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Review of Corporate Entrepreneurship on Performance of Food Fortification Companies in Kenya

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Abstract:
Corporate entrepreneurship deals with the process of generation, development and implementation of new ideas and behaviors by a company. This perspective centers on innovation which can include new products, services, processes, administrative systems or programs pertaining to employees of the organization. As such, effective strategic managers that can systematically overcome internal constraints and re- invent the company initiative through novel business are a key area that Food Fortification Companies ought to lay strong emphasis. Technological breakthroughs have rendered the environment in which Food Fortification Companies operate dynamic and thus intensifying global competition. Better quality and service are no longer enough to give competition advantage in the uptake of fortified food products. Consequently, corporate entrepreneurship based on evaluation of a variety of environmental pressing problems including, required changes, innovations, and improvements in the market place is a panacea to avoiding stagnation and decline. The few documented empirically supported studies on corporate entrepreneurship concentrate on the individual characteristics of entrepreneurs within organizations, and thus not many have attempted to study macro-organizational behavior determinants in the performance of Food Fortification companies. Therefore this study seeks to establish the effect of corporate entrepreneurship determinants in the performance of food fortification companies in Kenya.

Keywords: *Food Fortification in Kenya, Corporate entrepreneurship*

1. Introduction

1.1. Background

Many business executives concur that the ability to drive business growth and implement new innovative ideas are several of the top priorities in organizations in the 21st century (Morris & Kuratko, 2002, Hof, 2004, May, 2011). Holistic commitment to building the capability and supportive organizational climate are needed for an organization to become entrepreneurial. Kuratko et al. (2002) refers to corporate entrepreneurship as intra-preneurship while Scholl hammer (2001) looks at it as an internal corporate entrepreneurship.

Corporate entrepreneurship is a concept of an organization's commitment to the creation and use of new products, new processes and modern organizational systems (Hosseini, 2011).The discovery and pursuit of new opportunities through innovation and venturing, is an important source of competitive advantage (Hayton & Kelley, 2006). Corporate entrepreneurship involves a diverse set of activities such as innovation of products, processes, development of internal and external corporate ventures and development of new business models which require an array of roles, behaviors, and individual competencies (Bouchard, 2001, Hayton & Kelley, 2006, Damanpour, 2005, Hisrich and Peters, 2002, Salvato et al.2009,Wolcott and Lippitz, 2007, Audretsch et al., 2008, Birkenshaw et al., 2003).Corporate entrepreneurship behavior has various outcomes and may result in a new product, service, process or business development (Hayton, 2005) or it may result in new organizations being created as 'spin-out ventures' (Hornsby, Naffziger, Kuratko, & Montagno, 1993,Covin and Slevin, 2002).

According to Antoncic and Hisrich (2003) there is a link between innovativeness dimension with technological leadership, supported by research and development in developing new products, services and processes.

Many scholars aver that corporate entrepreneurship provides a framework for coping effectively with the new competitive realities that companies encounter in the global market place (Kuratko, Hornsby & Zahra, 2002, Scheepers & Hough, 2004, Morrow et al., 2007, Thornberry, 2001).

According to Stevenson (2007) entrepreneurship and innovation are linked. The underlying innovation is important for driving economic progress and competitiveness (Dutta, 2011, Dess & Zahra et al., 2003, Ahuja & Lampert, 2007). The companies oscillate between creating the future by pursuing exploratory opportunities and protecting the core by pursuing exploitative opportunities (Wolpert, 2002). Corporate entrepreneurship include formal and informal activities aimed at creating new business inside established companies through product and process innovations and market development. Ling et al.2008andZahra et al.2000 bring these perspectives together by approaching corporate entrepreneurship as the sum of a company's innovation renewal and venturing efforts. Zahra et al.2004 and Burgelman 2002 argue that the factors lead to the cultivation of corporate entrepreneurship in companies include the system of the director, board and the management, the quality of the entrepreneur, the corporate strategic entrepreneurial management and the whole corporate circumstances. In the Theory of Economic Development, Schumpeter emphasizes the role of the entrepreneur as prime cause of economic development. Schumpeter is the economist who drew the most attention to the innovating entrepreneurship, such entrepreneurship carries out new combinations that are called enterprise, the individuals or institutions whose function is to carry them out are called entrepreneurs (Schumpeter, 1934).

