ENTREPRENEURIAL PROFILE, NETWORKING AND OUTCOMES: A STUDY OF WOMEN OWNED MITUMBA ENTERPRISES IN MOMBASA CITY, KENYA

BY

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DECLARATION

Declaration by the Candidate

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DEDICATION

I dedicate this work to my family members for their support, inspiration and encouragement throughout my education period.

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ABSTRACT

Entrepreneurs are widely recognized as prime movers of economic development. They translate ideas into action and use networks to gather resources, exploit opportunities through venture creation. This study focused on the influence of enterprise profile on entrepreneurial outcomes, influence of enterprise venture creation on entrepreneurial outcomes, influence of social network on entrepreneurial outcomes and how the utilization of network resources affects entrepreneurial outcomes. This study adopted a survey research design. This study targeted women entrepreneurs operating mitumba small enterprises (SEs) in the informal sector in Mombasa city. The target population for the study was 228 SEs. The sample size for this study was 114 respondents. A simple random and stratified sampling technique was used to select the respondents. The main data collection tool was a questionnaire. Reliability analysis level, using Cranach alpha was> 0.7. Data was analyzed using SPSS V 20; Chi square and multiple regressions was used to test the Hypotheses. The findings of this study show that enterprise Venture creation had a significance of 0.359 hence was not supportive to enterprise outcomes. The Level of enterprise venture creation, utilization of network resources and social network intensity had very strong positive significant relationship with mitumba enterprise outcomes. Venture creation with a significance of 0.359, were weak predictors of Mitumba enterprise outcome and hence, did not support Mitumba Enterprise Outcome. This study concludes that the Mitumba enterprise outcomes in Mombasa city, were influenced by entrepreneurs' profile, utilization of network resources and social network intensity. While enterprise venture creation had no support for mitumba enterprise outcomes. This study recommends that future research should consider the capabilities of mitumba enterprise outcomes in a more detailed approach such as expanding the study areas and examining a large number of companies and counties.

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ABBREVIATIONS

Y	Mitumba Enterprise Outcomes (MEO)
EP	Enterprise Profile
EVC	Enterprise Venture creation
INI	Social network Intensity
UNR	Utilization of Network Resources

OPERATIONAL DEFINITIONS OF TERMS

Networking: Refers to the ability to connect more people at greater distance than before. Networking is a process of creating alliances with people and organization beyond the immediate boundaries of the venture

Profiling: Refers to the demographic characteristic of the entrepreneur that include entrepreneur age, marital status, size of the business, nature of the business and experience.

Enterprise outcomes: Refers to the enterprise performance, profitability, financial growth,new markets, increase in customer base, higher productivity expansion and diversification.

Mitumba: Refers to second hand products

CHAPTER ONE

INTRODUCTION

1.1Overview

This chapter provides the background of the study, statement of the problem which led to the guest of this research and objectives, the significance of this study and the scope limitations. It also discusses key issues that form the foundation of the study.

1.2 Background to the Study

Entrepreneurs are widely recognized as the prime movers of economic development, the people who translate ideas into actions by use of networks to gather resources to exploit opportunities and implement the Projects (Fafchamps, 1998). Social networks create social capital vital to business development. It consists of a series of formal and informal ties between the central actor and other actors in a circle of acquaintances. These are channels through which entrepreneurs get access to resources for business development.

The national cultures of East African countries are fragmented and ethnicity, religion and class are only three bases for faction, culture it can be usefully defined as a collective subjectivity, a shared set of values, norms and belief. Sub-cultures within national African contexts are probably of vital important for the development of value system, trust, and social networks and thereby also for business development. Such determinants of quality are a number of relation or network size, strengths of ties, variety of diversity of network, and network dynamics .Several recent studies behind entrepreneurial network tend to place more emphasis on access to information than

access to capital through bank and credit schemes (Atwasthi and Sebastian, 1996; Kristiansen, 2002).

Entrepreneurial personal Networks can be described as both the glue that connects the nodes in a network and the lubricant that affects interactions between nodes and enables the relationship to continue (Anderson and Jack, 2002. Networking is the ability to connect more people at greater distance than before. The future belongs to those who create networks given that networks are important to a knowledge based society.

Mitchell (1969) articulated various aspects of networks which help to describe their interactions. The analysis was moved into the economic domain by providing a social analysis of how economic activity can be understood only by seeing if within the social context of individuals and organizations are connected by a variety of ties (Granovetter, 1985; 1992).

Entrepreneurial networking is the creation of value in small enterprise. Entrepreneurial networks can either be informal or formal. Informal networks has been defined as the relationship or alliance which individuals develop or may seek to develop between themselves and others. (Carson et al., 1995). Example of informal networks is family, friends, neighbors, relatives among others. Formal networking is the generation of the network by others. It includes suppliers, financiers, and government officials among others. Hence, entrepreneurial personal networks enables the enterprises to access information, ideas, develop new markets, new processes, and gain a competitive edge which among others are geared towards entrepreneurial success.

A lot of theory beyond professional networks has been derived from analysis of social networks, but most of the constructs have been found to be untrue in the context of business or professional networks. Some of the dimensions in the focal point of the network that enhance enterprise successful start-up are anchorage, which is the extend of connectivity of the entrepreneur. Range refers to the number of people in direct contact with the entrepreneur, content durability indicates the duration of relationship of the network, intensity refers to the bonds between networked individuals and direction in the balances of power in a relationship. Commitment, continuality, and trust building through one-one contacts are crucial factors in order to achieve successful outcome (Barnes et al., 2002).

Entrepreneurial personal networks implies that bonds between the networked individuals can be defined as the degree to which individuals are prepared to honor obligations, or feel free to exercise the rights implied in their link to some other persons (Mitchell, 1973). The networking intensity indicates how far an individual is willing to go, help or accommodate other individuals. Entrepreneurial outcomes can be said to be considered to be a change in the enterprise. It can be measured through efficiency, growth of the venture, returns on investment, increase in number of employees, good profits among others. Outcome of the venture can be linked to entrepreneurial personal networks. Face to face communication is an important way of creating trust between individual due to the investment of effort, money, and time, manifested when people come together as previous research done by (Storper and Venables, 2004).

Empirical evidence suggests that a significant relationship exists between entrepreneurial personal networks and entrepreneurial outcomes. For the venture to succeed the entrepreneur has to network. The dynamics of the personal networks of entrepreneurs are a function of the original state of networks (Steier, 2001).The influence of entrepreneurial culture produces significant difference in the conceptualization, understanding and practice of enterprise and ethics worldwide (Hofstede, 2001). Understanding the many applications of culture to many Mitumba enterprise involves expansion of Entrepreneurial networks to operate and succeed in the venture.

Most studies reflect a consensus that entrepreneurial networks are important because they provide entrepreneurs with a diverse information and access to large pool of resources, business opportunities, and markets. Nevertheless, there is still parity in studies at the present times dealing with the impacts of entrepreneurial networks usage in the success of a business in the Nigeria context. Therefore, a study concerning the impact of entrepreneurial networks on the success of an enterprise in Kenya is considered important.

The value of a network intensity is often described as a social capital to the amount of resources to an entrepreneur. These resources can be very useful and valuable to start–ups and growth of existing ventures or success of the venture for example, information, ideas, financial support, advises among others. Networking is seen primarily as means of raising required resources and can include ;capital raising, identifying market opportunities, obtaining personnel, identifying and developing

technology, identifying suppliers, obtaining ideas and ensuring future support for these ideas (Ramachandra's and Ramnarayan, 1993).

Entrepreneurs face a lot of challenges that calls for development of Entrepreneurial networks to enhance their successful start-up and enterprise outcomes. These challenges include lack of adequate credit services, lack of access to lucrative markets, lack of on-going business support, lack of new product development, adequate planning, non-existent financial records, and lack of access to suitable working space. All these challenges calls for development of networks to enhance more ideas on products, markets, sources of finances among others that will lead to enterprise successful start-up outcomes. It appears that entrepreneurial oriented firms are well placed to take advantage of external opportunities as they are change oriented (Lumpkin, Dess; Eisner, 2007).

Entrepreneurial personal networks enhances shared ideas, win new clients in business, win new friends, raise social enterprise profile, and meet investors, updates among others that enhance entrepreneurial outcomes. There is other less theoretical or explicit knowledge which entrepreneurs may need to excel as summarized by Gibb (2003). These include the ability to network effectively. Networking is a critical skill which successful entrepreneurs display. Through networking, entrepreneurs meet prospective partners, employees, customers and sponsors. They find resources, and work out how they can bring them into their own enterprise. Networking is not a win –lose situation, as an important objective of networking is to find ways to build mutual success.

Networking firms can be defined as cluster of business units coordinated by market mechanism instead of layers of management and multiple decisions makers within a single organization (Snow et al., 1993). Their focus is on doing fewer things better with; exploring opportunities, maximizing returns, performing functions and outsourcing activities. Gets et al. (2004) describes entrepreneurs as individual who work to increase personal benefits in the form of economic gains or in social standing but who create benefits in the wider social and economic setting through increased economic activity , job creation and wealth generation. Entrepreneurial activity is the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets.

1.3 Statement of the Problem

The goals of entrepreneurial start-ups are to create successful enterprises which could transcend the enterprise life cycle. It is strongly believed that entrepreneurial networking among other factors could contribute substantially to enterprise outcomes. Enterprises trading in mitumba products are engaged in veracious competition, and the enterprisers fear the potential theft of their innovations and creativity, suspicion, lack of trust and low level of entrepreneurial orientation impact negatively on the degree of enterprise survival. In addition, county and national governments lack start–up support programmes for enterprisers in the Informal sector rendering start-ups ineffective. Equally, lack of understanding of entrepreneurial networking as a process and purpose of the intended entrepreneurial networking by enterprisers compounds the entire network outcomes phenomena. The degree to which entrepreneurial

networking and profile contributes to enterprise outcomes is little understood hence the need for this study.

1.4 Specific Research Objectives

The specific objectives of this study were to examine:

- **i.** The influence of enterprise profile on entrepreneurial outcomes
- **ii.** The influence of enterprise venture creation on entrepreneurial outcomes.
- **iii.** The influence of social network on entrepreneurial outcomes
- **iv.** How the utilization of network resources affects entrepreneurial outcomes.

1.5 Research hypothesis

$H0_1$: There is no significant relationship between enterprise profile and entrepreneurs network outcomes.

$H0_2$: There is no significant relationship between enterprise venture creation and entrepreneurial outcomes.

$H0_3$: There is no significant relationship between social network and entrepreneurial outcomes

$H0_4$: There is no significant relationship between utilization of network resources and entrepreneurial outcomes.

The hypotheses were tested using the Chi square; which resulted in either accepting the hypothesis or rejecting it. Chi square is used to test the hypothesis to check the significance of population variance. The technique compares the proportion observed in each category with what would be expected under the assumption of independence between the two variables.

1.6 Significance of the Study

The study will be beneficial to entrepreneurs since networks enhance access to opportunities, market identification, creation of entrepreneurial ideas, development of linkages, growth to promote entrepreneurial outcomes. The strategy will help to bring to light the level of networking that currently exists and the findings will help the stakeholders in the small scale sector to increase the ease of acquiring network to enhance enterprise network outcomes. The beneficiary of the study was small and medium enterprise in the informal sector.

1.6 Justification of the Study

The study will enable the stakeholders in the sector including both the county and national government, to come up with proper policies and programmes to aid entrepreneurs on enterprise outcomes. It will also facilitate among entrepreneurs networking as a process toward enterprise growth through the use of networks hence lead to better enterprise outcome.

1.7 The scope of the Study

The content scope of the study was confined to mitumba enterprise outcomes, through entrepreneurial profile, networking and outcomes a study of women Enterprisers in Mombasa city, Kenya. The women enterprisers whose duty was to ascertain the level of personal networks and its outcomes. The methodological scope in this study employed a cross-sectional descriptive survey, which utilized simple random and stratified sampling in achieving the homogenous population of respondents. The study

was carried out in Mombasa City. The focus was on the informal Micro and Small sector. The area is characterized with many small and medium enterprises dealing with mitumba product, and entry and exit point of entirely all products. A target population of 228 SME owners was sampled to the size of 114 respondents by Yamane formula. A simple and stratified sampling technique was used to target small and medium enterprises dealing with mitumba products particularly women entrepreneurs in informal and micro small enterprises sector in Mombasa city, which lies at coastal city of Kenya. The time frame of this study covered three months period during which data was collected and thereafter analyzed.

1.8 Limitations of the Study

The study suffered from several limitations such as participant's insincerity while responding to the questionnaire; this was overcomed by the researcher informing them that the study is purely academic and not [illegible] purposes. There was also language barrier which was overcomed by ha[illegible]terpreter who assisted the researcher. Some entrepreneurs were semi-ill[illegible] it was quite difficult to collect data from them, since it delayed data c[illegible] limitations include Low response rate and the limitation of th[illegible]ch specifically female entrepreneurs.

1.9 Theoretical Framework

Entrepreneurial networks can be related to [illegible]s of studying networks, implications and outcomes (Jack, 2010). He fu[illegible]d that networ[illegible] entrepreneurship can be divided into two streams. [illegible]ream to a great

on the resource-based view and examines how various tangible and intangible resources obtained through social and business relations of entrepreneurs facilitates new venture formations and growth. The second stream of networks research adheres to the process view and looks at the dynamic aspect and evolution of network during the stages of new venture development. Therefore, this study clearly fits into this streams given that it shows how network approach influences new venture outcomes.

1.10 Conceptual Framework

Entrepreneurial networks can be understood as the actual process of relationship establishment and maintenance, and underlines the dynamic side of their formation undertaken by the local actors (Shaw and Conway (2000); Johansson (2000).The conceptual framework below shows the relationship between the independent and dependent variables. They both contribute towards enterprise successful start –up and outcome. The conceptual framework helps to point out the relationship. Conceptually the idea of network is neither positive nor negative. The social science application stems from Mitchell (1969) who articulated that society is made up of networks and identified various aspects of networks which helped to describe their interactions. Enterprise successful start-up depends on the Entrepreneurial networks. Therefore independent variables are those variable that are within the entrepreneur and the dependent variable are the outcome of the independent variable, which was the enterprise mitumba enterprise outcomes. Slotte and Coviello (2010: 32) agree that entrepreneurial research of networks does not clearly define the concept of process and interpret the dynamic side of the relationship development.

