ABSTRACT

A firm's growth is one of its main objectives as well as its limiting factor. Customer tastes and preferences keep changing much as availability of resources. Strategic entrepreneurship, simultaneous opportunity seeking and advantage seeking behaviors that result in superior firm performance, is a strategic alternative. It is believed that a firm's ability to obtain competitive advantage is directly linked to its ability to strategically manage the resources at its disposal. Fast moving consumer goods (FMCG) industry consists of numerous low cost goods with a short shelf life. According to the FMCG 2010 report, the Kenyan detergent industry is faced by various challenges including stiff competition, decreased brand loyalty and diminishing product life cycle. Foreign owned FMCGs control 64% while local FMCGs 16% market shares depicting control inequalities. Moreover, the firms are excellent in identifying opportunities but poor in achieving competitive advantage thereof. Prior studies have featured contributions of strategic management and entrepreneurship separately on firm growth. Studies integrating entrepreneurship and strategic management are nonexistent particularly in the detergent industry. The main purpose was to establish contribution of strategic entrepreneurship to growth of FMCG firms in the Kenyan detergent industry. Specific study objectives were to: describe nature of strategic entrepreneurship in FMCG firms; establish extent of implementation of strategic entrepreneurship components in FMCG firms; and establish the contribution of strategic entrepreneurship to growth of FMCG firms in Kenyan detergent industry. Resource based view theory guided the study using a descriptive research design. The target population was 57 operational managers of 57 FMCGs in the detergent Kenyan industry. Using a pilot study of five operations managers, Cronbach alpha coefficient α =0.8 indicated instrument reliability while content validity ascertained through expert reviews. A saturated sample of 52 operational managers was accessed. Results on nature of strategic entrepreneurship (SE), their implementation, and contribution to firms growth were weighted averages, w=3.13, w=3.50, and w=3.65 implying that firms were knowledgeable, practiced SE components and that SE components contributed to their growth respectively. It was concluded that FMCG detergent firms were knowledgeable of components of SE to a moderate extent; SE components were practiced to a great extent; and SE components contributed to FMCG firms' growth to a great extent. The recommendations were that firms improve knowledge of SE components; and sustain practicing SE components as this largely contributes to growth. The study has significance in providing information on contribution of SE to growth of FMCG firms in the Kenyan detergent industry.