Gary Hamel (2007) a leading strategic thinker believes that leaders must find ignition and sustain the revolution rather than be victimized by it. Today many organizations have perceived the need for corporate entrepreneurship (Kuratko & Hohgetts, 1998, Archibong, 2004, Danka, 2000, Shepherd et al., 2008).

1.2. Corporate Entrepreneurship in Kenya

Entrepreneurs are widely recognized as the prime movers of economic development in Kenya. Recognizing the prime-mover status of business entrepreneurs, the Kenya Government has implemented a wide-ranging set of strategies to encourage youth to initiate their own small businesses. The major focus for this effort is small enterprise development (SED). Small enterprise development in Kenya has traditionally involved establishing an enabling environment for small enterprise growth including analysis and adjustments to the regulatory environment that has been a hindrance to prospective small business owners. Formal small enterprise development policy encompasses entrepreneurship development programs under a heading 'Non-Financial Promotional Programs' (NFPP). The other two aspects in SED policy are the provision of responsive small enterprise credit facilities and an examination of gender issues.

Kenya does possess a dynamic entrepreneurial sector, led mainly by Kenyan Indians. Government efforts to aid African entrepreneurs, or to establish a vigorous state capitalist sector, have been ineffective. This is evident from surveys of the state enterprise sector, private manufacturing and commerce. Revisionist authors tend to overestimate the capacity of Kenyan state agencies to implement policy goals, and they neglect the political context of Africanization as an instrument of ethnic patronage for state leaders. The Kenya private sector has over the years substantially contributed to the country's economic growth, more than 50% of wage employment, and the bulk of export earnings. Business in Kenya for some time has been dominated by the Kenyans of Asian origin or those who have failed to attain high level of education. However, since the turn of the new millennium, Kenya is experiencing an explosion in the growth of entrepreneurial businesses. Studies indicate that more Kenyans are working to start their own businesses.

The Kenyan government is creating an enabling environment to entrepreneurs with a view to inculcate entrepreneurial culture in Kenya. This is being done through review of the education curriculum, giving subsidies to the entrepreneurs, establishing pro-business policies and finally initiating mechanisms that are credit friendly, for example women fund and the youth fund to make credit more accessible to the intended users. Applications of the theories to Kenya's entrepreneurship are mainly designed to answer the questions: (i) how do market systems work? (ii) What is the relationship between entrepreneurship and profit? Marshallian theory which indicates the existence of perfect information and perfect competition assumptions fails to answer both questions accurately because Kenya's economy is not in a state of static equilibrium, it keeps on changing, hence a dynamic orientation. The Marshallian model indicates the non-existence of excess profits and does not distinguish entrepreneurship from routine production process. The Schumpeterian analysis is the closest to the reality regarding the work of Kenya's capitalistic market system and creation of profit. The scholars also give great importance to individual innovations. Kenyans being individualistic people, Schumpeter's theory fits well into the country's economic context. (Schumpeter, 1934)

The Kenyan policy framework seeks to promote the number of competitiveness of MSEs by reducing the cost of doing business and creating a more favorable environment for them. The government encourages all kinds of linkages between MSEs in the formal and informal sectors including small-scale agriculture. The government is committed to strengthen policy coordination, implementation, monitoring and evaluation of government efforts to promote the MSE sector.

The 2003 policy document proposes to legislate a Micro and Small Enterprises Act to provide the appropriate legal framework to support the growth and development of the sector. One of the criticisms of the Government's past entrepreneurship development efforts has been the lack of coordination of programmes and policies, a situation that has led to duplication of effort and resources (Namusonge, 1999). The hope is that the policy actions following the MSE stakeholder forum held on 18 December 2003 of the new government will not repeat patterns of the past. The officials consulted during the mission indicated that regular forums are now held with other Government departments on an "issues" basis.

Kenya being free market capitalism, it can only borrow the concept of huge profits as an antecedent to entrepreneurial innovation and startup of entrepreneurial venture. In such cases what commonly happens is that the huge profits achieved are ploughed back into the business as capital or expansion. The business growth becomes bureaucratized, loses its initial advantage as competitors copy its methods and ends up again as a very ordinary enterprise with very ordinary profits. The generation and deployment of capital entailed in this process is very beneficial to the national economy concerned. Enterprises are delicate adventures and without the support of the government new enterprises cannot take off. Markets are unstable and unpredictable and the government should be perceived to be business supportive rather one that stifle businesses.

