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THE ROLE OF ENTREPRENEURIAL TRAINING ON PERFORMANCE OF SMALL AND MEDIUM MANUFACTURING ENTERPRISES IN NAIROBI COUNTY, KENYA

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Abstract

Matching entrepreneurship to performance strategy has long been a cornerstone of entrepreneurship research. Small and medium enterprises (SMEs) are the backbone of many economies all over the world through creation of employment opportunities as well as wealth for entrepreneurs. The general objective of this study was to determine the influence of entrepreneurial training on performance of SMEs in the manufacturing sector in Nairobi County, Kenya. The variables considered in this paper are entrepreneurial training conceptualized as an independent variable and anchored on human capital theory and SMEs performance as the dependent variable. The study adopted the positivist philosophy and a descriptive research design. The population of the study comprised 504 SMEs in manufacturing sector in Nairobi County and surveyed through a semi-structured questionnaire with the help of key informants in these firms. The researcher used both descriptive statistics and inferential statistics to analyze the collected data, specifically regression analysis for hypotheses testing. The study found a positive and statistical influence of entrepreneurial training on performance of SMEs in manufacturing sector. Managers must take cognizance of the fact that their main duty revolves around isolating the exact needs of the market and deciding on the best training needs and thus, suitable and effectively implemented entrepreneurial training are necessary to effectively guide the placement of existing resources in pursuit of desired firm goals. The study recommends a comprehensive entrepreneurial training framework for the future of the industry and suggests a similar research be conducted based on other components of the production industry like construction as the unit of analysis. Such a study would increase the empirical knowledge in the subject matter while also extending the generalizability of the study findings.

Key Words*: Entrepreneurial Training, Firm Performance, Manufacturing SMEs, Kenyan perspective.*

Introduction

Entrepreneurship is a critical component of society well-being, a powerful economic growth engine that encourages the critical innovation needed not only to seize new opportunities, boost productivity, and create jobs, but also to address some of society's most pressing issues, such as the United Nations Sustainable Development Goals (SDGs) or the COVID-19/coronavirus pandemic's economic shock wave (Mehta, Saxena, & Purohit, 2020). Entrepreneurial training explores creativity in the domain of skills and knowledge of entrepreneurs as well as, providing insights into building opportunities that translates to business growth (Aluko & Adeyeye, 2020).

Entrepreneurship training (ET) has been defined by Mara, Brunet and Olive (2020) as the process of imparting knowledge to entrepreneurs in SMEs for the purpose of increasing their skills like identification of opportunities, management of firms' resources, selling techniques and time management ability to match the market segment. Schwarz, Meyer, Wiechert, Augst and Liebscher (2020) emphasize the critical role of entrepreneurship training in advocating entrepreneurship, enhancing capacities for sustainable growth, economic activity and stakeholders' involvement. Success or failure of any organization largely depends on the human resource capability of the firm to combine resources in a manner that takes advantage of the opportunities and minimize threats towards achieving organizational objectives.

Global Entrepreneurship Monitor (GEM) identified entrepreneurial skills development as one of the strategies to enhance organizational capability for successful performance (GEM, 2021). According to Government of Kenya (GoK), for Small and Micro Enterprises (SMEs), entrepreneurial development through training is one of the key ingredients for enhancing performance (Nganu, 2018). Entrepreneurship training has been cited to promote innovativeness, risk taking, opportunity identification, business management, and technical skills development (Ratten & Jones, 2020). In achieving the goal, the Kenyan government introduced Sessional Paper No.1 of 1988 to deal with this key issue. The paper recommended that entrepreneurship training be introduced in all technical institutions and university levels. Entrepreneurship trainings were earlier introduced by various non-governmental organizations, private organizations, voluntary organizations, World Bank and private trainings by consultancy firms in addition to Government institutions such as Kenya Industrial Estate (KIE) (GOK, 2020).

