

## **Towards Entrepreneurial Universities through Marketing strategy and entrepreneurship: A comparative study of Selected Public and Private Universities in Kenya**

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### **Abstract**

This study sought to make a comparative assessment of public and private universities in Kenya, in order to understand their orientation towards entrepreneurship and marketing practices used, as well as assessing whether entrepreneurial orientation has influence on marketing practices. The population of the study was 125 heads of department and program coordinators selected from 7 public and 5 private universities. A total of 92 out of the targeted 125 respondents responded from the nine universities that agreed to participate, giving a response rate of 73.6%. A Semi structured questionnaires was administered by trained data collection assistants. Pilot study was done to ensure validity and reliability of the data collection instrument. Analysis was included descriptive statistics, particularly means and standard deviation. Testing of paired sample means was done to test the 1<sup>st</sup> two hypotheses, while regression and correlation were done to test the third hypothesis. The study found that Private Universities were doing better than Public Universities especially in the area of looking for and exploiting new opportunities that generate money for the University. Private universities had a mean score of 3.8621 (SD 1.17) compared to a mean score of 3.1639 (SD 1.04) for public Universities for their ability to look for and exploit new opportunities that generate money for the University. Similarly, Private universities had a mean score of 3.24 (SD 1.32) for taking cautious posture in order to minimize the possibility of making wrong decisions, as compared to 2.98 (SD 1.13) for public Universities. Private universities were found to be doing better than public universities in most of the marketing indicators tested. Private universities had a stronger believe in customer sovereignty (Mean 4.31, SD.76) than Public Universities (Mean 3.7, SD 0.86) Further, Private universities had better established marketing department that handles marketing programs (Mean 4.1, SD 1.04) than Public Universities ((Mean 3.12, SD 1.3). However, public Universities were better (Mean 4.1, SD.71) (in having systems for curriculum review that match industry needs than private universities (Mean 3.79, SD 1.17). regression and correlation analysis done showed that indicators of entrepreneurial spirit have a positive influence on indicators of marketing practices. The regression model had an R<sup>2</sup> value of 0.325(F = 9.882, p =0.00) while the entrepreneurial factor of continuously looking for and exploit new opportunities that generate money for university had positive and significant influence on having marketing department that handles marketing programs (r =0. 321 ) and on strong believe in customer sovereignty r =0. 382), both significant at 0.01). Similarly the factor that a firm takes a cautious posture in order to minimize the possibility of making wrong

decision has positive and significant influence on a marketing department that handles your marketing programs ( $r = 0.445$ ) and on strong believe in customer sovereignty ( $r = 0.472$ ), both significant at 0.01).

**Key words:** Entrepreneurial spirit, Private Universities, Public Universities, Marketing strategy

## 1. INTRODUCTION

Entrepreneurship is about identifying and engaging in business activities that would lead a firm to creative exploitation of opportunities with the ultimate objective of operating profitably and changing lives. Therefore, identification and exploitation of opportunities are key ingredients in developing and sustaining entrepreneurial spirit. This could need to be accompanied by proper marketing strategies that would make the firms attract and retain customers. In developed countries like Britain, Canada and the USA, fundraising by universities through self sponsored programs has been practiced for a long time. Various methods used include fees from self sponsored students, endowments, consultancy and other entrepreneurial activities. Nonetheless, public universities face the challenge of balancing between service to society and commercial goals. For instance, the government places very strict guidelines on what a university can charge for a particular program, which makes it very difficult for the university to operate at profitable levels. The facilities in public universities tend to be of much lower quality than those in the private universities, because of lack of financial resources to improve on the resources. This study sought to make a comparative assessment of public and private universities in Kenya, in order to understand their orientation towards entrepreneurship and marketing practices used, as well as assessing whether entrepreneurial orientation has influence on marketing practices. The study tested the following hypotheses.

