

Interrogating the Inculcation of Entrepreneurial Culture among Students in Kenya

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Abstract

This study sought to establish the factors influencing the development of entrepreneurial culture among students in Kenya. The independent variables of the study were entrepreneurial teaching methods, Socialization process and legal regulatory framework and the dependent variable was development of entrepreneurial culture. The study was conducted in Kenya School of Government Embu. The study employed a Cross-Sectional Descriptive Research Design also known as statistical research and the population was sampled through stratified random sampling. Structured questionnaires and observation schedules were used to collect data. Data gathered was analyzed and presented using descriptive statistics, processed by Microsoft SPSS Version 17.0. and presented using graphs, pie charts, tables and percentages.

Results of this study indicated that, there was need to change the methods and the approaches of teaching entrepreneurship education and focus more on enterprising approaches as opposed to conventional methods. Development of entrepreneurial culture could not be a preserve of a few individuals but all inclusive where teachers, private sector,

family, community and the government all play their specific roles to instil entrepreneurial traits and capabilities, most teachings methods did not cover key entrepreneurial areas and methods used were less practical. In a bid to solve above issues, the study recommended that Entrepreneurship Education Curriculum be reviewed and make it more practical oriented and ensure that it is effectively been implemented and evaluated. The teaching of entrepreneurship education need to start early in life. A further simplification of business administrative and regulatory framework for business entry and growth to encourage entrepreneurship was found necessary to allow the youth to participate in businesses without any barriers.

Keywords Entrepreneurship, Culture, Socialization Process, Teaching Methods, Legal and Regulatory Framework

Introduction

Small Enterprise development has been identified as a priority area in development in Kenya. It is regarded as crucial to the achievement of broader objectives such as poverty reduction, economic development and the emergence of more of democratic and pluralistic societies (Nelson & Johnson, 1997).

The Sessional Paper No.2 of 2005 on Development of Micro and Small Enterprises for Wealth and Employment Creation for Poverty Reduction (GOK, 2005) emphasized the need for small enterprises to be nurtured as beacon for employment creation and future growth. Given the need for new job creation, co-operation and interaction between government institutions, education institutions and the private sector is crucial. Studies that have been carried out have revealed that Small Business fall within their first three years, some of them due to lack of experience and the unwillingness to take necessary risks to expand their businesses (Nthuni, 2014).One approach to address Small Business failure is the creation of entrepreneurial culture among the youth in Kenya. (Nelson & Mburugu, 1991; ILO, 1999).

The government adopted various educational change initiatives that supported the creation of an enterprise culture through Entrepreneurship Education. Entrepreneurship Education has been introduced in various institutions of higher learning, however the factors that influence the development of Enterprise Culture among the youth need to be investigated since many entrepreneurship education programme can be said to teach about entrepreneurship but not prepare learners for entrepreneurship (Gibb, 2010). The purpose of this study was to discuss the factors influencing the development of Enterprise Culture among students. The independent variables of the study were Entrepreneurial Teaching Methods, Socialisation Process and Legal Regulatory Framework while the dependent variable was development of Entrepreneurial Culture.

Statement of the Problem

The Kenyan education system has been blamed for not producing entrepreneurial graduates (Namusonge, 2006; Oyugi, 2014).It has been noted that very few students who receive Education Entrepreneurship in Kenya, Uganda and Botswana actually start their own businesses during the first 1-2 years after school. (World Bank, 2002).The education system does not develop self efficacy and intention to become entrepreneurs.

The Main focus has been on rote learning, purely academic and the education system does not seem to actively involve and encourage students to think on their own and take responsibilities. The students are taught in a traditional manner through lectures and text book, this has the effect of reducing rather than increasing creativity and entrepreneurship. The emphasis has been producing graduates who are oriented towards entry into white collar employment. There is a perception that self employed are school drop outs with no other employment option (Oyugi, 2014). Hytti, 2004 as quoted by Oyugi (2014) stated that entrepreneurship Education programmes should aim at helping the student to; Learn to understand entrepreneurship, Learn to become entrepreneurial and, Learn to become an entrepreneur. notwithstanding this observation, it is generally accepted that where entrepreneurship is taught it does encourage entrepreneurial action and intension to engage in entrepreneurial careers(Kaijage & Wheeler,2013) .It is expected that when students are taken through the entrepreneurship education they will view self employment as a career option after graduating from college. This calls for the need to find out the issues influencing the inculcation of entrepreneurial mindset among the students.

