

**EMPLOYEE ENGAGEMENT AND ENTREPRENEURIAL
ORIENTATION OF EMPLOYEES IN DEVELOPMENT PUBLIC
BENEFIT ORGANISATIONS IN KISUMU COUNTY, KENYA**

OTICHRO AKINYI OLGAH

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DECLARATION

I, the undersigned declare that this project is my original work and has not been presented for a degree in any other University.

Signed:..... Date:.....

OTICHRO OLGAH AKINYI

D61/84243/2015

SUPERVISOR

This project has been submitted for examination with my approval as the University Supervisor.

Signed:..... Date:.....

DR. MERCY FLORA OLUOCH

School of Business

University of Nairobi

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DEDICATION

This Work is Dedicated to God,

The Meticulous Planner of My Life.

The Author, The Beginner and The Finisher.

All Glory and Honor to Thee My Lord, for Bringing Me This Far.

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ACRONYMS AND ABBREVIATIONS

| | |
|-----------------|--|
| AIDS: | Human Immunodeficiency Syndrome |
| DREAM: | Determined, Resilient, Empowered, AIDS-free, Mentored and Safe Women |
| HIV: | Acquired Immunodeficiency Syndrome |
| IRDO: | Impact Research & Development Organisation |
| PBO: | Public Benefit Organisations |
| PEPFAIR: | United States President's Emergency Plan for Aids Relief |
| USAID: | United States Agency for International Development |

ABSTRACT

Employers have recognized the need to engage employees in a manner that leads to maximum utilization of their potential for competitive advantage. Current research that relates to the concepts of employee engagement and entrepreneurial orientation has focused on the contribution of the variables to performance and success of organisations. This study sought to establish the influence of employee engagement on entrepreneurial orientation of employees in development PBOs in Kisumu County, Kenya. The study applied a cross sectional survey design to examine purposively selected category of employees in development PBOs. The study sampled 87 of the employees being 25% of the targeted population of 348 employees. Data was collected from 62 employees constituting 72.8% of the targeted employees. Descriptive analysis was employed to establish the levels of employee engagement and entrepreneurial orientation within the development PBOs. Correlation co-efficient was applied to establish the relationship between employee engagement and entrepreneurial orientation while regression analysis and analysis of variance (ANOVA) were applied to test the influence of employee engagement on entrepreneurial orientation with control variables respectively. The level of employee engagement was found to be considerably high at 84.28% compared to level of entrepreneurial orientation at 69.37% in development PBOs in Kisumu County. Correlation results revealed that employee engagement and entrepreneurial orientation are positively correlated reflecting a relationship of 83.1%. The result of regression analysis was significant at 0.000 level. Employee engagement explained 29% of the variance in entrepreneurial orientation ($R^2=0.292$, Adjusted $R^2=0.262$). The study concluded that employee engagement does influence entrepreneurial orientation. This implies that development PBOs have considerable opportunity to maximize employee engagement towards entrepreneurial orientation of employees as an avenue for income generation for sustainability of the non-profit making organisations. The study findings are limited to the context of this study due to possible differences with other types of organisations. The study recommended review of systemic policy and regulatory frameworks hindering entrepreneurial progress within public benefit organisations. The study recommended further research on other factors influencing entrepreneurial orientation in the work place and determination of how employee engagement correlates with entrepreneurial orientation in profit making organizations in Kenya.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organisations around the world are under extreme pressure to tap the potential of employees to develop new solutions in order to address changing work requirements. Employers have recognized the need to engage employees in a manner that leads to maximum utilization of their potential for competitive advantage. Employee engagement which is linked to employee commitment and productivity as a result of psychological and emotional commitment towards the aspirations and values of the firm has thus emerged as an area attracting research interest (Arrowsmith and Parker, 2013). Employees who possess a combination of autonomy, innovativeness, risk-taking, proactive and competitive aggressiveness in the workplace are considered as key contributors to entrepreneurial culture in organisations (Alfes, Shantz, Truss & Soane, 2013; Alvi, Halder, Hannef & Ahmed, 2014). Whereas organisations cannot impose the levels of employee engagement nor entrepreneurial orientation that they desire on their employees, they can become settings for unprecedented exposure that accelerates entrepreneurial thinking among employees.

This study applied the Needs-Satisfying Approach and Appreciative Intelligence theories to anchor this research. The assumptions underlying the Needs-Satisfying approach is that employees are more likely to feel engaged when the social environment at work is safe and personal resources are adequately available as well as when they find a job challenging, inspiring, interesting and meaningful (May, Gilson & Harter, 2004; Schaufeli, Salanova, Gonzalez-Roma & Bakker, 2013). This study inferred the nature of task and role characteristics, interpersonal relationship, group dynamics; management style, social norms and the personal resources of employees in terms of physical energies in development PBOs and examined whether the needs-satisfying approach theory can best assist with exploring employee engagement related issues. Appreciative intelligence theory postulates the ability to see generative potential in any situation and actualize it (Tojo & Metzger, 2006). The theorists conceptualized appreciative intelligence as

psychological ability which can be developed over time and can drive entrepreneurial orientation as it links the future to the present thereby helping to spur proactivity, ground innovation and create solutions.

Development Public Benefit Organisations in Kisumu County are significant accelerators of economic development especially in the context of promoting self-employment programs, creating employment opportunities and promoting vocational skills among vulnerable low income livelihoods. Poverty is prevalent in the county and manifests itself in other socio-economic outcomes such as unemployment, poor nutrition, poor health, early school dropout as well as inability to access basic services. This predicament has drawn significant donor attention to Kisumu County. Development PBOs are not spared from survival challenges as they struggle to deliver their mandate amidst enormous pressure for accountability and relevance from donors and communities they serve. PBOs which are more aggressive, innovative and proactive to issue-based struggles tend to attract public goodwill and donor attention. This justifies the need for engagement of employees in a manner that inspires their creativity and innovative conduct, proactivity, risk-taking and aggressive competitiveness for sustainability of PBOs.

1.1.1 Employee Engagement

Employee engagement refers to workplace undertakings which derive commitment of employees to organizational goals, values and drive to release their full potential to contribute to productivity (Markos & Sridevi, 2010). It refers to the psychological/mental presence of an employee in an organization and constitutes two fundamental components, namely: attention and absorption. McEwen (2011) captures employee engagement as the ability to capture the heads, hearts, and souls of employees to instill an intrinsic desire and passion for excellence. Existing literature generate a number of definitions to employee engagement with each definition representing a unique perspective depending on circumstance thereby leading to disjointed definitions that are easily misinterpreted. Generally, employee engagement as a distinct and unique construct comprising of cognitive, emotional and behavioral components that are associated with individual role performance (Graffigna, 2017; Mahon, Taylor & Boyatzis, 2014).

Arrowsmith & Parker (2013) describe employee engagement as the affective and cognitive connection employees have for their organization that leads them to exert discretionary effort at work. Disengaged employees are those who are motivationally and emotionally detached from work, they portray less energy to work deliver and who are not enthusiastic at work (Arrowsmith & Parker, 2013; Purcell, 2014). Engaged employees often attach strong emotional commitment to their work as they find it meaningful and more fulfilling (Arrowsmith and Parker, 2013; Kaliannan & Adjovu, 2015). Hashimoto & Nassif (2014) aver that employee engagement brings about noticeable enhancements in productivity. Purcell (2014) expounds that engaged employees have deep interest in work attachment to their organisation. That they drive innovation and are focused on company progress. Employees who are not engaged are withdrawn from work opting to focus on addressing their unhappiness (Markos & Sridevi, 2010; Purcell, 2014).

The emotional well-being of employees can be disturbed by circumstances such as job insecurity, subjective demand for productivity and even burnout (Reddy, Vranda, Ahmed, Nirmala & Siddaramu, 2010). Anitha (2014) summarized the determinants of employee engagement to include leadership, team and coworker relationship, training, career development and compensation. Other indispensable attributes include organizational policies, procedures, structures, systems, and workplace wellbeing. Managers can impact the disposition and conduct of their workers through considerable outline of both formal and casual structure, arranging, sorting out, fulfilling, control and utilization of communication frameworks to upgrade their abilities and identities (Welbourne, Heidi, Dale, 2012).

Workers are inspired to endeavor to create quality outcomes when they take pride in their work, trust their endeavors are critical to the achievement of the group and their employments are fun, challenging and fulfilling (Nanda, Sorensen, 2010). Managers can influence the attitude and behavior of their employees towards entrepreneurial orientation through deliberate design of an enabling environment such as through access to information systems, discretion and challenging work (Shein, Crous, Schepers, 2010). Employee engagement has the potential to influence entrepreneurial orientation since

some of its determinants such as leadership, co-worker relationship, compensation and organisation policies constitute the tenets of entrepreneurial motivation in organisations. (Anitha, 2014; Hashimoto & Nassif, 2014)

1.1.2 Entrepreneurial Orientation

Covin and Slevin (2012) defined entrepreneurial orientation as organizational behavior reflecting risk-taking, innovativeness, pro-activeness autonomy and competitive aggressiveness. Innovativeness is defined as the willingness to support creativity and experimentation in introducing new products/services and novelty, technological leadership and research and development in developing new process (Dai, Maksimov, Brett & Fernhaber, 2014). Pro-activeness alludes to a stance of reckoning future expectations, a company's vision, and prevailing circumstances with potential benefits in front of the opposition (Covin & Slevin, 2012). Risk-taking is characterized as the ability of an association to help ventures where the results are obscure, dedicating assets and cash-flow to ventures for the shot of attractive results, and entering new markets which can be very beneficial in the long run. Autonomy is defined as an independent action by an individual or a team aimed at bringing forth a business concept or a vision, and carrying it through to completion while competitive aggressiveness, reflects the intensity of the entrepreneurs' efforts to outperform the competitors (Rundquist, Floren & Fischer, 2013).

Entrepreneurial orientation is positively associated with opportunity alertness. Any firm which engages in an effective combination of autonomy, innovativeness, risk taking, proactiveness, and competitive aggressiveness can be considered as entrepreneurial. This suggests that to become entrepreneurial, it is necessary for all five dimensions to co-exist namely. Entrepreneurial orientation behavior among employees is based on the principle of intrinsic motivation (Hon, 2012). Rundquist, Floren & Fischer (2013) proved that a sense of autonomy, organizational climate and empowering leadership impacts employees' entrepreneurship and innovation abilities. Many work processes within organisation require development of employee's entrepreneurial orientation as a behavioral construct that has been measured successfully and has been positively correlated with firm performance.

1.1.3 Public Benefit Organisations' Sector in Kenya

The establishment and operation of PBOs in Kenya is provided for within the Public Benefit Organisations Act of 2013. According to the Act, a PBO is a voluntary membership or non-membership grouping of individuals or organizations engaged in public benefit activities in any legislative, agricultural, rights and welfare, cultural, physical, educational, environmental, gender, governance, poverty eradication, healthcare, housing and settlement among other social issues (PBO Act, 2013). PBOs have been present in Kenya since independence and their number has been increasing significantly each year.

PBOs are of four classifications, in particular operational non-governmental organisations, support organisations, network organisations and funding organisations. Grassroots non-governmental organisations work straightforwardly within the persecuted areas of the general public further separated into four sorts: Philanthropy and Welfare PBOs which manage giving Charity and Welfare to poor people, Social Action Groups work towards assembling underestimated segments around particular issues, Improvement PBOs concentrate on usage of solid advancement programs with issue based struggle. PBOs may also be development driven in order to address the supply of service provisions gaps in complementing the government and private sector (Luxmore & Clyde, 2011; GOK, 2013).

There has been an increased surge in PBOs whose activities are motivated by development (Luxmore, 2011). Development PBO's in Kenya play a significant role in contributing to the country's sustainable development by extending support to areas where government resources are not adequately allocated. Development PBOs strive to develop competencies and process innovations related to entrepreneurial venturing thereby becoming avenues for promoting economic development. However, PBOs are non-profit making organisations which mostly rely on donor funding to sustain their initiatives, a an issue which exposes them to survival risk.