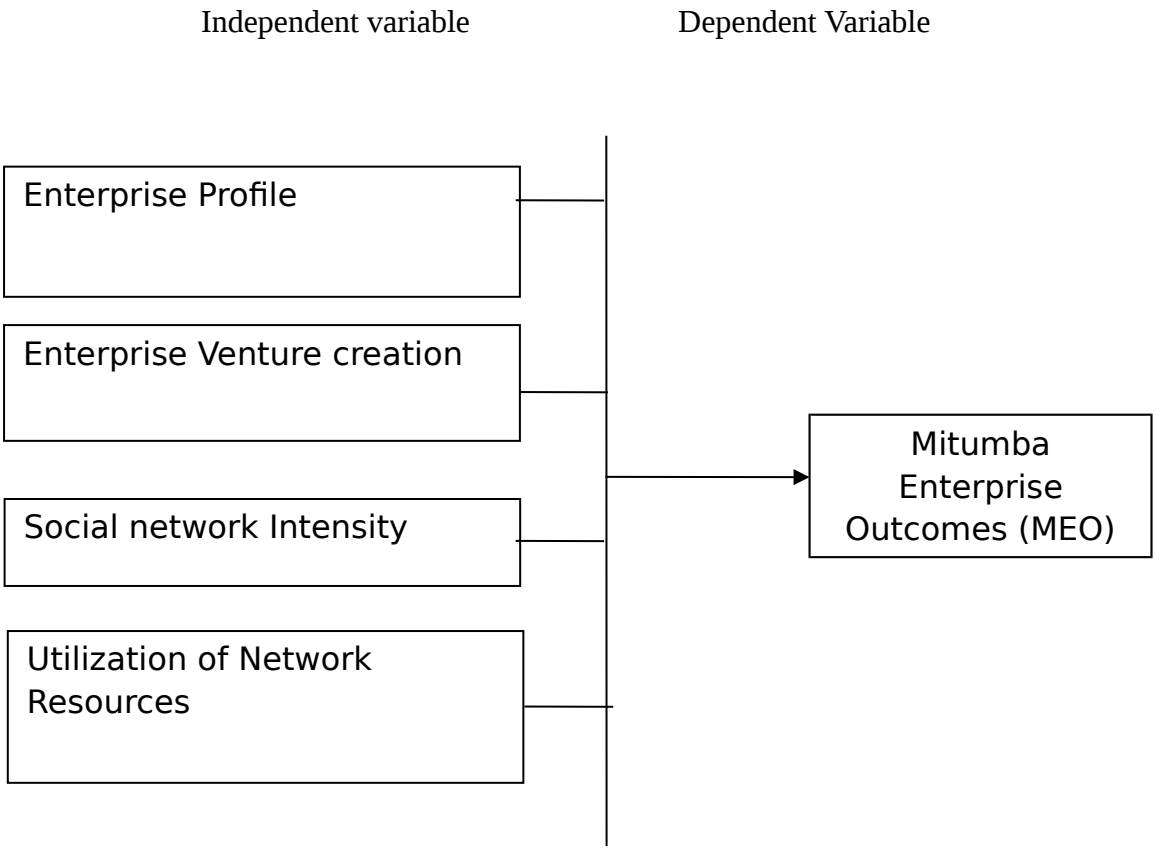


Figure 1. 1: Conceptual Framework

Networking is the development and maintenance of mutually valuable relationship over time to enhance enterprise successful start-up. Social network consists of direct or face to face contact with the entrepreneur. It includes family members, colleagues, friends, neighbours and others. The relationship in this type of network is purely based on trust, predictability and voice. The entrepreneur Social network has been defined as the relationship or alliance which individual develops, or may seek to develop between them and others (Carson, et al., 1995). Hence these relationships provide entrepreneur with reliable information pertaining to competitors, industry events and channel concerns which are geared towards enterprise success. This type of network entails motivation, liking, and moral support hence it facilitates successful enterprise start-ups outcomes.

Another relationship is resource acquisition networks usually between suppliers who include customers, enterprises, vendors, Banks and others. These are developed by way of bondage activities. This can form the enterprise social or professional support network. It also include acquisition of materials for the enterprise, finances from the financial institutions , selection and recruitment of human resource for the enterprise hence it is created by needs of others in the network and they contact the entrepreneur when they see that there is satisfaction of their needs. These will in turn lead to entrepreneurial success; since all the information acquired contain diverse information on people, resources and channels for entrepreneur to use to enhance successful outcomes. Gulati (2007) and Nohria and Eccles (1991) have argued that firms are able to leverage valuable resources of information and capital through networks. Such resources lie within the social network and take together the resources that constitute the network resources. Apart from easier access to information the use of network resources helps firms with the shape and direction of their actions, the development of new skills and the use of joint competencies or capabilities through alliances. Developing close links with members of the network also helps firms to access additional or new material resources.

Networking is also based on information acquisition; these are ways that people was in contact with the entrepreneur. The use of internet is one way of networking for instance face book is a very large global network whose members communicate through the internet for social and other purposes some of the tools include address, telephone, e-mail, mobile phone and others, that the entrepreneur will use to access information on business and markets, ideas, competitors advantage, suppliers which are all geared towards enterprise successful start-up outcomes. Information acquisition includes entrepreneurial advice, ideas which are acquired through

networking tools which leads to enterprise successful start-ups. Denser network create clusters of highly connected firms, and it is expected that such concentration firms make use of networked resources, the use of concepts such as spillover. Abubakar and Mitra (2009) have shown that while the knowledge spillover process defines network firms, the spillover effect is not limited to a local network.

Another relationship is entrepreneurial orientation network. That includes Proactiveness of the actor to articulate entrepreneurial challenges and find enterprise solution through networking, also the ability of the entrepreneur to be innovative enough , to come up with new ideas and better ways of doing things than competitors, these will enhance successful enterprise start-ups. To achieve entrepreneurial success, the entrepreneur who is the actor must be a good planner, initiator, and organizer, mobilizer of resources, motivator, risk-taker and decision – maker hence it will enhances the enterprise successful start-ups. Entrepreneurial networking is understood as the actual process of relationship establishment and maintenance and underlines the dynamic side of their formation undertaken by previous studies done by Shaw and Conway (2000); Johannisson (2000).

Entrepreneur faces a lot of challenges during start-up period ranging from lack of access to markets, lack of access to credit facilities, inadequate plans, poor infrastructure and lack of policies from the government, lack of proper entrepreneurial ideas and intense competition. Such challenges affect the enterprise successful start-up. Network provides a lot of support to enterprise successful start-up. Enterprise challenges helps to understand and determine how these challenges can be articulated

through a network, and explore on the benefits brought by networks. The solutions will lead to enterprise successful start-ups.

Entrepreneurial success depends on the relationship that exists between independent variable and the dependent variable. Thus Entrepreneurial networks should be embraced and fully exploit the immense potentiality brought about by networks to enhance enterprise successful outcomes. Enterprise outcomes is characterized with enterprise growth, profit maximization, better enterprise location, turnover, increase in number of employees and others all these are brought about by Entrepreneurial networks. Enterprise outcomes is often linked to growing a small venture into a much larger one. Networking relationship –building is not just restricted to the creation of new business and their innovative growth. Often social value creation and utilization define the nature and scope of entrepreneurial activity. Snow et al. (1993) refer to three network structures- internal, stable and dynamic each with appropriate for particular competitive environment .Internal network are created within organization to encourage managers of different units and assets to work to the logic of the market place. Stable networks are characterized by particular outsourcing or the introduction of some degrees of flexibility in the overall chain of a business. Dynamic networks are the Meta networks of discontinuous innovative and highly competitive environments; extensive outsourcing is the order of the day.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Chapter two presents entrepreneurial personal networks, the importance of networking to entrepreneurs, challenges of entrepreneurial networking ,theoretical and empirical review.

2.1 Empirical Evidence

2.1.1 Understanding Networks and networking aspects

Network in general relates to a set of nodes and ties representing some relationship or lack of relationship, between nodes, Brass et al. (2004; 798). It is also defined as the sum total of relationship in which an entrepreneur participates and which provides an important resource for his or her activities Dodd and Patra (2002;117).The notion of network and networking are closely connected but have to be distinguished because of the different nature of these two concepts Hoang and Antonio, 2003; Jack, 2010). Therefore networks are the process and networking is the activity. Networking is an activity in which the entrepreneurially oriented SME owner build and manage personal relationships with particular individual in their surrounding Carson et al., (1995). According to O'Donnel (2004) most owner- managers network extensively with their employees for marketing purposes. This is researcher found that most owner- managers, who are extensive and proactive networkers maintain strong ties with their employees. This type of networker displays the characteristics often defined as entrepreneurial and highlights the importance of entrepreneurial firm to develop an internal culture of trust.

Networking is a process of creating alliances with people and organization beyond the immediate boundaries of the venture. It includes all the exchange relationship among a group of organizations in a particular industry and or location. It is the ability to connect more people at greater distance than before. The future belongs to those who create networks given that networks are important in knowledge based society thus the role of networking in firms Kingsley and Malecki (2004) and O'Donnell (2004).

The social science application systems from Mitchell (1969) who articulated that society is made up of networks and identified various aspects of networks which helped to describe their situations. However this social analysis was not initially applied to economics and business so the use of network theory is more recent within the domain of entrepreneurship education. It draws on the work of Granovetter (1985,) who argued that economic activity occurs and is embedded in relationship between people. He further argued that economic activity can be understood only seeing it with the social context of individual and organizations connected by a variety of ties. However network can have either positive effects such as business development, or negative outcomes such as people involved in organized crime. It is the purpose to which networks are put that creates or destroys value. A key benefit of networks for the entrepreneurial process is the access they provide to information and advice. Ties to venture capitalist and professional service organizations ,for example are a means for tapping into key talent and market information Freeman (1999) .A number of studies document that entrepreneurs consistently use network to get ideas and gather information to recognize entrepreneurial opportunities Birley (1985), Smeltzer et al., (1991), Singh et al. (1999) , Hoang and Young (2000).

Entrepreneurial personal network is the measure of the extent to which an entrepreneur is connected to the network. An indication of the intensity can be the strengths of the bonds between the networked individuals. It is the degree to which an individual are prepared to honors obligations or feel free to exercise the rights implied in their link to some other persons (Mitchell, 1973). The intensity indicates how far the individual is willing to go or accommodate the other individual. Network size is defined as the number of direct ties involving individual units Marden (1990) Moore (1990). Also new knowledge and relevant assistance in opportunity recognition can be obtained through network connections because they function as forums where participants share feedback on different projects and obtain new ideas for innovations solutions Elfring and Hulsink, (2003); Win cent and Westerberg (2005).

Entrepreneurial personal networks can be organizational, social or informal or personal networks are group of individual who gave psychological support to an entrepreneur. They include friends, parents, children, and aunts, others who give moral support to the network. The entrepreneur personal network has been defined as the relationship or alliances which individuals develop or may seek to develop, between them and others (Carson et al., 1995). A reason for that could be that entrepreneurs are restricted in the time and resources available to them and they need to access suppliers, information and guidance necessary for their firms development and network helps them to do that through their contacts (Hill and Mc Gowan, 1997).The more network connections a company has and the more each distinct relations is involved in network, the more the company can learn from them Hakanssion, Havila and Pedersen (1999); Neergaard (2005).

Entrepreneurs need advice and counsel throughout the establishment and functioning of a venture. This can be obtained from a mentor, business associated, trade association or personal affiliates. This is social or professional network. Large and more diverse networks are shown to be valuable to firm growth (Zhao, and Tram, 1995; Aldrich, Rosen and Wood Ward 1987; Hansen, 1995). A large size of network implies that there are more sources of information and resource at the disposal of the entrepreneur (Singh and Ellis, 2000). The dynamics of personal networks of entrepreneurs are a function of the original state of network (Steier, 2001).

Networking to effectively factors ought to have the infrastructure, these are tools that include address, phone numbers, e-mail among others. Also internet has been known to be the most wide spread form of network used. According to the Sunday times (2004) ebay has become the fastest – growing forum for start – up in Britain, more than 23,000 enterprises are trading online auction site. Slotte- Kock (2009) concludes that network in entrepreneurship research are viewed as having definite boundaries which is explained by dominating egocentric view of entrepreneurial relation. Networks serve to provide a lot of support to the enterprise particularly in times of crisis or high uncertainty .Judicious use of your own network can prove to be invaluable.

Entrepreneurial personal networks is of great benefits to the entrepreneur since it facilitates entrepreneurial success of the venture. Networking is as good source of information and ideas. One of the most important contributions by Granoveter (1973, 1985) was the distinction between strong and weak ties and how they contribute to successful entrepreneurial outcomes. Strong ties are formed from kinship and other community based ties including membership of groups. Weak ties

refers to contact that are remote or vague, quoting Aldrich and Zimmer (1986), Granovetter (1973) points out that the conditions that raise the salience of groups boundaries and identity leading persons to form new social ties and action-sets, increases the likelihood of entrepreneurial attempts by persons within that groups and raise the probability of success.

Therefore entrepreneurs with a wider network of weak ties with individuals from outside their local area are more likely to be successful .This network include members of the same community living in areas outside the entrepreneurs own or outside communities. The Armenians, the Parsees and the Marwaris in Calcutta India, the Gujuratis in various parts of the world, the Chinese in Indonesia, the Philippines, Italy and USA, have all shown how this networking has helped them to establish successful ventures (Granovetter, 1985; Chaudhury, 2005).

Networking is making information available in a way that helps people in specific communities to establish informal rules and codes that implies the existence of dense social networks where people have a close understanding of each other .Preserving the benefits of that close understanding means warding off threats to it from deviant behavior either inside or without. Understanding the use of social capital in specific contexts the difference forms of networking and the influence of culture [inclusive of religion, social moves, customs] that helps to obtain a clear idea of social context of new business creation.

