CONTRIBUTION OF STRATEGIC ENTREPRENEURSHIP IN THE GROWTH OF FAST MOVING CONSUMER GOODS FIRMS IN THE KENYAN DETERGENT INDUSTRY

BY

JOAN CAREN ADETI MANG'ENI

A RESEARCH REPORT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

SCHOOL OF BUSINESS AND ECONOMICS MASENO UNIVERSITY

DECLARATION

The research project is my original work and has never been submitted in any other university or

college for the award of degree, diploma or certificate.
SignedDate
MBA/BE/00018/2014
The research project has been submitted for the examination with my approval as the University Supervisor.
Signed
Dr. Fredrick Onyango Aila
Department of Business Administration Maseno University

ACKNOWLEDGEMENTS

I wish to express my sincere gratitude and appreciation to my supervisor, Dr. Fredrick Aila, for his insight, suggestions and encouragement. Thanks to my fellow colleagues in the MBA class who greatly assisted to completion of this research project.

I also thank my God and savior Jesus has Christ for giving me life and also the enabling power to accomplish this project.

DEDICATION

I dedicate this project to my parents Michael and Lucy and my siblings for their continued support morally, spiritually and financially during this period of study.

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.

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENTS	iii
DEDICATION	iv
ABSTRACT	v
TABLE OF CONTENTS	vi
LIST OF ABREVATIONS	ix
DEFINITION OF TERMS	X
LIST OF TABLES	xi
LIST OF FIGURES	. xii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Statement of the Research Problem	3
1.3. Research Objectives	4
1.4. Research Questions	4
1.5. Scope of the Study	4
1.6. Significance of the Study	4
1.7. Conceptual Framework	5
CHAPTER TWO	7
LITERATURE REVIEW	7
2.1 Theoretical Literature Review	7
2.1.1 Resource based view of the firm	7

2.2 Concepts of Strategic Entrepreneurship	8
2.2.1 Entrepreneurial Mindset	8
2.2.2 Entrepreneurial Culture and Entrepreneurial Leadership	9
2.2.3 Managing resources strategically	10
2.2.4 Applying creativity and developing innovation	11
2.3 Empirical Literature Review	11
2.3.1 To examine the nature of strategic entrepreneurship in FMCG firms in the detergent industry	-
2.3.2 To establish the extent of implementation of strategic entrepreneurship con	nponents in
FMCG firms in the Kenyan detergent industry	12
2.3.3 To establish the contribution of strategic entrepreneurship in the growth of	
firms in the Kenyan detergent industry	13
2.4 Summary of Literature Review	14
CHAPTER THREE	15
RESEARCH METHODOLOGY	15
3.1 Research Design	15
3.2 Study Area	15
3.3 Target Population	15
3.4 Sample Size Determination	15
3.5 Data	16
3.5.1 Data Sources	16
3.5.2 Data Collection Procedures	16
3.5.3 Data presentation	16
3.5.4 Data Analysis	16

3.5.5 Reliability Tests	16
3.5.6 Validity Tests	16
CHAPTER FOUR	17
RESULTS AND DISCUSSION	17
4.1 Questionnaire Return Rate	17
4.2 The Duration the Company has been in Existence	17
4.3. Duration the respondent has been working in their companies	18
4.4 The Nature of Strategic Entrepreneurship in FMCG Firms in the Kenyan Detergent Industry	18
4.5 Implementation of strategic entrepreneurship components in FMCG firms in the Kenya detergent industry	
4.6 Establishment of the contribution of Strategic Entrepreneurship in the growth of FMCC firms in the Kenyan detergent industry	23
CHAPTER FIVE	25
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	25
5.1 Summary of the Findings	25
5.2 Conclusions	26
5.3 Recommendation for the study	27
5.4 Limitations of the study	27
5.5 Suggestions for further study	28
REFERENCES	29
APPENDICES	31
Appendix 1: Questionnaire	31
Appendix II: List of Firms	34

LIST OF ABREVATIONS

FMCG – Fast Moving Consumer Goods

KPMG- Klynveld Peat Marwick Goerdeler

RBV- Resource Based View

SE- Strategic Entrepreneurship

DEFINITION OF TERMS

Strategic entrepreneurship –The use of and or the stimulation of entrepreneurial activity to achieve strategic goals.

Strategic Management-Strategic management refers to the process of analyzing the internal and external environment of a firm to maximize the utilization of resources in relation to its objectives.

Entrepreneurship - the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make profit.

FMCG - Fast moving consumer goods refer to low cost products that are sold quickly, replaced or fully used within a short time. They are also defined as the essential or nonessential goods that are purchased frequently.

LIST OF TABLES

Table 4.1 Response Rate	. 17
Table 4.2 Duration the Company has been in Existence	. 17
Table 4.3 Duration the respondent has been working in their companies	. 18
Table 4.4 Extent of Knowledge in Strategic Entrepreneurship Components	. 18
Table 4.5: Implementation of Entrepreneurial Mindset in FMCG firms in the Kenya detergent industry.	
Table 4.6: Response on firms practicing Entrepreneurial Culture and Leadership	. 21
Table 4.7: Implementation of Strategic Resource Management	. 22
Table 4.8: Practicing Creativity and Innovation	. 23
Table 4.9: Contribution of Strategic Entrepreneurship in the growth of FMCG firms in the	
Kenyan detergent industry	. 24

LIST OF FIGURES

Figure 1	.1: Conceptual	Framework.				5
----------	----------------	------------	--	--	--	---

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic entrepreneurship refers to the use and or stimulation of entrepreneurial activity to achieve strategic goals Kuratko & Audretch, (2009). It is the intersection between strategic management and entrepreneurship and entails taking entrepreneurial actions using a strategic perspective and in this process the firm tries to find opportunities in its external environment that it can exploit through innovation Sandberg, (1992). The entrepreneurship dimension is to identify opportunities to exploit through innovation while the strategic dimension is to determine the best way to competitively manage the firm's innovation efforts. The intersection of strategic management and entrepreneurship resulted in the following components: innovation, new business creation, opportunity seeking, risk assumption, top management teams and group processes used in strategic decisions Sandberg, (1992).

Strategic management refers to the process of analyzing the internal and external environment of a firm to maximize the utilization of resources in relation to its objectives Hofer & Schendel, (1978). It gives organizations a framework for developing abilities and for anticipating and coping with change. Organizations are guided on how to function and obtain a context for developing and implementing the strategy that drives the firms operations. This process consists of a set of commitments, decisions and actions required for a firm to obtain strategic competitiveness and earn above average returns. Together with strategic management is the concept of strategy which focuses on the statement of where the firm wants to go and how it intends to get there. It creates a sense of unified mindset among the employees in terms of achieving the firm's objectives. If employees lack an understanding of innovation as a requisition to achieving the firms objectives then they will not enforce it. Thus strategy functions to direct the choices by employees in implementing innovation (Porter, 1996).

