

# The Relationship Between Entrepreneurial Behavior And Performance Of Camel Rearing Enterprises In Turkana County, Kenya

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**Abstract:** Entrepreneurial behaviour has significant influence on firm performance. It is on this basis that this study sought to examine the relationship between entrepreneurial behaviour and performance of camel rearing enterprises in Turkana County. This study utilized data from 200 randomly selected camel rearing entrepreneurs in Turkana central sub county. To test the effects of entrepreneurial behaviour on enterprise performance, the scales for the dimensions of Entrepreneurial behaviour and enterprise performance were adopted from the existing literature. Reliability and validity tests were conducted for the measurement of the scales. The specific objectives were to find out the relationship between innovativeness, competitive aggressiveness, risk taking, achievement orientation and enterprise performance. Factor analysis correlation was conducted and the findings showed that certain entrepreneurial behaviours influence enterprise performance. The study findings revealed that contextual factors did potentially shape entrepreneurial behaviour and that certain entrepreneurial behaviour dimensions and contextual factors were associated with entrepreneurial performance. These findings suggest that an increase in potential performance is possible through individual behaviour associated with an entrepreneurial behaviour. It is therefore evident that the male are more entrepreneurial than the female. Female are few in the business due to their culture and the role they hold in society.

**Keywords:** Entrepreneurial behaviour; Enterprise performance; Entrepreneurship; Entrepreneurial orientation

## 1. INTRODUCTION

Kenya consists of about 80% arid and semi-arid lands (ASALs) (Okoti et al., 2004), inhabited by about 30% (approx. 12 million) of the country's population. These ASALs are characterized by high ambient temperatures and low rainfall (usually less than 400 mm annually). Frequent droughts, are quite common. Extensive livestock production, through nomadic pastoralism, is therefore the most suitable form of utilising these ASALs (Sombroek et al., 1982; Behnke and Scoones, 1993). It is estimated that over 60% of all livestock in Kenya is found in the ASALs, where it employs about 90% of the local population (MoLD, 2010). Kenya's ASALs, however, have the highest incidence of poverty and very low access to basic social services such as infrastructure, education and health facilities. Camels play multiple roles central to the livelihoods and culture of nomadic pastoralists in northern Kenya (Guliye et al., 2007), notably provision of milk and meat, a means of transport, and sources of income from sale of live camels and camel products.. Turkana County has about 49,084 Camels and a human population of about 143,294 (KBS, 2010). In this regard, the Kenyan government, non-governmental organizations' (NGOs) and the private sector increasingly recognize the strategic value of the camel sector and there is growing interest to participate in and support its growth. To sufficiently scale up commercialization of the camel sector, however, there is need to clearly demonstrate what Camel and their byproducts mean as a business venture and furthermore provide strategic guidance the types of support the sector requires and the necessary investment for it to reach optimum growth. Bwisa, (1998) asserts that many African firms are low in efficiency and exhibit high business mortalities and poor profitability due to lack of relevant entrepreneurial culture and skill. The Turkana people have special skills and a very rich entrepreneurship development

potential. The low growth rates and profitability of the camel enterprise in Turkana County are partly a result of inadequate entrepreneurial behaviors among the proprietors such as innovativeness, competitive aggressiveness, achievement orientation and risks taking that are necessary for new business commencement, survival and expansion.

### 1.1 Statement of the problem

Entrepreneurship is a key factor for the survival of small scale farming in an ever-changing and increasingly complex global economy. Entrepreneurial activities such as innovations, entrepreneurial behaviour and networking are identified as important for enterprise development in any economy (Bwisa, 2010; Hussein, 2010; Mark, 2009 & Shane, S. A., Locke and Collins, C.J. 2003). Bwisa, (1998) asserts that many African firms are low in efficiency and exhibit high business mortalities and poor profitability due to lack of relevant entrepreneurial culture and skill. Pastoralist-entrepreneurs see their animals as a business. They see their animals as a means of earning profits. They are passionate about their Camel business and are willing to take calculated risks to make their Camel rearing profitable and their businesses grow. But beyond this, successful pastoralist-entrepreneurs are technically competent, innovative and plan ahead so that they can steer their Camel businesses through the stages of enterprise development – from establishment and survival to rapid growth and maturity. However, there are many challenges that these farmers face: social barriers, economic barriers, regulations, access to finance and information, and their own managerial capacity to cope with risks and changes and to seize opportunities. The weaknesses in entrepreneurial behaviors (innovativeness, competitive aggressiveness, risk taking and achievement orientation) among the Camel rearing farmers in Turkana County partly

contributes to low business performance in terms of business expansion, profitability and sales growth rate. It is in the context of these weaknesses that the study is to be done to examine the relationship between entrepreneurial behaviors' and enterprise performance of Camel rearing enterprises in Turkana County.

