ENTREPRENEURIAL ORIENTATION OF INVESTORS AND PERFORMANCE OF PRIVATELY OWNED SECONDARY SCHOOLS IN NYERI COUNTY, KENYA.

SAMUEL NJUGUNA KANJA

D66/5260/2017

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS OF SCIENCE DEGREE IN ENTREPRENEURSHIP AND INNOVATIONS MANAGEMENT, UNIVERSITY OF NAIROBI, SCHOOL OF BUSINESS.

NOVEMBER, 2018

DECLARATION

I declare that this research project is my original work and has not been previously published or presented in any other university.

Signed:…… Date:……

SAMUEL NJUGUNA KANJA
D66/5260/2017

Signed:…… Date:……

PROFESSOR BITANGE NDEMO
SCHOOL OF BUSINESS
UNIVERSITY OF NAIROBI

ACKNOWLEDGEMENT

I acknowledge God for the care and protection in my academic journey.

I acknowledge my family members and close friends for their moral support and unending presence in the course of this study.

I also appreciate my supervisor Prof. Bitange Ndemo for the support, guidance and profound contribution towards putting together this thesis. His motivation made this work a learning and exciting experience.

I appreciate my moderator, Dr. XN Iraki for his ideas and invaluable guidance that helped improve the approach towards the writing of this thesis.

I appreciate the KAAD fraternity for their financial support and moral support in my graduate studies.

I thank my classmates who provided insights and encouragement before and during this study.

DEDICATION

I dedicate this work to my parents and siblings for their support in my education journey.

TABLE OF CONTENTS

LIST OF TABLES

ABBREVIATIONS AND ACRONYMS

EO	Entrepreneurial Orientation
SPSS	Statistical Package for Social Sciences
K.C.S.E	Kenya Certificate of Secondary Education

ABSTRACT

In an environment where performance in private schools is key to competitiveness and sustainability, EO aspects of the investors are thought to play some significant role in directing and planning operations with the aim of achieving desirable results in a competitive environment. The study sought to establish the extent of EO of the investors in private secondary schools in Nyeri County and how then determine the relationship between the three dimensions of EO, that is, pro-activeness, risk-taking and innovativeness, on school performance, which was defined by national examination results, extra-curriculum activities and operation stability. The study was pegged on four theories namely: institutional theory, disruptive innovation theory, human relations theory and behaviorist theory of learning. Literature review has been documented for past studies and gaps that the study sought to address were highlighted. It focused on all the private secondary schools in Nyeri County with the whole population being used in the study. Primary data was obtained from the respondents through semi-structured questionnaires that were duly filled by either the school owners or managers, commonly known as principals. The research design used in the study is descriptive survey because of its appropriateness due to the data that was required. Data was analyzed using SPSS, summarized and paraphrased to make inferences from the data collected. Tables were used to present the results. On the extent of EO of the investors in private schools, the study concludes that all the dimensions of EO are present in different extent ranging from moderate extent to very great extent across the entrepreneurs that the study targeted. On the relationship between EO of the investors and performance in secondary private schools, the study confirmed that there is a positive relationship with innovativeness being the only significant variable among the three dimensions. The other two were not significant and had a negative relationship. The model explained 34.6% of the performance showing that there are other factors that significantly influence school performance. The study concludes that investors in privately owned secondary schools in Nyeri County have all the three dimensions of EO, that is, pro-activeness, risk-taking and innovativeness. They possess this in very different degrees where some have moderate, others great extent and some very great extent. In addition, the study concludes that innovativeness significantly influences performance of private learning institutions with risk-taking and pro-activeness not significantly nor positively influencing overall performance measures focused in this study. The study makes recommendations that owners and managers should focus more on innovativeness as it is has a positive and significant influence on performance. In addition, they should focus on exercising risk-taking and pro-activeness in a more objective manner. A recommendation for further study on the same area with a larger population, in another region and including other variables was noted.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Entrepreneurial Orientation is among the critical dynamics that determine the firm's performance regarding growth and profitability. Studies have demonstrated that improved performance links with the EO that exists in the firm (Stevenson & Jarillo, 1990). Hence, the dimensions of EO which includes 'pro-activeness', 'risk-taking', and 'innovativeness' of an organization, can yield firm performance. Conceptually, scholars have widely discussed the correlation between organisational growth, firm performance and EO (Lumpkin & Dess, 1996; Covin & Slevin, 1991). Empirically also, previous studies have covered this topic widely (Lumpkin & Dess, 2001; Covin & Slevin, 1989; Wiklund & Shepherd, 2005). However, some gaps remain open regarding the extent to which EO relate to performance in modern day firms (Moreno & Cassilas, 2008). Owing to an operating environment that is competitive for firms in modern economy, the *EO-Performance* connection is a multi-dimensional construct as highlighted by Lumpkin and Dess (1996).

The discussion on what influences performance at the organisational level in Small and Medium Enterprises (SMEs) is inconclusive. Past and recent studies (Westerberg & Wincent, 2008) have shown that the orientation of the businessperson and their character traits significantly determines firm performance. However, there is emerging evidence that the strength of the relationship between EO and firm performance is also dependent on other factors. Some studies (Gómez, 2006; Rauf, 2007; Bruton et al., 2010) indicate the existence of an association between EO and strategies that enhance firm performance. There is an indication that EO determines the choice of strategy by the owners and management in a firm and it acts as an intermediate factor that improves performance (Phan & Butler, 2003). Three theoretical foundations related to entrepreneurship and organisational performance form the basis of this study. They include human relations theory, the diffusion of innovations theory, and institutional theory.

Kitaev (1999) and Sosale (1999) elaborated on factors that lead to emergence and growth of private schools in both advanced and developing countries. One of the key factors is a market that demands private education. Private education emergence and growth also respond to differentiated demand of education where parents and guardians are ready to pay for education offered differently in

private schools. Management requirements, profits and capital investment required for starting a private school also matters. The supply-side factors of private education relate to situations where the public provision of services does not meet the needs of the target population group leading to private provision to bridge the existing gap (Sosale, 1999). Private sector investment and development in education takes two forms: for-profit institutions and a broader way.

1.1.1 Entrepreneurial Orientation

EO is a characteristic of firms, as measured by the organisation's owners or management in their strategic decision-making and entrepreneurial styles (Miller, 1983). Firm-level entrepreneurship is essentially EO (Wiklund & Shepherd 2005).

Studies argue that a firm's EO is the extent to which the management is inclined to open up to risks, change and newness to increase their competitive advantage (Covin & Slevin, 1988). The studies also submit that organisations with consistent tendency to take up comparatively higher intensities of risk, pro-activeness, and innovative activities have EO. Those that have comparatively lesser intensities of such organisational conduct are unadventurous or have a conventional orientation (Covin & Slevin, 1991). EO entails engagements and processes that influence the strategy and decision-making activities (Lumpkin & Dess (1996). One postulation of EO is that companies that are entrepreneurial diverge from other companies in their objectives and processes. Performance-oriented corporate entrepreneurship must have an EO (Covin & Slevin, 1989).

Lumpkin and Dess (2001) argued that EO is an essential parameter of the manner an organisation is run and organised. It is the process of activities used by entrepreneurs to act entrepreneurially in a given context. Kreiser and Davis (2010) also agreed with Lumpkin and Dess (2001) on importance of EO in management of an organization. In summary, EO is an organisation's strategic orientation. The extent to which an- organisation prudently takes risks continuously innovates and proactively engages autonomously to compete aggressively (Rauch *et al*., 2006).

Several studies have concluded that EO has different dimensions of risk-taking, pro-activeness, and innovation (Wiklund 1999, Miller 1983). Innovativeness of the entrepreneurs or management

is measured by the propensity that they possess and how they use it in the process of bringing newness in their business (Miller and Friesen, 1982). The willingness and interest to espouse fresh thinking or approaches in their firm operations; as well as enthusiasm to strategise and apply those ideas innovatively (Khandwalla, 1987). Risk-taking implies the willingness to commit resources or in opportunities that have a high likelihood of failure or where ambiguity is involved (Zahra, 1991). The ultimate manner of managing and coping with threats is to recognize them at their origin, and have a sense of control right from the point of its identification (Cornelia, 1996). Pro-activeness is a predisposition to have a perspective of opportunity seeking, forward-looking and is characterised by making decisions in consideration of forthcoming events (Kreiser *et al*., 2002).

There are divergent opinions as to whether the different scopes of EO are autonomous or not. Some scholars such as Covin and Slevin (1989) perceive EO as a concept with one dimension. Contrary, Lumpkin and Dess (1996) argue that there are many aspects of EO that exist in diverse amalgamations hence it becomes a multidimensional concept. Multiple EO dimensions—in this case, risk-taking, pro-activeness, and innovativeness—can reinforce one another for better results. Studies show that the salient aspects of EO usually exhibit a high degree of inter-correlations (Tan & Tan, 2005).

1.1.2 Firm Performance

In literature, there is little or no agreement among scholars on the right parameters to measure firm performance. This has led to various measures of firm performance that are either impartial or biased (Venkataraman & Ramanujam, 1986). They can also be non-financial and financial measures; this variety leads to high diversity in an EO-performance relationship (Murphy *et al.*, 1996). Researchers have widely accepted that the more appropriate measures of performance are the objectives ones as they avoid bias.

International and regional expansion, satisfaction and competitive advantage gained by business managers or owners are some of non-monetary parameters of firm performance. Profitability, market share growth, return on assets and return on investments are some of the monetary parameters of firm performance (Smith, 1976). Murphy *et al.* (1996) argued that there is little or

no agreement on various parameters concerning fiscal performance. In this context, for objective results, there should be a balance of profitability measures and growth measures (Hill, 1996). Managers and owners are generally inclined to share the evaluation of their firm's performance in subjective terms, and this leads to a lack of reliability (Wiklund, 1999; Wiklund & Shepherd, 2005). Alternatively, performance can be explained and viewed as a multidimensional and thus advisable to incorporate numerous objective as well as subjective measures for accuracy (Yusaf, 2002; Combs *et al*., 2005).