Entrepreneurship has been defined as the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make profit. Entrepreneurship is not only a process of coming up with an idea but also ensuring the idea is actualized in an effective and affordable way. Past research work from Ewing Marion Kauffman Foundation

1

index of entrepreneurial activity shows that in 2015, established small businesses density increased in the US reaching higher than pre-recession levels. The trend is similar in Kenya especially with the lack of employment opportunities.

Strategic entrepreneurship involves simultaneous opportunity seeking and advantage seeking behaviors (Ireland, Hitt & Sirmon 2003). Firms create wealth by identifying opportunities in their external environment and developing and sustaining the competitive advantage to exploit them (Hitt 2002). Small and medium sized ventures have been skilled in identifying entrepreneurial opportunities but less effective at developing and sustaining the competitive advantage needed to exploit those opportunities. On the other hand established companies have been successful in developing and sustaining competitive advantage and less effective in identifying entrepreneurial opportunities that can be exploited with their resources and capabilities thus the necessity for strategic entrepreneurship.

Fast moving consumer goods refer to low cost products that are sold quickly, replaced or fully used within a short time. They are also defined as the essential or nonessential goods that are purchased frequently (Mandrinos 2014). A distinguishing feature of FMCGs is that their selling price is low but the profit generated from selling them is high due to the large quantities of sales. Examples of FMCGs include detergents, food stuffs, plastics, over the counter drugs and stationary (Wasonga 2012). The FMCG firms in the detergent industry in Kenya is growing over the recent years with both local and foreign firms venturing into it (Wasamba 2008), the foreign firms having up to 64% market share and only 14% by the local firms. Some examples of detergent manufacturing FMCG firms in Kenya include Unilever, Bidco and Blue Ring products. However like any other industry, the FMCG firms in the Kenyan detergent industry also encounters its own cluster of challenges which include stiff competition, decreased brand loyalty, diminishing product life cycle and also threat of international competition.

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. Scholars have recently recommended for the integration between strategic management and entrepreneurship (Meyer & Hepperd, 2000). This

follows the need for strategists to use resources in order to exploit opportunities which mostly occur in uncertain environments. As from earlier definition strategic entrepreneurship entailed attaining entrepreneurial goals through a strategic approach necessitating the need to study the subject.

1.2 Statement of the Research Problem

The economic environment is becoming more competitive and introduction of new brands is more costly and consequently companies must find new strategies to increase their capacity and competitiveness. The FMCG firms in the Kenyan detergent industry has numerous players both from the local and the international markets. The consumer population however remains to be the same with the continuous urge of exploring any new brand that comes up. The need to respond to market changes on a daily basis and the difficulty of predicting the direction of such changes means that organizations must focus on their core competencies and capabilities thus the need for every individual firm to continuously recreate its products so as to remain relevant and also acquire competitive advantage within its industry. Studies have been done on strategic management and entrepreneurship by different researchers and in different dimensions. For instance a study on strategic management and entrepreneurship in food processing companies in Nairobi County; the study revealed that a firms strategic management practices influenced its entrepreneurial activities and recommendations were made on the study being carried out in other sectors like the detergent industry. A second a study on competitive strategies adopted to enhance performance by manufacturers of hair products in Nairobi county; the study revealed that the strategies adopted by the firms positively affected the firm's performance, one of which was innovation. Another study as also conducted on the effects of strategic management and entrepreneurship independently and their effects on the growth of firms. This study revealed that both concepts were necessary for the growth of firms and that neither of them could be sufficient on their own .The researcher however recommended further study on the concepts combined, that is strategic entrepreneurship and also for the study to be done in different firms and industries since their growth is contributed to by different aspects as per their environmental orientation. On this basis this study seeks to address the contribution of strategic entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry.

1.3. Research Objectives

The objectives are as follows:

- i. To examine the nature of strategic entrepreneurship in FMCG firms in the Kenyan detergent industry.
- To establish the extent of implementation of strategic entrepreneurship components in FMCG firms in the Kenyan detergent industry.
- iii. To establish contribution of strategic entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry.

1.4. Research Questions

The objectives were guided by the following research questions:

- 1. What are the components of strategic entrepreneurship in FMCG firms in the Kenyan detergent industry?
- 2. To what extent have the FMCG firms in the Kenyan detergent industry implemented the strategic components?
- 3. What is the contribution of strategic entrepreneurship to the growth of FMCG firms in the detergent industry?

1.5. Scope of the Study

This study covered mainly the FMCG firms in the Kenyan detergent industry and concentrated on entrepreneurial mindset, entrepreneurial culture and leadership, resource management and creativity and innovation as the independent variable against the growth of a firm as the dependent variable to be able to establish the contribution of strategic entrepreneurship to the growth of a firm.

1.6. Significance of the Study

This study purposes to assist new market entrants and already existing firms to be able to not only seek after opportunities but also acquire sustainable competitive advantage in the industry within which they operate thus enabling the firm to grow. The production department within the different firms together with the research department are to be able to exploit the different capabilities within their reach exhaustively in the effort to continuously recreate their products and thus be able to retain and grow their customer base. Finally it will assist researchers in that it will build into the existing body of knowledge to assist in additional research.

1.7. Conceptual Framework

A conceptual framework can be described as a presentation model which conceptualizes or represents the relationship between variables diagrammatically. The main aim of the conceptual framework is to assist the reader to quickly visualize the proposed relationship at a glance. Figure 1 shows the relationship between the independent variables and the dependent variable of the study

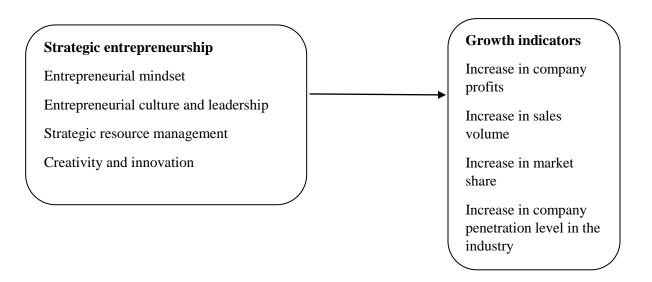


Figure 1.1: Conceptual Framework

Source: (Duane and David, 2003)

Independent Variables

This refers to the variable whose outcome is not dependent on other factors. Entrepreneurial mindset, culture and leadership, strategic resource management, and creativity and innovation are the independent variables. These factors are the main components of strategic entrepreneurship and their contribution to the growth of FMCG firms in the detergent industry is being studied.

Dependent variable

Dependent variables represent the variables whose outcome is entirely dependent on the independent variable in this case the growth of the firm. Growth of the firm on the other hand has various indicators by which it can be observed and in this case increase in profitability,

increase in market share, increase in market penetration levels and increase in sales volume shall be considered.

