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**INFLUENCE OF INTRAPRENEURSHIP ON GROWTH OF RESTAURANTS IN NYERI TOWN: A SURVEY OF SELECTED RESTAURANTS IN NYERI CENTRAL BUSINESS DISTRICT**

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**ABSTRACT**

*The purpose of this research was to determine the influence of intrapreneurship on the growth of Restaurants in Nyeri town: A survey of selected restaurants in Nyeri central business district. Intrapreneurship is a major concern to entrepreneurs and the government. The research adopted a descriptive survey design involving the owners and staff of restaurants based in Nyeri Town. The population for the study was 70 respondents from the selected 14 restaurants that offer meals, drinks and accommodation. The researcher adopted census technique to collect data from the target population of the study. The data was collected by use of a semi-structured questionnaire administered through personal interviews. Descriptive statistics was used to analyze the data collected. Bar charts, tables, and pie charts are used for data presentation. Due to their low educational and training levels, majority exhibited challenges in intrapreneurial activities that had a strong influence on their growth. The study revealed the need for novelty and innovation. The researcher recommends that restaurants entrepreneurs should invest in research and development (R&D) to develop new products and new ways of doing business in the spirit of Schumpeterian theory.*

**Key Words:** *Intrapreneurship, Restaurants Growth, Nyeri Town*

## INTRODUCTION

The practice of entrepreneurship within the existing organization is also called corporate entrepreneurship. It involves the creation of entrepreneurial culture within the corporate organization where entrepreneurial activity is wholeheartedly supported through staffing and resources availability. The top management supports creativity and embrace flexibility in decision making where a reward system is emphasized for novelty.

Restaurant Growth is the quantitative increase in restaurants sales turnover and increase on; branches, labor force, profits, capital and assets including other business interests. Growth is a natural, and healthy, and desirable of any business venture, but it must be planned and controlled. Management expert Peter Drucker says that start-up companies can expect to outgrow their capital bases each time sales increase 40 to 50 percent. Ideally, entrepreneurs finance the expansion of their companies by the profits they earn, ('retained earnings') or by capital contributions from the owners, but most businesses wind up borrowing at least a portion of the capital investment.

There is a significant body of literature on the role of restaurants in employment creation and income generation in the economy (Fafchamps, 1994; Mead, 1994; Lall, 1995; IPAR, 2002). Tourism registered a 15% growth, (2010) compared to 2009: Ministry of tourism, (2010). Restaurants are a seedbed for rapid industrial transformation. Restaurants play a significant role in our lifestyle, and dining out is a favored social activity. "Every one has to eat – so to enjoy good food and, perhaps, wine in the company of friends and in pleasant surroundings is one of life's pleasures. Eating out has become a way of life for families. Today, more meals than ever are being eaten away

from home" (Walker and Lundberg, 2005:2). They provide jobs, and are training ground for acquisition of managerial and technical capabilities for industrial process. It is expected that the small enterprise sector which include restaurants will be the major source of new jobs in Kenya (Government of Kenya, 2005). The sub-sector employs nearly 6.8 million Kenyans and of the new jobs created in 2006, 89.1 per cent were absorbed in small firms (Government of Kenya, 2007). These micro and small enterprises generate as much as 12 per cent of the country's manufacturing value added (Government of Kenya, 2007). The restaurant industry plays an important role in the transfer of skills as many people start their careers in the hospitality industry before moving onto formal careers.

They nature entrepreneurship, which is a driving force that can push developing economies from low-growth trap. Restaurants provide a quick repositioning for persons either unable to get jobs in the modern sector or retrenched from formal employment, (Kippra 2000). According to the National Restaurant Association of America (NRA) in the United States..."nearly half of all adults have worked in the restaurant industry at some point during their lives, and 32 percent of adults got their first job experience in a restaurant" ([http://www.restaurant.org/research/ind\\_glance.cfm](http://www.restaurant.org/research/ind_glance.cfm), 15 May 2008).