The context of the study is the small and medium manufacturing enterprises in Nairobi County, Kenya which is motivated on various grounds. First, majority of entrepreneurs in Kenya suffer from obsolete technology that are inefficient in operation leading to high costs, low knowledge on market trends and low levels of networking arising from low information capabilities (Karami & Tang, 2019). This informs the low prevalence of new business ventures, stunted graduation rates and eventually the high rate of failures of enterprises under small and medium category (Kingori & Theuri, 2016). Secondly small and medium enterprises (SMEs) performance is the primary concern in practice and entrepreneurship research since such businesses are the backbone of many economies and if their performance is compromised, then the whole economy is at risk (Muteshi & Kariuki, 2020). More so SMEs in manufacturing are key determinants of economic development, creating employment opportunities, enabling market

linkages across various industries, supporting innovation, alleviating poverty eradication and making contributions to the economy in both developed and developing countries (Nair, Chellasamy & Singh, 2019).

Further even though some manufacturers are classified as essential goods the demand for their products in terms of volume has dramatically reduced (Rehman, Razaq, Farooq, Zohaib & Nazri, 2020). Clearly, the manufacturing SMEs sector was hit hard during the first phase of COVID 19 period, primarily for two reasons: First, many manufacturing jobs were on-site and cannot be carried out remotely. This led to reduced workforce either through layoffs, unpaid leave or paid leave due to the social distancing measures that have been put in place; reduced the number of shifts due to the fall in demand; or increased the shift periods to adhere to the curfew hours and second, slowed economic activity reduced demand for industrial products in Kenya and globally (Muteshi & Kariuki, 2020). Although working remotely was being encouraged, this was not possible for most of SMEs in manufacturing industry which increased the risk of spreading the virus as remote working was only possible for the back office, management level and executive staff of the business, this privilege cannot could not be extended to the production, warehousing and logistics teams as their presence onsite was crucial in managing the manufacturing, storage and movement of goods (Mara, 2018). The report by the Institute of Policy Analysis and Research (2015) recognized the key and importance of having entrepreneurial education during the time spent on graduate business entrepreneurs.

Problem of Research

Entrepreneurship training and firm performance has been a cornerstone of entrepreneurship research (Ndikubwimana, 2016). Schwarz, Meyer, Wiechert, Augst and Liebscher (2020) argue that entrepreneurial training leads to firm performance through enhanced knowledge and skills of handling important aspects of entrepreneurship in a firm. The contextual focus of this study was chosen as manufacturing firms in SMEs sector in Nairobi County, Kenya. SMEs in Kenya do significantly contribute to the country's economic growth through employment creation, poverty reduction, and they act as intermediaries in trade (GOK, 2020). However, nearly three out of five SMEs in Kenya fail within the first few months of operation (Ombaka, Kariuki & Kyalo, 2020).This high failure rate is mainly attributed to lack of skilled work force and stiff competition in the market (Nganu, 2018). To address these challenges, the Kenyan Government and Non-Governmental Organizations (NGOs) have established entrepreneurship trainings to provide SME with technical and business skills. These entrepreneurship trainings are intended to enable the SMEs acquire unique human resource capabilities for competitive advantage (Maina, Marwa & Waiguchu, 2016).

Distinctly less focus has been placed by studies on SMEs in manufacturing enterprises resulting in most of them operating without the benefit of homegrown solutions for improved competitiveness and performance with their share of GDP remaining stagnant with only limited increases in the last three decades, contributing an average of 10% from 1964-73 and rising marginally to 13.6% from 1990-2007 and averaging below 10% in recent years (Rehman, Razaq, Farooq, Zohaib & Nazri, 2020). Firms cannot keep the competitive edge and customers by sheer luck, but by continuous improvement through trainings.

Despite a number of empirical studies (Ombaka, Kariuki & Kyalo, 2020; Roustapisheh & Yazdizadeh, 2019; Ladzani & Vuuren, 2016) that link entrepreneurial training to firm performance, there is mixed and inconclusive results due to different theoretical perspectives applied and measurements of variables thus requiring a holistic approach that focuses on the interaction among the variables. Therefore the study seeks to answer the question; how does entrepreneurial training influence SMEs performance in manufacturing sector in Nairobi County, Kenya?