1.3. Food fortification in Kenya

Nutrition security is a human right. It is the basis for economic, social and human development. Good nutrition throughout the lifecycle is a prerequisite to good health, which adds quality to life and contributes to healthy ageing. A Healthy population and productive workforce reinforce sustainable national growth. Two billion people globally suffer from malnutrition. A third of the world's populations are suffering from micro nutrient deficiency.

Kenyan population 36,553,490
Under5 mortality rate 121 per 1,000
Vitamin a deficiency in children 6-59 months old84.4 %
Iodine deficiency 36.8 %
Prevalence of anemia in children 6 to 59 month sold 69%
Prevalence of anemia in women 55.5 %

Table 1: The Kenya Country Profile on malnutrition
Source: (Central Bureau of Statistics, Kenya Demographic and Health Survey 2012).

The impact of poor nutrition on the economy is broad, not exclusive to health costs, but to the overall productivity of the nation. In one year alone, conservative estimates put the loss to the Kenyan economy due to stunting at Kenya shillings 128 billion. Without deliberate and concerted effort, this figure will rise to Kshs.3 trillion in 20 years and 527, 000 lives will be lost. Call to action reducing malnutrition in Kenya is a political choice (Micro -Nutrient Survey, 2011).

The Global Alliance for Improved Nutrition now considers multi-sectorial efforts to increase food fortification and improve nutrition globally. It is clear that socially responsible actors in businesses can play a key role in fortification since companies already own the right technology to make a difference as well as the distribution channels and communication networks.

Therefore the Government of Kenya has passed a policy to strengthen public-private partnership for food fortification. The Food, Drugs and Chemical Substances Act of 2012 requires all packaged wheat flour, maize meal, salt and cooking fats and oils to be fortified with basic nutrients. Manufacturers of basic foodstuff however have ignored a directive issued by the government nearly two years ago. Statistics indicate that only 30 per cent of maize millers in the country have complied with the Act. Similarly, only 180 wheat flour brands have the KEBS certification. A spot check by the *Business Daily 29th July 2014*, however, indicates that the few firms that have complied with the law are treating the fortified items as premium products that are sold at slightly higher prices. The high shelve prices are likely to defeat the whole purpose of the campaign which sought to make the essential elements available to low income earners. Therefore the question to be answered, is this happening due to lack of corporate entrepreneurship within the firms?

Due to the globalization and converting industrial society to that of the technological ones, companies cannot compete with small and medium-sized enterprises (SMEs) that are flexible and innovative. In order to maintain their growth and existence, most of the organizations are in serious need of innovation and find new opportunities (Dehnad & Mobaraki, 2010)

Dess et al. (2005) found that intensifying global competition, corporate downsizing and delayering, rapid technological progress, and many other factors have heightened the need for organizations to become more entrepreneurial in order to survive and prosper. Therefore food companies have to re define themselves by adding value to their products to gain competitive advantage through corporate entrepreneurship. The challenge for organizations in today's market place is to build competitive advantage. Continuous innovation and ability to continually redefine the competitive playing field are among the skills that will define corporate performance in the global economy of the 21st century and few firms will be exempt (Hitt et al., 2001).

Statement of the problem

The Kenyan government has provided a policy opportunity for food processing companies through the adoption of the United Nations Food and Agriculture Organization in the Food, Drugs and Chemical Substances Act of 2012, to fortify foods to solve nutritional deficiencies as well as have corporate competitive advantage in the manufacturing industry through entrepreneurial innovation. Despite these measures, statistics indicate that only 30 percent of food processing companies have seized the opportunity to fortify foods ("Business Daily 29th July", 2014).Is this happening due to lack of corporate entrepreneurship within the companies? Studies have also shown that for companies to remain relevant and productive corporate entrepreneurship is an essential component for large companies (May, 2011).A few studies that have been done in Kenya on the effect of corporate entrepreneurship have concentrated in other fields, however, there is no documented study exploring the link of corporate entrepreneurship and food fortification in Kenya. Most of the documented studies on corporate entrepreneurship focus on only one determinant to gauge the performance of companies while using a case study approach and therefore there is need to study more determinants to establish their effect on corporate entrepreneurship. This study seeks to establish the effect of corporate entrepreneurship on the performance of food fortification within Kenyan industries.

