

INFLUENCE OF ENTREPRENEURSHIP EDUCATION ON ECONOMIC GROWTH OF COUNTY GOVERNMENTS IN KENYA: A CASE OF NAIROBI COUNTY

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ABSTRACT

All over the world increasing attention is being paid to the potential of entrepreneurship education to facilitate high growth enterprises. There is a positive link between primary and secondary education and economic growth and development. Entrepreneurial activities and entrepreneurship education are considered crucial to the economic development of a given nations. These activities are not only the incubators of technological innovation; they provide employment opportunities and increase competitiveness. Entrepreneurship is increasingly recognized as an important generator of growth, innovation and especially new job creations. The role of entrepreneurship education as the driving force of economic growth found its most explicit foundation in Joseph Schumpeter's theory of long waves. This study sought to investigate the influence of entrepreneurship education on economic growth of county government with specific focus to Nairobi County. The study was guided by the following specific objectives, that is, to determine how innovativeness, business management skills, mentorship programmes and practical skills influence economic growth of Nairobi County government. The target population of this study was

entrepreneurs with entrepreneurship education within Nairobi County. The study relied mostly on primary data sources. The study employed a simple random sampling technique in coming up with a sample size of 148 respondents. The study generated both qualitative and quantitative data where quantitative data was coded and entered into Statistical Packages for Social Scientists (SPSS Version 17.0) and analyzed using descriptive statistics. The study concludes that entrepreneurial education encourages innovativeness; business management skills, mentorship programmes and practical skills are the most important aspects of the entrepreneurship education program. The study recommends that the education system should teach students the proper types of skills needed in the twenty-first century since entrepreneurship education contributes for the integration of a variety of business. To promote entrepreneurial activity most effectively, entrepreneurship education in HEI must be part of a larger network of resources. The study recommended that the organizational learning framework reflects not only the complexity of arguments, claims and counter claims.

Key Words: *entrepreneurship education, economic growth, county governments, Kenya, Nairobi County*

INTRODUCTION

Nowadays, entrepreneurial activities and entrepreneurship education are considered crucial to the economic development of a given nations. These activities are not only the incubators of technological innovation; they provide employment opportunities and increase competitiveness (Turker & Selcuk, 2008). Furthermore, entrepreneurship education is more than just learning about business management. It is a human capital investment to prepare a student to start a new venture through the integration of experience, skills and knowledge to develop and expand business. The expectation that more and better entrepreneurship education would result in more

and better entrepreneurs has driven the proliferation of entrepreneurship courses in institutions of higher learning (Matlay, 2008). Several researchers have recognized the fact that entrepreneurship education can foster entrepreneurial culture within regions of a given country (Harsh & Ranjan, 2005).

Entrepreneurship can be read as a cultural and economic phenomenon (Grozđanić, 2008). It is a process of fundamental transformation: from an innovative idea to an enterprise, as well as from an enterprise to creation of value (Kauffman, 2007). There has been increasing research interest in the influence of entrepreneurship and education on the entrepreneurial behavior of students. Entrepreneurship is increasingly recognized as an important generator of growth, innovation and especially new job creations (Bakotić & Kružić, 2010). They also highlight the growing attention paid in many countries to fostering entrepreneurship through university education and training.

The role of entrepreneurship education as the driving force of economic growth found its most explicit foundation in Joseph Schumpeter's theory of long waves (Schumpeter, 1911). According to Thurik and Wennekers (2001) the process of creative destruction is built on dynamic, deliberate entrepreneurial efforts to change market structures and can be propitious for additional innovations and profit opportunities. While developing economies grow as standard economic growth models predict, through the accumulation of human and physical capital and increasing specialization, once an economy has entered the industrialized phase of capitalist development, a qualitative change in the drivers of economic growth occurs. In advanced industrial economies, growth is driven by the process of technological advance and knowledge accumulation brought about by research and development efforts of firms.

The Government of the Republic of Kenya (2005) recognizes the strategic importance of improving the overall education level of Kenyans within the context of poverty reduction and economic growth. According to the Government of the Republic of Kenya (2011) science, technology and innovation sector seeks to achieve key objectives of enhanced access, equity relevance and quality of outcomes in higher education, science, technology and innovation. One of the problems facing the Kenyan economy is unemployment. This is due to low economic growth, corruption, nepotism and the negative attitude towards entrepreneurship. Approximately 503,500 graduates from a pool of 1,374,360 graduates enter the job market annually. More than 870,860 graduates remain unemployed because of the weak economic performance and the public sector reforms, which have adversely affected employment in Kenya.