Research objectives

- i. To establish how **Entrepreneurial Teaching Methods** influence the development of entrepreneurial culture among students
- ii. To find out how the **Socialization Process** influence the development of entrepreneurial culture among the students
- iii. To determine how the **Legal Regulatory Framework** influence the development of entrepreneurial culture among the students.

Research Questions

- i. How do the **Entrepreneurial Teaching Methods** influence the development of entrepreneurial culture among students?
- ii. What is the effect of the **Socialization Process** on development of entrepreneurial culture among the students?
- iii. How does the **Legal Regulatory Framework** influence the development of entrepreneurial culture among the students?

Conceptual Framework

The study conceptualized that; the entrepreneurial teaching methods, socialization process and the legal and regulatory framework influence the development of entrepreneurial culture among students in Kenya. This relationship is illustrated in figure 1:

Independent Variables

Dependent Variable

Conceptual Framework

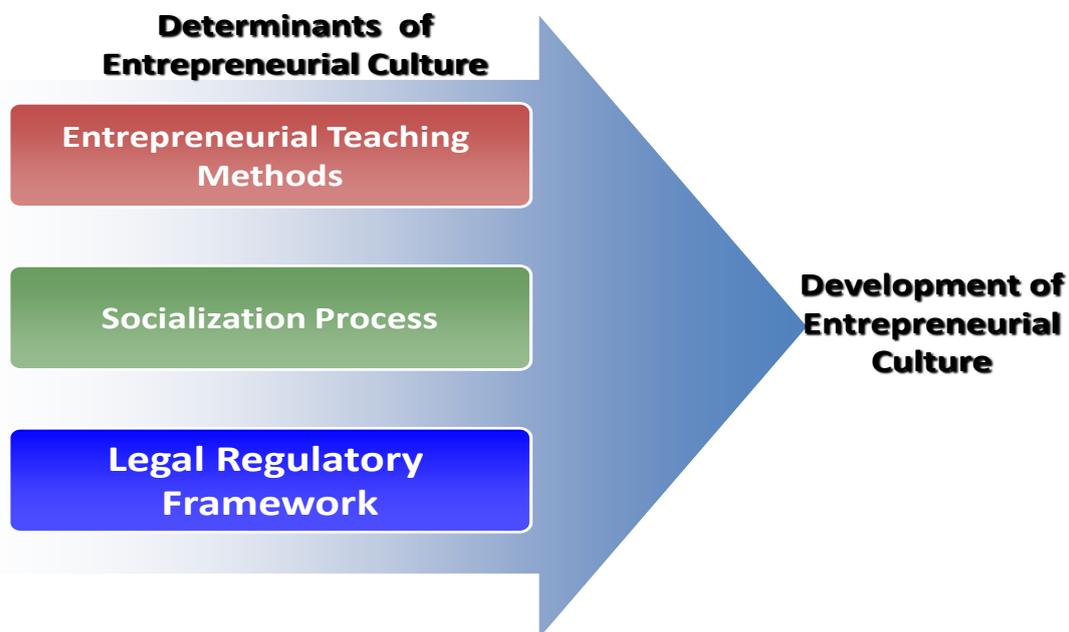


Figure 1: Conceptual Framework

Theoretical Framework

The study was founded on the Entrepreneurial Trait Theory. Gibb (2000) argued that there is need to develop in the learners the attributes and behaviours of the entrepreneur. The delivery of Entrepreneurship Education has to undergo reforms to include practice. Ultimately, from the practice of entrepreneurship; a lot of these traits can be learned. He argued that such traits are inborn while others depend on the environment. The traits include; Risk taking propensity; Innovativeness; Proactiveness; Competitive advantage and autonomy.(Mahmood & Hanafi 2013),that learners are in control of their destiny and have high need for achievement orientation (Nteere,2012;Stokes et el, 2010)). Traits nurtured in the family, established and supported in life led to entrepreneurial success. Gibb (1996) argued that if the education system is to develop entrepreneurs, or more enterprising individuals, there's need to have a paradigm shift in focus where the conventional teaching approaches are interrogated and replaced by the entrepreneurial teaching methods and approaches.(Kuratko, 2009;Maragia,2008)

The Entrepreneurial Teaching Methods

Kuratko (2007) has argued that the relevant question is not 'can entrepreneurship be taught? But 'what should be taught and how should it be taught?'.Oyugi (2014) identified two (2) types of teaching and learning methods in entrepreneurship education that is, for entrepreneurship and about entrepreneurship. The teachers of 'for entrepreneurship' tend to be more connected with the real entrepreneurial activity and are determined to make the students get near entrepreneurial experience in the form of business plan preparation, case studies, group projects and interaction with entrepreneurs. Courses 'about entrepreneurship' tend to be taught in a traditional manner through lectures and text books.