Literature Review and Research Focus

This study is anchored on Human Capital theory was proposed by Schultz (1961) and developed extensively by Becker (1964). Human capital theory is concerned with knowledge and experiences of business owners. The general assumption is that the human capital of the founder improves business chances of survival (Bruederl et al. 1992). Schultz contends that both skills as well as knowledge are a type of capital, and that this capital is a result of developing and extensively training entrepreneurs. The theory informs about the developing of skills and knowledge to expand human efficiency, which thus enhances development of entrepreneurs to achieve their goals in an optimal manner.

As indicated by the theory, developing human capital portrays person's skills, knowledge or rather required information to solve the evolving challenges in entrepreneurship field. The theory contends that developing entrepreneurs upgrades their efficiency, which brings about higher benefits and, subsequently, reduces likelihood of early exit of the business entity established by an entrepreneur. Subsequently entrepreneurs may use their insight and the social contacts acquired through the training framework to gain resources required to achieve in their business activities (Kingori & Theuri, 2016).

However, the theory has been critiqued by other scholars (Mara, Brunet Icart & Cabre Olive, 2020). Human capital theory studies usually assume that experiences are translated into knowledge and skills which is not always the case. Therefore, required human capital can be accomplished through practical trainings and past experience in the field of entrepreneurship. Specifically, trained entrepreneurs are in a perfect position to take advantage of disregarded business opportunities and key choices that are essential for the achievement of the established firms.

Empirical Review

Studies have demonstrated the relationship existing between entrepreneurial training and performance of firms. A study done by Akemu and Colapinto (2019) on business practices and entrepreneurial Performance with special interest on if management training improves SMEs' performance and specifically answering research questions; what is the impact of business training on firm performance? What is the impact of business training on management practices within SMEs? The study found that both formal training and informal training contributed significantly to business performance through contributing to development of managerial competence, the ability of entrepreneurs' to manage customers, resources, operations of the business and people within small businesses in transition and developing economies.

Study by Ladzani and Vuuren (2016) explored the entrepreneurship training for emerging SMEs in South Africa using existing literature review and grounded theory approach. The study analyzed the

course content to include entrepreneurship skills and business skills. Entrepreneurship skill included; creativity, innovation, ability to take risks, idea generation and opportunity identification. Business skills included; management, leadership, financial management, marketing skills, human resources skills, business planning and operational skills. A study by Ogonnia (2016) on the strategies in improving the entrepreneurial training in business courses in colleges in East and South of Nigeria using descriptive research design indicated that, the utilization of knowledge in entrepreneurship could improve the skills of managing businesses and therefore resulting to improved management in terms of profit generation and satisfaction levels.

Ajuna, Ntale, and Ngui (2018) conducted a study on the impact of training on the performance of women entrepreneurs. The research design was descriptive, and the target population was 158 women entrepreneurs who were registered in Meru town. The study established that mentorship, apprenticeship and coaching influence performance of women entrepreneurship to a great extent. As a result, the study suggests that technical and vocational training institutes for women be expanded in order to assure effective entry to entrepreneurship training. The curriculum should be improved to give a comprehensive education that equips female entrepreneurs with management, production, sales and marketing abilities, among other things. Access to financial services for women-owned small and medium businesses could be crucial to their economic emancipation. This study was only limited to women entrepreneurs in Meru County and only focused on three aspects of training. From the reviewed literature it is expected that firm performance is significantly and positively influenced by entrepreneurial training.

Mayuran (2016) conducted an empirical study Using an in-depth case study technique and a cross-sectional design, researchers in Sri Lanka's Jaffna district investigated the impact of entrepreneurship training on small business performance and discovered a favorable relationship between entrepreneurship training and company performance. Customer service, quality control, financial management and marketing were discovered to be among the topics covered in entrepreneurship training, according to the study. here was no mention of the impact of other entrepreneurial qualities on performance because the focus was focused on business management abilities. The study focused on the training material, which covered management, technical, and entrepreneurial skills. The study also made use of descriptive and inferential statistics.