One approach to enhancing entrepreneurial activity and enterprise growth in Kenya is to create an enterprise culture among the youth (Nelson & Mburugu, 1991). This is important because by focusing on youth while they are still in school, this approach may provide a long – term solution to the problem of job creation in Kenya. To achieve a wide spread enterprise culture in the long run; entrepreneurship education, training, research and development programme in Kenya must integrate self – employment and entrepreneurship into the curriculum at all levels of learning.

There has been an increased interest in entrepreneurship within the education system and the society in general with an increase in courses, incubators and other activities oriented to promote the topic of entrepreneurship. This phenomenon takes place in both public and private universities, technical training institutes, institutes of technology, national polytechnics and youth polytechnics. There was therefore need to examine entrepreneurship education programme in Kenya to assess its effectiveness in providing a long-term solution to the problem of job creation in Kenya.

Kenya ranks among the most entrepreneurial economies in East Africa, an environment characterized by a relatively high level of provision of skills required for enterprise development. This orientation is informed by concepts of entrepreneurship education, which acknowledge that although some people may be exceptionally and even innately talented in spotting business opportunities, business education can help uncover and develop various skills that are critical to starting and running a successful business venture. It seems that these ideas are widely accepted in Kenya, and are embraced within the concept of Integrated Entrepreneurship Education (IEE). IEE in Kenya covers the teaching of knowledge and skills that enable individual students to plan, start and run their own businesses in the formal or informal sector. It forms part of the national education system with some elements in secondary general education integrated in other subjects, such as Business Studies and Commerce.

IEE has been a compulsory and examinable subject at all levels of school-based vocational training where the emphasis has been much stronger since the early 1990s. At the university level, Kenya counts 52 HEIs of which eight host a dedicated centre for entrepreneurship education. All Colleges and Universities in Kenya offer business studies programmes within schools, departments or faculties. Entrepreneurship education is not yet mainstreamed throughout the curriculum in Kenyan HEIs. Specific degrees offering Entrepreneurship content are delivered by twelve HEIs in Kenya, of which six are public sector institutions. Although the number of Kenyan HEIs with a specific programme in entrepreneurship is relatively low, as noted above, eight institutions have established entrepreneurship centres. Two examples of best practice in institutional commitment are perceived to be the Strathmore University based Enterprise Development Centre (SEDC); and the Kenyatta University based Chandaria Business Innovation and Incubation Centre (CBIIC).

STATEMENT OF THE PROBLEM

According to Turker and Selcuk (2009) entrepreneurial activities and entrepreneurship education are considered crucial to the economic development of nations. In Kenya, it is estimated that 64% of unemployed persons in Kenya are youth while the rest 34% is attributed to adult. Most recent college and university graduates fall in this category and it is becoming increasingly necessary to get more and more of them to engage in self-employment. Additionally, only 1.5% of the unemployed youth have formal education beyond secondary school level and the

remaining over 92% have no vocational or professional skills training and majorities are found in the rural areas (UNDP, 2006). In a span of one decade, growth in wage employment decreased from 2.1% in 1988 to negative 2% in 2008 (Bwisa, 2011). The Government of the Republic of Kenya (2009) recognizes the strategic importance of improving the overall education level of Kenyans within the context of poverty reduction and economic growth. Despite the Kenya government recognition of streamlining education with entrepreneurship, Tanzania perform better compared to Kenya, even though entrepreneurship culture is underdeveloped, where 60% of the newly enterprises survive equivalent to those collapse in Kenya within the first few months of operation (Ifinedo & Usoro 2009). This significant contribution was achieved due to the training process that has enable owner-managers to change their behaviour and attitudes towards business. GEM (2007) found that Uganda is already highly entrepreneurial where 33% of Ugandans are in some kind of entrepreneurial activity and rates are particularly high amongst men, people aged between 25-34, the better educated and higher income earners. In Kenya uptake of entrepreneurship is minimal, employment in the informal sector is estimated to have expanded from 7.5 million in 2007 to 7.9 million in 2008. In 2008-2010 for example, the informal sector grew by only 3.5% an insignificant growth given the rate of unemployment in Kenya (GoK, 2012).

According to KEPSA (2013) there were 520 students enrolled in entrepreneurship education in 2011 with 50% of these engaged on self-employment and are still successfully running them. However, enrollment of student in the course increased by 66% giving a total of registered student to stand at 864 by year 2012 where 77% of the student engaged in entrepreneurship activity out of which 20% are from Nairobi county. Moreover, students continued to embrace entrepreneurship education with the current (year 2013) number of student pursuing entrepreneurship education standing for 3360, an increase of 289% from previous year. Nairobi province registered highest number 35% (1099) out of 3099 total student who are still continuing with the course, with Kisumu and Mombasa province having a share of 10% and 9.7% respectively with the rest 45.3% shared among the other provinces (KEPSA, 2013). According to KEPSA (2013) of five newly established business in Nairobi County, 60%(3) of the business collapse where 40%(2) of the business that collapsed were as a result of lack of entrepreneurial skills by the operators while the rest 20%(1) collapsed as a result of lack of managerial skills even though they equally possessed the entrepreneurial education. According to Turker and Selcuk (2009) entrepreneurial activities and entrepreneurship education are considered crucial to the economic development of nations. These activities are not only the incubators of technological innovation; they provide employment opportunities and increase competitiveness (Matlay, 2008). One approach to enhancing entrepreneurial activity and enterprise growth in Kenya is to create an enterprise culture among the youth which should also be aligned to the market needs (Bwisa, 2011). This is important because by focusing on youth while they are still in school, this approach may provide a long term solution to the problem of job creation in Kenya hence economic growth.