The teaching of entrepreneurship education in schools should start as early as primary school level where pupils are introduced to entrepreneurship and the mindset of white collar jobs is challenged. At the primary school level, a saving and investing culture when encouraged, it becomes critical in enhancing entrepreneurial spirit. One of the characteristics of true entrepreneurship education is that it uses methods that encourage the exercise of judgment and critical faculties by the learner.

A process model of entrepreneurship education was developed by Briga(1986) as quoted by Nteere(2012).The model provides multiple alternative structures and learning mechanisms to ensure corrective learning takes place. The model provides for the transfer of conceptual and theoretical knowledge into practical application and the development of skills; the role of the educator is critical and need to incorporate key elements, namely; content focus, teaching focus, output, the environment and inputs. The key emphasis is that where entrepreneurship is taught, it should encourage entrepreneurial action or at least the intentionality toward entrepreneurial careers (Pittaway & Cope, 2007)

The Socialization Process

Informal Education involves taking the concept of entrepreneurship out of the business to the social or community arena. Informal education refers to issues that a child learns from family, friends, experiences, environment and socialization. It pursues its own course at its own pace by its own means throughout one's life. It has long term implications and its effects tend to be more permanent. Creating an enterprise culture entails fostering a lifestyle of entrepreneurship in the community. This gives rise to the discipline of social entrepreneurship. David McClelland in his book 'The Achieving Society'(1961) introduced the concept of the need for achievement (N ach). Entrepreneurs with the N ach have a high need to achieve and excel in business. McClelland ascribes the inculcation of the achievement motive to child rearing practices which stress standards of excellence, maternal warmth, self-reliance, training and low parental dominance. David McClelland stated that the achievement motive is formed during the middle childhood and is produced by reasonably high standards of excellence imposed at a time when a child can attain them, a willingness to let him attain them without interference, and real emotional pleasure in his achievements. McClelland advocated for training programmes to stimulate achievement oriented behaviour. Entrepreneurial behaviour is determined by genetic complements, i.e. by nature and earlier experiences in life where talents are nurtured and in extreme conditions by a combination of both traits (Maragia, 2008).

The dominant cultural attitudes, values and belief of a population at one particular point in time will result in a particular common mindset relative to the degree to which entrepreneurship is supported by society. Every entrepreneur brings personal motivation and characteristics to interact with the specific host society and business environment which is then translated into entrepreneurial activities and behaviour. The family background plays a critical role in promoting entrepreneurial culture. It has been identified that the characteristics of entrepreneurship tends to pervade family life, with the entrepreneur being unable to divorce business from social living. The family background plays a role in two ways; if a person has previous experience of the effects of entrepreneurship from a family member they are more prepared for the consequences of their own activities. Secondly, family support of entrepreneurship can make a positive contribution to its sustenance.

The early childhood stage is considered a determinant of adult personality, the ages between eight to fifteen (8-15) years are critical in promoting vocational skills and entrepreneurial mindsets due to children's acquisition of basic skills and involvement in problem solving activities. In the early development stage in Africa, children learn how to become adults by participating through socialization (observation, imitation and participation) in family and related occupational activities. The family is a major socialization agent in early childhood and also an enterprise for knowledge production, strategies in entrepreneurial upgrading and sustainable life skills.

The Legal and Regulatory Framework

This refers to all measures and interventions undertaken by the government to ensure all organizations and systems work effectively. It has been shown that there is a higher Micro and Small Enterprises start up rate if legal and regulatory constraints are eased (Maragia,2008). The Kenyan Micro and Small experience (MSEs) attributes closure of business to legal regulatory and fiscal problems. The government regulates and controls economic activities leaving no room for MSEs to flourish and innovate. It takes at least two months to obtain a business licence and to meet all obligations required to be complaint,(Maragia,2008).Indirectly, the legal and regulatory framework contributes to firm closure through lack of access to credit, raw materials, and operating capital. To develop entrepreneurs and a culture of entrepreneurship, the government of Kenya needs to develop and implement policies that promote efforts towards increasing appreciation of entrepreneurship. Inadequate basic skills in business management and entrepreneurship are a major drawback in the growth and development of the MSE sector. The integration of entrepreneurial training into the Kenya's education system exposes the potential entrepreneurs to modern business management skills.