### 1.2 General objectives

To establish, the relationship between entrepreneurial behaviour and enterprise performance of Camel rearing enterprises in Turkana County.

### 1.3 Specific objectives

- 1.3.1 To establish the relationship between innovativeness and enterprise performance.
- 1.3.2 To examine the relationship between risk taking and enterprise performance
- 1.3.3 To assess the relationship between achievement orientation and enterprise performance.
- 1.3.4 To establish the relationship between competitive aggressiveness and enterprise performance.

### 1.4 Research questions

1. What is the relationship between entrepreneurial behaviors and enterprise performance?
2. What is the relationship between innovativeness and risk taking?
3. What is the relationship between risk taking and enterprise performance?

## 2.0 Literature Review

Entrepreneurial behaviour, as represented by entrepreneurial orientation, is taken to constitute "a potential source of competitive advantage" (Jantunen et al., 2005). Entrepreneurial behaviour contributes to performance differentially along the dimensions of Proactiveness, Innovativeness and Risk Taking Propensity according to specific context (Lumpkin & Dess, 2001). The socio-economic background of an individual determines to a greater extent the habits, attitudes as well as perceptions of an individual, Derossi (1971). He noted that men from agricultural background tend to gravitate towards the industry where technology is fairly elementary and capital requirements modest. The professional men or craftsmen will be attracted towards complex production methods because they are very familiar with specialized knowledge. The need for achievement personality makes people behave in an entrepreneurial way, McClelland (1967). But Drucker (1985) says that entrepreneurial behaviors are practices that can be organized and learned. The behaviors are thus not necessarily personality traits as posted by McClelland. Many authors on entrepreneurial behaviors besides Drucker (1985) such as Frese (1997) and Lumpkin (1996) also define entrepreneurial behaviors as involving decisions and practices as the ability to take risks, autonomy, innovativeness, pro-activeness, and competitive aggressiveness. Entrepreneurial behaviors are thus differentiated from traits, which concern mainly personality. Entrepreneurial behaviors characterize not what the entrepreneurs consists of but on decisions, practices and activities of individuals and organizations. Entrepreneurial Behaviour consists of aspects of the behaviour of an entrepreneur such as being proactive, competitive,

innovative, risk-taking, and independent. Entrepreneurial Behaviour is action-based. Logically, the orientation must be converted to action before performance benefits can be realized. Pirela (2007) suggested that Entrepreneurial Behaviour is critical to performance even in a hostile, unstable, and uncertain business environment. In this case, Entrepreneurial Behaviour involved taking action to change the institutional environment. Thus, appropriately, it is conceptualized (i.e., labelled) as a behaviour rather than an orientation.

### 2.1 Innovativeness

Schumpeter (1934) in his economic theory about entrepreneurs, innovation and their interplay on business cycles said that entrepreneurs that created new things of market value had to use new ideas in combination with resources that eventually spurred economic activity. For Schumpeter (2002), the "purest type of entrepreneur genus" is "the entrepreneur who confines himself most strictly to the characteristic entrepreneurial function, the carrying out of new combinations", in a word: innovation. According to Lumpkin and Dess (1996) innovativeness reflects a tendency for an enterprise "to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services, or technological processes". Innovation is an important means of pursuing opportunities and so is an important component of an entrepreneurial orientation (Lumpkin & Dess, 1996). The environment under which these entrepreneurs operate then under environmental selection winnows out successful innovators and imitators and thus causing disequilibrium in the markets. Wolff and Pett (2006) observe that lack of resource endowment may be compensated for by flexibility, agility and innovation. Evidence of innovativeness may take several forms. It may occur along a continuum for simple willingness to adopt the existing product to a passionate commitment, to masters of the latest in technologies (Wiklund and Slephers 2003). The basic evolutionary model of Schumpeterian competition is summed up in Schumpeter's words as "creative destruction by entrepreneurs". Therefore innovation at the level of an individual firm might be defined as the application of ideas that renew to the firm, whether new idea are embodied in products, services, process or work in organization' management or marketing systems. Gibbon et al (1994) also agreed with Schumpeter when he said that in businesses innovation is something that is new or significantly improved, done by the enterprise to create add value either directly for the enterprise or indirectly for its customers. This implies that innovative activity must involve the coordination of various inventive, learning and implementation skills. Being an entrepreneurial organization involves a strategic intent to grow. Entrepreneurial culture for planning to produce new products and or process is the hallmark of entrepreneurial business in action. If firms just become reactive in innovations or rely on networks they do not acquire enough knowledge for successful innovations, Jarillo (1998). The reward of innovations is healthy growing firms. The broiler firm proprietors may not be carrying such innovations a systematically in order to be able to grow.

