tend to experience a more prominent measure of outside and internal weakness. A peril tolerant and creative presentation in like manner suggests that heads inside the firm invigorate better methodologies for considering, persevere oversights, and remunerate new insights that add to movement and business change (Miller and Friesen, 1983).

Proactiveness –firms that create and actualize clear administrative systems to succeed in their business sectors will probably perform well, and this can be measured by the degree to which benefits are held and reinvested again into the business (Miller and le Breton-Miller, 2011). Promote proactiveness implies how much a firm imagines and follows up on future needs (Miller and Friesen, 1978; Lumpkin and Dess, 1996) by "searching for new open entryways which may conceivably be related to the present line of operations, presentation of new things and brands before contention, intentionally taking out operations which are in the create or declining periods of life cycle" (Venkatraman, 1989, p.949).

Lévesque and Minniti (2010) contended that creativity is the measurement of business that ought to be viewed as setting particular; specifically, its hugeness is restrictive on the level of advancement. While ingenuity is a basic measurement of business in develop advertise economies, it might be less so for firms that can make noteworthy productivity picks up while still not working on the mechanical boondocks (Acemoglu, Aghion and Zilibotti, 2006). Creative firms are those that display imaginative conduct reliably after some time. Focused forcefulness alludes to "a firm's inclination to straightforwardly and seriously challenge its rivals to accomplish section or enhance position, that is, to outflank industry equals in the commercial center" (Lumpkin and Dess, 1996).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section displays the technique the researcher embraced in the process of collecting data that addressed the study research questions. The methodology comprised of the design of research, targeting population, data collecting methods, and data analysis.

3.2 Research Design

The method utilized an expressive research design to build up the relationship between entrepreneurial introduction and execution of five star inns in Nairobi, Kenya in light of the exploration objective. The scientist endeavored to recognize and clarify factors that exist in an offered circumstance to portray the relationship that exists between these factors to give a photo of a specific marvel as prescribed by (Churchill and Iacobucci, 2002).

3.3 Target Population

The objective inhabitants of this research contained every one of the five star inns situated in Nairobi County (see Appendix II). The objective population was the general supervisors and different heads of key divisions which involved Business advancement; human asset; technique and business; back and quality confirmation. The data was gathered from the general administrators and leaders of the offices.

3.4 Data Collection

Primary data was accumulated through an organized poll that was controlled to the general supervisors and leaders of the offices in the 22-five star hotels in Nairobi. The survey had shut finished inquiries. The poll had three segments: - Section A: Demographic information

of the respondent, area B: Dimensions of entrepreneurial Orientation and segment C: Measures of execution. There were Likert scale questions set on the measurements of entrepreneurial introduction and measures of execution. These offices were chosen to give satisfactory data on the relationship between entrepreneurial introduction and execution of five-star hotels. Subsequently, the objective population included 22 general chiefs and 22 heads of office in the 22 five-star hotels situated in Nairobi. The total population comprised of 44 respondents.

The senior directors were chosen through a registration strategy in the 22-five star hotels in Nairobi. These respondents were better set in giving required data since they assumed a main part in guaranteeing that they situated the association positively inside the measurements of entrepreneurial introduction. The surveys were controlled through face - to-face to take into consideration encourage examining. The polls were then be picked later by the examination colleague.

3.5 Data Analysis

The exploration was quantitative in nature. Elucidating insights strategy utilized quantitative analysis to dissect the discoveries from the organized survey. The reason for engaging insights is to empower the scientists to genuinely portray a dispersion of scores or estimations, utilizing a couple records or part (Mugenda and Mugenda, 1999).

The unmistakable insights contained means and standard deviation measure for the nearby finished inquiries. Spellbinding insights changes extensive gatherings of individuals into a more reasonable shape. It assisted with the change of crude data into a frame that made it

straightforward and translate (Mbwesa, 2006). Inferential insights made utilization of Pearson connection coefficient to set up the relationship between entrepreneurial introduction and execution at the five star inns in Nairobi.