Specifically, it is the organisation's ability and capacity to produce the expected output fulfilling the needs of all the groups that it targets or serves; and is often referred to its failure or success (Guimaraes & Armstrong, 1998). Another study views performance as a reliable measure of how well an organisation achieves its o objectives and goals (Penrose, 1959). When a firm's resources are used effectively and efficiently to gain a competitive advantage that is sustainable, it leads to better performance (Rauf, 2007). Essentially, enhanced performance requires an EO, which helps make and implement strategic decisions effectively. (Machuki et al., 2012). Logically, organisational and environmental dimensions combine to provide a precise prediction of effective strategy and firm performance (Peng et al., 2008). This thinking supports the presence of a link between entrepreneur orientation and characteristics, competitive strategy and firm performance that needs further investigation.

1.1.3 Education System and Private School Investment in Kenya

In Kenya, the education system comprises of 16 years of schooling divided into three parts. The first eight years are for primary education while four years are spent in secondary education. The remaining four years are for tertiary education. Most of the schools in Kenya are public but there are quite a number of private schools as well serving a noteworthy share of pupils. This is especially so considering a high proportion of children aged 15 years and below (42%) in relation to the population of Kenya. This high number of children and a government policy of free primary education declared in 2003 has seen government grapple with challenges of catering for increased number of pupils due to high enrolment (1.2 million) and giving them quality education. The high enrolment of pupils was commendable as it helped towards achieving MDGs goals of universal primary education. However, with it came unintended outcome of congestion and low quality of education that have led to increased emergence and growth of private schools.

Free primary education has seen increased numbers of pupils joining secondary schools. Drop out in primary schools as well as lack of funding to absorb all pupils completing their primary education has hampered desired transition from primary to secondary schools. However, the existing education policy encourage private schools to bridge some of the gaps in education system (Government of Kenya, 2005a). Despite this, problems touching on private schools as business ventures have not received adequate assessment.

The definition of private education in this study is adopted from Kitaev (1999) who defined it as "all formal schools that are not public, and may be funded, owned, managed and financed by actors other than the State, even in cases where the state provides part or most of the funding and has considerable control over these schools' supervision, curriculum, and accreditations."

Studies conducted in the recent past have shown that underdeveloped nations gain a lot because of investing in basic education. Developed nations on the other hand benefit more from investment in secondary school education (Onsomu *et al.,* 2006a). This success is however significantly limited to the kind of orientation of the entrepreneurs in this sector which directly influence the contribution of teachers in the learning process.

1.1.4 Nyeri County

Nyeri County is one of the 47 counties in Kenya and strategically located about 150 kilometres from Nairobi. It was the administrative headquarters of the former Central Province. It covers an area of 3,336 square kilometres. There are 243 private primary schools and 30 private secondary schools in Nyeri County. These are distributed all over the county but mostly located near the major towns such as Nyeri town, Othaya, Karatina, Mukurwe-ini, and Narumoru. The regional education office, headed by the Regional Director of Education, covering various counties, that is, Nyeri, Kirinyaga, Muranga, Nyandarua, and Kiambu is at the county headquarters.

1.2 Research Problem

The association existing between organisational performance and EO as indicated in literature has not yet been thoroughly exhausted. The argument that basis firm performance solely on entrepreneur's characteristics is not correct as it also depends on the strategy-making processes that employ the dimensions of risk-taking, pro-activeness, and innovativeness as well as industry structure (Sandberg & Hofer,1987). However, available literature concentrates on the isolated and individual factors affecting the firm performance (Baum et al., 2001). Thus, the available evidence is inadequate in supporting the multi-dimensional relationship that exists between the three dimensions of EO and firm performance.

Studies carried out on firms elsewhere (Schreckenberg et al., 2006) show that enhancing and improving internal controls and capacities would enhance their performance and competitiveness. Such internal strategy making processes and capacities include the orientation and characteristics of the entrepreneur who is key in firm performance (Islam *et al.*, 2011). However, these studies have not authoritatively demonstrated how to integrate the various dimensions of EO.

The owners and head of learning institutions performs the various functions of controlling, planning, decision-making and directing to ensure quality of education is attained effectively (Adeleke, 2001). Quality of education is one of the issues largely discussed in the debates related with education (Eshiwani, 2008). It states that the school managers play a key role in achieving this quality. Okwako (2013) did a review of how stakeholder's orientation and management styles affect the strategies that they adopt in the schools and how this influences performance. Kamoche (2013) examined how administrative strategies influence the performance of schools in national examinations in Mathioya Subcounty, Nyeri County. He found that the degree of pro-activeness of the managers or principals directly influence performance. These studies converge on the idea that the nature of strategic planning, processes and practices adopted highly depend on the stakeholders approach and orientation. However, these studies did not specifically focus on the private schools.

Owing to existing inadequacies exhibited by previous studies, this study sought to establish effects of the EO of the investors in private secondary schools as one factor that affects the institution's performance. The studies carried out in this context happen to focus on other factors that influence performance with little focus on the EO.

The EO of the school owners has been noted to influence student performance, directly and indirectly, due to closed and controlled management styles. Unlike in the public schools, where school management follows an organised manner due to well-stipulated policies, structures, and controls, private schools mostly depend on individual owners or board appointed by them to run. There is little consistency in the performance of private secondary schools in Kenya in the national exams, which is highly attributable to different approach and orientation in entrepreneurial aspects of the management of the schools.

Based on the preceding discussion, this study sought to fill one of the existing gaps by analysing the influence that the different dimensions of EO have on school performance in the private secondary schools in Nyeri County, Kenya.

1.3 Research Objectives

The study had the aim of analyzing the role played by the EO of the private investors in secondary schools on school performance and make conclusions based on the findings. The orientation focused on the three dimensions of EO: risk-taking, pro-activeness, and innovativeness.

1.3.1 Specific Objectives

i. To analyze the EO of investors in privately owned secondary schools in Nyeri County
ii. To identify the effect of EO of investors on the school performance of privately owned secondary schools in Nyeri County

1.4 Value of the study

The findings of the study were expected to make a significant contribution to theory, practice, and policy in the area of study as follows:

In theory, the findings of this study are expected to contribute to existing theory by either disapproving, being indifferent or supporting assumptions advanced on EO and its role in form

performance. Empirical evidence generated from this study would be useful to other researchers in advancing their studies in the entrepreneurship phenomena.

In practice, entrepreneurs in the education sector will mainly know how their risk-taking, pro-activeness and innovativeness contributes to school performance teachers' productivity and retention. It will help in making them more conscious of having a conducive learning environment for optimal results. Related learning institutions can use the findings to improve on their performances by focusing on enhancing the favourable entrepreneurial behaviour of the owners.

In policy, the findings will be of particular significance to the government, organisations, and individuals who offer quality assurance services and supervision of private schools as well as policy formulation in ensuring there are efforts made to improve the learning and working environment in private schools in the country. The findings can also inform the legislation of some laws and rules in the education sector as well as be part of the reform processes.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of relevant literature to this study. It aims to identify any existing research gaps. The discussion was based on empirical and theoretical foundation and models of the study that centers on effect of EO on firm performance. The theoretical literature will focus on various relevant theories that will support this study. The empirical literature was reviewed based on past studies to provide new knowledge and understanding of the area of study followed by a summary of the literature. This chapter will also represent a summary of research gaps as well as conceptual arguments depicting the influence of EO and firm performance relationship. Finally, it presents the hypotheses for testing by this study and links them to the specific variables.

2.2 Theoretical Review

EO and characteristics have attracted attention from different researchers in varied fields, including economics, sociology, psychology, and management (Gladwin et al. 1989). This attention has resulted in various theories of entrepreneurship; institutional theory, innovation theory, motivation theory, opportunity based theory, and other social and psychological theories. These theories have been used in various studies to build on the knowledge that they established. In this study, we shall target some theories that will play complementary roles in guiding the entrepreneurial strategy and decision-making.

2.2.1 Institutional Theory

Institutional theory presents a theoretical perspective used to study the diffusion of organisational practices (Peng et al., 2008; Bruton et al., 2010). It explains how different forces that surround organisations influence an individual's behaviour and firm structures. Zucker (1987) suggests that firms are impacted equally by in-house and outside pressures. Routines, rules, as well as structures set provide a guideline on the strategy and decision-making process (Scott, 2004). The theory seeks to find how the various elements in an organisation go through processes of creation, diffusion, adoption, and adaptation over time and how they affect the performance of the firm.

Institutional theory helps in understanding the factors that determine how the management develop and implement practices and policies with its impact on the performance of individuals and organisations (Wright & McMahan, 1992). The theory highlights that a firm that appreciates relations with its stakeholders and other organisations can survive and thrive easily by gaining better access to resources (Oliver, 1995). This phenomenon depends on the understanding that a socially and culturally constructed organisational environment shapes the individual attitudes and behaviour within the institution (Berger & Luckmann, 1967).

This theory was the anchor of this study with the presumption that the internal nature of institutions usually affects firm performance. This study has its foundation on the understanding that the various resources of an institution include skills, competencies, knowledge base, culture, systems, procedures, management styles, and decision-making activities. These resources tend to influence the performance of the learning institution (Bruton et al., 2010). Entrepreneurs may find it difficult to start or grow a venture if there are no institutional structures that are both administrative and organisational (De Soto, 2000).

2.2.2 Disruptive Innovation Theory

The disruptive innovation theory was developed in 1997 by Christensen. According to Christensel (1997), in a dynamic world, innovation is critical for competitive advantage. Lettice and Thomond (2002) defined disruptive innovation as “a successfully exploited product, service or business model that significantly transforms the demand and needs of an existing market and disrupts its former key players.”

Leifer et al. (2001) characterise the side effects of disruptive innovation as problematic developments, According to him, he defines these developments as "… those that create major changes in the exercises of an association and speak to an expansive takeoff from existing practices". The level to which advancement is extraordinary determines the potential it has to cause challenges on unpredictability. Disruptive advancements change the nature of business operations regarding procedures and processes and open doors for new developments around products and services (Hamel, 2003). This study sought to affirm how radical advancements through innovativeness has influenced how institutions perform.

