ENTREPRENEURIAL ORIENTATION: A COMPARATIVE APPROACH BETWEEN GLOBAL SOCIAL SUSTAINABLE ENTERPRISE AND STRATEGIC MANAGEMENT STUDENTS AT UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

BY

IVY. N. KIMANI

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER 2017
ENTREPRENEURIAL ORIENTATION: A COMPARATIVE APPROACH BETWEEN GLOBAL SOCIAL SUSTAINABLE ENTERPRISE AND STRATEGIC MANAGEMENT STUDENTS AT UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Masters in Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER 2017
STUDENT'S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed: Ivy Kimani (ID 645127)  Date: 18/8/17

This project has been presented for examination with my approval as the appointed supervisor.

Signed: Dr. Joseph Ngugi  Date: 21/08/2017

Signed:  Date: 22/8/17
Dean, Chandaria School of Business
ABSTRACT

Entrepreneurial orientation looks at engaging the employees in an organization to ensure they are innovative in their workings, are proactive while handling the duties, assignments and responsibilities of their job and take necessary risks that would yield in high returns. This study was meant to determine the factors affecting global social sustainable enterprise and strategic management students at United States International University with a view to learn from those challenges and inform Entrepreneurship students. The study’s objectives were to determine influence of risk taking, innovation and pro-activeness factors on global social sustainable enterprise.

The study employed a descriptive research design was used as an attempt to lay the groundwork that would lead to future studies on the subject. The population of this study comprised 350 post-graduate students studying entrepreneurship and Strategic management at the USIU- Africa. Stratified random sampling was used to sample 105 post-graduate students from Strategic management in USIU- Africa. A close ended questionnaire that was presented through drop and pick method. The collected data was screened, coded and analyzed using both descriptive and inferential statistics, through frequencies and percentages. This was presented through the use of graphs, tables.

From the findings, the study deduced that Entrepreneurship orientation has a significant joint relationship with Risk taking, Pro-activeness and innovativeness because they are all components that show the traits of an entrepreneur. The regression model was significant and thus used to assess the association between the dependent and independent variables. The regression coefficients further revealed that both positive and negative associations between the Entrepreneurship orientation, Risk taking, Pro-activeness and innovativeness in the predictor variables. The study established that the Global social sustainable enterprise and Strategic management students were confident in obtaining finance for a new business, putting a business without adequate resources, achieving high growth in their organization, living with uncertainty. It was seen through the responses that Global social sustainable students and Strategic management students were able to mobilize resources to start a new business without hesitation compared. They were confident on evaluating downside risk,
were confidence on making a large profit when they sell their business and walking away from a potential by failure.

In the conclusion it was noted that in regard to innovativeness the study concludes that innovativeness is a major contributor towards realization of increased growth in enterprises, in that it gives the individual an advantage of working with the resources at their disposal. Risk taking ensured that individuals took more calculated and manageable risks. A proactive approach to business required initiative that helped anticipate further demand to an advantage.

The study recommended that through Proactiveness risk taking and innovativeness, organizations will be able to continually monitor the market so as to identify emerging needs and be first movers in such markets. Developing an autonomy posture will involve encouraging independent and creative thinking and also fostering a culture of rewards.
ACKNOWLEDGEMENT

I give thank the Almighty God for granting me, knowledge and health that has enabled me to complete this research work.

I acknowledge the immense contribution of my supervisor, Dr. Joseph Ngugi for his patience, support and professional guidance and availability. My sincere gratitude also goes to the staff of United States International University- Africa, for their support and assistance.
DEDICATION

This work is dedicated to those who helped me carry out this research and to the almighty God for the wisdom and gift of life that has made me realize and see the conclusion of this research.
# TABLE OF CONTENTS

STUDENT'S DECLARATION ........................................................................................................ iii
COPYRIGHT .............................................................................................................................. iv
ABSTRACT ................................................................................................................................. v
ACKNOWLEDGEMENT ............................................................................................................... i
DEDICATION ............................................................................................................................. ii
LIST OF TABLES ....................................................................................................................... v
LIST OF FIGURES ................................................................................................................... vi
LIST OF ACCRONYMS AND ABBREVIATIONS ..................................................................... vii

CHAPTER ONE ......................................................................................................................... 1
  1.0 INTRODUCTION ................................................................................................................ 1
    1.1 Background of the Study .................................................................................................. 1
    1.2 Statement of the Problem ............................................................................................... 4
    1.3 Purpose of the Study ...................................................................................................... 5
    1.4 Research Questions ....................................................................................................... 5
    1.6 Scope of the Study ......................................................................................................... 6
    1.7 Definition of Terms ........................................................................................................ 7
    1.8 Chapter Summary .......................................................................................................... 7

CHAPTER TWO .......................................................................................................................... 8
  2.0 LITERATURE REVIEW ...................................................................................................... 8
    2.1 Introduction .................................................................................................................... 8
    2.2 Risk Taking and Entrepreneurial Orientation .............................................................. 8
    2.3 Innovativeness and Entrepreneurship Orientation ....................................................... 13
    2.4 Pro-Activeness and Entrepreneurship Orientation ...................................................... 18
    2.5 Chapter Summary .......................................................................................................... 22

CHAPTER THREE ................................................................................................................... 23
  3.0 RESEARCH METHODOLOGY ......................................................................................... 23
    3.1 Introduction .................................................................................................................. 23
    3.2 Research Design ........................................................................................................... 23
    3.3 Population and Sampling Design ................................................................................ 23
    3.4 Data Collection Method ............................................................................................... 25
3.5 Research Procedures ................................................................. 26
3.6 Data Analysis Methods .............................................................. 27
3.7 Chapter Summary ................................................................. 28
CHAPTER FOUR .......................................................................... 29
4.0 RESULTS AND FINDINGS .......................................................... 29
4.1 Introduction ............................................................................. 29
4.2 Response Rate ......................................................................... 29
4.3 Demographic Characteristics ................................................... 29
4.4 Descriptive Statistics of Variables ........................................... 34
4.5 Inferential Statistics ................................................................. 37
4.6 Structural Model Estimation .................................................... 45
4.7 Comparison between Entrepreneurship and Strategic Management Models .... 48
4.8 Chapter Summary ................................................................. 52
CHAPTER FIVE .............................................................................. 53
5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS ............ 53
5.1 Introduction ............................................................................. 53
5.2 Summary ............................................................................... 53
5.3 Discussion ............................................................................. 54
5.4 Conclusions .......................................................................... 59
5.5 Recommendations ................................................................. 60
REFERENCES ............................................................................... 62
APPENDICES ............................................................................... 66
QUESTIONNAIRE ........................................................................ 66
LIST OF TABLES

Table 4.1: Response Rate ................................................................. 29
Table 4.3: Years of Experience .......................................................... 33
Table 4.4: Pro-Activeness ................................................................. 35
Table 4.5: Risk Taking ..................................................................... 36
Table 4.6: Innovativeness ................................................................. 37
Table 4.7: KMO and Bartlett's Test ................................................... 38
Table 4.8: Total Variance Explained .................................................. 39
Table 4.9: Communalities and Pattern Matrix^a .................................. 41
Table 4.10: Normality test ............................................................... 43
Table 4.11: Reliability Analysis for the Study Variables ....................... 44
Table 4.12: Convergent and discriminant validity ............................... 45
Table 4.13: Path coefficients for the combined model ......................... 46
Table 4.14: Path coefficients for the Entrepreneurship Students .......... 48
Table 4.15: Path coefficients for the Strategic Management Students ...... 50
LIST OF FIGURES

Figure 4.1: Age of the Respondents .................................................. 30
Figure 4.2: Gender of the respondents .............................................. 31
Figure 4.3: Level of Education ......................................................... 32
Figure 4.4: Level of Management ..................................................... 33
Figure 4.5: Area of Study ............................................................... 34
Figure 4.6: Confirmatory Factor Analysis for Study Variables ............. 42
Figure 4.7: Structural Model for Entrepreneurship and Strategic Management .................................................. 46
Figure 4.8: Structural Model for Entrepreneurship Students ............... 48
Figure 4.9: Structural Model for Strategic Management Students ....... 49
LIST OF ACRONYMS AND ABBREVIATIONS

EO – Entrepreneurship orientation
GSSE- Global Social Sustainable Enterprises
1.0 INTRODUCTION

1.1 Background of the Study

Entrepreneurial activity represents one of the major engines of economic growth and today accounts for the majority of new business development and job creation in the United States and the world at large (Messersmith & Wales, 2011). Entrepreneurship Orientation (EO) has been linked to firm performance because of its ability to uncover and pursue possible avenues for achieving growth through: innovation, pro-activeness and risk-taking within their strategic processes and behavior. Reijonen, Tammi and Saastamoinen (2016) argues that entrepreneurs are individuals willing to take up risks that other individuals shy away from and are thus proactive and innovative. Entrepreneurial orientation is a subset of strategic orientation viewed as principles that direct and influence the activities of a firm and generate the behaviours intended to ensure the viability and performance of the firm.

The subject of entrepreneurial orientation has attracted a number of research studies both on global, continental, regional and local perspective. From a global perspective, Wales (2016) conducted a review and synthesis of promising research directions on entrepreneurial orientation from a variety of perspectives in terms of how EO is manifest, how conceptualization facilitates knowledge accumulation in an organization and how it can be used to create competitive advantage, and theories which have been suggested as relevant to advancing the EO conversation. A number of theories have been advanced in explaining the EO (Messersmith & Wales, 2011). These include: Resource based view (RBV) / dynamic capabilities perspective; Organizational change; Organizational ecology; Institutional theory; Institutional logics; Network theory; Agency theory and governance among others. These theories explain how Entrepreneurship Orientation can be used to influence organizational performance and growth (Covin & Lumpkin, 2011).

Mahmood and Hanafi (2013) study on entrepreneurial orientation and business performance of women-owned small and medium enterprises in Malaysia by looking at the competitive advantage as a mediator revealed the existence of significant relationships between entrepreneurial orientation and performance. Competitive advantage was found to partially
mediate the entrepreneurial orientation and performance relationships. The study notes that Entrepreneurial orientation (EO) is a significant contributor to a firm’s success as it entails the ability and willingness to support creativity in an organization. Creativity leads to development of new ideas and experiments that result in new products and services that meet the ever changing customer needs. In pro-activeness, the entrepreneurs are equipped with the necessary courage to pursue opportunities to build competitive advantage so as to meet the changing future needs of customers. Through risk-taking, entrepreneurs set aside resources to projects or business ventures with possibilities of high returns through they also carry with them possibilities of high losses should everything fail to run as planned.

In another study, Hakala (2011) examined strategic orientations in management literature from three approaches in bid to understanding the interaction between the market, technology, entrepreneurial and Learning Orientations. The study notes that the interaction among these strategic orientations is important in ensuring better organizational performance. Marketing orientation helps businesses in create a culture that bring about the behaviour required for superior performance. It enables an organization reach out to its clientele base and informs them on its product offerings and at the same time gather intelligence necessary for new product development (Grinstein, 2008). Technological orientation is majorly concerned with innovations in an organization geared towards developing new ways of satisfying customer needs. This orientation requires that firms continuously innovate and develop new products and services to meet the dynamic needs of their customers. Hakala (2011) further notes that EO captures entrepreneurial aspects of firms’ strategies necessary for a firm’s growth. It dictates that the entrepreneurs explore new and creative ideas that can bring about changes in the market place proactively ahead of the competition through anticipation of future demand changes (Messersmith & Wales, 2011).

The learning perspective on the other hand is concerned with the acquisition of new knowledge and skills by the entrepreneur that has a potential to influence the manner things in the organization are done (Wales, 2016). Learning orientation is inclined to bringing about change in the way organizations conduct their businesses and interact with other stakeholders. For an organization to continuously meet the dynamic needs of their customers,
it needs to implement all these orientations. These would enable it stay ahead of its competitors hence remain sustainably competitive (Reijonen et al., 2016).

