



ENTREPRENEURIAL ORIENTATION, RESOURCES, AND PERFORMANCE OF DAIRY MICRO AND SMALL ENTERPRISES IN KIAMBU COUNTY, KENYA

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Abstract

Studies have established that enterprise performance is influenced by different variables including technology capabilities, marketability, and resources. In Kenya, the MSEs in the dairy subsector have received focus due to their potential for employment generation, incomes, food and contributed KES 176 billion to the GDP. The objective of the study was to determine how resources influence the relationship between Entrepreneurial Orientation and performance of Dairy MSEs in Kiambu County. The current study was anchored on positivistic paradigm. The investigation followed a cross-sectional descriptive survey. The target population involved all 175 licensed Dairy Micro & Small Enterprises selling milk from milk dispensers and milk bars within the three regions of Nairobi West, Nairobi Central and Thika regions. The analysis used stratified and simple random sampling methods and the sample size was obtained by use of the following Cochran's formula. A total of 120 survey questionnaires were delivered to respondents

who were managers/owners of micro or small enterprises dealing in sale of milk and its products and registered by the Kenya Dairy Board. Descriptive statistics comprised of central tendency such as means and standard deviation. Inferential statistics comprised of a number of methods: correlations, one-way ANOVA and multiple regression modelling. The study findings revealed that organization resources had a remarkable mediation effect on the link between Entrepreneurial Orientation and performance of Dairy MSEs in Kiambu County. The study recommended that the enterprise should continue being competitive aggressiveness and make competitive moves that keep them ahead of the competitors and at the same maintain a healthy competition for better success of the enterprise.

Keywords: Entrepreneurial Orientation, Resources, Performance, Dairy Sub-Sector, Micro and Small Enterprises

INTRODUCTION

Studies opine that the relationship between Entrepreneurial Orientation (EO) and performance is influenced by other factors including organizational resources (Wales, et al, 2013). Possession of organizational resources which include; human, finance, reputation, equipment among others may lead to an enhanced ability of an enterprise to detect challenges and opportunities for enterprise growth (Dollinger, 2005; Teece et al., 2007; Mwazumbo, 2016). Those enterprises that are endowed with adequate resources are able to diversify and enter into new markets with ease (Ismail et al, 2012).

The concept of EO alludes to basic leadership practices with conduct that manifests into established or new markets with either new or prevailing products and services (Nyasetia, 2013). Earlend (2012) argues that there exists entrepreneurship that revolves around venturing into renewal of strategy, entering new market spots, and the behaviour practiced by firms that are well endowed. Pro-activeness, risk-taking, competitive aggressiveness autonomy and innovativeness, are some of the aspects of Entrepreneurial Orientation, (Su, 2013; Ryan et al, 2012). These dimensions are behaviours reflecting the presence of an entrepreneurial orientation (Van Greenhuizen et al, 2008).

The argument advanced by Franco (2011) is that enterprises perceived to be entrepreneurial oriented take more risks compared to others and are able to identify better and more opportunities in the emerging markets. In their explanation of EO, Covin and Lumpkin (2011), term Entrepreneurial Orientation as a process of pursuing innovative business opportunities regardless of resources available in an enterprise. According to Okeyo, Gathungu, and K'Obonyo (2016), firms with a high EO have the potential to leap ahead of competitors to

the market and hence achieve higher success than firms with low EO values. The degree of control of internal locus, autonomy, competitiveness and innovativeness is exhibited by entrepreneurial firms and individuals (Chen, Du & Chen, 2011).

Resources are defined by Lee and Whitford (2013) as all the firms' capabilities, attributes, knowledge, information and in addition includes all assets (tangible and intangible) that may allow the organization to implement and conceive its plans. The focus of the resources and their combination and deployment in achieving the competitive advantage are argued by Teece (2007), among others. The argument by Mwazumbo (2016) postulates that access to crucial and necessary resources like human and finance may lead to enhanced ability of individual entrepreneurs to act on the detected business challenges and available opportunities for the growth of firms.

Resources including management skills, strategic planning, tacit knowledge, employment of skilled personnel and capital are key in determining competitive advantage and how competitors imitate the said resources in a given firm (Namada, Aosa, Awino & Wainaina, 2012). Due to contemporary markets volatility and inadequacy of resources, enterprises may be compromised and diversification capability will enable them to enter into markets with ease (Song et al, 2007; Lee, 2009; Ismail et al, 2012). This study considered resource dimensions namely: managerial experience, human resources, financial resources and reputation of an enterprise to support the arguments that incorporation of resources into an entrepreneurial oriented enterprise can help to understand the success of dairy micro and small businesses (MSEs) in Kenya's Kiambu County.

The crucial aspect within organizations in any management is performance yet operationalizing performance in literature has remained inconclusive. The fundamental question that requires serious critical analysis is why some organizations may report exemplary performance while others fail in their operations (Mkalama, 2014). Categorizing the factors necessary for performance to be realized is an important aspect for enterprises. Performance has mainly been based on accounting indicators including, profitability, return on investment (ROI), upward change in employees' numbers and sales' increase among other measures (Odhiambo, 2015). An alternative measure has been The Balanced Score Card advanced by Kaplan and Norton (2008) to include other performance measures such as non-financial and financial variables. Growth of the company and profitability constitute financial variables. In addition, employee satisfaction, customer satisfaction and enterprise reputation explain non-financial measurement (Marn & Romualid, 2012).

The company's ability to generate returns and increase in size refers to growth and profitability respectively. The future expectation of employees and customers from an enterprise

will bestow benefits to a business in its operation niche due to low labour - turnover and goods/services that satisfy customer needs (Ongeti, 2014; Mahapatro, 2010). According to Awino et al. (2009), investing in human resources in terms of training, job description, attractive bonus policies and career plans will translate into satisfaction of employees leading to high employee retention. Performance measures in the MSEs in the dairy subsector included financial and non-financial because commercial enterprises exist to provide returns to investors, increased revenues, employee and customer satisfaction as well as positive reputation for continued existence. This study focuses on the entrepreneurial orientation, resources link in the Dairy subsector performance in Kiambu County.

Research Problem

Studies have established that enterprise performance is influenced by different variables including technology capabilities, marketability, and resources (Wiklund & Shepherd, 2003). Hakala and Kohtamaki (2010) aver that characteristics of entrepreneurial orientation enable entrepreneurs to conceive new ideas and enter new markets in anticipation of performance through traits such as innovation, autonomy and risk taking. Knight (1993) in arguing out Entrepreneurial orientation theory, opined that all activities carried out in an enterprise are related to its performance. Smart and Conant (1994), however, found no remarkable link between performance and Entrepreneurial Orientation. This study conceptualizes Entrepreneurial Orientation and organizational resources, mediated by firm resources as variables that explain performance of MSEs operating in the dairy subsector in Kiambu County.