3.5.1 Analytical Model

The researcher applied the following multiple regression model: The model below defines the relation flanked by entrepreneurial orientation and Performance in five star hotels within Nairobi.

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Where;

Y = Performance

β_0 = constant

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ = Régression coefficients

X₁ – Risk-Taking,

X₂ – Proactiveness,

X₃ – Innovativeness,

X₄ –Competitive Advantage

X₅ – Autonomy

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This part contains the investigation, presentation and understanding of the examination discoveries. The essential information was acquired by utilization of a poll. The inquiries were set to achieve the target of the study which was to recognize the relationship between entrepreneurial introduction and execution of five star inns in Nairobi, Kenya.

4.2 Response Rate

The study sample size comprised of 44 respondents who were handed out the questionnaires. Out of the 44 questionnaires handed out, 42 were returned answered and were used in the study. This represented a 95.5% response rate, which was viewed as tasteful to make conclusions for the study. According to Bailey (2000) a response rate of half is tasteful, while a response rate more essential than 70% is incredible. This surmises in light of this statement; the response rate for this circumstance of 95.5% is extraordinary.

Table 4.1: Response Rate

Category	Frequency	Percentage
Returned questionnaire	42	95.5%
Unreturned questionnaire	2	4.5%
Total	44	100%

4.3 Demographic Information

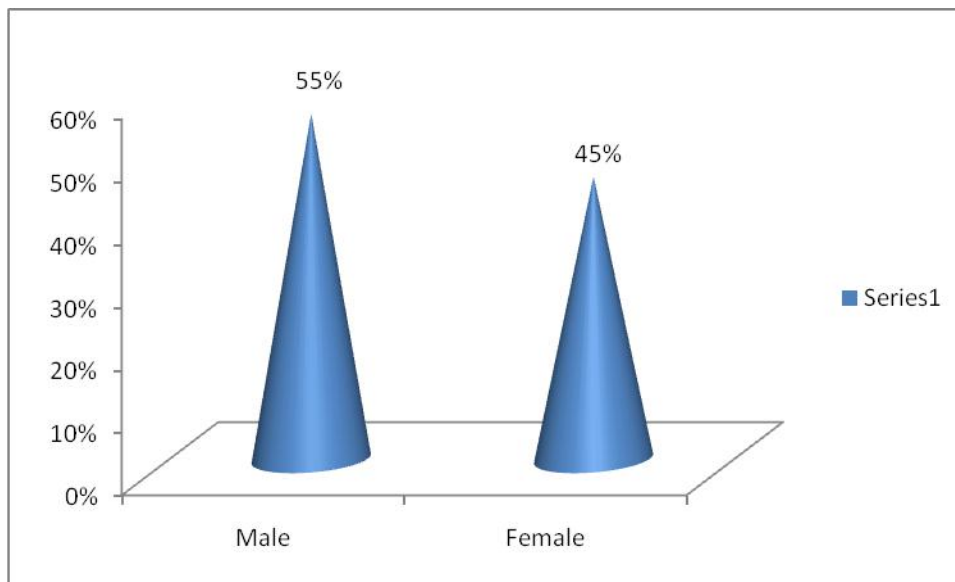
The study firstly sought to find information about various facets on the respondents' background that is, their gender, age, educational level, work place, position held, Period of

working. This measurement were gone for inspecting the fitness of the respondents while noting the survey with respect to the connection between entrepreneurial introduction and Performance of 5 star lodgings in Nairobi.

4.3.1 Respondents' Gender

Respondents were requested that indicate their sex. The outcomes were as introduced in the figure 4.1 below.

Figure 4.1: Gender



From the outcomes, 55% of the respondents were male and 45% of them were female. This suggests a large portion of the reactions exuded from the male in spite of the fact that the distinction is not sufficiently huge to impact the study.

4.3.2 Respondents Education Level

The exploration asked for the respondents to determine their training level. The outcomes are tabulated in table 4.2 below.