Gulati (2007) and Nohria and Eccles (199) have argued that firms are able to leverage valuable resources of information and capital through networks .Such resources lie within the social network and takes together the resources constitute network resources. A part from easier access to information, the use of network resources helps firms with shape and direction of their actions the development of new skills and the use joint competencies through alliances. Developing close links with members of the network also helps firms to access additional or new material resources.

Denser networks create clusters of highly connected firms and it is expected that such concentration make better use of networked resources. Entrepreneurial activities are likewise dependent on personal network, as these can provide the necessary knowledge, employees, or capital under conditions of uncertainty Fornabl (2002) Shane and Cable (2002).When developing networks, mobility of individual is an effective mechanisms and can be deemed essential for initial network formation to take place since it is a prerequisite for face-to face meetings and interaction URRY (2002), Bienkowskg et al. (2011).

2.1.2 Mentoring of Entrepreneurial networking

Networking is done because of the benefits that are hopes to reap from good networking. The entrepreneur must come out clearly about what he/she hopes to achieve through networking. Till, et al. (1997) argues that entrepreneurial networks provide entrepreneurs with their only stable source of accurate information. Entrepreneurial networks have been known to provide entrepreneurs with reliable information pertaining to competitors, industry events, channel concerns etc.

Networking enables entrepreneur to obtain resources, access opportunities, access information, recommendation to other entrepreneurs, market identification, advertising and hence, creation of entrepreneurial ideas, meet investors, raise social enterprise profile, win new clients among others. It also enhances competitive edge among entrepreneurs.

Entrepreneurs should harness and fully exploit the potential brought about networking to enhance enterprise successful start-up and outcomes. Burns (2001) suggest that the important ingredients are; the entrepreneurs character, the business culture, company strengths, business decisions. Greve and Salaff (2003) underline the role of kin networks at the early stages of business establishment when entrepreneurs plan and discuss their future ventures. The network as a whole provides for both specialization and flexibility while running the risk of variation in quality, loss of expertise and proprietor knowledge or technology Entrepreneurship, realization and renewal of value not just for the owners but for all participants and stakeholders (Timmons and Spinelli, 2004).

2.2 Network approach to start-ups

According to Jack (2010), the network research in entrepreneurship can be divided into two streams. First stream to great extend builds on the resource –based view and examines how various tangible and intangible resources obtained through social and business relations of entrepreneurs facilitates new venture formation and growth Niskamp (2003), Witt (2004). With the stream the research by Lechner and Dowling (2003) indicates that successful growth of new business only through utilizing internal

resources is impossible, therefore building external contacts is vital for the survival of an enterprise.

Jensen and Koenig (2002) show that both strong and weak ties are important for generating start-up funds. Ties and connections represent a meta- resource as such through which other resources can be obtained, hence enhances successful start-up. For instances Neergaard (2005) indicates that entrepreneurial networks enable possession of financial resources and the raising of risk capital. Entrepreneurs engage in networking to overcome different venture constraints and fulfill various resource needs Elfring and Hulsink (2003); Neergaard (2005).Therefore entrepreneurial networking leads to growth and better performance of new ventures.

2.3 Entrepreneurial challenges that need networking

Entrepreneur faces a lot of challenges in their enterprise ranging from lack of access to suitable working space, inaccurate and non- existent financial records, inadequate planning, lack of markets, lack of new markets, lack of access it institutional capacity, poor marketing and branding, lack of inadequate planning among others, that calls for networking. However, networking among the entrepreneurs faces a number of challenges that include loss of secrets, exploitation from members of the network, it is expensive, it can provide an avenue for malicious speculation, rumors and unsubstantial statements especially among competitors, and others include asking for favors, talking to strangers among others. These are common challenges that entrepreneurs face when networking that hinders entrepreneurial success.

2.4 Theoretical Review

2.4.1. Introduction

This section reviewed the main theoretical and empirical literature related to issues of Entrepreneurial outcomes. It is evident that a large number of researchers in different disciplines such as organizational behavior, regional and development economics, management, industrial organization, business economics, etc. have studied SEN, providing a range of new ideas. For example, Butler and Hansen (1991), Birley (1985) and Greve (1995) pointed out that both broad social and inter-firm strategic networks provide a successful start -up and competitive advantage for small enterprises.

2.4.2 Swedish Network Model

The four basic elements in SNM are (1) actors, (2) activities, (3) resources, and (4) linkages (Beije and Groenewegen, 1992; Hakansson 1987; Hakansson and Johanson 1984a, 1988, 1992, Hakansson and Snehota 1995). The actors can be individuals, organizations, and government agencies (Moller and Willson, 1995). Each actor has its own resources, its specific activities, and knowledge about their activities, resources and other actors in the network. Linkages between actors and resources are described as relations among the actors in the network.

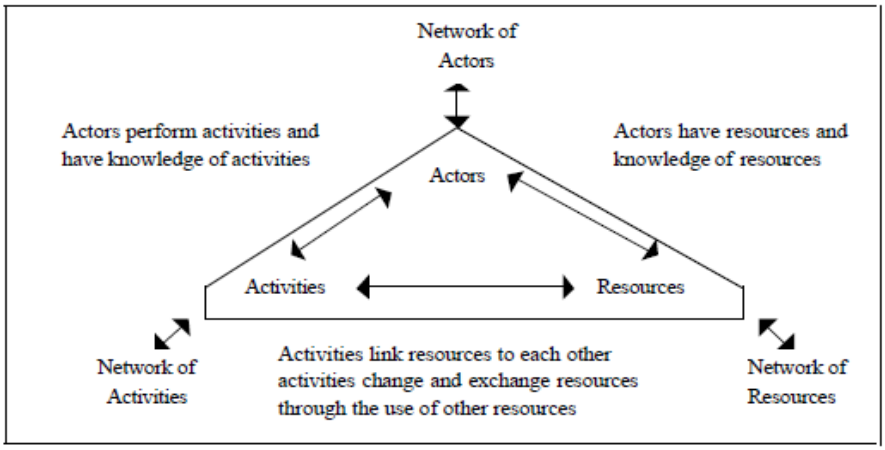


Figure2.1: Basic Structure of the Swedish Model

There are three '*sub-networks*' in the whole network; namely *network of actors*, *network of activities*, and *network of resources*. They are intimately related to each other and are interwoven in the total network (Figure 3.1). According to the model, actors have resources and knowledge of resources. At the same time, they perform activities and have knowledge of the activities. Activities link resources to each other (Figure 3.1). Actors are defined as those who control resources and perform activities. However, they have independent goals, objectives and strategies even when they are linked each other in the network. Actors are free to enter and leave at any time. The relationships among the actors of the networks can be explained in different ways based on activities and resources of each other. According to Hakansson and Johanson (1992), an activity occurs when one or several actors combine, develop, exchange and create resources by utilizing other resources. The activities of an actor are always dependent on the outcome of activities of other actors (Awuah, 1997) because in the process of performing activities, actors create exchange relationships among them.

Beije and Groenewegen (1992) identify two main kinds of activities; transformation activities and transfer activities.

2.4.3 The Entrepreneurial Potential Model

This model is one of the latest robust models, since it is integrated from the two most relevant antecedent models, the TPB (Ajzen, 1991) and the EEM (Shapero, 1982). This model is defined on three critical constructs, which are the perceived desirability (attitude and social norms), perceived feasibility (self-efficacy) and credibility (Guerrero et al., 2008). Credibility requires the behavior to be both desirable and feasible, and these antecedents affect the intentions toward the behavior. This model explains that although the individual perceives the new venture creation as desirable and feasible, and subsequently credible, they have not finalized the intention to realize the new venture if the precipitating event is still lacking (Coduras et al., 2008).

The perceived desirability in this model has two components of the TPB, which are the attitude toward the act and social norms. Perceived desirability is defined as *the degree of attraction an individual perceives towards a specific behavior*, such as becoming an entrepreneur. Perceived feasibility is the perception regarding their capacity to carry out a specific behavior (becoming entrepreneurs). It contains self-efficacy and perceived behavioral control. Krueger and Brazeal (1994) defined intention as an individual's willingness to pursue a given behavior and represent their commitment toward the target behavior.

Krueger and Brazeal (1994) considered two moderating variables in the model to capture the effect of the external factors and volitional aspect of the behavior in the model, precipitating events and the propensity to act. They defined the propensity to act as a personal disposition to act on one's decisions, and it reflects volitional aspects of intentions (*I will do it*). Thus, it was conceptualized as a stable personality characteristic and was closely related to the locus of control. Krueger et al. (2000) defined precipitating events as certain exogenous variables that can serve to facilitate or 'precipitate' the realization of intention into behavior. Triggering events create sudden changes in a person's life and work conditions by changing one's needs.

According to Shapero (1982), precipitating events come in different guises and are different in the eye of beholder, and this model explains the influence of precipitating events on the intention to perform the behavior (Figure 2). Prior research in the entrepreneurship context has used university students as a sample to investigate entrepreneur's behaviors. Therefore, they considered the potential construct in the model.

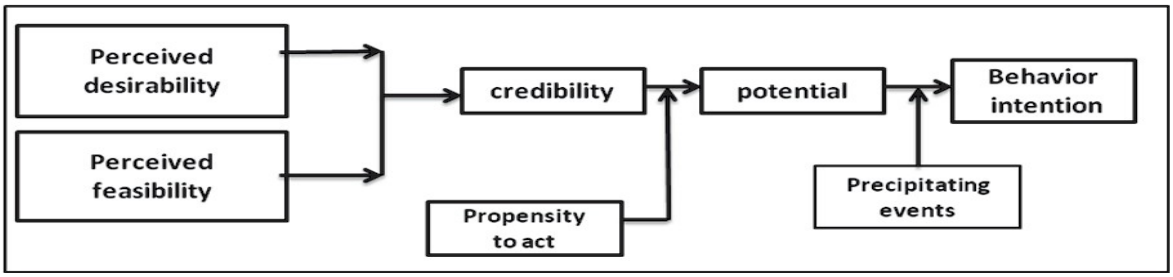


Figure 2. 1: Entrepreneurial Potential Model

Source: Krueger and Brazeal, 1994

2.4.4 Enterprise venture creation

New ventures usually lack organizational reputation and resources for running a separate recruitment department, and have high level of uncertainty with regards to

their personal strategy, in these conditions; recruitment through networks is a more secure way to attain personal fit (Neergaard, 2005; Leung et al., 2006). Aldrich and Zimmer argues that the entrepreneur is embedded in a social network that plays a critical role in the entrepreneurial process. Ties to distribution suppliers, competitors or customer can be important as it contains information and know-how (Brown and Butter, 1995) to enhance successful start-ups.

The reliance on network is not constrained to the start-up stage. Entrepreneurs continue to rely on networks for business information, advice and problem solving, with some contacts providing multiple resources Johannission et al. (1995).Trust also affect the depth and richness of exchange relations, particularly with respect to the exchange of information Hite (2000). When such relationships occur widely at the sector-level, it can signal the munificence of the entrepreneurial environment to other potential entrepreneur therefore spurring start-up activity Calabrese et al., (2000).Network relationship provide emotional support for entrepreneur risk –taking Bruder and Preisenderfer (1998) and this is thought to enhance persistence to remain in business Gimeno et al. (1997).

The second stream of network research in entrepreneurship adheres to the process view and looks at the dynamics aspect and evolution of relations during the stages of new venture development Jack (2010), Slotte- kock and Coviello (2010).From this perspective, entrepreneurial networks form through several stages, which indicate their changing and developing nature. Another study by Hite and Hesterly (2001) that network relations of emerging firms change depending on their resource needs.

They argue that as a venture moves from emergence to early- growth phase, the network relations develop from identity based strong ties to calculative relations that are weaker and less redundant and therefore more likely to provide a wider range of resources. Hoang and Antoncic (2003) and Slottee-Kock and Covielo (2010) indicate that an individual entrepreneur or a new venture forms relations both with other individuals and organizations.

2.4.5 Social network contribution

In 1986, Aldrich and Zimmer argued that the entrepreneur is embedded in a social network that plays a critical role in the entrepreneurial process. In the broadest terms, social networks are defined by a set of actors (individuals or organizations) and a set of linkages between the actors (Brass, 1992). In the entrepreneurship network literature, we find that three elements of networks emerge as critical to theoretical and empirical research: (1) the nature of the content that is exchanged between actors; (2) governance mechanisms in relationships; and (3) the network structure created by the crosscutting relationships between actors. These three components emerge as key elements in models that seek to explain how the process of network development during entrepreneurial activity and the impact of networks on entrepreneurial outcomes.

When the entrepreneurs' contacts contribute to their entrepreneurial goals, these social contacts are their social capital (Burt, 1992). Entrepreneurial networks span relations to organizations, clusters of firms, as well as to other people that help them set up the firm (Hansen, 1995). These relations may extend across professional networks, reaching friends, families and colleagues from earlier jobs. Networks have useful

properties for entrepreneurs. The first is size, entrepreneurs can enlarge their networks to get crucial information and other resources from Knowledgeable others. The next is positioning, entrepreneurs position themselves within a social network to shorten the path to knowledgeable in other to get what they need (Burt, 1992; and Granovetter, 1973).

Study by Barney, (1991) extensive networks are likely to be composed of diverse members who have various educational and professional backgrounds. These network members generate diverse resources such as financial capital, supplies, customers and new technology. Large networks enable entrepreneurs to assemble diverse resources, some of which may be rare and unique. The variety of resources enables entrepreneurs to create capabilities that help new business firms to develop a competitive advantage, which in turn increases the performance of new companies (Sirmon, Hitt and Ireland, 2007).

Research suggests that potential entrepreneurs not only discuss their ideas about starting new ventures with their family members, close friends and colleagues, but also receive emotional support in return (Reynolds and White, 1997). Such emotional support enhances the motivation and determination of entrepreneurs to build successful firms. Thus, these findings suggest that women entrepreneurs' social networks are more likely to include agents who provide emotional social support (such as friends) and less likely to include agents who provide instrumental social support (such as business contacts). That is, women entrepreneurs may have fewer business contacts in their social networks than do men entrepreneurs who have access to associations, networks and clubs (business, internet, social or sports clubs) where

they discuss business and negotiate deals. As such, entrepreneurial networking is likely to be particularly important for women.