1.4. General Objective

To determine the effect of corporate entrepreneurship in the performance of food fortification companies in Kenya

1.4.1. Specific Objectives

1) To determine the corporate entrepreneurial management support that promote performance of food fortification companies in Kenya
2) To assess the corporate entrepreneurial incentive systems in place that promote performance in food fortification companies in Kenya

2. Literature Review

2.1. Introduction

The literature review covers theories of entrepreneurship, determinants of corporate entrepreneurship (management support, compensation and incentives, innovation, organizational structure and culture). The study also examines the empirical studies showing relevant scholarly work on various aspects of interest and gaps related to this study. The study also outlines the conceptual framework that will be used in the study.

2.2. Corporate Entrepreneurial Management Theory

According to the theory, organizational effectiveness depends on three primary performance determinants which are human capital (talent efficiency), process reliability and innovative adaptation or flexibility. Flexibility leadership theory uses ideas from several different disciplines including leadership, human resource management, strategic management, and innovative adaptation or flexibility (Yuki, 2008).According to FLT the effect of human capital on firm performance is fully mediated by efficiency and innovative adaptation. Thus although human capital is expected to improve efficiency, process reliability and develop innovative products and services it is not expected to directly influence firm performance.

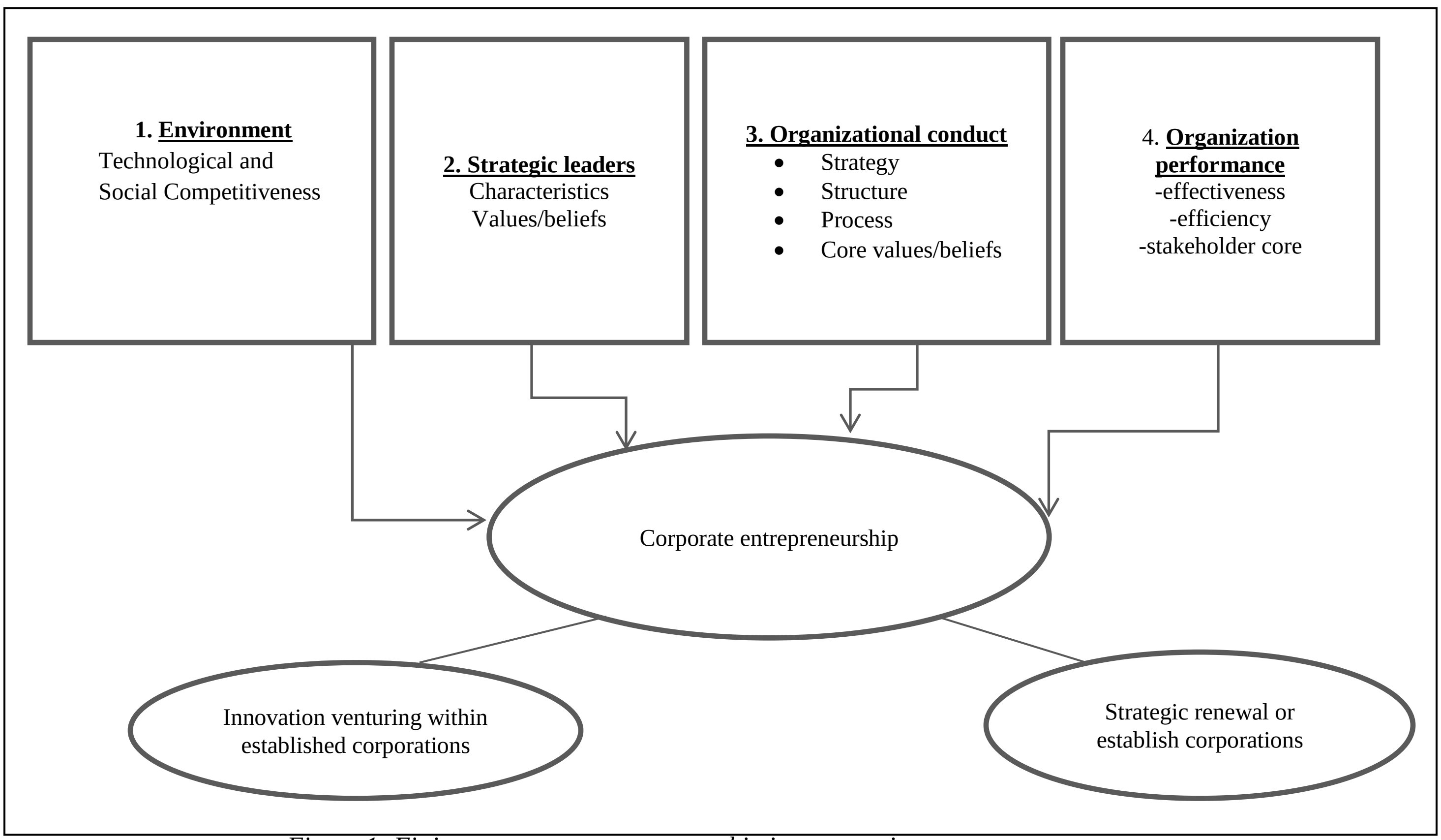

Figure 1: Fitting corporate entrepreneurship into strategic corporate management
Source: Guth and Ginsberg (2000:5)

2.3. McClelland Motivation and Incentive theory

McClelland (1961) in his theory referred to as "Acquired Need theory" the scholar observes that a person has three types of needs at any given time. Need for achievement, need to get success, need for power to dominate or influence others and need for affiliation which calls for maintaining friendly relations with others. The scholar concludes that the need for achievement is the highest for entrepreneurs. In his contribution to the behavioral sciences on entrepreneurship the scholar defines an entrepreneur as someone who exercised control over production that is not just for personal consumption but also for others. His three needs becomes the driving force towards success in business. The scholar therefore emphasizes on the entrepreneurs need and not mindset as the driving force to business performance