Other factors can also affect the above variables though outside the concept and they include customer brand loyalty and prices. Some customers tend to be loyal to certain brands to an extent that the introduction of a new brand to the market or the change in pricing of their brands does not affect their purchasing trends.

CHAPTER TWO

LITERATURE REVIEW

This section brings forward literature available on strategic entrepreneurship. It highlights theoretical framework, the empirical framework and the contribution of strategic entrepreneurship on the growth of FMCG firms in the Kenyan detergent industry.

2.1 Theoretical Literature Review

A theory is formed by reviewing findings like studies and deductions through simple logic and or application of knowledge from hypothetical areas at hand (Zikmund, 2011)

2.1.1 Resource based view of the firm

The RBV puts forward that resources are the main drivers of a firm's superior growth and it continues to argue that any firm should take a look inside its processes to find the competitive advantage sources rather than observing its competitive environment, over which it has no control (Barney, 1995). The essence of the resource based theory is that competitive advantage is created when resources that are owned exclusively by the firm are applied to develop unique competences. A competent resource drives growth in a dynamic competitive environment. Resources in this perspective can be grouped into tangible, intangible and organizational capabilities and they consist of financial, human and social resources which the firm utilizes in order to achieve growth.

This theory emphasizes that those valuable, perfectly non imitable and non-substitutable firms' resources result in competitive advantage. It states that resources that are entirely controlled or owned by a firm should be cultivated so as to enhance their contribution to the organizations competitive advantage in its industrial context. This theory has over the years emerged as a way of making the concept of core competences more focused and measurable. Core competence refers to the capability or skill running through a firm, that once identified, natured and deployed throughout the firm becomes a basis of competitive advantage.

2.2 Concepts of Strategic Entrepreneurship

2.2.1 Entrepreneurial Mindset

Entrepreneurial mindset has been defined as a growth oriented perspective through which individuals promote flexibility, creativity, continuous innovation and renewal (Alvarez & Barney, 2002). It is important for individual entrepreneurs as well as managers and employees in established firms to think and act entrepreneurially. The current market environment is curbed with uncertain circumstances and any firm that is capable of successfully dealing with it tends to outperform those unable to do so hence entrepreneurial mindset can contribute to competitive advantage and is necessary for growth. Its components are as discussed.

2.2.1.1 Recognizing entrepreneurial opportunities

Entrepreneurial opportunities are found in not only new markets but also already existing markets but it takes an entrepreneurial mindset to discover such (Shane & Venkataraman, 2000). Information symmetry through which different actors develop separate beliefs regarding the relative value of resources as well as the potential future value of those resources following their transformation from inputs to outputs brings about the entrepreneurial mindset. Thus it can be concluded that entrepreneurial mindset goes beyond just thinking to thinking creatively and efficiently.

2.2.1.2 Entrepreneurial alertness

This refers to the ability of an individual or organization to identify when goods or services become feasible or when the existing goods or services become unexpectedly valuable to consumers. Entrepreneurial alertness is stimulated by the desire to grow by pursuing entrepreneurial opportunities (Hitt & Ireland, 2000). It is a continuous process since the tastes and preferences of consumers keep changing and also the markets experience uncertain eventualities.

2.2.1.3 Real options logic

Many are the times when a firm seeks solutions externally when it lies internally and only entails a rearrangement of its resources. Different combinations of resources give different results. Real options logic consists of a specific combination of assets for an organization to implement its strategies (Barney, 2002). The most successful firms develop a dynamic portfolio of

entrepreneurial options, allocating their resources in a way that balances the risks and returns generated by the options.

2.2.1.4 Entrepreneurial framework

Every strategy requires a plan for its successful implementation and later on achievement of its growth goal. Entrepreneurial framework includes actions such as setting goals, establishing an opportunity register and determining the timing associated with launching the strategy required to exploit an entrepreneurial opportunity.

2.2.1.5 Opportunity Register

Entrepreneurial opportunities emerge from different sources and at different times and thus warrant the need for an opportunity register for the recording of the opportunities, this is due to the fact that the opportunities might emerge but the resources to exploit them might not be available at that particular time (McGrath & MacMillan, 2000). The exploitation of entrepreneurial opportunities is directly linked to the availability of capabilities required to do so.

2.2.2 Entrepreneurial Culture and Entrepreneurial Leadership

2.2.2.1 Entrepreneurial Culture

A people's way of doing things is described as culture. Organization culture consists of a system of shared values and beliefs that shape firms structural arrangements and its members' actions to produce behavioral norms (Dess & Picken, 1999). An effective entrepreneurial culture is characterized by a firm's effort to manage resources strategically and fosters the continuous search for entrepreneurial opportunities that can be exploited to gain sustainable competitive advantage.

2.2.2.2 Entrepreneurial Leadership

This mainly entails the ability to influence people to manage resources strategically in order to achieve both opportunity seeking and advantage seeking behaviors and is characterized by: emphasis on the importance of strategic entrepreneurship through developing human capital, communication of information on disruptive innovation so as to protect the current business model, the ability to question the dominant logic so as to ascertain the validity of the key assumptions that influence a firms opportunity seeking and advantage seeking behaviors, examination of the viability of the markets in which the firm competes, the ability to

communicate the value of the new opportunities and how exploiting them contributes to the firms overall goals and individual goals and being able to develop a culture in which resources are managed strategically yet entrepreneurially.

2.2.3 Managing resources strategically

2.2.3.1 Resource Based View

The main focus of strategic management is on resources. FMCG manufacturing firms have different resources at their disposal through which they achieve their goals. This theory is used to explain the difference in firms' performance as it majors on how resources can be managed strategically (Alvareze & Barney, 2002). It has two assumptions that is; resource heterogeneity and resource immobility. Rare and valuable resources yield to a competitive advantage while simultaneously imitable and non-substitutable resources lead to a sustainable competitive advantage (Barney, 1991).

The main resources that are considered under strategic entrepreneurship include: financial capital which is a tangible resource and thus the performance resulting from its use is easily measured. It is otherwise easily duplicated and may be substituted by other resources. While financial capital grant a firm competitive advantage, human and social capital result in sustainable advantage, human capital is composed of the capabilities, knowledge, skills and experience of an organizations work force in relation to the task at hand as well as the capacity to add to this reservoir of knowledge, skills and experience through individual learning (Dess & Lumpkin,2001). The two main types of knowledge studied under this include articulable knowledge which can be codified in different forms both language and mathematical statements and is thus transferable and tacit knowledge which is uncodified (Hitt, Bierman et al,,2001),social capital entails a set of relationships between individuals among themselves and between individuals and the organization (Hitt, Lee et al,,2002). Firms rely on internal social capital to transform knowledge in ways that support the exploitation of entrepreneurial opportunities by creating and successfully using competitive advantages. External social capital on the other hand is created by relationships that entail trust which develops norms of reciprocity.

