



Mediating Effect of Networking Capability on the Relationship Between Entrepreneurial Orientation and Manufacturing Firms' Performance in Nairobi County, Kenya

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Abstract

Networking Capability has been found to improve organization's value creation, enhanced performance and organizational efficiency. In theory, networking capability is positively correlated with a variety of organizational outcomes. The current study sought to establish the mediating effect of Networking Capability on the relationship between entrepreneurial orientation and manufacturing firms' performance in Nairobi County, Kenya. This research was based on positivism because the effect of entrepreneurial orientation and networking competence on manufacturing business performance was analysed without prejudice using existing theoretical models and structured instruments, then conceptualization was done from the discoveries. The quantitative study employed an explanatory research methodology and survey procedure. Entrepreneurial inclination, business performance, and networking abilities were independent. The study utilized Hayes Model 4 using PROCESS Macro Version 4.0 for mediation analysis. Results showed that networking capability had a mediating effect on the relationship between entrepreneurial orientation and firm performance among manufacturing firms in Kenya. The study reported mediation effect of networking capability as positive and significant indicating $M3 = (a_1 \times b_1) = .56 \times .50 = .28$, $SE = .05$, $95\% CI = [.17, .37]$, which was significant with the confidence interval (CI) not straddling a zero. The study concluded that, networking capability indeed mediated partially the relationship between entrepreneurial orientation and manufacturing firms' performance.

Keywords: Entrepreneurial orientation, networking capability, firm performance and Kenya.

INTRODUCTION

In fast-paced company, firm performance is crucial. Due to rising competition, technological improvements, and changing customer expectations, businesses must implement effective performance strategies (Mammassis & Kostopoulos, 2019; Tang *et al.*, 2017). Various studies indicate that entrepreneurship enhances organisational growth, profitability, innovation, and performance (Abdi & Ali, 2013; Ndubisi & Iftikhar, 2012; Yunis *et al.*, 2018; Zhang *et al.*, 2019). Entrepreneurial orientation is key to a company's profitability and performance, especially in manufacturing (Young-min *et al.*, 2019; Frishammar & Åke Hörte, 2007; Buli, 2017). In 1983, entrepreneurial orientation or corporate entrepreneurship was introduced (Miller, 1983). He recognised innovativeness, risk-taking, and proactivity as entrepreneurial traits. Innovativeness is the propensity to engage in creativity and experimenting by introducing new products or services and by developing new procedures. Risk-taking is venturing into the unknown, borrowing extensively, and/or devoting considerable resources to uncertain endeavours. Pro-activeness involves introducing

innovative products and services ahead of the competition and anticipating future demand (Miller, 1983). Competitive aggressiveness and autonomy were added to the entrepreneurial oriented model 20 years later. Competitive aggressiveness is a company's effort to outperform competitors. Autonomy refers to entrepreneurial leaders or teams' unilateral actions to launch a new enterprise (Lumpkin & Dess, 1996). Depending on the company's situation, entrepreneurial approach might affect business performance. Linton & Kask (2017) say taking chances, being imaginative, and being proactive all affect firm performance.

In today's volatile business environment, organisations are creating networking partnerships with other firms (Yang et al., 2018). Networking capability may have been inspired by dynamic capacity theory and relational viewpoints (Dyer and Singh 1998). By using networking skills, a company can integrate and optimise strategic expertise, capabilities, and information from network partners (Mu *et al.*, 2016). Networking competency is a company's capacity to find and manage network partners for value creation. Networking means finding and managing partners, according to the literature (Mu and Di Benedetto, 2012; Mu *et al.*, 2016). The new study adds "timely partners" and "resource sharing support" criteria to "identifying networking partners."

This study examined the impact of entrepreneurial attitude on manufacturing enterprises in Nairobi County, Kenya, through networking. Manufacturing is one of Kenya's key four agenda issues, but its performance hasn't reached expectations. Manufacturing enterprises in Kenya face issues related to increased competition and regionalization, which, if not mitigated, may hurt their performance and competitiveness. It is further realized that there is decrease in the manufacturing sector's contribution to the Kenyan economy, hence the sector may not realize vision 2030 as anticipated. These firms operate in highly competitive, regulated and dynamic market hence are forced to formulate own survival strategies (Otieno *et al.*, 2012). The majority of these manufacturing firms reported stagnation, declining profits and 70% loss in market share in East Africa as per World bank (Kihara, 2016).