1.1.4 Development Public Benefit Organisations in Kisumu County

Kisumu County occupies 2,086 kilometers squared surface area along the shores of Lake Victoria in Western part of Kenya. Kisumu County ranks highly on poverty and HIV/AIDS prevalence as reports indicate that the County has not met the national average on most socio-economic indicators (Population Action International, 2015). The identification of poverty as the underlying issue behind the prevalence of HIV/AIDS, early school dropout among other social challenges has prompted a number of PBOs in Kisumu County to focus on poverty eradication. Successful implementation of development projects call for reasonable degree of autonomy, high levels of innovativeness, risk-taking, proactivity and competitive aggressiveness. According to Kenya PBO Coordination Board, there are a total of 87 development PBOs registered to operate in Kisumu County.

Development PBOs in Kisumu County draw priority as the context of this study due to their position as not for profit contributors to growth of entrepreneurship in remote set ups in Kisumu County. A significant number of development programs are currently under implementation by PBOs in Kisumu County. For instance, USAID/PEPFAR is funding the DREAM project through OGRA Foundation, Make Me Smile and Impact Research and Development Foundaiton among other major PBOs in the region. The program is aimed at empowering vulnerable girls of age 10 and 24 with mentorship support and socio-economic interventions such as entrepreneurship and vocational skills. CARE International is also implementing the Rural Sales Project where consumer products such as pampers, solar lanterns and soaps are availed by the PBO to selected entrepreneurial focus groups to kick them off in entrepreneurship.

Public Bnefit Organisations programs are usually coordinated by program officers who are normally engaged on fixed term contract usually expiring at the end of specific project period. Employee engagement can be disturbed by uncertainty of future employment. However, PBOs can strengthen employee engagement in a manner that inspires employees to embrace entrepreneurial orientation as a solution to future employment challenges. This is possible because employees of PBOs are continually exposed to diverse entrepreneurial initiatives directed towards improving the living standard of the community.

1.2 Research Problem

Engaged employees are considered as valuable assets as they possess positive energy that can be utilized to steer organisations to success (Kaliannan & Adjovu, 2015). Organisations are increasingly challenged on how they can tap innovative ideas, creativity and talents of employees for competitive performance. Undoubtedly, disengaged employees are a liability to the organization as they hardly challenge the status quo while engaged employees exhibit emotional job attachment, unreserved commitment, increased productivity, high job passion, and in most cases they go extra miles in devising solutions to work challenges.

Public Benefit Organisations are always facing fierce pressure to deliver as per prescribed donor guidelines and timelines occasioned by restricted funding. This results in recruitment of short term employees who must possess high entrepreneurial agility to successfully sensitize poor livelihoods towards entrepreneurship as a source of income. The irony is that whereas PBOs have high potential to exploit the entrepreneurial capacity that they possess for their own sustainability, they continue to rely on donor funding to run their programs. This fact has spurred debate on whether one can imbue in others what one cannot possess in reference to PBOs slowing down operations when donor funding runs dry, yet PBOs are themselves drivers of entrepreneurial initiatives among low-income communities. If PBOs are to grow and increase their contribution to the country's economy as expected, they will have to create the employee engagement context that encourages employees to be entrepreneurially oriented in order to generate solutions that justify and promote their survival through self-reliance.

Graffigna (2017) noted that deliberations on employee engagement are still at an infant stage. True to this statement, researchers in Kenya have directed very little attention to relating employee engagement with entrepreneurial orientation. Ochieng (2015) conducted a study on the influence of employee engagement on staff intention to quit Compassion International projects. The study revealed that engaged employees felt more attached to the organisation and showed less willingness to exit. Gichohi (2014)

investigated the effects of employee engagement on creativity and innovation in selected libraries in Meru County and established a positive correlation between employee engagement and creative work conduct in the libraries. Both researchers confirmed that the extent to which employees were emotionally and psychologically engaged largely impacted on the dependent variables.

Several research studies have underscored the contribution of entrepreneurship to performance of organisations in Kenya (Linyiru & Ketyenya, 2016; Waithaka, 2016; Lwamba, Bwisa & Sakwa, 2014; Mokaya, 2012). Linyiru and Ketyenya (2016) sought to establish the influence of innovativeness on performance of state corporations in Kenya. Waithaka (2016) studied the relationship between entrepreneurial orientation and performance of small and medium enterprises in the agro-business manufacturing sector in Kenya. Lwamba *et al* (2014) explored the effect of corporate entrepreneurship on financial performance of manufacturing firms in Kenya. Mokaya (2012) related corporate entrepreneurship and organisations performance using theoretical perspectives and outcomes. The findings of these studies revealed that employees with high levels of entrepreneurial orientation are likely to outperform employees that lack such orientation. Research reveals that increase in entrepreneurial orientation leads to improved performance, suggesting that there is positive correlation between entrepreneurial orientation and firm performance.

Employee engagement and entrepreneurial orientation have separately become increasingly important determinants of organizational performance, success, and long-term survival (Anitha, 2014; Dai, 2014). Employee engagement is one of the key antecedents of entrepreneurial orientation, yet literature reviewed did not present documentary evidence of studies exclusively linking the two phenomena in PBOs in Kenya. Thus, this study sought to bridge the identified research gap, “Does employee engagement influence entrepreneurial orientation of employees in development PBOs in Kisumu County?”

1.3 Research Objectives

The objective of this research was to establish the influence of employee engagement on entrepreneurial orientation of employees in development Public Benefit Organisations in Kisumu County, Kenya.

1.4 Value of the Study

This study sought insight into application of employee engagement to promote entrepreneurial orientation in PBOs. This study will contribute to investigations that will help reach a clear consensus on theoretical foundation for embedding entrepreneurial orientation in employee engagement for enhanced performance.

The study is intended to link research to practice in development PBOs for purposes of accelerating economic development in Kisumu County. With increased stagnation in employment opportunities in Kenya, the study seeks to exert justification on contribution of human resource management to promoting entrepreneurial orientation in organisations. Human Resource practitioners and PBOs shall make reference to this paper to strengthen employee engagement attitudes that promote entrepreneurial orientation in order to address increasing workplace challenges.

Results of this study are expected to yield useful data for PBOs Coordinating Board to use in spearheading formulation of regulatory and policy frameworks that strengthen the actions of PBOs towards self-reliance. Discussions could be centered around policy frameworks that enhance entrepreneurial engagements by PBOs to reduce dependence on external support as they advance their cause while still retaining their status as not for profit organisations.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter highlights theoretical foundation of the study then proceeded to present a review of different arguments and comments from various scholarly authors relating to employee engagement and entrepreneurial orientation with a view to highlighting the research gap.

2.2 Theoretical Foundation of the Study

This research was anchored on the Needs Satisfying Approach theory and Appreciative Intelligence theory. The main focus of need satisfying theory is that employees' sense of meaningfulness, safety and availability motivates them to portray engaged behavior (May, Gilson & Harter, 2004). Engaged employees are a source of creative performance while disengaged employees are disenfranchised as they feel their needs are not met by the organisation. Appreciative intelligence provides theoretical foundation for entrepreneurial orientation as is applied when managers visualize and inspire sequential progressive steps that build on one another thus creating momentum for innovativeness and creativity in individuals and their environments (Tojo and Metzger, 2006).

2.2.1 The Needs-Satisfying Approach Theory

Many theories have been developed to define and explain work motivation due to its increasing relevance over the years. Maslow's hierarchy of needs is arguably the most well-known need based theory (Maslow, 1943). May, *et al* (2004) built on Maslow (1943)'s theory to bring out the needs satisfying theory as a reflection of meaningfulness, safety, availability and engagement of human spirit at work. The theory postulates that employee engagement arises when three psychological conditions are met. May, *et al* (2004) outlines these conditions as the feeling of receiving satisfactory returns from one's performance efforts, the enthusiasm to engage in any activity without fear of reprisal and the confidence of having the required psychological and physical resources to actively engage in work. Consequently, employees become more engaged when their

psychological conditions of meaningfulness, psychological safety and availability are agreeable to them (May *et al*, 2004).

The nature of a job in terms of its task characteristics or role characteristics to a large extent influences the psychological condition of meaningfulness. Similarly, the social environment characterized by the prevailing interpersonal relationships, management style, group dynamics and social norms directly influences the psychological safety of employees; and the personal resources such as the physical energy people are able to bring to their role performance also significantly influences an employee's engagement (Meyer, Stanley and Partfyonova, 2012).

There is a positive variation between employee engagement and importance of work (Schaufeli *et al*, 2013). Meyer, Stanley and Partfyonova (2012) made contributions by affirming that job enrichment and role fit were positively related to meaningfulness, while rewarding colleagues and supportive supervisor relationships vary directly with safety and that personal resources were positively related to availability. So essentially, the assumptions underlying the Needs-Satisfying approach is that when a job is challenging, inspiring, interesting and meaningful, the working environment is safe socially and individual resources are adequately available, the needs for meaningfulness, safety and availability are satisfied. In tying this theory to the objectives of this study and in line with the fact that employee productivity is significant to organisation's objective achievement, this study deduces the nature of task and responsibilities, interactions, team work, management style, social norms as linked to individual employee resources relating to entrepreneurial orientation in development PBOs.

2.2.2 Appreciative Intelligence – ‘Oak within the acorn’ Theory

The theory of Appreciative Intelligence postulates the capacity to see the generative potential in any circumstance delineated as the ‘oak within the acorn’ and to realize it (Tojo and Metzger, 2006). The theory hypothesizes that individuals with Appreciative intelligence can reframe circumstances, value the positive and decide how the future unfurls from the present. People who have appreciative intelligence depict four attributes

in particular constancy, conviction that one's activities matter, resistance for vulnerability and irrepressible strength (Tojo and Metzger, 2006).

Shein, Crous, and Schepers (2010) connected the hypothesis to determine the connection between positive states and entrepreneurial introduction. The researchers proposed that for enterprise improvement to flourish, the speculation of positive mental capital (as positive states) is as critical as conventional types of capital. Shein, Crous and Schepers (2010) associate the results of their study to the intervention of appreciative intelligence. Tojo and Metzger (2006) aver that an individual with high appreciative intelligence is aware of the complexities of the environment and believes that his or her actions matter and is therefore more likely to see that the world is not static and simple to analyze and that active interaction can have an impact on the world and the future. The principles of appreciative intelligence have been applied successfully previously by Rotary International to eradicate polio across India (Tojo & Metzger, 2006). Employers can address work engagement challenges by applying the hypothesis of appreciative intelligence to enable PBO program officers to connect their future life vulnerabilities to grasp open doors for imagination, inventiveness, proactivity and forcefulness.

2.3 Employee Engagement and Entrepreneurial Orientation

Employee engagement is desirable for organisations as it has been associated with higher productivity, better customer service, innovation, low staff turnover, dedicated workforce, great sense of work commitment, willingness to put extra time in the job and pride in employee's own work (Graffigna, 2017; Ochieng, 2015; Kaliannan & Adjovu, 2015; Arrowsmith & Parker, 2013). Anitha (2014) investigated the impact of employee engagement on employee performance and found that there exists statistically significant impact of employee engagement on employee performance. The researcher summed up the determinants of employee engagement as comprising work environment, leadership, compensation, team and co-worker relationship, organisation policies, training and career development and employee well-being (Anitha, 2014). Literature reviewed connected positively with Anitha's model (Alvi *et al*, 2014).