Strategic resource management process entails; structuring the resource portfolio which involves the process of acquiring, accumulating and divesting resources as a result of the dynamic nature of resources (Makadok, 2001). Before acquiring resource it is important for a firm to know its present value so as to be able to prospect its future value; bundling resources so as to enable a firm to implement its strategies through the capabilities that are created thereafter and finally leveraging the realized capabilities.

2.2.4 Applying creativity and developing innovation

A firm's ability to remain relevant and competitive within a given industry is linked to its creativity and innovation ability that is the ability to eliminate obsolete goods, services and production methods and invent newer and more efficient methods (Thesmar & Theonig, 2000).

2.3 Empirical Literature Review

This entails the analysis of past studies which are similar to the one being conducted with the aim of obtaining knowledge as to what information and other available materials for operational purposes. This makes it possible for the researcher to spell out her own research problem in a meaningful context.

2.3.1 To examine the nature of strategic entrepreneurship in FMCG firms in the Kenyan detergent industry

Dejan,(2003) viewed entrepreneurship and strategic management as a dynamic process concerned with the company's performance with strategic management emphasizing on the need for establishment and maintenance of competitive advantage in the frames of a certain environmental context while entrepreneurship promotes search for competitive advantage through innovation in products, processes and markets. He established that the size of the firm and the level of uncertainty largely define the nature of strategic management planning to be established. To be able to carry out this research, data on the number of active companies by size and number was compared between 2006-2010, number of employed persons in active companies by size between 2007-2010 and the number of newly registered and registered subjects at the end of the year between 2006-2010.Data on companies with growing potential according to growth of staff and profit growth. Dejan, (2003) concluded that entrepreneurship is developing in Macedonia, however, there is need for preparation for activities that will help the entrepreneurs to develop sustainable and competitive businesses.

Adrian, (2010) on the other hand studied opportunities, innovation, organization learning, and evaluation of business opportunities, growth, flexibility, change and risk taking as dimensions for strategic entrepreneurship. He established strategic entrepreneurship to be important in helping firms to respond properly to the types of significant environmental changes that face many organizations and also helping firms to develop relatively sustainable competitive advantage. He however indicated that the study of the common elements between entrepreneurship and strategy remained under developed.

Both studies featured the importance of strategic management and entrepreneurship in the growth of firms mentioning organization learning, innovation and flexibility as some of the strategies. The studies also concluded on positive firm growth as per implementation of the strategies with Macedonian FMCG industry growing in number and the ability to effectively respond to environmental changes. Both Adrian, (2010) and Dejan, (2003) recommended for further study on the common elements between entrepreneurship and strategy having been combined as strategic entrepreneurship elements which include entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management and creativity and innovation.

2.3.2 To establish the extent of implementation of strategic entrepreneurship components in FMCG firms in the Kenyan detergent industry

KPMG,(2010) established the different growth drivers in FMCG firms to be population density, infrastructure development, downstream industry effectiveness, economic policy, business legislation, spending power and population size. FMCG firms deal in low cost products that are somehow necessities thus are less affected by change in income levels. This however is as per the different groups of FMCG products. There are those that appeal to the low income level, others to the middle and some to the high income level population according to the world bank's global consumption data base 2010. Some of the strategies that were mentioned as to facilitating the growth of FMCG firms in both market position and profitability aspects included focus on country clusters, localizing the product offering and creativity in the supply chain.

Duane, Hitt & Sirmon, (2003) carried out a research on the model of strategic entrepreneurship where they studied the different components of strategic entrepreneurship. They expounded on the components of strategic entrepreneurship from definition to the different steps to achieving each of them .The components included entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management and creativity and innovation. They concluded on the model being important but recommended on further study to explicate and understand how the different firm managers actually achieve the different components in their various firms.

Adrian's study on the common dimensions for entrepreneurship and strategy relayed the importance of strategic entrepreneurship to be helping firms respond to the environmental changes accordingly and also to develop relatively sustainable competitive advantage. KPMG report also touched on different strategies that contributed to the growth of firms. Duane, Hitt & Sirmon also observed that the strategic entrepreneurship model was important .The studies covered the components but did not cover the implementation aspect of the same in the firms thus suggesting the for further studies.

2.3.3 To establish the contribution of strategic entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry

Shane & Venkataraman, (2000) while studying the promise off entrepreneurship as a field of research suggested that the foundation for the growth of a firm is in entrepreneurship. They established that exploiting entrepreneurial opportunities contributed to the firms' efforts to attain sustainable competitive advantage and grow. According to them many companies unfortunately failed to motivate their employees in ways that incent them to pursue entrepreneurial opportunities thereby failing to contribute to the firm's competitive advantage. Hitt, Ireland, Camp,et al.,(2001) criticized the above study by indicating that entrepreneurs may identify and exploit opportunities that create or stablish temporary rather than sustainable competitive advantage and that this occurred when entrepreneurs failed to manage resources strategically making it difficult to sustain the competitive advantage obtained and thus recommended for further study on the contribution of strategic entrepreneurship on the growth of firms.

Gichunge, (2007) examined the effect of formal strategic management on the growth of medium sized manufacturing firms in Nairobi, Kenya. One of his key findings was that competition influenced the adoption of formal strategic management as most organizations with a formal

strategic management system outperformed those without. Muogbo, (2013) explored the impact of strategic management on organizational growth and development of selected manufacturing firms in Anambra state in Nigeria. His study revealed that the adoption of strategic management had a significant effect on the competitiveness and employees' performance which in turn increased organizational productivity.

Muogbo and Gichunge both studied the implications of strategic management on the firm's productivity with each studying the manufacturing industry with the results being positive. Shane studied the contribution of entrepreneurship on the firm's performance and the results were positive. However as per Hitt's criticism it is important to study the contribution of strategic management and entrepreneurship as an integrated subject which is strategic entrepreneurship for a firm to be able to obtain a sustainable competitive advantage.

2.4 Summary of Literature Review

From the above review of relevant literature it can be concluded that research on the contribution of strategic entrepreneurship on the growth of FMCG firms in the Kenyan detergent industry has not been comprehensively exhausted. The reviewed literature has not clearly pointed out the relationship between strategic entrepreneurship and growth of FMCG firms in the Kenyan detergent industry. This study seeks to fill this gap.

CHAPTER THREE

RESEARCH METHODOLOGY

This section provides an outline of the methodology adopted to assist in achieving the research objectives. It includes the research design, the population that was be studied, data collection methods, sample design and data analysis

3.1 Research Design

This study used a descriptive design methodology to describe and explain conditions as they are. As noted by Kothari (2004) the rationale of a descriptive research is to examine the events that are occurring at a specific place and time. The researcher has no direct control over the variables and only reports what has happened or what was happening. This methodology enables the researcher to arrange, summarize and present data, to observe trends and relationships between variables under study.