Local studies done includes, Nelson and Johnson (1997) did a study on entrepreneurship education as a strategic approach to economic growth in Kenya, McCormick (2002) did a study on Golden opportunity or dead end on Small enterprise in Nairobi, Ongolo (2003) did a study on impact of village polytechnic programme on employment and rural development, he found that polytechnic programme contributes to 10% of rural employment, Ferej (2004) did a study on the efficacy of apprenticeship training as preparation for self-employment in Kenya while Bwisa (2011) did a study on entrepreneurship theory and practice. Therefore there is little literature on impact of entrepreneurship on economic growth that this study aims to bridge by exploring role of entrepreneurship education on economic growth of county government with specific focus to Nairobi County.

RESEARCH OBJECTIVE

The main purpose of this study was to investigate influence of entrepreneurship education on economic growth of county government with specific focus to Nairobi County.

SPECIFIC OBJECTIVES

1. To determine how innovativeness influence economic growth of Nairobi County government.
2. To establish how business management skills influence economic growth of Nairobi County government.
3. To ascertain how mentorship programmes influence economic growth of Nairobi County government.
4. To examine how practical skills influence economic growth of Nairobi County government.

THEORETICAL REVIEW

Schumpeter's Innovation Theory

The concepts of innovation and entrepreneurship are probably Schumpeter's most distinctive contributions to economics (Hanush & Pyka, 2007). One of the most common themes in Schumpeter's writings was the role of innovation (new combinations) and entrepreneurship in economic growth. According to him, consumer preferences are already given and do not undergo spontaneously. It means that they cannot be cause of the economic change. Moreover, consumers in the process of economic development play a passive role. In *Theory of economic development* Schumpeter described development as historical process of structural changes, substantially driven by innovation which was divided by him into five types (Schumpeter, 1934), launch of a new product or a new species of already known product, application of new methods of production or sales of a product (not yet proven in the industry), opening of a new market (the

market for which a branch of the industry was not yet represented), acquiring of new sources of supply of raw material or semi-finished goods and launching new industry structure such as the creation or destruction of a monopoly position.

Schumpeter argued that anyone seeking profits must innovate. That will cause the different employment of economic system's existing supplies of productive means. Schumpeter believed that innovation is considered as an essential driver of competitiveness and economic dynamics (Porter & Stern, 1999). He also believed that innovation is the center of economic change causing gales of "creative destruction", which is a term created by Schumpeter in *Capitalism, Socialism and Democracy* (Schumpeter, 1942). According to Schumpeter innovation is a "process of industrial mutation, that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one".

Schumpeter described development as historical process of structural changes, substantially driven by innovation (Schumpeter, 1942). He divided the innovation process into four dimensions: invention, innovation, diffusion and imitation. Then he puts the dynamic entrepreneur in the middle of his analysis (Burton, 1999). In Schumpeter's theory, the possibility and activity of the entrepreneurs, drawing upon the discoveries of scientists and inventors, create completely new opportunities for investment, growth and employment. In Schumpeter's analysis, the invention phase or the basic innovation have less of an impact, while the diffusion and imitation process have a much greater influence on the state of an economy. The macroeconomic effects of any basic innovation are hardly noticeable in the first few years (and often even longer). What matters in terms of economic growth, investment and employment, is not the discovery of basic innovation, but rather the diffusion of basic innovation, which is the period when imitators begin to realize the profitable potential of the new product or process and start to invest heavily in that technology (Freeman, 1987).

Classical management Theory

The classical schools of management theories were developed during the Industrial Revolution of the mid- to late- 1800s and early 1900s. They are largely concerned with improving efficiency and productivity. The classical management theory is a school of management thought in which theorists delved into how to find the best possible way for workers to perform their tasks. Taylor felt that businesses were generally far too reliant on one or two very skilled individuals and that there would be much greater benefit and longevity in teams or groups of ordinary men working to a scientifically-devised theory. That theory was best on the one best practice, devised through timed observation. Taylor essentially devised the principle that teams would be based around sound, stable processes and that team members would maintain these processes, freeing up managers to concentrate on activities of continuous improvement.