## 2. 2 Competitive aggressiveness

This is the firm's ability to implement competitive strategies that enable it to outsmart competitors. Rivalry in the camel business is thus intense and survival may be increased through, competitive aggressiveness. Competitive strategies that may be employed are cost-cutting, price reduction extension of credit facilities, and intensive promotions through personal selling or advertising. The goal of competitive aggressiveness Macmillan et al, (1987), is to challenge rivals in the market and gain an upper hand through competitive advantage. Competitive aggressiveness is an outgrowth of the achievement orientation, the drive to excel for success and achieve in relation to the standards, Gupta and Srinivaran (1996). The firm needs to have sales growth target that are to be attained. Despite the entrepreneurial behavior, environment and culture set a ceiling for the achievement of goals. An environment with dimensions of uncertainty, instability, hostility and unfriendliness and thus low predictability increases the people's risk aversion and lowers competitive aggressiveness. The socio-cultural behavior too modifies the behavior. Bwisa (1998) asserts that many African firms lack entrepreneurial culture and skills and thus start business on a "me too syndrome". Munene (1997) says that African Cultures are low on autonomy and high on embeddedness and people are unwilling to master the environment but prefer living in harmony with whatever they possess. With such cultural backgrounds African entrepreneurs are less likely to develop competitive aggressiveness behavior but rely on social capital of net working, trust and reciprocity to market their products. The less competitive strategies do not mean that profits are not guaranteed but the' long run fruits of autonomy and competitive advantages are reduced.

## 2.3 Achievement orientation.

This is an entrepreneurial behavior that helps change the mindsets of proprietors and workers by directing work behaviors to business results. This is a practice as opposed to McClelland (1967) need for achievement that is a psychological characteristic of an individual. The plans of the firms are according to the objectives and have to be continually re-evaluated. The development of the business plans involves identification of the size of the market segments making a market plan, personnel requirements, production plan, and financial requirements and positioning strategy for entry, Balunywa (1994). Camel farmers may have the desire to achieve but if this is not translated in to action through workable business plans, then high business performance may not be attained.

## 2. 4 Risk taking

This is the ability of entrepreneurs to strategically invest resources in opportunities with chances of succeeding or failure. It refers to the willingness to commit significant resources to some uncertain opportunities (Miller 1983; Lumpkin and Dess 1996; Baker and Sinkula 2009). A high risk taking propensity is often attributed to entrepreneurs. Although some of the empirical findings are contradictory, the overall evidence is that entrepreneurs are risk takers. The assumption is that an entrepreneur takes calculated economic risk, but also maximizes profit by bearing the state of uncertainty caused by the possibility of failure.

A cognitive orientation that minimizes conceptions of regret and reflection may be displayed by entrepreneurs more so than non-entrepreneurial individuals, according to Baron and Ward (2004). Brockhaus, (1980), cited in Baron (2007) avers that the psychological theories of locus of control and need for achievement both theoretically endow the entrepreneur with a moderate degree of risk tolerance, yet the perceived risk from the vantage point of a confident individual might be lower than the degree of risk perceived by others. The psychological theories of locus of control and need for achievement were associated with a moderate level of risk taking propensity, according to Brockhaus (1980), and an internal locus of control and a high need for achievement have been associated with higher performance by individuals. This might predict that a moderate level of risk taking propensity would be associated with higher levels of performance. However, in terms of different contexts, the effects of the dimensions of entrepreneurial orientation, including risk taking propensity, were expected to differ in terms of their effect on performance according to the specific context (Lumpkin & Dess, 1996). Three types of strategic risks were identified by Baird and Thomas (1985) namely; borrowing excessively, committing huge amounts of assets and venturesomeness into the unknown world. Such behavior is a result of the need to earn a high return on investment, survival or creation of a competitive advantage. Entrepreneurs are however, not necessarily high risk - takers or gamblers. They take calculated risks, Low and Macmillan (1985). Many authors on the subject of entrepreneurship like Gupta and Srinivesan (1994), Cuning and Lischeron (1991), regard risk taking and innovativeness as the additional behavior to managers to become entrepreneurs. Entrepreneurs bear risks and uncertainty and make innovations, Defancy (1973). Entrepreneurs bear risks because risk is evident in all facets of day life including business life where the working environment of companies has b become highly unpredictable. Risk management is therefore becoming increasingly common. Classical theories characterize risk management preference as a fixed trail of the organization or decision maker operating within the utility function, Cyert and March (1982). The organizations are classified as risk seeking or risk averse. Empirical research indicates that situational factors rather than differences in organizational or individual attitudes to risk account for variations in risk taking between and within organizations. This is so in individual organizations and broader populations in competitive situations. Miles and Snow (1978) using the contingency model and corporate performance suggest that the organization, fall into an adaptive cycle where the problems are taken as a whole and solved as such thus defining four main types of organizations for risk management namely analyzers, prospectors, defenders, and reactors.