Table 4.2: Respondents Education Level

Category	Frequency (N)	Percent (%)
Certificate	0	0
Diploma	4	10
Bachelor's degree	26	62
Post graduate	12	28
Total	42	100.0

As indicated by the discoveries in table 4.2 above, it shows that most (62%) of the respondents' educational level was Bachelor's degree, 10% level of education was Diploma, while 28% in the respondent list held Post graduate level of education. This information shows that the respondents were educated and could give valid and reliable information based on their level of understanding on issues relating to entrepreneurial orientation and performance of five star hotels in Nairobi, Kenya.

4.3.3 Period of time at Current work

The study further requested the respondents to indicate how long they had worked at Current job. The outcomes are shown in Table 4.3 beneath.

Table 4.3: Period of time at Current work

Category	Frequency (N)	Percent (%)
0-5 years	7	16.7
6-10 years	20	47.6
11-15 years	12	28.6
Over 15 years	3	7.1
Total	42	100.0

The outcome in table 4.3 above show; Most (47.6%) of the respondents' period of time in their current job was 6-10 years, 28.6% was 11-15 years, 16.7% was 0-5 years while 7.1% of the respondents' indicated Over 15 years as period of time in their current job. This information shows that the respondents were at their current jobs long enough to be aware of the connection amid entrepreneurial orientation and Performance of five star hotels in Nairobi, Kenya.

4.3.4 Respondents' distribution by Age

The exploration looked to discover the times of all respondents. The outcomes are appeared in table 4.4 below.

Table 4.4: Respondents' distribution by Age

Category	Frequency (N)	Percent (%)
Less than 25 years	6	14.3
25-35 years	24	57.1
Over 35 years	12	28.6
Total	42	100.0

The discoveries in the above table 4.4 demonstrate that dominant part (57.1%) among the respondents were 26-35 years old, 28.6% were Over 35 years while 14.3% of the respondents were less than 25 years.

4.3.5 Position in the Organisation

The research sought to identify the position held by all respondents. The results are illustrated in the table 4.5 below.

Table 4.5 Position in the Organisation

Category	Frequency (N)	Percent (%)
Finance manager	12	28.6
Human resource manager	7	16.7
Marketing manager	10	23.8
Operations manager	13	30.9
Total	42	100.0

The results in table 4.5 above indicate that majority (30.9%) among the respondents were Operations executives, 28.6% were Finance manager, 23.8% were Marketing managers while 16.7% of the respondents were Human resource managers. This information depicts that the right respondents to respond to issues relating to entrepreneurial orientation and performance of five star hotels in Nairobi.

4.4 Dimensions of Entrepreneurial Orientation

The respondents were requested to specify the degree to which they approved with Dimensions of entrepreneurial orientation in the Performance of 5-star hotels in Nairobi. The dimensions studied were taking risks, ability to initiate, innovations, competitive advantage and self-sufficiency. The outcomes were situated on a 5 likert scale coming to from 1 (to no level) to 5 (to an exceptionally incredible level). Standard deviation was connected to demonstrate the variety/scattering from "normal". A low deviation demonstrates that the information truths can be nearer to the mean, while a higher standard deviation demonstrates that the information range is more extensive over the qualities. Study findings were tabulated in table 4.6 below.

4.4.1 Risk-Taking

The respondents were requested to specify the degree to which they approved with the statements on risk taking in Performance of 5-star hotels in Nairobi. The outcomes are organized in table 4.6 beneath.

Table 4.6: Risk-Taking

	Mean	Std. Dev.
Managers make decision on committing large amount of resource allocation	3.3955	.78538
Managers assume high risks to obtain high returns	3.3556	1.07528
Managers seek out new opportunities	3.1333	.97583

According to findings in table 4.6 above, respondents agreed to the risk-taking in the Performance of 5-star hotels in Nairobi. Risk-Taking affects the Performance of 5-star hotels in Nairobi such that Managers made decision on committing large amount of resource allocation (Mean=3.3955), Managers assumed high risks to obtain high returns (Mean=3.3556) and that Managers sought out new opportunities (Mean=3.1333).