Mickiewicz, Sauka and Stephan (2016) explored the philanthropy of owner-managers of small and medium-sized enterprises (SMEs) by investigating the reason behind more entrepreneurially oriented SMEs being more likely to engage in philanthropic activities. The study considered philanthropic giving by particularly wealthy entrepreneurs predominantly in the United States and the United Kingdom. The study established that through philanthropic activities brings strategic benefits to the organizations involved in terms of enhanced legitimacy and reputation. In another study, Wang and Qian (2011) established that SMEs that engage in high-risk need to use proactive entrepreneurial strategies which will enable them introduce novelty in the market by use of philanthropy to gain legitimacy, especially among their local community. The use of philanthropy enables them to obtain resources and the cooperation needed from the local stakeholders.

Martins (2016) examined how SMEs could use their network, entrepreneurial orientation and how all these affect their growth. The study identifies the role of social resource to an organization in networks and how it can be applied for organizational competitiveness. Networks include social relationships between the entrepreneurs and other key stakeholders that may take the form of professional and exchanging relationships with other actors in the environment. A combination of EO and the firm network provides unrivaled competitive advantage to the organization. Zulkifli and Rosli (2013) presented a conceptual framework of how entrepreneurial orientation can affect business success of Malay entrepreneurs. The study was based on religiosity and how it affected business success. The findings indicate that EO can influence business success but the rate of influence can be accelerated by religiosity.

Taylor (2013) studied the effect of entrepreneurial orientation on the internationalization of SMEs in developing countries. The study assessed the globalized environment and the effect that this has had on SMEs globally. It was noted that globalization and internationalization of businesses had greatly affected the competitiveness on SMEs. The case was particularly worse in developing countries where SMEs did not seem to make effort of expanding beyond their national boundaries. The study identified several modes that SMEs could adopt to
expand their operations globally including: exporting, franchising, and opening a subsidiary among others.

On the Continental front, Fatoki (2014) examined entrepreneurial orientation of micro enterprises in the retail sector in South Africa and established that micro enterprises are on the average were weak in the area of pro-activeness and were followers rather than leaders in their respective markets and industry. In addition, the micro enterprises studies were found to be risk averse as they did not like taking up risky ventures.

Locally, Muthee-Mwangi and Ngugi (2014) examined the influence of entrepreneurial orientation on growth of micro and small enterprises in Kerugoya, Kenya and established that EO dimensions: innovativeness, risk taking, pro-activeness, and entrepreneurial managerial competence had a significant positive influence on growth of Micro and Small Enterprises. Through EO, organizations are able to anticipate customer needs in the future in a proactive manner which will enable them to take a risk in investing in research and development to come up with new and better ways of meeting the dynamic customer needs.

This study was anchored on the Schumpeter’s Innovation Theory which highlights the role played by innovations in the business life of an entrepreneur. Schumpeter (1942) acknowledges the role of innovations which brings about disequilibrium in the operating environment following the introduction of new goods and services to meet the dynamic human needs. Innovation is identified to be an entrepreneurial tool which can be utilized by entrepreneurs to take advantage of different businesses as they occur. It holds that entrepreneurs are innovative individuals who are ready to create disruptions in the normal operating environment for their advantage. It acknowledges the pro-activeness of the entrepreneurs and the risk taking behaviour to earn above average returns.

1.2 Statement of the Problem
The link between EO and firm performance has been extensively researched in the past few years (e.g., 2001; Wiklund & Shepherd, 2005; Covin et al., 2006; Lee, Lim & Pathak, 2011) with great empirical support of the positive relationship. Most studies find that EO enhances firm performance but highlight the importance of considering boundary conditions
For instance, previous studies has assessed the contingency role of firm culture, firm structure (Covin & Slevin, 1990; Green, Covin, & Slevin, 2008), firm resources (Wiklund & Shepherd, 2003), social capital (Stam & Elfring, 2008), as well as environmental dynamism (Wiklund & Shepherd, 2005). Considering the wide array of research regarding potential boundary conditions, it is surprising that little attention has been paid to the role of individuals attributes. Most of the research conducted on individual entrepreneurial orientation has been based on quantitative studies, and researchers may not have focused on the concept of individual entrepreneurial orientation or its nature in different national context. In order to improve our understanding of what an entrepreneurial orientation consist in different society and how they differ in their abilities. Considering the wide array of research regarding potential boundary conditions, it is surprising that little attention has been paid to the role of individuals attributes.

Furthermore, future researchers should investigate the similarities and distinguishing characteristics of business entrepreneurs among various nationalities, industries and institutions. This research looks at the three unidimensional constructs of EO as introduced by Miller (1983) and popularized by Covin and Slevin (1989) are applied to assess university students. Although EO have been assessed for university students in some academic research such as Levenburg and Schwarz (2008), there is little done to assess and validate the EO construct at the individual level in this context. University students are considered because they are potential entrepreneurs entering the job market after graduation at a time when emphasize is on self-employment due to the current high rate of unemployment.

1.3 Purpose of the Study
The purpose of this study was to examine entrepreneurial orientation between entrepreneurship and strategic management students at United States International-Africa.

1.4 Research Questions
1.4.1 How does risk taking affect entrepreneurial orientation among graduate students-entrepreneurship and strategic management?
1.4.2 To what extent does pro-activeness affect entrepreneurial orientation among graduate students-entrepreneurship and strategic management?

1.4.3 How does innovation affect entrepreneurial orientation among graduate students-entrepreneurship and strategic management?

1.5 Importance of the Study
The study is important to the following:

1.5.1 University Faculty Members
This study would help faculty members understand better the concept of EO and further incorporate it in the syllabus to assist students achieve a higher rate in whichever fields they chose to go into. It is in a sense a life skill that would improve the quality of education received.

1.5.2 Academicians/Scholars
On the side of the theories that would be explored it would be a good source of secondary data for further research on this topic and those related to it. It would also identify gaps in research that would encourage further research on the topic.

1.5.3 Practitioners
The study would assist organizations as a whole in that they would be able to use this skill when employing staff to ensure they have EO so that they are able to propel a company’s decision making processes further. It would be able to shed light on the various processes and to rule out different strategic problems.

1.6 Scope of the Study
This study was limited to entrepreneurial orientation with a comparison between Strategic management students and Entrepreneurship students using a case of United States International University- Africa. The study population was drawn from 350 entrepreneurship and Strategic management students. The research study covered the period January- April 2017.
1.7 Definition of Terms

1.7.1 Entrepreneurial Orientation
Entrepreneurial Orientation refers to the strategy making processes that an individual uses to make decisions based on starting, growth and scaling of a business idea (Lumpkin & Dess, 1996; Wiklund & Shepherd, 2003).

1.7.2 Strategic Management
The systematic analysis of the factors associated with customers and competitors (the external environment) and the organization itself (the internal environment) to provide the basis for maintaining optimum management practices. The objective of strategic management is to achieve better alignment of corporate policies and strategic priorities (Wales, 2016).

1.7.3 Entrepreneurship
Entrepreneurship as a distinctive approach to managing rather than a specific stage in an organization’s life cycle (i.e., startup), a specific role for an individual (i.e., founder), or a constellation of personality attributes (e.g., predisposition for risk taking; preference for independence) (Saastamoinen, 2016).

1.7.4 Social Sustainable Enterprise
This is a business that looks out for the good of the community in terms of reducing the poverty rates and caring for the environment. In this it still has to still be profitable to be able to serve the community for a prolonged period of time (Gatzert & Martin, 2015).

1.8 Chapter Summary
This chapter introduced the concept and contextual arguments of the study. It specifically covered the background of the study, statement of the problem, purpose of the study, research questions and the significance of the study. Chapter two reviews the existing literature on the subject. Chapter Three presents the research methodology and chapter four presents the results and findings of the study. Chapter five presents the discussion, conclusion, and recommendations for action and further research.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter reviewed the various concepts as well as existing empirical studies that exist on entrepreneurial orientation with a comparative approach to global social sustainable enterprises and strategic management. The chapter was divided into three sections on the basis of the research questions that include; the relationship between innovations orientation and strategic management, extent that entrepreneurial pro-activeness affects the success of a firm or individual and lastly the relationship between risk taking orientation and the study of global social sustainable enterprise. The sections are as discussed below.

2.2 Risk Taking and Entrepreneurial Orientation

Risk management necessitates holistic as well as systematic integration of socioeconomic, ecological and corporate risks in business management. Modern day businesses need to fully integrate the concept of risk taking as part of their organizational strategy so as to minimize on potential losses hence exploit new business opportunities that arises in the marketplace. The adoption of new technologies would serve to improve on firms’ ability to respond to risks thereby improving on overall chances of success in the market place. In addition, the adoption of new business models would enable firms to access and emerging markets thereby improving on their overall position in the marketplace (Naldi, Nordqvist, Sjöberg & Wiklund, 2007).

Entrepreneurial orientation has its roots in the strategy making process literature (Mintzberg, 1973). Strategy making is a phenomenon that incorporates planning, analysis, decision making, and many aspects of an organization’s culture, value system, and mission (Hart, 1992). Consistent with Mintzberg, Raisinghani and Theoret who noted that strategy making is “important, in terms of the actions taken, the resources committed, or the precedents set” (1976: 246), EO represents the policies and practices that provide a basis for entrepreneurial decisions and actions.

The adoption of risk management models would aid business managers to employ tools aimed at scanning risks that exists in the environment. This would be beneficial as cleaner
production would be attained, assessment of life-cycle of various products and services would in turn aid when it is not ideal to take unnecessary risks. This however does not imply that businesses will not be faced with risks as they endeavor to explore new market openings. By adopting strategies that fully take into consideration risks factors, firms can be able to reduce costs, identify opportunities thereby enhancing their reputation as well as stakeholder interest (Kreiser, Marino, Dickson & Weaver, 2010).

Risk taking is an important dimension of entrepreneurial orientation since it impacts firms in diverse ways depending on the intensity. In essence, it is a distinct dimension of entrepreneurial orientation as it has a positive relationship with innovation and proactiveness that improves on organization sustainability in the long run. However, in some instances risk taking has a negative relationship with firm performance. Managers’ attitude towards risks has a significant influence on risk taking which in turn influences innovation performance. Diverse firm managers have different risk taking behavior which tends to constrain their actions intended to achieve steady business growth. This is because the concept of risk taking also brings in unpredictable consequences that are brought about by adoption of innovative decisions that are characterized by risk taking. Risk taking managers have to decide on how they will allocate limited firm resources as well as direct processes towards new products and processes development (Kreiser & Davis, 2010).

2.2.1 Risk Worth Taking

Significant differences exist between entrepreneurial and non-entrepreneurial oriented business manages during the normal course of firm decision making. Entrepreneurial oriented managers tend to be more risk takers in their quest to pursue better organizational performance. They tend to take more risks, however, the risks are calculated and possibilities of all eventualities are estimated in advance. In essence, entrepreneurial-oriented individuals are risk takers who take defined risks as they pursue diverse entrepreneurial intentions (Krueger & Evans, 2000).

EO and performance (Miller, 1983). In an environment of rapid change and shortened product and business model lifecycles, the future profit streams from existing operations are
uncertain and businesses need to constantly seek out new opportunities. Therefore, firms may benefit from adopting an EO. Such firms innovate frequently while taking risks in their product market strategies (Miller & Friesen, 1982). Efforts to anticipate demand and aggressively position new product/service offerings often result in strong performance (Ireland, Hitt, & Sirmon, 2003). Thus, conceptual arguments suggest that EO leads to higher performance. However, the magnitude of the relationship seems to vary across studies. While some studies have found that businesses that adopt a strong entrepreneurial orientation perform much better than firms that do not adopt an entrepreneurial orientation (Covin & Slevin, 1986; Hult, Snow, & Kandemir, 2003; Lee, Lee & Pennings, 2001; Wiklund & Shepherd 2003), other studies reported lower correlations between EO and performance (Dimitratos, Lioukas, & Carter, 2004; Lumpkin & Dess, 2001; Zahra, 1991) or were even unable to find a significant relationship between EO and performance (George, Wood, & Khan, 2001; Covin, Slevin, & Schultz, 1994). Thus, there is a considerable variation in the size of reported relationships between EO and business performance. Consequently, using meta-analysis, we provide a point estimate on the relationship between EO and performance across previous studies and we ask the question whether the variation is high enough to warrant an empirical examination of moderators of the EO – performance relationship.