H<sub>1</sub>: Entrepreneurial spirit is more pronounced in Private than in public sector

H<sub>2</sub>: Private universities engage more in marketing activity than public universities

H<sub>3</sub>: Entrepreneurial orientation influences marketing practices in Universities

## 2. LITERATURE REVIEW

### 2.1 University Funding

Universities are catalyst for economic growth and development. For a long time, funding of public university has been heavily subsidized by the state, based on the belief that the universities generate public goods with returns to society. However, higher education provides both public and private benefits. While private returns include better future income potential and greater appreciation in the society, public benefit entails enhanced aggregate productivity. In the recent times, universities have been experiencing drastic reduction in state funding, posing a financial shock and gradual, but consistent disruption of teaching, research and administrative activities in public universities. Tightened government budgets are forcing universities to confront a new economic reality as the traditional low tuition-high government subsidy model of public university funding becomes unsustainable (Fethke, & Policano, 2013). The higher education funding crunch is a key external force necessitating the adoption of entrepreneurial culture and transformation from state to private dependence. In addition to reduced state funding, increased competition in the higher education industry destabilizes the business model by forcing public universities to reinvent themselves to adapt to unfamiliar environment. The quality and stability of

leadership are important factors for successful transformation from state dependent to entrepreneurial inspired self reliance.

University survival in the future depends on creating self reliance through entrepreneurial response to external forces including the declining state funding. However, without preparedness to adopt entrepreneurship, a culture develops wherein tuition generation supports capital intensive projects. In many institutions of higher learning, the standard response to declining state funding include raising tuition fees, admitting more students, instituting austerity measures and in extreme cases eliminating part-time faculty. While these response strategies may work in the short term, they may not be effective in sustainably creating university financing model. Therefore, transformational responses such as introducing differential tuition; monetizing valuable assets; undertaking use inspired research and commercializing research output; and eliminating non strategic programs are necessary.

## **2.2 Entrepreneurial Orientation**

Entrepreneurial orientation is associated with the attributes of autonomy, innovativeness, risk taking, proactiveness and competitive aggressiveness (Lumpkin & Dess, 1996). The key dimensions that characterize entrepreneurial orientation include proclivity to act autonomously, innovative stance, risk tolerance and aggressive response towards competitors. Autonomy is the independence action by individual or team to bring forth an idea and pursue a vision to completion. Innovativeness mirrors an organizational tendency to engage in and support new ideas, novelty, experimentation and creative processes with the likelihood to create new products, strategies, behaviors or processes (Entenbang & de Run, 2010). Proactiveness is associated with first mover advantage demonstrated through opportunity seeking, forward looking perspective and anticipatory actions with regards to creating change and shaping the market environment (Lumpkin & Dess, 2001). Risk tolerance is concerned with the firm's tendency to consider bold actions with uncertain outcomes (Dess et al., 2007). Competitive aggressiveness is defined by organization's predisposition to achieve market entry or improve competitive position in the industry by directly and intensively challenging its competitors.

Stevenson and Jarillo (1990) argue that an organization should be considered entrepreneurial on condition that its behaviors and processes are oriented towards the recognition, assessment and exploitation of opportunities independent of its externally provided resources. Therefore, an entrepreneurial organization engages in product market innovation, undertakes risky strategies and develops proactive innovations, beating rival firms to the punch (Miller, 1983). Although Miller (1983) argues that established firms are better placed to claim entrepreneurial label as compared to newer organizations that lack capabilities, market power and resources, entrepreneurial orientation is not dictated by the mere possession of resources and capabilities by virtue of size or market dominance. Rather, it is an attitude that emerges from the recognition of challenges and opportunities and tactful reconfiguration and deployment of internal strengths to steer the organization towards sustainable self reliance. Entrepreneurial university represents a mindset shift among faculty from state dependence to self reliance (Bernasconi, 2005). Guenther and Wagner (2008) visualize entrepreneurial universities as multifaceted institutions with mechanisms intended to directly support technology transfer from academia to industry. Nelles and Vorley (2011) describe entrepreneurial universities as characterized by complex mixtures of public-private partnership in different ways and varying degrees. Business schools in several parts of the world have taken the

lead in creating knowledge based entrepreneurship. However, cultural differences between various departments within the university have been identified as a major impediment to entrepreneurial orientation (Lee et al., 2005).