Taylor was also credited with introducing the first time and motion studies. Taylor's approach broke down complex tasks into shorter, simpler sub-tasks and built processes around them. He

also believed that working to the one best practice would engender a co-operative team environment, working against the autocratic working conditions that were the norm in the era. Taylor's scientific approach is still reflected in modern quality management practices, including the principles of Six Sigma, which analyze and address process inefficiencies through data-driven decisions.

The classical management theory is divided into two branches, the classical scientific and the classical administrative. The classical scientific branch comes from the scientific mindset of attempting to increase productivity. During the height of the classical scientific theory, theorists would use almost mechanical methods towards labor and organization to achieve goals of productivity and efficiency. Some of the basic techniques of the classical scientific theory include creating standardized methods for a task and dividing work between employees equally. On the other hand, the classical administrative theory focuses on how management can be organized to achieve productivity. Henri Fayol, a leading figure in management theory, devised several management theories geared towards efficiency, such as creating a unified direction among managers, centralization, and discipline. Other management theories focused on building team confidence, such as establishing teamwork, using initiative, and equity.

Social Learning Theory

Social Learning Theory (SLT) proposes that one way learning can occur is vicariously, through the observation of behaviors in others, referred to as role models (Bandura, 1977: as cited in Scherer and colleagues (1989). Adapting the principles of SLT to entrepreneurial role models in the form of mentors would indicate that individuals having greater exposure to other entrepreneurs are more likely to engage in entrepreneurial ventures and activities (Schaver & Scott, 1991). Mentoring in the context of support to novice entrepreneurs has been defined as a protected relationship between a veteran and a newcomer in which learning and experimentation can take place, guidance is provided, and new skills can be developed in the pursuit of personal goals and business success (Graham & O'Neill, 1997).

In addition to experienced entrepreneurs, entrepreneurial mentors may also appear in the form of other family members, employers, teachers, or anyone whom the individual has had an opportunity to observe (Sexton & Smilor, 1986). Indeed, private sector partnerships for mentoring have been described as one of the determinants of success in new venture creation (Lalkaka, 2003). However, Cope and Watts (2000) interestingly caution us to avoid the assumption that mentoring is the most important form of learning, since experiential learning in which entrepreneurs learn from their own mistakes as well as successes is very powerful (Bechard & Toulouse, 1991; Cope & Watts, 2000).

Mentors typically support entrepreneurs as they start and grow their businesses by giving expert help and assistance in problem solving, influencing behavioral and attitudinal change (Sullivan, 2000). A mentor's role can be strategic and developmental, calling attention to specific events or

critical incidents that have occurred in the history of the business and relating them to the present circumstances, a process Cope and Watts (2000) refers to as “bringing forward” the experience of the entrepreneur. Gibb (1997) termed this ‘generative’ learning, described as “reflecting on the vision, performance, and capability of the business and the ways in which new threats and opportunities impact upon it” (Gibb, 1997).

Based on their involvement in a mentoring program for SMEs developed by Enterprise Ireland that has produced over 5,000 assignments (Mattacks, 2004), Doyle and O’Neill distinguish mentoring entrepreneurs from the mentoring that takes place in the context of larger organizations, in that it may help reduce feelings of isolation, assist the business in meeting its goals, and help to fill a knowledge or skill gap (Doyle & O’Neill, 2001). For women, the role of mentors as role models may be particularly significant. The importance of a role model—someone who has achieved goals to which they may be aspiring and is a source of strategies for both success and survival is critical to the career development of women. This is confirmed by the evaluation study of the Community Entrepreneurs Program, a training program for women entrepreneurs in Massachusetts, mentoring was reported as proving useful to program participants, enabling access to new distribution channels for selling products and services, helping to grow the business, and helping to generate revenue (Dumas, 2001). In addition, to the extent that mentors are role models, this result may be due in part to the importance of “modeling” as a way of developing self-efficacy (Bandura, 1992). That is, in addition to the “mastery experiences” described above, self-efficacy can also be enhanced through social persuasion, or the positive encouragement and feedback that individuals are given by role models (Cox et al., 2002).

Entrepreneurship Theory

Joseph Schumpeter (1883-1950) contributed significantly to the theory of entrepreneurship. Most of his ideas are reflected in his book “The theory of economic development”, first published in 1911. His theory was the first to treat innovation as an endogenous process. He turned down the predominant paradigm of entrepreneurship as management of the firm and replaced it with an alternative one: the entrepreneur as leader of the firm (in modern business management language) and as the innovator and therefore, prime mover of the economic system. Schumpeter integrated the dynamics of technology and business enterprise by defining the entrepreneur as an innovator. He explicitly opposed the idea of the entrepreneur as a risk-bearer and a capitalist. He integrated psychological theory in the economic theory of entrepreneurship. To describe the entrepreneur’s contribution to the economy, Schumpeter starts his theory with a contrasting world: one without the entrepreneur, „the circular flow“ . In this static world, every day is a repetition of the preceding one.