A relationship exists between risk-taking and innovation as creative behaviors are brought about by taking risks aimed at challenging existing status quo in given organization aspects. The adoption of innovation as a result of risk taking in organizations leads to desirable business results are the manner in which employees are able to interact with customers is readily improved. This in turn leads to sustainable business growth due to increment in market share (Dewett, 2007). According to Anderson, Potocnik and Zhou (2014), innovative employees are able to promote new ideas thereby establishing new courses of action The adoption of innovation in organizations due to risk taking spurs employees to behave innovatively thereby improving on relations with coworkers which in turn improves on organizational output that leads to steady business growth in the competitive market place.

Manager’s risk-taking propensity leads to differences in terms of firm propensity to grow and attain sustainable market position in the environment. Prevailing organizational climate influences employees’ willingness to assume risks aimed at improving on firm performance.
The adoption of innovations is therefore limited to the level that worthy business risks can be taken. The assuming of risks however calculated they maybe have an element of uncertainty which may in adverse cases elicit negative reactions that may impede positive organizational growth (Corcoles, Granero, Mesa & Vidal, 2013). Firm managers with a high risk-taking attitude can spur a climate of risk-taking among employees which can in turn spur organizations' sustainable performance (Granero, Llopis, Mesa & Alegre, 2015).

2.2.2 Risk Management and Social Sustainable Enterprise

According to Nocco and Stulz (2006), risk management has evolved to a more encompassing and holistic view. The adoption of risk management is beneficial to firms as it allows risks to be managed in a manner that avoids deadly outcomes. The adoption of vigorous practices of risk management can be a source of enterprise sustainability since potential risks as well as incurred risks can be effectively managed to suppress adverse outcomes. Through risk management, senior managers are able to identify, measure and limit acceptable risk levels that firms can handle so as to continue being in operation.

Risk management significantly ensures that the risk-return tradeoffs are carefully evaluated by individuals in the day to day running of heir businesses In essence, it enables individuals to assess their risk appetite as they can be able to measure born risk amounts hence decide on which risks they can retain and those that they can transfer to others (Gatzert & Martin, 2015). For those individual businesses that do not practice effective risk management, poor corporate results are attained which may in turn lead to collapse of business. In essence, risk management is an issue of concern for many organizations worldwide. Despite existence of codes of frameworks for managing risks, the occurrence of adverse risks significantly reduces organization ability to achieve desired profits. This may in turn negatively affect the organization ability to continue operating for the foreseeable future.

The management of risks is a fundamental component in firm’s daily management as it has an important bearing on whether organizations can be able to remain in operation. Firms operations are affected by both internal and external factors which management may be in limited control of (Bessis & O'Kelly, 2015). Risk management success is mainly determined by the level of adopted risk management practices that are put in place by management. The
implementation of effective risk management practices aids in risk reduction thereby minimizing on potential adverse risk impacts on organizations. If deployed correctly and effectively, risk management can be a value-enhancing activity that goes beyond regulatory compliance and can provide a competitive advantage to institutions that execute it appropriately as it would guarantee future sustainability (Saunders & Cornett, 2003). In order to manage risks effectively, an appropriate credit risk environment should be established by maintaining an appropriate risk administration that monitors and controls inherent risks in a bid to attain as minimal adverse results as possible due to realized risks (Alderweireld, Garcia & Leonard, 2006).

Various steps can be adopted by individuals in the implementation of risk management practices. Firms need to gather sufficient information in regards to potential risks so as to calibrate overall risk exposure (Raz, Shenhar & Dvir, 2002). Risk monitoring is very important since current and potential exposures due to risks changes with passage of time. Various approaches can be used to identify, screen and analyzes risks so as to minimize on risk related loss. The establishment of stringent conditions before adoption of long term activities during risk analysis such as screening can be used to reduce and manage inherent risks. A positive association exists between risk management practices and firm financial performance (Saripalli & Walters, 2010).

The adoption of risk analysis, monitoring and control and assessment of prevailing economic conditions are beneficial to individuals as they are able to keep in check realized risks hence ensure that the impacts are effectively contained. This will in turn lead to a situation whereby firms are able to continue operating comfortably even though various risks are identified (Chelagat, 2012). The adoption of risk diversification, effective risk administration, monitoring and control can effectively minimize on potential impacts which negatively impacts on organizations ability to fully attain desired results.

The first moderator relates to the size of the business. The EO of a business is typically investigated through top management. This is an accepted approach (Covin & Slevin, 1989). Further, smaller organizations are more flexible, allowing them to quickly change and take
advantage of new opportunities appearing in the environment. There is reason to believe, therefore, that the effect of EO on performance is greater in small organizations.

2.3 Innovativeness and Entrepreneurship Orientation

Vorhies, Bush and Orr (2011) deduced that modern day organizations ought to adopt innovation so that they can remain relevant in the dynamic competitive global business environment. The recent research thrust in EO warrants carrying out a meta-analysis to assess the value added of further EO research and for determining if there are specific issues that may need additional attention in future studies. There is little doubt that the original studies of Miller (1983) and Covin and Slevin (1989) provided the foundations for the scales used in subsequent studies. However, different variations of the scales are being used. In particular, three types of modifications were made to these original scales. First, the number of dimensions included varied somewhat across studies. Miller’s and Covin and Slevin’s original nine-item formulation of the three dimensions innovativeness, proactiveness, and risk-taking dominated with a total of 28 studies. However, this also means that close to half of all the studies view EO as consisting of alternative or additional dimensions.

In particular, futurity and/or competitive aggressiveness, both taken from Venkatraman (1989), appear to be popular additions to the EO construct. Strategies are long term plans of actions that are designed to achieve particular goals, most often winning (Chan, Sabherwal & Thatcher, 2006). The development of strategy is a multidimensional process that involves rational analysis and intuition, emotion and experience. Organizations endeavor to adopt various innovation strategies for both the short and long term. This is aimed at improving overall organizational ability to remain competitive in the marketplace. The formation of organizational strategies that are based on innovation as a never-ending and integrated process that requires continuous reassessment and reformation improves on overall firm’s ability to remain sustainable in the competitive marketplace (Zhou, Yim & Tse, 2005).

The adoption of technological improvements improves current customer relationship management, thereby strategically placing the adopting organizations in the marketplace by way of improving customers’ perceptions towards the organization. The development of new technologies brings about new processes that can be able to easily and promptly identify
customer needs. This in turn enables organizations to respond to customers’ queries and feedback which in turn improves on customer base. The adoption of social media and the internet has improved on customer interface which has in turn transformed the manner in which firms are able to interact with customers on a daily basis (Wymbs, 2011).

The adoption of the internet has therefore led to the ability of firms to interact with customers at a more personal level thereby giving more timely response. The adoption of innovative information systems have enabled firms to create, acquire, convert and apply new customer knowledge which has in turn strategically placed them in the market due to attained advantages of customer focus (Royle & Laing, 2014). In essence, the adoption of innovations has resulted into the introduction of new firm products and services that have aided firms to make greater profits at the wake of increased competition levels. Innovations seems to occur in various forms, hence institutions can endeavor to produce many new types of assets to strategically place themselves in the market (Elbahnasawy, 2014).

Modern day firms seeking to make profits must innovate. Innovation is an essential driver of economic dynamic and firm competitiveness. Through technological advancements, new opportunities have emerged in the market. This has therefore led to a paradigm change as to manner in which many things are carried out. Firms therefore have no choice but to innovate so that they can improve on their current strategies and policies so that they can be at par with competition (Mas & Morawczynski, 2009). Innovations have led to significant organizational material gains as new processes have emerged that have led to more effective ways of doing things. This has led into wastes reduction due to improvements of processes thereby improving on organizational performance due to the attainment of operational efficiency. New innovations have made it possible to reduce unnecessary costs (Duffie, 2008).

2.3.1 Innovativeness and Postgraduate Students

According to Molina and Callahan (2009), innovativeness reflects enterprise tendency not only engage in but also support new ideas, experimentation, novelty and creative internal processes that leads to the production of new products, services and technological processes. The adoption of innovations by organizations is an imperative component of entrepreneurial
orientation since it is a means of pursuing opportunities existing in the immediate environment. Businesses innovation can be classified into; technological and product market innovation (Tsai, 2009). Innovation in essence represents a continuum that ranges from willingness to use new innovations. Firms which are highly innovative tend to grow faster that technologically challenged firm.

New technologies development brings about new processes that are able to easily and promptly identify customer needs. Adopting organizations can be able to promptly respond to customers’ queries and feedback which in turn leads to considerable gains in customer base due to quality response to complaints made by customers. According to Camelo-Ordaz, Fernández-Alles, Ruiz-Navarro and Sousa-Gine (2012), innovation is an essential driver of economic dynamics and firm competitiveness. Innovation in essence causes gales of creative destruction. Schumpeter deduced that innovation is a "process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one". Therefore, in order for institutions to remain competitive, they must be ready and willing to innovate.

Mulei (2012) examined the impact of innovations on financial performance of small and medium enterprises in Starehe Constituency, Nairobi County. The study concluded that innovation leads to an aggregate growth of firm in various dimensions like number of products, market share, loan sales and the overall profitability. Kasonde and Beyani (2008) examined financial innovation and its importance on modern risk management systems. The researchers concluded that it is imperative for modern day firms to adopt modern risk management systems. In essence firms need to have a futuristic view as they formulate risk measurement systems. They should also bear in mind the rapid technological changes as well as rapid markets growth. It was further revealed that institutional, product and process innovations presents heightened risk levels due to unfamiliarity levels even though they are expected to reduce over time.

Ngugi, McOrege and Muiru (2013) surveyed the influence of innovativeness on SME’s growth in Kenya. Primary data was utilized by the study as questionnaires were administered by the researcher. The research findings showed that innovativeness impacts SME’s growth.
It was found that managers who adopt support creative ideas by embracing innovation and experimentation excel together with the companies they lead. The study results showed that new products and processes significantly and positively influence growth and performance. Information Technology is been widely adopted by many firms in a bid to increase on market competitiveness and at the same time reduce on operational costs (Marsh & Flanagan, 2000).

Modern day businesses therefore pursue technology adoption so as to gain competitive advantage. Technology is being used to shape organizations by modifying; cooperation within and outside organizations, job design, supervisory relationships, physical outline, autonomy and work teams establishment. The adoption of information systems and technology is advantageous to organizations since it leads into radical improvements. Lin et al (2010) opine that there are factors have an effect on innovation adoption in organizations. The factors are: leaders' characteristics, internal organization and lastly environment characteristics. In addition, organization size, information system capabilities and senior executives innovations have an effect on the level at which innovations are adopted in organizations (Tan, Chong, Lin & Eze, 2010).

The application of information technology as part of organizational innovations is steadily growing at a fast pace. Modern technology has introduced change into diverse fundamental business procedures (Davenport, 2013). Firms endeavor to use information technology in order to maximize on current and future customer satisfaction. The adoption of IT has enabled firms to identify customers who yield the greatest possible revenues. This has also aided sales forecasting and organizational marketing. Customer focused innovation has improved on customer experiences thereby reducing on churn-rate (Simonson, 2005).

2.3.2 Innovativeness and individual success

Innovation strategies entail the alignment of organizational product life cycles with various undertaken research and development activities. The first stage in innovation formulation is to describe the meaning of innovation to adopting institution as well as focus areas where the innovation is to be used. Innovation strategies are ideal in the sense that they give clear direction in that they concentrate whole organization efforts towards a common innovation end. In the modern dynamic global competitive environment, the adoption of product
innovation is becoming more relatable due to; emergence of challenging markets, increased international competition, disjointed, assorted and swiftly changing technologies. Modern day firms that are able to offer products and services that adapt to focus customers needs and wants are able to sell much faster in comparison to competitors. This is because this leads to a better competitive advantage due to the production of market driven products and services that are guided by technologies (Orsato, 2009).

