

ABSTRACT

Small Medium Enterprises contribute significantly to economic growth, social stability and equity of Kenya as a country. The sector is one of the most important vehicles through which low-income people can escape poverty. While the restaurant industry plays an important role in the economy, research on entrepreneurial orientation has largely focused on manufacturing firms. Current conceptualizations of entrepreneurial orientation fail to adequately consider the unique characteristics of entrepreneurial orientation and the context within which they must operate. As such, little guidance has been provided regarding its application in other contexts such as the restaurant business. The purpose of this article is to help explore the effect of entrepreneurial orientation on performance of small medium restaurants in Nairobi city in Kenya. This research looks into the background study of entrepreneurial orientation and the restaurant sector. The statement problem of this research looks into how entrepreneurial orientation can have a positive effect on restaurants as compared to large firms that have been researched on. The main objective of this research is that it seeks to investigate the effect of entrepreneurial orientation on performance of small and medium restaurants in Nairobi City, other objectives are effect of innovation, competitive aggressiveness and risk taking and how it affects performance of restaurants. The scope of this study is Nairobi city and a conceptual framework is designed to give a roadmap in the research. This study will contribute more to the area of entrepreneurship studies, help policy makers have informed decisions and sensitize and inform entrepreneurs on this area. The literature review looks into the theoretical perspectives that relate to the topic of study and a critical analysis of the relationship among different works, and relating that research to my work. The research design to be used in this research is descriptive research design, the study area is Nairobi city with a target of 100 restaurant managers and my sample frame will be calculated using Solvin Plus formula. Primary and secondary data will be used and collected using Questionnaires and face to face interviews plus books and written journals on this area of research. Reliability and validity test will be used in this research data will be analyses using SPSS 21 and presented on graphs, pie charts and frequency distribution tables.