### **2.3 Entrepreneurial Marketing**

According to Morrish (2011), the notion that a firm's primary objective is to return a profit albeit at the same time fulfilling the needs and wants of consumers in the market place is widely taught in business courses. Superior performance (i.e. profitability) can arise when a firm has a competitive advantage over other firms thus an examination of where a firm's advantage lies has become a crucial process for firms wanting to differentiate in the marketplace. In order to sustain that advantage over a period of time, firms need to be strategic. Entrepreneurship results in enhanced income for the organization. There has been developments overtime for firms to move away from the traditional marketing approach which assumes that business always start with an identified market need, conduct market research, raise the required capital and resources and set some measurable goals Morrish (2011). The move it towards entrepreneurial marketing, explained by the effectuation logic (Sarasvathy, 2001), in which entrepreneurs start with an idea, then create the market using a set of means available to them at a given point in time. This involves a much higher level of risk, and hence the firms must show commitment to innovation; risk-taking; and pro-activity (Matsuno et al., 2002).

Entrepreneurial firms put marketing and innovation to the fore of their strategies thereby improving organizational performance. The motive behind being entrepreneurial is to remain relevant by developing products that are required in the chosen markets. Further, entrepreneurial marketing entrepreneurs tend to be innovation-oriented rather than customer-oriented. They are driven by ideas and intuition as opposed to market needs and rely heavily on informal networking rather than formalized structures such as research and intelligence systems (Stokes, 2000). Entrepreneurial marketing is important because it provides the entrepreneur a voice and highlights the value of the entrepreneurial process in the creation of markets and artifacts, given that it is the entrepreneur that recognizes, explores and utilizes opportunities found in the organizations. Further, it directs the subsequent operational strategies as well as strategic decisions of the organization, all of which affect the dynamics of the market. EM as a strategy to gain competitive advantage. Marketing strategy helps an entrepreneurial organization to focus on the customer and to serve that customer better in terms of product offerings, pricing, promotion and distribution. Product strategies focus on such issues as product development, product quality, branding and packaging. An organization continuously develops new products in order to replace the obsolete or non performing products and to respond to changing customer needs. Universities may do this by developing new market driven degree programs, revising their curricula and engaging in use inspired research. Branding is concerned with creating product differentiation distinctiveness in order to make the product stand out from amongst those of competitors. Pricing strategy involves working out the most competitive price that is attractive to the customer; one that is perceived to give the best value to the customer.

### **3. METHODOLOGY**

The study adopted a descriptive cross sectional design, with the population being heads of department or program coordinators in selected public and private universities in Kenya. Seven public and five private

universities were selected for the study. A proportionate stratified random sampling was used to select heads of department and program coordinators from each university to participate as the respondents. A Semi structured questionnaire was administered by trained data collection assistants. Pilot study was done to ensure validity and reliability of the data collection instrument. Analysis of data included descriptive statistics, particularly mean scores and standard deviation. Testing of paired sample means was done to test the 1<sup>st</sup> two hypotheses, while regression and correlation were done to test the third hypothesis

#### 4. FINDINGS

##### 4.1 General findings

The study targeted 7 public and 5 private universities. However, one of the public and two of the targeted private Universities leaving 6 public and 3 private universities. A total of 92 out of the targeted 125 respondents participated from the nine universities giving a response rate of 73.6%. , A summary of the respondents is given in Table 1

**Table 1. Categories of Respondents Universities**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Private	29	31.5	32.2	32.2
	Public	61	66.3	67.8	100.0
	Total	90	97.8	100.0	
Missing	System	2	2.2		
Total		92	100.0		

As indicated in table 1, 32% of the respondents were from the private universities while 68% were from the public Universities. The research instrument was tested for reliability and found to have a Cronbach's Alpha coefficient of 0.783 for the 46 items tested.