In Kenya, the MSEs in the dairy subsector have received focus due to their potential for employment generation, incomes, food and contributed KES 176 billion to the GDP (GoK, 2016). Other benefits that accumulate due to micro enterprises in the dairy subsector in Kenya include creation of economic progress, prosperity, new products and services creation, results and processes for use by manufacturers and customers. This is echoed in a study of the dairy subsector in Tanzania (Alexopoulou, 2011) which reported that the subsector plays a role in creating jobs, reducing poverty and income distribution. In Albania, MSEs employ 71.3% of the total employees in the nation with 54% of the firms being in retail and services sector (Dushku & Pilahar, 2013). The result of a study in Norway on Entrepreneurial Orientation of farm businesses (Veidal & Flaten, 2014) postulated that business performance might be improved by the ability of owner/manager of an enterprise rather than Entrepreneurial Orientation. Grande et al. (2011) posit that enterprise resources comprising of finance and competencies and Entrepreneurial Orientation may significantly affect firm performance.

Ismail et al. (2011) studying the role played by organizational resources in enhancing firm performance concluded that firms that have the required resources perform better. In a study by Shikuku (2015) on what determines survival of group-managed businesses in the Dairy MSEs in Trans-Nzoia County, reported that technological innovation and marketing influence performance.

From the cited studies, an integration of EO, resources and firm resources on performance of dairy MSEs has not been sufficiently tackled, thus the current study seeks to close the conceptual gap in the Kenyan context. Consequently, the major question that is going to be addressed in the current study is; what is the influence of resources on the relationship between Entrepreneurial Orientation and performance of Dairy MSEs in Kiambu County?

LITERATURE REVIEW

Dynamic Capabilities Theory

Dynamic capabilities theory explains why firms exist, how they operate profitably in highly competitive markets and have growth potential (Teece, 2007). Capabilities are categorized as: ordinary and dynamic capabilities. Capabilities that are ordinary refer to operations and administration of an enterprise' activities that enable it to produce and sell products to generate financial returns. Dynamic capabilities are strategic and explain how firms identify opportunities, manage competition and utilize resources (Pisano & Teece, 2007). According to Wales et al. (2013), an enterprise's capacity to cope with a developing world allows it to protect value-enhancing potential and gain a strategic edge.

Dynamic capabilities describe how businesses respond to changing environments by changing their fundamental competences and also resources. Dynamic capabilities are described as a capacity of a firm to "integrate, create, and restructure internal and external competences" in response to changing circumstances (Teece, et al., 1997). It encompasses both explicit procedures and tacit components (knowledge and skills) inherent in the practice, and show a direct and indirect influence on a company's performance and competitive advantage, generally in combination.

This concept as explained in by Teece et al (1997) focuses on the ability's development and its management and difficulties of replicating the organizational combination, technical and functional skills. Dynamic capacities are based on both the resource-based and evolutionary economics views of the company (Barney, 1991; Di Stefano, Peteraf & Verona, 2010; Nelson & Winter, 1982). These were initially conceived to fill a gap in the resource-based view's capacity to explain sustained competitiveness in dynamic, Schumpeterian contexts (Teece, Pisano & Shuen, 1997).

Entrepreneurial Orientation in addition to dynamic capabilities relate well to performance (Jantunen et al, 2005). In an enquiry to evaluate the direct association of EO and resources on performance of farm- based enterprises in Norway, Grande et al. (2011) reported a positive report yet other studies found no positive link (Hughes & Morgan, 2007; Andersen, 2010). The theory has been critiqued for its lack of precise definition and measurement. The current enquiry applied this theory to explain how the resources an enterprise holds enabled it to constantly scan the environment for opportunities to market its goods for enhanced performance (Teece, 2007; Gathungu & Mwangi, 2012).

Entrepreneurial Orientation, Organizational Resources, and Performance

According to Namada, Aosa, Awino, and Wainaina (2012) for any meaningful performance in the view of firm objectives to be realized, major resources in the enterprise, namely: managerial and human resources as well reputation should be harnessed through entrepreneurial orientation. Scholars among them Wiklund and Shepherd (2003) posit that EO upgrades the connection involving information-based assets, for example, showcasing capacities and innovation abilities and execution of private companies. Their examination contends that profoundly enterprising orientated firms are probably going to capitalize on their inward assets to make better execution.

Cuevas-Vargas, Parga-Montoya and Fernández-Escobedo (2019) researched on impact of entrepreneurial attitude on performance of a business whereby customer satisfaction role was a mediating factor. Customers' happiness was used as a mediator variable, and the industrial organization was used as a formative construct in this study. The findings demonstrate that industrial organization has a useful effect on EO; EO has a positive effect on business performance and Customer Satisfaction (CS); and EO has a favourable effect on performance if businesses both directly and indirectly through CS.

Entrepreneurial attitude and new venture success in developing markets: the mediating role of opportunity recognition, according to Anwar, Clauss, and Issah (2021). The results of the Smart PLS analysis, based on survey data obtained from 316 MSEs, infer that EO indirectly dictate the performance of new ventures, with the connection being somewhat mediated by recognition of an opportunity. The results demonstrate that companies with a strong entrepreneurial mind-set are better able to spot and exploit new possibilities, as well as perform better overall.

Ferreira, Azevedo, and Ortiz (2011) surveyed the link between resources, EO, and farm-based enterprise performance. The study incorporates theoretical threads from resource-based and entrepreneurial perspectives. According to the study in these disciplines, these linkages

may be influenced by the firm's operating environment. Hypotheses are established to assess the short- and long-term effects of entrepreneurial activities and resources (financial situation, farm size, location, network, and distinctive ability). The assumptions were tested using data collected from farmers participating in innovative enterprises between 2003 and 2006. The findings reveal that success of businesses is affected by their financial capacity, entrepreneurial activity and distinctive talent. This implies that businesses are rewarded for their entrepreneurial efforts in the long run. In this regard, business activity and mind-sets are essential element in allowing businesses to better develop, visualize and utilize well their resources.

