

Abstract

The purpose of the study was to explore the influence of entrepreneurial training on government regulations and entrepreneurial orientation of small and medium enterprises in Kenya. Small and Medium Enterprises in Kenya, play a key role in economic development, being the source of income generation through the provision of new job opportunities, industrial change and innovation, stimulating competition and wealth creation. In the present economy, SMEs are facing tremendous challenges and threats to survive in an environment that is very competitive hence the need to improve their technological advancement and innovation as well as the understanding of regulations set by the government in order to survive. Government of Kenya has formulated many regulations that have affected the entrepreneurial orientation of SMEs both in the services and manufacturing sectors. This study was guided by variables like marketing activities, product standardization, entrepreneurial competencies and technology adoption as independent variables and entrepreneurial orientation as the dependent variable while entrepreneurial training moderated their relationship. The study adopted cross-sectional survey research design. To collect relevant data, a semi-structured questionnaire was developed and semi-structured interview guide was used. Validity and reliability of research instruments was ascertained through a pre-test and pilot survey. The study targeted 115 owners/managers of alcohol retailing SMEs who have been in business for the last five years and are members of Pub, Entertainment and Restaurant Association of Kenya (PERAK). Descriptive and inferential statistics were used to analyse the data. The findings of this study from the structural equation modeling indicated that, there was a positive significant relationship between marketing activities, product standardization, entrepreneurial competencies, technology adoption and entrepreneurial orientation of SMEs in Kenya. The results of this research also revealed that, entrepreneurial training had no significant moderating effect on the relationship between technology adoption and entrepreneurial orientation of SMEs dealing in alcohol retailing in Kenya. However, the findings showed that entrepreneurial training moderated the relationship between marketing activities, product standardization, entrepreneurial competencies and entrepreneurial orientation of the SMEs in Kenya. Based on the results of this study, it could therefore be concluded that, entrepreneurial training influenced entrepreneurial orientation of the

SMEs in Kenya and that majority of the SMEs in this sector laid more emphasis on marketing activities, product standardization and entrepreneurial competencies but not to technology adoption. The study recommends that, SMEs should engage in entrepreneurial training and marketing activities as they are widely considered likely to survive, develop and succeed in new ventures. Entrepreneurs should set standards for the products and services in line with government regulations and they should lay more emphasis on technology adoption and its advancement because of the major influences on globalization, rapid revolutions in information and knowledge. The study concluded with recommendations that further study should be extended to small and medium- sized enterprises (SMEs) who are not members of PERAK. Future studies could also be carried out particularly on the issue of entrepreneurial training on whether alternative systems or methods could be devised to encourage double-loop learning and facilitate access to further support for SMEs businesses in Kenya. The study also recommends for testing of the developed entrepreneurial orientation model as per the government regulations in relation to alcohol retailing in other lines of SMEs and a comparative study to be carried out on the same.