Nyeri town is located 154 kilometers north of Nairobi city. It is the administrative headquarters of the Central Province. The town was founded by a British; Richard Meinertzhagen in 1902 who camped at Nyeri hill during a revolt against the Tetu sub-group of the Kikuyu, who had ambushed an Arab caravan. The town boasts of tourism and farming and with a population of 130,562, it's clear that it's one of the fastest growing Kenyan towns, (Kenyan Bureau of Statistics, 2009). This growth has

been registered over the last ten years. There is need to have well established restaurants to offer quality products to the ever growing population in Nyeri town.

The town hosts many restaurants and hotels such as the Aberdares, green hills and white rhino among others. However the geographical location of the town has left Nyeri town dormant for many years. The Mount Kenya tourist circuit has the two main by passes; Nairobi Meru and Nakuru Naromoru, completely overshadow the town. Restaurants in this town have therefore been left out of the lucrative tourism market. These small business enterprises can only compete to serve the local market that comprises the working class and entrepreneurs operating within the town and its environment. Most of the restaurants in Nyeri town are family owned. It's common to find the parents take control of major business decision processes while the role of children is relegated to peripheral duties due to inherent mistrust and business fear by the parents. The restaurant owners lack marketing skills. The restaurants are not well displayed and no branding is evident on these business enterprises.

The main economic challenges in Kenya today are unemployment and high incidences of poverty. The Government estimates that the country has more than two million unemployed people, with about 492,000 new entrants into the labour market every year (Government of Kenya, 2003).

According to (Gaedike & Dennis, 1991), small businesses are single most important element in the economy. They are manufacturers, processors, distributors and customers. They serve the customer and meet the needs of other businesses large and small. They buy other products, creating a vast market within the economy. Restaurants in Nyeri provide an important part of the market for banks and other financial institutions. They contribute to the national income of a country.

Agriculture products are both directly and indirectly utilized by restaurants as raw materials such as chicken and beef, fruits and vegetables. These kinds of movements of goods from the farmer to the restaurant owner strengthens the functioning of the economy, creating a circular flow of money income in the hands of households and improve economic activity, which demonstrates so effectively the intricate inter-dependence inside an economic system.

### **Problem Statement**

Restaurants in Nyeri town have been left out of the lucrative Mt. Kenya Tourism Circuit which receives between 14,000- 20,000 tourists annually, Mt. Kenya Tourism Circuit Association, (2010). These enterprises compete to serve the local market that comprises the working class, students and business people operating within the town and its environment. Restaurants therefore face many obstacles that inhibit their long-term survival and development. The owners complain; they don't get much business. Growth and the desire to grow should be embedded in the mindset of the entrepreneur as an entrepreneurial mindset constantly seeks growth and innovation. Nieman et al (2003:232) believe that growth is critical to entrepreneurial success and is one of the factors that differentiate an entrepreneurial venture from a small business venture. Most small and medium enterprises, (SMEs) perform poorly; they experience a decrease in output, (Government of Kenya, 2005). These enterprises face the risk of growth stagnation, partly because they are not well established, (Government of Kenya, 2009). To mitigate these challenges and enhance rapid return on investment, growth and development, entrepreneurs need to be adaptive, flexible, and to operate on the cutting edge of technology, encouraging and supporting new ideas instead of discouraging them. Entrepreneurs have not developed growth strategies to spearhead and

unlock their firm's potential. Over the last three years, only two restaurants had qualified to register with Kenya Tourism Board as tourist hotels (Kenya Tourism Board, 2010). To realize the potential contribution by restaurants to a country's economic development, factors that determine their growth and development need to be well known so that the necessary interventions can be undertaken. Little has so far been achieved in the restaurants sub-sector. In addition, no systematic study and no coherent conclusion has so far been undertaken to unveil how intrapreneurship affect the growth of restaurants for Nyeri town.

The major purpose of the study was to analyze intrapreneurship as a factor that influences the growth of restaurants in Nyeri town. This study sought to analyze the extent to which intrapreneurship influence the growth of restaurants as small and medium enterprises.