In the United Arab Emirates, Zarrouk et al. (2020) focused on EO, access to financial resources, and SMEs' company success. The study discovered that access to financial resources had a substantial impact on Entrepreneurial Orientations impact on SMEs' performance. According to the research, financial autonomy is found to have a significant role in supporting the Entrepreneurial Orientation component of self-governing and increasing SMEs' performance as a consequence of both personal funding and the availability of external money sources. The second Entrepreneurial Orientation characteristic of risk-taking is limited by a lack of cash with which to explore commercial and market opportunities. Access to money may be facilitated if an innovation strategy is followed and implemented, either through financial institutions or through other government financing programs that target higher-potential innovators. SMEs' expansion is often impeded by financial obstacles, difficulties getting bank financing, and legal issues.

To be effective, it is commonly anticipated that Entrepreneurial Orientation will require considerable financial resources (Covin & Lumpkin, 2011). This is in congruent with findings of a few past researches that looked at Entrepreneurial Orientation outside of the context of emerging economies. Mukiri (2011) revealed that companies with good EO are more likely to pay attention to new and growing capital-raising opportunities. In general, SMEs are considered to be more financially restricted than large businesses, and they are less likely to gain access to formal funding (long-term loans) (Beck et al., 2006). In a similar line, many World Bank polls indicated that the main obstacle to SMEs' development in developed and also developing countries is accessibility to finances. According to Ayyagari et al., (2005), proper access to capital is a significant driver of African firms' development and expansion in other countries. Levine and Warusawitharana (2021) found that financing to small companies supports and enhance economic growth; availability of credit leads to more investment activity in the form of company establishment and growth.

According to Hafeez et al. (2012), the propensity of SMEs to innovate and take advantage of business opportunities is dictated by EO and the firm's vital capital, which

contributes to high results. Gul et al. (2012) contends that business leaders with an Entrepreneurial Orientation provide sound direction for enhancing business performance by coming up with products or services that are better in optimizing resources. Arham (2014) further states that leadership behaviour through Entrepreneurial Orientation has significant contribution to organizational performance. The DCT is used to emphasize how Entrepreneurial Orientation and enterprise capabilities relate to performance (Jantunen et al., 2005) of MSEs in the dairy subsector in Kiambu county Kenya. This study hypothesized that:

HA: Organizational resources has a mediating influence on Entrepreneurial Orientation - performances Link of Dairy Micro & Small Enterprises in Kiambu County.

METHODOLOGY

Most social sciences analysts are steered by two major philosophical approaches namely Positivism and Phenomenology (Saunders *et al.*, 2007). Views of Positivists point at observable social reality whose results are generalizable. Hussey and Hussey (1997) suggest that positivism tries to find the facts and causes of social phenomenon. Phenomenology focuses on realising human behaviour, uses lesser samples and is concerned with exploring theories (Collis & Hussey, 2003). Positivism philosophy follows a quantitative approach while phenomenology is in qualitative aspect (Cooper & Schindler, 2006). Those skewed towards Positivism hold that knowledge exists naturally based on measurement objectivity, neutrality facts, and results in terms of validity. Phenomenology argues that knowledge is subjective and is geared towards personal experience and based on individual understandings (Saunders *et al.*, 2007).

The current research was anchored on positivistic paradigm as its philosophy to establish the link that exists among Entrepreneurial Orientation, organizational resources, and environment (external) and firm performance. According to Ridenour and Newman (2008), the positivist paradigm notes that the presence of hypotheses and quantitative data defines a useful research based on theory. Further, according to (Veal, 2005), the quantitative approach involves management of numerical data. Since the current investigation is based on quantitative approach, this study followed a positivism paradigm (Veal, 2005). Collis and Hussey (2003) hold that a quantitative paradigm is involved with observable phenomena that can be measured and validated. Positivism paradigm therefore focus on testing hypotheses to establish functional relationships among variables. Since the study objectives of this study were to establish causal relationships among EO, organizational resources, environment (external) and firm performance variables, a numerical research design is most appropriate for the current research.

The investigation followed a cross-sectional descriptive survey. It allowed the involvement of the selected sample at a point in time to enable winding up about characteristics of the entire population. This design allowed the analyst to determine patterns of associations amongst the determinants of the research (Sekaran & Bouge, 2003). Mugenda and Mugenda (2013) argue the sense that cross sectional studies make it possible to establish variable relationships and test hypothesis using regression analysis for conclusions to be made. The major aim of this research was the establishment of how key variables; Entrepreneurial Orientation, the organizations' resources and the environment affect performance aspects in Dairy MSEs in Kiambu County.

A group of all characters of value in a study is referred to as a population (Keller, 2012). In addition, it involves the total group of items or respondents from whom researchers observe, interview or ask questions to get critical details concerning research questions and objectives (Creswell & Miller, 1997).

This comprised of all the licensed Dairy MSEs in Kiambu County. The target population involved all 175 licensed Dairy Micro & Small Enterprises selling milk from milk dispensers and milk bars within the three regions of Nairobi West, Nairobi Central and Thika regions (Kenya Dairy Board, 2017). This constituted the target population of institutions. However, unlicensed milk retailers/vendors were not included in this population. In addition, the research also consisted of quantitative research of the owners/managers in the 175 licensed Dairy Micro & Small Enterprises who sell milk to individuals within the specified regions within Kiambu County. The list of milk bars and dispensers was obtained from the KDB office in Nairobi. The list includes business names, addresses and telephone numbers.

According to Polit (2001), there exist two sampling in any kind of population; non-probability and probability. Probability sampling as the name suggests is a sample selection of survey participants, for a guaranteed percentage, the odds of selecting a sample are uncertain or unassured, while with non-probability sampling, the chances of selecting a sample are unknown or unassured. For this study to achieve its set objective, the probability sampling method was used. As stated by Guadagnoli and Velicer (1998), a sample size of 100 to 300 is acceptable as a correlation coefficient is a sufficient estimator of the population of interest when the sample size is at this level.