According to Kuratko and Hodggets (1998) companies wishing to establish corporate entrepreneurship need to provide the freedom and encouragement to entrepreneurs who require to develop their ideas. The four major steps to establish such an environment are setting explicit goals, mutually agreed by workers and management, creating a system of feedback and positive reinforcement, emphasizing on individual responsibility and giving rewards based on results. Within the corporate entrepreneurship context, positive feelings about the organization and its supportive nature influence employs receptivity towards the organization's efforts to introduce and implement corporate entrepreneurship, which is identified as a process to acquire and utilize innovative skills and abilities of the employees.

According to Castro Giovanni et al. (2011) shows that the creation of personal relationships and the development of an open communication between owner-managers and employees, and among employees themselves, could help to explain the dynamics of entrepreneurial behaviours within small firms. The openness in the communication is important, not only for promoting corporate entrepreneurship activities, but also for creating the most appropriate work environment to carry out other resource management practices that stimulated entrepreneurial behaviors (Castro Giovanni et al., 2011) Though there is consensus that corporate entrepreneurship is beneficial for the organization, there is still disagreement on the actual dimensions of the corporate entrepreneurship construct (Covin&Slevin,1991). According to Hisrich et al. (2002) argue that the construct could be classified into five dimensions, namely new business venturing, innovativeness, self-renewal, pro-activeness, and risk taking.

2.4. Corporate Entrepreneurial Management Support

The willingness of senior management in facilitating and promoting entrepreneurial activities in the organization include championing innovative ideas as well as providing necessary resources expertise and protection. Employees mostly perceive this as a chance for innovation and an opportunity for experimentation and risk taking. The structure must foster the administrative mechanism by which ideas are evaluated chosen and implemented. Structural boundaries tend to inhibit the flow of information for employees in corporate entrepreneurial activities. It is also important to examine corporate entrepreneurship strategies that are employed by management that are geared to achieving the goals. This includes the vision, mission, processes, managerial outcomes and consequences.