2.4.6 Utilization of Network resources

To flourish in this competitive world, it is crucial to develop a strong entrepreneurial and social network. Networking plays an essential role in binding and bringing firms together into a sound and innovative system of relational contracting, collaborative product development, and complex interorganizational alliances (Staber, 2001). Previous research has recognized that networking is a vital source of information for entrepreneurs and small enterprises (BarNir and Smith, 2002; Greve and Salaff, 2003).

Information is a major resource for both men and women entrepreneurs to connect to marketplaces, suppliers, customers, technology, and networking have appeared as valuable policy for contributing assistance to female entrepreneurs (Frazier and Niehm, 2004). Entrepreneurial process involves gathering of scarce resources from external environment. Entrepreneurs usually obtain these resources through their networks (Dodd, et al., 2002). Existing literature suggests that networks of entrepreneurs are really an opportunity set, which helps entrepreneurs to access both tangible and intangible resources. The networking consisting of family and friends tend to move in the same circles as the entrepreneur, these resources may not offer much beyond the entrepreneur’s own scope; they may not be adequately diverse in nature (Anderson et al., 2005).

Aldrich and Zimmer (1986) suggested a new approach which they termed "Networks Approach to Entrepreneurship. They built their suggestion on resource dependence theory and illustrate the reason why certain entrepreneurs are more successful than others in starting up and continuing their Mitumba enterprises. The networks approach to entrepreneurship is mainly based on the ground that entrepreneurs build relations with the external environment and thereby have access to different information, in order to define potential business opportunities, and obtain required resources to start-up and continue their Mitumba Enterprise successfully. They get support, knowledge, and access to distribution channels through their social networks. Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that sustain a new firm (Hansen, 1995).

2.4.7 Entrepreneurial outcomes

Entrepreneurship has been of great interest to many scholar, business specialists, governments, and policy makers. One of the main reasons for this interest is that, entrepreneurship is regarded as an instrument to a nation’s economic growth and development since it generates both employment and wealth for the country. Thus entrepreneurs are seen as the source of industrial development and greater employment opportunities. Entrepreneurship leads to higher income, higher standards of living, higher individual savings, and higher revenue to the government. Entrepreneurs have changed the outlook of trade and markets, through new commodities, services and provide ways to innovation and creativeness.

The increasing use of networks for SMEs has been reported as a factor influential in the developmental process of entrepreneurial activity (Baines & Wheelock, 1998). A

careful review of the related literature on the subject of entrepreneurial networks revealed that the most cited entrepreneurial network types are: institutional networks; business networks; social network; informational networks; scientific and technical networks; profession networks; user networks; friendship networks; and recreation networks as cited by Organization for Economic Cooperation Development (OECD), (2000).

Entrepreneurs have ideas to test, and some knowledge and competence to run the business, but they also need complementary resources to produce and deliver their goods or services (Teece, 1987). They get support, knowledge, and access to distribution channels through their social networks. Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that can maintain a new firm (Hansen, 1995).

It was noted however, that women who start Mitumba Enterprise tend to know fewer entrepreneurs than men. In other words, men have more social connections that enable them to access business Opportunities, information, and contacts than do women. In this way, women are disadvantaged from the start, having fewer professional connections, role models, and mentorship opportunities, which can adversely affect their Mitumba Enterprises in the long run (Global entrepreneurship monitor, 2012).

When the entrepreneurs' contacts contribute to their entrepreneurial goals, these social contacts are their social capital (Burt, 1992). Entrepreneurial networks span relations to organizations, clusters of firms, as well as to other people that help them set up the firm (Hansen, 1995). These relations may extend across professional networks, reaching friends, families and colleagues from earlier jobs. Networks have useful

properties for entrepreneurs. The first of these properties is the size, entrepreneurs can enlarge their networks to get crucial information and other resources from other knowledgeable entrepreneurs. The next is Entrepreneurs positioning, themselves within a social network to shorten the path to knowledge in order to get what they need (Burt, 1992; Granovetter, 1973).

2.5 Empirical Review

2.5.1 Enterprise profile and Entrepreneurial outcomes

Enterprise profile has attracted increasing attention in the developed and developing world due to its role in financial decision making. For example, in January 2008, the United States government set up a President's Advisory Council on Enterprise profile tasked to improve financial education at all levels of the economy. Developing world have also not been left behind, countries like Indonesia and Ghana have set up programs that are aimed at increasing enterprise outcomes.

Study by Hilbert, Hogarth (2003) a compelling body of evidence demonstrates a strong association between Enterprise profile and entrepreneurs' success. Several surveys shows that SMEs that are run by financial literate entrepreneurs have a higher chance of being more successful as compared by those illiterate counterparts. Enterprise profile encompasses the knowledge and skill required by individuals to function effectively in the money economy and make informed judgments with respect to their own and their family circumstances.

There is evidence of a correlation between Enterprise profile and positive financial behavior. Although the direction of causality is unclear Beverly (2003).Financial illiteracy can lead to self-exclusion from the formal financial system. Those who are

financially literate are not likely to be intimidated by the complexity of the financial system and therefore can result in people making inappropriate decisions Hartog et al. (2010) used the U.S national longitudinal study of youth to examine the effects of various personal characteristics among entrepreneurs and employees. They found that verbal abilities appear to be more important for employees, while mathematical, technical and social abilities are more important for entrepreneurs. They also argued that general ability and balance of various kinds generate higher incomes for entrepreneurs. Caliendo et al. (2010) found that entrepreneurs with immediate levels of risk tolerance survive longer than entrepreneurs with very high or very low levels of tolerance for risk.

Fairlie and Holleran (2011) in their study found that more risk tolerant individuals and those with a preference for autonomy benefit more from business training. Nunoo et al. (2012) in a study to examine how Enterprise profile influences Entrepreneurial outcomes in Ghana found that Enterprise profiles crucial in stimulating the Entrepreneurial outcomes. Financial literate SMEs may save more, and better manage risk, by purchasing insurance contracts. The results of the study proved that Enterprise profile has a positive effect on Entrepreneurial outcomes. Basic education enhances the overall quality of the entrepreneur by providing the basic numeric and Enterprise profile skills that increases the chance of survival Carter and Jones-Evans, 2000. Some studies state that the fact that a manager has a higher education degree or even a postgraduate degree seems to stimulate the growth of the firm, thus having an impact on both survival and growth (Hall, 2000; Barkham et al., 1996).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses on the research design, population, sample and sampling technique, data collection procedures, data analysis and presentation are discussed.

3.2 Research Design

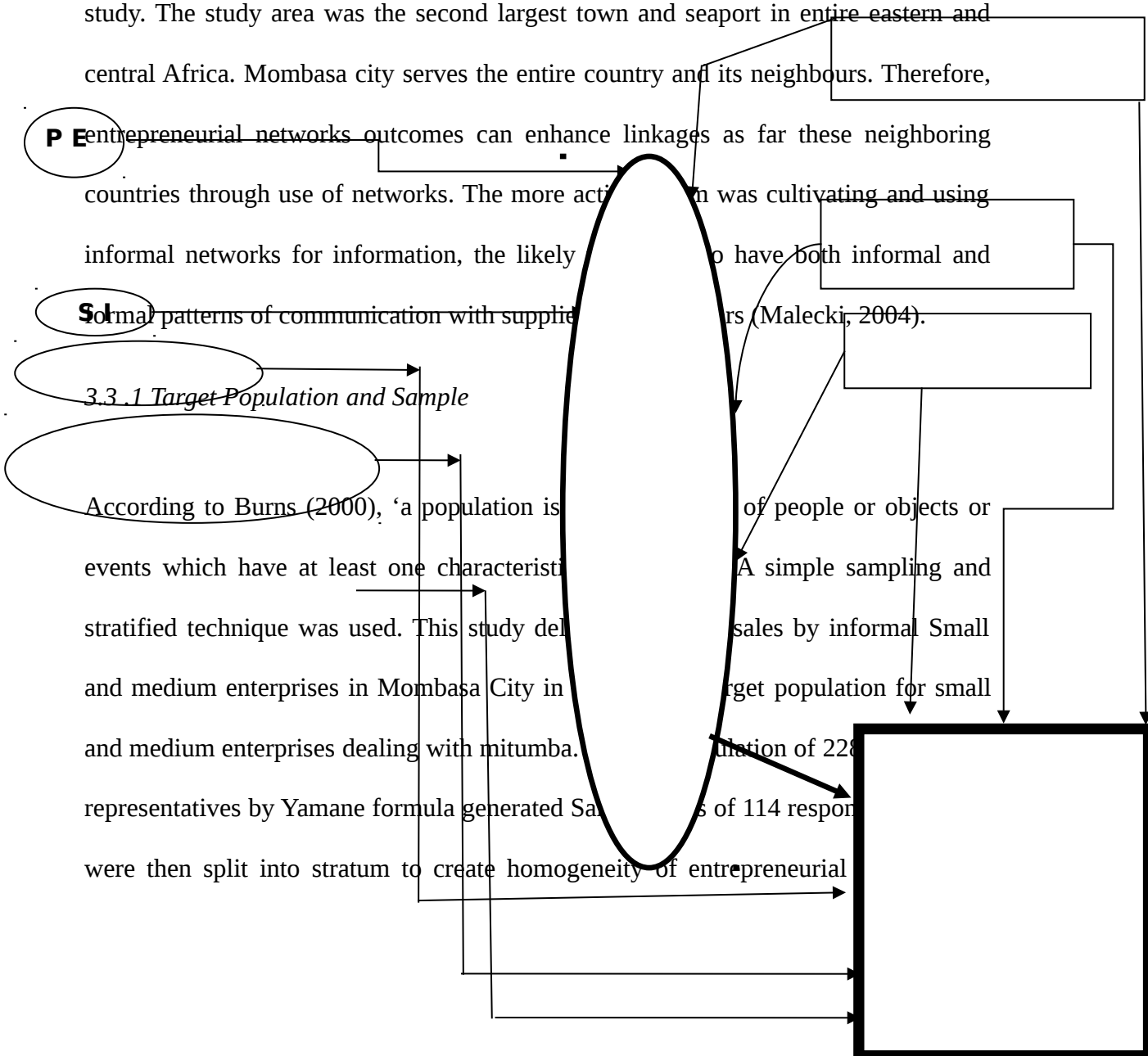
This study employed a cross-sectional descriptive survey, cross-sectional in the sense that data was collected at a given time during the study period. Surveys are a popular method of collecting primary data. The Survey utilized simple random and stratified technique in achieving the homogenous population of respondents. Quantitative research methods were key to this study. Quantitative research was based on the measurement of quantity or amount, (Kothari, 2004, p5). It is applicable to phenomena that can be expressed in terms of quantity. Attitude or opinion research i.e. research designed to find out Mitumba Entrepreneurial outcomes. Involves the generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion (Kothari, 2004, p5). A survey is descriptive and explains rather than predicts the outcomes of the investigations therefore in detailed. In a survey study the researcher dealt with smaller samples in depth, analysis, multimodal, concrete and contextual Kothari (2002).

The survey was a descriptive, in that it described the present situation of Entrepreneurial networks in the study area. Its purposes are to describe, analyze and clarify aspects of entrepreneurial networking as it presently exists. Also Survey seeks

to obtain information that describes existing phenomenon by asking individuals about their perspective, attitude, behavior, or values. Therefore survey design is quite suitable for this study since the researcher intends to seek information on the current situation of networking among the women entrepreneurs.

3.3 Study Area

The study was carried out in Mombasa City. The focus was on the informal Micro and Small enterprise sector. The area is characterized with many small and medium enterprises dealing with mitumba product, and entry and exit point of entirely all products, hence the researcher was able to obtain and collect enough data for the study. The study area was the second largest town and seaport in entire eastern and central Africa. Mombasa city serves the entire country and its neighbours. Therefore, entrepreneurial networks outcomes can enhance linkages as far these neighboring countries through use of networks. The more acti[illegible]n was cultivating and using informal networks for information, the likely [illegible]o have both informal and formal patterns of communication with supplie[illegible]rs (Malecki, 2004).



3.3 .1 Target Population and Sample

According to Burns (2000), 'a population is [illegible] of people or objects or events which have at least one characteristi[illegible] A simple sampling and stratified technique was used. This study del[illegible] sales by informal Small and medium enterprises in Mombasa City in [illegible]rget population for small and medium enterprises dealing with mitumba. [illegible]ulation of 228 representatives by Yamane formula generated Sa[illegible]s of 114 respon[illegible] were then split into stratum to create homogeneity of entrepreneurial

means simple sampling technique, into stratus, of respective sectors. The Yamane formula used to calculate a Sample Size. Yamane (1967:886) provides a simplified formula. A 95% confidence level and P = .5 are assumed for Equation below:

$$n = \frac{N}{1 + N(e)^2}$$

Where

n - the sample size

N - the population size (Target Population in SMEs)

e - level of precision.

N = 1200 (population size). e = 0.05 Where n is the sample size, N is the population size, and e is the level of precision. For example: To calculate the sample population of Small Medium Enterprises (SME)

Sample size = (n) = $[400/ (1+400(0.05)^2]$

= [400/ (1+0.0025*400)]

= [400/ (1+1)

= [400/2]

n = 200 (sample size)

e= 0.05, N= 400

where n_1= Target population

SME= SMEs

Sample size = ($n1/_{N*}$ sample size) – for each targeted SMEs- B

= (32/400)*200 = 16 (sample population for SMEs - B)

Table 3.1: Sample population

Sector	Target Population	Sample Population ($n1/_N$*sample size)	=	Sample Population
SME-A	30	= (30/400)*200	= 15	15
SME–B	32	= (32/400)* 200	= 16	16
SME - C	28	= (28/400)*200	= 14	14
SME - D	30	= (30/400)*200	= 15	15
SME - E	28	= (28/400)* 200	= 14	14
SME –F	40	= (40/400)* 200	= 20	20
SME –G	40	= (40/400)*200	= 20	20
TOTAL	**$\sum n_1 = 228$**	**$\sum n_1$ (N)= 228**		**$\sum$ = 114**

3.3 .2 Sampling Procedures

Sampling is selection of a portion of the population in ones research area which was representative of the entire population. A number of scholars have highlighted several advantages of sampling, for example, Cochran (1992:1) argues that sampling enhance reduced costs for the researcher. If data is collected from a small fraction of the population it is quite cheaper than from the entire population. With large population, results accurate enough to be useful can be obtained from samples that represent only a small fraction of the population. This view is held by Dixon and leash (1990) who maintains that sampling is less costly and time taken to collect and summaries data is comparatively less than would be the case it the whole population was studies. The two authors further argue that sampling has more scope of flexibility regarding the types of information that can be obtained. They conclude that sampling techniques enhances greater accuracy regarding the data collected and summarized.