Tims and Akkermans (2017) directed one of the principal concentrates to propose and demonstrate that core self-assessment which constitutes self-esteem, generalized self-efficacy, locus of control, and emotional stability impacts recognitions as well as triggers employee engagement activities and formative methodologies that identify with work engagement. Firms are able to improve worker productivity by paying workers a wage premium. Wage premium may enhance productivity by improving nutrition, boosting morale, encouraging greater commitment to firm goals, reducing turnover and the disruption caused by turnover, attracting higher quality workers and inspiring workers to put forth greater effort (Rundquist *et al*, 2013). Reddy, Vranda, Ahmed, Nirmala & Siddaramu (2010) underscored the need to detail procedures for the administration of work life balance at hierarchical level as it was associated with work fulfillment and execution of the employees. This research was conducted in an examination focusing on employed married women in India.

Advancement of employee engagement has not been without criticism. Rao & Indla (2010) conducted a research that sought to disqualify what they described as the ideal employee model characterized by total commitment of time and energy to work. Rao argues that employers who seek total engagement of employees at work risk separating them from family and friends. They aver that work, family and personal life should be given equal timely attention. This argument is dismissed as arising from disjointed interpretation of employee engagement as implying literally subjecting an employee to work (Alfes, Shantz, Truss & Soane, 2013). The conceptual understanding of employee engagement was articulated by Gallup (2005) who depicted engaged employees as those who work with passion and feel a profound connection to their organization, not-engaged employees who are essentially mentally and emotionally absent through their workday putting time but not energy or passion into their work and actively disengaged employees who are unhappy at work (Gallup, 2005).

Determinants of employee engagement have been revealed to influence entrepreneurial orientation. Warshawsky, Havens and Knafl (2012) conducted an investigation on Health workers who are exposed to numerous risks of contracting diseases in their working

environment. The researcher noted that relational associations with nurse administrators were most prescient of medical caretaker supervisors' work engagement. Relational associations with doctors were most deterministic of medical caretaker supervisors' proactive work conduct. Nanda and Sorensen (2010) suggest workplace peers play supportive team member role in advancing entrepreneurial orientation. Kör (2016) directed an investigation that gave a few ramifications to professionals in the banks in Turkey to encourage imaginative work conduct through entrepreneurial orientation and self-initiative. The examination inspected the interceding part of self-leadership in connection to entrepreneurial introduction and inventive work conduct. Basic conditions displayed were utilized to dissect information from a study of 404 workers in managing an account area. The outcomes from an experimental overview in the store banks uncovered that members' recognitions about elevated amounts of autonomy positively affect creative work conduct. An organization that creates conducive environment for self-leadership stands high chances of promoting entrepreneurial orientation among its employees (Kör, 2016).

Hon (2012) attributed creativity and innovative behavior among employees to the principle of intrinsic motivation. In a study which was undertaken in hospitality industry, the researcher confirmed that a sense of belonging impacts employee creativity and innovation. Factors such as personal conflict, a controlling or coercive management style and external standards were found to be negatively related to intrinsic motivation (Hon, 2012). Entrepreneurial orientation, as it for instance involves organizational learning shaped by creativity, individual commitment and teamwork, can be influenced by training and development in entrepreneurial aspects that actually lead to increased entrepreneurial orientation in large established firms (Rundquist *et al*, 2013). Contingent reward, applied in conjunction with an exploratory learning focus, is positively associated with innovation in technical systems. As a result, people are attracted to well-paying jobs, extend extra effort to perform the activities that bring them more pay, and become agitated if their pay is decreased (Hashimoto & Nassif, 2014).

Further research provides evidence on the significance of the workplace in the

entrepreneurial process (Gichohi, 2014; Purcell, 2014). A pleasant working atmosphere favors new ideas, properly rewards entrepreneurs (Hon, 2012). Managers encourage entrepreneurial behavior when they value trials and experimentations, propose important projects to people who feel stimulated before challenges, eliminate or reduce barriers that may hinder entrepreneurs' initiative, keep broad and open communication structures, and take other actions that favor innovative initiatives from their employees (Hashimoto & Nassif, 2014).

2.4 Summary of Literature and Knowledge Gaps

Dimensions of employee engagement and entrepreneurial orientation have separately drawn considerable attention as important determinants of organizational performance, success, and long-term survival (Kaliannan & Adjovu, 2015; Anitha, 2014). Existing literature revealed an overlapping mediating effect between the two variables as determinants of employee engagement are detected to also influence dimensions of entrepreneurial orientation in organisations (Hashimoto & Nassif, 2014; Rundquist, Floren & Fischer, 2013; Hon, 2012). Most studies reviewed have established factors influencing the success of employee engagement in organisations which can be narrowed down to external and internal factors.

Employee engagement is a key antecedent of entrepreneurial orientation in organisations, yet no literature points to entrepreneurial orientation as an outcome of employee engagement. Only a few previous researchers on employee engagement such as McEwen (2011) have mentioned narrow aspects of entrepreneurial orientation as an outcome of engaged employees. There is need for organisations to rethink sustainable strategies that avert operational slowdown in order to cope with turbulent economic factors (Schaufelli *et al*, 2013). If the existing gap is addressed, then leveraging employee engagement to spur entrepreneurial orientation could be the ultimate solution to organizational sustainability challenges. This study therefore seeks to determine whether the key construct of employee engagement relates with entrepreneurial orientation in development PBOs.

2.5 Conceptual Framework

This research borrowed from empirical literature and made modifications to propose an employee engagement framework that impacts entrepreneurial orientation in the work place. Literature reveals that various constructs of employee engagement also impact dimensions of entrepreneurial orientation. Thus, employee engagement which is an antecedent of entrepreneurial orientation in organisations can influence entrepreneurial orientation of employees.

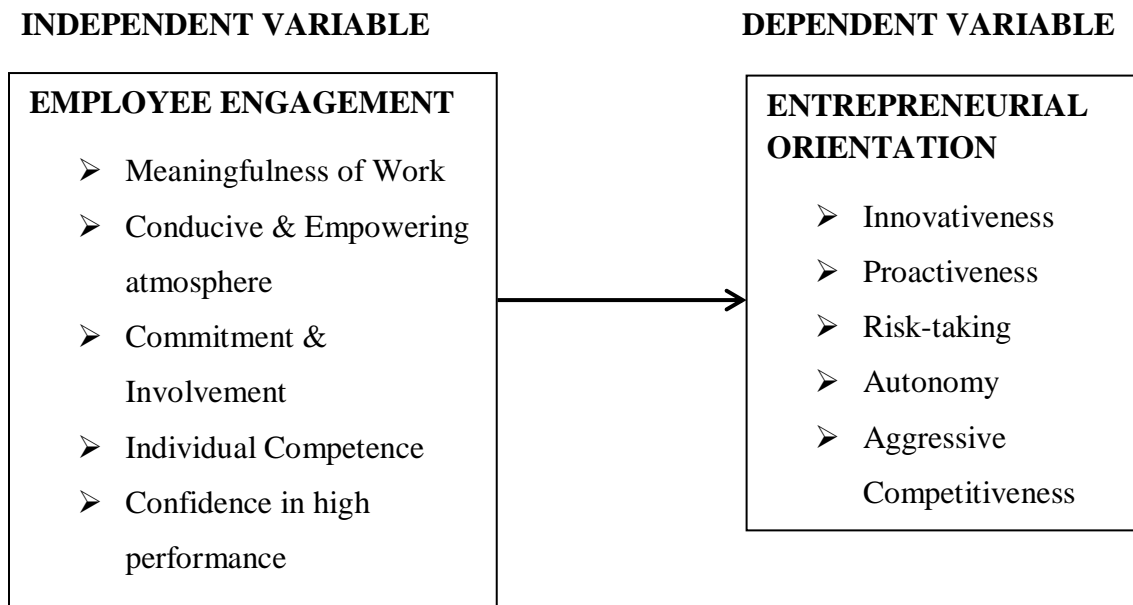


Fig 1: Employee Engagement and Entrepreneurial Orientation Framework

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter set out various steps that were followed in carrying out the research. It involves a blue print for collection, measurement and analysis of data. The sections covered include research design, population, sample design, data collection and data analysis.

3.2 Research Design

The study employed a cross sectional survey design. A cross sectional study takes a description of the sampled population at a point in time. This design involves the collection of information from any given sampled population only once (Babbie, 2010). A survey method is one that obtains data from a subset of the population in order to estimate population attributes. In other words, the study was carried out using a sampling method in which a portion only and not the whole population was surveyed.

The researcher sought to ask the same questions to similar category of subjects being employees based within development PBOs in Kisumu County. It would have been unreasonable and cumbersome to sample the views of all employees as they would mostly be repetitive. Therefore, the cross sectional survey sample design was chosen to collect the views from a representative pool of employees within the population at a particular point in time. The researcher finds the study design convenient because it allows the use of both qualitative and quantitative data collection instruments in a study.

3.3 Target Population

The population of the study was employees who are program officers in all development PBOs in Kisumu County. There were eighty seven (87) development PBOs registered to operate in Kisumu County, Kenya according to PBO Coordination Board (2016). Since, PBO operations are seasonal and project based, sixteen (16) development PBOs were not

operational at the time of the study. There were a total of three hundred and forty eight (348) program officers according to human resource information received from the accessible seventy one (71) development PBOs within Kisumu County.

3.4 Sample Size and Sampling Procedure

The study purposively targeted employees in the position of program officers in development PBOs since the nature of their work is directly tied to promoting entrepreneurship. Babbie, (2010) concurs that purposive sampling is restricted to particular people with access to the needed data because they are the only ones who have it, or they conform to some requirement set by the researcher. Those who are most readily available might not have accurate information thus the need to target specific groups or individuals in a process referred to as purposive sampling (Babbie, 2010). The purpose is to select a small number of cases that will yield the most information about a particular phenomenon, yielding a greater depth of information from carefully selected cases.

Mugenda (2003) contended that between 20 to 30 percent of the target population is sufficient enough for generalization of study findings. Thus, out of the total population of 348 employees being program officers identified in development PBOs in Kisumu County, the researcher settled for 25% percent translating to a sample size of 87 employees. The researcher proceeded to sample one or 25% of the employees according to the number of program officers in each development PBO in Kisumu County Kenya.

3.5 Data Collection

The study applied primary data collection. Primary data is data that is collected directly by the researcher to answer the research question. Structured questionnaire with Likert-type scale questions were used to collect data. Questions borrowed from Anitha (2014) and Covin & Slevin (2012) and were modified to help uncover employee engagement behaviors and entrepreneurial orientation respectively in development PBOs.

3.6 Data Analysis

Primary data was collected using questionnaires and analyzed quantitatively. The data was subjected to descriptive, correlational and regression analysis and analysis of variance (ANOVA) to satisfy the objectives of the study. Descriptive analysis was used to describe and summarize the level of employee engagement and entrepreneurial orientation in development PBOs. Covin & Slevin (2012) recommends the use of descriptive statistics to measure entrepreneurial orientation. The mean average level of employee engagement as well as for entrepreneurial orientation was calculated with corresponding standard deviation scores. Correlation coefficient was used to establish the relationship between the independent and dependent variables. Gichohi (2014) successfully applied correlation coefficient to measure the relationship between employee engagement and creativity in Libraries in Meru County.

Simple regression analysis was applied to test the impact of employee engagement on entrepreneurial orientation and whether the impact is statistically significant or not. Multiple regression was conducted on individual employee engagement behaviors to demonstrate the relationship impact on entrepreneurial orientation. According to Field (2005), regression reflects the impact of unit change in independent variable on the dependent variable. The coefficients of determination (R square value), the regression coefficients (Beta coefficient) and the p-values for each of the significant relationships were reported. Field (2005) suggested that the significance level (p-value) for each variable should be less than 0.05 to demonstrate that the variable is making a statistically significant and unique contribution to the prediction of the dependent variable.

Analysis of Variance (ANOVA) was applied to test the impact of demographic groups on entrepreneurial orientation. Key constructs of the study were cross-tabulated. SPSS and excel package were used to analyze the collected data. The findings were presented in tables and descriptive statements with subsequent discussion.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents data received from this study, analyses the results and proceeds to discuss the findings based on the objective on this study. The objective of this study was to determine the relationship between employee engagement and entrepreneurial orientation of employees in development PBOs in Kisumu County, Kenya.