## 2.3. The relationship between entrepreneurial behaviors and enterprise performance

A growing body of evidence suggests that an entrepreneurial orientation, entrepreneurial behavior, is critical for the survival and growth of firms as well as the economic prosperity of nations, Morris (1998), Lumpkin and Desk (1996), Balunywa (1998). Entrepreneurial behaviors,

decisions and practices undertaken by individuals singly or collectively as entrepreneurial organizations highly influence organizational performance. Sexton in Bowman Upton (1991). They state that when the entrepreneur or organization directs the behaviors conformity with the market forces the limits of the company's growth are set. Mediating factors like strategies, structure, process, environment and the people of organization offer extra support to create a fit between behaviors and business performance. Business success is positively related to the coherence between business style, strategic mission, organization structure and environment, Naman and Slevin (1993). Entrepreneurial orientation, however, cannot be ignored and has a positive effect on company business performance especially in hostile environment, Zahra (1995). There has been observed a significant relationship between the manager's traits and the company performance, Robinson and Sexton (1994). The mediating model concludes that managers exert an influence on organizational performance by means of process but the managers have no direct effect on success. African cultures are low on autonomy and high on embeddedness and people are unwilling to master the environment but prefer living in having with whatever they possess, Munene (1997). The entrepreneurs with greater internal loci of control are more innovative, convinced of their abilities to influence the environment. Miller and Tonlougé (1986) conducted an empirical research on a sample of companies in USA and concluded that internals have greater product innovation, a greater vision of the future and adopt their approaches to circumstances facing their companies. The autonomy of the internals is the basis of entrepreneurial behavior such as innovativeness; achievement orientation, competitive aggressiveness and risk taking that can be learned with the objectives of mastering environment and business performance.

### 3.0 Research Methodology

#### 3.1 The research design

The research design in this research was conducted using a mixed method the explore-descriptive. This is the intermarriage between descriptive and exploratory research design. The descriptive design was used to calculate basic statistics such as the mean, standard deviation and mode. These statistics made it easy to understand the general information of respondent's answers. According to Churchill (1991), a descriptive research approach is used when the purpose is to describe the characteristics of a certain group, estimate the proportion of people specified in a certain way and to make specific predictions. The explore-descriptive research design was instrumental in gathering both qualitative and quantitative data analysis. (Namusonge, 2010), observes that this research design is suited for gathering descriptive information where the researcher wants to know about people or attitudes concerning one or more variables through direct query. A qualitative method will be used to collect data on psychological, behavioral, and sociological factors. The qualitative approach allowed the respondents to "tell their story" thus giving the research an opportunity to probe and seek clarifications (Yin, 2009). The multiple realities that emerged from experience of the respondent was classified into categories, themes, and

general patterns categorization into meaningful constructs that can be generalized (Miles & Huberman 1994)

#### 3.2 Population

This was composed of both the target population and the population of the study. According to Mugenda and Mugenda (1999) the target population is that population which the researcher wants to generalize the result of the study. The population that was researched upon consisted of 200 Camel entrepreneurs (proprietors) in Turkana central sub-county Turkana County. The area was selected because it has a high number of Camel farmers and Camel keeping is their way of life and is aimed at giving a representative sample.

#### 3.3 Sampling frame

(Saunders et al. 2007) has indicated that sampling frame has the properties that the researcher can identify every single element and include any in the samples. It included the Camel entrepreneurs in Turkana County. The entrepreneurs are of a minimum number of 10 members and there are 20 groups giving a total of 200 members. The researcher chose this target group because they meet weekly and share matters related to Camel business. Therefore the view to be presented on the subject matter of study will accommodate the opinions and views of all these groups.