3.2 Study Area

A descriptive research design was used in a target population of 57 operational managers of 57 FMCGs in the detergent industry located in Kenya out of which 52 operational managers were accessed. The study mainly focused on the local FMCG manufacturing detergents.

3.3 Target Population

The study was conducted in the fast moving consumer goods detergent manufacturing firms in Kenya, specifically those that are listed in the Kenyan business list website. The target population of 52 operational managers of 52 FMCGs in the detergent industry located in Kenya. The whole population was studied due to the size.

3.4 Sample Size Determination

Census technique where the whole population sample is studied was used. This was due to the fact that the population was small and thus validity of the data had to be considered. The population to be studied was the FMCG firms in the Kenyan detergent industry listed under the business list.

3.5 Data

3.5.1 Data Sources

Secondary data was collected from different literature sources. Primary data sources was considered as this would give the true picture of the study as the data collected should be relevant and reliable.

3.5.2 Data Collection Procedures

The data collected should be very reliable as it will depict the true picture of the scenario. Data was collected by written interview from operation managers in the different FMCG firms in the Kenyan detergent industry.

3.5.3 Data presentation

There are various methods of presenting data. These include pie charts, bar graphs Data was presented on statistical tables.

3.5.4 Data Analysis

The data was analyzed by use of descriptive methods mainly the weighted average and percentages. The weighted average model was as indicated:

$$x = \sum_{i=1}^{n} \frac{(x_i * w_i)}{\sum_{i=1}^{n} w_i}$$

Where:

 \overline{X} the weighted average

W is the weight

x is the value

3.5.5 Reliability Tests

A pilot study was conducted in five firms to test for reliability using Cronbach alpha coefficient at 0.7 threshold and the result was 0.8 which is within the acceptable range.

3.5.6 Validity Tests

Validity tests refers to the degree to which our test are truly measuring what they are intended to measure. Validity test was conducted through expert review

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter provides the presentation of the findings and discussions. The findings were presented in line with the study objectives. Analysis of descriptive statistics was conducted and the results presented in the form of tables.

4.1 Questionnaire Return Rate

The study distributed fifty two questionnaires and only forty nine were properly filled and returned. The results for the return rate are presented below:

Table 4.1 Response Rate

Response rate	Frequency	Percent
Returned	49	94%
Unreturned	3	6%
Total	52	100%

Source (Field Data, 2017)

The results in Table 4.1 indicated an overall successful response rate of 94%. According to Kothari (2004) a return rate of above fifty percent (50%) is sufficient for a study.

4.2 The Duration the Company has been in Existence

The respondents were asked to indicate the duration the company has been in existence. The results are represented in Table 4.2.

Table 4.2 Duration the Company has been in Existence

Duration	Respondent	Percentage
Less than 5 years	5	10%
5-10 years	12	25%
Over 10 years	32	65%
Total	49	100%

Source (Field Data, 2017)

From Table 4.2 five respondents (10%) indicated that their firms have been in operation for less than five years, twelve respondents (25%) for 5-10 years and thirty two respondents (65%) for over ten years. This implies that most of the detergent manufacturing firms have been in existence for a long duration and thus are not new market entrants.

4.3. Duration the respondent has been working in their companies

The response was asked to indicate the duration within which they have been in their companies. The response is represented in Table 4.3:

Table 4.3 Duration the respondent has been working in their companies

Duration	Response	Percentage	
Less than 5 years	4	8%	
5-10 years	7	14%	
Over 10 years	38	27%	
Total	49	100%	

Source (Field Data, 2017)

Eight percent indicated they had worked in their company for less than five years, fourteen percent between five and ten years and twenty seven percent for over ten years. This implies that most of the operational managers have been with their respective detergent manufacturing firms long enough to have sufficient information on the company.

4.4 The Nature of Strategic Entrepreneurship in FMCG Firms in the Kenyan Detergent Industry

The respondents were asked to indicate to what extent their companies were knowledgeable on entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management, and creativity and innovation using a Likert scale with anchors between 1=Not at all, 2-=to a small extent, 3= to a moderate extent and 4=to a great extent. The results are presented in Table 4.4

Table 4.4 Extent of Knowledge in Strategic Entrepreneurship Components

0	(0)	2 15	(21)	3		4		Weighted Average
0	(0)	15	(21)					
		10	(31)	19	(38)	15	(31)	3.00
0	(0)	20	(41)	16	(33)	13	(27)	2.86
0	(0)	13	(27)	30	(61)	6	(22)	2.86
0	(0)	0	(0)	9	(18)	40	(22)	3.82
	0	0 (0)	0 (0) 13	0 (0) 13 (27)	0 (0) 13 (27) 30	0 (0) 13 (27) 30 (61)	0 (0) 13 (27) 30 (61) 6	0 (0) 13 (27) 30 (61) 6 (22)

Source (Field respondent)

From the Table 4.4 31%, 15 out of 49 respondents indicated having small knowledge of entrepreneurial mindset, 38%, 19 out of 49 responded having moderate knowledge while 31%, 15 out of 49 responded having a great extent of knowledge in entrepreneurial mindset. The weighted average was 3 meaning to a great extent there was a great approval by most companies on the entrepreneurial mindset .From the companies operational managers interviewed about the entrepreneurship culture and leadership, 41%, 20 out of 49 of the respondents had knowledge to a small extent, 33%, 16 out of 49 had knowledge to a moderate extent while 27%, 13 out of 49 respondents had a great extent of such knowledge in entrepreneurial culture and leadership. This had 2.86 weighted average. This same result was found in the next set of questions of strategic resource management. The total weighted average was 2.86.However, there was greater knowledge in creativity and innovation on most companies.18% of the respondents, 9 out of 49 reported having knowledge of creativity and innovation to a moderate extend, whereas 82% (40 out of 49) of the respondents cited having greater extent of knowledge on creativity and innovation with a weighted average of 3.82. This meant that 82% of the respondents agreed strongly on creativity and innovation within most companies.

According to Ireland (2001) strategic entrepreneurship involved taking entrepreneurial actions with a strategic perspective. The first step to achieving this would be having knowledge in the components of strategic entrepreneurship. The components are procedural as indicated by Smith & Di Gregorio (2002) beginning with entrepreneurial mindset, entrepreneurial culture and leadership and strategic resource management which result in creativity and innovation that generates growth. Lack of knowledge in the components and their importance to a firm by employees automatically affects the firm's growth.

4.5 Implementation of strategic entrepreneurship components in FMCG firms in the Kenya detergent industry

The respondents were asked about entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management, and creativity and innovation practice in their firms using a Likert scale with anchors between 1=Not at all, 2-=Disagree, 3= Agree and 4=Strongly agree. The results are presented in Table 4.5.

Table 4.5: Implementation of Entrepreneurial Mindset in FMCG firms in the Kenya detergent industry.