In the context of the contemporary debate on entrepreneurship and economic development of capitalism, Schumpeter's entrepreneur concept gives banks (and banking system) the possibility of implanting innovations in the economy. The entrepreneur is a pioneer who is able to “act with

confidence beyond the range of familiar beacons” (Schumpeter, 1934). “His characteristic task – theoretically as well as historically – consists precisely in breaking up old, and creating new, tradition” (Schumpeter, 1912). The entrepreneur is the only one who indeed carries out new combinations. Furthermore, person who has organized his company is immediately losing entrepreneur function and begins to lead his company in accordance with a “Schumpeter’s circular motion”. That is why there are no people who are lifelong entrepreneurs, and also there are no businessman who even for a while was not an entrepreneur. According to Schumpeter, it is not necessarily an entrepreneur who receives profit, but surely it is created entirely thanks to him. Profit goes to the “capitalist” (the owner of the company), as well as the rent goes to the hands of the owners of the land. Entrepreneur does not even have guarantee that it will remain entrepreneur in future. Everything depends only on his talent and the will to act.

EMPIRICAL REVIEW

Innovation

Businesses that implement new ideas compatible with the changing world have a greater probability of continuing success (Gautschi, 2001). Many businesses therefore recognize creativity's importance to innovation as well as the need for highly creative employees. Yet many businesses still stifle their capabilities to be creative by only looking to a relative small group of specialists such as, research and development, engineering, market research and systems design to provide this (Bessant, 2003). There is a growing recognition that innovation is the only sustainable source of growth, competitive advantage and new wealth (Drejer, 2006). Fostering intrapreneurial behaviours and practices has consequently assumed prime importance in the corporate strategies of many businesses. To be successful, corporate entrepreneurs must generate novel and useful ideas for new goods or services that will appeal to some identifiable market and having identified these potential opportunities, they must bring these ideas to fruition (Ward, 2004).

Business management skills

Entrepreneurial skills include creativity, decision-making, leadership, communication skills, the ability to work in a team, marketing, management, the ability to accept failure, flexibility, risk-taking, confidence, and passion. While these skills are essential for those hoping to start their own businesses, these same set of skills will increasingly be expected of all members of the workforce in the new economy (Lundstrom & Stevenson, 2005). The knowledge economy requires a new set of skills that is completely different from the set of skills required by the historically manufacturing-dominated economy. Jobs today require an increasing amount of education and training, as well as twenty-first century skills such as creativity, problem-solving, and leadership skills (Schwarz & Kay, 2006).

Mentorship Programmes

Research has shown that entrepreneurial learning is critical to the survival and growth of entrepreneurial businesses. Sullivan (2000) argues that, mentors bring added value interventions that make a difference in the long-term success of these businesses. Mentors may provide the support entrepreneurs need when it matters most. Mentoring has been studied largely in the context of the large corporation, and within the framework of career development, training, and performance. using previous entrepreneurs, should be effective in overcoming the crucial early stage learning period when new entrepreneurs have to learn how to handle change, crises and make strategic decisions. Gold, Devins and Johnson (2003) support Deakins et al. (1998) and argue that mentoring is important for “the learning of the small business manager and the performance of the business

Practical Skills

Olomi (2009) posits that people with practical skills who enter the field of entrepreneurship are likely to do better than those without. Further, in a study of small African enterprises, Mead (1999) states that lack of practical activities in learning institutions makes little difference to enterprise profitability but that going beyond a certain threshold, is associated with substantial differences in enterprise profitability (in Kiggundu, 2002). In many African countries, entrepreneurship is looked down upon as a risky choice of livelihood (Olomi, 2009) and naturally this causes obstacles for young graduates who want to become entrepreneurs, since they have to deal with the added burden of prejudice in their immediate environment.

RESEARCH METHODOLOGY

Research Design

Orodho (2003) defines a research design as the scheme, outline or plan that is used to generate answers to research problems. This study employed a descriptive research method. Creswell (2008) stated that the descriptive method of research is to gather information about the present existing condition. The emphasis was on describing rather than on judging or interpreting. The descriptive approach is quick and practical in terms of the financial aspect. Moreover, this method allows a flexible approach, thus, when important new issues and questions arose during the duration of the study, further investigation will be conducted. For this study, the main focus was quantitative. However some qualitative approach was used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the quantitative study. This method concerns the intense investigation of problem solving situations in which problems are relevant to the research problem. The underlining concept is to select several targeted cases where an intensive analysis identified the possible alternatives for solving the research questions on the basis of the existing solution applied in the selected case

study. The researcher attempts to describe and define a subject, often by creating a profile of group of problems (Cooper & Schindler, 2003).

