Relationship between contemporary management accounting practices and entrepreneurial strategies of large enterprises in Eldoret, Kenya

Research article

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Abstract

Businesses in most economies contribute to the well-being of the proprietors, community and economic development of the nation. In the face of significant number of studies focusing on contemporary management accounting practices (CMAPs) and entrepreneurial strategies, there still existed a gap. The thus study analyzed CMAPs and entrepreneurial strategies of large enterprises in Eldoret town. Basing on the accounting and decision usefulness theories, correlation survey targeted 570 enterprises. Data gathered using structured questionnaires from a sample size of 229 enterprises. From the findings, customer profitability analysis as a CMAP was widely used (mean = 3.64) while Pareto analysis was less popular (mean = 2.10). Furthermore, popular determinants of CMAPs used comprise entrepreneurial orientations, level of competition, financial performance, need for financial and non-financial performance measures. It was evident that entrepreneurial strategies had a significant (p-values< .05) relationship with CMAPs such as benchmarking (β =.318), total quality management, TQM (β=.559), activity based costing, ABC (β=.357), balanced scorecard, BSC (β=.385), strategic cost management, SCM (β=.558) and customer profitability analysis, CPA (β=.520). Consequently, significant number of CMAPs positively affects pursuance of entrepreneurial strategies by the firm. The study thus concluded that a large enterprise may possibly attain the entrepreneurial strategies if CMAPs are taken into consideration.

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Public Interest Statement

The business environment is dynamic with the changes arising being multifaceted. In view of this, enterprises' sustainability and growth is determined by the entrepreneurial strategies. More focus was directed on the contingent view of strategic management that links strategy and accounting. This study however is a pure academic investigation and not an infringe on the affairs of large enterprises targeted. The centre of attention is to make some contribution to existing literature by collectively establishing the key contemporary management accounting practices, determinants of these practices as well as analyzing their relationship with entrepreneurial strategies.

Introduction

Generally, entrepreneurship in the recent times has been echoed by many as a door to success in both economic and social issues in a country. In the African Economic Outlook report of 2017, African governments are required to integrate entrepreneurship more into their industrialization strategies. (Polowczyk, 2012) state that provision of goods and services, creation of employment opportunities, socio-economic growth and development is determined by the state of entrepreneurship. (Kiraka, Kobia, Katwalo, & Oliech, 2012) posit that entrepreneurship is today's avenue for gainful employment world over. It aims at discovering opportunities and pursuing them to create wealth (Cuervo, Ribeiro, & Roig, 2007) (Ireland, Hitt, & Sirmon, 2003). As a result, Joseph Schumpeter asserts that entrepreneurs determine country's wealth and dynamism hence should be able to embrace new innovations to replace old approaches of doing business. However, these can only be achieved when these entrepreneurs show willingness and capacity to manage business venture alongside with risks since the whole concept of entrepreneurship is about taking risk (Yetisen et al., 2015). This entire process of managing the business venture thus requires distinct strategies as not only to attain the goals set internally but also for stakeholders at large.

Entrepreneurship and strategic management are closely intertwined. This is because entrepreneurs are innovators who create profitable opportunities through new products, production process and marketing strategies (Lintunen, 2000). They identify underutilised resources in the economy through the use of their innovative skills. Just as real strategists, entrepreneurs are risk takers, innovative and proactive in identifying new business opportunities that turn out to be highly profitable (N. Ahmad & Seymour, 2008).Entrepreneurs need to clearly understand the key components of strategic entrepreneurship as noted by (Ireland et al., 2003). These include an entrepreneurial mind-set, entrepreneurial culture and leadership, strategic management of resources, applying creativity and developing innovation to create competitive advantage and wealth. In addition, they need to realize that their products or services will not sell themselves no matter how good they are unless they embrace new marketing strategies that conform to the competitiveness of the business environment (J. Pearce & Robinson, 2003). Therefore in line with strategic entrepreneurship, entrepreneurial strategies enables firms exploit opportunities and advantage-seeking behaviours with the aim of creating competitive advantage that maximizes wealth creation (Tülüce & Yurtkur, 2015). To attain these strategies, there is need to understand management accounting concept aids in attainment of organizational objectives through identification, measurement, accumulation, analysis, preparation, interpretation and communication of information (Horngren & Harrison, 2008).