Entrepreneurial Mindset	1	(%)	2	(%)	3	(%)	4	(%)	Weighted Average
The company's business ideas are from									
both the external and internal environment	0	(0)	0	(0)	25	(51)	24	(49)	3.49
Firm is always up to date with the									
competition in the industry	0	(0)	0	(0)	40	(81)	9	(19)	3.18
Our resource combination criteria is									
dynamic	0	(0)	0	(0)	40	(81)	9	(19)	3.18
Mean Weighted Average									3.29

Source (Field Data, 2007)

Findings from Table 4.5 indicated that 51% of the respondents agreed that business ideas were from the external and internal environment. 49% of the respondents strongly agreed that the business ideas were from both external and internal environments. This had a weighted average of 3.49 meaning most respondents gave overall approval that most business ideas were got from both the external and internal environment of the companies. Greater approval was also discovered in the 2 questions of the firm always up to date with the competition in the industry and that our resource combination criteria is dynamic. In both set of questions, 82% of the respondents responded having agreed that companies had competition and dynamic resource combination. Both had a weighted average of 3.18 which confirms approval by most respondents.

Entrepreneurial mindset according to Mcgrath &MacMillan, (2000) is a way of thinking about business that focusses on and captures the benefits of uncertainty. Organizations capable of successfully dealing with uncertainty tend to perform better than those unable to do so hence it contributes competitive advantage and in most cases the growth of an entire economy like in Sweden. The results implied that the firms practiced entrepreneurial mindset. The interviewees' response on them practicing entrepreneurial culture and leadership in their firms is as represented on Table 4.6.

Table 4.6: Response on firms practicing Entrepreneurial Culture and Leadership

		(%)		(%)		(%)		(%)	Weighted
Entrepreneurial culture and leadership	1		2		3		4		Average
Firm has a habit of following upon									
emerging business opportunities	0	(0)	0	(0)	30	(61)	19	(39)	3.39
Frequent product performance meetings are									
held in the company	0	(0)	4	(8)	3	(6)	42	(86)	3.78
We excel in identifying new opportunities	0	(0)	4	(8)	3	(6)	42	(86)	3.78
Mean Weighted Average									3.65

Source (Field Data, 2017)

As concerns the entrepreneurial culture and leadership, the following were observed, 61% (30 out of 49) of the respondents agreed that the firm has a habit of following upon emerging business opportunities while 39% of the responses strongly agreed. Secondly, 86% of the respondents strongly agreed that frequent product performance meetings were held in the company with a weighted average of 3.78. Similar results were reported on question regarding identification of new opportunities, 55 % (27 out of 49) of the respondents cited dynamism in the management of resource portfolio has majorly contributed to the growth of the firm, while 45% (22 out of 49) of the respondents strongly agreed that dynamism in the portfolio management majorly contributed to the growth of the firm giving a weighted average of 3.45 approval scale. Lastly 100% (49 out 49) of the respondents strongly agreed that employees have access to important information regarding the resources of the company giving full and strong approval statement.

Johnson, (2002) culture influences the cognitive framework that affects how organization members perceive issues as well as how they view their firm's competitive landscape. An effective entrepreneurial culture and leadership is one in which new ideas and creativity are expected, risk taking is encouraged, failure is tolerated, learning is promoted and product, process and administration innovations are each championed. The feedback on the implementation of strategic resource management in their firms is as in Table 4.7.

Table 4.7: Implementation of Strategic Resource Management

Strategic resource management	1	(%)	2	(%)	3	(%)	4	(%)	Weighted mean
Existence of resource management guidelines within which the company operates	0	(0)	0	(0)	30	(61)	19	(39)	3.00
Dynamism in resource management has majorly contributed to the firms growth	0	(0)	0	(0)	27	(55)	22	(45)	3.45
Employees have access to information regarding the company's resources	0	(0)	0	(0)	0	(0)	49	(100)	4.00
Mean weighted average									3.48

Source (Field Data, 2017)

Results from Table 4.7 showed that 55% (27 out of 49) of the respondents cited dynamism in the management of resource portfolio has majorly contributed to the growth of the firm, while 45% (22 out of 49) of the respondents strongly agreed that dynamism in the portfolio management majorly contributed to the growth of the firm giving a weighted average of 3.45 approval scale. Lastly 100% (49 out 49) of the respondents strongly agreed that employees have access to important information regarding the resources of the company giving full and strong approval statement.

Miller & Shamsie, (1996) discovered that different types of resources explained performance in separate types of environments. Human capital has direct and indirect effects on the firm's growth. Their results indicated that initially the cost of human capital exceeds the value of the benefits it produces. However as human capital increases the value it creates exceeds the cost. In addition there is growing evidence that the firm's ability to effectively manage its resource portfolio affects its growth. The respondents were asked on their practice of creativity and innovation and their response is shown in Table 4.8.

Table 4.8: Practicing Creativity and Innovation

Applying creativity and innovation	1	(%)	2	(%)	3	(%)	4	(%)	Weighted Average
Creativity is strongly encouraged within the company	0	(0)	0	(0)	20	(41)	29	(59)	3.59
The firm seeks out new ways of doing things	0	(0)	0	(0)	20	(41)	29	(59)	3.59
Mean weighted average									3.59

Source (Field Data)

The respondents were asked about their application of creativity and developing innovation in their firms. 41%, 20 out of 49 respondents agreed that they apply creativity and develop innovations while 59%, (29 out of 49) of the respondents greatly agreed that they apply creativity and innovation in their firms. Similar percentages were found to the question whether the firms seek out new ways of doing things, 59% strongly agreed and 41% agreed that this is being done. The weighted scale was 3.59 showing great approval to creativity and innovation going on in most of these firms.

Creativity and innovation are a source of new ideas, new goods and services, new production methods and new distribution methods within a firm. According to Schumpter, (1934), creativity and innovation stimulates economic development and it is the engine for corporate growth and wealth creation.

4.6 Establishment of the contribution of Strategic Entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry

The respondents were asked about the extent to which increase in firms profit, increase in sales volume, increase market share and the increase in the penetration level of each firm contributed to growth using a Likert scale with anchors between 1=Not at all, 2-=to a small extent, 3= to a moderate extent and 4=to a great extent. The results are presented in Table 4.9.

Table 4.9: Contribution of Strategic Entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry

	(%) (%) (%)		(%)	Weighted					
Growth components	1		2		3		4		Average
Increase in the company's profit	0	(0)	0	(0)	19	(39)	30	(61)	3.61
Increase in sales volume	0	(0)	0	(0)	15	(31)	34	(69)	3.69
Increase in the market share	0	(0)	0	(0)	15	(31)	34	(69)	3.69
Increase in the penetration level of the company	0	(0)	0	(0)	20	(42)	29	(59)	3.59
Mean Weighted Average									3.65

Source (Field Data, 2007)

Results from Table 4.9 indicated 39% (19 out of 49) of the respondents moderately agreed that strategic entrepreneurship influenced the company's profit. 61% of the respondents agreed extensively that the company's profit was influenced by strategic entrepreneurship. Almost similar percentages were realized for sales volume and market share with (31% agreed moderately and 69% agreed extensively) in both indicators. The penetration level of the company was influenced by strategic entrepreneurship at 41% (20 out of 49) moderately agreeing and 51% agreeing to a greater extent having a weighted average of 3.59. These growth components have weighted average of above 3.0 meaning there was great approval among the respondents that adopting strategic entrepreneurship influenced the growth of the firm as cited above.