The research Sample frame was entrepreneurs dealing with mitumba products. The sample size was one hundred and fourteen enterprises. The sampling design was simple and stratified sampling, this is because every sample of a given size in the accessible population has an equal chance of being selected after stratus have been generated. In the random sampling the researcher intends to use simple random sampling since it is easy to generate the random numbers. It generated using random numbers tables.

3.4 Instruments for Data collection

According to Maree (2007: 156), data collection is a process that involves applying selected measuring instruments to the selected population for investigation. Similarly, de Vos et al. (2011: 171) state that quantitative data collection methods often employ measuring instruments such as structured observation schedules; structured interviewing schedules; questionnaires; checklists; indices; and scales. The author also state that it is essential to understand certain concepts and principles that are fundamental to measurement before choosing a specific measuring instrument. De Vos et al. (2011: 172) also concur with Saunders, Lewis and Thornhill (2009: 360) that there are so many ways in which data can be collected and that the importance of choosing and understanding the theory and values that are basic to measurement should not be underestimated. In addition, the authors state that the design of the questionnaire will affect the response rate and the reliability and validity of the data. The researcher decided that the status of SMEs reports were sufficiently representative for the purpose of the analysis of the study. Data for this study was collected via questionnaires.

3.4.1 Questionnaires

The study used questionnaires as the main tool for data collection. The questionnaires were administered to women the entrepreneurs in the market. A questionnaire is a research instruments that gathers data over a large sample Kombo and Tromp (2006 – 89). The questionnaire will consist of structured and unstructured questionnaire: structured questions are those which are accompanied by a list of all possible alternative from which the respondent select the answer that best describes their situation. Unstructured or open ended questions on the other hand refer to those questions which give the respondent, complete, freedom of response.

According to Kothari (2004:100) questionnaire have various merits, some of them include low costs, and it is free from bias among others. The researcher will use this tool because it covers many entrepreneurs or respondents within little time, hence time saving and cost .It is simple to formulate and easier to analyze since they are in an immediate usable form.

3.4.2 Self-administered questionnaires

A self-administered questionnaire was used to collect data on the causes of poor project delivery; the present extent of the success/ failure of project delivery; and the strategies to improve the quality of projects. The questionnaires were also supplemented with informal interviews with the SMEs employees. This questionnaire technique was chosen as the most appropriate tool for data collection, as the questionnaires were hand delivered to respondents (Saunders, Lewis and Thornhill, 2009: 362). As recommended by de Vos et al. (2011: 188), the respondents

completed the questionnaire on their own but the researcher was available in case problems were experienced. The authors explain that the researcher (or fieldworker) limits his or her own contribution to the completion of the questionnaire to absolute minimum.

Therefore, the researcher largely remained in the background and could, at most, encourage respondents with few a words to continue with their contribution, or lead them back to the subject (Maree, 2007: 157). There are many advantages associated with questionnaires. The author states that questionnaires are inexpensive and allow a large number of respondents to be surveyed in a relatively short period of time, even if the respondents are widely distributed geographically. If the questions are closed-ended, they are easy to complete and easy to analyse.

Furthermore, questionnaires allow respondents to answer questions at times that are convenient to them. Questionnaires have their drawbacks as well. The questionnaire in this study consisted of closed-ended questions in order to facilitate completion by respondents.

The question-sequence were clear and smoothly-moved, meaning that the relationship of one question to another was readable and was clear to the respondent, since it was designed with questions that were easy at the beginning. The first few questions are particularly important because and factor rotation, the factors below standard threshold were dropped and those that qualified were retained to undergo standard multiple regression for final they were influential to the attitude of the respondent and the desired to achieve cooperation (Russ, 2001).

3.4.3 Forms of the questions

In asking questions on the causes of poor project delivery, the present extent of the success/failure of project delivery and the strategies to improve the quality of projects, researchers have two options. They may ask open-ended questions or closed-ended questions. According to Bell (2005), as quoted by Maree (2007: 161). The forms of the question were developed as either closed or open (i.e., inviting free response). Likert scales for test of attitude (strongly agree, agree, neutral, disagree and strongly agree) and knowledge scales (always, often, sometimes, rarely and never) were used to ask respondents to state their agreement with a statement on testing the management and knowledge.

1	**2**	**3**	**4**	**5**
Strongly agree	Agree	Neutral	Disagree’	strongly agree

1	**2**	**3**	**4**	**5**
Always	Often	Sometimes	Rarely	Never

3.5 Data Collection Procedures

The researcher used Primary data collection method since it enhances firsthand knowledge, through administering questionnaires and conducting interviews with selected informants. Also second hand information was obtained from Secondary sources of data collection which consist mostly of review and researchers of relevant literature and publications as well as internet searches through appropriate websites.

3.6 Validity and Reliability

The validity of an instrument is acceptable if it produces data (Smyth, 1993). This is the ability of the tool to measure the different variable and how they interact and influence each other. The researcher sought the opinion of his supervisors on the validity of the questionnaires. This includes the question format, type and ability of the questionnaire to capture on the required data.

The process enhanced correction of questionnaire so as to make them effective in the research process a pilot study was conducted by the researcher to measure consistency of variables. On the other hand, reliability is the hand; reliability is the degree of consistency between two measures of the variables. An instrument in said to be reliable if it measures what was supposed to measure (Philip and Pugh, 1994). Reliability was achieved by using the right source of data, proper methods, and also accuracy of data to achieve the set objective. Reliability was tested through using test retest technique which involves administering the same instrument twice to the same group of subject, by use of split half where there is use of one testing session to eliminate chance of error. Internal consistency technique was used since it is determined by scores obtained from a single test administered by the researcher.

Lastly the use of equivalent form technique was used to determine the reliability of standardized test data such as intelligence, Achievement among others, therefore an instrument was reliable if it provides consistent results due to stability and equivalence aspect by Crombach alpa tests.

3.6.1. Reliability

The reliability of an instrument refers to the consistency with which it measures a construct. Generally, in this study Cronbach's alpha was employed to test the internal consistency of an instrument (Cronbach, 1951).This study utilized the technique of Cronbach's alpha and Communality in Factor analysis to extract the factor loading at level 0.5 , the reliability of the questionnaires for : Enterprise Profile, Enterprise Venture Creation, Social Network Intensity, Utilization of Network resources, Competences and Technological was evaluated by calculating the Cronbach's alpha scores for all the variables. The higher the Alpha is, the more reliable the test.

Generally, according to this study the cut-off was traced from Nunnally (1978) who argues that 0.7 and above is acceptable. In this phase, to improve the overall reliability, the Cronbach's Alpha should be above 0.7 or otherwise the Item was deleted. According to Keiser (1988), KMO should be 0.5 for each of the variables in this phase of the study after refinement of the items. The findings show the success variables were reliable with internal consistency values ranging from (Cronbach's Alpha .78 to .971 and for KMO .069 to .0.90).

Table 3.2: Internal consistency of the survey instrument

Variables	No. of items	Cronbach's Alpha	Factor Loading
Enterprise Profile	9	0.88	0.70
Enterprise Venture Creation	16	0.91	0.88
Social Network Intensity	12	0.78	0.69
Utilization of Network resources	14	0.89	0.81
Competences	9	0.971	0.90
Technological	10	0.86	8.00

3.6.2 Validity

To confirm the construct validity, the measurement was assessed through convergent and discriminant validity. Convergent validity is shown when items that are used to measure the same variable correlate highly with one another. Discriminant validity is shown when items correlate more highly with items intended to measure the same variable than with items used to measure a different variable.

In this study, exploratory factor analysis was performed to assess the convergent and discriminant validity. The factor analysis was performed on Part 2 of the questionnaire that measure the: Enterprise profile, enterprise venture creation, social network intensity, utilization of network resources, competences and technological aspects. External factors that impact the success of SMEs with the exclusion of the items with low internal consistency. Thus, 48 items were subjected to the factor analysis using the principal component analysis as the extraction technique and varimax with Kaiser Normalization as the rotation and varimax rotation with 14 factors specified and significant factor loadings emphasized. Steenkamp & van Trijp (1991) argued that substantial and statistically significant factor loadings signify the existence of convergence validity with the recommended value of > .50 (Hildebrandt, 1987). Thus,

the appendix confirms the convergent validity of all the constructs by showing that all of the items loading were significant and well above the acceptable cut-off-point of > .50. An average of KMO= 0.91 was achieved. Confirmatory factor analysis revealed that items on the final version of the scale loaded highly, with higher, responded highly with a strong and high significance.

Results for Validity

Results that confirmed the construct validity whose measurement was assessed through convergent and discriminant validity. Factor loading posted by variable indicated that variables enterprise venture creation had FL 0.88 and competences had FL 0.9 hence results indicate that they were the highest in terms of convergent and discriminant validity sine the exploratory factor analysis was employed to assess the convergent and discriminant validity.

3.7 Response Rate

Out of 114 questionnaires which had been administered to the interviewees, 88 of them were returned for analysis. This translates to 77 per cent return rate of the respondents. Overall, the response rate can be considered to have been very high as shown in Table 4. According to Mugenda and Mugenda (2003) a 50% response rate is adequate, 60% good and above 70% rated very good. This also corroborates Bailey (2000) assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. This implies that based on this assertion; the response rate in this case of 77% is good.

3.8 Pilot Study

The study was carried out through a purpose sampling of the small enterprises, owners in Eldoret town among the mitumba product sellers. The study aimed at testing the research instruments to be used as well as the research questions to determine whether they would help the study achieve the objectives. The pilot study will serve to measure tests for validity and reliability; the study will measure consistency among other variables.

3.9 Data Analysis

The data obtained from questionnaires and interviews was condensed into manageable groups and tactile for further analysis. The data was checked, tabulated, and classified for ease of analysis, in order to make the findings more meaningfully understood descriptive statistics such as statistical averages and measures of central tendency was used to determine and present the results. The descriptive analysis will aim at describing how the Entrepreneurial network determines the Entrepreneurial outcomes. The findings will then be presented using frequency tactile and charts and tabular approach. Descriptive statistics uses charts and tables to summarize data. Graphs such as histogram, bar graphs and pie charts are examples of descriptive statistics.

Classifying the raw data into some purposeful and usage categories operation is usually done at this stage through which the categories of data are transformed into symbols that may be tabulated and counted. Also editing is the procedure that improves the quality of the data for coding with coding the stage is ready for tabulation. Tabulation is a past of the technical procedure wherein the classified data are put in the form of tables. A great deal of data especially in large inquiries, was tabulated by computers not only save time but also make it possible to study large

number of variables effecting the problem of the study simultaneously. Also by use of inferential statistics since it concerned with determining how likely it is for the results obtained from a sample to be similar to results expected from the entire population. Inferential statistics aim to draw conclusions about additional population outside data set or the researcher sample.

The researcher intends to use two forms; one was estimation statistics where estimating information based on sample data. Secondly, by use of hypothesis testing where it is a way of conclusions about population parameters that includes full population and not a sample, such testing includes chi-square which tests whether a mean is true or not. The researcher intends to use this method because it makes inferences about a population using drawn data instead of the entire data. Examples of inferences statistics are probability distribution, hypothesis testing, correlation, and regression analysis.

3.10 Ethical Issues

The researcher had to be honest in his work. The research data was used by the researcher in answering the research questions and no publication was done without a notification from the parties involved. The participants were also be informed before collecting any data from them. Another ethical issue was that the researcher ensured that no manipulation of data to arrive at the desired results, since the researcher would have done honest work to avoid academic fraud. The researcher did honesty work in undertaking and presenting the results of the study.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATIONS AND INTERPRETATIONS

4.1 Introduction

The methodology to collect data for this research was described in the previous chapter. The data collected included both quantitative and qualitative data. This chapter aims to report the empirical research results of the quantitative data analysis. The analysis of data of the quantitative phase aimed in answering the research objectives. This chapter begins with a preliminary examination of the data by describing the process involved in data cleaning and screening, data classification, response rate and non-response bias analysis. The chapter then proceeds to address the first research objective by reporting descriptive statistics and inferential statistics. Subsequently, the chapter tests and discusses the research hypotheses using the inferential regression analysis test and provides a summary of the results. Finally, responses to the open ended questions of the parts of the questionnaire were analysed and discussed.

4.2 Respondents Demographic Characteristics

These part looks at the respondent's age categories, marital status, level of education, ownership of the business and experience.

iv.2.1 *Respondents Age Categories*

iv.2.2

The results on the age categories of the respondents as seen in Table 4.1. The results show that twenty (20) respondents representing 27% of the sample size were in the

age group of 18-30 years, 32 respondents representing 43% were in the age group of 31-40 years, fourteen respondents representing 19% were in the age group of 41-50 years while 8 respondents representing 11% were in the age group of above 50 years. Arising from these results, the, majority (43) of the respondents were in the age group of 31-40years. It therefore shows that most enterprisers fall between 31/40 are engaged in business activities ,this shows that due to lack of employment most young people engage in business as a life time profession. Also above the age of 50 years it recorded the least percentage among the respondents, due most of the people at the of 50 years opt to retire than to engage in business activities and those below 30 years are either in school/college/or university pursuing their careers or they were still unemployed.

4.2.2 Marital status

The results on the marital status of the majority of the respondents as seen in Table 4.1 shows that (72%, 53) were married while 28%, 21 of the respondents were single. The meaning is that married people seriously engage in business because others push them to start ventures creation unlike those respondents who are single.