Sampling and Sample Size

For this study, simple random sampling technique was used to select the sample to be included in the study. The method is chosen because every element in the population had an equal chance of being selected as the sample. According to Sekaran (2011) simple random sampling has the least bias and will offer the most generalization and hence for the study to be more representative, it is important that the right method is chosen. According to KEPSA (2013) out of 3512 students fully completed entrepreneurial course, 42% (1475) of started their business in Nairobi. The study will focus on a sample size of 148 respondents. According to Gay (1981) the general rule-of-thumb for small populations is that a research needs to have at least 30 respondents but for bigger populations, a representative depends on the mode of selection and a sample of 10 - 30% is representative.

Data collection

The study was employed a questionnaire to collect primary data. Questionnaires are appropriate for studies since they collect information that is not directly observable as they inquire about feelings, motivations, attitudes, accomplishments as well as experiences of individuals, Mellenbergh (2008). The questionnaire comprised of both open and close-ended questions. Franker, (2006) stated that a questionnaire is useful in obtaining objective data because participants are not manipulated in any way by the researcher. Further, questionnaires have the added advantage of being less costly and using less time as instruments of data collection. The data instrument addressed the four research objectives while it was sub-divided into two sections. The first section of the questionnaire enquired general information about the respondents, while the next sections will seek to answer the four objectives.

The researcher involved three research assistances to help in distribution of question to the targeted respondents. The questionnaires were administered through drop and pick later method. The quantitative section of the instrument to be employed both a nominal and a Likert type scale format to determine each of the variables. A 5 point Likert scale ranging from 1 to 5 will be used as answers to statement like questions. The Likert - type format is selected as the format yields equal - interval data, a fact that allows for the use of more powerful statistical to be used to test hypotheses (Kiess & Bloomquist, 2008).

Data Analysis and Presentation

The study was to generate both qualitative and quantitative data. Quantitative data was coded and entered into Statistical Packages for Social Scientists (SPSS Version 17.0) and analyzed using descriptive statistics. Qualitative data was analyzed based on the content matter of the responses. Responses with common themes or patterns will be grouped together into coherent

categories. Descriptive statistics involves the use of absolute and relative (percentages) frequencies, measures of central tendency and dispersion (mean and standard deviation respectively). Quantitative data was presented in tables and graphs while the explanation to the same will be presented in prose.

The study also employed inferential statistics to establish the influence of entrepreneurship education on economic growth of county government. Specifically, the study used Spearman correlation to establish this relationship.

The regression equation was:

$$Y = \beta_0 + \beta_1 I_1 + \beta_2 Bm_2 + \beta_3 Mp_3 + \beta_4 Ps_4 + \epsilon$$

Whereby the variables are identified as follows:

Dependable variable Y = Economic Growth

Independent variable I_1 = Innovativeness

Independent variable Bm_2 = Business Management Skills,

Independent Variable Mp_3 = Mentorship programmes

Independent Variable Ps_4 = Practical skills

While β_1 , β_2 and β_3 are coefficients of determination and ϵ is the error term.

INFERENCEAL ANALYSIS

Coefficient of Correlation

To compute the correlation (strength) between the study variables and their findings the researcher used the Karl Pearson's coefficient of correlation (r). From the findings, it was clear that there was a positive correlation between economic growth and innovativeness as shown by a correlation figure of 0.523, it was also clear that there was a positive correlation between economic growth and business management skills with a correlation figure of 0.614, there was also a positive correlation between economic growth and mentorship programmes with a correlation value of 0.746 and a positive correlation between economic growth and practice skills with a correlation value of 0.521. This shows that there was a positive correlation between economic growth and innovativeness, business skills management, mentorship skills and practical skills.

Table 1: Coefficient of Correlation

		Economic Growth	Innovativeness	Business Management Skills	Mentorship Programmes	Practical Skills
Economic Growth	Pearson Correlation	1				
	Sig. (2-tailed)					
Innovativeness	Pearson Correlation	.523	1			
	Sig. (2-tailed)	.0032				
Business Management Skills	Pearson Correlation	.6140	.3421	1		
	Sig. (2-tailed)	.0021	.0014			
Mentorship Programmes	Pearson Correlation	.7460	.1240	.0621	1	
	Sig. (2-tailed)	.0043	.0120	.0043		
Practical Skills	Pearson Correlation	.5210	.3420	.0000	.1660	1
	Sig. (2-tailed)	.0172	.0031	1.000	.0031	

REGRESSION ANALYSIS

Further the researcher conducted a multiple regression analysis so as to influence of entrepreneurship education on economic growth of county governments in Kenya with focus to Nairobi County. The researcher applied the statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions for the study.