4.2 Response Rate

Data was obtained from sixty two (62) employees thereby constituting an acceptable sample size. The study had targeted eighty seven (87) employees being program officers from the development PBOs. Babbie (2010) affirmed that 60% response return rate is recommended for a study. This study recorded 71.26% response rate which was considered adequate for analysis, interpretation and generalization. Previous studies in related fields such as Anitha (2014); Dai *et al* (2014); Gichohi (3012) and Hashimoto *et al* (2014) attained an average response rate of 60% to 70%. The study did not achieve 100% response rate because a number of development PBOs could not be accessed at the time of picking questionnaires because of political unrest witnessed in the region during the period of this study which had led to closure of some PBOs while some employees had been discharged from duty due to project completion.

4.3 Respondent Demographic

The study sought to find out the description of the respondents. It captured their general characteristics in a bid to investigate how this influenced the study. This section captured the general characteristics of the respondent's gender, age, educational qualifications, tenure and duration of service in organization.

4.3.1 Gender of the respondents

The study sought to find out the gender of the respondents. It captured the gender of the respondents. The results are presented in Table 4.1.

Table 4.1: Gender Distribution of the Respondents

| Gender | Frequency | Percent |
|---------------|------------------|----------------|
| Male | 40 | 64.52 |
| Female | 22 | 35.48 |
| Total | 62 | 100.0 |

Source: Field data (2017)

Table 4.1 shows that 56% of the respondents were male with 44% of the respondents being female. These findings indicate that there were slightly more male respondents as compared to the females. This result indicates that there is no significant variation of responses and that both gender had equal chances of being exposed to entrepreneurial orientation in development PBOs.

4.3.2 Age of the Respondents

The study sought to find out the age of the respondents. It captured the age of the respondents. The results are presented in Table 4.2.

Table 4.2: Age Composition of the Respondents

| Age | Frequency | Percent |
|--------------------|------------------|----------------|
| 20 to 30 years | 36 | 58.1 |
| 31 to 39 years | 22 | 35.5 |
| 40 years and above | 4 | 6.5 |
| Total | 62 | 100.0 |

Source: Field data (2017)

From table 4.2 it is evident that most of the respondents were aged between 20 to 30 years. 58.1% were majority in millennial generation Y, 35.5 % were middle aged generation X and 6.5% were baby boomers age. The results show that all working generation age groups were represented in the study.

4.3.3 Highest Educational Qualification

The researcher sought to establish the respondents' educational qualification. The results are captured in Table 4.3. below.

Table 4.3: Categorization of the Respondents by Highest Educational Qualification

| Education Level | Frequency | Percent |
|------------------------|------------------|----------------|
| Diploma | 23 | 37.1 |
| Undergraduate | 27 | 43.6 |
| Post Graduate | 12 | 19.4 |
| Total | 62 | 100.0 |

Source: Field data (2017)

From table 4.3 it is evident that most of the respondents held undergraduate degrees. 37.1% of the respondents had diploma qualifications, 43.6% held undergraduate degree qualifications and 19.4% of the respondents had post graduate degree qualifications. This level of qualification was important in the study because it helped to evaluate whether the respondents had the prerequisite knowledge to understand the concept under research. All the respondents had post-secondary level training thus they were able to understand the concept of employee engagement and entrepreneurial orientation.

4.3.4 Tenure of Service

The study sought to find out the tenure of service that respondents were serving in the organization. The results are presented in Table 4.4.

Table 4.4: Distribution of the Respondents by Tenure of Service

| Length of Service | Frequency | Percent |
|--------------------------|------------------|----------------|
| Below 1 year | 16 | 25.8 |
| 1 to 5 years | 40 | 67.7 |
| 6 to 10 years | 4 | 6.5 |
| Permanent & Pensionable | 0 | 0.0 |
| Total | 62 | 100.0 |

Source: Field data (2017)

Table 4.4 shows that most of the employees were on between 1 to 5 years tenure. 25.8% of the respondents were on less than 1 year tenure, 67.7% were on 1 to 5 years tenure and 6.5% were on 6 to 9 years tenure with the development PBOs. None of the employees was permanent and pensionable tenure of service. This finding implies that the nature of employment contract in development PBOs is fixed term. This could be explained by the inconsistent financing of the development PBOs.

4.4 Level of Employee Engagement in Development PBOs in Kisumu County

This section dealt with the factors of employee engagement with a view to establishing the level of employee engagement in development PBOs in Kisumu County.

Table 4.5: Frequency of Employee Engagement

| Employee Engagement | Frequency | Percent | Valid Percent |
|----------------------------|------------------|----------------|----------------------|
| Engaged | 52 | 84.3 | 84.3 |
| Not Engaged | 10 | 15.7 | 15.7 |
| Total | 62 | 100.0 | 100.0 |

Source: Field data (2017)

Table 4.5 above shows that 84% of employees in development PBOs are engaged while 15.7% of employees are not engaged in their work.

Table 4.6: Meaningfulness of work and confidence in high performance

| Meaningfulness of Work and Confidence in high performance | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| I know what is expected of me at work | 62 | 4.71 | 0.824 |
| My supervisor helps me to understand the importance of my work | 62 | 4.45 | 1.028 |
| I have the materials and equipment I need to do my work well | 62 | 4.03 | 1.14 |
| My supervisor believes that I can handle demanding tasks | 62 | 4.19 | 1.014 |
| My supervisor trusts in my ability to improve even when I make mistakes | 62 | 4.29 | 1.039 |
| My supervisor makes it more efficient for me to do my job by keeping the rules and regulations simple | 62 | 4.29 | 1.039 |
| My supervisor allows me to make important decisions quickly to satisfy work needs | 62 | 3.97 | 1.048 |

Source: Field data (2017)

Descriptive statistics revealed that respondents acknowledged full understanding of what is expected of them at work with the highest mean of 4.71. A mean of 4.45 confirmed that supervisors do help employees to understand the importance of their work to the overall effectiveness of the organisation. The respondents acknowledged that they had materials and equipment needed to do their work right with a mean of 4.03. Respondents agreed that their supervisors believe in them to handle demanding tasks, trusts in their ability to improve even when they make mistakes and makes it more efficient for them to do their job by keeping things simple with means of 4.19 and equal means of 4.29 respectively. Even though respondents largely replied on the affirmative, they had slight reservations on supervisor allowing them to make important decisions quickly to satisfy users' needs with a lower mean of 3.97. It is further noted

that the mean of the responses on the statements used to measure meaningfulness of work and confidence on high performance range from 3.97 to 4.71. The standard deviation of the seven items tested range from 0.82 to 1.14 implying that there is no great variation in the responses of the employees. This implies that respondents find meaningfulness in work and have confidence in high performance.

Table 4.7: Commitment and involvement in decision making

| Commitment and involvement in decision making | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| The atmosphere and conditions at my work station makes me feel my job is important | 62 | 4.23 | 1.146 |
| I do concentrate on my job when I am at my work station | 62 | 4.19 | 1.167 |
| My supervisor involves me in strategic decision making including those that affects me | 62 | 3.94 | 1.093 |
| My supervisor gives all staff a chance to voice their opinions | 62 | 3.87 | 1.147 |
| My supervisor communicates timely feedback and teaches our staff how to solve problems on their Own | 62 | 4.00 | 1.125 |

Source: Field data (2017)

Descriptive statistics conveyed employees' their commitment and involvement in decision making by responding positively to employee engagement aspects. The statement that atmosphere and conditions at the workplace makes respondents feel their job is important attracted a mean of 4.23. Respondents' concentration at work was agreeable with a mean of 4.19. This response connects with Hashimoto & Nassif (2014) who noted that employee engagement brings about noticeable enhancements in

productivity. Involvement of respondents in decision making, staff being given chance to voice their opinions, and communication of timely feedback and guiding staff on how to solve problems by their supervisors attracted positive response of 3.94, 3.87 and 4.00 respectively. The standard deviation ranges from 1.09 to 1.16 meaning that generally, employees are in agreement with contributions made for their commitment and decision making because there is no significant variation.

Table 4.8: Existence of Conducive and Empowering Atmosphere in the Workplace

| Existence of Conducive and Empowering Atmosphere in the Workplace | N | Mean | Std. Deviation |
|--|----------|-------------|-----------------------|
| I have significant freedom in determining how I do my Job | 62 | 3.84 | 1.003 |
| I have the authority that I need to do my job well | 62 | 4.32 | 1.536 |
| I am encouraged to take ownership of my work | 62 | 4.39 | 1.183 |
| My work activities and tasks are personally important and meaningful to me | 62 | 4.19 | 1.078 |
| I feel free and inspired to bring my best energy to work | 62 | 4.26 | 1.125 |

Source: Field data (2017)

Descriptive statistics indicated respondents' agreed that there is significant autonomy in determining how respondents' do their job and authority to do the job with means of 3.84 and 4.32 respectively. Respondents felt encouraged to take ownership of their work in generating a mean of 4.00. Existence of conducive environment was detected in the study when respondents agreed that their work activities and tasks are individually important and meaningful to them reflecting a mean of 4.19 and that they felt free and inspired to bring their best to work. The results of this study relate positively with research findings that work environment is a determinant of employee engagement (Anitha, 2014; Alvi *et al*, 2014; Hon, 2012).

Table 4.9: Individual Competence and Pay

| Individual competence and labour market | N | Mean | Std. Deviation |
|--|----------|-------------|-----------------------|
| I am confident about my ability to do my jobs | 62 | 4.49 | 1.022 |
| I have mastered the skills necessary for my job | 62 | 4.39 | 1.022 |
| I am satisfied with the pay my organisation offers | 62 | 3.80 | 1.006 |

Source: Field data (2017)

Results of descriptive statistics showed that respondents expressed confidence in their ability to do their work with a mean of 4.49. They acknowledged mastery of skills necessary for their job with a mean of 4.49. Satisfaction with pay that organisation offers in comparison to labour market was agreeable to lower scale by a mean of 3.80. This finding was in tandem with Hashimoto & Nassif (2014) who observed that people are attracted to well-paying jobs thereby contributing to their emotional attachment to their workplace.

Table 4.10: Summary Mean score on level of employee engagement

| Employee engagement measurement | N | Mean | S.D | % |
|---|-----------|-------------|---------------|--------------|
| Meaningfulness of work and confidence in high performance | 62 | 4.28 | 1.0189 | 87.53 |
| Commitment and involvement in decision making | 62 | 4.05 | 1.1356 | 76.10 |
| Existence of conducive and empowering atmosphere in the workplace | 62 | 4.12 | 1.185 | 79.98 |
| Individual competence and impact on organization | 62 | 4.36 | 1.0167 | 93.50 |
| Average | 62 | 4.19 | 1.0893 | 84.28 |

Source: Field data (2017)

Table 4.10 above shows the mean average level of employee engagement as calculated with corresponding standard deviation scores. The overall results indicated means and standard deviation of 4.192 and 1.0893 on the independent variable. The percentage

level of employee engagement ranks very high at 84.28%. This finding implies that development PBOs have above average employee engagement levels.

4.5 Level of Entrepreneurial Orientation in Development PBOs in Kisumu County

This section deals with aspects of entrepreneurial orientation in development PBOs in Kisumu County, Kenya. To determine entrepreneurial orientation in the work place, employees were asked to rate aspects of entrepreneurial orientation as broken into four sections.

Table 4.11: Frequency of Entrepreneurial orientation

| Entrepreneurial Orientation | Frequency | Percent | Valid Percent |
|---|------------------|----------------|----------------------|
| Exposure to entrepreneurial orientation | 43 | 69.4 | 69 |
| Lack of exposure to entrepreneurial orientation | 19 | 30.6 | 31 |
| Total | 62 | 100.0 | 100.0 |

Source: Field data (2017)

Table 4.11 shows that 69% of respondents were exposed to entrepreneurial orientation in development PBOs, while 31% of the respondents did not reflect exposure to entrepreneurial orientation in the work place.