Market innovations are concerned with improving target markets mix so as to better determine how the chosen markets can be served better. It entails analyzing competitors' strengths and weaknesses, consumers raised demands, legal regulations, health and ecological standards so as to motivate enterprises to develop products that take into account particular market current situation. The adoption of innovations that are focused on improving current customer relationship management enables prompt collection, management as linking of customer information leading to positive firm results as well as customers themselves (Kotler & Armstrong, 2010).

Process innovation embraces the deployment of quality function and business process reengineering. It involves equipping organizations by way of adopting new technological advancements, enhancing implementation of new processes, developing market mix intelligence and lastly the development of new competitive products that enables adopting enterprise to have a competitive advantage. The implementation of better process innovation results to higher market value and organizational performance (Davenport, 2013).

Botterill and Egbu (2002) explored information technologies for knowledge management: their usage and effectiveness. The research findings showed that conventional technologies, for instance the telephone are widely used to manage knowledge. Zembik (2014) studied the social media as a source of knowledge for customers and enterprises. Research results revealed that enterprise information provided via social media is very useful to both enterprises and customers. In essence, opinions of consumers regarding products, recommendations and experiences description while dealing with enterprises, are taken in to account and considered thereby improving on future interactions.
2.4 Pro-Activeness and Entrepreneurship Orientation

Pro-activeness is related first-mover advantages by taking initiatives by way of anticipating and even pursuing new market opportunities. In essence, pro-activeness is acting in anticipation of future needs problems or changes. Pro-activeness is critical to entrepreneurial orientation since it suggests the adoption of a forward-looking perspective accompanied by innovativeness and entrepreneurial activities. Pro-activeness relates to analyzing market opportunities by seizing initiatives and then acting in an opportunist manner so as to shape the immediate business environment and effect trends so as to perhaps create demand (Blesa, & Ripollés, 2003).

Proactive enterprises are aggressive in that they adopt unconventional tactics towards rival enterprises in the same marketplace. These enterprises are able to shape their environments in that they are able to actively seek and exploit new market opportunities. These firms are able to introduce new administrative techniques, products and technologies which they can use to shape their immediate environment thereby reacting to it more effectively (Lee & Peterson, 2001). To be proactive entails having the capability to change things in the intended direction so as to attain better anticipated results. Proactive behavior distinguishes organizations from other firms in the marketplace; it also distinguishes individuals from the rest of the pack. Pro-action behavior involves the creation of change and not merely anticipating it (Kickul & Gundry, 2002).

Proactive business behaviour involves important attributes of adaptability and flexibility towards the future which is uncertain. It essentially entails taking initiatives so as to improve on business. This can be achieved by keeping the antennae out to search for opportunities as well as looking for new and innovative ways to grow. Proactive organizations set effective and change-oriented goals that are focused on accomplishment and with real impact on that matter. The ability to anticipate and prevent problems forms a key component of organizations that are proactive (Lumpkin & Dess, 2001).

The ability to do things differently by avoiding the kind of concept ensures that the business is unique and that its operations are ahead of competition. By doing things in a different fashion, firms can be able to find better ways of doing things and not necessarily relying on
traditional mannerisms. Proactive managers have greater charisma and better leadership qualities within their firms. It also has an effect on how firms are able to actively create demand and drives markets (Kreiser & Davis, 2010).

Complacency manifests itself due to insufficient proactive behavior in organizations. Symptoms of complacency within organizations are; too much happy talk, problems denial, mediocre performance standards and adoption of performance measures which tend to focus on short-term and narrow functional goals. In contrast, organizations that have high proactive behavior levels have a strong drive for progress (Oni, 2012).

2.4.1 Entrepreneurial Orientation

In the world of today, firms have to time search for new adventures so as to derive competitive advantages against rivals. Jambulingam, Kathuria and Doucette (2005) add that firms are determined to utilize opportunities by means of innovative, visionay and proactive behavior in the product market. There are various factors that have an effect on firm’s entrepreneurial behavior. The conduct of organizational leaders and their strategies are primarily significant in that they energize people, demonstrate entrepreneurial innovativeness and enhance the continuous search for newer ventures (Harris & Gibson, 2008).

A close connection exists between leadership styles and entrepreneurship. It has been hypothesized that leadership has causality with entrepreneurship. Leadership styles are patterns of behaviours engaged by organizational leaders when dealing with other employees. According to Boyne (2010), leadership is basically the process aimed at influencing others so that they can understand and agree with what needs to be done as the manner in which it ought to be done as well as the overall process of facilitating both collective and individual efforts aimed to attain shared objectives. Hannah, Uhl-Bien, Avolio and Cavarretta (2009) deduced that leadership is the act whereby one person influences another towards moving in a given direction. It is basically the process of directing, guiding, influencing and controlling the acts, feelings and even behaviour of fellow human beings. This whole process is aimed at stimulating persons and their insight and feelings in order to direct and control them in the quest of attainment of a specific cause.
Under democratic leadership which is also referred to as enlightened leadership, individuals’ self-worth and esteem are readily recognized. In this leadership style, all leaders’ actions are on the basis of honesty, trust, integrity, mutual respect, equality and openness. There is both consideration and concern for other employees as considerate listening and understanding have room in this leadership style. This is because open communication is fostered among all organizational employees at all department levels (Bunce & Wolchik, 2011). Democratic type of leaders undertakes to share decision making with other staff members. Important to note is that this leadership style is associated with low productivity even though there is higher morale in most mind breaking situations. Group participation is emphasized in a democratic leadership style. To sum it up, participation is in essence a major trait of democratic leadership style. A feeling of satisfaction and achievement is enhanced in this type of leadership style as work groups are encouraged and supported (Hannah & Avolio, 2011).

The presence of organizational leaders that are able to exert influence on people within the direction of attaining specific goals aimed at improving on organizational performance leads to better firm performance. Organizational leaders that have entrepreneurial capabilities such as risk taking and proactiveness are able to steer their organizations to greater heights. Important to note is that not all leaders are entrepreneurs, however, entrepreneurs are in essence leaders (Harms, Spain, & Hannah, 2006). Leader’s entrepreneurial orientation leads to ability of firms to venture into new areas which were previously not part of carried out business (Hannah, Avolio, Walumbwa, & Chan, 2012).

Self-leadership within organizations provides innate strategies that can be learnt and then employed by entrepreneurs so as to make firms grow. Ling et al. (2008) identified three unique groupings of influence as exerted by self-leadership; strategies are behavior of focused strategies that naturally reward oneself, and those that direct to constructive thoughts patterns. The adoption of strategies that have being vision, innovation and proactiveness establishes direction along which individual align themselves in the future.

Self-leadership within organizations provides personal strategies that can be employed by managers so as to make firms attain desirable growth. Franco and Almeida (2011) opine that
the adoption of leadership types that attempt to bring organizations to work together enables prompt goals and work relationships. The adoption of leadership styles that involves work relations which takes into account mutual trust and influences followers' ideas and feelings. Organizational leaders that employ sound leadership styles are able to accomplish both high internal employee satisfaction and organization performance.

Employees are able to come up with better ways of carrying out business when there is a conducive leadership regime in place. This in turn favours innovation that is a core component of entrepreneurial orientation. The adoption of inclusive and democratic leadership styles leads to core entrepreneurship dimensions. Leadership styles that have vision and direction to people to be more inspired and influenced fosters an internal work environment of entrepreneurial abilities and innovations (EL-Annan, 2013).

2.4.2 Training on Entrepreneurship

Firm success is dependent on training level of entrepreneurship among organizational leaders. The ability of leaders to make independent action in regards to bringing forth ideas or visions and carrying it through to completion, including the concept of free and independent action and decisions taken (Henry, Hill & Leitch, 2005). It is now acceptable among scholars that entrepreneurship skills training aids in the enhancement of core dimensions. Ardichvili, Cardozo and Ray (2003) deduced that there are several characteristics that are associated with entrepreneurship for instance; accountability on taken risks, ability to take hard work, lead and confidence.

Fairlie and Holleran (2012) opine that relevant entrepreneurial skills occur naturally to some people. However, they can be attained through training, education and experience. Harris and Gibson (2008) indicated that young people with higher education form better entrepreneurs. The conducting of trainings that involves; attendance of entrepreneurship workshops, face to face business coaching and taking relevant courses to entrepreneurship is significant in core dimensions development. In regards to vision, entrepreneurs are taught diverse ways that they can use to come up with realistic visions.
The training of entrepreneurs so as to be able to develop missions and clear objectives (aids in averting business frustrations which arise due to unfulfilled expectations (Munilla, Miles & Covin, 2004). Even though innovations tend to come from a creative mind, more personal creativity can be improved through relevant skills and knowledge acquisition via necessary training programs both internally and externally (Sherman & Black, 2006). The presence of training opportunities is useful in that it activates in ways that are viable to resources usage as within optimum costs. The presence of proactive personality that is not supported by relevant skills in risks quantification can be dangerous to firms venture as they have the capability to lead to business failure. Training programs equips entrepreneur with essential skills needed in optimal firm development (Kirby & Ibrahim, 2011).

Entrepreneurial orientation has its roots in the strategy making process literature (Mintzberg, 1973). Strategy making is a phenomenon that incorporates planning, analysis, decision making, and many aspects of an organization’s culture, value system, and mission (Hart, 1992). Consistent with Mintzberg, Raisinghani and Theoret who noted that strategy making is “important, in terms of the actions taken, the resources committed, or the precedents. EO represents the policies and practices that provide a basis for entrepreneurial decisions and actions. Thus, EO may be viewed as the entrepreneurial strategy-making processes that key decision makers use to enact their firm’s organizational purpose, sustain its vision, and create competitive advantage.

2.5 Chapter Summary

The purpose of this chapter was to examine entrepreneurial orientation with a comparative approach to global social sustainable enterprises and strategic management. The chapter discussed the relationship between risk taking orientation and the study of Global Social Sustainable Enterprise, the association between innovations orientation and the study of Strategic Management and lastly the extent with which entrepreneurial pro-activeness affects the success of firms or individuals. Chapter three shall provide the research methodology which shall outline data collection methods, adopted research design, analytical models and methods of data analysis.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methodology that the study was use in gathering information for the study, the analysis and reporting of the collected data. It contained the following sections: target population, sampling technique and sample size. The data collection instruments, data collection procedure, pilot study and data processing, analysis and reporting.

3.2 Research Design

This study adopted a descriptive research design, that sought to find out the what, who, the where, the how and the when. According to Cooper and Schindler (2005) descriptive is an attempt to collect data from an identified population by having them provide the description on the phenomenon of study like where, when, how, and what with the aim of building a profile on the phenomenon. This study sought to establish the postgraduate students’ views on how entrepreneurial orientation has influenced their intention to start businesses. By using the descriptive research design the researcher got answers by examining the effects of entrepreneurial orientation on intention to start businesses among postgraduate students using a case of United States International University Africa. Descriptive studies are usually the best methods for collecting information that will demonstrate relationships and describe the world as it exists. According to Creswell (2009) a descriptive research determines and reports the way things are and attempts to describe the behaviors, attitudes, values and characteristics in their natural state.

3.3 Population and Sampling Design

3.3.1 Population

Several scholars and researchers have defined the population different though with similar outcomes. For instance, Kothari (2004) defines population as the entire group of individuals, objects and events that have a common observable characteristic trait where inferences can
be made from it. According to Cooper and Schindler (2006), population is the total collection of elements with common observable characteristics about which some inferences can be made. According to Thorpe (2008), a population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated. The population of this study comprised 350 post-graduate students studying entrepreneurship and Strategic management at the USIU- Africa, Kenya as at April, 2017.

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Specialization</th>
<th>Frequency</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Management</td>
<td>280</td>
<td>80%</td>
</tr>
<tr>
<td>GSSE</td>
<td>70</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>350</td>
<td>100%</td>
</tr>
</tbody>
</table>

3.3.2 Sample Design
The sampling design of a study specifies the possibility of a particular sample from being drawn from a whole population.