The results are in line with Amit & Zott, (2001) who observed that entrepreneurship and strategic management are concerned with growth and wealth creation with both of them being viewed as stimulus to wealth creation in emerging, developing and developed economies. Effective growth is expected to help a firm to create wealth by building economies of scale as well as market power. These outcomes provide additional resources and contribute to achieving competitive advantage. Strategic entrepreneurship is also used to understand the differentials among firms growth. These results however did not establish the numerical growth margins which could have brought out a clearer comparison in the growth aspect and thus a suggestion for further study.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This study aimed at identifying the contribution of strategic entrepreneurship to the growth of FMCG firms in the Kenyan detergent industry. The following is a summary of my research findings upon which the conclusions and recommendations of my study were made.

5.1 Summary of the Findings

The purpose of this study was to identify the contribution strategic entrepreneurship to the growth of FMCG firms in the Kenyan detergent industry. The study objectives were: to establish the nature of strategic entrepreneurship in the FMCG firms in the Kenyan detergent industry, to examine the extent of growth of FMCG firms in the Kenyan detergent industry and to establish the contribution of strategic entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry. This study employed a descriptive research design. Self-administered questionnaires were developed in line with the objectives of the study. Piloting was undertaken in order to determine the effectiveness and validity of the questionnaire. The study produced descriptive statistic which were presented in terms of tables. The summary of the findings are as discussed below.

This objective was achieved by studying the knowledge extent of the firms in the components of strategic entrepreneurship which mainly included entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management and creativity and innovation actions. The findings revealed that most FMCG firms in the Kenyan detergent industry are averagely knowledgeable on strategic entrepreneurship. Average came up as a result of the extents in knowledge in the different components not being equal. Some firms indicated a greater extent in knowledge in entrepreneurial mindset while others indicated an average extent in entrepreneurial culture and leadership. The overall conclusion was that the detergent firms had knowledge in the components of strategic entrepreneurship.

The findings revealed that entrepreneurial mindset, entrepreneurial culture and leadership, strategic resource management and creativity and innovation was practiced in the different

detergent manufacturing firms in Kenya. However the extent to which each component was being practiced differed and most of the detergent FMCG firms attributed the difference to insufficient knowledge levels on the same .It is important to consider the levels of extent since that components are interdependent on each other and none of the can attain the expected results which is the growth of the detergent firms on their own. The difference might be attributed to the difference in firm sizes, the resource base or the level of exposure. Further studies should be done on the factors that bring about the difference in the extent of implementation of the components.

This was to be attained by studying the contribution extent of the adoption of strategic entrepreneurship on the growth indicators which included increase in the company's profit, increase in sales volume, increase in market share and increase in the penetration level in the market. The findings indicated that strategic entrepreneurship adoption positively contributed to the growth of FMCG firm s in the Kenyan detergent industry with the highest respondents' percentage being strongly agreeing to the contribution. In as much as strategic entrepreneurship positively contributed to the growth of FMCG firms in the Kenyan detergent industry it would be important to go beyond the extent level of establishment to figuratively determine the contribution and also do a comparative study in terms of time; that is before the practice of strategic entrepreneurship and after strategic entrepreneurship.

5.2 Conclusions

The conclusions of this study were informed by the findings based on each study objective and also findings from of other similar studies. Each objective was reviewed and a conclusion provided which covers both theory and practice. The first objective was to examine the nature of strategic management and from the results the conclusion was that FMCG firms in the Kenyan detergent industry are knowledgeable on strategic entrepreneurship components. Awareness in a subject is usually viewed as the first step towards the practice of the subject.

The second objective was to establish the extent to which strategic entrepreneurship components were being practiced in the various FMCG firms in the Kenyan detergent industry. Based on the findings the conclusion was that all the firms practiced strategic entrepreneurship components to a great extent.

Thirdly the study was to establish the contribution of strategic entrepreneurship to the growth of FMCG firms in the Kenyan detergent industry. According to the findings strategic entrepreneurship contributes to the growth of the Kenyan detergent industry to a great extent.

5.3 Recommendation for the study

On examining the nature of strategic entrepreneurship in the FMCG firms in the Kenyan detergent industry where the knowledge extents of the firms was conducted, the recommendations were made on firms to continue in the search for knowledge since new ideas and new information emerges on a daily basis.

The second objective was to establish the extent to which the strategic entrepreneurship components were practiced in the different Kenyan detergent firms. Out of this it was recommended that the firms continue in the practice of the components. This would eventually lead to them achieving the growth objective.

The third objective was to establish the contribution of strategic entrepreneurship in the growth of FMCG firms in the Kenyan detergent industry. Based on the conclusion that strategic entrepreneurship contributes to the growth of the firms to a great extent the firms were recommended to continue in the same.

5.4 Limitations of the study

This study was limited by different factors which included time, distance and financial resources. When studying the nature of strategic entrepreneurship, it was challenging to determine whether the extent of knowledge in the components covered the whole of the firm's workforce in equal measures or it only applied to the operational managers who were interviewed. On the extent of the practice of the strategic entrepreneurship components, it was difficult to determine physically whether the components were being practiced since the interview was through questionnaires and the response was solely dependent on the interviewees answer. Physical observation which could have required more time could have been accurate. The contribution of strategic entrepreneurship on the growth of the firm was mainly limited by unavailability of the growth index information from the different firms since to most of them, this information was considered to be confidential.

5.5 Suggestions for further study

The nature of a certain subject is usually clearly outlined when the subject is studied in its entirety. To be able to examine the nature of strategic entrepreneurship, not only was the knowledge in the components to be studied but also the interrelationship between the different components, their similarities and also their differences. On the extent of the implementation of the different strategic entrepreneurship components, further study should be conducted on reasons for the differentials in the implementations of the components. The third objective was to establish the contribution of strategic entrepreneurship on the growth of FMCG firms in the Kenyan detergent industry. Further studies should be conducted on the relationship between the strategic components and the other growth indicators like marketing strategies and low production costs.