Senior management should be open to innovativeness, and be willing to provide the necessary resources, expertise and protection. MacMillan, Block and Narasimha (2002) ascribe lack of top management support and commitment as a major contributor to the failure of many attempts to create new ventures in the 1970s. So they identify this factor as one of the most important factors. Carter and Jones-Evans (2006) explain how to achieve management support, the top management support can come from any level of the organization, from chief executive to project manager to other entrepreneurs (Carter & Jones-Evans, 2006). So called 'sponsors', as Carter and Jones-Evans (2006) call them, have to support the creative activity and resulting failures and need to have the planning flexibility to establish new objectives and directions as needed. Very specifically, this means that according to Carter and Jones-Evans (2006) these sponsors should persuade other managers that the entrepreneurs ideas are good and have positive financial outcomes in initial phases and follow-up meetings permit flexible budgets in terms of money, people and equipment, ensure the corporate venturing project develops quickly within an organization, fight internal departmental issues.

With a sponsor doing all this, an entrepreneur can prosper. Resource availability is essential for entrepreneurship. Managers must perceive the availability of resources for innovative experimentation and risk-taking. When there are enough resources available for entrepreneurial activities, entrepreneurs will be flourishing (Stopford & Baden-Fuller, 1994). According to MacMillan et al. (2002), it is important that corporations do not abandon all venturing efforts when one or two venture attempts have failed. Venture managers gain experience and are more successful when they have passed the stage of initial venturing. Companies should be aware that "initial ventures are not likely to be highly successful per se but that the experience benefits can be substantial. This suggests selecting modest initial ventures, with relatively low resource requirements, as a vehicle for learning to be effective at venturing (MacMillan et al.., 2002). So the resources should not only be available from the manager s perspective.

2.5. Corporate Entrepreneurial Incentives

For a firm to realize its corporate goals, it's important to take care of the human resource. Effective reward system that can spur entrepreneurial activities must consider corporate entrepreneurial goals, and feedback by employees. Emphasis on individual responsibility and results based incentives go a long way to promote entrepreneurial activities within an organization. Resources like funds once available that motivates the employees to take calculated risks. Time allocation for individual development is important for innovation. Remuneration that consummate to the entrepreneurial innovations within an organization is key for corporate entrepreneurship. Communication channels that are open with minimal bureaucracy go a long way to achieve the corporate goals.

Reward incentives should consider goals, feedback, emphasis on individual responsibility, and results-based incentives according to (Hornsby et al.. 1999). According to Baron and Shane (2007), many successful corporations encourage innovations and make sure they have an environment where new ideas flourish. Providing concrete rewards for creativity is not uncommon. E.g., General Electric provides the innovators that come with ideas with a share of the extra profit generated by this idea. The company obtained more patents during recent decades than any other U.S. company (Baron& Shane, 2008). However, as intrapreneurship is a relatively new phenomenon, many companies have yet to develop an adequate reward system that is adequate in terms of pay and promotion (Baron & Shane, 2007).

Recently interest in corporate entrepreneurship, or 'intrapreneurship', is increasing. As well as for enhancing innovative abilities of workers as for increasing the success of the organization through new corporate ventures its' popularity is growing (Kuratko, Montagno & Hornsby, 1990). However, according to Baron and Shane (2007) intrapreneurship is a relatively new phenomenon and many companies have yet to develop an adequate reward system that is adequate in terms of pay and promotion. It is argued that this innovation and modernization is achieved through reward systems (Baron & Shane, 2007; Carter & Jones Evans, 2006., Stopford & Baden-Fuller, 1993, Wickham, 2006). So how a reward system should be customized to promote and encourage entrepreneurial behavior within a corporation? Monsen, Patzelt and Saxton (2009) analyzed incentive system designs in a recent study. They studied the incentives for corporate entrepreneurs to take on challenges and to participate in new corporate ventures. They asked how managers can motivate employees to take risk, participate in new enterprises within the corporation and make sure the right incentives are created for the employees. Monsen, Patzelt and Saxton (2009) took into account financial, risk and career factors to exam in the willingness of employees to participate in new ventures. Carter and Jones-Evans (2006) described what to do and what not to do to be innovative regarding incentive plans. Hornsby, Kuratko and Zahra (1999) argue that environmental factors also play a big role in creating corporate entrepreneurship. In line with that, Carter and Jones-Evans (2006) and Wickham (2006) recognized five environmental factors: The appropriate use of rewards, gaining top management support, resource availability, supportive organizational structure and risk taking and tolerance for failure is the main factor that promotes corporate projects (Shepherd, Covin & Kuratko, 2009).