Table 4.12: Problem Identification and Information Searching

| Problem Identification and Information Searching | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| I spend considerable time trying to understand and solve a problem if it occurs at my workplace | 62 | 3.48 | 1.092 |
| I think about the problem from multiple perspectives | 62 | 3.52 | 1.092 |
| I usually break down difficult problem/assignment into parts to obtain greater understanding | 62 | 3.35 | 1.05 |
| I consult widely for ideas and for solutions to problems at work | 62 | 3.58 | 1.057 |
| I try to generate a significant number of alternatives to the same problem before I choose the final solution. | 62 | 3.52 | 0.996 |
| I try to come up with ways of solving problems common problems | 62 | 3.26 | 1.182 |
| I enjoy finding solutions to complex problems, creating new procedures, improving existing services and processes on tasks assigned to me | 62 | 3.71 | 1.243 |

Source: Field data (2017)

Descriptive statistics showed that a mean of 3.48 employees frequently spend considerable time trying to understand the nature of the problem if it occurs at their workplace. Respondents indicated that they frequently think problems from multiple perspectives and decompose difficult problems into parts to greater understanding with a mean of 3.52 and 3.35 respectively. With a mean of 3.58 and 3.52 respectively, respondents frequently consult widely for ideas and solutions to problems at work and generate significant number of alternatives to the same problems before choosing the final solution. Effort to come up with unique ways of solving problems was frequent but it attracted a lower mean of 3.26. from respondents. Employees very frequently, enjoy

finding solutions to complex problems, creating new procedures, improving existing services and processes on tasks assigned.

Table 4.13: Atmosphere for Innovativeness, Proactivity, Risk Taking, Autonomy and Competitive Aggressiveness

| Atmosphere for innovativeness, proactivity, risk taking, autonomy and competitive aggressiveness | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| Staff having freedom to come up with new ideas, better ways to perform tasks and solve problems | 62 | 4.48 | 0.923 |
| Staff being given access to new technology and enabling tools | 62 | 4.13 | 1.056 |
| Staff being regarded as a good source of creative and innovative ideas | 62 | 4.42 | 0.811 |
| Staff being not afraid to take risks | 62 | 4.10 | 0.944 |
| Leader having freedom to manage their work | 62 | 4.26 | 0.999 |
| Staff thinking and acting ahead of possible challenges | 62 | 4.26 | 0.93 |
| Staff outdoing co-workers in performance of tasks | 62 | 4.39 | 0.919 |

Source: Field data (2017)

Descriptive statistics revealed general consensus among respondents that conducive atmosphere promotes dimensions of entrepreneurial orientation in PBOs. Staff having freedom to come up with new ideas, and better means to achieve goals ways of performing tasks and solving problems attracted a mean of 4.48. This result supported Rundquist, Floren & Fischer (2013) who proved that a sense of autonomy, organizational climate and empowering leadership impacts employee’s entrepreneurial motivation. Respondents identified staff being given access to new technology and enabling tools as

well as being regarded as a good source of creative and innovative ideas as very significant with a mean of 4.13. Staff not being afraid to take risks and having freedom to manage their work was rated as very significant with means of 4.42 and 4.10. Respondents rated the staff to think ahead of possible challenges as very significant with a mean of 4.26. Staff being aggressively competitive in outdoing colleagues in performance attracted a mean of 4.39 significance level.

Table 4.14: Employee engagement of Entrepreneurial Orientation

| Employee engagement of Entrepreneurial Orientation | N | Mean | Std. Deviation |
|---|----------|-------------|-----------------------|
| My supervisor encourages, respects, emphasizes and reinforces new ideas and solutions coming from staffs | 62 | 4.26 | 0.93 |
| My supervisor encourages staff to freely determine situations and use discretion in solving work challenges | 62 | 3.42 | 1.235 |
| My supervisor recognizes and rewards employees who are creative and innovative in doing their job | 62 | 3.42 | 1.089 |
| My organisation cushions staff who encounter risks while performing at work | 62 | 3.29 | 1.419 |
| My supervisor promotes staff who challenge coworkers competitively | 62 | 4.23 | 0.805 |

Source: Field data (2017)

According to results of descriptive statistics, respondents strongly agreed with supervisor encouragement, respect, emphasis and reinforcement of new ideas and solutions coming from staff by a mean of 4.26. Respondents agreed that supervisors' encourage staff to freely determine situations and use discretion in solving work challenges promotes entrepreneurial orientation by a mean of 3.42. The recognition and reward of employees who take control and act ahead of possible problems was agreeable to promoting

entrepreneurial orientation. A mean of 3.29 portrayed respondents' agreement to the fact that the PBOs cushion staffs who encounter risks while performing at work. Respondents strongly agreed that supervisors do promote staffs who challenge coworkers competitively. These results are consistent with Welbourne, Heidi & Dale (2012) who noted that managers can influence the disposition and conduct of their employees through considerable outline of both formal and casual structure.

Table 4.15: Employee Empowerment

| Employee Empowerment | N | Mean | Std. Deviation |
|--|----------|---------------|-----------------------|
| I regard myself as an employee who wants to have greater autonomy over my work | 62 | 4.32 | 0.832 |
| I would feel undermined if I don't have the freedom to decide issues related to my daily routine | 62 | 4.23 | 0.845 |
| My supervisor gives me the support I need to do my job well | 62 | 4.35 | 0.839 |
| My supervisor encourages me on my work progress and development of my career | 62 | 4.26 | 0.893 |
| My organisation invests in employees' learning and development | 62 | 4.23 | 0.805 |
| The operating procedure in in my office encourages and helps me to develop passion for my work | 62 | 3.65 | 1.05 |
| There are sufficient incentives to perform well at my organization | 62 | 3.00 | 1.366 |
| Average mean scores | | 3.7876 | 1.02388 |

Source: Field data (2017)

In the results of the descriptive statistics, a mean of 4.32 reflects that respondents strongly regard themselves as employees who want to have greater autonomy over their work with

a mean of 4.32. Respondents strongly agreed that they would feel undermined if they don't have the freedom to decide issues related to their daily routine with a mean of 4.23. It was agreeable to most respondents that supervisors give them support they need to do their job well with a mean of 4.35. Supervisors were acknowledged to encourage employee progress and development of their careers by reflected mean of 4.26. Respondents strongly agreed that organisations invest in their staff's learning and development with a mean 4.23. Operating procedure in the respondents' offices encourages and helps them to develop passion for their work. This was reflected by a mean of 3.65. Respondents half-heartedly agreed that there are sufficient incentives to reward performance at the BPOs reflected in a mean of 3.00 which was the lowest under the dimension of empowerment.

Table 4.16: Summary Mean Score on level of Entrepreneurial Orientation in development PBOs in Kisumu County

| Entrepreneurial Orientation measurement | N | Mean | S.D | % |
|--|----------|-------------|---------------|--------------|
| Problem identification and information searching | 62 | 3.49 | 1.1017 | 51.60 |
| Atmosphere for entrepreneurial orientation | 62 | 4.32 | 0.9403 | 86.17 |
| Leader encouragement for entrepreneurial orientation | 62 | 3.73 | 1.0847 | 66.67 |
| Empowerment | 62 | 3.92 | 1.0061 | 73.02 |
| Average | | 3.79 | 1.0239 | 69.37 |

Source: Field data (2017)

Table 4.16 above shows the mean average level of entrepreneurial orientation as calculated with corresponding standard deviation scores. The overall results indicated mean of 3.79 and standard deviation of 1.0239 on the dependent variable. Results imply that employees of PBOs possess and recognize constructs of entrepreneurial orientation.

4.6 Level of Employee Engagement vis-à-vis entrepreneurial orientation among employees of development PBOs

According to table 4.11 and 4.17 above, employee engagement among the respondents of the study was found to be high with a mean score of 4.19 while entrepreneurial orientation level was found to be slightly low with the mean score of 3.79. The mean values of these two variables did not differ significantly. This implies that some factors of employee engagement considerably overlap those of entrepreneurial orientation of employees and hence the respondents who feel engaged may also not equally be exposed to entrepreneurial orientation in the workplace.

The overall results of the descriptive statistics indicated almost equal means and standard deviation of 4.192 to 3.7876 and 1.0893 to 1.0239 on the independent and dependent variables respectively as per table 4.11 and 4.17 above. The overall staff engagement in development PBOs was found to be relatively high at 84.28%. The result is consistent with May *et al* (2004), Kaliannan & Adjovu (2015) and Markos & Sridevi (2010) that employees who derive meaningfulness, security and feel that their needs are satisfied are likely to be engaged. The overall level of entrepreneurial orientation score of employees was found to be relatively high at 69.37%, though quite low by 14.91% compared to the level of employee engagement within the development PBOs.

4.7 Employee Engagement and Entrepreneurial Orientation in Development PBOs in Kisumu County

To study the relationship between employee engagement and entrepreneurial orientation of employees at the workplace, correlation analysis was done and the results are given below.

Table 4.17: Employee Engagement and Entrepreneurial Orientation in Development PBOs in Kisumu County

| Correlation of EE and EO in Development PBOs | | Employee Engagement | Entrepreneurial Orientation |
|---|---------------------|----------------------------|------------------------------------|
| Employee Engagement | Pearson Correlation | 1.000 | .100** |
| | Sig. (2-tailed) | . | .831 |
| | N | 62 | 62 |
| Entrepreneurial Orientation | Pearson Correlation | .100** | 1.000 |
| | Sig. (2-tailed) | .831 | . |
| | N | 62 | 62 |

**** Correlation is significant at the 0.01 level (2-tailed)**

The study findings show statistically significant positive correlation ($r = 0.831$, $P < 0.05$) between employee engagement and entrepreneurial orientation. Table 4.18 above indicates that employee engagement is related with entrepreneurial orientation of employees in the workplace with R value of 0.831 ($p < 0.05$). This means that there is 83.1% relationship between employee engagement and entrepreneurial orientation in development PBOs in Kisumu County. This outcome seems to suggest that when people positively evaluate their experiences in their organization, they are more likely not only to feel attached, psyched, satisfied, committed and proud, but also tend to be responsive to innovativeness, proactivity, competitive aggressiveness and display autonomy. These findings imply that employee engagement is likely to influence entrepreneurial orientation.

4.8 Regression on influence of Employee Engagement on Entrepreneurial Orientation in development PBOs in Kisumu County

In order to establish the influence of employee engagement on entrepreneurial orientation in development PBOs in Kisumu County, regression analysis was conducted. Simple regression analysis revealed that effect of employee engagement factors in predicting

entrepreneurial orientation of employees was significant ($\beta=0.466$, $p\leq 0.000$), after controlling for four demographic variables namely gender, age, educational qualification, and tenure of service with development PBO. Individually, multiple regression analysis demonstrated a significant positive relationship between meaningfulness of work and entrepreneurial orientation ($\beta=0.656$, $p\leq 0.000$). Thus, an employee who finds meaningfulness in his work will have increased level of entrepreneurial orientation. Individual employee competence also showed a significant relationship with entrepreneurial orientation; however, the relationship was negative. ($\beta = 0.511$, $p\leq 0$). Thus, the findings demonstrate that competence among employees could cause lower entrepreneurial orientation as it possibly blinds them from creative exploration. Employees may feel that they are too competent, thus lowering their sense of entrepreneurial at work due to perception. It may be that individual competence is recognized as beneficial for employees' engagement but an unusually high level of competence could discourage entrepreneurial orientation. Table 4.19 summarizes the regression analysis.