### **Research Objectives**

The overall objective of the study was to determine the influence of intrapreneurship on the growth of restaurants in general and particularly in Nyeri town.

### **Research Hypotheses**

H0; Intrapreneurship does not influence growth of restaurants in Nyeri Town.

H1; Intrapreneurship has an influence on growth of restaurants in Nyeri Town.

### **LITERATURE REVIEW**

This chapter presents the literature reviewed in relation to the set objectives of the study and also discusses theories of entrepreneurship. It covers corporate entrepreneurship.

### **Theoretical Literature**

The word enterprise has been used in a range of contexts and meanings (Bridge, O'Neill & Cromie

2003). Salminen (2000) describes an enterprise as a controlled system consisting of a detector, a selector and an effector. The detector is the function by which a system acquires information about its environment, which is then used as the basis of the selection of a behavioral response by the selector. Finally, the behavior is executed by the effector. The measurement system of an enterprise gathers information about the changes in both the environment and the performance of the enterprise. This information is then used together with the values and the preferences of the enterprise and its management to produce decisions about the required actions. As a result, the outputs of the enterprise – the products, the services, the operational performance and the financial performance - are changed. Firm performance refers to the firm's success in the market, which may have different outcomes. Firm performance is a focal phenomenon in business studies. However, it is also a complex and multidimensional phenomenon. Performance can be characterized as the firm's ability to create acceptable outcomes and actions.

Success, in general, relates to the achievement of goals and objectives in whatever sector of human life. In business life, success is a key term in the field of management, although it is not always explicitly stated. Success and failure can be interpreted as measures of good or indifferent management. In business studies, the concept of success is often used to refer to a firm's financial performance. However, there is no universally accepted definition of success, and business success has been interpreted in many ways (Foley & Green 1989).

There are at least two important dimensions of success: 1) financial vs. other success; and 2) short- vs. long-term success. Hence, success can have different forms, e.g. survival, profit; return on investment, sales growth, number of employed, happiness, reputation, and so on.

Corporate entrepreneurship results from management ability. The resistance against flexibility, growth, and diversification can, in part, be overcome by developing an entrepreneurship spirit within business organization. Management is the art, or science, of achieving goals through people. Corporate entrepreneurship result from management ability to design and maintain conducive environment in which individuals, working together in groups, efficiently accomplish selected aims (Koontz & Weihrich 1990). Managers carry out the functions of planning, organizing, staffing, leading, and controlling. Second, management applies to any kind of organization including forms of business ownership. Third, management applies to managers at all organizational levels. Fourth, the aim of corporate entrepreneurship is to create surplus within conducive environment that supports innovation adoption and rewards creativity. Finally, managing is concerned with productivity – this implies effectiveness and efficiency.

According to (Harper 1984), technical training is no substitute for ingenuity and inspired improvement. Management training can only supplement and not replace basic common sense, shrewdness as a natural understanding of why people behave as they do. Trainers must recognize that training of any kind can only have a marginal effect at best and that management and technical skills are inseparable in the growth of enterprises. (Marris and Somerset 1971), argue that most African entrepreneurs organize their businesses such that responsibility is in their hands with employees closely supervised. Due to lack of trust of workers along with suspicion makes them empty, confused and illiterate workers. Baumbach (1988), points out that small business finds it difficult to recruit experienced, trained employees because they cannot pay the high wages characteristic of most large business.

**Economic Theory:** According to this theory, Entrepreneurs behavior is influenced by economic factors. An entrepreneur is the business owner, who invests money, uses new ideas and readily takes risks aimed at making profits. It stresses on the need for more entrepreneurs to help in economic growth. Any business exists to make profits. Therefore, there is enhanced efficiency in the running of business enterprises with a resultant to wealth creation and economic recovery, (Bortolotti & Siniscalco 2004). Entrepreneurs are economic agents and innovators.