#### 3.4 Sampling and sampling techniques

To effectively arrive at the right sample for this study Simple random sampling and stratified random sampling was used. The target population was categorized into distinct groups. The sampling frame was organized into separate strata. A list of camel farmers was written from the sampling frame provided by the Department of Livestock Development Turkana central sub county. Each stratum was then sampled independently out of which population individual elements were sampled randomly. According to Kothari (2002) as a rule of thumb the sample size should be at least 30 respondents though it is also determined by target population size.

#### 3.5 Data collection instruments

(Ghauri, 1995, 54-58) argues that depending on the source and techniques ones for gathering data. Both primary and secondary data was used. Primary data is one collected by using techniques like interviews and questionnaires'. The instruments used to gather necessary data was interview schedule, observation guide. According to Chandran (2004) interviews can be structured or semi-structured. Direct observation of what is happening will be used during data collection. Secondary data refers to sources like literature, articles and documents collected by another researcher.

#### 3.6 Measurement variables

The entrepreneurial behaviour (independent variable) was measured quantitatively using a five point scale. The dependent variable was measured using both soft data on scale growth and profitable and hard data on business expansion.

### 3.7 Data collection

Semi-structured questionnaire/interview was used to collect data. Research assistants aided in the administration of the questionnaire/interview. On the basis of the score obtained the respondents were classified with the help of arithmetic mean and standard deviation.

### 3.8 Reliability and validity of instruments

For quality control a pre-test of the research instruments was done to check the validity and reliability. The questionnaire/interview was checked for accuracy and completeness.

#### 3.8.1 Data processing and analysis

#### 3.8.2 Editing and coding

After data collection, the researcher checked the data and edited it for completeness accuracy and consistency. The data was coded after summarizing and classifying it into meaningful forms.

#### 3.8.3 Data analysis

Data analysis as defined by Montgomery (1991) is a careful examination of collected information in an organized form in order to understand the growing trends in any situation. (Creswell, 2005), defined data analysis as a process which involves drawing conclusions and explaining findings in words about the study. When data collection exercise ended the raw data was properly inspected for completeness. The coded data was entered into a computer and the SPSS package used. Here percentages to depict population characteristics such as the legality of the Camel enterprise were obtained. The Pearson's correlation test was done to determine the relationships among the variables according to the objectives of the study.

#### 3.9.4 Pilot testing

Marjorie et al (2003) says that pilot testing the instrument before being used in a study allows the researcher to identify those items that misunderstood or are not being answered in the way that the research desires. Pilot testing was done through interviews. Pre-testing helps in checking poor wording of questions, ambiguity and inappropriate sequencing of questions and hence makes necessary adjustments.

## 4. Research Findings and Discussion

### 4.1. Respondents Characteristics

The average age of the sampled respondents was found to be in the age bracket of 35-44 years that is 50% of the population interviewed. It is in this age bracket that most camel rearing Entrepreneurs fall and have adopted entrepreneurial behaviours. Those in the age bracket of 25-35 and 55 years and above had 20% each and in the age bracket of 45-54 had 10%. The reason for the similarity in percentage between those respondent in age bracket 23-35 and 55 years and above can be attributed to either them having just left school or college and still have hope of getting another job and advanced age and have alternative business respectively. Those in the age bracket of 45-54

practice camel rearing as a way of life and tradition they don't take it as a business.

#### 4.1.1. Gender.

Peterman et al. (2011) in their investigation of gender differences in agricultural productivity in Nigeria and Uganda found that both female owners of plots (those with a resident partner) and female-headed households (FHHs) exhibited lower levels of productivity than males, particularly in the dry areas. From this finding they established a working hypothesis that the dry ecology with its greater demands for collection of fuel and water is likely to impose a greater domestic work burden on females thereby reducing the time they can spend on farming activities. Such considerations suggest potential issues relating to 'time poverty' among females when faced with multiple responsibilities of income earning and care for the family. Okurut (2008) found evidence of female underperformance in his analysis of Ugandan micro-entrepreneurs across a range of sectors, including the livestock sector, and attributed the differences to be broadly related to educational levels and experience. In terms of gender, approximately 90% of the tested sample was found to be male and 10% was found to be female. It is therefore evident that the male are more entrepreneurial than the female and the camel rearing business of the male is performing better than those of the female. Female are few in the business due to their culture and the role they hold in society.