Table 4.18: Regression Analysis on Influence of Employee Engagement on Entrepreneurial Orientation

| | Degree of Entrepreneurial Orientation | | |
|-------------------------------------|---------------------------------------|---------|---------|
| | β | t-value | p-value |
| Simple regression | | | |
| Employee engagement (aggregate) | 0.466 | 8.287 | 0.000 |
| R ² | 0.217 | | |
| Adjusted R ² | 0.214 | | |
| F-value | 68.682 | | |
| Multiple regression analysis | | | |
| Meaningfulness of Work | 0.656 | 4.285 | 0.000 |
| Conducive and empowering atmosphere | 0.148 | 0.995 | 0.032 |
| Commitment and involvement | 0.129 | 0.976 | 0.033 |
| Individual competence | -0.511 | -2.790 | 0.006 |

| | | | |
|--------------------------------|--------|-------|-------|
| Confidence in high performance | 0.062 | 0.394 | 0.694 |
| R ² | 0.259 | | |
| Adjusted R ² | 0.244 | | |
| F-value | 17.251 | | |

The more a leader exhibits empowering role, the higher the level of entrepreneurial orientation will be among employees. Thus, employee engagement influences entrepreneurial orientation.

In order to eliminate any possible effect of external variables, four control variables which include gender, age, educational qualification and tenure of service with PBO and employee engagement were included simultaneously in the regression equation. These control variables explained 8% of the variance in influence of employee engagement on the level of entrepreneurial orientation among the employees.

Table 4.19: Regression analysis on Influence of employee engagement on Entrepreneurial Orientation with control variables

| | Analysis 1 | | | Analysis 2 | | |
|----------------------------|------------|---------|---------|--------------|--------------|--------------|
| | β | t-value | p-value | β | t-value | p-value |
| Control variables | | | | | | |
| Gender | -0.191 | -1.981 | 0.049 | -0.096 | -1.118 | 0.265 |
| Age | 0.181 | 1.714 | 0.088 | 0.217 | 2.324 | 0.021 |
| Educational qualification | -0.151 | -1.824 | 0.170 | -0.119 | -1.621 | 0.107 |
| Tenure | 0.084 | 1.155 | 0.250 | 0.132 | 2.051 | 0.042 |
| Main effect | | | | | | |
| Employee engagement | | | | 0.480 | 7.485 | 0.000 |
| R ² | 0.084 | | | 0.292 | | |
| Adjusted R ² | 0.051 | | | 0.262 | | |
| F-value | 2.530 | | | 9.852 | | |

In Table 4.19, the main effect of employee engagement was entered. The result was significant at 0.000 level. Employee engagement explained 29% of the variance in entrepreneurial orientation ($R^2=0.292$, Adjusted $R^2=0.262$). Analysis of the control variables showed that educational qualification and gender were not significantly related to the influence of employee engagement on entrepreneurial orientation ($p \geq 0.1$). However, age and tenure were significantly related to employee engagement influence on entrepreneurial orientation ($p \leq 0.05$). Another round of analysis was conducted to test if these control variables would affect the significance of the influence of employee engagement on entrepreneurial orientation by removing gender and age. The outcome still produced a significant result ($\beta=0.470$, $p \leq 0.01$). Consequently, it follows that there is a positive relationship between employee engagement and entrepreneurial orientation of employees.

4.9 Analysis of Variance (ANOVA): Differences between Groups

ANOVA was conducted to explore differences between respondents' demographics. In entrepreneurship, environmental and individual factors are known to influence entrepreneurial aptitudes, thus the essence of this measurement. Mean scores were used to compare groups for gender, age, educational qualification and tenure of service as discussed below.

4.9.1 Entrepreneurial Orientation and Gender of Respondents

An independent sample t-test was conducted to compare the entrepreneurial orientation scores for males and females as indicated in Table 4.20 below.

Table 4.20: ANOVA on Entrepreneurial Orientation by Gender

| Variable | Mean (Male) | Mean (Female) | T-value | Signifi cant |
|---|----------------|------------------|---------------|-----------------|
| Entrepreneuri al Orientation | 4.84 | 4.86 | -0.252 | 0.80 |

Source: Field data (2017)

The results showed there were no significant differences in scores for influence of gender on entrepreneurial orientation. Female employees' influence was higher by a mean of 0.02. males ($M=4.84$, $SD=0.86$) and females ($M=4.86$, $SD=0.88$; $t(256) = -0.252$, $p=0.80$).

4.9.1 Entrepreneurial Orientation and Age of Respondents

A one-way between-groups analysis of variance was conducted to explore the influence of age on entrepreneurial orientation as per Table 4.21.

Table 4.21: ANOVA on Influence of Age on Entrepreneurial Orientation

| Variable | Mean (18 to 30) | Mean (31 to 39) | Mean (over 40 years) | F-value | Significant |
|------------------------------------|-----------------|-----------------|----------------------|--------------|--------------|
| Entrepreneurial Orientation | 5.37 | 4.93 | 4.74 | 2.417 | 0.067 |

Source: Field data (2017)

Employees were divided into three groups according to their age. Levene's test for homogeneity of variance was greater than 0.05 ($p=0.356$), which meant that the study did not violate the homogeneity of variance assumption. However, there was no statistically significant difference at the $p<0.05$ level in entrepreneurial orientation scores for the three age groups ($p=0.067$).

4.9.2 Entrepreneurial Orientation and Educational Qualification of Respondents

A one-way between-groups analysis of variance was conducted to explore the impact of educational qualification on entrepreneurial orientation as reflected in Table 4.22 below.

Table 4.22: ANOVA on Influence of Educational Qualifications on Entrepreneurial Orientation

| Variable | Mean (Certificate/Diploma) | Mean (Undergraduate) | Mean (Postgraduate) | F-Value | Significant |
|------------------------------------|----------------------------|----------------------|---------------------|--------------|--------------|
| Entrepreneurial Orientation | 4.99 | 4.69 | 5.10 | 3.104 | 0.027 |

Source: Field data (2017)

From the table above, employees were divided into three groups according to their

educational qualification: diploma, undergraduate or post graduate degree. Levene’s test for homogeneity of variance was greater than 0.05 ($p=0.831$), which meant that the study did not violate the homogeneity of variance assumption. The results also showed a statistically significant difference at the $p<0.05$ level in entrepreneurial orientation scores for the three groups ($p=0.027$). The *post hoc* comparisons test indicated that the mean score for those with a certificate or diploma ($M=4.99$, $SD=0.79$) was significantly different from those who had undergraduate degree qualification ($M=4.69$, $SD=0.91$). Despite reaching statistical significance, the actual difference in mean scores between the groups was quite small.

4.9.3 Entrepreneurial Orientation and Tenure of Respondents

A one-way between-groups analysis of variance was conducted to explore the impact of tenure on engagement as presented in Table 4.23.

Table 4.23: ANOVA on Influence of Tenure of Service on Entrepreneurial Orientation

| Variable | Mean (1 year and less) | Mean (1 to 5 years) | Mean (6 to 10 years) | F- value | Significant |
|------------------------------------|---------------------------------|---------------------------|-------------------------------|--------------|--------------|
| Entrepreneurial orientation | 4.93 | 4.79 | 4.25 | 3.808 | 0.042 |

Source: Field data (2017)

Employees were divided into four groups according to their tenure: 1 year and less, 1 to 5 years and 6 to 10 years. Levene’s test for homogeneity of variance was less than 0.05 ($p=0.009$), which meant that the study violated the homogeneity of variance assumption. The tests indicated a significant difference in the tenure group ($p=0.042$). Post hoc comparisons using the Tukey HSD test indicated that the mean score for those who had been engaged in the organisation for 1 year or less ($M=4.93$, $SD=0.77$) was significantly different from that of those who were on 1 to 5 years ($M=4.79$, $SD=0.86$) and more significantly different from that of employees who were on 6 to 9 years tenure ($M=4.25$, $SD=1.26$).

4.10 Discussion of Findings

Tojo and Metzger (2006) idealized appreciative intelligence as determining how a positive future state could be reached through resources, tools and concepts that already exist. The problem underlying this study was the fact that PBOs play a major role in transforming poor livelihoods by promoting entrepreneurship among them, yet PBOs' own survival mainly depends on donor funding. This problem prompted the researcher to seek answers to the question of whether employee engagement can influence entrepreneurial orientation.

The results of this study hint to the fact that employee engagement within development PBOs is a precursor to entrepreneurial orientation. These results assimilate to appreciative intelligence since the generative potential of employees to contribute to self-sustainability of PBOs through entrepreneurial behavior has been identified. Appreciative intelligence is applied when managers are able to visualize and create the sequential small steps that build on one another thus creating momentum for change in individuals and their environments. PBOs can now apply the theory to link the future to the present by grounding employee engagement in a manner that enhances entrepreneurial orientation thereby accomplishing positive results for self-sustainability of development PBOs over time.

The feeling of receiving satisfactory returns from one's performance efforts, the enthusiasm to engage in any activity without fear of reprisal and the confidence of having the required psychological and physical resources to actively engage in work result to psychological conditions of meaningfulness, psychological safety and availability (May *et al*, 2004). The findings of this study corresponded with Meyer *et al* (2012) as employees who agreed that their work was meaningful had confidence in high performance, felt involved in decision making, and had conducive and empowering work atmosphere generated results depicting high employee engagement. The resultant presence of employee engagement influenced entrepreneurial orientation in PBOs in Kisumu County.

Responses provided by program officers in development PBOs in Kisumu County

portrayed consensus with the fact that organisation's leadership play a role in enhancing immediate work environment, safety, rewards, workplace peers, culture, and leadership role that are critical elements in nurturing entrepreneurial orientation of employees. These broad themes have been empirically proved to be key antecedents to employee engagement (Kor, 2016; Anitha, 2014; Mahon *et al*, 2014; Nanda & Sorensen, 2010; Kaliannan & Adjovu, 2015; McEwen, 2011; Hon, 2012 and Hashimoto & Nassif, 2014).

In a study which examined the role of intrinsic motivation, Hon (2012) observed that a pleasant working atmosphere favors new ideas as it properly rewards entrepreneurs. The results also points out that there could be other factors that influence entrepreneurial orientation of employees in development PBOs apart from those related to employee engagement. Conceptually, similar findings were reported by Schaufeli, Bakker, and Salanova (2006) in a Spanish context. Results showed that work life experiences, particularly control, rewards and recognition and value fit, were significant predictors of employee engagement. The study by May, Gilson & Harter (2004) observed that when employees derive meaningfulness from their work or have an emotional attachment to it, they are more likely to expend additional effort to accomplish their work above and beyond that needed to just get through the day.

According to McEwen (2011), engaged employees not only results to high productivity but also help to generate high profit, creativity, innovation and high customer satisfaction. Apart from performance improvement as noted by Markos & Sridevi (2010), employee engagement also results to extra-role behaviors amongst employees and this precipitates entrepreneurial orientation within the organisation as observed by Graffigna (2017) who explored the interdisciplinary theory of engagement. Empowerment stood out on both constructs of employee engagement and of entrepreneurial orientation of employees at the workplace. Results revealed that employee empowerment contributes to autonomy and aggressive competitiveness. This was presented in the form of increased responsibility, freedom, self-development, job, trust, and task control. The underlying logic is that, if individuals employ self-supervision in monitoring and controlling their own tasks and workloads, they are pressured to think creatively for solutions and hence depict innovative

behavior (Kor, 2016). Similarly, the act of self-leadership may make one to feel that the management trusts and values employees' discretionary input in the job hence this perception is likely to positively impact entrepreneurial behavior among employees (Kor, 2016). Kor (2016) established that elevated amounts of autonomy acquired through self-leadership led to creative work conduct by employees. Autonomy is a dimension of entrepreneurial orientation.

From the findings, employees brought supervisors out as central catalysts during the configuration process and play important facilitative role of ensuring high engagement level of their staff. A trustful work environment, job empowerment and some sense of autonomy are not only relevant in enhancing employee engagement but are also significant in encouraging entrepreneurial orientation among employees of development PBOs. Other internal enhancement factors include; hastening the meaningfulness of work, value congruence, involvement in decision making, expression of confidence in high performance and the feeling of ones impacts on the success of the organization as well as the psychological status of an individual employee.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the findings in chapter four, presents conclusions that have been drawn based on the findings of the study and outlines recommendations of the study. The chapter was divided into five sections namely; summary of findings, conclusions, recommendations, limitations of the study and suggestions for further research.