REFERENCES

- Alvarez, S. A., & Barney, J. B. (2002). Resource-based theory and the entrepreneurial firm. In M.A. Hitt, R. D. Ireland, S. M. Camp, & D. L. Sexton (Eds.), *Strategic Entrepreneurship: Creating a new mindset*: (89–105).Oxford: Blackwell Publishers.
- Barney, J. B. (2002). *Gaining and sustaining competitive advantage*. Upper Saddle River, NJ: Prentice-Hall.
- Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17: 99–100
- Dess, G. G., & Picken, J. C. (1999). How leading companies achieve superior performance by Leveraging their human capital. New York: AMACOM.
- Hitt, M. A., & Ireland, R. D. (2000). The intersection of entrepreneurship and strategic management Research. In D.L. Sexton & H. Landstrom (Eds.), *Handbook of entrepreneurship*: 45–63. Oxford: Blackwell Publishers.
- Hitt, M. A., Bierman, L., Shimizu, K., & Kochhar, R. (2001). Direct and moderating effects of human Capital on strategy and performance in professional service firms: A resource-based perspective. *Academy of Management Journal*, *44*, 13–28.
- Hitt, M. A., Ireland, R. D., Camp, S. M., & Sexton, D. L. (2001). Strategic entrepreneurship: Entrepreneurial strategies for wealth creation. *Strategic Management Journal*, 22(Special Issue), 479–491.
- Hitt, M. A., Ireland, R. D., Camp, S. M., & Sexton, D. L. (2002). Strategic entrepreneurship: Integrating entrepreneurial and strategic management perspectives. In M. A. Hitt, R. D. Ireland, S. M. Camp, & D. L.Sexton (Eds.), *Strategic entrepreneurship: Creating a new mindset*, 1–16. Oxford: Blackwell Publishers.
- Hitt, M. A., Lee, H., & Yucel, E. (2002). The importance of social capital to the management of multinational enterprises: Relational networks among Asian and Western firms. *Asia Pacific Journal of Management*, 19,353–372.
- Makadok, R. (2001). Towards a synthesis of the resource-based and dynamic capabilities views Of rent creation. *Strategic Management Journal*, 22, 387–401.
- McGrath, R. M., & MacMillan, I. C. (2000). *The entrepreneurial mindset*. Boston: Harvard Business School Press.
- Porter, M. E. (1996). What is Strategy? *Harvard Business Review*, 76(6), 61-78.
- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, 25, 217–236.
- Sirmon, D. G., Hitt, M. A., & Ireland, R. D. (2003). Managing the firm's resources in order to achieve And maintain a competitive advantage: Paper presented at the annual Academy Of Management meeting, Seattle.

- Thesmar, D., & Thoenig, M. (2000). Creative destruction and firm organization choice. The Quarterly, *Journal of Economics*: 1201–1237.
- Thompson A. & Strickland A. J. (2002). Strategic Management: Concepts and Cases, VandeVen, A. H, & Robert.D. (1985). the concept of fit in contingency theory. In B.M.Stawand & L.L.Cummings (Eds.) *Researching Organizational Behavior*, 33-65, Greenwich: JAI Press
- Varki, S., & Colgate, M. (2001). The role of price perception in an integrated model behavioral Intention, *Journal of Service Research*, *3*(3), 232-41

APPENDICES

Appendix 1: Questionnaire

Please give your answers in the spaces provided that matches your response to the question.

		1			
Section A: Characteristics of respondents					
1 Name of company					
2 Length of continuous service in the company?					
a) Less than 5 years ()					
b) 5-10 years ()					
c) Over 10 years ()					
3 For how long has your company been in operation?					
a) Under 5 years ()					
b) 5-10 years ()					
c) Over 10 years ()					
Section B: Strategic entrepreneurship					
4 How would you describe the competition within the detergent m	anufacturin	g indus	stry?		
a) Weak competition ()					
b) Moderate competition ()					
c) Strong competition ()					
5 To what extent is your company knowledgeable in the following	ng? Use 1-1	Not at	all, 2	2- Sm	all
extent, 3-Moderate extent,4- Great extent					
	1	2	3	4	
Entrepreneurial mindset					
Entrepreneurial culture and leadership					
Strategic resource management					_
Creativity and innovation actions					-

6 Examine the following regarding strategic entrepreneurship components being practiced in the company. Use 1-Not at all, 2- Disagree, 3-Agree 4- Strongly agree

Entrepreneurial mindset	1	2	3	4
The company's business ideas are from both internal and external sources				
The firm is always up to date with the competition in the industry				
Our resource combination criteria is dynamic				
Entrepreneurial culture and leadership				
The firm has a habit of following up on emerging business opportunities				
Frequent product performance meetings are held in the company				
We excel in identifying new opportunities				
Strategic resource management				
We have resource management guidelines within which the company				
operates				
Dynamism in the management of resource portfolio has majorly				
contributed to the growth of the firm				
Employees have access to important information regarding the resources				
within the company				
Applying creativity and developing innovation				
Creativity is strongly encouraged in the firm so long as it is in line with				
the firm's policies.				
The firm seeks out new ways of doing things				
	1			

Section C: Growth indicators

7 To what extent has the adoption strategic entrepreneurship influenced the following performance indicators? Use 1-No extent, 2- Moderate extent, 3 -Great extent, 4- Very great extent

Performance indicators	1	2	3	4
Increase in the company's profit				
Increase in sales volume				
Increase in the company's market share				
Increase in the penetration level of the company				

Appendix II: List of Firms

The following includes the companies from where data was obtained:

- 1. Buyline Industries
- 2. Paw Cleaning and Supplies services
- 3. Odex Chemicals
- 4. Soilex Prosolve Limited
- 5. Trade house Africa
- 6. Jet Chemicals Industry
- 7. Sudi Chemical Industries
- 8. Diamond
- 9. Ecolab East Africa
- 10. Elephant Soap
- 11. Elex Products East Africa
- 12. Lab Chem Limited
- 13. PZ Cussons
- 14. Rehsi Ventures
- 15. Safi Products
- 16. Stalite Hemicalc
- 17. Soilex Chemical
- 18. Blue Ring products
- 19. Greenwich Industries
- 20. Camellia Soap Industries
- 21. Century Cleaning Product
- 22. Danstar Holdings
- 23. Dirtex Manufacturers
- 24. Flourich Company
- 25. Karlton Enterprise
- 26. Matraco International
- 27. Mbachimu Enterprise
- 28. Orbit Chemical Industries,
- 29. Patrainic Products

- 30. Ricks Detergent
- 31. Rumorth Group of Companies
- 32. Supermac Company
- 33. Syndachem East Africa Limited.
- 34. Waco Trading Agencies
- 35. Hero General Supplies
- 36. Nellion Soap Industries
- 37. Bidco Oil Refinery
- 38. Maxcourse Chemicals
- 39. Gohil Soap Factory
- 40. Menengai Soap Industry
- 41. Jemke Investments
- 42. Simba Detergents
- 43. Kisumu Soap Factory
- 44. Eldoret Soap Enterprise
- 45. Diamond Industries Limited
- 46. Stalite Systems
- 47. Diversy eastern and central Africa limited
- 48. Pz Cussons East Africa
- 49. Kenya Detergent Suppliers