#### 4.1.2 Education status of the respondents.

Education and experience play a key role in identifying entrepreneurial opportunities (Shane, 2000; Davidsson and Honig, 2003; Ucbasaran et al., 2008) and in successfully exploiting them (Robinson and Sexton, 1994; Bates, 1995; Gimeno et al., 1997). More recently, insightful quasi-experimental studies (Souitaris et al., 2007; Peterman and Kennedy, 2003) examined the impact of entrepreneurship education. Acs and Armington (2004:256), in the same vein, argue that "higher education trains individuals to rationally assess information, and to seek new ideas. Therefore more educated people are more likely to acquire useful local knowledge spillovers from others who are involved in research or in managing some service business". The respondents were required to indicate their highest attained academic qualification and the findings showed that 50% of the respondents were illiterate, followed by those who had attained primary education (30%), and those who had attained secondary and tertiary education having 10% each. It is evident that majority of the camel rearing entrepreneurs were illiterate. Regardless of them being illiterate they showed some levels of entrepreneurial behaviour (Innovativeness, Risk taking, Achievement Orientation and Competitive aggressiveness).

#### 4.1.3 SPECIFIC OBJECTIVE 1: To establish the relationship between innovativeness and enterprise performance.

The results show that innovation as a behaviour among camel rearing entrepreneurs influence positively ( $r=.765^{**}$ ) the Capital investment as available of enterprise performance at  $p = .001$  significant level. It influences positively ( $r=.679^{**}$ ) the Performance of Business as a

variable of enterprise performance among entrepreneurs at  $P=.001$  significant level and influences positively ( $r=.568^{**}$ ) in the Perception of Business as a variable of enterprise performance among entrepreneurs at  $p=.001$  significant level. Taking the coefficient of determinant, innovation influences 58.5 % variability in Capital investment, 46.1 % variability in the Performance of Business and 32.3 % variability in the Perception of Business among camel rearing entrepreneurs.

#### **4.1.4 SPECIFIC OBJECTIVE 2: To establish the relationship between competitive aggressiveness and enterprise performance.**

The results in the table above show that Competitive aggressiveness as a behaviour among camel rearing entrepreneurs influence positively ( $r=.865^{**}$ ) the Capital investment as available of enterprise performance at  $p=.001$  significant level. It influences positively ( $r=.756^{**}$ ) the Performance of Business as available of enterprise performance among entrepreneurs at  $P=.001$  significant level and influences positively ( $r=.632^{**}$ ) in the Perception of Business as available of enterprise performance among entrepreneurs at  $p=.001$  significant level. The two asterisks  $^{**}$  means the results are so much true to be a fallacy. Taking the coefficient of determinant, innovation influences 74.8 % variability in Capital investment, 57.2 % variability in the Performance of Business and 39.9 % variability in the Perception of Business among camel rearing entrepreneurs.

#### **4.1.5 SPECIFIC OBJECTIVE 3: To examine the relationship between risk taking and enterprise performance**

The results in the table above show that risk taking as a behaviour among camel rearing entrepreneurs influence positively ( $r=.589^{**}$ ) the Capital investment as available of enterprise performance at  $p=.001$  significant level. It influences positively ( $r=.658^{**}$ ) the Performance of Business as available of enterprise performance among entrepreneurs at  $P=.001$  significant level and influences positively ( $r=.473^{**}$ ) in the Perception of Business as available of enterprise performance among entrepreneurs at  $p=.001$  significant level. The two asterisks  $^{**}$  means the results are so much true to be a fallacy. Taking the coefficient of determinant, innovation influences 34.7 % variability in Capital investment, 43.3 % variability in the Performance of Business and 22.4 % variability in the Perception of Business among camel rearing entrepreneurs.

#### **4.1.6 GENERAL OBJECTIVES.**

##### **To establish, the relationship between entrepreneurial behaviour among the proprietors of Camel rearing entrepreneurs' in Turkana County and enterprise performance**

The results in the table above show that innovativeness as a behaviour positively ( $r=.493^{**}$ ) influence enterprise performance at  $p=.001$  significant level, competitive aggressiveness as a behavior positively ( $r=.596^{**}$ ) influence enterprise performance at  $P=.001$  significant level and risk taking as a behavior positively ( $r=.464^{**}$ ) influence enterprise performance at  $p=.001$  significant level. The two asterisks  $^{**}$  means the results are so much true to be a

fallacy. Taking coefficient of determinant, innovativeness as a behavior influences 24.3 % variability in enterprise performance, competitive aggressiveness as a behavior influences 35.5 % variability in enterprise performance and risk taking as a behavior influences 21.5 % variability in enterprise performance. In total innovativeness, competitive aggressiveness and risk taking as a behaviors influence 81.3 % variability in enterprise performance. This leaves 18.7 % variability that is influenced by other factors not looked at in this study.