The respondents were asked to indicate the age of their Universities and the results are given in table 2

**Table 2 Age of the university**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 10 years	34	37.0	40.5	40.5
	11 -20 years	5	5.4	6.0	46.4
	21 - 30 years	15	16.3	17.9	64.3
	31 - 40 years	23	25.0	27.4	91.7
	Above 41 years	7	7.6	8.3	100.0
	Total	84	91.3	100.0	
Missing	System	8	8.7		
Total		92	100.0		

As indicated , 64.3% of the respondents said that their universities are less than 30 years, while 35.7 said that their universities are more than 30 years old. Only 8.3% said that their universities are more than 40 years old. This shows that universities in Kenya are relatively young

The study sought to establish the attractiveness of selected degree programs, and the respondents were asked to indicate the level of attractiveness of the degree programs on a scale of 1 to 5 where one was for least attractive and 5 was for the most attractive. The results are given in table 3

**Table 3: Popularity of Programs**

	Engin eering	Business Studies	Economics	Medicine	Law	Agriculture	Information	Physical Sciences	Arts	Pharmacy
N Valid	81	92	78	67	78	68	89	80	81	65
Missing	11	0	14	25	14	24	3	12	11	27
Mean	3.26	4.25	3.73	3.30	3.50	2.56	3.49	2.86	3.30	2.91
Std. Deviation	1.253	1.125	1.089	1.547	1.448	1.320	1.078	1.133	1.355	1.400

As indicated in table 3, business studies courses were found to be the most attractive in universities (Mean 4.25, SD 1.12) followed by Economics(Mean 3.73, SD 1.09), law (Mean 3.5, SD 1.44), and Information technology (Mean 3.49, SD 1.08), in that order. The least attractive was Agriculture (Mean 2.55, SD 1.32). This indicates that Business related programs continue to be the most attractive in all universities, perhaps because of their demand in the labour market, with a possibility f many of those graduating being able to come up with their own businesses and become self employed. Economics and law are equally attractive for the same reasons. The reason why agriculture has lost attractiveness is perhaps because it does not give graduants high opportunities for employability

The respondents were asked to indicate the extent to which they agreed with various statements regarding entrepreneurial spirit in their institutions, were 1 was for to a very small extend and 5 was to a very large extent. The results are given in table 3

**Table: Entrepreneurial Spirit Statistics**

	very strong orientation towards entrepreneurship	Innovative faculty members	creatively devise institutional ways to solving the	Allocate money for research by faculty members	Exploitation of new opportunities	Continuous Curriculum revision	Set aside funds to support your entrepreneurial activities	High appetite for high risk projects	Cautious to minimize making wrong decisions	Completion of performance oriented tasks	Emphasizes communicating with people outside the university community	Use social networks outside the university to advance university goals
N Valid	91	89	89	90	92	92	89	89	89	89	87	91
Missing	1	3	3	2	0	0	3	3	3	3	5	1
Mean	3.51	3.53	2.96	2.91	3.38	3.93	2.83	2.54	3.07	3.25	2.86	3.36
Std. Deviation	1.089	.918	1.117	1.303	1.156	1.077	1.047	1.24	1.209	1.227	1.122	1.242

As shown in table Universities are embracing entrepreneurial spirit as indicated by the mean scores for all indicators. The practice of remaining relevant and responsive to changing market dynamics had a mean score of 3.9 and standard deviation of 1.08, followed by strong orientation towards entrepreneurship (mean =3.5, SD 1.09), while the least was having high appetite for high risk projects (mean =2.54, SD 1.24)

This indicates that for all the 12 items tested, the scores were all above average, a demonstration of the increasing involvement by universities in entrepreneurial activities

The respondents were asked to indicate the extent to which they agreed with various statements regarding marketing practices in their universities, were 1 was for to a very small extend and 5 was to a very large extent. The results are given in table 4

**Table Marketing Practices Statistics**

	regularly carry out market surveys to understand your market	have a marketing department that handles your marketing programs	have a marketing strategy	strongly believe in customer sovereignty	regularly train your staff on customer care	management in your university adopted the marketing concept	engage industry in curriculum development	continuously review your curriculum to match industry needs	gather intelligence about your competitors and industry developments
N Valid	90	90	89	92	89	90	92	90	90
Missing	2	2	3	0	3	2	0	2	2
Mean	3.30	3.42	3.62	3.88	3.37	3.47	3.97	3.97	3.50
Std. Deviation	1.146	1.324	1.092	.924	1.200	1.093	.870	.942	1.183