The creation of a favourable environment that permits MSEs Businesses to emerge and flourish has been a major drawback in Kenya since independence. The traditional approach to vocational and technical training in the country has not addressed the need to develop entrepreneurial spirit .There exist no provision in the curriculum for appraising the programmes of business start up, survival and growth stages to determine the extent to which their programmes are demand driven, value adding and addressing the specific needs of the operators and the beneficiaries. In addition, most of the training institutions providing entrepreneurship and business development training suffer from inadequate capacity, they are therefore unable to offer training in a wider range of trades (Nteere, 2012; Gibb ,1988; Murithii, 2013)

The Research Gap

The existing body of knowledge was not sufficient to show relationship between entrepreneurial teaching methods, socialization process and the legal and regulatory framework and the inculcation of entrepreneurial culture among students. The literature reviewed generally outlined the determinants of performance of small businesses and laid little emphasis on inculcation of entrepreneurial spirit among students and how it imparted on their behaviour after graduating from colleges. This study sought to fill the research gap by establishing the factors influencing the inculcation of entrepreneurial culture among the students.

Research Methodology

The aim of the study was to establish the factors influencing the development of entrepreneurial culture among the students in Kenya. To achieve this, the study employed a Cross-Sectional Descriptive Research Design also known as statistical research which answers research questions like who, what, where, when and how (Bryman & Bell, 2011; Cooper & Schindler, 2009). Descriptive research design was employed to describe the nature of a situation, as it exists at the time of the study and to explore the cause/s of particular phenomena (Leary, 2001).

The study targeted a population of two hundred (200) graduate students from Kenya School of Government, Embu Campus who had studied entrepreneurship as a subject in college. The Stratified random sampling technique was used to select fifty (50) students. A questionnaire was the main instrument of data collection. Lecturers and Heads of Departments provided supportive information in this study. The data collected was analyzed using SPSS Version 17.0.

Research Findings and Discussions

This section reports the findings of the study which investigated the factors influencing the development of Entrepreneurial Culture among students in Kenya. The researchers hypothesized that; the Entrepreneurial Teaching Methods, Socialization Process and the Legal- Regulatory Framework influence the development of entrepreneurial culture among students in Kenya.

Teaching Methods that Enhance Entrepreneurial Culture

On the teaching methods that inculcated entrepreneurial culture among the students 66% (33) preferred the use of guest speakers, while 34% (17) felt that development of business plan, case studies and site visits assisted the students to acquire entrepreneurial culture. This was an indication that participants preferred to learn from those with real life experiences on entrepreneurial matters and also apply skills learnt during their training.

The study also established that 12% of participants remained unemployed even after going through entrepreneurship subject implying that they did find skills relevant in their life, attitude towards self-employment was negative and the only options available was to seek for an employment elsewhere. It can still be concluded that the said participant need to undergo another training to fully appreciate the importance of entrepreneurial training in their business life. However, the training can be said to be successful since 88% of the participants were able to find relevance of the skills learnt. This collaborates with Oyugi (2014) and Murithii (2013) who stated that any entrepreneurship training programme need to employ training methods and approaches that aim at helping the student to learn to understand entrepreneurship, learn to become entrepreneurial and apply learnt entrepreneurial skills.

One approach to enhancing entrepreneurial activity and enterprise growth in Kenya is to create an entrepreneurial culture among the young (Nelson & Mburugu, 1991; Gibb, 1988). The findings of this study established that most course participants (88%) were willing to apply learned entrepreneurial skills. Entrepreneurial culture can be enhanced if entrepreneurial traits are nurtured early in life by incorporating such training in the school curriculum and developed right from primary, secondary, colleges, and in seminars and workshops.

Entrepreneurship Education should be introduced at primary school level to inculcate entrepreneurial mindset among the youth.

The Socialisation Process

Entrepreneurial mindsets grooming is a viable component of early childhood education through life skills orientation within the family. Vocational training of children has been the embryonic responsibility of the family before the advent of schooling. Family is a major socializing agent in early childhood, and also an enterprise, for knowledge production, strategies in entrepreneurial upskilling and sustainable life skills.

This study established that the parents/guardians (48%) were key agents of socializing the students to acquire entrepreneurial culture. Other agents of socialization were the significant others (relatives), the media, social networks and religious organizations that the students interacted with (Kuratko & Hodgetts, 2007). Such agents provided mentorship, positive role modelling, seed and growth capital for the businesses. Agents in the socialization process need to walk-the-talk if they are to influence their subjects in a positive way. If from an early age a pupil is able to establish the relevance of entrepreneurial skills in their life, they would utilize every moment to gain the skills and hence make great strides towards developing the entrepreneurial culture in Kenya. The findings of the study agree with the works of David McClelland that traits nurtured in the family, established and supported in life led to entrepreneurial success (Nteere, 2012; Bwisa, 2011).