3.3.2.1 Sample Frame
A sample frame is a list of all the elements closely related to the target population and from which the sample for the study will actually be drawn from (Cooper & Schindler, 2006). The sampling frame defines a set of elements from which a researcher can select a sample of the target population. A sampling frame is therefore a list or rule defining the population. For this study the sample frame was drawn from the students undertaking postgraduate studies at United States International University- Africa in Nairobi. The students included: entrepreneurship and strategic management concentrates from the current class at the University.

3.3.2.2 Sampling Technique
A study sampling technique is a method that researchers use to select an appropriate list of respondents from the entire study population. To come up with an appropriate study sample,
the study utilized both the stratified sampling technique and simple random sampling. The process must be handled carefully so as to draw a sample that would give relevant, accurate and valid information that would aide in the study. In each specialization which formed a stratum, simple random sampling technique was used because it gives each member of the population equal chance of inclusion in the study.

3.3.2.3 Sample Size

The sample design was determined before data is collected as well as lay down the number of items to be included in the sample. Factors such as expenses, time and accessibility frequently prevent researchers from gaining information from the whole population. Therefore the researcher obtained data from a smaller group or subset of the total population in such a way that the knowledge gained was a representative of the total population under study. As proposed by Roscoe (1975), a sample size of 30 to 500 is appropriate for most researches. From the above 350 students, purposeful sampling technique was be used to sample 105 students that were directly involved in strategic management and GSSE. Mugenda and Mugenda (2003) argue that if well selected, a sample of between 10-30% of the population is adequate for generalization of findings to the whole study. Based on this, the study will select 30% of the population because the population is highly homogeneous. Therefore, a sample of 147 respondents were selected as shown in the Table 3.2 below.

<table>
<thead>
<tr>
<th>Specialization</th>
<th>Frequency</th>
<th>Sample Size</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Management</td>
<td>280</td>
<td>84</td>
<td>30%</td>
</tr>
<tr>
<td>GSSE</td>
<td>70</td>
<td>21</td>
<td>30%</td>
</tr>
<tr>
<td>Total</td>
<td>350</td>
<td>147</td>
<td>30%</td>
</tr>
</tbody>
</table>

3.4 Data Collection Method

The study collected primary data from the respondents by the use of structured questionnaires. The questionnaire had four sections, the demographic section and the three study objectives. The researcher personally administered the questionnaires containing the
closed ended questions to the students who are the sample respondents. A drop and pick later method was used to collect the data. This is done so as to ensure a higher response rate, by giving the respondents sufficient time to fill the questionnaire. The questionnaires used a 7-point Likert scale to show the extent of agreement to which respondents have while examining the entrepreneurial orientation with a comparative approach to global social sustainable enterprises and strategic management.

3.5 Research Procedures

The researcher selected a pilot group of 10 postgraduate students to test the reliability of the research instrument. The aim was to correct inconsistencies arising from the instruments, which help to ensure that they measure what is intended. Whenever a researcher measures a variable, he or she wants to be sure that the measurement provides dependable and consistent results (Cooper & Schindler, 2003). To measure the reliability of the data collection instruments, an internal consistency technique is applied to the gathered data (Mugenda & Mugenda, 2003). A reliable measurement is one that if repeated a second time will give the same results as it did the first time. If the results are different, then the measurement is unreliable (Mugenda & Mugenda, 2003).

The questionnaire was pretested before its administration to ensure validity and reliability of the data to be collected. According to Kothari (2004), the purpose of pre-testing the data instrument is to ensure that the items in the instrument are stated clearly and have the same meaning to all respondents. It is only during pre-testing that the researcher is able to assess the ease of use of the instrument. Any sensitive, confusing or biased items were identified and modified or omitted. Pretesting permits refinement before the final test (Cooper & Schindler, 2003). It is also useful in order to assess the clarity of the questions and establish the average length of time it will take to administer the questionnaire. This helped the researcher to prepare and plan for the actual data collection process. The pre-test participants did not participate in the actual survey to avoid pre-emption of the study at the actual area. In the process of piloting, the study ensured the rectification of any errors of ambiguity existing in the research instrument.
According to Bollen (2005) content validity refers to a qualitative type of validity where the domain is made clear and the analyst judges whether the measures fully represent the domain. Further according to Drost (2012) there are basically two ways of assessing content validity. The content of validity of the data collection instruments was determined through discussing the stated questions in the instruments with USIU Postgraduate students selected for the pre-test. The students were expected to tick the questionnaires which help to establish their challenges in filling the questionnaires so that the same can be rectified before the final data collection (Orodho, 2003).

The study use both face and content validity to ascertain the validity of the questionnaires. Face validity is actually validity at face value. As a check on face validity, test/survey items are sent to the pilot group to obtain suggestions for modification (Lacity & Jansen, 1994). Content validity draws an inference from test scores to a large domain of items similar to those on the test content. Validity is concerned with sample-population representativeness covered by the test items that is to be a representative to the larger domain of knowledge and skills.

The research data was collected using a ‘drop and pick later method’. The questionnaires were directly dropped at the respondents’ convenient place and they were given one week to fill the questionnaire before collecting them. This time was given to the respondents so as not to rush them to fill them. All clarity was done between the researcher and the respondent by the use of telephone calls. All the respondents were expected to fill the same questionnaire. The respondents’ consent was sought before the data collection process begins; they were informed of the purpose of the study and the kind of information being sought. The researcher assured them of the confidentiality of their responses and that the information would be used for academic purposes only.

3.6 Data Analysis Methods

Data analysis refers to analyzing what has been collected and making deductions, and interferences. It is extracting significant variables, detecting anomalies, and testing any assumptions (Kombo & Tromo, 2009). Data processing entails editing, classification and
tabulation of data collected so that they are amenable to analysts (Kothari, 2009). The questionnaires shall be checked for completeness and consistency; any gaps shall be edited and filled. The collected data shall be coded and entered into Statistical Package for Social Science (SPSS) version 20.0 programme. Descriptive analysis was computed where means, standard deviations, frequencies, and percentages were shown in tables and figures.

3.7 Chapter Summary

This chapter looked at the research methodology having sections on the research design that will look done through descriptive research and applied, the population is the 350 MBA students registered in 2016 taking Strategic management and entrepreneurship as a concentration and the sampling technique will include close ended questionnaires. The chapter shows the data collection method, research procedures and the data analysis methods. Chapter four that follows looked at the results and findings that were analyzed from the information collected.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
The purpose of this study was to examine entrepreneurial orientation between entrepreneurship and strategic management students at United States International Africa. This chapter presents the data analysis results, interpretation and presentation.

4.2 Response Rate
Table 4.1 indicates that 147 questionnaires were administered out of which 105 were fully filled and returned. The overall response rate was found to be 71%.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responded</td>
<td>105</td>
<td>71</td>
</tr>
<tr>
<td>Did not respond</td>
<td>42</td>
<td>29</td>
</tr>
</tbody>
</table>

4.3 Demographic Characteristics
This section discusses the results of the general information about the respondents including age of the respondents, Gender, level of education, years of experience, level of management and area of study concentration.

4.3.1 Age of the Respondents
The respondents were asked to indicate their age bracket. The findings are as indicated in Figure 4.1. The findings indicate that majority of the respondents 65% were between the ages of 20-34 years. 25% of the respondents were in age bracket of 35-44 years. 7% were in the age bracket of 44-54, 3% were in the age bracket of 0-25 years and 1% of the respondents were above 55 years.
Figure 4.1: Age of the Respondents

4.3.2 Gender of the Respondents

The respondents were asked to indicate their gender. The findings are as indicted in Figure 4.2. Among the responded 61% were female and 39% were male. This indicates that majority of the respondents were female.
4.3.3 Highest level of Education

The respondents were asked to indicate their level of education, the finding are as indicated in Figure 4.3. Majority of the respondents (55%) were at the master’s level, 36% of the respondents were at the Degree level and 9% at the diploma level.(kindly clarify who the “others” are )
The study also sought to find out the years of work experience of the respondents. The results are as indicated in table 4.3. The average years of work experience of the respondents was 6.78, the years of work experience was normally distributed since the skewness was 1.475 which did not exceed the absolute value of 2 and the kurtosis was 1.83 which did not exceed 7 indicating that the years of work experience was normally distributed.
Table 4.2: Years of Experience

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>years of work experience</td>
<td>1</td>
<td>23</td>
<td>6.78</td>
<td>4.823</td>
<td>1.475</td>
<td>1.83</td>
</tr>
</tbody>
</table>

4.3.5 Level of Management

The respondents were asked to indicate their level of management, the findings are as indicated in figure 4.4, 41% of the respondents were line managers, 30% of the respondents were middle managers, 9% were top managers and 21% were in other level of management.

![Figure 4.4: Level of Management](image)

4.3.6 Area of Study

The respondents were asked to indicate their area of study, the findings are as indicated in figure 4.5. From the findings 64% of the respondents were in the strategy area of study, 27% of the respondents were in Entrepreneurship and 8% were in other different area of study.
4.4 Descriptive Statistics of Variables

4.4.1 Pro-Activeness

The study sought to determine the level of confidence of pro-activeness on entrepreneurial orientation. The findings are as indicated in table 4.3. 75% of the respondents indicated that they were confident on identifying an opportunity, 76% were confident on putting together the right people, 75% were confident on identifying market trends and 83% were confident on managing their own business. The mean values represent points of convergence of the different respondents opinions regarding pro-activeness. The low standard deviations of the opinions indicated a high clustering around the mean of the distribution. This implied that there was close agreement in the opinions among the respondents.
Table 4.3: Pro-Activeness

<table>
<thead>
<tr>
<th>Pro-Activeness</th>
<th>NCA (%)</th>
<th>SNC (%)</th>
<th>NC (%)</th>
<th>N (%)</th>
<th>C (%)</th>
<th>SC (%)</th>
<th>VC (%)</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify an opportunity</td>
<td>2</td>
<td>0</td>
<td>6</td>
<td>18</td>
<td>25</td>
<td>27</td>
<td>23</td>
<td>5.36</td>
<td>1.33</td>
</tr>
<tr>
<td>Putting together a team of right people</td>
<td>2</td>
<td>0</td>
<td>8</td>
<td>14</td>
<td>31</td>
<td>26</td>
<td>19</td>
<td>5.27</td>
<td>1.31</td>
</tr>
<tr>
<td>Identify market trends</td>
<td>1</td>
<td>0</td>
<td>8</td>
<td>17</td>
<td>25</td>
<td>33</td>
<td>17</td>
<td>5.31</td>
<td>1.25</td>
</tr>
<tr>
<td>Managing your own business</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>9</td>
<td>27</td>
<td>31</td>
<td>25</td>
<td>5.5</td>
<td>1.33</td>
</tr>
</tbody>
</table>

Key: NCA-Not confident at all, SNC- Slightly not confident, NC- Not confident, N-Neutral, C-confident, SC- Slightly confident, VC- Very Confident.