Kenya's manufacturing industry has experienced various changes and turbulence (KAM, 2017). Thus, many large manufacturing corporations such as Colgate Palmolive, Reckitt Benckiser, Cadbury Kenya, Bridgestone, Devki Steel and Procter & Gamble have relocated or restructured their operations to import from low-cost manufacturing areas such as Egypt, South Africa and India, resulting in job losses (Nyabiage & Kapchanga, 2014). Many Kenyan manufacturing enterprises are generating profit warnings due to operational environment issues. The study looked at networking as a mechanism for entrepreneurial orientation-firm performance in manufacturing enterprises. The study examined mediating effect of networking capability on the relationship between entrepreneurial orientation and manufacturing firms' performance in Nairobi County, Kenya.

LITERATURE REVIEW

Theoretical Review

Dynamic capability theory suggests that an organisation should develop the capability to adapt, consolidate renew and reconfigure resources to gain the advantage of seizing and capitalising opportunities produced by the changing business environment (Teece *et al.*, 1997). The resource configuration should come not only from the internal interface mechanism but also from the external interface embedded in business partners (Teece *et al.*, 1997). Relational theory on the other hand argues that networking capability assists organisations in acquiring and exploiting critical resources that span organisational boundaries for product development that aligns with customers and the market's needs (Dyer and Singh, 1998). Given the challenges that compel organisations to explore new opportunities, entrepreneurial orientation (EO) is crucial to corporate success. According to

Miller (1983), an entrepreneurial firm innovates product markets, takes risks, and is first to introduce proactive innovations, beating competitors. Khandwalla (1977) supports the entrepreneurial mode, describing it as daring, risky, and aggressive decision-making versus a more cautious stability-oriented approach. Miller (1983) defined entrepreneurial orientation as innovativeness, risk-taking, and pro-activity, while Lumpkin & Dess (1996) added competitive aggressiveness and autonomy. According to Covin & Wales (2011) the theoretical foundation of EO research is traceable to Mintzberg (1973). One of the strategies making modes put forth by Mintzberg (1973) is the entrepreneurial one which is based on active search for entrepreneurial opportunities and growth.

Empirical Review

Entrepreneurial Orientation and Networking Capability of Manufacturing Firms

Past entrepreneurial studies have shown that firms can positively influence Entrepreneurial Orientation (EO) through their networking practices (Ajayi, 2016; Bucktowar *et al.*, 2015; Walter *et al.*, 2006; Stam & Elfring, 2008). Thus, to fully extract the capability to identify, create and exploit entrepreneurial opportunities, most firms benefit from joining networks and thus gaining advantages from external relationships (Mu, 2013). The effects of networking are widely studied and understood to positively affect entrepreneurial opportunities (Parida *et al.*, 2010). Since it is time-consuming and difficult for firms to develop all the resources necessary to successfully commercialize a business idea alone, they normally rely on external contacts for accessing scarce and specialized resources that the firm needs in order to become established and to grow (Giudici & Reinmoeller, 2013). Further, organizations that are more proactive excel in their identification of opportunities, generally take the initiative in seizing those opportunities, and generally tend to initiate more actions in their environment (Wang & Lei, 2021). They are more likely to identify possibilities for partnerships and initiate actions that actually facilitate collaboration. A greater ability and tendency to see collaborative opportunities should, over time, result in more actions seizing those opportunities. The more collaborative opportunities seized, the higher the likelihood that a firm will have a larger collaborative network size. Risk-taking is also likely to affect networking (Hughes & Morgan, 2007). Based on the discussion, the authors make the following hypothesis:

H₀₁: There is no significant direct effect of entrepreneurial orientation on networking capability of manufacturing firms