4.2.3 Level of Education

The results on the level of education of the respondents shows that four (4) respondents representing 6% of the sample size had no educational qualification, 20 respondents representing 27% were primary school leavers, 38 respondents representing 51% were Secondary school leavers, 9 respondents representing 12% were ND/NCE holders, while three (3) respondents representing 4% of the sample size were first degree holders & above. Thus, majority of the respondents were

Secondary school leavers. Looking at the Table 1, we can see that Twenty-one (21) respondents representing 28% have been on the job for a period of 2-3 years, 28 respondents representing 38% of the sample. Study by Barley (1991). Extensive network are likely to be composed of diverse members who have various educational and professional backgrounds. These network members generate diverse resources such as financial capital, supplies, customers and new technology. The variety of resources enables entrepreneurs to create capabilities that help new business firms to develop a competitive advantage, which in turn increases the performance of new companies [Sirmon, Hitt and Ireland, 2007]. In January 2008, United States government set up a president advisory council tasked to improve financial education in all levels of the economy, study by Hilgert and Hogarth [2003] a compelling body of evidence demonstrates a strong association between enterprise profile and entrepreneurs' success. Survey after survey shows SMEs that are run by financial literate entrepreneurs have a higher chance of being more successful than illiterate counterparts, therefore this study agrees on the fact those who have attained secondary school level are more engaged in business than those who never reached form four.

4.1.4 Ownership of business

The results on the ownership of business shows that majority of respondents (66%) came from parents who did own a business. This suggests that the parents may have a significant influence on the choice of their children career. This suggests that entrepreneur background is a big determinant of enterprise venture creation, since this type of network fall under personal networks that includes family members. Entrepreneurial personal network can be social or informal, these include group of

individual who gave psychological support to an entrepreneur, they include parents, children, and aunts who give moral support to the network. The entrepreneur personal network has been defined as the relationship or alliances which individual develop or may seek to develop, between them and others (Carson et al., 1995). This research further shows that family /friends shared the largest part of the social network of the group studied, which was also found in work of Coleman (1988) that “women Enterprise s’ Enterprise venture creation are often dense with ties of kin and friends in closed circles, while dense or closed networks may provide greater support.

4.1.4 Experience

All respondents claimed to have previous work experience, of which more than half (67%) had between 2 and 20 years of experience. A substantial number (19%) had more than 20 years’ experience and only 14% had less than 2 years’ experience. Of the respondents, three quarters (76%) of respondents had experience relevant to the business, whereas, a small number (14%) claimed that their experience was not relevant to their business.

The study sought to establish how long the respondents had been working at their respective organizations to ascertain to what extent their responses could be relied upon to make conclusions for the study based on experience. From the study findings as indicated in Figure 6, majority (42%) indicated that they had been working at their respective organizations for a period between 1-5 years, 31% indicated they had been working for 5-10 years, 23% for less than 1 year a few (4%) indicated they had been working for a period more that 10 years. It can be noted that the 31% of the respondents were mostly senior officers and managers who had attributed that they

had got promotions to senior ranks after working for over five years and had furthered their studies which was a factor promoting the rise in ranks. The 23% of the respondents who had worked for less than a year were procurement officers who had modern IT skills which facilitated efficiency in e-procurement. It can be asserted that employee retention in the manufacturing organizations was poor as only 4% of the respondents had worked over 10 years.

4.2 Enterprise Profile

The survey also captured information about the respondents' Mitumba Enterprise. The variables for which data was obtained are: legal status, size of the business, age of the business, location of the business, activity of the business and description of the business. The demographic characteristics of the Mitumba Enterprise were analysed by calculating the frequency distributions for all cases in this research study and were summarized. The majority of the Mitumba Enterprise (84%) were constituted as private limited companies, while only a small number were constituted as public limited companies and sole traders with percentages of 9% and 7% respectively.

More than half of the Mitumba Enterprise (60%) were in the textile and leather industries. A substantial number (23%) was in the chemical industry and only small numbers (9%, 6% and 2%) were in the electrical & electronic, food processing and metal & engineering industries respectively.

Almost half of Mitumba Enterprise (46%) were located in the industrial zone, over a third (35%) in the new medina, 10% in the suburb and 9% in the old medina. Over three quarters of the respondents reported family ownership of their Mitumba

Enterprise. While over half (58%) of the Mitumba Enterprise were wholly family owned, approximately a quarter (23%) of them were partly family owned. Only a substantial number (19%) of Mitumba Enterprise were owned independently of other family members. Interestingly, these findings suggest the concept of familism that characterizes Moroccan society.

Approximately all Mitumba Enterprise (91%) have been in operation for more than 5 years, while only 8 Mitumba Enterprise (9%) have been in operation between 3 and 5 years. Over half of the Mitumba Enterprise (56%) employ between 11 and 50 employees. The remaining percentage was shared on nearly an equal basis with 24% of Mitumba Enterprise employing between 51 and 100 employees, and 20% of those employing between 101 and 200 employees. Study by (Westhead and Wright, 1998) established that the dominant element of these profiles relates to entrepreneurial capability. At the outset, we recognise that capability is largely an unobservable profile: indeed, a key feature of the model is that it is designed to control for selection on unobservable profiles.

Table 4. 1: Level of IT Infrastructure Vs Moderating Variables

	Model	Unstandardized Coefficients B	Standardized Coefficients Beta	Sig.	Collinearity Statistics Tolerance	VIF
M & LOIT	(Constant)	4.565		.000		
	LOIT	.324	.083	.359	.338	2.956
	Gender	.214	.084	.432	.729	1.877
	Age	-.080	-.169	.528	.965	2.037

Dependent Variable: Intention To Use

4.3 Utilization of Network Resources

The results on the utilization of network resources shows a positive and significant association ($p<0.0144$) was found with utilization of network resources as a predictor of Mitumba enterprise outcomes (MEO), this potentially supporting the conception of entrepreneurship as a potentially in women Enterprisers, the how perspective of entrepreneurship (Stevenson and Jarillo, 1990). This was a key argument of this work: that an MEO and entrepreneurial performance, is associated with network resources that can be operated. Information is a major resource for both men and women entrepreneurs to connect to marketplaces, suppliers, customers, technology, and networking have appeared as valuable policy for contributing assistance to female entrepreneurs (Frazier and Niehm, 2004). Entrepreneurial process involves gathering of scarce resources from external environment. Entrepreneurs usually obtain these resources through their networks (Dodd, et al., 2002). Existing literature suggests that networks of entrepreneurs are really an opportunity set, which helps entrepreneurs to access both tangible and intangible resources. The networking consisting of family and friends tend to move in the same circles as the entrepreneur, these resources may not offer much beyond the entrepreneur’s own scope; they may not be adequately diverse in nature (Anderson et al., 2005).

Aldrich and Zimmer (1986) suggested a new approach which they termed "Networks Approach to Entrepreneurship. They built their suggestion on resource dependence theory and illustrate the reason why certain entrepreneurs are more successful than others in starting up and continuing their Mitumba Enterprise. The networks approach to entrepreneurship is mainly based on the ground that entrepreneurs build relations

with the external environment, and thereby have access to different information, in order to define potential business opportunities, and obtain required resources to start-up and continue their Mitumba Enterprise successfully. They get support, knowledge, and access to distribution channels through their social networks. Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that sustain a new firm (Hansen, 1995). Information is a major resource for both men and women entrepreneurs to connect to marketplaces, suppliers, customers, technology, and networking have appeared as valuable policy for contributing assistance to female entrepreneurs (Frazier and Niehm, 2004). Entrepreneurial process involves gathering of scarce resources from external environment. Entrepreneurs usually obtain these resources through their networks (Dodd, et al., 2002). Existing literature suggests that networks of entrepreneurs are really an opportunity set, which helps entrepreneurs to access both tangible and intangible resources. The networking consisting of family and friends tend to move in the same circles as the entrepreneur, these resources may not offer much beyond the entrepreneur's own scope; they may not be adequately diverse in nature (Anderson et al., 2005).

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up and continue their Mitumba Enterprise successfully. They get support, knowledge, and access to distribution channels through their social networks. Entrepreneurs are also linked to people and organizations that interact among themselves and these contacts can widen the availability of resources that sustain a new firm (Hansen, 1995).

Gulati (2007) and Nohria and Eccles (1991) have argued that firms are able to leverage valuable resources of information and capital through networks. Such resources lie within the social network and take together the resources that constitute the network resources.

iv.3 Entrepreneurial Outcomes

The results on the entrepreneurial outcomes, Entrepreneurship has been of great interest to many scholar, business specialists, governments, and policy makers. One of the main reasons for this interest is that, entrepreneurship is regarded as an instrument to a nation's economic growth and development since it generates both employment and wealth for the country. Thus entrepreneurs are seen as the source of industrial development and greater employment opportunities. Entrepreneurship leads to higher income, higher standards of living, higher individual savings, and higher revenue to the government. Entrepreneurs have changed the outlook of trade and markets, through new commodities, services and provide ways to innovation and creativeness.
The increasing use of networks for SMEs has been reported as a factor influential in the developmental process of entrepreneurial activity (Baines & Wheelock, 1998). A careful review of the related literature on the subject of entrepreneurial networks revealed that the most cited entrepreneurial network types are: institutional networks;

business networks; social network; Informational networks; scientific and technical networks; profession networks; user networks; friendship networks; and recreation networks (OECD, 2000).

iv.4 Testing of Hypotheses

Hypothesis ($H0_1$): Enterprise Profile has no influence on Mitumba Entrepreneurial outcomes

The hypothesis was tested and it yielded results as shown in Table 4.2. The results indicate that Enterprise profile has significant (.004), since $P < 0.05$ it was evident that Enterprise profile has influence on Mitumba Entrepreneurial outcomes, though a weak significant. This study also tested for multicollinearity statistics tolerance by means of Variance Inflation Factor, its results show that the Variance Inflation Factor (VIF) is not greater than 2, hence not problematic.

In this study the finding indicate high support for enterprise profile since it is conceived in the context of actions such as providing ways for innovators to stay with and share their ideas in the organizations, encouraging entrepreneurial thinking, evolving quick and informal ways of accessing resources to try new ideas; and developing ways to manage many small and experimental innovations. “In the early stages, all innovations are defined by uncertainty. “If no uncertainty exists, then an organization is simply not innovating” (Wolcott &Lippitz, 2007, p.82).Consequently.

Table 4. 2: Mitumba Entrepreneurial outcomes and Enterprise Profile

	Model	Unstandardized Coefficients	Standardized Coefficients	Sig	Collinearity Statistics	
		B	Beta		Tolerance	VIF
EP	(Constant)	4.565		.000		
	Enterprise Profile	-.240	-.312	.004	.450	1.651

Dependent Variable: Mitumba Enterprise Outcome

In a similar Study done by Bhide (2000), highlights the causes of profile differences between entrepreneurs who have a higher versus lower propensity to write business plans. He notes that it is difficult to gauge which group are likely to have the more able/productive entrepreneurial profile. More so in his study he argues that an enterprise was able entrepreneurs may feel that writing a business plan is a poor use of time since they can effectively convince investors (who frequently claim to invest in people over ideas) and banks to finance their business without a business plan. Likewise, they may be able to devise an effective vision, strategy and method of implementation for their venture without having to write it up as a business plan. If this was the only consideration then one would expect the profile of ventures without a business plan to be more promising from a performance point of view.

Given that banks prefer low risk ventures, they screen ventures in order to distinguish between high and low risk borrowers so that the profile of ventures who borrow from banks is likely to be of lower risk (Parker, 2003). If business plans are an effective means of enabling banks to screen ventures in order to select less risky borrowers, then it is possible that among new ventures who borrow from banks, that those who write business plans differ in their performance from those who do not simply because their profile is different.

Study done by Westhead and Wright, (1998) established that the dominant element of these profiles relates to entrepreneurial capability. At the outset, we recognise that capability is largely an unobservable profile: indeed, a key feature of the model is that it is designed to control for selection on unobservable profiles. However, our data-set includes some variables which are related to capability and generally as human capital to the entrepreneur among them are serial, or portfolio entrepreneur. We measure serial entrepreneurship by asking respondents: ‘Had you been in business before as an owner?’ (Yes=1, no=0) and portfolio entrepreneurship by asking: ‘Is the founder currently a Director or owner of any business other than this one?’ (Yes=1, no=0).

4.5.1 Hypothesis (H02): Enterprise Venture creation, has no influence on Mitumba Enterprise Outcome

This study established findings and yielded the results as indicated on (Table 4.3). The Enterprise Venture creation posted (sig 0.359), since P > 0.05 which means that the Level of Enterprise Venture creation has no influence on Mitumba Enterprise Outcome. In this case it does not support Mitumba Enterprise Outcome.

Table 4. 3: Mitumba Entrepreneurial outcomes Vs Enterprise Venture creation

	Model	Unstandardized Coefficients	Standardized Coefficients	Sig	Collinearity Statistics	
		B	Beta		Tolerance	VIF
	(Constant)	4.565		.000		
EVC	Enterprise Venture Creation	.324	.083	.359	.338	2.956

Dependent Variable: Mitumba Enterprise Outcome

Study on test of hypothesis done ,by Amit et al., (1995) examined data on 55,434 people from the 1988-1990 Labor Market Activity Survey in Canada, which include people between the ages of 16 and 69. They found a negative, but statistically significant, regression coefficient 0.23 on Enterprise Venture creation. Evans and Leighton (1989) examined data on 2,731 woman enterprises from the U.S. National Longitudinal Survey. The results for Venture creation showed overall negative regression coefficients (e.g., β = -0.51, .26), generally found to be statistically significant, but in some instances findings were non-significant, depending on what other variables were controlled for.

Mesch and Czamanski (1997) used data including Russia SMEs. Their results produced a negative coefficient, on Venture creation but results differed across subgroups (i.e., β = -0.499 for those who make less than $600, and β = -0.199 for those who made $600- $1500, but neither showed statistically significant results). Johansson (2000) examined Finnish data for 103,482 people aged 18 to 65 for the time period 1987 to 1994. This study also produced a negative coefficient between income and entrepreneurial activity, β = 0.042, which was not statistically significant.

Similar study done by Gibb (2010) did a founding on Mitumba Entrepreneurial outcomes and established that current entrepreneurship involves more than business start-up, and that it also includes the development of skills to grow a business, together with the personal competencies to make it a success. Gibb noted that while the entrepreneurial role can be both culturally and experimentally acquired, it is consistently being influenced by education and training.