The finding implies that risk taking moderately affects the performance of five star hotels in Nairobi.

4.4.2 Proactiveness

The respondents were asked for to determine the level to which they concurred with articulations on Proactiveness in the Performance of 5-star lodgings in Nairobi. The outcomes are arranged in table 4.7 underneath.

Table 4.7: Proactiveness

	Mean	Std. Dev.
Managers develop new services and markets	3.1652	.86214
Managers have ability to respond to market changes instantly	3.0370	.73449
Managers have ability to anticipate future market demands	3.8519	.19401
Managers have ability to anticipate future consumer demands	3.1185	.72330

According to findings in table 4.7 above, respondents agreed to the risk-taking in the Performance of 5-star hotels in Nairobi such that Managers developed new services and markets (Mean=3.1652), Managers had the ability to respond to market changes instantly (Mean=3.0370), Managers had the ability to anticipate future market demands (Mean=3.8519) and that Managers had the ability to anticipate future consumer demands (Mean=3.1185).

4.4.3 Innovativeness

The respondents were required to show the degree to which they agreed with the statement on innovativeness in the Performance of 5-star hotels in Nairobi. The outcomes are tabulated in table 4.8 below.

Table 4.8: Innovativeness

	Mean	Std. Dev.
Managers develop different types of products and services	3.2370	.97937
Managers create new channels of resources	3.0667	.49411
Managers keep on developing new products and services	3.5481	.73015
Managers are willing to support technological leadership	3.5407	.73060

According to findings in table 4.8 above, respondents agreed to the risk-taking in the Performance of 5-star hotels in Nairobi such that Hotels developed different types of products and services (Mean=3.2370), Managers created new channels of resources (Mean=3.0667), Managers kept on developing new products and services (Mean=3.5481) and Managers are willing to support technological leadership (Mean=3.5407).

4.4.4 Competitive Advantage

The respondents were required to show the degree to which they approved the statements on competitive advantage in the Performance of 5-star hotels in Nairobi. The outcome is tabulated in table 4.9 below.

Table 4.9: Competitive Advantage

	Mean	Std. Dev.
Managers aggressively pursuing competitor's target market	3.6370	.98955
Managers have ability to challenge competitors in market place	3.5333	.93681
Managers have ability to engaging with the competitors to achieve competitive advantage in the market	3.5111	.79049

According to findings in table 4.9 above, respondents agreed to the risk-taking in the Performance of 5-star hotels in Nairobi such that Managers aggressively pursued

competitors' target market (Mean=3.6370), Managers had the ability to challenge competitors in market place (Mean=3.5333) and Managers had the ability to engage with the competitors to achieve competitive advantage in the market (Mean=3.5111).

4.4.5 Autonomy

The respondents were required to show the limit which they approved the statements on autonomy in the Performance of 5-star hotels in Nairobi. The outcome is tabulated in table 4.10 below.

Table 4.10: Autonomy

	Mean	Std. Dev.
Managers involve the team in bringing forth ideas vision	3.4963	.97639
Managers make free actions and independent decision	3.4741	.94498
Managers carry out idea vision to completion	3.3630	.86047

According to findings in table 4.10 above, respondents agreed to the risk-taking in the Performance of 5-star hotels in Nairobi such that Managers involved their teams in bringing forth ideas and vision (Mean=3.4963), Managers made free actions and independent decisions (Mean=3.4741) and that Managers carry out idea vision to completion.

4.4 Measures of Performance

The respondents were requested to show the degree in which they rated the Performance of 5-star hotels in Nairobi for the last three years. Their reactions were then arranged in a five likert scale going from 1 (Very poor) to 5 (Excellent). Standard abnormality was connected

to demonstrate the variety/scattering from "normal" (mean). A low standard aberrance showed that the information directs inclined toward be nearer to the mean, while a higher standard abnormality demonstrated that the information was spread out to bigger esteem ranges. The outcomes are organized in table 4.6 underneath.