5.2 Summary of Findings

This study sought to establish the influence of employee engagement on entrepreneurial orientation of employees in development public benefit organisations in Kisumu County. The study, which attained a response rate of 71.2%, relied on data collected from program officers who are employees assigned to development activities in PBOs. 64.5% of the respondents were of male gender while 35.5% were female indicating an approximate gender ratio of 2:1. The respondents were within the age groups of 20-30 years at 58%, 31-39 years were 35.5%, and 40 years and above at 6.5% implying that most of the employees were young adults. All respondents had post-secondary education training with undergraduate being 43.6% , 37% for Diploma and post Graduate being the least at 12%. The study showed that most employees constituting 67.7% were on 1 to 5 years tenure, 25.8% were on less than 1 year contract while 6.5% were on 6 to 10 years tenure. None of the employees was on permanent and pensionable tenure. These findings indicate that whereas the research involved a balanced representation of the targeted respondents, it was indicative that tenure of service in development PBOs is mostly fixed term in nature. This finding point to the need to create solutions that can lead PBOs to more secure and stable employment terms as a result of economically sustainable ventures.

Descriptive statistics was used to calculate the mean average level of employee engagement and entrepreneurial orientation against corresponding standard deviation.

Employee engagement in development PBOs obtained a summary mean score 4.19, standard deviation of 1.0893. The overall staff engagement in development PBOs was found to be relatively high at 84.28%. The level of entrepreneurial orientation obtained a summary mean score of 3.79 and standard deviation of 1.0239. The overall level of entrepreneurial orientation in development PBOs in Kisumu County was 69.4%. The difference between the level of the independent and dependent variables was 14.8%. The overall results of the descriptive statistics indicated almost equal means of 4.192 to 3.7876 and close standard deviation 1.0893 to 1.0239 on the independent and dependent variables respectively.

A two tailed bivariate Pearson Correlation analysis was used to measure the relationship between employee engagement and entrepreneurial orientation. Employee engagement was found to be related with entrepreneurial orientation of employees in the workplace with r value of 0.831 ($p < 0.01$). This means that there was 83.1% relationship between employee engagement and entrepreneurial orientation in the PBOs. This outcome seems to suggest that employee engagement influences entrepreneurial orientation.

Regression analysis was used to measure the influence of employee engagement on entrepreneurial orientation. The result was significant at 0.000 level. Employee engagement explained 29% of variance in entrepreneurial orientation ($R^2=0.292$, Adjusted $R^2=0.262$). This result concludes that employee engagement influences entrepreneurial orientation. The findings from Analysis of Variance indicated that there were no significant group differences in age and gender. However, the study found significant differences in groups for education level and tenure of service. Foremost, employees who had a certificate or diploma qualifications significantly differed from those with a degree in terms of their entrepreneurial orientation level. Those with a degree seemed to have a higher engagement level. Secondly, in regard to tenure of service, it seemed that employees who were less than one year tenure were more entrepreneurially oriented than those who were on between 6 to 10 years tenure. Individuals who have short term contracts may find their job more interesting and

challenging, and become more interested bringing new ideas in the hope of contract renewal, and thus become more entrepreneurially oriented than those who have assurance of being in the organisation for longer. However, these significant differences should be treated with caution as the effect size was very small.

5.3 Conclusion

Based on the findings of this study, the level of employee engagement corresponds with the level of entrepreneurial orientation in development PBOs in Kisumu County. The two phenomena require almost similar conditions to thrive. Thus, there is a positive relationship between employee engagement and entrepreneurial orientation. This study concludes that employee engagement influences entrepreneurial orientation. The results of this study amplify the antedating role of employee engagement on entrepreneurial orientation in organisations. Notably, employee engagement is an important area that PBOs should direct attention so as to nurture entrepreneurial behavior in employees and hence increase productivity and performance excellence in the PBOs.

The study concludes that employees in development PBOs in Kisumu County have high potential for entrepreneurial orientation within the organisation. It is imperative to consider employee engagement as an antecedent of entrepreneurial orientation in the workplace. This is because engaged employees are exhilarated in their duties and tasks which drive them to think innovatively, proactively and become competitively aggressive, exercise autonomy and are risk seeking.

The age, gender and tenure of employment has an influence on level of employee engagement and level of entrepreneurial orientation. Empirical literatures have shown that engaged employees are enthusiastic and are likely to employ creative energy in their job. The study concludes that young employees can become more entrepreneurially oriented in organisations if employee engagement factors are enhanced because they are generally enthusiastic to new approaches of work. This study concludes that employee engagement assumes a critical precursor role to

entrepreneurial orientation at the workplace.

The study concludes that gender and age influence entrepreneurial orientation. The study also concluded that employee commitment and attachment to the organisation is influenced by the nature of employment contract. Based on the findings of this study, it is concluded that there is a strong positive relationship between employee engagement and entrepreneurial orientation. Subsequently, the influence of employee engagement on entrepreneurial orientation is statistically significant.

5.4 Recommendations for Policy and Practice

This study adds to the growing body of research and literature that emphasizes the importance of employee engagement in fostering entrepreneurial orientation in the work place. There is need for organisations to challenge existing patterns of thinking that view employees as liabilities amidst financial turbulence and instead recognize them as valuable growth catalysts. The study recommends greater efforts by human resource managers and supervisors to revamp employee work atmosphere in order to stimulate entrepreneurial orientation directed at improving performance of PBOs. The senior staff entrusted with employees' supervision in the PBOs should be trained on leadership dimensions since their role is critical in enhancing job meaningfulness to their employees with significant impact on employee engagement and consequently on entrepreneurial orientation of employees in PBOs.

This study recommends organization redesign focused on the creation of an atmosphere of high engagement and creative work culture. Managers should evaluate every decision and management practices, and reflect on how these affect their employees, with careful assessment on their subsequent implications on workplace creativity, innovation, proactivity, autonomy and aggressive competitiveness. It is important for PBO managers to foster atmosphere which inspires their staff to think beyond routine tasks and duties. Employees have the potential to eliminate reliance of development PBOs on donor funding using entrepreneurial capacity that they already possess as per the findings of this study. However, the prevailing systems and practices that do not support the prescribed

atmosphere should first be re-addressed through policy review. Recommendation is made for development PBOs to institute policies and regulatory frameworks that advance their financial strength to effectively advance their cause of empowering poor livelihoods.

5.5 Limitations of the Study

The findings of this study are based on data collected from PBOs registered and operating in Kisumu County. PBOs in Kisumu County may be operating under conditions which are unique to PBOs in other regions. Therefore, the findings may not be generalized to PBOs in other regions.

5.6 Suggestions for Further Research

This study established a significant relationship between employee engagement and entrepreneurial orientation in development PBOs. There is need for empirical determination on how employee engagement correlates with entrepreneurial orientation in profit making organizations. Employee engagement is not the only factor influencing entrepreneurial orientation in the workplace. This calls for further research to measure the relative impact exerted by other human resource functions on entrepreneurial orientation of employees.

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APPENDICES

Appendix 1: Introduction Letter for Data Collection

APPENDICES

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UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
KISUMU CAMPUS

Telegrams: "Varsity" Nairobi
Fax: 4181650
Kisumu, Kenya
Telex: 22095 Varsity
Mobile: 0720348080
Email: nixonon@uonbi.ac.ke

P.O Box 19134-40123
Kisumu, Kenya

Date: 9th November 2017 REF: UON/CHSS/SOB – KSM/D61/84243/2015

TO WHOM IT MAY CONCERN

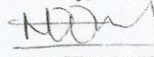
RE: OTICHRO OLGAAH AKINYI- REGISTRATION NO: D61/84243/2015

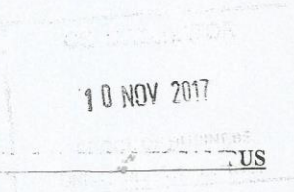
The above named student is in the Master of Business Administration degree program. As part of requirements for the course, he is expected to carry out a study on "Employee Engagement and Entrepreneurial Orientation of Employees in Development Public Benefit Organizations in Kisumu County, Kenya."

She has identified your organization for that purpose. This is to kindly request your assistance to enable her complete the study. The exercise is strictly for academic purposes and your assistance will be greatly appreciated.

Thanking you in advance.

Sincerely,


NIXON ONYIAH



Appendix 2: Study Population

| No. | Name of Development Public Benefit Organisation | Population of Program Officers | Target Population (25%) |
|-----|---|--------------------------------|-------------------------|
| 1. | Care Kenya | 6 | 1 |
| 2. | Civil Society Organization Network | 5 | 1 |
| 3. | Concern Worldwide | 5 | 1 |
| 4. | Development Knowledge Link Africa | 4 | 1 |
| 5. | FreeKenya Foundation | 4 | 1 |
| 6. | Happy Villages Organization | 4 | 1 |
| 7. | Impact Research & Development Organization | 18 | 5 |
| 8. | K-MET | 4 | 1 |
| 9. | KUAP – Pandipieri | 7 | 2 |
| 10. | OGRA Foundation | 11 | 3 |
| 11. | Omega Foundation | 0 | - |
| 12. | Plan Kenya | 6 | 2 |
| 13. | Safe Water and AIDS Project (SWAP) | 0 | - |
| 14. | SANA International | 5 | 1 |
| 15. | Support for Rural Initiative Enhancement (SUREIN), Kisumu | 5 | 1 |
| 16. | Support for Tropical Initiatives of Poverty Alleviation (STIPA), Kisumu | 7 | 2 |
| 17. | Teenage Mothers and Girls Association Of Kenya | 4 | 1 |
| 18. | The Budalangi Health and Development, Kisumu | 5 | 1 |
| 19. | The Good Samaritan Committee On Rehabilitation of Street Children, Kisumu | 4 | 1 |
| 20. | The Kenya Women Economic Network | 4 | 1 |
| 21. | The Nightingales Rural Health Services | 5 | 1 |
| 22. | The Wheel Power Group | 0 | - |
| 23. | Uhuru Organisation (International) | 0 | - |
| 24. | United Health and Agriculture Initiative (UHAI) | 0 | - |
| 25. | Voluntary Community Services Group (VCS) | 5 | 1 |
| 26. | West Kenya Energy Network | 5 | 1 |
| 27. | Whitestone Community Based Care Organization | 0 | - |
| 28. | Wikwatyo Community Development Project (WCDP) | 0 | - |
| 29. | Women in Health Education Economical Leverage | 4 | 1 |
| 30. | World Vision Kenya | 12 | 3 |
| 31. | Youth Transformation Challenge of Kenya | 4 | 1 |