As indicated in the table, the universities are very keen to adopt various marketing practices in order to satisfy customer needs. The study found that universities engage on continuous review of curriculum in order to match industry needs (mean 3.97, SD 0.94) and also in curriculum development (mean 3.97, SD 0.87). Finally Universities demonstrated a strong believe in customer sovereignty (mean 3.88, SD 0.92). all the attributes had a score of more than 3, indicating a strong orientation towards marketing practices

### Testing the Hypotheses

In testing the Hypotheses, factor analysis was first done to identify the main factors for entrepreneurial spirit. Out of the 12 factors tested, three were identified as the most important. Hypothesis one stated that

H<sub>1</sub>: Entrepreneurial spirit is more pronounced in Private than in public sector.

Factor analysis results and comparison one means between private and public Universities was done in order to determine whether or not to reject the hypothesis

The first issue was to do a KMO and Bartels test for the factors, as indicated in Table 4

**Table 4: KMO and Bartlett's Test for entrepreneurial spirit**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.762
Bartlett's Test of Sphericity	Approx. Chi-Square
	178.704
	Df
	66
	Sig.
	.000

The study established a Kaiser-Meyer-Olkin Measure of Sampling Adequacy for Entrepreneurial Spirit as .762 and Bartlett's Test of Sphericity Approx. Chi-Square value of 178.7 (df 66) which explains the adequacy of the sampling done. Using the Principal Component Analysis, four factors out of twelve examined were isolated for further testing as listed in table 5.

**Table 5. Factor analysis for indicators of entrepreneurial spirit**

	Component			
	1	2	3	4
Do you creatively devise institutional ways to solving the financial problems we you face at the department	.654	.037	.313	.130
Do you allocate money for research by faculty members every year	.305	.657	.411	.183
Do you continuously look for and exploit new opportunities that generate money for our university	.720	-.068	-.092	.109
Do you take a cautious posture in order to minimize the possibility of making wrong decisions	.670	-.158	-.344	-.113

Extraction Method: Principal Component Analysis.

The factors were then tested using way of comparing means between Private and Public Universities. The results are shown in Table 6

**Table 6: Entrepreneurial spirit between Public and Private universities**

University Category		Creative financial problems	Research funding	Exploitation of value creating opportunities	Exercises caution
Private	Mean	2.96	3.03	3.86	3.24
	Std. Deviation	1.170	1.349	1.187	1.327
Public	Mean	2.97	2.86	3.16	2.98
	Std. Deviation	1.082	1.279	1.036	1.132
Total	Mean	2.97	2.92	3.39	3.07
	Std. Deviation	1.10441	1.29740	1.12873	1.19877

As shown in the table, Private Universities seem to be doing better than Public Universities especially in the area of looking for and exploiting new opportunities that generate money for the University. On a scale of 1 to 5 where one for least and 5 is for very large extent, Private universities had a mean score of 3.8621 (SD 1.17) compared to a mean score of 3.1639 (SD 1.04) for public Universities for their ability to look for and exploit new opportunities that generate money for the University. Similarly, Private universities had a mean score of

3.24 (SD 1.32) for taking cautious posture in order to minimize the possibility of making wrong decisions, as compared to 2.98 (SD 1.13) for public Universities. Finally, in terms of allocating money for research by faculty members every year, Private universities had a mean score of 3.0345 (SD 1.3) as compared to 2.9205 (SD 1.3) for Public Universities.