Table 4.3: Measures of Performance

Category	Mean	Std. Dev
Growth in sales	3.4257	.05211
Growth in market share	3.3663	.18931
Return on equity	3.3465	.12637
Customer satisfaction	3.1980	.16636
Employee satisfaction	3.1485	.94219

Results in the table 4.6 above shows that respondents moderately agreed to the aspects of performance at 5-star hotels in Nairobi such as Growth in sales (Mean=3.4257), Growth in market share (Mean=3.3663), Return on equity (Mean=3.3465), Customer satisfaction (Mean=3.1980) and Employee satisfaction (Mean=3.1485)

4.5 Inferential Statistics

The concentrate furthermore connected general direct model to characterize the prescient power in the free factors in the Performance of five star inns in Nairobi. This included relapse examination, the Model and coefficient of assurance. Standard deviation was used to demonstrate the assortment or "dissipating" from the "ordinary" (mean). A low standard deviation demonstrates that the information guides slant toward be close to the mean, while selective necessity deviation shows that the information is spread out over a broad extent of characteristics.

Table 4.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.417 ^a	.793	.761	.20376

a. Predictors: (Constant), Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage, Autonomy

The five independent variables in the study influenced 76.1% of the Performance of five star hotels in Nairobi as represented by the R².

Table 4.5: ANOVA of Regression

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	2.38	5	.476	14.0153	.000 ^b
1	Residual	17.352	36	.482		
	Total	19.732	41			

a. Dependent Variable: Performance of five star hotels in Nairobi

b. Predictors: (Constant), Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage, Autonomy

The importance esteem is 0.000 which is under 0.05 hence the model is measurably critical in foreseeing how Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage and Autonomy affected the Performance of five star inns in Nairobi. The F basic at 5% level of noteworthiness was 14.0153. Since F figured is more noteworthy than the F basic, this demonstrates the general model was huge.

Table 4.6: Coefficient of determination

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	1.847	.262		.469	.047
Risk-Taking	.327	.210	.071	.464	.646
Proactiveness	.301	.273	.284	.549	.131
1 Innovativeness	.472	.165	.214	.993	.328
Competitive	.272	.189	.191	.409	.685
Advantage					
Autonomy	.289	.174	.148	.897	.376

a. Dependent Variable: Performance of five star hotels

The coefficient of determinate above is not significant.

Multiple regression examination was carried out to determine the extent in which each independent variable influences the Performance of five star hotels in Nairobi. As per the SPSS generated table above, the regression model is:

$(Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \epsilon)$ becomes:

$(Y = 1.847 + 0.327X_1 + 0.301X_2 + 0.472X_3 + 0.272X_4 + 0.289X_5 + \epsilon)$

From the model, when other factors (risk-taking; proactiveness, innovativeness, competitive, advantage and autonomy) are at zero, the performance of five star hotels will be 1.847. Holding other factors constant, a unit increase in risk-taking would lead to 0.327 (p=.646) increase in performance of five star hotels. Lumpkin and Dess (1996) depicts that risk taking has a moderate effect to the performance of five star hotels.

Holding other factors constant, a unit increase in proactiveness would lead to a 0.301 (p=0.131) increase in performance of five star hotels. Hughes and Morgan (2007) noted that proactiveness influence performance of five star hotels to a moderate extent.

Holding other factors constant, a unit increase in innovation would lead to a 0.472 (p=0.328) increase in performance of five star hotels. Morris and Kuratko (2002) illustrate that innovation influence performance of five star hotels to a very great extent. Holding other factors constant, a unit increase in competitive advantage would lead to a 0.272 (p=0.685) increase in performance of five star hotels. Benito (2005) established that competitive advantage influence performance of five star hotels. Holding other factors constant, a unit increase in autonomy would lead to a 0.289 (p=0.376) increase in performance of five star hotels. Rauch et al., (2009) discovered that autonomy affect performance of five star hotels.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section gives the summary, conclusion and proposals on the relations between entrepreneurial introduction and execution of 5 star hotels in Nairobi, Kenya.