Traditional management accounting practices have been in existence for long and thus they are still in use (Drury, Braund, Osborne, & Tayles, 1993). These practices focus on cost allocation hence failing to facilitate adoption of change and challenges in the business environment (Pavlatos & Paggios, 2009). Other than traditional, contemporary management accounting practices are seen to have long term focus than traditional since they are relevant in the current dynamic business environment (Abdel-Maksoud, Abdallah, & Youssef, 2012) as they help in attaining entrepreneurial strategies (Jarrar & Smith, 2014) and boost performance to world class level (Chenhall & LANGFIELD-SMITH, 1999). Chartered Institute of Management Accountants (CIMA), a world largest professional body of management accountants posits that management accounting in a competitive environment can be used a strategic tool. By borrowing from the National Award for Management Accounting (NAfMA) framework, strategies include leadership, management accounting information, resource management, customer/market focus, partnership management, value creation, business results and corporate social responsibility. Notably, in a business set up, all these aspects of the framework are applicable. It is thus alongside this locale that the study endeavoured to scrutinize contemporary management accounting practices in relation to entrepreneurial strategies of enterprises.

Problem Statement

Businesses are open systems because they are affected by uncontrollable changes in the environment (R. Johnson & Soenen, 2003). These changes are sudden and severe (Machuki & Aosa, 2011) hence they dictate the direction of the industry, capacities of firms as well as the managers' way of thinking. This calls for constant monitoring and alignment to the environment for the firm to gain competitive advantage. (Aosa, 1998) points out the need to change internal configurations of firms so as to reflect new external realities else they risk failing. As a result, entrepreneurial strategies are designed to help the business in attaining its major goals. Common strategies include offering quality products and services, competitiveness, employee involvement, customer satisfaction, growth, cost leadership, focus and product differentiation. In reality, (Thornhill & Amit, 2003) points out that a few enterprises that survive beyond infancy and adolescence become success stories. Most enterprises in Kenya close in their first three years of operations (Central Bureau of statistics, 2004). Furthermore, (Bowen, Morara, & Mureithi, 2009) concluded that most businesses were less than three years old indicating high failure rate. The findings of Kenya

National Bureau of statistics of 2013 too put forward that three out of every five businesses fail within the first few months, not even years of operation. The recent statistics by (Bloomberg Africa Edition, 2017) indicate that eight out of ten entrepreneurs fail within the first two years hence translating to 80% failure rate. These statistics are alarming and are bound to discourage entrepreneurs' spirit.

Significant numbers of studies have been conducted covering areas as extent of usage, changes given dynamic business environment, level of adoption of management accounting practices among firms. For instance, (N. N. N. Ahmad & Alwi, 2004) did a study to establish the extent traditional and contemporary management accounting practices are used by firms in Singapore, Malaysia, China and India. (Tuanmat & Smith, 2011) evaluated the changes of management accounting practices in Malaysia given the changing business environment. (Nimtrakoon & Tayles, 2015) analysed the level of adoption of management accounting practices in Thailand. (Oyerogba, 2015) did a study to investigate management accounting practices in developing economies. (Waweru, 1999) focused on management accounting practices and techniques used by publicly quoted companies in Kenya. (Thanju, 2012) study was to establish determinants of management accounting changes in private hospital in Kenya. On the other hand, (Karanja, Mwangi, & Nyaanga, 2012) looked into the adoption of modern management accounting techniques among SMEs in Kenya. At least each of these studies has attempted to focus on management accounting practices in firms but in relation to different aspects. Thus, the main research objective of the study was to understand contemporary management accounting practices used and its relationship with entrepreneurial strategies among large enterprises. Moreover, the study sought to investigate the factors determining their utilization of contemporary management accounting practices by enterprises under review. The study focus was on large trader, shop, retail store or personal in Eldoret town as categorised by Uasin Gishu County Government. First and foremost, the study sought to determine the contemporary management accounting practices of large businesses in Eldoret town. Secondly, the study aimed at evaluating the factors determining the use of contemporary management accounting practices among large businesses in Eldoret town. Lastly, the study sought to test the following hypothesis H_{o1}; there is no significant relationship between contemporary management accounting practices and entrepreneurial strategies of large businesses in Eldoret town. From this main hypothesis, those for each contemporary management accounting practices given entrepreneurial strategies were H_{o1a} (benchmarking), H_{o1b} (Activity based management, ABM), H_{o1c} (Total quality management, TQM), H_{o1d} (Activity based costing, ABC), H_{o1e} (Balanced scorecard, BSC), H_{o1f} (Strategic cost management, SCM), H_{o1g} (Key performance indicator, KPI), H_{o1h} (value chain analysis), H_{o1i} (Pareto analysis) and H_{o1}j (Customer profitability analysis, CPA).