Since the target population is heterogeneous, this analysis used stratified and simple random sampling methods. A stratified sample was first taken from the Kenya Dairy Board registry, and then the individual firms tested were selected from the strata using a basic random sampling process. The respondents were the registered MSEs that operated in the research area. The sample size was obtained by adopting the following Cochran's formula:

Cochran, 1997 – for a pop less than 10000

$$N = \frac{Z^2 \times pq}{d^2}$$

where n = desired sample size for population >10,000

z = degree of confidence at 95%

p = proportion in the target population estimated to have measurable characteristics: 50% is chosen

(Fisher et al, 1993)

q = portion of target population having no characteristic of being measured 0.5(q = 1 - p)

d = confidence level

Figure 1: Cochran's Formulae

$$n = \frac{(1.96)^2 \times (0.50) (0.50)}{(0.05)^2} = 384.16$$

In this study the target population is less than 10,000. In calculating the sample (nf), the formula by Mugenda and Mugenda (2013) is used thus

$$nf = \frac{n}{1+(n/N)}$$

Where,

nf = desired sample size for a population of less than 10,000

n = desired sample size for a population of more than 10,000

N = estimate of the population size (175 in this study)

Thus

$$nf = \frac{384}{\left(1 + \frac{384}{175}\right)} = \frac{384}{3.20}$$

sample size = 120

Table 1: Population and Sample Size

	Dairy MSEs population	%	Sample Size
Nairobi West	68	39	47
Nairobi Central	35	20	24
Thika	72	41	49
Total	175	100	120

Source: Kenya Dairy Board (2018)

Collection of the primary data came from licensed Dairy Micro & Small Enterprises owners / managers. Field activities started by establishing contact with various county executives and government administrators. These are the agricultural officers, extension officers, and dairy cooperatives officials. Contacts were established with relevant county officials, as well as owners / managers of licensed Dairy Micro & Small Enterprises prior to the survey to seek permission for the primary data collection. This approach was also used by Sabana (2014); Bowen, Morara & Mureithi (2009) and Maalu, 2010. A total of 120 survey questionnaires were delivered to respondents who were managers / owners of micro or small enterprises dealing in sale of milk and its products and registered by the Kenya Dairy Board.

The design of questionnaire safeguarded the respondents' utmost secrecy and confidentiality of supplied responses. In this regard, two research assistants with experience on data collection were engaged by the researcher. An initial note from Nairobi University with details involving the study was sought. A certificate was then secured from NACOSTI. Survey questionnaires together with an introductory letter were made available to respondents by research assistants elucidating to them the aim of research. It consisted of four sections. Section A focused on respondents' profile, B touches on entrepreneurial orientation, C highlights on resources, D explores on external environment and E on performance.

Gathering of secondary data involved evaluation of reports such as the Dairy Micro & Small Enterprises records, publications and the reviewed literature. In addition, secondary data comprised of the financial statements obtained from KDB and other publications to collect information on annual earnings of the Dairy Micro & Small Enterprises.

The study's data analysis revolved around two types of statistics: descriptive statistics and inferential statistics. Descriptive statistics where the measures of central tendency like means and measures of dispersion that include standard deviation both represented descriptive statistics. These were used to provide summary descriptions of EO variables and performance indicators of licensed Dairy MSEs.

Inferential statistics comprised of a number of methods: correlations, one-way analysis of variance (ANOVA) and multiple regression modelling that involve the measurement of relationships among the variables, thus making basis for interpretations. Softwares such as Statistical Package for Social Sciences Version 22 and STATA supported in data exploration.

Table 2. Operationalization of the research variables

Variable	Indicators	Operational Definitions	Supporting Literature	Measurement to use
Independent Variable Entrepreneurial Orientation	Autonomy	Acting independently to achieve objectives employees	Earlend, 2012; Miller, 1983; Su, 2013; Nyasetia, 2013; Ryan et al, 2012; Leitoa and Franco, 2011, Chen et al, 2011; Covin and Lumpkin, 2011	5 points, Likert, scale
	Pro-activeness	Taking action in the market to be ahead of competitors		"
	Risk taking	Investing money in risky projects with high returns potential		"
	Innovativeness	Introduce New ways of doing things		
	Competitive aggressiveness	Carry out bold activities towards competition		
Intervening variable Resources	Managerial experience	Relating well with banks and suppliers	Lee and Whitford, 2012; Teece, 2017; Mwazumbo, 2016; Namada et al, 2012; Lee,2009; Ismail et al, 2012.	
	Human resources	Skilled workers operating the enterprise		
	Financial resources	Business growth through bank loans		
	Reputation	Customer complaints are handled immediately		
		Customers are treated with respect		
	Economic	Changes in the economy		
	Socio-cultural	Influence of socio-cultural beliefs		
	Technological	Introduction of new technology		
	Environmental	Changes in environment laws		
Legal	Changes in laws and policies and regulations affecting your business operations			
Dependent variable Performance	Sales growth	Return on sales is satisfactory	Marn & Romualid, 2012; Mkalama, 2014; Odhiambo, 2015; Kaplan and Norton, 2008; Ongeti, 2014;	
	Market share	Market share has increased		
	Profitability	Our yearly profit has increased		
	Market value	Return on sales is satisfactory		

Variable	Indicators	Operational Definitions	Supporting Literature	Measurement to use
	Customer satisfaction	Response to customer complaints fairly quickly	Mahapatro, 2010; Awino et al, 2014.	
	Employee satisfaction	Employees are skilled for the tasks assigned to them.		

Descriptive Statistics for Entrepreneurial Orientation

Entrepreneurial Orientation was operationalized along five dimensions to indicate its manifestation in the respondent MSEs. These were autonomy, pro-activeness, risk taking, innovativeness, and competitive aggressiveness. The interviewees were requested to rate how much they concurred with the aspects of their company's entrepreneurial orientation.

Autonomy

The results of autonomy, an aspect of Entrepreneurial Orientation, are presented in Table 3.

Table 3. Autonomy Descriptive Statistics

Autonomy	Mean	Std. Dev.	CV	Skewness	Kurtosis
Enterprise employees free offer suggestions to the management	4.62	0.88	0.190476	-0.658	1.233
My enterprise has a reputation of acting independently in order to achieve our objectives	4.65	0.91	0.195699	-0.988	0.076
In my enterprises as few people as possible take part in decision making	4.32	1.03	0.238426	-0.324	1.074
My enterprise takes bold actions to ensure ideas are implemented	4.54	0.95	0.209251	-0.848	-0.17
When my enterprise has to make decisions, whose outcome is uncertain, we take bold steps to exploit opportunities	4.45	1.03	0.231461	-0.397	1.085
Average	4.52	0.96	0.212389		

Table 3 presents the descriptive statistics results for autonomy. Descriptive Statistics for Autonomy According to the results, the vast majority of respondents firmly accepted that; their enterprise has a reputation of acting independently in order to achieve their objectives (Mean=4.65, Std. deviation=0.91), enterprise employees are free offer suggestions to the management (Mean= 4.62, Std. deviation=0.88) their enterprise takes bold actions to ensure ideas are implemented(Mean=4.54, Std. deviation= 0.95), when their enterprise has to make decisions whose outcome is uncertain, they take bold steps to exploit opportunities (mean=4.45,

std.deviation=1.03) and that in their enterprises as few people as possible take part in decision making (mean=4.32, std.deviation=1.03). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Clustering

The results of pro-activeness, an aspect of entrepreneurial orientation, are presented in Table 4.