5.2 Summary of Findings

The study reasons that Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage and Autonomy as entrepreneurial introduction angles influencing the execution of 5 star hotels in Nairobi.

The study presumes that chiefs settle on choice on submitting vast measure of asset distribution, expected high dangers to get significant yields and searched out new open doors. In enslavement the study infers that administrators grew new administrations and markets, had the capacity to react to market changes in a split second, the capacity to foresee future market requests, capacity to envision future buyer requests.

Likewise the study observed that Managers created diverse sorts of items and administrations, made new channels of assets, continued growing new items and administrations and chiefs were willing to bolster mechanical authority. Besides the study found that Managers forcefully sought after contender's objective market, they had the capacity to test rivals in commercial center had capacity to connect with the contenders to accomplish upper hand in the market. Promote the study found that administrators were included the group in delivering thought and vision; they settled on

free activities and autonomous choices and that they did thought vision to fruition. At long last the study found that the autonomous factors in the study affected 76.1% of the Performance of five star inns in Nairobi.

5.3 Conclusions

The study presumes that the Risk-Taking, Proactiveness, Innovativeness, Competitive Advantage and Autonomy as entrepreneurial introduction perspectives influencing the execution of five star inns in Nairobi. Promote the study infers that Managers settle on choice on conferring expansive measure of asset portion, accepted high dangers to get exceptional yields and searched out new open doors. In enslavement the study presumes that Managers grow new administrations and markets, capacity to react to market changes right away, the capacity to expect future market requests, capacity to foresee future customer requests. Also the study found that Managers forcefully sought after contender's objective market, they had the capacity to test rivals in commercial center had capacity to connect with the contenders to accomplish upper hand in the market. At long last the study found that the free factors in the study affected 76.1% of the Performance of five star inns in Nairobi. Self-rule, Competitive Advantage, Innovativeness, Proactiveness and Risk-Taking affects the Performance of five star hotels in Nairobi.

5.4 Limitations of the study

While leading the research study the specialist met various difficulties securing meetings with the respondents some of whom were unwilling to take an interest. To counter these issues, the analyst procured qualified aides who professionally took care of a wide range of respondents and also followed up for the arrangements.

5.5 Recommendations

The study suggests that the hotels ought to have an entrenched Customer-Management since this would specifically figure out if the client returns again or not. Likewise the study prescribes that hotels have entrenched data frameworks. Along these lines they would without weight be getting naturally created data without human info. Facilitate the study suggests that the enrollment of workers ought not be just in light of scholastic capabilities but rather additionally their gifts to be considered and this would make the representative accomplish self-realization as the organization develops.

5.6 Areas for further research

Amid the research study, the scientist ran over zones that would enthusiasm for further examination. The study suggests that a study be done how the psychological oppression has influenced the inn business in Kenya. This would help in deciding the degree of impact of the psychological oppressor exercises in the area influences hotel industry.

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APPENDICES

Appendix I: Introduction Letter



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS**

MSC. ENTREPRENEURSHIP AND INNOVATIONS MANAGEMENT PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya


Date 4/10/15

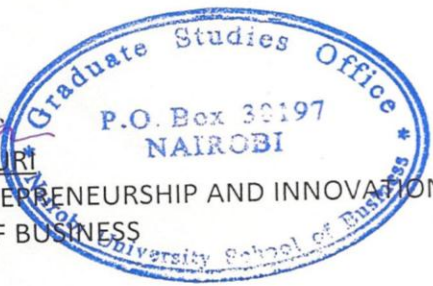
TO WHOM IT MAY CONCERN

The bearer of this letter... VICTORIA MATHEN MUTUKU
Registration No..... D 661 77828 / 2015
is a bona fide student in the Master of Science in Entrepreneurship and Innovations Management Programme (MSc. Entrepreneurship and Innovations Management Programme) degree program in this University.

He/She is required to submit as part of his/her coursework assessment a research paper on enterprises management. We would like the student to do their project on real problems affecting firms in Kenya. Your organization has been identified for the study and we would appreciate your assistance to enable him/her collect data in your reputable organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organization on request.