Carter and Jones-Evans (2006), argue that managers in large corporations will take the organization into new products, markets and environments, away from their core business. This increases uncertainty for their capital, credibility and market share. By doing this, the entrepreneurial manager sets his position in the company at stake. So the entrepreneur generally is an employee that has the entrepreneurial qualities such as drive, creativity and ambition, but prefers the security of working for a corporation.

2.6. Critique of the Existing Literature on Effect of Corporate Entrepreneurship

Seyed et al. (2013) investigated the effect of perceived organizational support to enhance Corporate Entrepreneurship through organizational support in the Research Institute of Petroleum Industry (RIPI) of Iran. Path analysis was used to examine the relationship among the variables. Results showed that organizational support has a positive effect on the dimensions of corporate entrepreneurship. This study will also examine the organizational support determinant to establish whether the same results will be arrived at in food fortification companies.

Gantsho (2006) carried out an experimental study on how CE can be implemented in Development Finance Institutions in South Africa. The study only concentrated on how CE could be implemented in financial institutions and also did not address the issue of how CE can improve performance in such institutions. Nyanjom (2007) likewise researched on how enterprises in Botswana can develop and enhance entrepreneurial innovation and encourage entrepreneurial activity within enterprises. This study failed to address the obstacles affecting CE and enterprise characteristics. Mayaka (2006) conducted a study on CE in enterprises; however, they centered on individual enterprises and usually took a case study approach. Hence, the study failed to identify CE dimensions that lead to good performance of the large enterprises.

Aosa (1992) conducted an empirical investigation of aspects of strategy formulation and implementation within large private manufacturing companies in Kenya. Observations were made that low cost and differentiation generic strategies were practiced in some of the companies under focus. The study covered a wide range of manufacturing sector companies hence results could not be attributable or comparable to any specific industry or subsector. However, this study will cover manufacturing firms but in specific the food fortification industry. Results will be more applicable and comparison possible within a small range of firms.

Neal and Thornberry et al. (2003) conducted a study to determine whether large companies, through management education and action learning projects, could indeed turn managers into corporate entrepreneurs on four large organizations. Results indicated that many managers can indeed be trained to act like entrepreneurs and that these actions can result in significant new value creation. However, companies who embark on corporate entrepreneurial development programs also need to be aware of the pitfalls and problems that can happen, when newly trained corporate entrepreneurs re-enter the organization.

Mokaya (2013) conducted a study to determine the effects of corporate entrepreneurship on performance of the edible oil manufacturing firms in Kenya. The study revealed a strong and positive correlation between corporate entrepreneurship practices and organizational performance. Employee entrepreneurial behavior measured through individual motivation, risk taking, innovativeness and pro-activeness had positive and significant correlation with organizational performance. All the attributes of organizational performance received above average rating. The study established a strong linkage between corporate entrepreneurship and organizational performance. This study will employ the same strategy but shall look at different industries involved in food fortification industry. Whereas the study focused on oil industry this study will focus on food fortification industries.

Lwamba (2013) studied the effect of Corporate Entrepreneurship (CE) on financial performance of Kenya s manufacturing firms. Out of five CE dimensions, three have direct effect with financial performance of firms. Pro-activeness and autonomy do not affect financial performance of manufacturing firms. Therefore, it is evident that CE dimensions significantly affect financial performance of firms in Kenya's manufacturing firms.

Lameck and Coates (2013) investigated determinants of effective corporate entrepreneurship in the banking industry in Kenya. The study aimed to ascertain whether entrepreneurship culture, strategy, use of reward and organization structure influence effective corporate Intrapreneurship within equity bank limited. The results showed that entrepreneurship culture, corporate strategy, use of rewards and organizational structure determine effective entrepreneurship. However, the study suggested that managers should encourage employees in innovation and creativity practices and initiatives so as to ease ways of solving problem and pool talents. The study recommended that corporate strategy that organization has in place should tally with the organization objectives. Likewise, management should recognize the employee s performance, as this motivates employees towards implementation of strategic practices that promote the organizational growth. The study also recommended that organization structure adopted by the organizations must foster the administrative mechanisms by which ideas are evaluated.