Table 4. Pro-Activeness Descriptive Statistics

Pro- Activeness	Mean	Std. Dev.	CV	Skewness	Kurtosis
My enterprise adopts a wait-and-see attitude to minimize costly decisions.	3.39	1.29	0.380531	-0.222	1.354
I take initiative in our market to get ahead of competitors	4.22	1.12	0.265403	-0.268	1.333
In managing contenders my undertaking is regularly the main business to present new items/administrations	3.35	1.18	0.352239	-0.446	1.743
My endeavour starts activities which contenders at that point react to	3.36	1.19	0.354167	-0.022	0.015
My enterprise avoids a confrontation with the competition and lets them act	4.03	1.31	0.325062	-0.812	-0.227
Average	3.7	1.22	0.32973		

Table 4 displays that the participants agreed that they take initiative in their market to get ahead of competitors (mean=4.22, std.deviation= 1.12), their enterprise avoids a confrontation with the competition and lets them act (mean=4.03, std. deviation= 1.31) and that their enterprise adopts a wait-and-see attitude to minimize costly decisions (mean=3.39, std. deviation=1.29). The participants neither agreed nor disagreed that their endeavour starts activities which contenders at that point react to (mean=3.36, std. deviation=1.19) and that in managing contenders their undertaking is regularly the main business to present new items/administrations(mean=3.35, std. deviation=1.18). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Risk Taking

The results of risk taking, an aspect of entrepreneurial orientation, are presented in Table 5.

Table 5. Risk Taking Descriptive Statistics

Risk taking	Mean	Std. Dev.	CV	Skewness	Kurtosis
I am not reluctant to put cash in hazardous ventures with exceptional yields potential	4.34	0.93	0.214286	-0.06	0.127
Our venture will in general remain in front of rivals in presenting new items/administrations	3.57	1.1	0.308123	-0.022	0.411
Our undertaking starts activities to which contenders at that point react	3.45	1	0.289855	-0.926	0.189
Our venture is frequently first to present new items/benefits in the market	3.05	1.16	0.380328	-0.13	1.889
Our manager(s) has/have a solid inclination for high hazard ventures	4.06	1.04	0.256158	-0.948	0.118
Average	3.69	1.05	0.284553		

Table 5 displays that most of the interviewees strongly agreed that they are not reluctant to put cash in hazardous ventures with exceptional yields potential (Mean=4.34, std. deviation=0.93). The interviewees concurred that their manager(s) has/have a solid inclination for high hazard ventures (mean=4.06, std. deviation=1.04), their venture will in general remain in front of rivals in presenting new items/administrations (mean=3.57, std. deviation= 1.10) and their undertaking starts activities to which contenders at that point react (mean=3.45, std. deviation=1.00). The respondents were undecided on whether their venture is frequently first to present new items/benefits in the market (mean=3.05, std. deviation=1.16). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Innovation

The results of innovation, an aspect of entrepreneurial orientation, are presented in Table 6.

Table 6. Innovation Descriptive Statistics

Innovation	Mean	Std. Dev.	CV	Skewness	Kurtosis
Employees in my enterprise frequently bring suggestions on ways of doing new things	3.98	1.22	0.306533	-0.27	1.269
The manager(s) in my enterprise prefer(s) own original approaches to solving problems	3.95	1.27	0.321519	-0.324	1.811
My endeavour has put new items/benefits in the market over the most recent three years	3.1	1.45	0.467742	-0.414	1.368
My endeavour follows the pioneers in presenting new items in the market	3.22	1.31	0.406832	-0.867	0.45
My undertaking is normally the first to present new items/administrations	2.69	1.17	0.434944	-0.127	0.966
Average	3.39	1.28	0.377581		

Table 6 displays that most of the study respondents agreed that employees in their enterprise frequently bring suggestions on ways of doing new things (mean=3.98, std. deviation=1.22) and that the manager(s) in their enterprise prefer(s) own original approaches to solving problems (mean=3.95, std. deviation=1.27). The respondents neither disagreed nor agreed that their endeavour follows the pioneers in presenting new items in the market (mean=3.22, std. deviation=1.31), their endeavour has put new items/benefits in the market over the most recent three years (mean=3.10, std. deviation=1.45) and that their undertaking is normally the first to present new items/administrations (mean=2.69, std. deviation=1.17). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Competitive Aggressiveness

The results of competitive aggressiveness, an aspect of entrepreneurial aggressiveness, are presented in Table 7.

Table 7. Competitive Aggressiveness Descriptive Statistics

Competitive Aggressiveness	Mean	Std. Dev.	CV	Skewness	Kurtosis
I often carry out activities directed towards competitors	2.4	1.28	0.53	-0.162	1.582
My endeavour adopts a striking and forceful strategy while contending	4.08	1.02	0.25	-0.541	1.027
My enterprise competes intensely in our industry	4.22	0.95	0.23	-0.334	1.717
Our undertaking attempts to fix and defeat the challenge decently well	4.28	0.95	0.22	-0.401	1.922
Our enterprise typically sets ambitious sales targets	4.11	1.03	0.25	-0.562	1.406
Average	3.82	1.05	0.27		

Table 7 displays that most of the participants concurred that their undertaking attempts to fix and defeat the challenge decently well (mean=4.28, std. deviation=0.95), their enterprise competes intensely in their industry (mean=4.22, std. contending (mean=4.08, std. deviation=1.02). The respondents disagreed that they often carry out activities directed towards competitors (mean=2.40, std. deviation=1.28). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution. deviation=0.95), their enterprise typically sets ambitious sales targets (mean=4.11, std. deviation=1.03) and that their endeavour adopts a striking and forceful strategy while contending (mean=4.08, std. deviation=1.02). The respondents disagreed that they often carry out activities directed towards competitors

(mean=2.40, std. deviation=1.28). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Descriptive Statistics for Organizational Resources

Organization resources were assessed in terms of managerial experience, human resources, financial resources and reputation. The interviewees were asked to answer the statement on resources of their firm.

Managerial Experience

The results of managerial experience, an aspect of organizational resources, are presented in Table 8.