## **5. Summary, Conclusions and Recommendations**

### **5.1 Summary**

From the study it can be summarized that majority of the entrepreneurs were in the age bracket of between 35-44 years. Fine et al. (2012) in their study of Chinese entrepreneurs found sufficient evidence to support their initial hypothesis that younger entrepreneurs exhibit higher performance. Measures of performance included both external (auditor) and self-appraisals, and age was found to be a significant determinant of performance in the external appraisal. According to de Kok et al. (2010, p.5) few studies have related age of the entrepreneur to measures of entrepreneurial performance and therefore the "current understanding of the role of age in entrepreneurial activity is still too fragmented to draw any definite conclusions..." Parker (2006) investigated the extent to which entrepreneurs in their decision-making adjust their beliefs in the light of new information, and found that younger entrepreneurs respond significantly more sensitively to new information. If sensitivity of response to new information correlates with performance this implies that younger entrepreneurs exhibit higher performance. Kimuya (2001) made a contradictory finding, in his study of rural-based entrepreneurs in Kenya, that older entrepreneurs exhibit higher levels of performance. Justification for the finding was that an entrepreneur's age closely correlates with number of years of business experience as well as access to resources through personal acquisitions or inheritance, and that these are both positively related to performance. This finding is supported by analysis of the Global Entrepreneurship Monitor (GEM) surveys since 2001, which indicates that rates of discontinuance of enterprises fall with age of the entrepreneur up to the age of 64 years. Educational level of the entrepreneur is seen to be one of the significant determinants of entrepreneurial performance in a number of studies in developing countries including, South Africa (Peters and Brijlal, 2011; Hietalahti and Linden, 2006), Kenya (Gathenya et al., 2011), Malawi (Chirwa, 2008), Uganda (Okurut, 2008), and Vietnam (Nam et al., 2010). Dickson et al. (2008) found strong evidence to support the relationship between levels of general education and several entrepreneurial success measures, across a range of both developed and developing countries. Van der Sluis et al. (2003) estimate from their meta-analysis of a large number of developing country case studies that one year of schooling raises enterprise income by an average of five percent, similar to the average return in developed industrialized countries. Calvo and Garcia (2010) argue that the entrepreneur is the most important resource in the creation of an organization and that

knowledge acquired through formal education inevitably enriches the entrepreneur's human capital and benefits both maintenance and growth of the enterprise under their control. It was also noted that the general level of education of the entrepreneur is a determining factor, particularly in larger enterprises; however the entrepreneur's previous enterprise experience has the greatest impact, using venture growth as their measure of entrepreneurial performance. It can also be deduced that majority of them are illiterate and few had reached or completed primary level of education. Most of them are self employed thus majority of the businesses are owned by individuals who have been in Camel business for at least 5 years. Looking at the comparison between the entrepreneurs and their competitors, it can clearly be seen that the competition is favorably good since their businesses are growing rapidly. The entrepreneurs also depend fully on their business totally for their livelihood and proceedings got from the business are used to invest in other areas. Finally, it can also be noted that the trend in sales over the years has increased and this can be attributed to awareness of the entrepreneurs and buyers of the importance of camel and its by-products and alternative use thus leading to increased capital investment.

## 5.2 Conclusion.

### 5.2.1 Specific Objective 1: To establish the relationship between innovativeness and enterprise performance.

Some scholars (Alegre and Chiva, 2009; Baker, 2009) suggest that Entrepreneurial behaviour does not have a direct effect on enterprise performance. Although Baker (2009) has shown that entrepreneurial behaviour indirectly influences performance via innovation performance. The results obtained, show that innovation as behaviour among camel rearing entrepreneurs influence positively the Capital investment as available of enterprise performance. It influences positively the Performance of Business as available of enterprise performance among entrepreneurs and influences positively in the Perception of Business as available of enterprise performance among entrepreneurs. Taking the coefficient of determinant, innovation influences 58.5 % variability in Capital investment, 46.1 % variability in the Performance of Business and 32.3 % variability in the Perception of Business among camel rearing entrepreneurs. The study is a justification of the fact that an enterprise with innovativeness skills has a deep understanding of the business enterprises which catapults their growth to a large extent. The study recommends that the entrepreneurs should use technology in marketing while maintaining competitive prices as it results in continued profitability of an enterprise and therefore growth.