4.4.2 Risk Taking

The study sought to establish the level of confidence of risk taking on entrepreneurial orientation. 55% of the respondents were confidence on obtaining finance for a new business, 53% were confidence on putting a business without adequate resources, 75% were confident on achieving high growth in their organization, 49% were confidence on living with uncertainty, 70% were confidence on evaluating downside risk, 78% were confidence on making a large profit when they sell their business and 68% were confidence walking away from a potential by failure. The mean values represent points of convergence of the different respondents opinions regarding pro-activeness. The low standard deviations of the opinions indicated a high clustering around the mean of the distribution. This implied that there was close agreement in the opinions among the respondents.
Table 4.4: Risk Taking

<table>
<thead>
<tr>
<th>Risk Taking</th>
<th>NCA (%)</th>
<th>SNC (%)</th>
<th>NC (%)</th>
<th>N (%)</th>
<th>C (%)</th>
<th>SC (%)</th>
<th>VC (%)</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtaining finance for new business</td>
<td>2</td>
<td>10</td>
<td>11</td>
<td>21</td>
<td>28</td>
<td>16</td>
<td>11</td>
<td>4.57</td>
<td>1.53</td>
</tr>
<tr>
<td>Putting a business without adequate</td>
<td>6</td>
<td>9</td>
<td>13</td>
<td>21</td>
<td>24</td>
<td>20</td>
<td>9</td>
<td>4.42</td>
<td>1.62</td>
</tr>
<tr>
<td>resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achieve high growth in your organization</td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>17</td>
<td>29</td>
<td>29</td>
<td>17</td>
<td>5.29</td>
<td>1.21</td>
</tr>
<tr>
<td>Live with uncertainty</td>
<td>5</td>
<td>5</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>17</td>
<td>8</td>
<td>4.33</td>
<td>1.54</td>
</tr>
<tr>
<td>Evaluate downside risk</td>
<td>2</td>
<td>3</td>
<td>11</td>
<td>15</td>
<td>37</td>
<td>25</td>
<td>8</td>
<td>4.88</td>
<td>1.30</td>
</tr>
<tr>
<td>Make a large profit when you sell your business</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>12</td>
<td>22</td>
<td>39</td>
<td>17</td>
<td>5.32</td>
<td>1.37</td>
</tr>
<tr>
<td>Walk away from a potential failure</td>
<td>0</td>
<td>1</td>
<td>11</td>
<td>20</td>
<td>20</td>
<td>34</td>
<td>14</td>
<td>5.17</td>
<td>1.26</td>
</tr>
</tbody>
</table>

Key: NCA-Not confident at all, SNC- Slightly not confident, NC- Not confident, N-Neutral, C-confident, SC- Slightly confident, VC- Very Confident.
4.4.3 Innovativeness

The study sought to establish the level of confidence of innovation on entrepreneurial orientation. The results are as indicated in table 4.5. 86% of the respondents were confidence on being an innovative problem solver, and 91% were confidence on being creative in using and controlling resources. The mean values represent points of convergence of the different respondents opinions regarding pro-activeness. The low standard deviations of the opinions indicated a high clustering around the mean of the distribution. This implied that there was close agreement in the opinions among the respondents.

Table 4.5: Innovativeness

<table>
<thead>
<tr>
<th>Innovativeness</th>
<th>NCA (%)</th>
<th>SNC (%)</th>
<th>NC (%)</th>
<th>N (%)</th>
<th>C (%)</th>
<th>SC (%)</th>
<th>VC (%)</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being an innovative</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>11</td>
<td>22</td>
<td>38</td>
<td>26</td>
<td>5.70</td>
<td>1.15</td>
</tr>
<tr>
<td>problem solver</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Being creative</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>7</td>
<td>26</td>
<td>32</td>
<td>33</td>
<td>5.88</td>
<td>1.04</td>
</tr>
<tr>
<td>in using and</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>controlling resource</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key: NCA-Not confident at all, SNC- Slightly not confident, NC- Not confident, N-Neutral, C-confident, SC- Slightly confident, VC- Very Confident.

4.5 Inferential Statistics

4.5.1 Measurement model

The first phase involves exploratory factor analysis (EFA) that explore patterns whose key steps included the computation of factor loading matrix, communalities and principal components analysis (PCA). The second phase involves confirmatory factor analysis (CFA)
that evaluates the measurement model on multiple criteria such as internal reliability, convergent, and discriminant validity.

4.5.2 Exploratory Factor Analysis

Exploratory factor analysis was used to refine the constructs. The data was first run tests to assess its factorability using these indicators (Kaiser Meyer-Olkin Measure of Sampling Adequacy, Bartlett's Test of Sphericity and communalities). KMO Measures of Sampling Adequacy of manifest variables was above the threshold of 0.6 (Kaiser, 1974), and p-values for Bartlett’s test of Sphericity were significant (below 0.05) as indicated in table 4.7.

Table 4.6: KMO and Bartlett's Test

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</td>
<td>.603</td>
</tr>
<tr>
<td>Bartlett's Test of Sphericity</td>
<td></td>
</tr>
<tr>
<td>Approx. Chi-Square</td>
<td>286.117</td>
</tr>
<tr>
<td>df</td>
<td>36</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000</td>
</tr>
</tbody>
</table>

4.5.2.1 Total Variance Explained

Based on these Kaiser’s criterion, three factors, out of a total 9 factors, were imputed. Amongst themselves, they were able to explain 67.717% of the total variance in the data. Table 4.8 indicated that the four factors in the initial solution have eigenvalues greater than 1.5, with the threshold being eigenvalue greater or equal to 1.0 (Hair, Black, & Babin, 2010).
Table 4.7: Total Variance Explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Total Variance</th>
<th>% of Cumulative</th>
<th>Total</th>
<th>Variance</th>
<th>% of Cumulative</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2.600</td>
<td>28.888</td>
<td>2.600</td>
<td>28.888</td>
<td>28.888</td>
<td>2.407</td>
</tr>
<tr>
<td>2</td>
<td>1.997</td>
<td>22.187</td>
<td>1.997</td>
<td>22.187</td>
<td>51.075</td>
<td>2.043</td>
</tr>
<tr>
<td>3</td>
<td>1.498</td>
<td>16.642</td>
<td>1.498</td>
<td>16.642</td>
<td>67.717</td>
<td>1.866</td>
</tr>
<tr>
<td>4</td>
<td>.970</td>
<td>10.775</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>.643</td>
<td>7.147</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>.444</td>
<td>4.939</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>.334</td>
<td>3.709</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>.298</td>
<td>3.311</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>.216</td>
<td>2.403</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.
a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

4.5.2.2 Pattern Matrix

Communality values was used to measure the variability of each observed variable that could be explained by the extracted factors were checked (Field, 2009). A low value for communality, for instance, less than 0.3, could indicate that the variable does not fit well with other variables in its component, and it is undesirable (Pallant, 2010). Communalities were above 0.4 signifying satisfactory factorability for all items as indicated in table 4.9. A simplified factor loading matrix or a pattern matrix, shown in table 4.9, is a matrix containing the coefficients or "loadings" used to express the item in terms of the factors, that is, interpretation of factors (Rummel, 1970). In this study, the pattern matrix coefficients ranged from 0.584 to 0.948 thus showing variables are almost perfectly related to a factor pattern.
Table 4.8: Communalities and Pattern Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>Risk taking</th>
<th>Pro-activeness</th>
<th>Innovation</th>
<th>communalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>RT7</td>
<td>.854</td>
<td></td>
<td></td>
<td>.774</td>
</tr>
<tr>
<td>RT5</td>
<td>.850</td>
<td></td>
<td></td>
<td>.687</td>
</tr>
<tr>
<td>RT4</td>
<td>.757</td>
<td></td>
<td></td>
<td>.460</td>
</tr>
<tr>
<td>RT6</td>
<td>.584</td>
<td></td>
<td></td>
<td>.566</td>
</tr>
<tr>
<td>PA1</td>
<td></td>
<td>.873</td>
<td></td>
<td>.714</td>
</tr>
<tr>
<td>PA2</td>
<td></td>
<td>.835</td>
<td></td>
<td>.739</td>
</tr>
<tr>
<td>PA4</td>
<td></td>
<td>.680</td>
<td></td>
<td>.873</td>
</tr>
<tr>
<td>INN2</td>
<td></td>
<td></td>
<td>.948</td>
<td>.883</td>
</tr>
<tr>
<td>INN1</td>
<td></td>
<td></td>
<td>.928</td>
<td>.499</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 4 iterations.
4.5.3 Confirmatory Factor Analysis.

Confirmatory factor analysis (CFA) was then performed using IBM AMOS software version 23 to assess the reliability and validity of the measures before using them in the research model (Anderson & Gerbing, 1988).

\[ \chi^2 = 8.970; \text{df} = 17; \; \chi^2/\text{df} = .941; \; \text{CFI} = .946; \; \text{GFI} = .977; \; \text{RMSEA} = 0.005 \]

Figure 4.6 : Confirmatory Factor Analysis for Study Variables.

The CFA fit statistics of the overall measurement model for study variables was then extracted as shown in Figure 4.8. The CFA model fit the data adequately since the fit indices were within an acceptable range (Gold et al., 2001).

4.5.3.1 Normality Assessment

The univariate normality of distribution of all interval variables was investigated. If the absolute values of skew and kurtosis are greater than 2 and 7 respectively, the data set is
considered to have an extreme non-normality (Kline, 1998). Table 4.10 indicated that all the values did not exceed the absolute values of 2 for skewness and 7 for kurtosis indices and, therefore, the data set was considered to have moderately normal distribution.

Table 4.9: Normality test

<table>
<thead>
<tr>
<th>Variable</th>
<th>min</th>
<th>max</th>
<th>skew</th>
<th>c.r.</th>
<th>kurtosis</th>
<th>c.r.</th>
</tr>
</thead>
<tbody>
<tr>
<td>INN2</td>
<td>4.000</td>
<td>7.000</td>
<td>-.327</td>
<td>-1.322</td>
<td>-.909</td>
<td>-1.836</td>
</tr>
<tr>
<td>INN1</td>
<td>4.000</td>
<td>7.000</td>
<td>-.374</td>
<td>-1.513</td>
<td>-.736</td>
<td>-1.487</td>
</tr>
<tr>
<td>PA4</td>
<td>3.000</td>
<td>7.000</td>
<td>-.920</td>
<td>-3.716</td>
<td>1.093</td>
<td>2.208</td>
</tr>
<tr>
<td>PA2</td>
<td>1.000</td>
<td>7.000</td>
<td>-1.093</td>
<td>-4.416</td>
<td>1.474</td>
<td>2.978</td>
</tr>
<tr>
<td>PA1</td>
<td>1.000</td>
<td>7.000</td>
<td>-1.407</td>
<td>-5.685</td>
<td>1.942</td>
<td>3.925</td>
</tr>
<tr>
<td>RT7</td>
<td>3.000</td>
<td>7.000</td>
<td>-.836</td>
<td>-3.379</td>
<td>-.125</td>
<td>-.253</td>
</tr>
<tr>
<td>RT5</td>
<td>1.000</td>
<td>7.000</td>
<td>-.909</td>
<td>-3.672</td>
<td>1.291</td>
<td>2.609</td>
</tr>
<tr>
<td>RT4</td>
<td>2.000</td>
<td>7.000</td>
<td>-.408</td>
<td>-1.650</td>
<td>-.916</td>
<td>-1.852</td>
</tr>
<tr>
<td>Multivariate</td>
<td>2.198</td>
<td></td>
<td></td>
<td>3.947</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.5.3.2 Construct Reliability

Construct reliability was assessed by computing the composite reliability and the Cronbach’s alpha of the constructs. The Cronbach’s alpha were all above the 0.6 threshold as specified for PLS analysis (Hair et al., 2006). Composite reliability of reflective items were all above the acceptable 0.7 threshold which means all the variables in the study exhibited construct reliability as indicated in table 4.11.

Table 4.10: Reliability Analysis for the Study Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability &gt; 0.7</th>
<th>Cronbach's Alpha &gt; 0.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro-activeness</td>
<td>0.752</td>
<td>0.791</td>
</tr>
<tr>
<td>Risk taking</td>
<td>0.796</td>
<td>0.780</td>
</tr>
<tr>
<td>Innovation</td>
<td>0.872</td>
<td>0.861</td>
</tr>
</tbody>
</table>

4.5.4 Convergent Validity

Convergent validity was assessed using average variance extracted (AVE). Table 4.12 indicates that AVE of all constructs were above the 0.5 threshold indicating that the latent constructs account for at least fifty percent of the variance in the items. This indicates that the measurement scales exhibited adequate measurement validity (Hair et al., 2006).