Networking Capability and Manufacturing Firm Performance

A business network is a group of actors-large and small enterprises, organisations, universities, research institutes, individuals, and inter-organizational relationships that collaborate to achieve a purpose (Shipilov & Gawer, 2020; Forsgren & Johanson, 2014). Networks are either centralised or decentralised or self-organizing (Forsgren & Johanson, 2014). Thus, networking capability is defined as a firm's ability to look for and manage network partners to create value (Mu and Di Benedetto, 2012). Previous research reveals that networking capability includes discovering networking partners and managing and utilising networking relationships (Mu and Di Benedetto, 2012; Mu *et al.*, 2016). Networking gives entrepreneurs a competitive edge by expanding resource availability beyond their immediate control (Spigel & Harrison, 2018). Networking also helps entrepreneurs build trust and negotiate (Schweizer *et al.*, 2010).

Many corporations collaborate with large and small organisations to utilise emerging network technology (Huang *et al.*, 2015). Entrepreneurial networking allows members to utilise social resources contained within a network, allowing manufacturing enterprises to access "external" resources. Entrepreneurs must create official and informal contacts with people in their society who can help them grow their business. Various researchers have

studied and proven the positive relationship between entrepreneurial orientation and performance of manufacturing firms (Buli, 2017; Frishammar & Åke Hörte, 2007; Jantunen *et al.*, 2005). Based on the discussion, the authors make the following hypothesis:

H₀₂: There is no significant direct effect of networking capability on manufacturing firm performance

Entrepreneurial Orientation and Performance of Manufacturing Firms

The specific dimensions of EO were introduced for the first time by Miller in 1983. He suggested that the entrepreneurial firm is one that “engages in product market innovation, undertakes somewhat risky ventures, and is first to come up with ‘proactive’ innovation, beating competitors to the punch”. Accordingly, Miller identified the salient dimensions of EO as innovative, risk taking, and proactive. The association between EO and company performance has become the primary focus of EO research (Khan *et al.*, 2021). Numerous studies have demonstrated that EO has a beneficial link with firm performance, either directly or indirectly (Rodríguez-Gutiérrez *et al.*, 2015; Choi & Williams, 2016; Gruber-Muecke & Hofer, 2015; Chow, 2006). This indicates that companies with a greater emphasis on EO do better than those without it. This correlation may be attributable to the fact that today's dynamic business climate shortens product life cycles and heightens unpredictability (Chien *et al.*, 2020). Additionally, the behaviours of both competitors and customers are uncertain. Therefore, Firms are needed to innovate frequently, predict demand, consider risk, and compete vigorously to maintain or find new places on the market (Dess & Lumpkin, 2005). However, the manner in which they accomplish this may differ according to their position in the industry (leader/follower. The empirical outcomes of investigations on the association between EO and performance were equivocal. Based on the discussion, the authors make the following hypothesis:

H₀₃: There is no significant direct effect of entrepreneurial orientation on the performance of manufacturing firms.

Entrepreneurial Orientation, Networking Capability and Firm Performance

Entrepreneurial orientation refers to the specific organisational behaviour of engaging in risk-taking, self-directed activities, engaging in innovation, and reacting proactively and aggressively to surpass market competitors (Lumpkin and Dess, 1996). Several studies have suggested a positive relationship between unidimensional EO and firm performance (Kreiser *et al.*, 2013; Lekmat *et al.*, 2018), other studies have found a non-linear relationship (Morić-Milovanović, 2022). Further, some studies have demonstrated that EO has a beneficial link with firm performance, either directly or indirectly (Rodríguez-Gutiérrez *et al.*, 2015; Choi & Williams, 2016; Gruber-Muecke & Hofer, 2015; Chow, 2006).

The role of networking on firm performance has equally been researched by several authors with studies indicating a positive relationship between networking and firm performance (Watson, 2007; Watson, 2012; Tajvidi & Karami, 2021; Kalm, 2012; Buli, 2017; Frishammar & Åke Hörte, 2007). Even though prior studies have acknowledged the potential benefits of networking capability, other researchers highlight the dark side of networking activities. Yang *et al.*, (2018) for instance noted that networking may cause an unbalanced outflow of firms' specific assets. Network is considered as one of the most powerful assets since it provides access to power, information, knowledge, technologies, and capital (Kusumawardhani *et al.*, 2009).