2.2.3 Human Relations Theory

Human relation theory emanates from the different human factors that play a role in an organisation. The fundamental problem in all firms is to maintain and develop harmonious and useful relations (Hoy and Miskel, 1978). The human relations theory has changed the style that organisations adopt in bringing efficiency and obtaining a reasonable level of cooperation between employees and management or owners. This is towards achieving the goals and objectives of the organisation (Knezevich, 1975). The theory proposes that managers or owners should not only be concerned with the welfare of the employees but also should develop a relationship and other human or social skills for working with the organisations.

The human relations theory encourages educational managers and school owners to appreciate the human factor in learning institutions. Teachers, students, and other stakeholders have human needs that the management cannot ignore and must be incorporated in the organisational structure (Wanyonyi, 2016). The recognition of the needs usually becomes a source of motivation for the various stakeholders. Thus, educational managers and owners should be concerned about the conditions that prevail in the learning institutions to ensure that the impact on performance is positive. To enhance productivity, the entrepreneurs should deliberately exhibit efforts towards improving the learning environment (Okumbe, 1998). In conclusion, both human relations and scientific theories are relevant to the effective running of the private schools by the owners through 'innovativeness', 'pro-activeness', and 'risk-taking'.

2.2.4 Behaviorist Theory of Learning

B.F.Skinner concluded that people learn effectively when they are in a controlled environment. He developed a principle of operant (behavior) conditioning, which states: "If the occurrence or an operant is followed by the presentation of reinforcement stimulus, the strength is increased" Skinner, (1938). This principle provides an approach of reinforcing the right recommended or right behavior by providing a reward and having no reward to discourage wrong behavior.

This theory is connected with this study in the sense that the EO of the investors determines the institutional behavior, which is driven by its various stakeholders. On the other hand, the performance of the schools is dictated by the motivation generated by the rewards.

2.3 Dimensions of Entrepreneurial Orientation

According to Covin and Slevin (1989), EO has been conceptualised around aspects of 'innovativeness', 'risk-taking', and 'pro-activeness'. This conceptualization has reinforced previous studies (Khandwalla, 1987; Miller & Friesen, 1982) where these dimensions were used to test and characterise entrepreneurship. However, 'autonomy' and 'competitive aggressiveness' were added by Lumpkin and Dess (1996) to further this concept. However, autonomy is seen as a driver in the internal institution, with its influence on EO behaviour, not solely dependent on it (Hadji *et al*., 2007). Hough and Scheepers (2008) argued that 'competitive aggressiveness' is fragment of 'pro-activeness' hence not an independent aspect. This study focussed on the three dimensions as identified by Cobin and Slevin (1989).

2.3.1 Innovativeness

Innovativeness as an aspect of being entrepreneurially oriented is the propensity to do things differently and in a new way with the aim of improving systems, processes, procedures, products, and services (Miller and Friesen, 1982). It appreciates the role of new ideas, methods, and eagerness to implement the innovative strategies adopted by the business (Khandwalla, 1987). Innovativeness is a measure of the organisation's tendency to create new ideas and support them through creative processes (Lumpkin and Dess, 1996).

Innovativeness by an entrepreneur determines the strategic positioning, stability, and growth of a firm over time (Hult *et al*., 2004). Innovativeness demands willingness to change organisation's practices and drive the venture towards new paths, different from the current ones (Covin *et al.*, 2006). An innovative approach in strategy-formulation can be linked to how a firm perform as it increases opportunities as well as advantages that make the institution stay ahead of other players (Kreiser and Davis, 2010). Educational administrators and institutional owners need to be innovative to come up with new learning methods for better outcomes that make it easy to conquer the market and create goodwill in the organisation.

2.3.2 Risk-taking

Risk-taking refers to the ability to make firm decisions and engagements by taking the opportunities by committing resources towards activities that are uncertain (Wiklund and Shepherd, 2003). Cantillon (1730) described an entrepreneur as a rational decision maker "who assumes the risk and provides the management of the firm." Many studies have identified risk-taking as a paramount attribute of an entrepreneur as it plays a role that many attributes cannot in driving a venture forward; it comes with a willingness to commit resources where there is a high likelihood of failure (Zahra, 1991; and Wiklund and Shepherd, 2003). There must be a way or a process through which to anticipate, identify, evaluate and prevent potential risks to mitigate the levels of exposure of a venture. Risk is best managed at inception stage (Cornelia, 1996).

Studies have shown that entrepreneurial firms that exhibit moderate risk-taking levels would perform better than those that exhibit high or low risk-levels (Kreiser and Davis, 2010). Some factors tend to affect the risk-taking of an entrepreneur; the process of identifying the risk problem (Baird and Thomas, 1985); outcomes of risk-taking in the past (Covin and Slevin, 1989); and the ability to do well in conditions that are both risky and uncertain.

2.3.3 Pro-activeness

Pro-activeness is the tendency to take actions that enhance new opportunities and perspectives in creating services and products with anticipation to fulfil a future demand, market, change or improvements (Lumpkin and Dess, 1996; and Kreiser *et al*., 2002). Aggressive behaviour towards other competing firms to position the firm better than other firms and a firm's search for better business opportunities are the two ways that manifest pro-activeness. Pro-activeness is, therefore, the capability to make informed inventiveness every time circumstances call for it (Porter, 1985).

'Pro-activeness' is a progressive perspective that aims at securing and protecting the market as well as the internal operation of a firm (Naman and Slevin, 1993). It also entails all practices intended to focus on the future by introducing innovative methods, brands, and operations that challenge the current state of a firm. This situation is aimed at strategically eliminating any processes that have declining value in the business life cycle in anticipation to be ahead of the

competition (Green *et al*., 2008; Kreiser and Davis, 2010). The learning institution require this dimension to adjust to dynamic operational circumstances. The owners need to appreciate the need to take the initiative at the most appropriate times in the running of the business.

2.4 Relationship between EO and Performance

Much scientific inquiry has been carried out on the subject of the performance of SMEs with mixed results. Both internal and external factors have been found to impact on firm performance. The factors that have received much scientific focus include, among other things, entrepreneur characteristics, competitive strategy, and firm level institutions. Studies demonstrate different relationships between various factors and firm performance.

EO across various parameters is related positively to organisational performance as argued by Covin and Slevin (1991). Similar sentiments were registered in a study by Miller and Toulouse (1986) who observed that on general indicators of firm performance like assets growth, sales, operational costs and favourable return on equity ratios are affected by EO. (Zahra (1991) found a direct relationship between EO and firm profitability, growth, and stability, especially on staff retention; with low correlation noted. Wiklund (1999) provided further evidence of EO positively affecting firm performance. Nevertheless, the degree of this correlation appears to differ in some ways across different studies. Even though a number of studies established that firms that are entrepreneurially oriented do relatively well as compared to those who do not embrace it (Covin and Slevin, 1988; Wiklund & Shepherd, 2003). Some of the studies have converged on lesser association between the EOs and firm performance (Zahra, 1991). Other researchers did not get a consistent or noteworthy correlation between how an organization is entrepreneurially oriented and how it performs (Covin *et al*., 1994).

The role of a school owner can involve directing, managing, organising, decision-making, and strategy making towards enhancing proper learning and outcomes (Raju, 1973, Sifuna, 1988). Kathuri (1986) suggests that there is a direct relationship between the quality of management by educational administrators and school performance. Investors in schools can come up with strategies that can help improve performances and financial stability in learning institutions (Brandley & Lauren, 2003).

2.5 Conceptual Framework

The framework present the link between the independent variable, EO, represented by risk-taking, pro-activeness and innovativeness, and the dependent variable (firm performance as measured by financial stability, examination results and competitiveness in curriculum activities). Figure 2.1 presents a conceptual model that shows the study roadmap.

Figure 2. 1: Conceptual Framework

2.6 Summary of Empirical Studies and Knowledge Gaps

Firm performance and EO have both received much attention by studies exploring their relationship. Various recent and past studies have consistently confirmed a direct relationship between entrepreneur orientation and performance. However, there have been issues that have raised a debate on whether this relationship is mostly direct or not. Some studies have suggested that there is a need for more strategy-oriented studies to adequately model the relationship (Miller, 1988). As argued by Lumpkin and Dess (1996), modelling this relationship directly without the introduction of other variables or focusing on each of the EO dimensions fails to offer a comprehensive explanation as to how entrepreneurially oriented organization perform.

Reviews of documented research indicate there are gaps in the understanding of how entrepreneurially oriented organisations perform. Empirical evidence offered by most of the studies is attached to the unique relationships rather than the multi-dimensional interactions way as suggested. Most studies explored the role of an entrepreneurially oriented organization as one variable without splitting it into the various dimensions. Moreover, there is much literature that focusses on educational management or administration, but there is little on influence of educational investors' orientation on performance. The gap is apparent in most privately owned learning institutions as it affects the policies, strategies, processes, and practices that are adopted by the owners. These, in turn, affect the performance of the schools. This study endeavoured to fill this gap by investigating the influence that the EO of educational investors.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The section is a summary of procedures and methods that this research study used. It provides the details of the modalities that the study relied on namely; the research design, study population, data collection procedures and methods as well as the data processing techniques.

3.2 Research Design

Descriptive research design was employed in this study. It helped the researcher in collecting data from selected respondents by administering questions to the sampled individuals (Orodho, 2003). This design enables the respondents to provide more information that is uninhibited. Survey research was used in this study because the study population is relatively large and may pose a challenge if it was observed or handled directly. This research design ensured that the results obtained from the sample can be used to generalise the findings to the whole population. Mutai (2001) suggested that a representative survey usually gives a more accurate data of a particular phenomenon to enable the researcher to get reliable and complete data.

3.3 Population of the Study

The target population is the aggregate number of respondents in a study (Kothari, 2004). Mugenda and Mugenda (2003) in another study characterises an objective population as a homogenous set that the researcher needs to carry out the study. The items in the target populations must possess common observable characteristics. The target population for this study was the 30 registered private secondary schools in Nyeri County.

In this study, the researcher used all of the subjects in a population to carry out the study. This is informed by the population size, which is relatively small. Another reason is the limitation of the number of respondents that the study targeted to obtain reliable data for the study, that is the school owners and, or the principals.