Drucker (1985) argues that entrepreneurship is a practice and that “most of what you hear about entrepreneurship is all wrong. It’s not magic; it’s not mysterious; and it has nothing to do with genes. It’s a discipline and, like any discipline, it can be learned.” If one agrees with Drucker’s concept of entrepreneurship, then it follows that education and training can play a key role in its development. In a traditional understanding, entrepreneurship was strongly associated with the venture creation therefore it was argued that the skills required to achieve this outcome could be developed through training. More recently entrepreneurship is being viewed as a way of thinking and behaving that is relevant to all parts of society and the economy, and such an understanding of entrepreneurship now requires a different approach to training.

Study done by Robinson et al. (1991), after testing argued to be positively related to the likelihood of new venture creation, whereas agreeableness (Brodsky, 1993) is argued to be negatively related to the likelihood of new venture creation in entrepreneurship. Of these factors, only need for achievement, risk-taking propensity, and locus of control of the individual in question seem to be the most salient traits that are used to distinguish entrepreneurs from non entrepreneurs (Shane, 2003).

The results in this study was consistent with many studies, for instance in the work of Martinez and Aldrich (2011), they reported that diverse networks have an influence in entrepreneurial outcomes like survival and profitability. In addition, the study of Littunen and Niittykangas (2010) revealed that the use of Enterprise venture creation has a positive effect on firms' high growth in the metal industry. Also, Chattopadhyay (2008) studied the pattern of Enterprise venture creation in relation with entrepreneurial success and the study concluded that entrepreneurial venture creation is the powerful determinant of entrepreneurial success.

This research further shows that family /friends shared the largest part of the social network of the group studied, which was also found in work of Coleman (1988) that "women Enterprise s' Enterprise venture creation are often dense with ties of kin and friends in closed circles, while dense or closed networks may provide greater support".

*4.5.2 Hypothesis (H03): Social Network Intensity has no Influence on Mitumba **Enterprise Outcome***

This study tested the Hypothesis and the results are shown in Table 4.4. The results indicate that Social Network Intensity gave the significant of 0.000 since $P < 0.05$, the null hypothesis on Social Network Intensity is rejected; indicating Social network Intensity supports Mitumba Enterprise Outcome.

Table 4. 4: Mitumba Entrepreneurial outcomes Vs Social network Intensity

	Variables	Sig	Collinearity Statistics	
			Tolerance	VIF
M	Social network Intensity (INI)	.000	.938	1.756

Dependent Variable: Mitumba Enterprise Outcome

Study done by Baron and Kenny (1986) examining whether entrepreneurial output mediates the relationship between Social network Intensity and Enterprise Outcome. Regressing Mitumba Entrepreneurial outcomes on Social network Intensity results in a regression coefficient of β = .50. When entrepreneurial orientation is added to the model, the regression coefficient for Relationship between Social network Intensity and Enterprise Outcome Drops to β = .29, suggesting partial mediation of the relationship. This relationship is depicted in. regressing Mitumba entrepreneurial outcomes on proactiveness, the regression coefficient is β = .31.

Similar study done by Kyrö & Carrier, (2005) found out that when network Intensity is added to the model, the regression coefficient for Proactiveness is β = .12, suggesting a partial mediation on the relationship. Regressing Mitumba Entrepreneurial outcomes on need for achievement, the regression coefficient is β = . 21. When entrepreneurial orientation is added to the model, the regression coefficient for need for achievement is β = .04, which is much smaller than β = .21, suggesting almost full mediation of the relationship.

A positive association was yielded between Social network Intensity and Mitumba Enterprise Outcomes. This finding was taken to support the contention of Jarillo

(1990) that the “how” of entrepreneurship can be learned, to the extent that EO could be regarded as the how of entrepreneurship and that the association with training courses represented the net results of a learning effect.

Generally, this research established that the positive effects of Social network Intensity on the business growth of an entrepreneur, especially for Mitumba Enterprise Outcomes in Mombasa. This result is consistent with many studies, for instance in the work of Martinez and Aldrich (2011), they reported that diverse network Intensity have an influence in entrepreneurial outcomes like survival and profitability. In addition, the study of Littunen and Niittykangas (2010) revealed that the use of Social network Intensity has a positive effect on firms’ high growth in the Mitumba Enterprise Outcomes.

Study by Chattopadhyay (2008) studied the pattern of social networking in relation with entrepreneurial success and the study concluded that entrepreneurial social networking is the powerful determinant of entrepreneurial success. This research further shows that family /friends shared the largest part of the social network of the group studied, which was also found in work of Coleman (1988) that “Social network Intensity are often dense with ties of kin and friends in closed circles, while dense or closed networks may provide greater support”.

After a successful test, on Social network Intensity Krueger et al. (2000) considered the decision to become an entrepreneur predictor in their finding, entrepreneurship was viewed as a process that occurs over time (Gartner et al., 1994; Kyrö& Carrier,

2005). In this sense, entrepreneurial intent would be a necessary step in the evolving and –sometimes- long-term process of Social network Intensity (Lee & Wong, 2004). The intent to start up, then, would be a previous and determinant element towards performing entrepreneurial behaviors (Kolvereid, 1996; Fayolle & Gailly, 2004).

Katz and Gartner (1986) believed that intent includes a Social network Intensity: the entrepreneur's intention (internal locus) and intentions of other stakeholders, markets, and Social network Intensity. Bird (1988) proposed another dimension of entrepreneurial intention: that of rationality versus intuition. According to Bird (1988), entrepreneurial intent determines the form and direction of an organization at its inception, when everything is still in its formative stage, when the influences of external stakeholders, corporate structure.

Extensive networks are likely to be composed of diverse members who have various educational and professional backgrounds. These network members generate diverse resources such as financial capital, supplies, customers and new technology. Large networks enable entrepreneurs to assemble diverse resources, some of which may be rare and unique (Barney, 1991). The variety of resources enables entrepreneurs to create capabilities that help new business firms to develop a competitive advantage, which in turn increases the performance of new companies (Sirmon, Hitt and Ireland, 2007). Research suggests that potential entrepreneurs not only discuss their ideas about starting new ventures with their family members, close friends and colleagues, but also receive emotional support in return (Reynolds and White, 1997). Such

emotional support enhances the motivation and determination of entrepreneurs to build successful firms.

4.5.3 Hypothesis (H04): Utilization of Network resources has no influence on Mitumba Enterprise Outcome

The test of hypothesis for Utilization of Network resources was done and its results was indicated on (Table 4.5). Results achieved show that Utilization of Network resources was significant(0.02), since P > 0.05, the null hypothesis that Utilization of Network resources has no influence on Mitumba Entrepreneurial outcomes is rejected. Utilization of Network resources supports Mitumba Enterprise Outcome.

Table 4.5: Mitumba Entrepreneurial outcomes Vs Utilization of Network resources

	Variables	Un standardized Coefficient	Standardized Coefficient	Sig	Collinearity Statistics	
		5.144		.000	Tolerance	VIF
UNR	Utilization of Network Resources	.175	.115	.002	.895	1.118

Dependent Variable: Mitumba Enterprise Outcome

Study done on Hypothesis 4 was related to the testing of differences between successful and less successful entrepreneurs in relation to the self-reported gender of the entrepreneur. At a significance level of 5%, the Mann-Whitney test showed no significant differences between the two groups (p=.066 > 0.05). This finding could be

due to the fact that because the majority of respondents were from the male gender, a fair comparison was not possible between the two groups. In view of this, the null hypothesis 4 was accepted.

Similar study done by World Bank (2005); ILO (2003); Samiti (2006); Tan (2000) and SMIDEC (2004) its finding showed that women entrepreneurs in MSEs are affected by a number of Network resources, social/cultures and legal/administrative factors. Some of the findings of this study go in line with these and some others go against. World Bank further indicated that a positive association was found between MEO and Network resources. This finding was taken to support the contention of Stevenson and Jarillo (1990) that the “how” of entrepreneurship can be learned, to the extent that MEO could be regarded as the how of entrepreneurship and that the association with training courses represented the net results of a learning effect.

Finding by ILO (2003), indicated that the training courses attended by participants since entry into the business were found to have a positive and significant ($p<0.0385$) association as a predictor of total MEO. This might indicate that the postulated potential positive effects of a higher MEO might be accessible through access to training courses. If this were the case, then this would be a factor that could contribute to the shaping of an individual’s MEO. Training courses were therefore found to potentially enable entrepreneurial behaviour, or potentially enable an individual enterprise outcome.

Tan (2000) and SMIDEC (2004) in their study they established that the performance of women entrepreneurs in MSEs in Dessie town are highly affected by Network

resources factors , financial problems, stiff competition in the market, inadequate access to trainings, lack of technology and raw material. In contrast to the findings of World Bank, ILO Samiti, Tan and Smidec, in this study found that infrastructures and access to information are not problems of women entrepreneurs in MSEs in Mombasa city. This may be attributed to different reasons. First, since the study is conducted in Mombasa city, these problems may not be observed as compared to women entrepreneurs in rural areas. Secondly, since the studies were done some years before, certain changes may be seen in between.

iv.5 Multicollinearity statistics tolerance for Mitumba Enterprise Outcomes Predictors

This study also tested the Multicollinearity statistics tolerance (MST), its results are indicated on (Table 4.6) for all the four constructs: Enterprise profile, Venture creation, Social network Intensity and utilization of Network resources. Results indicate that they are larger than 0.10, Enterprise profile (MST 0.895) with significance of (.002), $p<0.005$, Venture creation (MST 0.891) sig (.001) $p<0.005$, network Intensity (MST 0.891) sig (.002) $p<0.005$ and utilization of Network resources (MST 0.994) sig (.003), gives the intercept term and the regression coefficients ($b = 4.144$) for each explanatory variable.

All the same, considering the significance posted by each the four predictors of Mitumba Enterprise Outcomes (MEO), the null hypotheses was rejected for all predictor, indicating that the alternate hypothesis was approved. Also results indicate that there is a strong statistical influence for Enterprise profile, Venture creation, Social network Intensity and utilization of Network resources on Mitumba Enterprise Outcomes (MEO) in SMEs.

Research done by Manchanda and Saurabh (2014), differ with results achieved by this study, it established that there is no significant relationship between system quality and system use, whose null hypothesis was accepted. So the study indicated that system quality did not influence system use. Further results by Manchanda and Saurabh established that there exists a significant direct association between system quality and user satisfaction of decision support system in the SMEs. The results on this study support studies on systems on quality that positively influence the user satisfaction with decision support system in the use of IFMIS.

Similar result was seen to be consistent with many studies, for instance in the work of Martinez and Aldrich (2011), they reported that Enterprise profile, Venture creation, Social network Intensity have an influence in entrepreneurial outcomes like survival and profitability. In addition, the study of Littunen and Niittykangas (2010) revealed that the use of Venture creation, and Social network Intensity has a positive effect on firms' high growth in the metal industry. Also, Chattopadhyay (2008) studied the pattern of social networking in relation with entrepreneurial success and the study concluded that entrepreneurial social networking is the powerful determinant of entrepreneurial success.

This study further shows that family /friends shared the largest part of Social network Intensity of the group studied, which was also found in work of Coleman (1988) that "women entrepreneurs' networks are often dense with ties of kin and friends in closed circles, while dense or closed networks may provide greater support". Enterprise profile, Venture creation, Social network Intensity and Utilization of Network resources.

Table 4. 6: Mitumba Entrepreneurial outcomes Vs EP, VC, INI and UNR

	Variables	Unstandardized Coefficient	Standardized Coefficient	Sig	Collinearity Statistics	
		5.144		.000	Tolerance	VIF
EP	Enterprise profile,	.175	.115	.002	.895	1.118
VC	Venture creation	.318	-.021	.001	.891	1.122
INI	Social network Intensity	.438	-.012	.003	.604	1.006
UNR	Utilization of Network Resources	.338	-.022	.001	.904	1.106

Dependent Variable: Mitumba Enterprise Outcome

iv.6 Analysis by Multiple Regression Analysis

This study employed multiple regression analysis, the results yielded were posted on Table 4. 7. Enterprise profile, Enterprise Venture creation, Social network Intensity and utilization of Network resources on Mitumba Enterprise Outcomes (MEO). The constructed utilized the technique of regression analysis and findings helped the author in extracting, the regression model as shown on equation below.

$$y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

y = MEO, X_1= ***EP*** , X_2=***EVC*** , X_3=***INI***, X_4=***UNR***,

$$\boldsymbol{Y = \alpha + x_1(EP) + x_2(EVC) + x_3(INI) + x_4(UNR) + e}$$

Where:

Y' = A predicted value of Y (which is dependant variable).

α = The value of Y when X is equal to zero. This is also called the "Y Intercept".

β = The change in Y for each 1 increment change in X. (X1 X2) = an X score on independent variable for which the study is trying to predict a value of Y.

e = Residual or error terms (represent by e)

Y = Mitumba Enterprise Outcomes (MEO)

EP = Enterprise Profile

EVC = Enterprise Venture creation

INI = Social network Intensity

UNR = Utilization of Network Resources

Replacing path coefficients in the equation below:

y = IFMIS use, α = (7.759), *EP* = (.318), *EVC* = (.708), (*INI)* = (.142), (*UNR*) = (.241)

Therefore Equation for the Model:

y = 7.759 + 0.318 (EP) + 0.708 (*EVC*) + 0.142 (*INI*) + 0.241(*UNR*)

From the result in (Table 4.7), holding all independent variables constant on Enterprise Outcomes of Female Enterprisers in Mombasa, a unit increase in Enterprise profile would cause a factor of 0.318 on Mitumba Enterprise Outcome, a unit increase in Enterprise Venture creation would cause an increase on Mitumba Entrepreneurial outcomes a factor of .708; a unit increase in Social network Intensity would cause an increase on Mitumba Entrepreneurial outcomes a factor of .142, finally unit increase in utilization of Network resources would cause an increase on Mitumba Entrepreneurial outcomes by a factor of .241.

Therefore, this study established that there was strong relationship between Mitumba Entrepreneurial outcomes and Enterprise Venture creation (.708,) with sig (.000), however, a weak relationship was established between Mitumba entrepreneurial outcomes and social network Intensity (0.142), sig (003 and lastly, the study found out

the a weak relationship was established between Mitumba Entrepreneurial outcomes and utilization of Network resources (0.241) with sig (.002).