We therefore fail to reject the hypotheses that Entrepreneurial spirit is more pronounced in Private than in public universities

The second Hypothesis was  $H_2$  : Private universities engage more in marketing activity than public universities

Factor analysis results and comparison of means between private and public Universities was done in order to determine whether or not to reject the hypothesis. KMO and Bartlett's test for the factors was done as indicated in Table 7

**Table 7. KMO and Bartlett's Test for Marketing Practices**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.823
Bartlett's Test of Sphericity	Approx. Chi-Square
	334.714
	Df
	36
	Sig.
	.000

It is indicated that marketing practices had a KMO Measure of Sampling Adequacy. Of 0.823 and Bartlett's Test of Sphericity Approx. Chi-Square value of 334.7 (Df 36). Factor analysis yielded the following three factors as shown in Table 8

**Table 8 . Factor analysis for Indicators of marketing practices**

	Component	
	1	2
Do you have a marketing strategy for your university	.801	-.155
Do you strongly believe in customer sovereignty	.820	-.042
Do you continuously review your curriculum to match industry needs	.441	.810

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

The factors identified were then tested on the basis of the difference in means between public and private universities and the results are given in Table 9

**Table 9. Marketing Practices between Private and public Universities**

University Category		Presence of marketing department to handle marketing programs	Believes in customer sovereignty	Continuous curriculum review to match industry needs
Private	Mean	4.10	4.31	3.79
	Std. Deviation	1.047	.761	1.177
Public	Mean	3.12	3.70	4.10
	Std. Deviation	1.314	.863	.712
Total	Mean	3.44	3.90	4.00
	Std. Deviation	1.31182	.87474	.89699

As shown in Table 9, Private universities were found to be doing better than public universities in most of the indicators tested. Private universities had a stronger believe in customer sovereignty (Mean 4.31, SD.76) than Public Universities (Mean 3.7, SD 0.86). Further, Private universities had better established marketing department that handles marketing programs (Mean 4.1, SD 1.04) than Public Universities ((Mean 3.12, SD 1.3). However, public Universities were better (Mean 4.1, SD.71) (in having systems for curriculum review that match industry needs than private universities (Mean 3.79, SD 1.17). We therefore fail to reject the hypothesis that Private universities engage more in marketing activity than public universities

The 3<sup>rd</sup> hypothesis tested was: Entrepreneurial orientation influences marketing practices in Universities

To test this, regression analysis was done fitting the composite scores of entrepreneurship against marketing practices. It was found that entrepreneurial orientation/spirit has a significant statistical influence on marketing practices ( $R^2 = 0.413$ ,  $p\text{-value} \leq 0.05$ ,  $F=51.311$ ). The results in Table 10a demonstrate that entrepreneurial orientation explained 41.3% of the variation in marketing practices adopted by universities in Kenya. The regression model fitting the relationship between entrepreneurial orientation and marketing practices was robust ( $F = 51.311$ ).

**Table 10a: Regression Summary Results**

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	.642 <sup>a</sup>	.413	.405	2.29235	.413	51.311	1	73	.000	1.614

a. Predictors: (Constant), EO

b. Dependent Variable: Marketing

**Table 10a: Regression Summary Results**  
**Table 10b: Analysis of Variance (ANOVA)**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	269.634	1	269.634	51.311	.000 <sup>b</sup>
Residual	383.607	73	5.255		
Total	653.241	74			

a. Dependent Variable: Marketing

b. Predictors: (Constant), EO

**Table 10c: Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	6.895	1.268		5.438	.000		
Marketing	.493	.069	.642	7.163	.000	1.000	1.000

a. Dependent Variable: Marketing

The results in Table 10c illustrates that for every 1% change in entrepreneurial orientation of universities, there was a corresponding 0.642% change in marketing practices adopted.