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (economic growth) that is explained by all the four independent variables (innovativeness, business management skills, mentorship programmes and practical skills).

The four independent variables that were studied, explain only 83.4% of the economic growth as represented by the adjusted R^2 . This therefore means that other entrepreneurship factors not studied in this research contribute 16.6% influence economic growth. Therefore, further research should be conducted to investigate the other factors (16.6%) that influence economic growth.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.913	0.834	0.751	0.4538

Multiple Regressions

Multiple regression analysis was conducted as to influence of entrepreneurship education on economic growth and the four variables. As per the SPSS generated table 3, the equation

$$(Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon) \text{ becomes:}$$

$$Y = 1.308 + 0.558X_1 + 0.785X_2 + 0.620X_3 + 0.731X_4$$

The regression equation above has established that taking all factors into account (innovativeness, business management skills, mentorship programmes and practical skills) constant at zero, economic growth will be 1.308. The findings presented also shows that taking all other independent variables at zero, a unit increase in innovativeness will lead to a 0.558 increase of economic growth; a unit increase in business skill management will lead to a 0.731 increase of economic growth; a unit increase in mentorship programmes will lead to a 0.785 increase in economic growth and a unit increase in practical skills will lead to a 0.620 increase in economic growth. This infers that mentorship programmes contribute most to economic growth followed by business management skills then innovativeness while practical skill contributed the little to economic growth.

Table 3: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	1.308	1.342		1.623	0.357
Innovativeness	0.558	0.310	0.172	4.342	.0276
Business Management Skills	0.731	0.156	0.210	3.532	.0285
Mentorship Programmes	0.785	0.322	0.067	3.542	.0202
Practical Skills	0.620	0.245	0.148	3.458	.0249

SUMMARY OF THE FINDINGS

The objectives of this study were to determine how innovativeness influences economic growth of Nairobi County government, to establish how business management skills influence economic growth of Nairobi County government, to ascertain how mentorship programmes influence

economic growth of Nairobi County government and to examine how practical skills influence economic growth of Nairobi County government.

Innovativeness

From the study findings, majority of the respondents indicated that entrepreneurial education encourages innovativeness. Further, nurturing creativity is one of the most important aspects of the entrepreneurship education program; entrepreneurial courses offered in learning institutions must encourage students to seek different ways of looking at a problem, rather than insisting that students find the one right answer and that entrepreneurship education offered in HLI equips students with knowledge such that they understand how to discover, create and exploit available opportunities and entrepreneurship education offered in HLI equips students with knowledge such that they understand how to discover, create and exploit available opportunities. On the other hand, majority of the respondents' purported that innovativeness enhance economic growth of a county government to a great extent.

Business Management Skills

To the objective of business management skills, the study found that that business management skills influence economic growth of county government and that communication skills and decision making, marketing skills and leadership had the influence of Business Management Skills on Economic Growth. Further, the study found out that today jobs require an increasing amount of education and training such as creativity, problem-solving, and leadership skills; Business skills acquired have established infrastructure that support the ongoing process of knowledge creation, delivery and management at all levels of the organization and that entrepreneurs gain experience in "creating" a business, sometimes in a stimulating environment or in the real market place and that modern economy requires a new set of skills that is completely different from the set of skills required by the historically manufacturing-dominated economy. Finally, the study found out that business management skills enhance economic growth to a great extent.

Mentorship Programmes

The study found that mentorship programmes enhance economic growth of a country. On the other hand, mentorship programmes form part of a larger network of resources that promote our entrepreneurial activity most effectively and that mentorship programmes enhance entrepreneurship activity among graduates and students pursuing entrepreneurship course; campus they were taught of the important of sharing information with each other in order to promote an environment that fosters entrepreneurial activity. Mentorship programmes offered in HLI represents an efficient and cost effective means of increasing the number and the quality of entrepreneurs entering in the economy and that HEI play an important role in the economic development of countries and regions through provision mentorship programmes. Finally, the

study found out that mentorship programmes enhance economic growth of a country at great extent.

Practical Skills

On Practical Skills, the study established that practical skills influence entrepreneurship activities. Further, a group of entrepreneurs they look for new and better ways of doing things and they work together to make process improvements that benefit institutional stakeholders, entrepreneurs with practical skills who enter the field of entrepreneurship are likely to do better than those without, innovation and technology are normally used in practical activities in to spearhead entrepreneurship spirit. Integrating an experiential component supported by knowledge acquired classroom setting benefits the need of the needs community. On the other hand, the study found out that practical skills influenced county government economic growth to a great extent.