It is evident from the above discussion that both EO and networking capability enhance firm performance. This study further proposes that EO enhances firm performance through its effect on networking capability. Firms with high levels of EO tend to perform better and experience more sales and profit performance (Bereket, 2017). Since firms suffer from

liabilities of newness and smallness (Djupdal & Westhead, 2015) and limited resources (Tang *et al.*, 2017), firms with higher EO will be better able to overcome their liabilities and compete successfully through developing the related networks and strengthening their position in networks. Based on the discussion, the authors make the following hypothesis:

H₀₄: Networking capability has no significant mediating effect on the relationship between entrepreneurial orientation and manufacturing firms' performance

Research Conceptual Model

The conceptual framework for this study was thus based on dynamic capability theory (Teece *et al.*, 1997), Relational theory (Dyer and Singh, 1998) and Entrepreneurial Orientation theory (Covin and Wales, 2011). This is depicted using Figure 1.

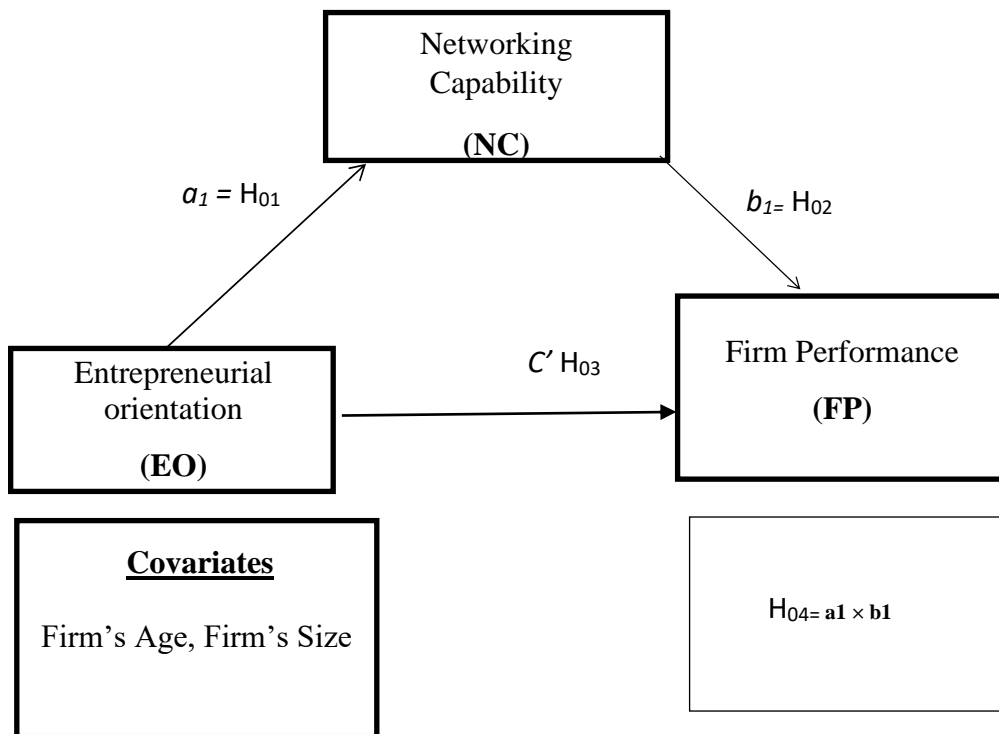


Figure 1. Conceptual Model. Source: Hayes (2018) Model 59

METHODOLOGY

The study was anchored on the positivism world view and was quantitative in nature. The study adopted an explanatory survey design which enabled the researcher understand causal relationships between variables. The survey research strategy obtained the same kind of data from a large group of study respondents in a standardized and systematic manner, which enabled the researcher to assess patterns in the data that could be generalizable. Survey research is a common strategy in business and management allowing for the collection of extensive data from a population in a highly economical way (Creswell, 2012).

The study area was Nairobi County, which is one of the 47 counties of Kenya. It has been described as the smallest yet most populous of the counties with a human population of 4,397,073 million people as per 2019 census and it is also the capital and largest city of

Kenya. The target population consisted of 1072 manufacturing firms and the study further targeted the managers of these firms since entrepreneurial orientation is a firm level behaviour.