This approach ensured that the study focused on all the schools, regardless of their location, structure and ownership. This ensure more representative findings that can be generalized to other similar entities in Kenya.

In this study, respondents were selected purposively due to the nature of the information that the researcher anticipated. The researcher avoided bias in selecting the sample to ensure objectivity as per (Kabim & Njenga, 2009). In each of the schools selected, the researcher focused on the school head and the investor. However, in some of the schools, the owner is also the manager or principal.

3.4 Data Collection

The study used semi-structured questionnaires to collect data adopting the 'drop to pick later' approach. Where clarifications were required, interviews were used to provide more information on what was collected using the questionnaires. The questionnaires were for educational investors, and principals. They were structured in four sections, namely: general information about the respondents and schools; questions on the three dimensions of EO; questions on the performance of the sampled private schools; the impact of the entrepreneurial dimensions on the private school's performance in Nyeri County.

3.5 Data Analysis

After data collection, the researcher inspected the questionnaires for the identification of errors, completeness, and omissions. Any discrepancies noted were edited or clarified before the data was coded and captured. The researcher then systematically tabulated the data and carried out the analysis using the SPSS statistical package. The objectives were analyzed using regression analysis and descriptive statistics to provide inferences from the data. The analysis was carried out and used to explain the relationship between the performance measures and dimensions of entrepreneurial. Qualitative data was analysed qualitatively to make inferences. The analysed data was presented using tables and diagrams to give a representation of inferences made.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the analysis of collected data, its presentation and interpretation. The questionnaires were collected and checked for consistency to ensure that the coded data is fit for analysis. The data was then entered into SPSS (Version 21) for analysis. Descriptive statistics such as percentages and frequency distribution were used in the analysis of general information of the respondents and the units in the study. Measures of central tendency, that is, the mean and standard deviation were used in the analysis of EO.

Regression analysis was used to determine and explain the relationship between EO (pro-activeness, risk-taking and innovativeness) and performance of privately owned secondary schools in Nyeri County. The findings are presented in tables.

4.2 Response Rate

A total of 36 semi- structured questionnaires were administered to school owners and managers in 30 privately owned schools in Nyeri County. The study managed to receive 30 duly questionnaire which is a response rate of 83.33%. The 6 questionnaires were not filled because they had been issued to schools where the owners are not involved in day to day running of the school but they realized the information required was the same meaning that they opted to fill only one of the two questionnaires. Every school filled at least one of the questionnaires. Mugenda & Mugenda (2003) acknowledges that any response rate above 70% is very good, thus, this rate is acceptable.

Table 4.1: Response Rate

Response Rate	Frequency	Percent
Filled	30	83.33
Not Filled	6	16.67
Total	36	100

4.3 General Information

This section will highlight the analysis of the respondent characteristics such as age, education, gender, among others.

4.3.1 Legal Status

Table 4.2: Legal Status

Legal Status	Frequency	Percent
Sole proprietorship	16	53.3
Partnership	14	46.7
Total	30	100.0

4.3.2 Teaching Staff

The researcher sought to know number of teaching and non-teaching staff in the schools. The results show that the majority of the schools (83.3%) had 5-15 teaching staff while 16.7% had 16-25 members of teaching staff.

Table 4.3: Teaching Staff

Teaching Staff	Frequency	Percent
5-15	25	83.3
16-25	5	16.7
Total	30	100.0

4.3.3 Non-Teaching Staff

For non-teaching staff, the majority of the schools (83.3%) had 5-15 members of non-teaching staff while 13.3% and 3.3% had 16-25 and less than 5 members of non-teaching staff respectively.

Table 4.4: Non-teaching Staff

Non-Teaching Staff	Frequency	Percent
Less than 5	1	3.3
5-15	25	83.3
16-25	4	13.3
Total	30	100.0

4.3.4 Category by Gender

Schools were categorized by gender and study time. On categorization based on gender, half of the schools (50%) were mixed while 33.3% and 16.7% were boys and girls respectively.

Table 4.5: Category by Gender

Gender	Frequency	Percent
Girls	5	16.7
Boys	10	33.3
Mixed	15	50.0
Total	30	100.0

4.3.5 Category by Study Time

On categorization based on study time, the majority of the schools (60%) were full boarding while 36.7% and 3.3% were mixed day and boarding and full day respectively.

Table 4.6: Category by Study Time

Study Time	Frequency	Percent
Full day	1	3.3
Full boarding	18	60.0
Mixed day and boarding	11	36.7
Total	30	100.0

4.4 Entrepreneur's Characteristics

To understand entrepreneur's characteristics, the researcher sought to know their gender, job title, age bracket, level of education, duration involved in the ownership or management of the school, and their immediate previous profession.

4.4.1 Gender of Respondent

Table 4.7: Gender of Respondent

Gender	Frequency	Percent
Male	16	53.3
Female	14	46.7
Total	30	100.0

4.4.2 Job title

Half of the respondents indicated their job title as principal (50%) while 46.7% indicated they were owners and managers. Only 3.3% of the respondents indicated their job title as owner or founder.

Table 4.8: Job Title

Job Title	Frequency	Percent
Owner/founder	1	3.3
Owner and manager	14	46.7
Principal	15	50.0
Total	30	100.0

4.4.3 Age of Respondents

The majority of the respondents were aged 40-49 years (66.7%) while 26.7% were aged 50-59 years. Respondents aged 30-39 years and those aged over 60 years were 3.3% each.

Table 4.9: Age of Respondents

Age	Frequency	Percent
30-39	1	3.3
40-49	20	66.7
50-59	8	26.7
Over 60 years	1	3.3
Total	30	100.0

4.4.4 Level of Education

The results have shown that the majority of respondents indicated their level of education as graduates (60%) while 23.3% indicated that had other education qualifications. The results also show that 16.7% of the respondents had a degree.

Table 4.10: Level of Education

Education level	Frequency	Percent
Degree	5	16.7
Graduate	18	60.0
Other	7	23.3
Total	30	100.0

4.4.5 Duration involved in the ownership or management

The results show that 46.7% of the respondents had been involved in the ownership or management of the school for 11-20 years while 43.3% had been involved in the same for 6-10 years. Only 10% of the respondents indicated that they had been involved in the ownership or management of the school for 0-5 years.

Table 4.11: Duration involved in the Ownership

Duration of Ownership	Frequency	Percent
0-5	3	10.0
6-10	13	43.3
11-20	14	46.7
Total	30	100.0

4.4.6 Immediate previous profession

On immediate previous profession, the results show that 46.7% of the respondents were teachers while 30% were principals or deputy principals. Bankers, accountants and lecturers were 6.7% each while priests for the church owned schools were 3.3% of the respondents.

Table 4.12: Immediate Previous Profession

Previous Profession	Frequency	Percent
Principal	9	30.0
Teacher	14	46.7
Banker	2	6.7
Accountant	2	6.7
Lecturer	2	6.7
Priest	1	3.3
Total	30	100.0

4.4.7 Duration have been a teacher in the school

The researcher sought to know the duration that the head teacher had been a teacher in the school. The results show that 80% of the respondents indicated they had been teachers in their respective schools for 6-10 years while those who indicated 0-5 years and 11-20 years were 10% each.

Table 4.13: Duration as a Teacher in School

Duration of Teaching	Frequency	Percent
0-5	3	10.0
6-10	24	80.0
11-20	3	10.0
Total	30	100.0

4.4.8 Have any role in the school, besides teaching

The respondents were asked to indicate whether they have any other role in their respective schools besides teaching. All the respondents indicated yes (100%).

Table 4.14: Any Other Role in School

Other Roles	Frequency	Percent
Yes	30	100.0

4.4.9 Involvement in Decision Making

The researcher wanted to know how often respondents were involved in the decision-making by the school management. The results show that a large number of respondents agreed that they are involved in decision making by school management or owners always (90%) while 10% indicated they are involved often.

Table 4.15: Involvement in Decision Making

Decision Making	Frequency	Percent
Often	3	10.0
Always	27	90.0
Total	30	100.0

4.4.10 Annual Fees per Student

The respondents were asked to indicate the annual fees per student for form one to form four. The results show that average annual fees per student in form one is Kshs. 64,683.33. The average annual fees per student in form two is Kshs. 63,583.33 while that of a student in form three and four are Kshs. 63,450.00 and Kshs. 65,083.33 respectively. The maximum annual fees per student in form one to form four is Kshs. 181,500 while the minimum is Kshs. 24,000. It was noted that most of the schools charge fees uniformly across form one to form four.

Table 4.16: Annual Fees per Student

Annual Fees per Student	N	Minimum	Maximum	Mean	Std. Deviation
Form 1	30	24,000	181,500	64,683	37,337
Form 2	30	24,000	181,500	63,583	37,203
Form 3	30	24,000	181,000	63,450	36,168
Form 4	30	24,000	181,500	65,083	37,161

4.4.11 Number of students

Respondents were asked to indicate number of students in form one to form four. The results show that the average number of students in form one was 29.53 while that of students in form two and form three was 37.03 and 41.20 respectively. The average number of students in form four was 46.70. In form one, the minimum number of students was 14 while maximum was 102. In form two, the minimum number of students was 5 and a maximum of 109 while in form three, the minimum number of students was 16 and a maximum of 116. In form four, the minimum number of students was 20 while the maximum was 115.

Table 4.17: Number of Student in Each Form

Number of Students	N	Minimum	Maximum	Mean	Std. Deviation
Form 1	30	14	102	29.53	18.730
Form 2	30	5	109	37.03	21.418
Form 3	30	16	116	41.20	21.250
Form 4	30	20	115	46.70	19.608

4.5 Entrepreneurial Orientation

Respondents were asked to indicate the extent dimensions of EO are possessed in their institution by the owners. They were asked to use a Likert Scale of 1-5 where: 1= No Extent; 2= Little Extent; 3= Moderate Extent; 4= Great Extent; 5=Very Great Extent. The results show that respondents indicated that pro-activeness was there in their schools to a great extent (M=4.03, SD=0.718) while risk-taking and innovativeness were there to a moderate extent.