Table 8. Managerial Experience Descriptive Statistics

Managerial experience	Mean	Std. Dev.	CV	Skewness	Kurtosis
We are compliant on laws and regulations governing our enterprise operations	4.76	0.71	0.14916	-0.401	1.922
We have a good relationship with our customers	4.94	0.33	0.066802	-0.562	1.406
When making decisions in our enterprise it is important to now well the environment that is external	4.45	0.81	0.182022	-0.852	0.359
Our enterprise relates well with banks and suppliers	4.57	0.72	0.157549	-0.72	-0.22
My education background has positively contributed to the success of my enterprise	4.3	0.88	0.204651	-0.134	0.908
My financial management expertise has been crucial to the success of my business.	4.24	0.9	0.212264	-0.686	-0.836
I constantly scan the market for any challenges or opportunities	4.26	0.77	0.180751	-0.968	0.049
Average	4.5	0.73	0.162222		

From the assessment on management experiences in Table VIII, most of the participants concurred to a large extent that; they have a good relationship with their customers (mean=4.94, std. deviation=0.33), they are compliant on laws and regulations governing their enterprise operations (mean=4.76, std. deviation=0.71), their enterprise relates well with banks and suppliers (mean=4.57, std. deviation=0.72), when making decisions in their enterprise it is important to know better the environment that is external (mean=4.45, std. deviation=0.81) and that their education background has positively contributed to the success of their enterprise(mean=4.30, std. deviation=0.88).

The participants agreed to a larger extent that they constantly scan the market for any challenges or opportunities (mean=4.26, std. deviation=0.77) and that their experience in managing finances has proved important for their business survival (mean=4.24, std. deviation=0.90). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Human Resources

The results of human resources, an aspect of organizational resources, are presented in Table 9.

Table 9. Human Resources Descriptive Statistics

Human resource	Mean	Std. Dev.	CV	Skewness	Kurtosis
My enterprise is operated by skilled workers	3.57	0.76	0.212885	-0.002	0.309
The enterprise manager has the requisite business skills to operate the enterprise	4.18	0.76	0.181818	-0.047	-0.019
In my enterprise I have employees performing specified activities and they all report to me	2.61	1.54	0.590038	-0.204	0.324
The technical abilities of my employees are key in performing their duties	3.39	1.19	0.351032	-0.118	0.333
My enterprise has managed to reduce costs due to the experience of my staff	3.51	1.3	0.37037	-0.334	1.717
Average	3.45	1.11	0.321739		

Table 9 shows the descriptive statistics results for human resource. On human resources, the most of the participants agreed to a large extent that; the enterprise manager has the requisite business skills to operate the enterprise (mean=4.18, std. deviation=0.76), their enterprise is operated by skilled workers (mean=3.57, std. deviation=0.76) and that their enterprise has managed to reduce costs due to the experience of their staff (mean=3.51, std. deviation=1.30). The participants concurred to a moderate extent that the technical abilities of their employees are key in performing their duties (mean=3.39, std. deviation=1.19) and that in their enterprise they have employees performing specified activities and they all report to them (mean=2.61, std. deviation=1.54).

All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Financial Resources

The results of financial resources, an aspect of organizational resources, are presented in Table 10.

Table 10. Financial Resources Descriptive Statistics

Financial Resources	Mean	Std. Dev.	CV	Skewness	Kurtosis
I have been able to grow the sales revenue in my business	2.72	1.47	0.54	-0.018	0.387
We always ensure that any products sold in our enterprise is paid for in cash	3.6	1.49	0.41	-0.615	1.202
I plough back part of my profits into the enterprise	4.62	0.76	0.16	-0.182	1.681
My enterprise has increased profits every year by selling more milk	4.15	0.97	0.23	-0.047	0.692
The cash flow in my enterprise is closely monitored	4.6	0.67	0.15	-0.265	1.106
Average	3.94	1.07	0.27		

Table 10 gives the results for the descriptive statistics for financial resources. The majority of the participants agreed to a very large extent that they plough back part of their profits into the enterprise (mean=4.62, std. deviation= 0.76) and that the cash flow in their enterprise is closely monitored (mean=4.6, std. deviation=0.67). The participants agreed to a large extent that their enterprise has increased profits every year by selling more milk (mean=4.15, std. deviation=0.97) and that they always ensure that any products sold in their enterprise is paid for in cash (mean=3.6, std. deviation=1.49). They agreed to a moderate extent that they have been able to grow the sales revenue in their business (mean=2.72, std. deviation=1.47). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Reputation

The results of reputation, an aspect of organizational resources, are presented in Table 11.

Table 11. Reputation Descriptive Statistics

Reputation	Mean	Std. Dev.	CV	Skewness	Kurtosis
In our enterprise customer complaints are handled immediately	4.9	0.41	0.083673	-0.658	1.233
Our customers are treated with a lot of consideration	4.9	0.35	0.071429	-0.988	0.076
Our enterprise ensures that customers receive feedback about their complaints	4.89	0.4	0.0818	-0.324	1.074
Average	4.9	0.39	0.07959		

Table 11 gives the descriptive statistics results for reputation. The majority of the participants agreed to a very large extent that in their enterprise customer complaints are handled immediately (mean=4.90, std. deviation=0.41), their customers are treated with a lot of consideration (mean=4.90, std. deviation=0.35) and that their enterprise ensures that customers receive feedback about their complaints (mean=4.89, std. deviation=0.40). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Descriptive Statistics for Firm Performance

Firm performance was operationalized along two dimensions to indicate its manifestation in the respondents' MSEs. These were financial performance and non-financial performance. The interviewees were requested to rate how much they concurred with the aspects of their company's firm performance.

Financial Performance

The results of financial performance, an aspect of firm performance, are presented in Table 12.

Table 12. Financial Performance Descriptive Statistics

Enterprise Performance	Mean	Std. Dev.	CV	Skewness	Kurtosis
Our return on capital invested is satisfactory	3.32	1.44	0.43	-0.374	1.028
The return on investment in our enterprise is higher than our competitors'	3.44	0.93	0.27	-0.257	1.217
The return on sales is satisfactory in our enterprise	3.15	1.44	0.46	-0.158	1.417
The enterprise growth in sales is above average	3.12	1.42	0.46	-0.029	1.529
The enterprise has experienced steady growth over the last two years	3.12	1.45	0.46	-0.275	1.647
Our enterprise has generally reported a positive financial outcome	3.32	1.3	0.39	-0.746	1.134
Our yearly profits have increased due to increased sales and reduced costs	3.16	1.42	0.45	-0.638	1.695
Owing to increased demand for our products, the number of milk dispensers in our company has increased.	1.86	1.24	0.67	-0.742	1.611
Average	3.06	1.33	0.43		

Table 12 showcases that the respondents who took part neither agreed nor disagreed that; the return on investment in their enterprise is higher than their competitors' (mean=3.44,

std. deviation = 0.93), their return on capital invested is satisfactory (mean=3.32, std. deviation=1.44), their enterprise has generally reported a positive financial outcome (mean=3.32, std. deviation=1.30), their yearly profits have increased due to increased sales and reduced costs (mean=3.16, std. deviation =1.42), the return on sales is satisfactory in our enterprise (mean=3.15, std. deviation =1.44), the enterprise growth in sales is above average (mean=3.12, std. deviation =1.42) and that the enterprise has experienced steady growth over the last two years (mean=3.12, std. deviation =1.45). The respondents disagreed that owing to increased demand for our products, the number of milk dispensers in their firm has increased (mean=1.86, std. deviation =1.24). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Non-Financial Performance

The results of non-financial performance, an aspect of firm performance, are presented in Table 13.