In order to understand the strength of the relationships, correlation analysis was done, and the results are shown in Table 11

**Table11: Correlation analysis of Entrepreneurial spirit and Marketing practices**

entrepreneurial spirit/marketing practices	Has a marketing department that handles your marketing programs	strongly believe in customer sovereignty	continuously reviews curriculum to match industry needs
creatively devises institutional ways to solving the financial problems	Pearson Correlation	.221*	.296**
	Sig. (2-tailed)	.039	.005
	N	87	89

allocate money for research by faculty members every year	Pearson Correlation Sig. (2-tailed)	.182	.327**	.062
	N	89	90	88
continuously look for and exploit new opportunities that generate money for our university	Pearson Correlation Sig. (2-tailed)	.321**	.382**	.115
	N	90	92	90
takes a cautious posture in order to minimize the possibility of making wrong decisions	Pearson Correlation Sig. (2-tailed)	.445**	.472**	-.077
	N	89	89	87

\*significant at 0.05

\*\* significant at 0.01

As shown in Table11, most of the indicators of entrepreneurial spirit have a significant and positive correlation on the marketing practices adopted. We find that creatively devise institutional ways to solving the financial problems in the department has a significant influence on strong believe in customer sovereignty  $r = 0.291$ , and continuously reviews curriculum to match industry needs  $r = 0.296$ , both significant at 0.01). The factor also positively influences. have a marketing department that handles your marketing programs ( $r = 0.221$  sig at 0.05)

Similarly, allocate money for research by faculty members every year has positive and significant influence on strong believe in customer sovereignty  $r = 0.327$ , sig 0.01), The entrepreneurial factor of continuously looking for and exploit new opportunities that generate money for university has positive and significant influence on a marketing department that handles your marketing programs ( $r = 0.321$ ) and on strong believe in customer sovereignty  $r = 0.382$ , both significant at 0.01). The factor that a firm takes a cautious posture in order to minimize the possibility of making wrong decision has positive and significant influence on a marketing department that handles your marketing programs ( $r = 0.445$ ) and on strong believe in customer sovereignty  $r = 0.472$ , both significant at 0.01)

Arising from these correlations it is clear that the entrepreneurial spirit has positive and significant influence on marketing practices, especially on having a department that handles marketing programs and on the believe in customer sovereignty. We therefore fail to reject the hypothesis that Entrepreneurial orientation influences marketing practices in Universities

## 5. DISCUSSION

The culture of entrepreneurial spirit among universities is not a new phenomenon. Universities all over the world particularly in the developed countries have over the years embraced the spirit of entrepreneurship in order to try and generate money for self-sustainability. This study has found that Kenyan Universities are also embracing the spirit of entrepreneurship. All the items tested showed above average involvement in entrepreneurial spirit. Key among the practices remaining relevant and responsive to changing market dynamics as well as having a strong orientation towards entrepreneurship. It was found that the universities are very keen to adopt various marketing practices in order to satisfy customer needs. The study found that universities engage on continuous review of curriculum in order to match industry needs and also in curriculum development. The universities demonstrated a strong belief in customer sovereignty. All the attributes had a score of more than 3, indicating a strong orientation towards marketing practices. We therefore argue in support of increased orientation towards entrepreneurship and marketing practices in order to enhance their responsiveness to customer needs and revenue generation.

Comparison between private and public universities shows that public universities are not as keen as private universities in both entrepreneurial spirit as well as marketing practices. This perhaps is because of the tradition of government capitation, which is not available to private universities. Public Universities seem to be living in the illusion that there will be government support and therefore they may not see the need to engage in entrepreneurial and marketing practices

## 6. IMPLICATIONS

The findings of this study bring to the fore the need for entrepreneurial orientation and change of mind set especially among the public universities that do not seem to be very aggressive in their marketing practices and entrepreneurship. This study found that there are programs that are more popular than others, and it is these that universities need to focus more on as a source of revenue generate. The programs need to be continuously revised in order to remain relevant and responsive to changing market needs

There is need for increased adoption of entrepreneurial spirit and enhanced marketing activities among public universities in order to generate more revenue streams towards self sustainability

Finally, the government should consider enhancing support to programs that may not be as attractive, such as agriculture. This is because such programs are very key for national development especially in a country like Kenya whose economy largely depends on agriculture

## 7. SUGGESTIONS FOR FURTHER RESEARCH

This study concentrated on universities in Kenya, which is a developing economy. A similar study based on a developed country especially in the western world could provide information about experiences in those countries

Locally studies may focus on how universities can become more entrepreneurial and market oriented in the ever changing business and social economic environmental.

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