Titus (2014) studied the effects of management support, work discretion, rewards, time availability and organizational boundaries on intrapreneurship of private secondary schools in Mombasa County. The findings revealed positive and significant relationships between management support, work discretion rewards, time availability, and organizational boundaries on intrapreneurship. Results showed the emphasis on fostering entrepreneurial spirit among Kenyans workforce in private sector being seen crucial to improve the competitiveness of the organization, and subsequently enhance the competitiveness of the country following the needs to ingrain entrepreneurial spirit as highlighted in the Kenya's vision 2030.

Bhutta and Hassan (2006) explored the profitability of firms listed in food sector of Karachi stock market in presence of food inflation using multivariate regression analysis for a period 2002-2006. The firm specific factors included debt to equity, tangibility, growth and size while macroeconomic factors included food inflation. Findings of the study revealed presence of significant negative relationship between size and profitability. Empirical results provided evidence that the profitability food sector was shaped by firm specific factors and not macro-economic variables.

2.7. Summary

Generally much debate has raged on the reason why there is a variation on the performance of business organization. Many scholars will associate performance to availability of capital, training and demand for the product. Observation show clearly that although companies operate in the same business environment some are able to create thriving businesses empires through determinants of corporate entrepreneurship and are able to be dynamic in business environments. Others in the same environment with the same infrastructure perform below average which causes the researcher to explore the main reasons for these variations. The researcher therefore seeks to study whether these variations occur due to entrepreneurial orientation within companies which is based on corporate leadership and management, compensation and incentives, innovation, structure and culture.

3. Research Gaps

Although there are few studies on the area of effective corporate entrepreneurship inside and outside Kenya, there is no documented on the effect of corporate entrepreneurship on food fortification within Kenyan industries. Most studies have examined only one determinant to gauge the performance of companies and therefore there is need to study more determinants to establish their effect on corporate entrepreneurship. Different researchers propose that further research need to be done on what triggers entrepreneurial orientation in companies and what makes one company become entrepreneurial and another not. Gantsho (2006) carried out an experimental study on how CE can be implemented in Development Finance Institutions in South Africa. The study only concentrated on how CE could be implemented in financial institutions and also did not address the issue of how CE can improve performance in such institutions. Nyanjom (2007) likewise researched on how enterprises in Botswana can develop and enhance entrepreneurial innovation and encourage entrepreneurial activity within enterprises. This study failed to address the obstacles affecting CE and enterprise characteristics. Mayaka (2006) conducted a study on CE in enterprises; however, they centered on individual enterprises and usually took a case study approach. Hence, the study failed to identify CE dimensions that lead to good performance of the large enterprises. Lameck and Coates (2013) in their study of Equity Bank concentrated only on leadership aspect and did not look at CE dimensions affecting large enterprise performance.

Lwamba (2013) studied the effect of Corporate Entrepreneurship (CE) on financial performance of Kenya s manufacturing firms. This study will focus on food fortification companies. Zhou and Li (2012) studied on how knowledge affects radical innovation in manufacturing companies in America. The study concentrated only on historical data from widely known databases, research insight and fortunes in America's most admired companies for ten year period. Although the study was based on very successful companies it did not elaborate the effect of human capital on sustained effects of corporate entrepreneurship but general firm performance. Titus (2014) studied the effects of management support, work discretion, rewards, time availability and organizational boundaries on intrapreneurship of private secondary schools in Mombasa County, majority of the studies done they focused on other companies and studied only one variable.

Zhou and Li (2012) studied on how knowledge affects radical innovation in knowledge base, knowledge acquisition, and internal knowledge sharing in manufacturing companies in America. The study delved into how knowledge base in its depth and breadth interacts with knowledge integration mechanisms to affect radical innovation. The study established that the firm with a broad knowledge base is more likely to achieve radical innovation in the presence of internal knowledge sharing rather than market knowledge acquisition. The study concentrated only on historical data from widely known databases, research insight and fortunes in America's most admired companies for ten year period. Although the study was based on very successful companies it did not elaborate the effect of human capital on sustained effects of corporate entrepreneurship but general firm performance. This study will differ in that it will collect primary data on determinants of effects of corporate entrepreneurship as perceived by respondents.

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