4.5.5 Discriminant Validity.

In correlation matrix table 4.12, the diagonal elements in bold are the square root of the average variance extracted (AVE) of all the latent constructs. The discriminant validity is assumed if the diagonal elements are higher than other off-diagonal elements in their rows and columns (Compeau, Higgins, & Huff, 1999). Discriminant validity was confirmed for the measurement model.
Table 4.11: Convergent and discriminant validity

<table>
<thead>
<tr>
<th>Variables</th>
<th>Pro-activeness</th>
<th>Risk taking</th>
<th>Innovation</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro-activeness</td>
<td>0.724</td>
<td></td>
<td></td>
<td>0.524</td>
</tr>
<tr>
<td>Risk taking</td>
<td>0.110</td>
<td>0.755</td>
<td></td>
<td>0.571</td>
</tr>
<tr>
<td>Innovation</td>
<td>0.206</td>
<td>0.133</td>
<td>0.880</td>
<td>0.775</td>
</tr>
</tbody>
</table>

4.6 Structural Model Estimation

4.6.1 Combined structural model for Entrepreneurship and Strategic Management Students
$\chi^2 = 8.970; df = 17; \chi^2/df = .941; \text{CFI} = .997; \text{GFI} = .924; \text{RMSEA} = 0.001$

**Figure 4.7: Combined Structural Model for Entrepreneurship and Strategic Management**

The structural model fit statistics of the overall structural model for study variables was then extracted as shown in Figure 4.7. The structural model fit the data adequately since the fit indices were within an acceptable range (Gold *et al.*, 2001).

**Table 4.12: Path coefficients for the combined model**

<table>
<thead>
<tr>
<th>Path</th>
<th>Unstandardized Estimate</th>
<th>Standardized Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>RT &lt;--- EO</td>
<td>0.242</td>
<td>.267</td>
<td>0.103</td>
<td>2.350</td>
<td>0.021</td>
</tr>
<tr>
<td>PA &lt;--- EO</td>
<td>0.501</td>
<td>.412</td>
<td>0.151</td>
<td>3.318</td>
<td>0.001</td>
</tr>
<tr>
<td>INN &lt;--- EO</td>
<td>0.456</td>
<td>.500</td>
<td>0.128</td>
<td>3.563</td>
<td>0.001</td>
</tr>
</tbody>
</table>

**4.6.2 Risk Taking and Entrepreneurial Orientation**

Risk taking for the combined Entrepreneurship and strategy has a positive and significant standardized coefficient value ($\beta=0.242, \text{T-value} =2.350, p<0.05$) as indicated in table 4.13 and figure 4.7. This indicates that Risk taking is a statistically significant indicator of Entrepreneurial orientation.

**4.6.3 Pro-activeness and Entrepreneurial Orientation**

Pro-activeness for the combined entrepreneurship and strategic management has a positive and significant standardized coefficient value ($\beta=0.501, \text{T-value} =3.318, p<0.05$) as indicated
in table 4.13 and figure 4.7. This indicates that Pro-activeness is a statistically significant indicator of Entrepreneurial orientation.

4.6.4 Innovation and Entrepreneurial Orientation
Innovation for the combined entrepreneurship and strategic management has a positive and significant standardized coefficient value ($\beta=0.456$, T-value =3.563, $p<0.05$) as indicated in table 4.13 and figure 4.7. This indicates that innovation is a statistically significant indicator of Entrepreneurial orientation.

4.7 Comparison between Entrepreneurship and Strategic Management Models
4.7.1 Structural Model for Entrepreneurship Students

\[ \chi^2 = 19.055; df = 17; \frac{\chi^2}{df} = 1.121; \ CFI = .936; \ GFI = .970; \ RMSEA = 0.003 \]
Figure 4.8: Structural Model for Entrepreneurship Students

The structural model fit statistics of the entrepreneurship structural model for study variables was then extracted as shown in Figure 4.10. The structural model fit the data adequately since the fit indices were within an acceptable range (Gold et al., 2001).

Table 4.13: Path coefficients for the Entrepreneurship Students

<table>
<thead>
<tr>
<th>Path</th>
<th>Unstandardized Estimate</th>
<th>Standardized Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>RT</td>
<td>&lt;--- EO</td>
<td>0.291</td>
<td>0.342</td>
<td>0.107</td>
<td>2.720</td>
</tr>
<tr>
<td>PA</td>
<td>&lt;--- EO</td>
<td>0.518</td>
<td>0.427</td>
<td>0.157</td>
<td>3.299</td>
</tr>
<tr>
<td>INN</td>
<td>&lt;--- EO</td>
<td>0.414</td>
<td>0.463</td>
<td>0.145</td>
<td>2.855</td>
</tr>
</tbody>
</table>

4.7 Comparison between Entrepreneurship and Strategic Management Models

4.7.1.1 Risk Taking and Entrepreneurial Orientation

Risk taking for entrepreneurship has a positive and significant standardized coefficient value ($\beta=0.291$, $T$-value =2.720, $p<0.05$) as indicated in table 4.14 and figure 4.8. This indicates that Risk taking is a statistically significant indicator of Entrepreneurial orientation.

4.7.1.2 Pro-activeness and Entrepreneurial Orientation

Pro-activeness for entrepreneurship has a positive and significant standardized coefficient value ($\beta=0.518$, $T$-value =3.299, $p<0.05$) as indicated in table 4.14 and figure 4.8. This indicates that Pro-activeness is a statistically significant indicator of Entrepreneurial orientation.
4.7.1.3 Innovation and Entrepreneurial Orientation

Innovation for Entrepreneurship has a positive and significant standardized coefficient value ($\beta=0.414$, $T$-value $=2.855$, $p<0.05$) as indicated in table 4.14 and figure 4.8. This indicates that innovation is a statistically significant indicator of Entrepreneurial orientation.

4.7.2 Structural Model for Strategic Management

The structural model fit statistics of the strategy structural model for study variables was then extracted as shown in Figure 4.10. The structural model fit the data adequately since the fit indices were within an acceptable range (Gold et al., 2001).
4.7.2.1 Risk Taking and Entrepreneurial Orientation

Risk taking for strategic management has a positive and significant standardized coefficient value (β=0.269, T-value =2.205, p<0.05) as indicated in table 4.15 and figure 4.9. This indicates that Risk taking is a statistically significant indicator of Entrepreneurial orientation.

4.7.2.2 Pro-activeness and Entrepreneurial Orientation

Pro-activeness for strategic management has a positive and significant standardized coefficient value (β=0.566, T-value =2.918, p<0.05) as indicated in table 4.15 and figure 4.9. This indicates that Pro-activeness is a statistically significant indicator of Entrepreneurial orientation.

4.7.2.3 Innovation and Entrepreneurial Orientation

Innovation for strategic management has a positive and significant standardized coefficient value (β=0.348, T-value =2.135, p<0.05) as indicated in table 4.15 and figure 4.9. This indicates that innovation is a statistically significant indicator of Entrepreneurial orientation.
The result showed a coefficient of determination value (R) of .653\(^a\) which depicts that a strong linear dependence between all the factors of Entrepreneurship orientation. With an adjusted R-squared of .427, the model shows that Risk taking, Pro-activeness and innovativeness collectively explain 42.70% of the variations in Entrepreneurship orientation while 57.30% is explained by other factors not included in the model. The P-value of 0.000 implies that the Entrepreneurship orientation has a significant joint relationship with, Risk taking, Pro-activeness and innovativeness which is significant at 90% confidence level. This
is implies that the regression model is significant and can thus be used to assess the association between the dependent and independent variables. The regression coefficients further reveal both positive and negative associations between the Entrepreneurship orientation, Risk taking, Pro-activeness and innovativeness in the predictor variables.

The established regression equation was thus:

\[
\text{Entrepreneurship orientation} = 3.237 + 0.364 \times \text{(Risk Taking)} + 0.311 \times \text{(Pro-activeness)} + (\text{Innovativeness}) \times 2.536
\]

A unit change in Risk Taking would thus lead to a .364 increase in Entrepreneurship orientation ceteris paribus and a unit change in Pro-activeness would lead to a 0.311 increase in Entrepreneurship orientation for all the three factors ceteris paribus.

4.8 Chapter Summary

This chapter analyzed the data collected by the 105 students was analyzed through SPSS and the findings presented through the use of graphs and tables that gave detail on how the questions were answered. Chapter five looks at the summary of the findings, gives recommendations and conclusion of the study performed.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this chapter is to discuss on the findings, discussion, conclusion and recommendations based on the research questions in the study. We were able to compare entrepreneurial orientation in Strategic management and GSSE students, a case study of USIU Students. The chapter will also draw conclusions from the findings and make appropriate recommendations.

5.2 Summary

The purpose of this study was to examine entrepreneurial orientation: a comparative approach on entrepreneurship and Strategic management at United States international university Africa, Kenya. To reach the purpose, the study sought to answer the following research questions: What effects of risk taking orientation in students studying entrepreneurship and strategic management using a case of USIU- Africa, Kenya? What are the factors affecting innovations orientation in students studying entrepreneurship and strategic management using a case of USIU- Africa? To what extent does Entrepreneurial pro-activeness affect students studying entrepreneurship and strategic management using a case of USIU- Africa?

The study adopted descriptive survey design. This design was applicable to the research because this study was concerned with getting answers by examining the effects of entrepreneurial orientation on intention to start businesses among postgraduate students. Sample sizes of 105 respondents were selected using stratified sampling technique. Descriptive analysis was performed on the data collected for each of the research questions based on the data collection tool questions and then inferential statistical analysis was done. This included exploratory factor analysis, confirmatory factor analysis, discriminant and convergent validity testing and ANOVA.
The study found out that the respondents were confident on identifying an opportunity, putting together the right people, identifying market trends and on managing their own business. 75% of the respondents indicated that they were confident on identifying an opportunity, 76% were confident on putting together the right people, 75% were confident on identifying market trends and 83% were confident on managing their own business. This implied a close relationship between the confidences in Entrepreneurial orientation reflects that the students are confident in their ability to start a business.

The study establish that the respondents were confidence on obtaining finance for a new business, putting a business without adequate resources, achieving high growth in their organization, living with uncertainty, were confidence on evaluating downside risk, were confidence on making a large profit when they sell their business and walking away from a potential by failure. This is shown by 55% of the respondents were confidence on obtaining finance for a new business, 53% were confidence on putting a business without adequate resources, 75% were confident on achieving high growth in their organization, 49% were confidence on living with uncertainty, 70% were confidence on evaluating downside risk, 78% were confidence on making a large profit when they sell their business and 68% were confidence walking away from a potential by failure.

The study revealed that the respondents were confidence on being an innovative problem solver and on being creative in using and controlling resources. In this 86% of the respondents were confidence on being an innovative problem solver, and 91% were confidence on being creative in using and controlling resources. This indicated the level of confidence of individuals by percentage on their ability to solve problems and creativity in solving problems using limited resources.

5.3 Discussion
5.3.1 Effect of Risk Taking on Entrepreneurial Orientation
The respondents were confident on obtaining finance for a new business. This finding concurs with the finding of Westby and Lowe (2005) that the adoption of a sustainable risk management framework would provide a strategic road map that can guide businesses as they strive to take advantage of opportunities existing in the environment in order to attain
sustainable development. The respondents also indicated that they were confidence on putting a business without adequate resources and this finding is in line with that of Kreiser and Davis (2010) that risk taking managers have to decide on how they will allocate limited firm resources as well as direct processes towards new products and processes development.

The respondents further indicated that they were confident on achieving high growth in their organization and this is consistent with Killick and Lawson (2007) that firm managers have an objective that entails to grasp potential high benefits by way of taking business worthy risks that are characterized by high returns on investments which improves on organizational growth as expansion of operations is eminent in case where adopted risks pay off in the long run. Majority of the respondents also indicated that they were confidence on living with uncertainty and this concurs with the finding of Westaby and Lowe (2005) that the adoption of a sustainable risk management framework would provide a strategic road map that can guide businesses as they strive to take advantage of opportunities existing in the environment in order to attain sustainable development.

The study also established that the respondents were confidence on evaluating downside risk which is in agreement with the finding of Krueger and Evans (2000) that they tend to take more risks, however, the risks are calculated and possibilities of all eventualities are estimated in advance. In essence, entrepreneurial-oriented individuals are risk takers who take defined risks as they pursue diverse entrepreneurial intentions.