Similar study done by Hartog et al., (2010) used the U.S. National Longitudinal Study of Youth to examine the effects of various personal characteristics among entrepreneurs, Enterprise profile, Enterprise Venture creation and Social network Intensity. They found that Social network Intensity appear to have a weak significant for Enterprise Outcomes, however Enterprise profile, Enterprise Venture creation are very important for Enterprise Outcomes with a strong positive significant. They also argued that general ability and balance across the various kinds of ability generate higher incomes for entrepreneurs. Caliendo et al., (2010) found that entrepreneurs with intermediate levels of Social network Intensity survive longer than entrepreneurs with very low levels of Social network Intensity. Fairlie and Holleran (2011) found that more Enterprise Venture creation preference for autonomy benefit more from business training.

Table 4. 7: Multiple Regression Model on Mitumba Entrepreneurial outcomes Vs EP, VC, INI and UNR

Model	Unstandardized Coefficients B	Standardized Coefficients Beta	T	Sig.
(Constant)	7.759		12.564	.000
EP	.318	.192	-1.711	.004
VC	.708	.694	-3.497	.000
INI	.142	.320	5.154	.002
UNR	.241	-.173	-2.041	.003

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter summarizes the main findings and to draw conclusions from the research. These findings are synthesized and contextualized in relation to the findings of previous research, as discussed in the literature review (Chapters 3 and 4). Next, this study's contributions to knowledge are highlighted and discussed and the limitations of the research acknowledged. Finally, the chapter draws on insights obtained from the research study to highlight the implications for practice, policy, and future research.

5.1 Respondents Social and Economic Factors

These part deals with summary of enterprise ownership, mitumba enterprise employees, annual turnover, enterprise profile, enterprise venture creation, social network intensity, and summary for utilization of network resource.

5.1.1 Enterprise ownership

While over half (58%) of networked through the friends, through family, approximately a quarter (23%) were partly family owned. Only a substantial number (19%) of Mitumba Enterprise were owned independently of other family members. Approximately all Mitumba Enterprise (91%) have been in operation for more than 5 years, while only 8 Mitumba Enterprise (9%) have been in operation between 3 and 5 years.

5.1.2 Mitumba Enterprise employees

Over half of the Mitumba Enterprise (56%) employ between 11 and 50 employees. The remaining percentage was shared on nearly an equal basis with 24% of Mitumba Enterprise employing between 51 and 100 employees, and 20% of those employing between 101 and 200 employees.

5.1.3 Summary for Enterprise profile

Results posted by Enterprise profile had weak significant of p = .004, however since P < 0.05 indicated that Enterprise profile has significant. It was evident that Enterprise profile has a weak influence on Mitumba Entrepreneurial outcomes .Results for multicollinearity statistics tolerance indicated that the Variance Inflation Factor (VIF) is not greater than 2, hence not problematic.

In this study the finding indicate low support for Enterprise profile ,such was proved by Wolcott &Lippitz, (2007, p.82) show that innovators stay with and share their ideas in the organizations, encouraging entrepreneurial thinking, evolving quick and informal ways of accessing resources to try new ideas; and developing ways to manage many small and experimental innovations. “In the early stages, all innovations are defined by uncertainty. “If no uncertainty exists, then an organization is simply not innovating”.

5.1.5 Summary for Enterprise Venture creation

This study results established that Enterprise Venture creation with a significant of 0.359, where P > 0.05 was not supportive. Such proved that the Level of Enterprise

Venture creation has no influence on Mitumba Enterprise Outcome. In this case it does not support Mitumba Enterprise Outcome. This result concur with the study done by Wolcott &Lippitz, (2007) though on the other hand differ with Hitt & Sirmon (2003). Which raised a question on every business executive's mind is how established organizations can build successful new Mitumba Enterprise on Enterprise Venture creation yet the road is littered with failures.

5.1.6 Summary for Social network Intensity

This study results established that Social network Intensity had very a strong positive significant of 0.000 with $P < 0.05$, the null hypothesis on Social network Intensity was rejected; indicating Social network Intensity supports Mitumba Enterprise Outcome. This also proved that it was a strong predictor of Mitumba Enterprise Outcome. Another similar test of hypothesis by a technique of Chi square by Uzzi (1997) in his results indicated that Social network intensity link actors in multiple ways: as business partners, friends, agents, mentors, providing a means by which resources from one in their find relationship can be engaged for another. This study differ with that of Ferland et al. *(*1996) in their research they refer link actors as external actors. The external networks of entrepreneurs have different functions For example, the external networks help to find new sources of resources (Cromie et al., 1994 and Joyce et al., 1995).

5.1.7 Summary for Utilization of Network resources

Results achieved show that Utilization of Network resources was significant(0.02), since $P > 0.05$, the null hypothesis that Utilization of Network resources has no

influence on Mitumba Entrepreneurial outcomes is rejected. Utilization of Network resources supports Mitumba Enterprise Outcome.

Similar study by Sandaran (2002), which employed a technique of regression analysis on network resources whose results indicated that the small entrepreneurs, who have supporting network resources, are more likely to receive financial support from formal sources it s results for network resources, yielded a probability of 0.015, p-value < 0.01). The probability of the similar entrepreneurs receiving finance from any sources is 0.00 (p-value < 0.01). They regarded the resource in the form of information, the small entrepreneurs with supporting network relations are significantly likely to obtain more information.

Entrepreneurial networks facilitate successful new start-ups by reducing the effects of contextual and process factors. Entrepreneurial personal networks enhance successful of Mitumba enterprise start-ups. The research design was descriptive survey design. Entrepreneurs operating small enterprises in the sector were the main target (228) SMEs sales representatives its duty was to ascertain the level of personal networks and its outcomes, population sampled to the size of 114 respondents using simple and stratified sampling technique, with the formula of Yemena. The study covered three months period in that it described the present situation of Entrepreneurial networks in the study area.

Data was collected by questionnaires from .Validity, reliability and pilot test was done where cronbach alpha> 0.7 was achieved. The p <0.05 was considered statistically significant. Finding show that the internal consistency of instruments was reliable,

were by the questionnaires for Enterprise Venture Creation posting $\alpha = 0.91$ and Social network $\alpha = 0.971$ hence yielded the highest alpha.

Enterprise Venture creation had sig 0.359 hence, was not supportive to Enterprise Outcome. Finding indicated that the: Level of Enterprise Venture creation ,Utilization of Network resources and Social network Intensity had very strong positive sig 0.000 Venture creation with a significant of 0.359, were strong predictors Mitumba Enterprise Outcome and hence supported the Mitumba Enterprise Outcome.

5.2 Conclusions

The study reviewed literature and identified three continuous latent variables: that determine the Mitumba Enterprise Outcome (women enterprisers) in Mombasa city, namely, Entrepreneurs Profile, Utilization of Network Resources and Social network Intensity. While Enterprise Venture creation has no support for Mitumba Enterprise Outcome. This study then operationalised these constructs using multiple measures as proxies and explored them on Kenyan sample.

The study established that there was a high entrepreneurial Profile which appeared to result high performance – entrepreneurial outcome. There was also a positive and significant relationship between each of the two variables and entrepreneurial outcome. However, the mean scores on a scale of one the four for all the constructs were only one implying that the disposition of the explored Mitumba female enterprisers in Mombasa city was strongly supported. Consequently, it is suggested that the Mitumba Enterprise Outcome of the firms comprising the four variables be improved in order to achieve better performance outcomes.

Further, the study developed a valid and reliable instrument to measure *support for innovation (Cronbach alpha, α =0.860*, the construct validity whose measurement was assessed through convergent and discriminant validity.

Factor loading posted by variable indicated that variables Enterprise Venture Creation had FL 0.88 and Competences had FL 0.9 hence results indicate that they were the highest in terms of convergent and discriminant validity sine the exploratory factor analysis was employed to assess the convergent and discriminant validity.

5.3 Recommendations for Further Research

Future research would also have to look at the capabilities of the Mitumba Enterprise Outcome in more detail such as expanding study areas. Examining a large number of companies and counties was a better approach to the future. In addition, although the findings of this study present rich insights with regards to Mitumba Enterprise Outcome can be overcome in future research by using more theories i.e Use three to four theories. Also examining wide areas of entrepreneurial activities. Also by integrating alternative more valid measures of network quality and identifying other variables that might be more relevant when examining these types of relationships

5.4 Study Contribution

More Contributions by this study is the utilization of a number of techniques applied in testing the Mitumba Enterprises outcome. Such techniques can be utilized by other scholars for example: Principal component analysis, Factor Loading, Kaiser Meyer Olkin (KMO), Chi square and regression analysis. This study developed a valid and reliable instrument to measure support for innovation (Cronbach Alpha 0.860) which

is a methodological contribution .Another contribution is examining entrepreneurial profile, networking and outcomes on collecting network tie strength data utilizing varying measurement method. Support for entrepreneurs to have large networking which increases the size of the firm integrating alternative more valid measures of network quality identify other variables that might be more relevant when examining these types of relationships.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE FOR WOMEN ENTREPRENEURS- MAIN STUDY

This questionnaire is designed to investigate “the influence of entrepreneurial networking, profile, and outcomes of women owned enterprises in Mombasa City.” The researcher kindly reminds the respondents (Women entrepreneurs in SMEs) that the response given by them will be used only as an input for the educational research work

SECTION A. Demographic Characteristics: Place TICK in the space provided at each question which reflects your answer

A1. What is your gender? Male _ Female _

A2. Which is your age bracket (Tick (√).

18 - 24 years _ 25 - 29years _

25 - 29years _ 30 - 39years _

40- 49 years _ 50 years and over _

A3. Level of education (Tick (√) ONLY one of the Box below to show your level of education)

A4. Work experience

a) Less than 1 years b). 1-5 years C). 6-10 years d). Greater than 10 years ı

B: To examine the effect of enterprise profile on Entrepreneurial outcomes. . Use a scale of 1 to 5; where 1 = Strongly Agree, 2 = Agree, 3= Disagree, 4 = Neutral and 5 = Strongly Disagree

	Variables	**SA**	**A**	**N**	**D**	**SD**
B1	Gained secrets from competitions in the network memberships					
B2	Formal agreements with other organisations					
B3	Brought into or accepted concept of cooperation among firms (even competitors) through a network					
B4	Increased your firms' credibility through association with the network					
B5	Shared specialty services or technologies with network member firms					
B6	Discussed common problems with network member firm					

C): To examine the effects of enterprise venture creation on Entrepreneurial outcomes. . Use a scale of 1 to 5; where 1 = Strongly Agree, 2 = Agree, 3= Disagree, 4 = Neutral and 5 = Strongly Disagree

	Variables	**SA**	**A**	**N**	**D**	**SD**
C1	I'm ready to make anything to be an entrepreneur					

C2	My professional goal is becoming an entrepreneur					
C3	I will make every effort to start and run my own firm					
C4	I'm determined to create a firm in the future					
C5	I have very seriously thought in starting a firm					
C6	I've got the firm intention to start a firm some day					
C7	5I have very seriously thought in starting a firm					

D: To analyze the influence of Social network contribution towards Entrepreneurial outcomes . Use a scale of 1 to 5; where 1 = Strongly Agree, 2 = Agree, 3= Disagree, 4 = Neutral and 5 = Strongly Disagree

NO	**Variable(Social network)**	**SA**	**A**	**N**	**D**	**SD**
D1	I have a better of social network acceptability					
D2	I have a better contacts(networks) with outsiders					
D3	I have no prejudice or class biases					
D4	The societies attitude towards my social network products/services is positive					
D5	I have no cultural network influences					
D6	The attitude links of other employees towards my business is good					

E: To find out how utilization of Network resources affects Entrepreneurial outcomes. Use a scale of 1 to 5; where 1 = Strongly Agree, 2 = Agree, 3= Disagree, 4 = Neutral and 5 = Strongly Disagree

No	Variable	**SA**	**A**	**N**	**D**	**SD**
E1	I have a network with different administrative bodies					
E2	My access to network Resources affects policy makers					
E3	Due to network Resources I have no legal, institutional and policy constraints					
E4	With links can borrow money even without titled assets as a collateral					
E5	Due to network I can share ,file, coordinate and store Resources					
E6	Due to network Resources Interest rate charged by					

	micro finances are minimized					

F: Mitumba Entrepreneurial outcomes. Use a scale of 1 to 5; where 1 = Strongly Agree, 2 = Agree, 3= Disagree, 4 = Neutral and 5 = Strongly Disagree

No	Variable (Mitumba Entrepreneurial outcomes)	SA	A	N	D	SD
F1	I am satisfied with the financial access given by SME s and other lending institutions.					
F2	I have access to market for my products					
F3	A have access to different business trainings					
F4	I have my own premises (land) to run my business					
F5	I have an access to information to exploit business opportunities					
F6	I have managerial skills					
F7	I have access to necessary technologies					
F8	I am satisfied with the financial access given by SME and other lending institutions.					
F9	There is no stiff competitions in the market place that I am engaged in.					
F10	Adequate infrastructures are available					

APPENDIX II: PERMIT FROM NACCOSTI

NACOSTI

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471, 2241349, 310571, 2219420
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When replying please quote

9th Floor, Utalii House
Uhuru Highway
P.O. Box 30623-00100
NAIROBI-KENYA

Ref: No.

Date:

14th September, 2015

NACOSTI/P/15/9791/7029

Hillary Kangor Chepchieng
Moi University
P.O. Box 3900-30100
ELDORET.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on ***"Influence of entrepreneurial networks on successful mitumba enterprise start-ups in Mombasa City, Kenya,"*** I am pleased to inform you that you have been authorized to undertake research in **Mombasa County** for a period ending **14th September, 2016.**

You are advised to report to **the County Commissioner and the County Director of Education, Mombasa County** before embarking on the research project.

On completion of the research, you are expected to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.

DR. S. K. LANGAT, OGW
FOR: DIRECTOR GENERAL/CEO

Copy to:

The County Commissioner
Mombasa County.

The County Director of Education
Mombasa County.