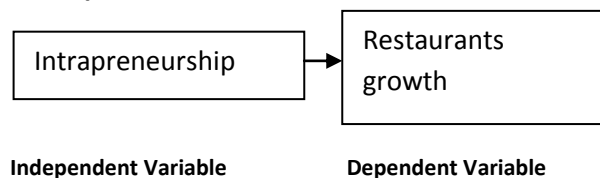
McClelland theory of needs, McClelland (1966) asserts that successful entrepreneurs seize the opportunities for improvement and gain by creative positive action.

**Schumpeterian Theory of Creative Distinction:** Joseph Schumpeter, 1934 stressed the role of an entrepreneur as innovation and creativity which underlie a major part of successful enterprising activity. To Schumpeter, an entrepreneur is someone who comes up with new combinations of resources to create products that did not exist previously. The results of these new combinations are entirely new products and services that open up considerable opportunities for economic advancement. From Schumpeterian view the entrepreneur is a distinctive force in an economy because the introduction of these new combinations leads to the obsolescence of existing products. Psychologists say that entrepreneurs are what they do.

**Social Theory:** A social network is highlighted as a crucial determinant of innovation and technology adoption (Rogers, 1983). The pressure of uncertainty over the outcome, unknown risk and lack of information may increase the need of social and occupational networks. The rate of innovation and technology adoption increase is much faster

when there are stronger ties between businesses and trusted communication (Gray, 2003).

### Conceptual Framework



**Figure 1: Link between restaurants growth and variable to growth**

Source: Author (2011)

### Empirical Literature

There is considerable variation in the criteria for success used in previous studies. Empirical studies of factors affecting SME success can be roughly divided into two groups according to whether they focus on a quite limited set of variables or try to capture more holistic profiles of successful SMEs. Previous empirical research has used both surveys and case studies. There are also some compilations of the results of previous studies of the factors contributing to firm success. For instance, Storey (1994) has compiled the results of previous studies focused on the birth, growth and death of small firms, on the basis of which he presents some normative “dos and don’ts” lessons for small firms. Md. Aminul Islam, Ezaz mian & Muhammad Hasmat Ali (2008) in their study of SMEs in Bangladesh found that products and services, the way of doing business, management know-how and, external environment are most significant factors in determining the business success of SMEs.

The following recent studies based on surveys have dealt with the factors affecting SME success. Nurul Indarti and Marja Landenberg (2005) identified key components to be important in analyzing the business success of SMEs which includes the characteristics of the entrepreneurs; the characteristics of the SMEs; and the contextual

elements of SME development. Westhead (1995) studied factors influencing the survival of 227 high-technology small firms. Ghosh and Kwan (1996) made a cross national intersectoral study of the key success factors of 152 SMEs in Singapore and 164 SMEs in Australia. Kauranen (1996) carried out a follow-up study of 37 new manufacturing firms in Finland and studied the determinants of the future success of the firm in the short term and in the long term. According to Ian Chaston (2010), some of the earliest academic research on small firms focused upon the nature of growth and the factors influencing business performance over time.

According to McCormick, (1988), most firms begin small and remain that way. Small firms stay small, at least in part, because the risk management they use militates against growth. She stresses that lack of maturity, experience and positive motivation hinders business success. Early research tended to treat small enterprises as a phenomenon entirely different from the rest of the industry. A small enterprise was viewed mainly as a survival mechanism for the poor that had little, if any impact on industry development.

According to research findings submitted by her in, (1996), on garment producers, the following are the major factors that could determine whether a given business grows or not: (1) risk and business owner’s response to risks (2) low demand, (3) economies of scale (4) entrepreneurship and (5) access to resources and government policy.