The study further revealed out that majority of the respondents were confidence on making a large profit when they sell their business which is in agreement with Killick and Lawson (2007) that firm managers have an objective that entails to grasp potential high benefits by way of taking business worthy risks that are characterized by high returns on investments. This therefore improves on organizational growth as expansion of operations is eminent in case where adopted risks pay off in the long run.

The respondents further indicated that they were confidence walking away from a potential by failure. This finding is in line with that of Nocco and Stulz (2006) that risk management has evolved to a more encompassing and holistic view. The adoption of risk management is
beneficial to firms as it allows risks to be managed in a manner that avoids deadly outcomes. The adoption of vigorous practices of risk management can be a source of enterprise sustainability since potential risks as well as incurred risks can be effectively managed to suppress adverse outcomes.

The study findings revealed that risk taking influenced growth as the respondents were confident that their business commits a large portion of their resources to ventures with uncertain outcomes and this finding is consistent with Corcoles, Granero, Mesa and Vidal (2013) that assuming of risks however calculated they maybe have an element of uncertainty which may in adverse cases elicit negative reactions that may impede positive organizational growth.

The study also established that the respondents were confident that their business takes in heavy borrowing from banks and invests in high-risk products which promise high returns which concurs with the finding of Braben (2004) that managers who take worthy risks influences overall organization ability to attain desired innovation results. The respondents also were confident that that they use risk management techniques to mitigate the risks in the business and they reduce the consequences of risk-taking by forward planning and anticipating each outcome which is in agreement with Saunders and Cornett (2003) that risk management can be a value-enhancing activity that goes beyond regulatory compliance and can provide a competitive advantage to institutions that execute it appropriately as it would guarantee future sustainability.

5.3.2 Effects of Innovativeness on Entrepreneurial Orientation

The respondents indicated that they were confidence on being an innovative problem solver which is consistent with Zhou, Yim and Tse (2005) that the formation of organizational strategies that are based on innovation as a never-ending and integrated process that requires continuous reassessment and reformation improves on overall firm’s ability to remain sustainable in the competitive marketplace.

They respondents also indicated that they were confidence on being creative in using and controlling resources. This finding is in this is in line with Elbahnasawy (2014) that the adoption of innovations has resulted into the introduction of new firm products and services
that have aided firms to make greater profits at the wake of increased competition levels. Innovations seems to occur in various forms, hence institutions can endeavor to produce many new types of assets to strategically place themselves in the market.

The study found out that the respondents were confident that innovativeness has enabled market penetration and this is consistent with Zhou, Yim and Tse (2005) that the formation of organizational strategies that are based on innovation as a never-ending and integrated process that requires continuous reassessment and reformation improves on overall firm’s ability to remain sustainable in the competitive marketplace.

The study also established that the respondents were very confident that their business encourages creative ideas and experimentation when introducing new products that Technological Ideas in small medium enterprises has brought new products/services. The study revealed that the respondents were confident that their business encourages developing new technological processes and this is consistent with the finding of Wymbs (2011) that adoption of social media and the internet has improved on customer interface which has in turn transformed the manner in which firms are able to interact with customers on a daily basis.

The study also revealed that the respondents were very confident that their business encourages incremental improvements in products and services which is contrary to Mas and Morawczynski (2009) that firms therefore have no choice but to innovate so that they can improve on their current strategies and policies so that they can be at par with competition. The study establish that the respondents were confident that innovation generate significant new value for customers and this finding is in line with Kotler and Armstrong (2010) that the adoption of innovations that are focused on improving current customer relationship management enables prompt collection, management as linking of customer information leading to positive firm results as well as customers themselves.

The study found out that the respondents were confident that that their business initiates innovations in most situation ahead of their competitors which concurs with the finding of Mulei (2012) that innovation leads to an aggregate growth of firm in various dimensions like number of products, market share, loan sales and the overall profitability. The study also
found out that the respondents were confident that their businesses are creative in creating and controlling resources. This finding concurs with that of Elbahnasawy (2014) that innovations seem to occur in various forms, hence institutions can endeavor to produce many new types of assets to strategically place themselves in the market.

5.3.3 Effect of Pro-Activeness on Entrepreneurial Orientation

The respondents indicated to a great extent that they were confident on identifying an opportunity and this finding concurs with that of Blesa and Ripollés (2003) that pro-activeness relates to analyzing market opportunities by seizing initiatives and then acting in an opportunist manner so as to shape the immediate business environment and effect trends so as to perhaps create demand.

The respondents also indicated to a very great extent that they were confident on putting together the right people which is consistent with the finding of Harris and Gibson (2008) that the conduct of organizational leaders and their strategies are primarily significant in that they energize people, demonstrate entrepreneurial innovativeness and enhance the continuous search for newer ventures. The respondents also indicated to a great extent that they were confident on identifying market trends and this is contrary to the finding of Kreiser and Davis (2010) that the adoption of a proactive behavior within organizations leads to numerous benefits such as; prediction of better organizational success, increment in both frequency and number of new products and services introductions. It also has an effect on how firms are able to actively create demand and drives markets.

The respondents further indicated to a great extent that they were confident on managing their own business which is in agreement with the finding of Harms, Spain, and Hannah (2006) that organizational leaders that have entrepreneurial capabilities such as risk taking and proactiveness are able to steer their organizations to greater heights however, entrepreneurs are in essence leaders. The study identified that pro-activeness influenced the growth in entrepreneurship and strategic management students were confident since they help them identify needs of current and potential customers which is in agreement with the finding of Lee and Peterson, 2001) that firms are able to introduce new administrative techniques, products and technologies which they can use to shape their immediate environment thereby reacting to it more effectively.
The study found out that entrepreneurship and strategic management students were confident that their business reallocates its resources to deal with emerging opportunities and threats; their business identifies and monitor market trends to predict future trends which is in line with the finding of Blesa and Ripollés (2003) that pro-activeness relates to analyzing market opportunities by seizing initiatives and then acting in an opportunist manner so as to shape the immediate business environment and effect trends so as to perhaps create demand.

The study found out that entrepreneurship and strategic management students were confident that their business adopts creative methods of running business ahead of its competitors. The study revealed that the entrepreneurship and strategic management students were very confident that their business was able to anticipate and respond to the emerging needs of customers this finding is contrary to Kickul and Gundry (2002) that pro-action behavior involves the creation of change and not merely anticipating it.

The study established that entrepreneurship and strategic management students were confident that their business harnesses the strong research and development capabilities in making future decisions. This finding is in agreement with Oni (2012) that organizations have high proactive behavior levels have a strong drive for progress. The study further established that entrepreneurship and strategic management students were confident that their business continually seeks opportunities (new markets and new customers) related to the present needs and that their business anticipates change and generate first-mover advantages. This finding concurs with Kreiser and Davis (2010) that proactiveness has an effect on how firms are able to actively create demand and drives markets.

5.4 Conclusions
5.4.1 Effects of Risk Taking on Entrepreneurial Orientation
The study concludes that risk taking involves engaging in calculated and manageable risks in order to obtain benefits, rather than taking daring risks which are detrimental for enterprises growth in addition entrepreneurial business propensity to take risks is between low and moderate levels. Entrepreneurs that adopt a modest level of risk taking are high performers when compared to that those who assume very high or very low levels of risk taking.
5.4.2 Effects of Innovativeness on Entrepreneurial Orientation

In regard to innovativeness the study concludes that innovativeness is a major contributor towards realization of increased growth in enterprises. Innovativeness determines how unique and competitive a product or a service is in the market, this plays a key role in determining the rate of growth. Innovativeness helps the entrepreneurs to adopt new technology and develop new products that lead to increased customer base hence leading to increased growth.

5.4.3 Effects of Proactiveness on Entrepreneurial Orientation

On pro-activeness the study concludes that entrepreneurs need to take initiative and anticipate future demands while pursuing new opportunities and participating in emerging markets. Since being a proactive business is demonstrated by an awareness and responsiveness to market signals. It can also be concluded that pro-activeness is an opportunity seeking and forward-looking perspective that is characterized by introduction of new products and services ahead of the competitions and acting in anticipation of future demands of the business.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Effect of Risk Taking on Entrepreneurial Orientation

The study recommends that increase in entrepreneurial orientation could lead to improved growth of entrepreneurship, therefore it is to encouraging innovative behavior for the practitioners to develop competitive aggressiveness posture, risk-taking and also developing an attitude of encouraging autonomous groups as this will empower them to excel in competitiveness and reactivity as well as nurture entrepreneurship.

5.5.1.2 Effects of Innovativeness on Entrepreneurial Orientation

The study recommends that the innovation process should not be hurried and entrepreneurs should adopt the most economical procedure offer less waiting time and a higher convenience and thus attractive to a large and quickly growing segment of customers. However, before making large-scale investments in a given process it is recommended that
the relevant customer segments are identified and that attempts should be made to predict the development of their sizes.

5.5.1.3 Effects of Pro-Activeness on Entrepreneurial Orientation

The study recommends that through proactiveness, organizations will be able to continually monitor the market so as to identify emerging needs and be first movers in such markets. Developing an autonomy posture will involve encouraging independent and creative thinking and also fostering a culture of rewards.

5.5.2 Recommendations for Further Studies

The study confined itself to Entrepreneurship and Strategic management students at United States international university Africa, Kenya and the findings may not be applicable in other sectors or even other firms. It is therefore recommended that the study is replicated in other sector to examine entrepreneurial orientation. The study mainly focused on the three dimensions of entrepreneurship orientation; risk taking, innovation and pro activeness. The study recommends that further studies should focus on other entrepreneurship orientation.
REFERENCES


Cantillon, R. (1755), Essai sur la nature du commerce en general (Essay on the nature of general commerce), (edited and translated by H. Higgs, 1931), MacMillan, London


ENTREPRENEURIAL ORIENTATION: A COMPARISON BETWEEN STRATEGIC MANAGEMENT AND GLOBAL SOCIAL SUSTAINABLE ENTERPRISES AT UNITED STATES INTERNATIONAL UNIVERSITY AFRICA, KENYA

The purpose of this study is purely academic and your participation is entirely voluntary and you retain the right to withdraw at any time. All individual responses will be held in strictest confidence and only group data will be reported. Thank you for agreeing to participate in this questionnaire. In case you may need a preview of the report of this work, you can give your email..........................

Instructions: please answer each question to the best of your ability. Remember, all responses are completely confidential and only group data will be reported.

SECTION A: PERSONAL DATA

1. Age: (25-34)------(35-44)------(45-54)-------- (Above 55)------
2. Gender: Male-------Female-------
3. Highest level of education: Diploma () Degree () Master () Other ()
4. Organisation currently working for..................................................
5. How many years of work experiences do you have?-------------------------
6. Level of management: Line manager ()Middle manager ()Top manager ()Other ()
7. Area of concentration in your study: Strategy () Entrepreneurship () Other ()

SECTION TWO: ENTREPRENEURIAL ORIENTATION

1. For each of the following statement, please circle the appropriate number by asking “how confident are you on the following statements on a scale of 1 – 7 where“1 is Not confident at all and 7 is Very confident”
### PRO-ACTIVENESS

(1= Not confident at all, 2= not very confident, 3= slightly confident, 4=neutral, 5= little confident 6=confident, and 7= very confident)

<table>
<thead>
<tr>
<th></th>
<th>Identify an opportunity</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Putting together a team of “right” people</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>Identify market trends</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Managing your own business</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

### RISK TAKING

<table>
<thead>
<tr>
<th></th>
<th>Obtain finance for a new business</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Putting a business without adequate resources</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>Achieve high growth in your organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Live with uncertainty</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>Evaluate downside risk</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>6</td>
<td>Make a large profit when you sell your business</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7</td>
<td>Walk away from a potential failure</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

### INNOVATIVENESS

<table>
<thead>
<tr>
<th></th>
<th>Being an innovative problem solver</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Being creative in using and controlling resource</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>