Ladzani and Vuuren (2016) used a literature analysis and grounded theory approach to investigate entrepreneurship training for developing SMEs in South Africa. The substance of the course, which included motivation, entrepreneurship, and business skills, was examined. The ability to inspire and cope with failure, as well as the drive for achievement, were all discussed in the motivation component. Entrepreneurship abilities included the capacity to take risks, generate business ideas, identify opportunities, and be creative and innovative. Operational skills, financial management, marketing and human resource management, company planning, and leadership are all examples of business skills. The study recommended that budding entrepreneurs improve their entrepreneurial abilities so that they can produce better company ideas, screen those ideas, and find existing business

prospects from those ideas. However, the survey only gathered information from regular employees and trainers, not from business owners. Interviews were used, and there was no quantitative data. As a result, the findings are not generalizable.

In Meru town, Kenya, Ajuna, Ntale, and Ngui (2018) conducted a study on the impact of training on the performance of women entrepreneurs. The research design was descriptive, and the target population was 158 women entrepreneurs who were registered in Meru town.. The study established that mentorship, apprenticeship and coaching influence performance of women entrepreneurship to a great extent. As a result, the study suggests that technical and vocational training institutes for women be expanded in order to assure effective entry to entrepreneurship training. The curriculum should be improved to give a comprehensive education that equips female entrepreneurs with management, production, sales and marketing abilities, among other things. Access to financial services for women-owned small and medium businesses could be crucial to their economic emancipation. This study was only limited to women entrepreneurs in Meru County and only focused on three aspects of training.

According to the International Labour Organization (ILO), entrepreneurship training should combine technical, entrepreneurial, and managerial skills. Competencies in record keeping, company management, marketing, financial, and human resource management are examples of managerial skills. Ability to practice competences such as computers, tailoring, mechanical and motor vehicle abilities, and carpentry, among others, are examples of technical talents. Risk-taking, persistence, originality, innovativeness, and self-drive are all examples of entrepreneurial talents Firdousi (2013).

ccording to Ogonnia (2016), who used a descriptive research design to investigate strategies for improving entrepreneurial training in business courses in colleges in the East and South of Nigeria, the utilization of knowledge in entrepreneurship could improve the skills of managing businesses, resulting in improved management in terms of profit generation and satisfaction levels. In addition, hiring successful entrepreneurs as mentors can assist student entrepreneurs improve their talents, according to the study. The research, on the other hand, focused on students with no prior business experience, such as small business owners and managers.

Matofari, Kingi, and Obwogi (2015) investigated the impact of training methods on the performance of SMEs in the hospitality industry in Mombasa County, Kenya, using a cross-sectional methodology. They discovered that three-quarters of SMEs provided on-the-job training to lodging companies. Demonstrations, discussion, and presentations utilized in on-the-job training were among the primary approaches that had a substantial impact on performance. In this research, firm-specific case study surveys were used. The study used a tiny sample size of 24 hotels and provided no information on the population's size. The research focused on on-the-job training and its components, but it didn't look into alternative entrepreneurial training methods.

Nyachome (2012) used a descriptive research approach to look at the characteristics that influence the effectiveness of entrepreneurship training programs in Kenya. The study found that the training approach utilized has a significant impact on the success of entrepreneur trainingThe trainees favored learner-centered teaching designs, such as discussion methods, according to the

study. During the learning process, it is critical to include the learner's business experiences and knowledge. During training, however, the trainers largely used the lecture style. This need additional investigation into training approaches.

A study done by Akemu and Colapinto (2019) on business practices and entrepreneurial Performance with special interest on if management training improves SMEs' performance and specifically answering research questions; what is the impact of business training on firm performance? What is the impact of business training on management practices within SMEs? The study found that both formal training and informal training contributed significantly to business performance through contributing to development of managerial competence, the ability of entrepreneurs' to manage customers, resources, operations of the business and people within small businesses in transition and developing economies Mayuran (2016) conducted an empirical study in Sri Lanka's Jaffna district on the impact of entrepreneurship training on small business performance using an in-depth case study method and a cross-sectional design, and found a positive correlation between entrepreneurship training and firm performance. Entrepreneurial success is taught as part of entrepreneurship training, according to the study.