### RESEARCH METHODOLOGY

This chapter focuses the methods used to collect data which was analyzed and subsequently applied to determine the intrapreneurship as a factor that affect the growth of restaurants in Nyeri town. A descriptive study was adopted. The scope of the study was limited to Nyeri town central business district due lack of adequate funds and time to cover the other areas of the country. Nyeri town

was chosen because of its geographical location within Mt. Kenya tourism circuit, and the rapid population growth. The study involved those entrepreneurs who had been in business for over one year because of exposure to issues studied. The criteria for the target population for this study was those restaurants offering food and beverage menus and accommodation, located within Nyeri central business district and enlisted by Nyeri municipal council licensing department. It included hotel Ibis, which is among two registered with Kenya tourism board in the last three years, Kenya tourism board, (2010). The research covered only those restaurants which employ less than 50 workers. The study population was 70 respondents consisting five staffs from each of the selected restaurants as follows; Owner/Managers: 28, Accountants: 14, Supervisors: 28 i.e. five staffs from each of the 14 selected. The research adopted census survey technique. A physical count was however necessary because a restaurant could be indicated in the registration file but not operating. Preliminary study indicated that the target staff comprised owner/manager, an accountant and two supervisors yielding a study population of 70 respondents. On data collection, data was collected from the field through a questionnaire which was prepared in advance and administered to the respondents by the researcher. Errors detected during the pre-testing were corrected before the study began. The questionnaire was physically administered. This allowed the researcher to seek clarification on answers given and enabled respondents to seek clarification of questions asked. The questionnaire was also dropped and collected later where respondent was not immediately available. The researcher determined the validity of the instrument in two ways. First, it was discussed with the supervisors from the department by going through each item and analyzing whether it measured what it ought to measure. The suggestions, clarifications and other

inputs were used in making the necessary changes. Secondly, validity of the instrument was determined through piloting. In order to test the reliability of the instrument to be used in the study, the test-retest method was used.

The quantitative data collected was cleaned, coded and entered in excel format ready for analysis. This eliminated any bias. The data was analyzed and presented in form of tables, figures and descriptive narration. Inferential statistics, Pearson's correlation coefficients (p-values), was used to test the null hypotheses. Each key response was analyzed to enable describe how the total sample behaved in terms of the relationship of the independent and dependent variables. The analyzed data was changed into descriptive statements or inferences on the research area. Brinker, (1988) argued that the simplest way to present data is in frequency or percentage table, which summarizes data about a single variable. The interpretation of data was based on the conceptual framework and the literature review. Quantitative data was analyzed using statistical package for social scientists computer software. The research treated all information given for purposes of this study in confidence and did not use the information for personal benefits or to ridicule respondents whatsoever. Confidentiality was upheld by the researcher. The findings were to be purely for academic purposes.

## **RESULTS AND DISCUSSION**

This chapter presents the findings of the data collected from the sampled restaurants in Nyeri town on the influence of intrapreneurship on the growth of restaurants. Out of the 70 respondents that the study targeted there were 43 respondents representing 61.4 percent. The analysis was performed using statistical package for social scientists computer software and findings presented in the form of descriptive statistics,



tables, bar charts and pie charts. The discussion captured the outcomes based on the hypotheses and research objective in the study. Supervisors constituted a response rate of 52.4 percent followed by Assistant Managers at 23.8 percent and Managers at 11.9 percent, with the Owners at 4.8 percent. There was lesser response from the Directors as they are the proprietors and tend to rely on the managing staff for the day to day running of the restaurants. Majority of the respondents (69 percent) age between 31-45 years, those aged over 45 years and those below 30 years constituted each 14.3 percent with 2.4 percent preferring not to state their age. From these findings, it was concluded that entrepreneurs in restaurant business were more aggressive and active at the ages of 31-45 years. 76 percent of the respondents interviewed were male, while 24percent were Female. This shows that the majority of the respondents were male. It means that women respondents relied on their spouses in earning a living. The findings indicated that a significant number, 61.9 percent of respondents had secondary school education. Respondents who had College, University and primary were 30.9 percent, 2.4 percent 4.8 percent respectively. Most restaurant enterprises offered employment to 'O' level graduates. It implies that entrepreneurs with 'O' level education performed well in restaurant business. It explains that the 'O' level owners are managing full time, while those with higher education had other jobs thus rely on employees to manage the businesses. Majority of the respondents (40.5 percent) indicated that they had training in hospitality management. Those with marketing at 26.2 percent while business management, business record keeping and finance comprised 16.7 percent, 14.3 percent and 2.4 percent respectively. Based on forms of business ownership, the study revealed that majority, 80% of the respondents were engaged in sole proprietorship. Limited companies and partnerships