Table 4.18: Extent of Entrepreneurial Orientation

Dimensions	No extent								Very great extent		Mean	Std. Deviation
	N	%	N	%	N	%	N	%	N	%		
Pro-activeness	0	0.0	0	0.0	7	23.3	15	50.0	8	26.7	4.03	.718
Risk-taking	0	0.0	0	0.0	12	40.0	12	40.0	6	20.0	3.80	.761
Innovativeness	0	0.0	8	26.7	12	40.0	7	23.3	3	10.0	3.17	.950

The respondents were also asked to indicate the extent to which specific aspects of EO are implemented in their schools. The results of these are shown below:

4.5.1 Pro-activeness

The results show that all EO aspects that show pro-activeness were implemented to a great extent. They include making quick responses to market changes (M=4.20, SD=0.664), aptly implementing government policies on education (M=4.50, SD=0.731), and having policies that reduce the time taken to act (M=4.13, SD=0.571). The aspects of pro-activeness that were implemented to a great extent also include empowering staff and management to take action (M=4.40, SD=0.724) and reacting accordingly to stakeholders' feedback (M=4.10, SD=0.712)

Table 4.19: Extent of Pro-activeness.

Aspects of Pro-activeness	No extent								Very great extent		Mean	Std. Deviation
	N	%	N	%	N	%	N	%	N	%		
We always make quick responses to market changes	0	0.0	0	0.0	4	13.3	16	53.3	10	33.3	4.20	.664
We aptly implement government policies on education	0	0.0	0	0.0	4	13.3	7	23.3	19	63.3	4.50	.731
We have policies that reduce the time taken to act	0	0.0	0	0.0	3	10.0	20	66.7	7	23.3	4.13	.571
We have empowered our staff and management to take action	0	0.0	0	0.0	4	13.3	10	33.3	16	53.3	4.40	.724
We react accordingly to stakeholders' feedback	0	0.0	0	0.0	6	20.0	15	50.0	9	30.0	4.10	.712

4.5.2 Risk-taking

The results show that EO aspect that show risk-taking that was implemented to a great extent was investing in infrastructure anticipating school growth (M=4.00, SD=0.743). The moderately implemented EO aspects that show risk-taking include trying out new ways of service delivery (M=3.87, SD=0.681), adjusting their fees with fluctuating cost of living (M=3.97, SD=1.351), and budgeting for unexpected occurrences (M=3.87, SD=0.860). Results have also shown that to a little extent respondents took loans from banks to improve their schools (M=2.60, SD=0.968).

Table 4.20: Extent of Risk-taking

Aspects of Risk-taking	No extent								Very great extent		Mean	Std. Deviation
	N	%	N	%	N	%	N	%	N	%		
We have invested in infrastructure anticipating school growth	0	0.0	0	0.0	8	26.7	14	46.7	8	26.7	4.00	.743
We have taken loans from banks to improve our school	5	16.7	7	23.3	13	43.3	5	16.7	0	0.0	2.60	.968
We always try out new ways of service delivery	0	0.0	0	0.0	9	30.0	16	53.3	5	16.7	3.87	.681
We keep adjusting our fees with fluctuating cost of living	3	10.0	2	6.7	3	10.0	7	23.3	15	50.0	3.97	1.351
We keep a budget for unexpected occurrences	1	3.3	0	0.0	7	23.3	16	53.3	6	20.0	3.87	.860

4.5.3 Innovativeness

The results show that all EO aspects that show innovativeness were implemented to a moderate extent. These aspects include concentrating on improving processes (M=3.10, SD=0.885), investing in technology in operations and learning (M=3.23, SD=0.935), and supporting new ideas from school stakeholders (M=3.67, SD=0.758). Other EO aspects that were implemented to a moderate extent include having strategies to implement and manage change (M=3.33, SD=0.994) and recognizing and rewarding creativity from individuals (M=3.63, M=0.850).

Table 4.21: Extent of Innovativeness

Aspects of Innovativeness	No extent								Very great extent		Mean	Std. Deviation
	N	%	N	%	N	%	N	%	N	%		
We concentrate on improving processes	0	0.0	7	23.3	16	53.3	4	13.3	3	10.0	3.10	.885
We have invested in technology in operations and learning	0	0.0	6	20.0	15	50.0	5	16.7	4	13.3	3.23	.935
We support new ideas from school stakeholders	0	0.0	2	6.7	9	30.0	16	53.3	3	10.0	3.67	.758
We have strategies to implement and manage change	0	0.0	6	20.0	13	43.3	6	20.0	5	16.7	3.33	.994
We recognize and reward creativity from individuals	0	0.0	3	10.0	9	30.0	14	46.7	4	13.3	3.63	.850

4.6 Firm Performance

Performance in this study has three dimensions; academic performance, extra-curriculum activities, and operational performance of the schools. The academic performance comprises of number of students, students admitted to university and mean grade. Extra-curriculum activities entail awards to the school in ball games, athletics, drama, and music. Operational performance comprises of stability of income and revenue, reduction in operational cost, resource utilization, and financial stability of the school.

4.6.1 Academic Performance

The respondents were asked to share the school performance in the K.C.S.E in the year 2017.

Table 4.22: Academic Performance

Performance in K.C.S.E	N	Minimum	Maximum	Mean	Std. Deviation
Number of Students	29	16	109	38.79	21.366
University Admission	29	0	54	6.17	9.954
Mean Grade	29	2	7	3.91	1.196

The results show that the average number of students was 38.79. The minimum number of students who did their KCSE were 16 and a maximum of 109. The average number of students admitted to university was 6.17. The minimum number of students admitted to university was 0 while the maximum was 54. On the mean grade, the average performance was 3.91 points and a minimum of 2 points while the maximum was 7 points.

4.6. 2 Extra-curriculum Activities

The respondents were required to state if they had received any awards in extra curriculum activities during the year in ball games, athletics, music and drama.

Table 4.23: Extra Curriculum Activities

Category	Frequency	Frequency	Percentage
Ball Games	No	7	23.3
	Yes	23	76.7
Athletics	No	15	50.0
	Yes	15	50.0
Drama	No	22	73.3
	Yes	8	26.7
Music	No	16	53.3
	Yes	14	46.7

The results show that the majority of respondents (76.7%) indicated that their schools were awarded in ball games while 23.3% indicated they were not awarded. The results show that half of the respondents indicated that their schools were awarded in athletics (50%) while the other half indicated that their schools were not awarded. In drama, results show that the majority of respondents indicated that their schools were not awarded (73.3%) while only 26.7% indicated that their schools were awarded. In music, results show that the majority of respondents indicated that their schools were not awarded (53.3%) while 46.7% indicated that their schools were awarded.

4.6.3 Operational Performance

Respondents were asked to rate their schools in four aspects of operational performance. They were asked to use a likert scale of 1-5.

4.6.3.1 Stable income

The results show that 43.3% of respondents indicated that to a little extent their schools had stable income and increased revenue while 40% indicated to a moderate extent. The results also show that 10% and 6.7% of respondents indicated that their schools had stable income and increased revenue to a great extent and very great extent respectively.

Table 4.24: Stable Income

Income Stability Extent	Frequency	Percent
Little	13	43.3
Moderate	12	40.0
Great	3	10.0
Very Great	2	6.7
Total	30	100.0

4.6.3.2 Reduction in Operation Cost

The results show that 40% of respondents indicated that their schools have achieved reduction in operational cost to a moderate extent while 20% and 36.7% indicated to a little extent and great extent respectively. Only 3.3% of the respondents indicated that their schools have not at all achieved reduction in operational cost.

Table 4.25: Reduction of Operation Cost

Reduction in Operation cost Extent	Frequency	Percent
None	1	3.3
Little	6	20.0
Moderate	12	40.0
Great	11	36.7
Total	30	100.0

4.6.3.3 Resource utilization

On resource utilization, respondents who indicated their schools had good resource utilization to a great extent and very great extent were 40% each. The results also show that 20% of respondents indicated that their schools had good resource utilization to a moderate extent.

Table 4.26: Resource Utilization

Resource Utilization Extent	Frequency	Percent
Moderate	6	20.0
Great	12	40.0
Very Great	12	40.0
Total	30	100.0

4.6.3.4 Financial Stability

Results show that 46.7% of respondents indicated that their schools had financial stability to a moderate extent while 30% indicated to a little extent. Respondents who indicated that their schools had financial stability to a great extent and very great extent were 16.7% and 6.7% respectively.

Table 4.27: Financial Stability

Financial Stability Extent	Frequency	Percent
Little	9	30.0
Moderate	14	46.7
Great	5	16.7
Very Great	2	6.7
Total	30	100.0

4.7 Association of EO and Entrepreneur's Characteristics

The researcher sought to find out how the various characteristics of the entrepreneurs, that is school managers and owners, are associated with their level of pro-activeness, risk-taking and innovativeness. Using Chi-square at 95% confidence level, the following results were obtained.

4.7.1 Pro-activeness

Pro-activeness was associated with duration involved in the ownership or management of the school. The longer the duration involved in the ownership or management of the school the more likely an entrepreneur was to be pro-active ($X=21.272$, $df=10$, $p=0.019$). Pro-activeness was not

however associated with the other entrepreneur's characteristics such as gender, age bracket, level of education and duration as a teacher in the school.

Table 4.28: Pro-activeness Association

Pro-activeness	X	df	Sig.
Gender	1.862	5	0.868
Age bracket	14.262	15	0.506
Level of education	5.273	10	0.872
Duration in ownership or management of the school	21.272	10	0.019
Duration have been a teacher in the school	12.429	10	0.257

4.7.2 Risk-taking

Risk-taking was associated with age bracket. The middle-aged entrepreneurs were more likely to be risk takers (X=38.469, df=21, p=0.011). Risk-taking was not associated with the other entrepreneur's characteristics such as gender, level of education, duration involved in the ownership or management of the school, and duration have been a teacher in the school.

Table 4.29: Risk-taking Association

Risk-taking	X	df	Sig.
Gender	5.893	7	0.552
Age bracket	38.469	21	0.011
Level of education	16.875	14	0.263
Duration in ownership or management of the school	16.202	14	0.301
Duration have been a teacher in the school	16.094	14	0.308

4.7.3 Innovativeness

Innovativeness was associated with duration entrepreneurs had been a teacher in the school. The longer the duration, the more likely an entrepreneur is to be innovative (X=45.000, df=18, p=0.000). Innovativeness was not associated with the other entrepreneur's characteristics such as gender, age bracket, level of education, and duration involved in the ownership or management of the school.