Ladzani and Vuuren (2016) used a literature analysis and grounded theory approach to investigate entrepreneurship training for developing SMEs in South Africa. The research looked at the course content to see if it included entrepreneurship and business skills. Creativity, invention, risk-taking ability, idea generation, and opportunity recognition are examples of entrepreneurship skills. Management, leadership, financial management, marketing, human resources, business planning, and operational abilities are all examples of business skills. According to Ogonnia (2016), who used a descriptive research design to investigate strategies for improving entrepreneurial training in business courses in colleges in the East and South of Nigeria, the utilization of knowledge in entrepreneurship could improve the skills of managing businesses, resulting in improved management in terms of profit generation and satisfaction levels.

Botha, Vuuren, and Kunene (2015) investigated an integrated entrepreneurial performance model for start-up and existing SMEs, emphasizing on the importance and proficiency of competences. The study employed a multi-sample of 570 start-up and established small and medium companies (SMEs) and exploratory factor analysis to see if there are statistically significant differences in relevance and proficiency in these abilities between the groups. The findings revealed that established functional competencies outperformed start-ups, meaning that if start-up SMEs wish to boost their chances of becoming established firms, they must emphasize the relevance of functional competencies. Furthermore, enterprising competencies were found to have a considerable impact on performance in both start-up and established SMEs. The established group thought they were highly good at both functional and entrepreneurial skills, whereas the start-up group thought the opposite.

Wasihum and Paul (2010) found that entrepreneurs with more entrepreneurial training in Ethiopia were better able to make sensible and rational decisions about enterprise management, resulting in SME growth. The World Bank, European Union, and UNDP funded MSE technology and training programs in company growth in

conjunction with the Ministry of Planning on ongoing government and donor-supported projects, and some progress has been made. According to a research by Moronge and Muiru (2013), partner-initiated programs contributed to the development and expansion of SMEs in Kenya, 43 percent of them benefited from business advice. Training respondents evaluated 15 percent of programs as exceptional, 41 percent as very good, and 42 percent as good, according to the report. As a result, the study discovered that development partners contributed significantly to SME growth in Kenya through entrepreneurial training programs.

Entrepreneurs profited from business support offered by Development Agencies, according to a study conducted in Muranga County. Business advising services helped to capacity building, which increased the growth of firms when incorporated into their current resources (Muiru &Muronge, 2013). Entrepreneurial training, according to the report, leads to the growth of SME in Kenya. Entrepreneurs learn skills like planning, which helps them increase their creativity, see opportunities, and think strategically. Entrepreneurs who needed entrepreneurial skills were targeted by the Kenya Management Assistance Program (K-MAP) and other non-governmental organizations (NGOs), who were trained through workshops, seminars, focus groups talks, business counseling, and visits to the entrepreneurs' premises. This has resulted in increased business growth among the trained entrepreneurs.

Munene (2013) assessed the nature and content of entrepreneurship trainings provided by the Kenya Institute of Business Training and Joint Loans, as well as the impact of entrepreneurship training on the performance of micro, small, and medium-sized businesses in Nakuru County. The training focused on working capital management, record keeping, and marketing, according to the study. Risk management, business expansion plans, and loan delinquency and default management should all be included in the training session, according to the report. These skills are essential for corporate management, and it's clear that the curriculum used was inadequate. Despite this, only 37 SMEs responded to the survey, resulting in a poor response rate. The research was also limited to the county of Nakuru and the Kenya Institute of Business Training and Joint Loans programs. This needs a deeper look into the content of other organizations' entrepreneurship training.