Kenya Association of Manufacturers (KAM) 2017/2018 directory was used to sample manufacturing enterprises. The study used stratified random sampling. Sample size was calculated using Taro Yamane's (1973) formula. Yamane's calculation for sample size with a 5% error and a 95% confidence coefficient yielded 400 manufacturing businesses from a population of 1072 (Yamane, 1973).

The study utilized a self-administered questionnaire with closed-ended questions to gather relevant data. The instrument was pilot tested by testing its validity and reliability and this enabled the researcher to refine relevant questions based on findings from the pilot study.

This study measured entrepreneurial orientation, which includes innovativeness, risk-taking, proactivity, autonomy, and competitive aggressiveness. Firm performance was judged by sales growth, profit margin, customer happiness, repeat transactions, and customer references. Finding network partners, managing network partnerships, and leveraging network ties were networking measures.

This study used descriptive and inferential statistics. The study measured central tendency and dispersion using means and standard deviations. Pearson's correlation analysis and multiple regression analysis were employed to assess hypotheses. Descriptive statistics is used to classify and summarise numerical data. It involves analysing data using frequencies, dispersions of dependent and independent variables, and measures of central tendency and variability. Descriptive statistics help explore data before further investigation (Saunders *et al.*, 2009; Somekh & Lewin 2009; Sekaran, & Bougie 2010). Inferential statistics allow researchers to study in-depth correlations between variables, classify and predict. Each independent variable's significance was assessed at 95%. Varimax rotation was used to extract relevant components from construct-valid items measuring each study variable. Kaiser-Meyer-Olkin (KMO) was used to compare correlation coefficients. Multiple regression analysis was applied whereby the beta (β) coefficients for each independent variable were generated from the model and subjected to a t-test so as to test each of the hypotheses under study. Tests for mediation in the study were undertaken with the aid of SPSS v.26 using Hayes (2022) PROCESS Macro Version 4.0, Model 4 to demonstrate prediction effects of the independent variable and the mediator influenced the outcome variable (Hayes, 2018).

RESULTS AND DISCUSSION

To test for mediation, multiple regression analysis using Hayes's (2022) PROCESS Macro v.4.0 Model 4 was employed. According to the findings, networking capability did have a substantial mediating effect on the connection. Consequently, the purpose of the present study was to explore hypotheses regarding the mediating effect of networking capabilities on the relationship between entrepreneurial orientation and company performance.

Preliminary data analysis

Table 1 shows all variables' means, standard deviations, reliability, and correlation. Entrepreneurial approach had the lowest (5.83) Cronbach's Alpha was above .7 for all variables, indicating scale reliability. Results of correlation indicated that all variables were positively associated with the highest positive correlation being the relationship between entrepreneurial orientation and firm performance with $r = .84^{**}$, $p < .01$. Prior to undertaking regression analysis, items of the instrument were checked for construct validity. Eighty-four questions relating to the variables of the study were factor analyzed. The

analysis yielded 6 components which explained 56% of the cumulative variance in entrepreneurial orientation with a KMO value of .754. All items measuring entrepreneurial orientation were retained with the exception of 13 items which were dropped considering the items had factor loadings less than the recommended value of .5. All items measuring TL were retained except for 6 items. The remaining items loaded onto four components explaining 61% of the cumulative variance. Networking capability recorded a KMO value of .911. All items measuring networking capability were retained and loaded onto two components explaining 62% of the total variance. Bartlett's test of sphericity was statistically significant at 95% significance level across all study variables.