Table 4.30: Innovativeness Association

Innovativeness	X	df	Sig.
Gender	11.161	9	0.265
Age bracket	28.008	27	0.411
Level of education	15.899	18	0.600
Duration in ownership or management of the school	22.906	18	0.194
Duration have been a teacher in the school	45.000	18	0.000

4.8 Regression Analysis

To understand the relationship between dimensions of EO and performance, the following regression model was used to analyse data;

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

Where,

Y= Overall performance (academic, extra-curriculum and operational)

X_1= Pro-activeness

X_2= Risk-taking

X_3= Innovativeness

β_0 is the constant or intercept while β_1, β_2, and β_3 are the coefficients for the respective independent or predictor variables.

ε represents the error term

Table 4.31: Model Summary

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
1	.645[a]	.416	.346	25.25631

a. Predictors: (Constant), Innovativeness, Pro_activeness, Risk_taking

The model used was fit for analysis as shown in the ANOVA test results (F=5.934, p=0.003) hence the relationship established is significant and did not occur by chance.

Table 4.32: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11355.164	3	3785.055	5.934	.003[b]
	Residual	15947.025	25	637.881		
	Total	27302.189	28			

a. Dependent Variable: Overall_performance

b. Predictors: (Constant), Innovativeness, Pro_activeness, Risk_taking

The coefficients table show that innovativeness was the statistically significant contributor to change in performance in schools (β=5.936, p=0.002). For every unit change in innovativeness, there is expected 5.936 unit change in performance.

Table 4.33 Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	54.650	109.182		.501	.621
Pro_activeness	-2.896	3.421	-.131	-.846	.405
Risk_taking	-1.629	2.876	-.098	-.566	.576
Innovativeness	5.936	1.731	.587	3.429	.002

a. Dependent Variable: Overall performance

From the results above, the regression model is:

$Y=54.650 - 2.896X_1 - 1.629X_2 + 5.936X_3 + \varepsilon$

The results show that 34.6% of change in performance in schools can be explained by pro-activeness, risk-taking and innovativeness (Adjusted $R^2= 0.346$).

4.8.1 Multicollinearity Test

Multicollinearity refers to a situation when predicting variables are highly correlated with each other. The test was done using Variance Inflation Factor (VIF) method. In absence of multicollinearity, the VIF values are below 10.00, and for best scenario, it would have a value of below 5.00.

Table 4.34:Multicollinearity Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	54.650	109.182		.501	.621		
Risk_taking	-1.629	2.876	-.098	-.566	.576	.776	1.288
Innovativeness	5.936	1.731	.587	3.429	.002	.797	1.254
Pro_activeness	-2.896	3.421	-.131	-.846	.405	.970	1.031

a. Dependent Variable: Overall_performance

In this case, the coefficients table shows that VIF values of predictor variables are between 1 and 2 hence we can conclude that no multicollinearity was detected.

4.9 Discussion of Findings

The study sought to find out the extent of EO in the private schools investors in Nyeri County and establish the relationship between the three dimensions, that is, pro-activeness, risk-taking and innovativeness, and performance.

This study established that the three dimensions of EO are present in various extents among the investors in privately owned secondary schools in Nyeri County. This extent ranges from moderate extent to very great extent. As shown by the standard deviations, there is varying distribution of these aspects across all the owners and managers the study focused on.

On the association of various entrepreneur's characteristics and the dimensions of EO, the study confirms that not all traits of an entrepreneur enhance their pro-activeness, risk-taking and innovativeness. Each of the dimension is associated with different aspects of the entrepreneur. From the study, it is clear that pro-activeness is associated largely to duration of involvement in ownership and, or management of the school. Risk-taking on the other hand is associated with the age of the school owner or manager with the middle-aged individuals having greater extent of association. Innovativeness is associated with the duration that a manager or owner has been in the institution as a teacher before assuming the role of management.

On the relationship between EO and performance, there are a number of inferences from the regression model. With the three dimensions regressed against performance in national examinations (K.C.S.E), extra curriculum activities and operational stability, the model explains 34.6% of performance. This shows that 63.4% of performance is explained by other factors beyond the three aspects of EO. The model is significant at 95% confidence level. This agrees with Miller and Toulouse (1986) and Covin and Slevin (1991) that there is positive relationship between EO and organizational performance.

However, pro-activeness and risk-taking in this study have shown a negative relationship with performance contrary to expectations from literature reviewed and theories. The two also turned out to be not statistically significant. This means that in this study, there was no relationship between the two aspects of EO, that is, performance and pro-activeness, and risk-taking, and performance. This contradicts some of the existing literature review like Wiklund (1999) but

agrees with (Covin *et al*., 1994 and (Zahra, 1991) which did not show noteworthy correlation between EO and performance. There was no multicollinearity detected among the three variables and this shows that even if they were regressed individually, the results would still be the same.

Innovativeness is the only significant variable at 95% confidence level and it shows a positive relationship when regressed against performance. This is a clear indication that the variable is a strong determinant of performance in privately owned secondary schools (Kreiser and Davis, 2010). With the other two aspects not being significant and having negative relationship against performance and then the model for all the dimensions being significant shows that salient aspects of EO usually exhibit a high degree of inter-correlations (Tan & Tan, 2005).

Innovativeness has a multiplier effect on the productivity of other measures of performance not factored in this study and has the potential of influencing other operations that affect performance directly. As concluded by (Khandwalla, 1987), it appreciates the role of new ideas, methods, and eagerness to implement the innovative strategies adopted by an organization.

As argued by Lumpkin and Dess (1996), modelling this relationship directly without the introduction of other variables or focusing on each of the EO dimensions fails to offer a comprehensive explanation as to how entrepreneurially oriented organization perform. Due to the many factors that influence performance of learning institutions, in this case, secondary schools, it is understandable that EO cannot be used solely to explain performance.

With innovativeness showing positive relationship against performance, the study agrees with Christensel (1992) and Lettice Thomond (2002) on disruptive innovation theory that states that innovation is critical for competitive advantage in a dynamic world. The theory suggests that disruptive innovation changes the nature of procedures and processes that have the likelihood to improve performance. The study also agrees with human relations theory, which has its tenets on influence of human factors on an organization's pursuit of its goals and objectives (Knezevich, 1975). Innovation around how to manage human resource in learning institution has the ability to affect performance.

The study also agrees with institutional theory, which states that an organization is influenced by individual's behaviors as well as internal and external pressures Zucker (1987). It is clear the investor's innovativeness as an internal factor has an impact on the school performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section gives a summary of the findings from the study. It highlights the conclusions drawn after the analysis of findings. It also provides recommendations and suggestions for further research as well as outlining any limitations faced during the study.

5.2 Summary of Findings

The study sought to analyze the EO of investors in privately owned secondary schools in Nyeri County. It focused on pro-activeness, risk taking and innovativeness. The study also sought to identify the effect that EO of the said investors had on the school performance.

On the extent of EO of the investors, the study concluded that all the three aspects of EO, pro-activeness, risk taking and innovativeness, are all possessed by the investors in various degrees. The findings showed that pro-activeness among the owners and management was there in great extent while both risk-taking and innovativeness were there to a moderate extent. There was not a single case where any of the three dimensions was of low extent meaning that their presence is sound.

About the effect of EO on school performance, the study confined itself on national examinations, extra curriculum activities and operational stability and established that when EO is regressed against performance as a multi-dimension, it gives a positive relationship against performance. However, looking at each dimension against performance, the study established that there is positive relationship between innovativeness and school performance but negative relationship was noted between pro-activeness, risk-taking, and performance in the measures to which the research was confined. The EO accounts for 34.6% of the total variance in the school performance. This clearly shows that there are strong factors that influence school performance other than the three dimensions EO.

5.3 Conclusions

The study concludes that investors in privately owned secondary schools in Nyeri County have the three dimensions of EO, that is, pro-activeness, risk-taking and innovativeness. They possess this in very different degrees: moderate, others great extent and some very great extent. According to this study, the extent kept changing slightly with the age, professional background, gender and education background but there was no clear trend that was noted. This is a clear indication that there are other inherent factors that influence individual's EO.

From the findings, the study can be used to conclude that there is a positive relationship between EO and school performance with this relationship accounting for 34.6% of the total variance in the school's performance. All the dimensions of EO fixed at zero would still give a performance of 54.6% showing that there are other factors that are highly positively correlated with performance to contribute to this performance even in absence of pro-activeness, risk taking and innovativeness. It was also noted that innovativeness is one factor that can have significant positive influence on performance. What this implies is that aspects of pro-activeness and risk-taking strategies adopted by the owners need to have innovative aspect to make them relevant towards performance. These conclusions are in line with other studies in the literature review. Lumpkin and Dess (1996) highlights that due to an operating environment that is competitive for firms in modern economy, the *EO-Performance* connection is a multi-dimensional construct and this study has the same conclusion. However, as (Moreno & Cassilas, 2008) found out, this study shows clearly that some gaps remain open regarding the extent to which EO relate to performance in modern day firms.

5.4 Recommendations of the Study

With an aim of improving performance of private schools, the study wishes to make a number of recommendations. First, the school owners must ensure that they have an advisory team or board of management to ensure that there is prudence in pro-activeness and risk-taking to avoid making hasty, subjective and misinformed decisions that may affect performance negatively.

Second, the school owners and management ought to enhance innovativeness at all levels of their institution to have a competitive edge and directly influence performance positively which will

make them sustainable amid stiff competition from public schools which are funded and controlled by the government. This innovativeness should extend to resource mobilization and establishment of controls and management systems.

Lastly, the school owners and managers ought to understand other factors, internal or external, that influence school performance in national exams, extra curriculum activities and operational stability. This will ensure that there is no over reliance on their personal attributes and traits especially EO.