Entrepreneurs are regarded to be creative individuals, but their skills must be honed via education (Zafarullah, 2018). As a result, community colleges should assist in the growth of entrepreneurs. Because public and non-profit organizations are always looking for ways to find a balance between good fringe benefits and reasonable running expenses, entrepreneurship training is necessary to help them achieve their objectives. Researchers have emphasized the necessity of entrepreneurship training since the public or government sector is seeking for new goals and business models to increase their performance and efficiency. Furthermore, education has the potential to alter these changes (Yoke et al., 2018).

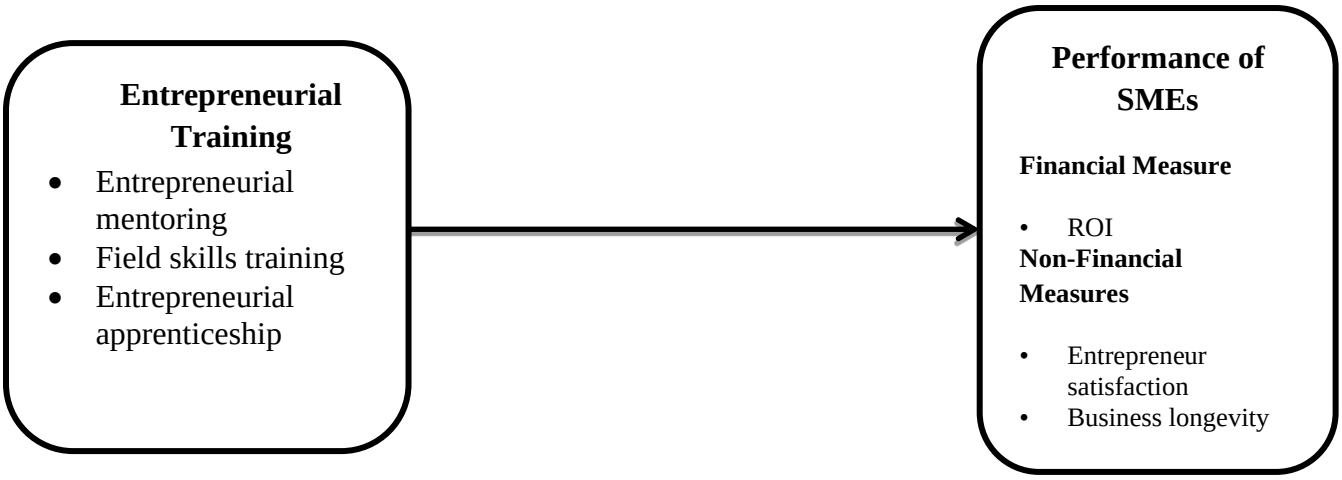
According to Rosli and Mahmood (2013), HRM practices and entrepreneurial training have little impact on the link between innovation and SMEs performance. Malaysian small enterprises provided a total of 284 samples. Employee and employer training, according to this study, interacted with innovation and had a substantial impact on the success of SMEs. In principle, SMEs' greater performance is justified not only by

how much effort they put into innovation, but also by how much money they spend on employee and employer training. This serves as a reminder to SMEs that both employee and entrepreneur training are essential to improve their performance.

Conceptual Framework

A conceptual model links key study variables in a diagrammatic manner showing the presumed relationships that may exist which are developed from the review of literature (Ravitch & Riggan, 2012). The conceptual framework for this study has been developed based on the literature and empirical reviews. The scholar, avers, conceptual framework as a hypothesized model that identifies concepts or variables considered in a study bringing out the relationships. This conceptual study paper seeks to understand the relationship between entrepreneurial training and firm performance constructs. The relationships among variables are outlined in Figure 1

Figure 1: Conceptual Model



Independent Variable **Dependent Variable**

General Background of Research Methodology

The research methodology discusses the procedures involved to come up with research findings. It starts by establishing the research philosophy, research design employed and the population of the study. Furthermore, the instruments employed and the technique involved including reliability tests, validity tests and regression analysis was established. Finally, the technique of data analysis both descriptive and inferential analysis for testing hypothesis is discussed in this section.