Theoretical Framework

Management accounting aims at providing reliable, relevant and timely information for managers to make decisions. In business context, the owners are managers who need to make crucial decisions. This will not only affect performance but will determine growth and sustainability of the business. Hence, the study is buttressed by decision usefulness theory which developed as a class under accounting theory. Luca Pacioli's accounting theory in 1496 focused on accounting and reporting practices to provide users with relevant information. Hence, the theory guides an organization given individual decision-making capacities. Decision usefulness theory according to Prof. Emeritus George Staubus in 1953 explains the need of accounting to provide relevant information to decision makers. This theory thus explains the need to categorise users of information based on their needs. In business, there are entrepreneurial strategies which direct the activities and decisions being made. Lack of relevant and reliable information will create problems not only in setting these strategies but also implementing and attaining them. Thus, the study evaluated contemporary management accounting practices which are essential in the current dynamic business environment. These practices unlike traditional provides relevant information that facilitate decision making concerning change and challenges faced by business given their entrepreneurial strategies.

Entrepreneurial Strategies

According to (Mintzberg & Lampel, 1999) and (Mintzberg, 1987), strategy is a pattern being a product of what is intended to be. (Chandler Jr, 1962) defines strategy as a process of relating goals and outcomes and allocating resources to attain these goals. (Chandler, 1990) further asserts that structure follows strategy; any organisation needs to realise the importance of structure as the main contributor to its success. To gain competitive distinctions and advantage, there is need to have strategies for they are the primary building blocks of a firm (Casadesus-Masanell & Ricart, 2011). (Eisenhardt & Martin, 2000) and (J. A. Pearce, Robinson, & Subramanian, 2000) look at strategy as a plan integrating organization's major goals, policies and actions. Strategic management is traced back to the immense contributions by Chandler in 1960's and Mintzberg in 1980's. Among ten strategic management schools, the learning school points out the need to have a strategic plan in the enterprise. On the other hand, entrepreneurship school explains the role of entrepreneur in strategic management. This implies that their vision and intuition are more important than formal plans (Mintzberg & Lampel, 1999). According to (Chapman, 1997), relationship between strategy and accounting is categorized under contingent view. The famous generic strategies by Michael porter in 1985 include cost leadership, differentiation and focus on a market niche. An enterprise is a bundle of resources that needs to be deployed strategically in order to add value (Jay Barney, 1991). Here, strategic management is all about development of sustainable competitive advantage to create value (Ramachandran, Mukherji, & Sud, 2006). On the other hand, (Ireland, Hitt, Camp, & Sexton, 2001) refers strategic management as a context for entrepreneurial behaviour to exploit opportunities. Therefore, the primary variables of strategic management as noted by (Sandberg, 1992) include enterprise resources, processes, strategy and field of industry. Furthermore, an enterprise is required to cope with competitive forces as industry competitors, potential entrants, buyers, suppliers and substitutes (Porter, 1985).