5.5 Limitations of the Study

The researcher experienced some challenges during the study. Some of the respondents thought that the information was to be used for a different purpose beyond the study and did not want to share the information freely. The researcher informed them that the authority given to him is to use the only for the study purposes and confidentiality was assured.

Further, the respondents were not easy to access because some of them were busy with the day-to-day running for the schools and some of the owners had to be requested for an appointment outside the school premises. The researcher communicated in advance by obtaining the school contacts from the directory at the County Education Office.

Lastly, the data collected depended on the responses provided by the respondents and in some instances, the researcher had to take them through and answer queries on areas that they needed clarifications. The researcher confirmed some of the responses where they did not meet his expectation.

5.6 Areas of Further Study

The study focused on schools operating in Nyeri County. A replica of the study should be carried out in private schools outside this region and include some privately owned primary schools with an aim of increasing the scope for better results. In addition, further study can be conducted on a particular category of private schools from different regions to provide detailed and diverse findings of a study based on institutions of similar nature. This will help improve on findings, necessitate policy change and build on existing literature.

REFERENCES

Berger, P. L., & Luckman, T. (1967). *The social construction of reality*. New York: Doubleday Publishers

Brandley, S. and Lauren, L. (2003). *Making Sense of Leading Schools: The Principals of Leadership,* University of Washington.

Bruton, G. D., Ahlstrom, D., & Li, H. (2010). *Institutional theory and entrepreneurship: Where are we now and where do we need to move in the future*. Baylor: Baylor University Press

Cantillon R (1734), *"Essai sur la nature du commerce en general", Essay on the Nature of General Commerce,* Translated by Henry H (1892), Macmillan, London.

Combs J G, Crook T R and Shook C L (2005), *"The Dimensionality of Organizational Performance and Its Implications for Strategic Management Research",* in D J Ketchen and D D Bergh (Eds.), Research Methodology in Strategic Management, pp. 259-286, Elsevier, San Diego, CA.

Cornelia D (1996), *"New Product Strategy, Structure and Performance in Two Environment",* Industrial Marketing Management, Vol. 25, No. 6, pp. 555-566

Covin J G and Slevin D P (1988), *"The Influence of Organization Structure on the Utility of an Entrepreneurial Top Management Style",* Journal of Management Studies, Vol. 25, No. 3, pp. 217

Covin, J. G., and D. P. Slevin. 1989. *Strategic management of small firms in hostile and benign environments.* Strategic Management Journal 10(1): 75–87

Covin J G and Slevin D P (1991), *"A Conceptual Model of Entrepreneurship as Firm Behavior*", Entrepreneurship Theory and Practice, Vol. 15, No. 1, pp. 7-24.

Covin J G, Slevin D P and Schultz R L (1994), *"Implementing Strategic Missions: Effective Strategic, Structural, and Tactical Choices"*, Journal of Management Studies, Vol. 31, No. 4, pp. 481-503. 20.

De Soto H. (2000). *The mystery of capital: Why capitalism triumphs in the west and fails everywhere else.* New York: Basic Books

Eshiwani, G.S. (2008). *Education in Kenya since Independence*. Nairobi. East African

Gladwin, C., Long, B., Babb, E., Beaulieu, L., Moseley, A., Mulkey, D., & Zimet, D. (1989). *Rural entrepreneurship: One key to rural revitalization*. *American Agriculture Economics Association*, December, 1308-1314

Gómez, L. (2006). *The process and problems of business start-ups*. Pensamiento and Gestión, 22. Universidad del Norte, 232-255

Green K M, Covin J G and Slevin D P (2008), *"Exploring the Relationship Between Strategic Reactiveness and EO: The Role of Structure-style Fit",* Journal of Business Venturing, Vol. 23, No. 3, pp. 356-383.

Guimaraes, T., & Armstrong, C. (1998). *Empirically testing impact of change management effectiveness on company performance.* European Journal of Innovation Management, 1(2), 74

Hadji M, Cocks G and Muller J (2007), *"Entrepreneurship and Leadership: Prerequisites for a Winning Organization"*, Journal of Asian Entrepreneurship and Sustainability, Vol. 3, No. 3.

Hamel, G. and Välikangas, L. (2003), *The Quest for Resilience*. Harvard Business Review, 81, 52-63.

Hough J and Scheepers R (2008), *"Creating Corporate Entrepreneurship Through Strategic Leadership",* Journal of Global Strategic Management, Vol. 2, No. 1, pp. 17-25.

Hoy H.K and CaMiskel, (1978). *Educational Administration: Theory, Research and practice*. New York: Random House.

Hult G T M, Hurley R F and Knight G A (2004), *"Innovativeness: Its Antecedents and Impact on Business Performance"*, Industrial Marketing and Management, Vol. 33, pp. 429-438.

Islam, A., Khan, M. A., Obaidullah, A. Z. M, & Alam, M. S. (2011), *Effect of entrepreneur and firm characteristics on the business success of small and medium enterprises in Bangladesh*. International Journal of Business and Management, 6(3), 289 – 299

Kathuri N. J. (1991): *The effect of inadequate facilities and resources on student performance;* a paper presented I.A.E.A, Nairobi I AEA Reports.

Khandwalla P (1987), *"Generators of Pioneering Innovative Management: Some Indian Evidence"*, Organization Studies, Vol. 8, No. 1, pp. 39-59.

Kitaev, I. (1999), *Private Education in Sub-Saharan Africa: A Reexamination of Theories and Concepts Related to its Development and Finance,* Paris: UNESCO.

Knezevich, S.J (1975).*Administration of public education*. New York: Harper and Row publishers.
Kothari, C.R. (2004).*Research Methodology: Methods and Techniques* (2nd Ed.).New Delhi, India: New Age International Publishers.

Kraus S, Harms R and Schwarz E (2005), *"EO: A Psychological Model of Success Among Southern African Small Business Owners",* European Journal of Work and Organizational Psychology, Vol. 14, No. 3, pp. 315-344.

Kreiser P M, Marino L and Weaver K M (2002), *"Assessing the Psychometric Properties of the EO Scale: A Multi-Country Analysis",* Entrepreneurship Theory and Practice, Vol. 26, No. 3, pp. 131-146.

Kreiser P M and Davis J (2010), *"EO and Firm Performance: The Unique Impact of Innovativeness, Pro-activeness, and Risk-Taking",* Journal of Small Business and Entrepreneurship, Vol. 23, No. 1, pp. 56-71.

Leifer, R., McDermott, C.M., O'Connor, G.C., Peters, L.S., Rice, M.P., Veryzer, R.W., 2000. *Radical Innovation: How Mature Companies can Outsmart Upstarts.* Harvard Business School Press, Boston.

Lettice F and Thomond P (2002), *Understanding and Enabling Disruptive Innovation*, British Academy of Management Annual Conference, London, September

Lumpkin G T and Dess G (1996), *"Clarifying the EO Construct and Linking it to Performance",* Academy of Management Review, Vol. 21, No. 1, pp. 135-172

Lumpkin G T and Dess G (2001), *"Linking Two Dimensions of EO to Firm Performance: The Moderating Role of Environment and Industry Life Cycle",* Journal of Business Venturing, Vol. 16, No. 5, pp. 429-451.

Machuki, V., Aosa, E., & Letting, N. (2012). *Firm-level institutions and performance of publicly quoted companies in Kenya.* International Journal of Humanities & Social Science, 2 (21), 298

Miller D (1983), *"The Correlates of Entrepreneurship in Three Types of Firms",* Management Science, Vol. 29, No. 7, pp. 770-791.

Miller D and Friesen P H (1982), "*Innovation in Conservative and Entrepreneurial Firms: Two Models of Strategic Momentum",* Strategic Management Journal, Vol. 3, pp. 1-25.

Miller D and Toulouse J M (1986), *"Chief Executive Personality and Corporate Strategy and Structure in Small Firms",* Management Science, Vol. 32, No. 11, pp. 1389-1409.

Moreno, A.M. & Cassilass, J.C. (2008) *EO and Growth of SMEs: A Causal Model,* Entrepreneurship Theory and Practice, Vol.32, iss.3; pg. 507

Murphy G B, Trailer J W and Hill R C (1996), *"Measuring Performance in Entrepreneurship Research"*, Journal of Business Research, Vol. 36, No. 1, pp. 15-23.

Naman J L and Slevin D P (1993), *"Entrepreneurship and the Concept of Fit: A Model and Empirical Tests",* Strategic Management Journal, Vol. 14, No. 2, pp. 137-153.

Okumbe,J.A.(1998), *Educational Management Theory and Practice.* Nairobi: Nairobi University Press.

Okwako, D (2013), *Strategic Planning and Performance of Public Secondary Schools in Rarieda District, Kenya*. Unpublished MBA Project, School of Business, University of Nairobi.

Oliver, C. (1995). *The antecedents of deinstitutionalization*. Organization Studies, 13, 563–588

Onsomu, E. N., Muthaka, D., Ngware, M. and Kosimbei, G. (2006), *Financing of secondary education in Kenya: Costs and options*. KIPPRA Discussion Paper No. 55.

Peng, M. W., Wang, D.Y., & Jiang Y. (2008). *An institution-based view of international business strategy: a focus on emerging economies.* Journal of Int. Business Studies 39, 920–936

Penrose, E. T. (1959). *The theory of the growth of the firm.* New York: Wiley

Phan, P. H., & Butler, J. E. (2003). *Entrepreneurs" attitudes, strategy choices, and firm performance.* Journal of business and entrepreneurship, 15(1)

Porter M E (1985), *Competitive Advantage: Creating and Sustaining Superior Performance*, The Free Press, New York.

Raju (1973*), Education in Kenya*, Nairobi, Educational Book Publishers

Rauf, M. A. (2007). *HRM sophistication and SME performance in Lahore, Pakistan*, (Published Ph.D. Thesis). University of Twente

Rauch A, Wiklund J, Frese M and Lumpkin G I (2006), *"EO and Business Performance: Cumulative Empirical Evidence"*, Entrepreneurship Theory and Practice, Vol. 30, No. 2, pp. 145-160.