Table 1. Means, standard deviations, reliability and correlation results

Variable (N = 400)	M	SD	Reliability (α)			
				FP	EO	NC
Firm Performance	5.86	.35	.75	1		
Entrepreneurial Orientation	5.83	.37	.72	.84**	1	
Networking Capability	5.90	.60	.91	.80**	.53**	1

** Correlation is significant at $p < .01$ (two-tailed)

Testing mediation

To address the fourth hypothesis, the study adopted a four-step procedure postulated by MacKinnon (2012), in addition to a fifth step representing total effects, which tested all the direct and mediating effects. The procedure required that the following conditions are met;

- Step 1:** A significant association between entrepreneurial orientation and networking capability represented by equation $M = a_1X + \epsilon$ (side a_1 of the conceptual framework)
- Step 2:** A significant association between networking capability and enterprise performance represented by equation $Y = b_1M + \epsilon$ (side b_1 of the conceptual framework)
- Step 3:** Testing the association between entrepreneurial orientation and enterprise performance while controlling for networking capability represented by equation $Y = b_1M + C'X + \epsilon$ (side C' of the conceptual framework. However, this does not need to be significant for mediation to take place).
- Step 4:** A significant coefficient for the indirect path between entrepreneurial orientation and enterprise performance via networking capability (The product of $a_1 \times b_1$ or $C - C'$). The bias-corrected percentile bootstrap method determines whether the last condition is satisfied (**H₀₄**).
- Step 5:** The total effect (C) is represented by equation $Y = C X + \epsilon = (a_1 \times b_1) + C'$. In all the analyses, the study included firm age and firm size as covariates.

The researcher undertook multiple regression analysis using Hayes (2022) PROCESS Macro Version 4.0 (Model 4). Findings in the first step (Model 1) showed that firm size had a significant effect on the outcome variable with $\beta = -.33$, $p = .003$ (Table 2). Further, entrepreneurial orientation had a significant direct effect on networking capability with $\beta = .56$, $p < .001$, $R^2.30$, with a significant $F(3,396) = 57.73$, $p < .001$, hence confirming the first step of testing mediation effects. This implies that the model explains 30% of the total variance in networking capability.

In the second step, the study examined whether networking capability has a direct effect on enterprise performance (Table 2). Findings in Model 2 indicate that the only significant covariate was firm age with $\beta = .19$, $p = .023$. Moreover, the study established that networking capability positively and significantly predicts enterprise performance with $\beta = .50$, $p < .001$, $R^2.89$ which had a significant $F(4,395) = 767.07$, $p < .001$. Therefore, this model explains 89% of the variability in enterprise performance. To determine the results for the third step, "effect of entrepreneurial orientation on enterprise performance, while controlling for networking capability", the same Model 2 was used. Findings indicated that entrepreneurial

orientation had a significant direct effect on enterprise performance with $\beta = .56, p < .001$. Thus, step three is further confirmed.

Lastly, to confirm the fourth step (Model 3), steps postulated by Zhao *et al.*, (2010) for assessing mediation were adopted and the study found the mean indirect effect from the bias-corrected percentile bootstrap analysis as positive and significant indicating $M3 = (a_1 \times b_1) = .56 \times .50 = .28, SE = .05, 95\% CI = [.17, .37]$, which was significant with the confidence interval (CI) not straddling a zero as shown in the mediation column (Table 2). The direct effect C' (.56) is significant while holding constant networking capability. Hence, $a_1 \times b_1 \times C' = .56 \times .50 \times .56 = .16$ gives a positive result indicating partial mediation (C' and $a_1 \times b_1$ are significant). These means that the two paths, [direct (C') + indirect effect ($M3$)] both contribute to the total effect; $C' + (a_2 \times b_2) = .56 + .28 = .84$ with the model explaining 71% ($R^2 .71$) of the total variance which is significant with $F(3, 396) = 321.77, p < .001$. From the above results, there is significant evidence that the confidence intervals for the indirect effect is non-inclusive of zero, thus confirming the presence of mediation effect. Hence, Hypothesis H_{04} is not supported by the study.