JANE MUTURI
MSC. ENTREPRENEURSHIP AND INNOVATIONS MANAGEMENT PROGRAMME ADMINISTRATOR
SCHOOL OF BUSINESS



Appendix II: Questionnaire

This questionnaire seeks to collect informational data solely for academic purposes. The study pursues to establish the relationship between Entrepreneurial Orientation and Performance of Hotel Firms in Kenya. Information will be regarded with strict confidence. You are requested to respond to various statements in different sections of the questionnaire as guided.

Please tick (✓) the appropriate box or complete the answer.

Section A: General Information

1. Name of your organization (Optional)

2. Gender of the respondent

Male

Female

3. What is your highest level of education?

Certificate

Diploma

Bachelor's degree

Post graduate

Other (Specify) _____

4. Years of experience in your current firm

0-5 years

6-10 years

11-15 years ()

Over 15 years ()

5. Age of respondent

Less than 25 years ()

25-35 years ()

Over 35 years ()

6. What is your position in this hotel company?

Finance manager []

Human resource manager []

Marketing manager []

Operations manager []

Other (specify)

Section B: Dimensions of Entrepreneurial Orientation

7. Rate the extent to which managers from your organization have the following characteristics of Entrepreneurial Orientation on a scale of 1-5, Key: 1= Not at all; 2=Less extent; 3= Moderate extent; 4= Large extent; 5= Very large extent

		1	2	3	4	5
a	Risk-Taking					
	Managers make decision on committing large amount of resource allocation					
	Managers assume high risks to obtain high returns					

	Managers seek out new opportunities					
b	Proactiveness					
	Managers develop new services and markets					
	Managers have ability to respond to market changes instantly					
	Managers have ability to anticipate future market demands					
	Managers have ability to anticipate future consumer demands					
c	Innovativeness					
	Managers develop different types of products and services					
	Managers create new channels of resources					
	Managers keep on developing new products and services					
	Managers are willing to support technological leadership					
d	Competitive Advantage					
	Managers aggressively pursuing competitor's target market					
	Managers have ability to challenge competitors in market place					
	Managers have ability to engaging with the competitors to achieve competitive advantage in the market					
e	Autonomy					
	Managers involve the team in bringing forth ideas vision					
	Managers make free actions and independent decision					
	Managers carry out idea vision to completion					

8. What is the degree of influence in the performance of five star hotels in Nairobi?

On a scale of 1-5, Key: 1= Not at all; 2=Less extent; 3= Moderate extent; 4= Large extent; 5= Very large extent

	1	2	3	4	5
Risk taking					
Proativeness					
Innovativeness					
Competitive aggressiveness					
Autonomy					

Section C: Measures of Performance

9. In the last **THREE YEARS** on average how would you rate your performance in the following.

Rate your response on a scale of 0-20 where 0= Not Important to 20= Very important

	Percentage (%)				
	0-5	5-10	10-15	15-20	More than 20
Growth in sales					
Growth in market share					
Return on equity					
Customer satisfaction					
Employee satisfaction					

Thank you for your co-operation.

Appendix III: List of 5-Star Hotels in Nairobi County

1. Nairobi Serena Hotel
2. Laico Regency (formerly Grand Regency Hotel)
3. Windsor Hotel (Karen)
4. Holiday Inn
5. Nairobi Safari Club (Lilian Towers)
6. The Sarova Stanley Hotel
7. Safari Park & Casino
8. Inter-Continental Hotel
9. Panari Hotel
10. Hilton Hotel
11. Norfolk Hotel
12. Crowne Plaza Hotel
13. Sankara Hotel
14. Tribe Hotel-Village Market
15. Hemmingway Hotel
16. Eastland Hotel
17. Ole Sereni Hotel
18. The Boma Hotel
19. Radisson Blu Hotel
20. Bidwood Suite Hotel
21. Western Premier Hotel-Nairobi
22. Villa Rosa Kempinski