Legal and Regulatory Framework

The government has a special role to play towards creating policies and a conducive legal and regulatory environment that promotes an entrepreneurial culture among the students. One of the notable interventions is the publication of the Sessional paper No.2 of 1992 on small enterprise and Jua Kali development in Kenya. The policy paper emphasized on the need to create an enabling environment through an appropriate legal and regulatory framework and put in place support and facilitative roles to promote the growth of small businesses. (GOK, 2005; GOK, 1992; Nteere, 2012). This study revealed that curriculum development 64% (32), training of entrepreneurship education Facilitators 24 % (12) and development of an entrepreneurship policy 12%(6) were critical roles of the government in promoting entrepreneurial culture. The provision of incubation centres by the government would help nurture talents among the youth in Kenya. The support of new enterprises through incubation helps stop new ventures from failing before they have even had a chance to test the market. Entrepreneurship is a major source of employment, economic growth and innovation. It is a mechanism by which many people enter the society's economic and social mainstream, aiding culture formation, population integration and social mobility (Hisrich *et.al*, 2009).

Conclusions

The study established that the inculcation of entrepreneurial culture was largely influenced by the Entrepreneurial Teaching Methods 62% (31), Socialization Process 24% (12) and the Legal and Regulatory Framework 14% (7). Given these revelations, the study concluded that:

- For youth to develop a positive attitude toward self employment, the entrepreneurship training content and the teaching methodologies need a paradigm shift, meaning that the major focus is process delivery, ownership of learning by the participant and learners

generate knowledge (Gibbs, 2000). Presenting students to the world of business and transferring knowledge and entrepreneurial skills through formal and informal education is crucial to create responsible young entrepreneurs, including social entrepreneurs. Entrepreneurship education is not only a means to create young entrepreneurs but also to equip young people with entrepreneurial attitude and skills which will benefit them in other areas of life, their communities and society as a whole.

- Promotion of entrepreneurship culture among the youth requires a whole round approach. The study established that the inculcation of entrepreneurial culture was largely influenced by Socialization process (24%). This acknowledged the fact that developing entrepreneurial potential cannot be the reserve of the government alone. There is need for new forms of cooperation between governments, business, workers and societies in general to promote the concept of “sustainable entrepreneurial culture”. In fact the concept of Public-Private Sectors Partnership as embraced in the development of infrastructure need to be invoked in developing entrepreneurial culture in Kenya. This will greatly help in integrating three pillars of sustainable development: economic, social and environmental.
- Improvement of the legal and regulatory environment with emphasis on the specific barriers and burdens faced by young entrepreneurs is important. Often the administrative and regulatory burdens such as business registration, the time it takes to register, the cost, the number of steps/procedures, minimum capital requirements, property rights, all need to be addressed.

Recommendations

The study made the following recommendations:

- On Entrepreneurial Teaching Methods, the facilitators of Entrepreneurship education need to have a “formal paradigm shift” from use of conventional teaching approaches to enterprising approaches such as use of guest speakers, business plans, site visits, case studies apprenticeship and mentorship programmes.
- Kenya Institute of Curriculum Development need to work closely with all stakeholders to review Entrepreneurship Education Curriculum and make it more practical oriented and ensure that its effectively been implemented and evaluated. The teaching of entrepreneurship education in schools should target as early as primary school level where pupils are introduced to entrepreneurship and the mindset of white collar jobs is challenged.
- To develop entrepreneurs and a culture of entrepreneurship, policies that promote efforts towards increasing appreciation of entrepreneurship should be implemented The government needs to formulate an Entrepreneurship Policy where all stake holders are involved-parents, private sector, civil society and educational institutions. It needs to support the teaching of entrepreneurship at all levels of education and provide resources that are appropriate for all the levels of the interventions.
- Entrepreneurship culture campaigns through promotion of young successful entrepreneurs as role models, business idea competitions, awards, media coverage, youth business events and entrepreneurship education are important strategies that need to be entrenched in creating a culture of entrepreneurship.
- The family was found to be a major agent of socializing students into entrepreneurship culture, it is therefore recommended that parents, the significant others and groups make it their responsibility to instil entrepreneurial culture all the time they interact with the

students for knowledge production, strategies in entrepreneurial upskilling and sustainable life skills.

- Burdensome entry regulations influence entrepreneurs to conduct their business activities in the informal sector, particularly in environments where the legal context is weak. The consequence is that entrepreneurs are deprived of access to opportunities and protections that the law provides, which might be detrimental for their business start up and expansion. The study therefore recommends a further simplification of business administrative framework by the government for business entry and growth to encourage entrepreneurship.

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