Table 2: Results for Mediation and Total Effect (H₀₄)

Variable names	Mediation			Total Effect
	Model 1	Model 2	Model 3	Model 4
	a_1 (NC)	$C' \& b_1$ (EP)	$a_1 \times b_1$	$C = C' + (a_1 \times b_1)$ (EP)
	β	B		B
(Cons)	.53	-.36	$M3 = a_1 \times b_1$	-.09
FA	.18	.19*	$.56 \times .50 = .28$.28*
FS	-.33**	.03	$CI_{M3} = [.17, .37]$	-.13
EO	$a_1.56^{***}$	$C'.56^{***}$.84***
NC	-	$b_1.50^{***}$		-
R^2	.30	.89		.71
F	57.73***	767.07***		321.77***

Source: Research (2022). Note: * $p < .05$, ** $p < .01$, *** $p < .001$

Where;

- FA = Firm Age
- FS = Firm Size
- EO = Entrepreneurial Orientation
- NC = Networking Capability
- EP = Enterprise Performance
- CI = Confidence intervals
- β = Unstandardized parameter estimates coefficients
- a_1 – Path (NC <---EO)
- b_1 – Path (EP <---NC)
- C' – Path (EP <---EO)

Model 1: To determine the effect of Entrepreneurial Orientation on Networking Capability in equation (NC = $a_0 + C + a_1EO + \epsilon$)

Where;

- NC = Networking Capability
- EO = Entrepreneurial Orientation
- a_0 = Intercept/Constant
- C = Co-variate/s
- ϵ = Error term

Model 2: To determine the effect of Networking Capability on Enterprise Performance in equation ($EP = b_0 + C + b_1NC + \epsilon$)

Where;

EP = Enterprise Performance

NC = Networking Capability

b₀ = Intercept/Constant

C = Co-variate/s

ε = Error term

Model 3: To determine the mediating effect

Where;

$(a_i \times b_i)$ = Mediation effect

CI_{M3} = Confidence Intervals for testing level of significance

Model 4: To determine the total effect ($EP = C EO + \epsilon = (a_1 \times b_1) + C'$)

Where;

EP = Enterprise Performance

EO = Entrepreneurial Orientation

ε = Error term

C' = Direct Effect ($EP \leftarrow EO$)

C = Total Effect

DISCUSSION

Entrepreneurial approach directly affected firm success, according to the study. Prior research that explored the direct effect of each dimension of entrepreneurial orientation on performance found that each dimension's contribution to firm success varies, and certain dimensions don't connect with firm performance. Several research have revealed a favourable association between unidimensional entrepreneurial approach and firm success (Rauch *et al.*, 2009; Tang & Tang, 2012). Wee *et al.* (2018) found that innovativeness and risk taking negatively affect corporate performance, meaning they are ineffectual at boosting firm performance. Proactivity and innovation are key to early-stage firm performance, according to another study. Other academics said studying the direct effect of entrepreneurial orientation on business success won't provide a thorough picture of the relationship (Gabrielsson & Gabrielsson, 2013).

From the study's results, there is significant evidence of the role of networking capability as a mediator in the EO-performance relationship, with the confidence intervals for the indirect effect being non-inclusive of zero, thus confirming the presence of mediation effect. Hence, Hypothesis *H₀₄* is rejected by the study meaning that the study met its fourth objective. This study sought to investigate whether networking capability mediates the relationship between Entrepreneurial Orientation and firm performance which was ascertained through the study findings. From reviewed literature it is evident that other scholars have suggested that to enhance the EO-performance theory, other variables have to be tested, for instance Young-min *et al.* (2019; Karami & Tang (2019) and Wales (2016). This study validates the mediation function of networking capacity between entrepreneurial

CONCLUSION AND RECOMMENDATION

This study proposes a model for understanding the impact of entrepreneurial orientation and networking on firm success. Networking skills can explain the effect of entrepreneurial attitude on business performance, which can help accomplish organisational goals. The study demonstrates they connect into their networks and increase performance across all organisational levels. This is the first study to directly link entrepreneurial orientation, networking, and manufacturing firm performance. The findings demonstrated a favourable impact of entrepreneurial orientation on networking capability, networking capability on enterprise performance, and entrepreneurial orientation on enterprise performance. The study also found that networking skill mediates the association between entrepreneurial orientation and manufacturing firm success in Kenya. This study proposes that other scholars adopt a mixed method approach, since the study was quantitative and used just a structured questionnaire to obtain primary data. This may offer richer and more in-depth conclusions. Further studies should adopt other analysis like Structural Equation Modeling (SEM) and other software apart from SPSS. Due to limited scope of this study on only manufacturing firms, further research is suggested focusing on firms from different sectors and also with a global view.

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