accounted for 16.6% and 2.4% respectively. The research results showed that majority of entrepreneurs preferred sole proprietorship for effective management. This suggests that sole proprietorship had such advantages like easier decision making, don't share profits, easier to start and give personal attention. Respondents, (36 percent) had 10-29 workers, while 23.8percent had 40-50, and 19percent had 30-39 workers. Respondents who had 2-9 workers were 14.3percent and only 7.1percent had one worker. This shows that restaurants in Nyeri town were small and medium businesses and offered employment opportunities.

Respondents (55 percent) started business with 2-9 employees, 35.7 percent had 10-29, and 7.1 percent had 30-39 while 2.4 percent engaged 40-50 workers. Most businesses start low, (micro) and grow to gain experience with time. Respondents (52 percent) indicated that monthly business turnover at the start of business and now had increased. The increase was due to business growth. However, respondents at 38 percent said that business turnover remained constant and 10 percent indicated that monthly business turnover had declined. This was an indication that restaurant businesses were not growing.

### **The Influence of Intrapreneurship on Growth of Restaurants**

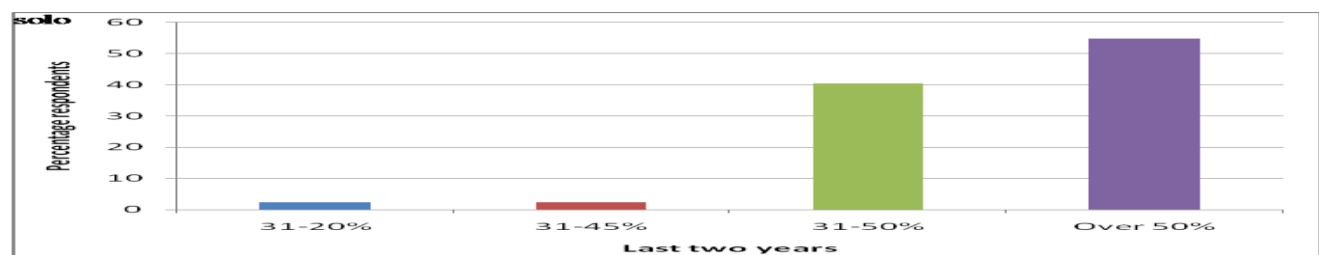
Entrepreneurial practices within existing firm are important to the success of business. The adoption of new products and services, engagement of new suppliers, and new methods of production by adoption of new technology is emphasized in the Schumpeterian view of destructive distinction. Entrepreneurs need to clearly understand their target markets and aim to satisfy their needs.

A total of 19 percent of the respondents agreed that intrapreneurship contributed to some

moderate extent on the growth of restaurants with 2.4 percent indicated they didn't agree, 2.4 percent agreeing to a very great extent and 76.2 percent of respondents strongly citing it to a great extent. Corporate entrepreneurship was a factor that had a great influence on the growth of restaurants.

On Rewards to Employees, the research established that 50 percent of the respondents strongly agreed that to motivate workers, rewards to staff and their recognition was important. 42.9 percent agreed

**Growth of Business**



**Figure 2: Growth of Business Last Two Years**

The study wanted to establish the extent to which restaurant business grew over the last two years. Majority 55% indicated at least average growth, while 40% of respondents said their business had registered at most average growth. An equal number (2.4%), of respondents said business had registered 11-30% growth and below 10% growth respectively. Strong macroeconomic management and recent investments in infrastructure may have

**Table 1: Correlation on Intrapreneurship and Growth of Restaurants.**

Correlation on Intrapreneurship		Intrapreneurship objective
Growth of restaurants	Pearson's Correlation (r)	.424**
	Sig.(1-tailed)	0.004

\*\*Correlation is significant at the 0.01 level (1-tailed)

Sources: **Author, (2012)**

while 4.7 percent were neutral and 2.4 percent did not agree. Reward culture and staff recognition, had great contribution to business growth.