Table 13. Non-Financial Performance Descriptive Statistics

Employee satisfaction	Mean	Std. Dev.	CV	Skewness	Kurtosis
Our employees are skilled for the tasks assigned to them	3.67	0.92	0.25	-0.661	-0.75
Employees are loyal to the enterprise	4.63	0.56	0.12	-0.103	0.914
The rate of employees leaving the enterprise for the competitors is low	4.59	0.85	0.19	-0.315	1.236
Our employees are proud of the enterprise	4.75	0.43	0.09	-0.108	1.305
Employees have the experience required in handling customers	4.77	0.49	0.10	-0.869	0.837
Average	4.48	0.65	0.15		
Customer approval	Mean	Std. Dev.			
Our enterprise responds fairly quickly to customer complaints	4.89	0.35	0.07	-0.165	1.066
Customers express satisfaction with our products/services	4.96	0.19	0.04	-0.074	0.266
Our enterprise continually improves service to customers in comparison to our competitors	4.37	0.78	0.18	-0.103	0.825
In the past three years, customer concerns have decreased dramatically.	4.4	1.11	0.25	-0.406	1.701
Our enterprise has retained an increased number of customers compared to our competitors	3.89	1.1	0.28	-0.982	0.223
Average	4.5	0.71	0.16	-0.925	0.793

Table 13 illustrates that the participants agreed to a very larger extent that employees have the experience required in handling customers (mean=4.77, std. deviation=0.49), that their employees are proud of the enterprise (mean=4.75, std. deviation=0.43), that employees are loyal to the enterprise (mean=4.63, std. deviation=0.56) and that the rate of employees leaving the enterprise for the competitors is low (mean=4.59, std. deviation=0.85). The interviewees agreed to a large extent that their employees are skilled for the tasks assigned to them (mean=3.67, std. deviation=0.92).

Table further reveals that the participants agreed to a very large extent that customer's express satisfaction with their products/services (mean=4.96, std. deviation= 0.19), their enterprise responds fairly quickly to customer complaints (mean=4.89, std. deviation=0.35), in the past three years, customer concerns have decreased dramatically (mean=4.40, std. deviation=1.11) and that their enterprise continually improves service to customers in comparison to our competitors (mean=4.37, std. deviation=0.78). They further agreed to large extent that their enterprise has retained an increased number of customers compared to our competitors (mean=3.89, std. deviation=1.10). All the statements had skewness values in the range of -1 and 1 which showed that some data was only moderately skewed. The kurtosis values less than 2 also indicated a normal distribution.

Entrepreneurial Orientation, Organizational Resources, and Firm Performance

The research paper purposed to determine how resources influence the relationship between Entrepreneurial Orientation and performance of Dairy MSEs in Kiambu County. This was presented by the hypothesis highlighted below;

HA: Organizational resources has a mediating influence on Entrepreneurial Orientation - performances Link of Dairy Micro & Small Enterprises in Kiambu County.

Regression formula:

$$Y_3 = \alpha + \beta_{EO} X_{EO} + \varepsilon$$

$$R = \alpha + \beta_{EO} X_{EO} + \varepsilon$$

$$Y_4 = \alpha + \beta_R R + \varepsilon$$

$$Y_5 = \alpha + \beta_{EO} X_{EO} + \beta_2 R + \varepsilon$$

The intervening variable leads to establishment of three paths. The first path (path a) is from independent variable to intervening variable. The second path (path b) is from intervening variable to dependent variable. The third path, a direct effect path (path c) is from independent variable to dependent variable.

Table 14. Regression Results for the effect of Organizational Resources on Performance Path a

Model Summary						
Model	R	R ²	Adjusted R ²	Std. Error of the Estimate		
1	.813a	0.66	0.657	0.253947		
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.91	1	12.91	200.194	.000
	Residual	26.986	103	0.064		
	Total	37.418	104			
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	1.842	0.157	0.813	11.758	0.000
	EO	0.572	0.04	0.813	14.149	0.000

Table 14 shows the regression results for the effect of organizational resources on performance. Findings unveil that the r-squared for discovering relationship between the independent variable Entrepreneurial Orientation (EO) and performance of Dairy MSEs was 0.66. This implies that of EO can explain 66% of the performance of Dairy MSEs in Kiambu County. The estimated F (200.194) was higher than the critical F (3.933), and the 1p-value (0.000) was lower than the degree of importance (0.05). This indicates that the model is a good match for the data and can thus be used to forecast the impact of Entrepreneurial Orientation on Dairy MSE results. The regression coefficient of 0.572 indicated that EO had useful and important impact on the performance of Dairy MSEs. The interaction was important because the p-value (0.000) was smaller than the significance threshold (0.05).

Table 15. Regression Results for the effect of Organizational Resources on Performance Path b

Model Summary						
Model	R	R ²	Adjusted R ²	Std. Error of the Estimate		
1	.910 a	0.829	0.827	0.34376		
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	58.913	1	58.913	498.528	.000
	Residual	12.172	103	0.118		
	Total	71.085	104			
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	-0.855	0.212		-4.034	0.000
	EO	1.222	0.055	0.91	22.328	0.000

a Dependent Variable Organization Performance; b Predictors (Constant OR,EO)

The R squared for the link between the independent variable (Entrepreneurial Orientation), intervening variable (Organization Resources) and the dependent variable (performance of Dairy MSEs) was 0.682. This implies Entrepreneurial Orientation and Organization Resources can explain 68.2% of the performance of Dairy MSEs. The findings also show that the F-calculated (109.599) was larger than the F-critical (3.085) and the p-value (0.000) was less than the significance level (0.05). This suggests that the model is a good fit for data and therefore can be utilized in predicting the influence of EO and Organization Resources on the performance of Dairy MSEs. The results show that Organization resources has a useful and significant effect on the performance of Dairy MSEs as recorded by a regression coefficient of 0.189 (p-value=0.000). In addition, Entrepreneurial Orientation has a positive influence on the performance of Dairy MSEs as shown by a regression coefficient of 0.341. The p-value (0.072) was greater than the significance level (0.05) and hence the relationship was insignificant. The findings also show that the total proportion of the total mediation effect that is mediated is 57.09%. From these results we can reject the null hypothesis and hence accept the alternative hypothesis indicating that “there is a significant mediation influence of organizational resources between Entrepreneurial Orientation - performances Link of Dairy Micro & Small Enterprises in Kiambu County.