### 5.2.2 Specific Objective 2: To establish the relationship between competitive aggressiveness and enterprise performance.

The correlation results which indicate that there was a positive and significant relationship between competitive aggressiveness and enterprise performance. An increase in competitive aggressiveness increases the probability of having high enterprise performance. The findings imply that those enterprises with high competitive aggressiveness have higher chances of having higher enterprise

performance as compared to those without or with low competitive aggressiveness. The results show that Competitive aggressiveness as a behaviour among camel rearing entrepreneurs influence positively the Capital investment as available of enterprise performance. It influences positively the Performance of Business as available of enterprise performance among entrepreneurs and influences positively ( $r=.632^{**}$ ) in the Perception of Business as available of enterprise performance among entrepreneurs at  $p=.001$  significant level. The two asterisks  $^{**}$  mean the results are so much true to be a fallacy. Taking the coefficient of determinant, innovation influences 74.8 % variability in Capital investment, 57.2 % variability in the Performance of Business and 39.9 % variability in the Perception of Business among camel rearing entrepreneurs. This implies that if the entrepreneurs are subjected to seminars, and other skills acquiring programmes in business management and entrepreneurship, this could enhance openness to new ideas, creativity, planning and systemizing the new idea in to output.

### 5.2.3 Specific Objective 3: To examine the relationship between risk taking and enterprise performance

From the findings, risk taking was statistically associated with enterprise performance. An increase in risk taking practices increases the probability of having high firm performance. The findings imply that those enterprises with high risk taking practices have higher chances of having higher enterprise performance as compared to those without or with low risk taking practices. It can be noted that risk taking as a behaviour among camel rearing entrepreneurs influence positively the Capital investment as available of enterprise performance at  $p=.001$  significant level. It influences positively ( $r=.658^{**}$ ) the Performance of Business as available of enterprise performance among entrepreneurs at  $P=.001$  significant level and influences positively ( $r=.473^{**}$ ) in the Perception of Business as available of enterprise performance among entrepreneurs at  $p=.001$  significant level. The two asterisks  $^{**}$  mean the results are so much true. Taking the coefficient of determinant, innovation influences 34.7 % variability in Capital investment, 43.3 % variability in the Performance of Business and 22.4 % variability in the Perception of Business among camel rearing entrepreneurs.

### 5.2.4 General Objective: To establish, the relationship between entrepreneurial behaviour among the proprietors of Camel rearing entrepreneurs' in Turkana County and enterprise performance

The results obtained and subsequent analysis show that innovativeness as a behaviour positively ( $r=.493^{**}$ ) influence enterprise performance at  $p=.001$  significant level, competitive aggressiveness as a behavior positively ( $r=.596^{**}$ ) influence enterprise performance at  $P=.001$  significant level and risk taking as a behavior positively ( $r=.464^{**}$ ) influence enterprise performance at  $p=.001$  significant level. The two asterisks  $^{**}$  means the results are so much true to be a fallacy. Taking coefficient of determinant, innovativeness as a behavior influences 24.3 % variability in enterprise performance, competitive aggressiveness as a behavior influences 35.5 % variability in enterprise performance and risk taking as a behavior

influences 21.5 % variability in enterprise performance. In total innovativeness, competitive aggressiveness and risk taking as a behaviors influence 81.3 % variability in enterprise performance. This leaves 18.7 % variability that is influenced by other factors not looked at in this study. These findings suggest, therefore, that an increase in enterprise performance is possible through individual behaviour associated with an entrepreneurial orientation (Lumpkin and Dess, 2001)

### 5.3. Recommendation

In recognition of Bwisa and Gacuhi (1997) who concluded that together the combination of management and technology provide an ideal underpinning for technology innovation and entrepreneurship, it is recommended that schools at all levels, extension workers and service providers incorporate entrepreneurial modules within the core curriculum. This supports Drucker (1985) cited in McCormick and Maalu (2011) who stated that systematic innovation is an entrepreneurs' tool and the innovation process should be taught and learnt in a pedagogic and didactic way. Thus training to acquire skills in Camel rearing and sensitization on the need to borrow for investment and risk management when necessary should be encouraged by stakeholders like microfinance institutions. It can also be recommended that the entrepreneurs form partnerships so as to reduce liability and increase resources hence improve business performance. An implication of the findings is that the County government, and stakeholders that have an interest in Camel rearing business growth might be able to enhance performance through increased provision of training courses and educational opportunities.

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