CONCLUSIONS

The study aimed at finding out the influence of entrepreneurship education on economic growth of county governments in Kenya with a specific focus to Nairobi County. Based on the findings the study made the following conclusion.

The study concludes that entrepreneurial education encourages innovativeness and that nurturing creativity is one of the most important aspects of the entrepreneurship education program; entrepreneurial courses offered in learning institutions must encourage students to seek different ways of looking at a problem, rather than insisting that students find the one right answer and that entrepreneurship education offered in HLI equips students with knowledge such that they understand how to discover, create and exploit available opportunities and entrepreneurship education offered in HLI equips students with knowledge such that they understand how to discover, create and exploit available opportunities. On the other hand, the study concludes that innovativeness enhance economic growth of a county government to a great extent.

On business management skills, the study concludes that business management skills influence economic growth of county government; communication skills and decision making, marketing skills and leadership had the influence of Business Management Skills on Economic Growth. Further, the study concludes that today jobs require an increasing amount of education and training such as creativity, problem-solving, and leadership skills; Business skills acquired have established infrastructure that support the ongoing process of knowledge creation, delivery and management at all levels of the organization and that entrepreneurs gain experience in “creating” a business, sometimes in a stimulating environment or in the real market place and that modern economy requires a new set of skills that is completely different from the set of skills required by the historically manufacturing-dominated economy. Further, the study concludes that business management skills enhance economic growth to a great extent.

On mentorship programmes the study concludes that mentorship programmes enhance economic growth of a country. On the other hand, mentorship programmes form part of a larger network of resources that promote our entrepreneurial activity most effectively and that mentorship programmes enhance entrepreneurship activity among graduates and students pursuing entrepreneurship course; campus they were taught of the important of sharing information with each other in order to promote an environment that fosters entrepreneurial activity and that Mentorship programmes offered in HLI represents an efficient and cost effective means of increasing the number and the quality of entrepreneurs entering in the economy and that HEI play an important role in the economic development of countries and regions through provision mentorship programmes and that mentorship programmes enhance economic growth of a country at great extent.

The study also concludes that practical skills influence entrepreneurship activities. On the other hand, the study concludes that a group of entrepreneurs look for new and better ways of doing things and they work together to make process improvements that benefit institutional stakeholders, entrepreneurs with practical skills who enter the field of entrepreneurship are likely to do better than those without, innovation and technology are normally used in practical activities in to spearhead entrepreneurship spirit and that integrating an experiential component supported by knowledge acquired classroom setting benefits the need of the needs community. Further, the study concludes that practical skills influenced county government economic growth to a great extent.

On economic growth, the study concludes that there was adequate communication of strategic plans in Nairobi County. Further, the study concludes that technological advance, profit opportunities, specialization and technological advance influence economic growth to a great extent.

RECOMMENDATIONS

On innovativeness the study recommends that education system must offer more than just the basic reading, writing and arithmetic and that policymakers should recognize the importance of entrepreneurial skills, and encourages schools to infuse innovation and entrepreneurial opportunity recognition skills more deeply in educational culture and disciplines. Further, in order to meet the needs of the twenty-first century economy, there must be entrepreneurially-driven improvements in the educational system and states should move towards promoting a more entrepreneurial economy. The study also recommends that courses offered in learning institutions must encourage students to seek different ways of looking at a problem, rather than insisting that students find the one right answer. Courses should reflect the fundamental aspect of entrepreneurship, which is challenging the status quo and that entrepreneur, must constantly be looking at the world in a different light.

On business management skills, the study recommends that the education system should teach students the proper types of skills needed in the twenty-first century since entrepreneurship education contributes for the integration of a variety of business subjects, the promotion of improved decision-making skills and the increase in technology transfer between education establishments and the market place creating improved synergy and added value between both entities and the potential to add value to other non-business and technical programmes. On the other hand, colleges and universities should be viewed as having the qualities of loosely coupled systems with diffused decision making. For these institutions it is imperative that an established infrastructure will support the ongoing process of knowledge creation, delivery and management at all levels of the organization.

On Mentorship Programmes, the study recommended that It is necessary to share information with each other in order to promote an environment that fosters entrepreneurial activity. To promote entrepreneurial activity most effectively, entrepreneurship education in HEI must be part of a larger network of resources. Further, the study recommended that there is dare need to provide mentorship programmes to enhance entrepreneurship activity among graduates and students pursuing entrepreneurship course.

To the objective of practical skills, the survey recommended that entrepreneurship courses must be realigned in a way that is creating an environment in which students learn through experience. Conclusively, the study recommended that the organizational learning framework reflects not only the complexity of arguments, claims and counter claims but also the increasing involvement and specific needs of a relatively wide range of major as well as minor stakeholders, all of whom can legitimately claim to have an interest and an impact on various aspects of entrepreneurship education.

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