DISCUSSION OF FINDINGS

The research paper sought to determine how resources influence the link between Entrepreneurial Orientation and performance of Dairy MSEs in Kiambu County. The objective had a complementing hypothesis that was stated as; organizational resources have no mediating influence on between entrepreneurial orientation-performances link of Dairy Micro & Small Enterprises.

The core aspects of organisation resources studied included the managerial experience, human resources, financial resources and reputation. Strongest correlation was established between reputation and performance of Dairy MSEs ($r=.901$), followed by financial resources (.743), human resources (.688) and lastly managerial experience (.614). Model results established that organization resources significantly mediate the link between Entrepreneurial Orientation and performance of Dairy MSEs. Findings show that Entrepreneurial Orientation has a useful and remarkable effect on organization resources and organization resources has a useful and remarkable effect on performance of Dairy MSEs. Findings also show that the total proportion of the total mediation effect that is mediated is 57.09%.

In knowing how SMEs gain high performance so as to impact society has substantial implications of SME owners and operators. Due to limited resources which is common with

small firms, a better apprehension of factors leading to their performance is beneficial. The possession of organizational resources which include: human, finance, reputation, equipment among others may lead to an enhanced ability of an enterprise to detect challenges and opportunities for enterprise growth. Those enterprises that are endowed with adequate resources are able to diversify and enter into new markets with ease. Since resources are critical in a competitive environment, this study conceptualizes resources as crucial in realizing the performance of an enterprise. Dairy companies can use their own skills, farm assets, and other resources when starting new value-added enterprises. The likelihood of increased returns from dairy activities is higher for dairy companies that have invested in new business endeavours that take advantage of their resources and competencies.

The willingness to allocate resources into dairy projects is associated with reasonable chances of failures or success depending on the adequacy and management of the resources. Considering that Entrepreneurial Orientation and management capacity imply not only the adoption of technical and practical elements, but growth and sustainability of the dairy firms.

Agri-businesses, like other small businesses, must rearrange their resources, establish new business platforms based on new market prospects so as to survive and maintain income in unsteady settings. This indicates that they are concentrating on both their internal resources and their entrepreneurial endeavours, which are at the centre of the resource-based perspective theory and the concept of entrepreneurial Orientation. The resource-based perspective hypothesis views the ventures as a collection of resources, with different resource kinds having varying degrees of importance for producing additional value for the organization. Enterprises must have or create resources that are distinctive, such as resources that are difficult for rival firms to copy, in order to maintain performance over time. To start, run, expand, and promote growth inside a business, access to financial capital is required.

The results also echo the postulation of the Dynamic Capabilities Theory that explains that firms exist, how they operate profitably in highly competitive markets and have growth potential. Capabilities are categorized as: ordinary and dynamic capabilities. Capabilities that are ordinary refer to operations and administration of an enterprise' activities that enable it to produce and sell products to generate financial returns. Dynamic capabilities are strategic and explain how firms identify opportunities, manage competition and utilize resources. The results agree with Ismail et al. (2011) who studied the role played by organizational resources in enhancing firm performance concluded that firms that have the required resources perform better. Also, the results are consistent to the findings, Namada, Aosa, Awino, and Wainaina (2012) revealed that to achieve some substantive success in terms of firm goals, significant

resources in the organization, such as administrative and human resources, as well as prestige, should be harnessed by entrepreneurial orientation.

In addition, according to scholars such as Wiklund and Shepherd (2003), EO improves the association between information-based assets such as exhibiting capabilities, creativity skills, and private company execution. According to their findings, companies that are deeply enterprising would most likely use their inward capabilities to improve organizational performance. Similarly, the findings agree to Gul et al. (2012) that business leaders with an Entrepreneurial Orientation have sound direction for improving business efficiency by developing goods or services that are better at resource optimization. In addition, Hafeez et al. (2012) findings support that the propensity of SMEs to innovate and take advantage of business opportunities is dictated by the entrepreneur's orientation and the firm's vital capital, which contributes to high results. The findings also agree with the dynamic capabilities theory in which Jantunen et al (2005) asserted that entrepreneurial Orientation in addition to dynamic capabilities relate well to performance.

Models would be as follows:

Firm Performance = 1.57+ 0.58 Entrepreneurial orientation

Firm Performance = 2.83+ 0.34 organizational resources

Firm Performance = -1.14+ 0.96 organizational resources + 0.25 Entrepreneurial orientation

CONCLUSION

The study concluded that organization resources had a remarkable mediation impact on the link between Entrepreneurial Orientation (EO) and performance of Dairy MSEs in Kiambu County. Provision of adequate resources will allow the MSEs to implement and conceive its plans. Access to crucial and necessary resources like human and finance may lead to enhanced ability of individual entrepreneurs to act on the detected business challenges and available opportunities for the improved performance of firms.

The study recommends that firms adopt pro-activeness approach should ensure that the entire team takes ownership and maintain the pro-active approach so as to main consistency and a holistic team work towards sustainable solutions. The study also recommends that entrepreneurs should take risks with planned actions however; assessment of the potential benefits should be put into considerations before investing in any risky venture. It was revealed that innovations significantly influence performance, thus the study recommend at that the entrepreneurs should continue being innovative in presenting new items in the market and in the business models to enhance their performance.

SCOPE FOR FURTHER RESEARCH

The study recommends that more research to be carried out among dairy micro and small enterprises in other counties to assess the similarity or the contrast in the findings. Further research should be done in other fields to establish whether the findings are similar across different sectors. The study also recommends that further research could be done on entrepreneurial orientation and performance with other moderating and mediating factors.

Future studies may also consider adopting methodologies that were not used in this study. The future scholars may want to collect secondary data for the variable performance as this would give more valid data regarding how the firms are performing. It would also help in understanding the trends in the performance of the firms. Further scholars may consider using other techniques of sampling which may enable them reach out to more respondents who may provide more insight regarding the study topic.

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