| No. | Name of Development Public Benefit Organisation | Population of Program Officers | Target Population |
|------------|---|---------------------------------------|--------------------------|
| 32. | Gem Institute for Rural Welfare Associates, Kisumu | 4 | 1 |
| 33. | Gender and Development Centre, Kisumu | 5 | 1 |
| 34. | Gold Label Hatchery Project, Kisumu | 4 | 1 |
| 35. | Harambee in Progress (KIENYA), Kisumu | 4 | 1 |
| 36. | Hillside Development Services, Kisumu | 0 | - |
| 37. | Interlife Aid-Kenya, Kisumu | 5 | 1 |
| 38. | International Centre For Cancer Research (INCARE), Kisumu | 5 | 1 |
| 39. | International Fellowship Kenya, Kisumu | 2 | 1 |
| 40. | Kenya Child And Family Development Organization, Kisumu | 4 | 1 |
| 41. | Kenya Female Advisory Organization (KEFEADO), Kisumu | 2 | 1 |
| 42. | Kenya Neem Foundation, Kisumu | 5 | 1 |
| 43. | Kisumu Health Care And Education Centre, Kisumu | 0 | - |
| 44. | Kisumu Innovation Centre-Kenya, Kisumu | 5 | 1 |
| 45. | Lake Sea Network International(LASENI), Kisumu | 3 | 1 |
| 46. | Lake Victoria Wetlands Team(LVWT), Kisumu | 7 | 2 |
| 47. | Local People Hope, Kisumu | 0 | - |
| 48. | Needy Friends Centre, Kisumu | 3 | 1 |
| 49. | Nehemia International Organization, Kisumu | 0 | - |
| 50. | Network for Eco-Farming In Africa (NECOFA-KENYA), Kisumu | 3 | 1 |
| 51. | Noble Charity Homes for Destitute, Kisumu | 0 | - |
| 52. | Nyakach Community Support Services for Widows, Orphans and Disabled, Kisumu | 3 | 1 |
| 53. | Osenalala (Friends of The Lake), Kisumu | 5 | 1 |
| 54. | Our Lady of Perpetual for People Living With Aids and Orphans, Kisumu | 4 | 1 |
| 55. | Rural Water and Sanitation Organization (WATERSAN), Kisumu | 5 | 1 |
| 56. | Saradev Shiv Mandir Dunga, Kisumu | 5 | 1 |
| 57. | Several Projects in One Organization (SPINO-Organization), Kisumu | 4 | 1 |
| 58. | Small Holder Irrigation Support Organization (SISO), Kisumu | 6 | 2 |
| 59. | Society for Hospital and Other Resources Exchange, Kisumu | 3 | 1 |
| 60. | St. Keziah's Development Foundation, Kisumu | 5 | 1 |

| No. | Name of Development Public Benefit Organisation | Population of Program Officers | Target Population |
|---------------|---|--------------------------------|-------------------|
| 61. | Achayo Women Organisation, Kisumu | 5 | 1 |
| 62. | Action for People in Conflict (AFPIC), Kisumu | 0 | - |
| 63. | Africa Co-operation and Development Program, Kisumu | 4 | 1 |
| 64. | Africa Now, Kisumu | 3 | 1 |
| 65. | African Youth Foundation, Kisumu | 4 | 1 |
| 66. | Agape Development Ministries, Kisumu | 5 | 1 |
| 67. | AIDS Healthcare Foundation (AHF Kenya) | 5 | 1 |
| 68. | Christ Hope | 4 | 1 |
| 69. | Christian Missionary Fellowship (CMF International) | 5 | 1 |
| 70. | Citizens Social Care Centre, Kisumu | 0 | - |
| 71. | Development Era Action Project (1998), Kisumu | 4 | 1 |
| 72. | Development Knowledge Link-Africa, Kisumu | 5 | 1 |
| 73. | Disaster and Health Support Organization, Kisumu | 0 | - |
| 74. | Disciples of Mercy Organization, Kisumu | 4 | 1 |
| 75. | Duogo Displaced Children, Orphans and Widows Support (DD: COWS), Kisumu | 3 | 1 |
| 76. | East Africa (Kenya) Community Development Agency, Kisumu | 5 | 1 |
| 77. | East African Development Ministry, Kisumu | 3 | 1 |
| 78. | East African Inland Waters Environmental Concern, Kisumu | 5 | 1 |
| 79. | East African Refugee Assistance, Kisumu | 3 | 1 |
| 80. | Education for Social Responsibility Africa Ksm | 6 | 2 |
| 81. | International Centre For Aids Care And Treatment Programs (Icap) | 6 | 2 |
| 82. | Kenya Aids PBOs Consortium | 5 | 1 |
| 83. | Kisumu Initiative For Positive Empowerment | 6 | 2 |
| 84. | Liverpool Vct, Care & Treatment | 5 | 1 |
| 85. | Merlin (Kisumu) | 0 | - |
| 86. | Mildmay International Kenya | 4 | 1 |
| 87. | Suba Foundation | 5 | 1 |
| Totals | | 348 | 87 |

Source: Personnel records in Development PBOs in Kisumu County (July 2017)

Appendix 3: Questionnaire

Introduction

Dear Respondent,

I, Olgha Akinyi Otichro, am an MBA student at University of Nairobi, Kisumu Campus. I am carrying out a research on the relationship between Employee Engagement and Entrepreneurial Orientation in Development PBO's in Kisumu County, Kenya. The research is purely for academic purpose. All information provided will be treated with utmost confidentiality.

Section One: Background Information

Instruction: Please indicate your answer by ticking within the brackets

1. What is your gender?

- a) Male [] b) Female []

2. What is your age bracket?

- 18 to 30 years [] 31 – 39 years [] Above 40 years []

3. What are your educational Qualifications?

- Certificate/Diploma [] Undergraduate [] Post Graduate []

4. How long is your job tenure in your current organization?

- Less than 1 year [] 1 year – 5 years []

- 6 years to 9 years [] 10 years and above []

Instruction: The following statements relate to the extent of your feelings. Please indicate with a tick which number most approximately captures your response to the statements.

| Section Two: Employee Engagement | | Strongly Disagree (1) | Disagree (2) | Neutral (3) | Agree (4) | Strongly Agree (5) |
|---|---|-----------------------|--------------|-------------|-----------|--------------------|
| Aspects of Employee Engagement in the PBO's | | | | | | |
| Meaningfulness of work and confidence in high performance | I know what is expected of me at work | [] | [] | [] | [] | [] |
| | My supervisor helps me to understand the importance of my work | [] | [] | [] | [] | [] |
| | I have the materials and equipment I need to do my work well | [] | [] | [] | [] | [] |
| | My supervisor believes that I can handle demanding tasks. | [] | [] | [] | [] | [] |
| | My supervisor trusts in my ability to improve even when I make mistakes | [] | [] | [] | [] | [] |
| | My supervisor makes it more easyt for me to do my job by keeping rules and regulations simple | [] | [] | [] | [] | [] |
| | My supervisor allows me to make important decisions quickly to satisfy work needs | [] | [] | [] | [] | [] |
| Commitment and involvement in decision making | The atmosphere and conditions at my work station makes me feel my job is important | [] | [] | [] | [] | [] |
| | I do concentrate on my job when I am at my work station | [] | [] | [] | [] | [] |
| | My supervisor involves me in strategic decision making including those that affect me | [] | [] | [] | [] | [] |
| | My supervisor gives all staff a chance to voice their opinions | [] | [] | [] | [] | [] |
| | My supervisor communicates timely feedback and teaches our staff how to solve problems on their own | [] | [] | [] | [] | [] |
| Existence of conducive and empowering atmosphere in the | I have significant freedom in determining how I do my job | [] | [] | [] | [] | [] |
| | I have the authority that I need to do my job well | [] | [] | [] | [] | [] |
| | I am encouraged to take ownership of my work | [] | [] | [] | [] | [] |
| | My work activities and tasks are personally important and meaningful to me | [] | [] | [] | [] | [] |
| | I feel free and inspired to bring my best energy to work | [] | [] | [] | [] | [] |
| Individual competence and pay | I have confidence in my ability to deliver at work | [] | [] | [] | [] | [] |
| | I have mastered the skills necessary for my job | [] | [] | [] | [] | [] |
| | I am satisfied with the pay my organisation offers | [] | [] | [] | [] | [] |

Section Three: Entrepreneurial Orientation

In your job, how often do you indulge yourself in the following actions when seeking to Accomplish assignments or solve problems?

| Aspects of entrepreneurial orientation in PBO | | Never (1) | Rarely (2) | Occasiona lly (3) | Frequently (4) | Very Frequently (5) |
|---|---|--------------|---------------|-------------------------|-------------------|---------------------------|
| Problem identification and information searching | 1. I spend considerable time trying to understand and solve a problem if it occurs at my workplace. | [] | [] | [] | [] | [] |
| | 2. I think about problems from multiple perspectives. | [] | [] | [] | [] | [] |
| | 3. I break down difficult problem/assignment into parts to obtain greater understanding. | [] | [] | [] | [] | [] |
| | 4. I consult widely for ideas and for solutions to problems at work | [] | [] | [] | [] | [] |
| | 5. I try to generate a significant number of alternatives to the same problem before I choose the final solution. | [] | [] | [] | [] | [] |
| | 6. I try to come up with different ways of solving common problems | [] | [] | [] | [] | [] |
| | 7. I enjoy finding solutions to complex problems, creating new procedures, improving existing services and processes on tasks assigned to me. | [] | [] | [] | [] | [] |

To what extent do you think the following statements are significant in promoting Entrepreneurial Orientation in Public Benefit Organisations (PBOs)?

| Aspects of Entrepreneurial Orientation in PBO | | Very Insignif icant (1) | Insignificant (2) | Moderate (3) | Significant (4) | Very Signifi cant (5) |
|---|---|--|------------------------------|-------------------------|----------------------------|--------------------------------------|
| Atmosphere for innovation, proactivity, risk-taking, autonomy and competitive aggressiveness | 1. Staff having freedom to come up with new ideas, better ways to perform tasks and solve problems. | [] | [] | [] | [] | [] |
| | 2. Staff being given access to new technology and enabling tools | [] | [] | [] | [] | [] |
| | 3. Staff being regarded as a good source of creative and innovative ideas. | [] | [] | [] | [] | [] |
| | 4. Staff not being afraid to take risks. | [] | [] | [] | [] | [] |
| | 5. Staff having freedom to manage their work | [] | [] | [] | [] | [] |
| | 6. Staff thinking and acting ahead of possible challenges | [] | [] | [] | [] | [] |
| | 7. Staff outdoing co-workers in performance | [] | [] | [] | [] | [] |

| <i>To what extent do you think the following statements are significant in promoting Entrepreneurial Orientation in Public Benefit Organisations (PBOs)?</i> | | | | | | |
|--|---|-------------------------------|--------------------------|---------------------|------------------------|-----------------------------|
| Aspects of Entrepreneurial Orientation in PBO's | | Very Insignificant (1) | Insignificant (2) | Moderate (3) | Significant (4) | Very Significant (5) |
| Empowering Leadership Behavior on Entrepreneurial orientation | 1. My supervisor encouraging, respect, emphasizes and reinforcing new ideas and solutions coming from staff | [] | [] | [] | [] | [] |
| | 2. My supervisor encouraging staff to freely determine situations and use discretion in solving work challenges | [] | [] | [] | [] | [] |
| | 3. My supervisor recognizing and rewarding employees who take control and act ahead of possible problems | [] | [] | [] | [] | [] |
| | 4. My organisation cushioning staff who encounter risks while performing at work | [] | [] | [] | [] | [] |
| | 5. My supervisor promoting staff who challenge coworkers competitively | [] | [] | [] | [] | [] |
| Aspects of Entrepreneurial Orientation in the PBO's | | Strongly Disagree (1) | Disagree (2) | Neutral (3) | Agree (4) | Strongly Agree (5) |
| Empowerment | 1. I regard myself as an employee who wants to have greater autonomy over my work | [] | [] | [] | [] | [] |
| | 2. I would feel undermined if I don't have the freedom to decide issues related to my daily routine. | [] | [] | [] | [] | [] |
| | 3. My supervisor gives me the support I need to do my job well. | [] | [] | [] | [] | [] |
| | 4. My supervisor encourages me on my work progress and development of my career. | [] | [] | [] | [] | [] |
| | 5. My organisation invests in employees' learning and development | [] | [] | [] | [] | [] |
| | 6. The operating procedure in my office encourages and helps me to develop passion for my work. | [] | [] | [] | [] | [] |
| | 7. There are sufficient incentives to reward performance at my organization | [] | [] | [] | [] | [] |

Thank you very much for your contribution to this research.

Olga Otichro – University of Nairobi

Appendix 4: Originality Report

EMPLOYEE ENGAGEMENT AND ENTREPRENEURIAL ORIENTATION OF EMPLOYEES IN DEVELOPMENT PUBLIC BENEFIT ORGANISATIONS IN KISUMU COUNTY, KENYA

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