Sample of Research

To determine the sample size, the formula recommended Israel's (2009) for known population was used. This is because the sample size was determined based on two factors: the level of precision (confidence interval) and the acceptable margin of error (confidence level).

$n = N/ [1 + N (e^2)]$

Where;

n = desired sample size

N= population size

e = margin of error (0.05)

$n = 3400/ [1 +3400 (0.05^2)]$

n = 357. 89= 360

Thus, the study used a sample size of 360 respondents. To pick the 360 to participate in the study, the study adopted purposive sampling by identify those firms that had gone training by Kenya Industrial Estate (KIE) for the last 5 years.

However, to cater for non response Israel (1992) suggests that 10% should be added to the sample size to cater for those targeted respondents the reseracher may be unable to contact, and a further 30% increase to cater for those who did not respond even though they are contacted. As such the adjusted sample size to cater for these situation was:

40% * 360 = 144

360 + 144 = 504 Manufacturing SMEs in Nairobi County

From this five hundred and four (504) SMEs firms sampled in the study according to their stratified sectors/strata, the study used Probability sampling design, that is, Proportionate Stratified random sampling to distribute sample for accuracy of data collection distribution. Trochim (2000) postulates that stratified sampling is used to divide population that is deemed heterogeneous to several categories of distinct characteristics from which the final sample can be represented. The sample size is presented in Table 1.

Table 1: Distribution of Sample

SMEs Sector	Sample Size	% Proportionate Sampling
Building, Mining and Construction	32	6.3
Chemical & Allied Sector	78	15.5
Energy, Electricals & Electronics	36	7.1
Fresh Produce	18	3.6
Food & Beverage	80	15.9
Leather & Footwear	14	2.8
Metal & Allied Sector	59	11.7
Motor Vehicles & Accessories	35	6.9
Paper & Board	30	6.0
Pharmaceuticals & Medical Equipment	42	8.3
Plastic & Rubber	40	7.9
Textile & Apparels	19	3.8
Timber, Wood & Furniture	21	4.2
Total	**504**	**100**

Source: Research Data (2022)

Instrument and Procedures

This research used primary data that was gathered using a questionnaire. Before issuing the questionnaire, participants were assured of confidentiality and anonymity concerning their contributions. The management questionnaires were self-administered by use of drop and pick up later approach so as to allow the participants enough time to respond to the questions, thereby enhance accuracy in responses and improve response rate. The researcher equipped himself on various aspects including making rapport with the participants, and observation of ethical issues in data collection. In order to increase response rate, appointments with the participants were made, upon which the researcher met the participants for data collection. Furthermore, an introduction letter from university of Nairobi faculty of business indicating the aim of the study was obtained and given to the respondents. Additionally, participants were assured of voluntary participation and utmost confidentiality and anonymity.

Data Analysis

Prior to data collection, pilot test was carried out where reliability was computed using Cronbach's Alpha and reliability using factor analysis. Data diagnostics were conducted to ensure that the data meets the threshold for further tests. The study used multiple linear regression analysis to test the hypothesis.

The general model for predicting enterprise performance was represented by the following model: $Y = \alpha + \beta_1 X_1 + \varepsilon_1$ where Y is the firm performance which is a linear function of X_1 (Entrepreneurial Training).

Results of Research

The research objective of the study was to establish the relationship between entrepreneurial training and SMEs performance in the manufacturing sector. The hypothesis formulated was *H_1: There is no significant relationship between entrepreneurial training and SMEs performance*. This was tested through the simple linear regression analysis. The derived statistical results from a simple regression analysis are presented in Table 1.

Table 1: Regression Results for the Effect of Entrepreneurial Training on Firm Performance.