Sandberg, W. R. & Hofer, C. W. (1987). *Improving new venture performance: The role of strategy, industry structure, and the entrepreneur.* Journal of Business Venturing, 2(1), 5–28

Schreckenberg, K., Marshall E., Newton, A., Willem te Velde, D., Rushton, J., & Edouard, F. (2006). *Commercialization of non-timber forest products: What determines success?* ODI. Forestry Briefing. Number 10, March 2006

Scott, W. R. (2004). *Institutions and organizations*. Thousand Oaks: CA, Sage Publications

Sifuna D (1988) *Universal Education in Kenya, Social Classes and Quality Primary Education*, Unpublished Manuscript, Kenyatta University.

Skinner, B.F. (1938), *The behavior of organisms: An experimental analysis*. USA: University of Cambridge.

Sosale S. (1999), "*Education Publishing in Global Perspective Capacity Building and Trends*". Washington DC: World Bank.

Stevenson, H.H. & Jarillo, J.C. (1990) *A paradigm of entrepreneurship: Entrepreneurial Management,* Strategic Management Journal, 11:17-27.

Tan, J., & Tan, D. (2005). *Environment-strategy coevolution and coalignment: A staged-model of Chinese SOEs under transition*. Strategic Management Journal, 26(2), 141 – 157.

Venkatraman N and Ramanujam V (1986), *"Measurement of Business Performance in Strategy Research: A Comparison of Approaches",* Academy of Management Review, Vol. 11, No. 4, pp. 801

Westerberg, M., & Wincent, J. (2008). *EO characteristics and management control.* Journal of Business & Entrepreneurship, 20(1), 37-60

Wiklund, J. 1999. *The sustainability of the EO performance relationship.* Entrepreneurship Theory and Practice 24 (1): 37–48

Wiklund J and Shepherd D (2003), *"Knowledge-Based Resources, EO, and the Performance of Small and Medium Sized Businesses",* Strategic Management Journal, Vol. 24, No. 12, pp. 1307-1314.

Wiklund J and Shepherd D (2005), *"EO and Small Business Performance: A Configurational Approach",* Journal of Business Venturing, Vol. 20, No. 1, pp. 71-89.

Wright, P. M., & McMahan, G. C. (1992) *Theoretical perspectives for strategic human resource management*. Journal of Management, 18, 295-320

Yusaf A (2002), *"Environmental Uncertainty, The EO of Business Ventures and Performance",* International Journal of Commerce and Management, Vol. 12, Nos. 3 & 4, pp. 83

Zahra S A (1991), *"Predictors and Financial Outcomes of Corporate Entrepreneurship: An Exploratory Study"*, Journal of Business Venturing, Vol. 6, No. 4, pp 259-285.

APPENDIX I: RESEARCH QUESTIONNAIRE

This questionnaire seeks to collect data on the effect of EO on the performance of private secondary schools in Nyeri County. Kindly fill in the questionnaire. Any information availed will be treated with utmost confidentiality and shall be used for academic purposes only. Your identity shall not be revealed.

PART I: GENERAL INFORMATION

a. School Name ……

b. Legal status of the learning institution? (tick)
   i. Sole proprietorship ……..[ ]
   ii. Partnership …….. [ ]
   iii. Limited Company ……... [ ]

c. How many employees does the school have?

	Teaching Staff	Non-Teaching Staff
<5 ……..……	[ ]	[ ]
5-15 ……	[ ]	[ ]
16-25 ……..	[ ]	[ ]
26-50 ……..	[ ]	[ ]
51-99 ……..	[ ]	[ ]
Over 99 ……...	[ ]	[ ]

d. What is the category of your school?
   i. Gender

   Girls ……..…….[ ]

   Boys ……..……..…[ ]

   Mixed……..……..…..[ ]

ii. Study Time

Full Day ……..……..……..[ ]

Full Boarding ……..……[ ]

Mixed Day and Boarding……..……...[ ]

PART II: RESPONDENTS INFORMATION

A. ENTREPRENEURS CHARACTERISTICS

a. Gender Male [ ] Female [ ]

b. Your job title in the school (tick)

i. Owner/Founder ……..... [ ]

ii. Co-Director ……[ ]

iii. Owner and Manager…….…….. [ ]

iv. Principal…..……..……. [ ]

c. What is your age bracket amongst the following?

i. 20 – 29 years ……..……[ ]

ii. 30 – 39 years ……...…….. [ ]

iii. 40 – 49 years …….…… [ ]

iv. 50 – 59 years …….…… [ ]

v. Over 60 years ……..…….. [ ]

d. What is your highest attained level of education?

i. Primary School ……..……. [ ]

ii. Secondary School ……...…… [ ]

iii. Tertiary ……...……..…[ ]

iv. Degree……..……...…… [ ]

v. Graduate……...……...…….. . [ ]

e. How long have you been involved in the ownership or management of the school? (tick)

i. 0 – 5 years ……..…… [ ]

ii. 6 – 10 years ……..…….. [ ]

iii. 11 – 20 years ……....……. [ ]

iv. Over 20 years ……..…..……. [ ]

f. What is your immediate previous profession ……..…..……

B. HEAD TEACHER/PRINCIPAL

a. How long have you been a teacher in the school?

i. 0 – 5 years ……..…… [ ]

ii. 6 – 10 years ……..…….. [ ]

iii. 11 – 20 years ……....……. [ ]

iv. Over 20 years ……..…..……. [ ]

b. Do you have any role in the school, besides teaching?

i. Yes ……..……..… [ ]

ii. No ……..……...……. [ ]

c. How often are you involved in the decision-making by the school management?

i. Never……..…….…….… [ ]

ii. Often ……..…….……. [ ]

iii. Sometimes……..…….. [ ]

iv. Always……..……..... [ ]

d. Kindly provide the following information:

Form	**One**	**Two**	**Three**	**Four**
Annual Fees per student				
Number of Students				

PART III: ENTREPRENEURIAL ORIENTATION

a. To what extent do you think the following dimensions of EO are possessed in your institution by the owners? Tick as appropriate using the following Likert scale of 1-5 where: 1= No Extent; 2= Little Extent; 3= Moderate Extent; 4= Great Extent; 5=Very Great Extent.

Dimension	**Extent**				
	No Extent				**Very great Extent**
Pro-activeness					
Risk-taking					
Innovativeness					

b. To what extent do you agree on the implementation of the following aspects of EO in your school? Tick as appropriate using the following Likert scale of 1-5 where: 1= No Extent; 2= Little Extent; 3= Moderate Extent; 4= Great Extent; 5=Very Great Extent.

	Strategy	**Extent**				
		No Extent				**Very Great Extent**
A.	**Pro-activeness**					
	We always make quick responses to market changes					
	We aptly implement government policies on education					
	We have policies that reduce the time taken to act					
	We have empowered our staff and management to take action					
	We react accordingly to stakeholders' feedback					
B.	**Risk-taking**					
	We have invested in infrastructure anticipating school growth					
	We have taken loans from banks to improve our school					
	We always try out new ways of service delivery					
	We keep adjusting our fees with fluctuating cost of living					

	We keep a budget for unexpected occurrences					
C.	**Innovativeness**					
	We concentrate on improving processes					
	We have invested in technology in operations and learning					
	We support new ideas from school stakeholders					
	We have strategies to implement and manage change					
	We recognize and reward creativity from individuals					

PART IV FIRM PERFORMANCE

a. Kindly provide the information below on the school performance in the Kenya Certificate of Secondary Examinations (K.C.S.E) in the last one year.

Year of Exam	**Number of Students**	**Students admitted to University**	**Mean Grade**
2017			

b. Kindly indicate if the school has won any awards in the following extra-curriculum activities

Type	Ball Games	Athletics	Drama	Music
Award in 2017				

c. How do you rate the performance of your school in the following aspects?

	Performance Measure	**Extent**				
		No Extent				**Very great Extent**
i.	Stable income and increased revenue					
ii.	Reduction in operational cost					
iii.	Resource utilization					
iv.	Financial stability					

Thank you for participating in this study.

APPENDIX II: INTRODUCTION LETTER

UNIVERSITY OF NAIROBI
COLLEGE OF HUMANITIES & SOCIAL SCIENCES
SCHOOL OF BUSINESS

Telephone: 4184160-5 Ext 215
Telegrams: "Varsity"' Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, KENYA

08 October 2018

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

INTRODUCTORY LETTER FOR RESEARCH
SAMUEL NJUGUNA KANJA – REGISTRATION NO. D66/5260/2017

This is to confirm that the above named is a bona fide student in the Master of Science in Entrepreneurship and Innovations Management (Msc. Entrepreneurship & Innovations Management) option degree program in this University. He is conducting research on ***"Entrepreneurial Orientation of Investors and Performance of Privately Owned Secondary Schools in Kenya (Nyeri County)."***

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the research project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your assistance will be highly appreciated.

Graduate Studies Office
P. O. Box 30197
NAIROBI
University of Nairobi School of Business

Thank you.

Jane Muturi
For: Msc. Entrepreneurship and Innovations Management Co-Ordinator,
School of Business

APPENDIX III: POPULATION (LIST OF SCHOOLS)

1. Brookfield Boy's Academy
2. Flora Model Secondary School
3. Graceland Secondary Girls School
4. Ichamara Orthodox Secondary School
5. Kiganjo Amboni Secondary School
6. Kiganjo Secondary School
7. St Lasalle Karemenu Academy
8. Mary Immaculate Girls Secondary School
9. Mount Kenya Senior Academy
10. Mt Carmel Girls Boarding School
11. Naromoru Technical Secondary School
12. Nyeri Baptist High School
13. Nyeri Greenfield High School
14. Nyeri North Boys High School
15. Nyeri Senior School
16. Our Lady of Lourdes Girls High School
17. Pan Africa Secondary School
18. Quality Mixed Sec. School
19. Ranges Secondary School
20. Rev. Muhoro Secondary School
21. St Irene Girls Secondary School
22. St Maria Goretti Girls Boarding School
23. St. Justin Secondary School
24. St. Mary's Boys Secondary & Child Rescue Centre
25. St. Paul's Minor Seminary
26. St. Teresa Kanyage Academy
27. Temple Road Secondary School
28. Tetu High Mixed Boarding School
29. Effort Boys Secondary School
30. Fred Grammar School