On Influence of Innovative New Products, The study established that 52.4 percent of the respondents strongly agreed on the need for innovation and 38 percent agreed 4.8 percent did not agree and 4.8 percent were neutral. To achieve growth, Entrepreneurs needed to embrace innovation and roll out new products to satisfy their markets.

led to the growth in businesses over the last two years.

**Testing of the Hypotheses**

Correlations analysis was used to find out whether intrapreneurship and business growth are correlated. The table below presents results of correlation analysis.

The above table revealed that there was positive relationship between the independent variable intrapreneurship and the dependent variable growth of restaurants. This is expressed by the positive correlation at  $r=0.424$ . An increase in corporate entrepreneurship reflects an increase in social, cultural, and business pressure to novelty in satisfying the market.

The p value is 0.004 which is  $<0.01$ . The researcher rejected the null hypothesis that intrapreneurship has no influence on the growth of restaurants, at 1percent level of significance. There was therefore very strong evidence to accept the alternative hypothesis. This also shows that the sampled data can be applied to the general population at 99 percent confidence. This confirms the contribution of Michael et al (2008), that corporate entrepreneurship is most strongly reflected in entrepreneurial activities as well as in top management orientations in organizations resulting to success.

## **SUMMARY OF THE FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

This chapter focuses on the summary, conclusions, recommendations and suggestions highlighting areas for further research on the influence of intrapreneurship on growth of restaurants.

### **Summary of the major findings**

The null hypothesis was that intrapreneurship has no influence on the growth of restaurants whereas the alternative was intrapreneurship influences the growth of restaurants. The researcher fails to accept the null hypothesis and therefore accepts the alternative hypothesis which means that intrapreneurship variable has an influence on the growth of restaurant businesses at one percent level of significance. Businesses are influenced by the level of education of the entrepreneur and staff. The researcher found out that majority, of

respondents had up to secondary school education. The study revealed that up to eighty percent of restaurant businesses were sole proprietorships.

### **Conclusion of the Study**

There was strong correlation on the relationship between growth of restaurants in Nyeri town as the dependent variable and intrapreneurship as independent variable.

The study revealed that the growth of restaurants is inclined to be influenced by corporate entrepreneurship. There was over whelming support of this view by respondents. Therefore the restaurant businesses need to recognize that there was an increasing interest by individuals to “doing your own thing “and doing it on one’s own terms. The firms need to be more entrepreneurially managed and desist from being traditionally managed. Return on investment was found to be low. To enhance rapid growth and development, entrepreneurs need to be adaptive, flexible, and to operate on the cutting edge of technology. More trained staff should be hired, and creativity encouraged and supported to develop new ideas in the spirit of corporate entrepreneurship. Appropriate business strategies need to be developed to spearhead and unlock business growth potential. This is supported by Michael et al (2008), that corporate entrepreneurship is most strongly reflected in entrepreneurial activities as well as in top management orientations in organizations, leading to business success.

### **Recommendations**

Climate for corporate entrepreneurship should be established in organizations to unlock and stimulate business growth. A multidiscipline team approach needs to be encouraged with a good entrepreneurial environment characterized by a reward system. Entrepreneurs in the restaurant businesses should enhance capacity of their staff

through training programs so as to improve the day to day management of their business, as this was found to be very low with 66.7 percent of respondents having had up to secondary level of education. Corporate entrepreneurship is one method of stimulating, and then capitalizing on, individuals in an organization who think that something can be done differently and better. Novelty should be rewarded.

### **Areas For Further Research**

The researcher dealt with restaurants in Nyeri town. There is need for a similar study to be conducted in

other fast growing towns for the adoption of this report to have a larger sample. The researcher focused on only one factor that influenced the growth of restaurants. Another research could be carried out based on other factors that may influence the growth of restaurants businesses.

The study revealed that the level of involvement of undergraduate degree holders is very low. A study can be done to establish why graduates are not in restaurants business.

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