Model Summary[b]										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.752[a]	.565	.562	.18983	.565	154.816	1	437	.000	1.900
a. Predictors: (Constant ET										
b. Dependent Variable: FP										
ANOVA[a]										

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.579	1	5.579	154.816	.000[b]
	Residual	4.288	437	.036		
	Total	9.867	438			

a. Dependent Variable: FP

b. Predictors: (Constant), ET

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.804	.187		9.652	.000		
	MMS	.573	.046	.752	12.443	.000	1.000	1.000

a. Dependent Variable: FP

Scale; ET=Entrepreneurial Training, FP=Firm Performance

The study found a strong positive relationship between entrepreneurial training and firm performance (R= .752). Coefficient of determination (R^2 =.565) indicates that entrepreneurial training explain 56.5 % of variation in firm performance. The overall model was statistically significant (F=154.816, p<0.05). The significant relationship is further manifested by the t-value in the coefficient table (β=.573, t=12.443, p<0.05). This therefore depicts that entrepreneurial training is key in determining performance of SMEs in manufacturing sector and thus the hypothesis that there is no significant relationship between entrepreneurial training and firm performance is rejected. Therefore the Hypothesis, H_1 is Rejected.

Discussion

The current study established a positive and significant relationship between entrepreneurial training and firm performance of the SMEs in manufacturing sector in Kenya. The findings are consistent with theoretical implications. For instance Human Capital Theory explains how entrepreneur's skills and stock of knowledge contributes to his or her entrepreneurial productivity suggesting that education increases the productivity and earnings of entrepreneurs and their value to their businesses. The findings are consistent with previous scholars. For instance, a study done by Akemu and Colapinto (2019) on business practices and entrepreneurial Performance found that both formal training and informal

training contributed significantly to business performance through contributing to development of managerial competence, the ability of entrepreneurs to manage customers, resources, operations of the business and people within small businesses in transition and developing economies. Further study by Ladzani and Vuuren (2016) explored the entrepreneurship training for emerging SMEs in South Africa using existing literature review and grounded theory approach found that entrepreneurship skill included: creativity, innovation, ability to take risks, idea generation and opportunity identification and that business skills included; management, leadership, financial management, marketing skills, human resources skills, business planning and operational skills.

The findings further support a study by Ogonnia (2016) on the strategies in improving the entrepreneurial training in business courses in colleges in East and South of Nigeria using descriptive research design indicated that, the utilization of knowledge in entrepreneurship could improve the skills of managing businesses and therefore resulting to improved management in terms of profit generation and satisfaction levels.

The findings further support Ajuna, Ntale, and Ngui (2018) who conducted a study on the impact of training on the performance of women entrepreneurs and established that mentorship, apprenticeship and coaching influence performance of women entrepreneurship to a great extent. As a result, the study suggests that technical and vocational training institutes for women be expanded in order to assure effective entry to entrepreneurship training. The curriculum should be improved to give a comprehensive education that equips female entrepreneurs with management, production, sales and marketing abilities, among other things. Access to financial services for women-owned small and medium businesses could be crucial to their economic emancipation.

Conclusions and Recommendations

The research objective of the study was to establish the relationship between entrepreneurial training and firm performance of SMEs in manufacturing sector. The study found a strong positive relationship between entrepreneurial training and firm performance with coefficient of determination indicating that entrepreneurial training explain 56.5% of variation in firm performance. The overall model was statistically significant with the relationship further manifested by the significant t-value. This therefore depicts that entrepreneurial training is key in determining performance of SMEs in manufacturing sector and thus the hypothesis that there is no significant relationship between entrepreneurial training and firm performance was rejected.

The study makes important recommendations to policy makers. Changing market dynamics and economic cycles present great challenges to policy makers in the SMEs manufacturing industry. From entrepreneurial viewpoint, SMEs in manufacturing can become more competitive and thus enhance sustainability if the they can produce and market their wide-ranging products more cost effective. In such scenario, an understanding of how to appeal to the markets necessitates a deeper knowledge on the link between entrepreneurial training and firm performance. Managers must further take cognizance of the fact that their main duty revolves around isolating the exact needs of the market and deciding on the best training needs to deliver products that satisfy both current and potential market. Thus, suitable and effectively implemented entrepreneurial

training are necessary to effectively guide the placement of existing resources in pursuit of desired goals.

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