Sustainability and growth of a firm is determined by entrepreneurial strategies set. Entrepreneurial firms face many challenges as resource constraints (Hallen & Eisenhardt, 2012), dynamic capabilities (Teece, Pisano, & Shuen, 1997), fast moving opportunities and customer demands (Chen, Katila, McDonald, & Eisenhardt, 2010). Therefore, as the environment becomes more dynamic, agility is required (Dove, 2002). This means that firms in this environment have a greater need to adapt change (Schilke, 2014). However, changes in environment can be described as multifaceted. To some firms, they pose a threat while to others it is a source of opportunity (Kunc & Bhandari, 2011). The existing dynamic business environment requires new practices to measure performance (Kennerley & Neely, 2003). Given the operating environment, structures as proposed a number of years ago by contingency theories need to be contingent (Lawrence & Lorsch, 1967). (Mintzberg, Raisinghani, & Theoret, 1976) notes that management accounting practices are contingent given the contextual factors and strategies but bound to change over time. In this case therefore, (Melnyk, Bititci, Platts, Tobias, & Andersen, 2014) advocates for a fit between management accounting, environment and the strategies. This therefore led to examination of contemporary management accounting practices in relation to entrepreneurial strategies of the firm.

Contemporary Management Accounting Practices

Management accounting is a branch that consists of a set of social and institutional processes (Birkett & Poullaos, 2001). By itself, management accounting practices are due to interrelationship between social institution, organizational context, technologies and research contributions. As an important branch in accounting, (T. H. Johnson & Kaplan, 1987) noted that management accounting practices have been developed to enhance decision making as well as management control. Initially, financial performance of an organization was mainly based on financial indicators. Through management accounting, non-financial indicators determine performance. Hence, (Langfield-Smith, Smith, Andon, Hilton, & Thorne, 2017) supports the fact that non-financial accounting information leads to improved organizational performance. In addition, (Ittner & Larcker, 1995) found a positive relationship between TQM, management accounting information and performance. Management accounting practices has been an area of interest to most researchers in the recent past. scores of studies have focused on this important aspect in relation to various organizations. This clearly indicates that management accounting is an important ingredient given the success of an organization. Management accounting is described as value adding and continuous improvement process given financial and non-financial information systems (Foster & Young, 1997). (Mitchell, Reid, & Smith, 1998) lauds management accounting because it is vital for any innovative and successful leading firm. (Cravens & Guilding, 2001) notes the wide use of management accounting techniques with strategic focus. As a result in 1980s, (Kaplan, 1984) posits that management accounting must be tailored to affirm given its uniqueness to serve its strategic objectives of the firm. However, (Dixon, 1998) states that management accounting is insignificant given strategic issues which is contrary to (Cravens & Guilding, 2001). In the past, traditional management accounting practices were used by many organizations. These practices focused on costs (Chenhall & LANGFIELD-SMITH, 1999), failed to signify the whole depiction (Brands, 1999), have short term focus (Pavlatos & Paggios, 2009). From these features of traditional management accounting practices, it can be noted that change is inevitable given the current business environment. (Loeb, 1994) proposed the need to have contemporary management accounting practices to maximize results of total activity rather than efficiency only. Moreover, more practices are needed which are relevant given the current dynamic business environment (Abdel-Maksoud et al., 2012), pursuance of entrepreneurial strategies (Jarrar & Smith, 2014) thus lifting the performance of the organization (Langfield-Smith et al., 2017). As a turnaround process, management accounting practices too are handy given financial distress as a result of decline and failure (Amran & Ahmad, 2013). Ultimately, (Langfield-Smith et al., 2017) describes Pennings the crucial role of contemporary management accounting practices in provision of relevant information for efficient and effective use of management resources which in the long run adds value to customers and shareholders.

Contemporary management accounting practices has emerged to be more superior given the current dynamism in the business environment. (Pasanen, 2003) notes performance of enterprises to be determined by environmental dynamics. As a result, (Kennerley & Neely, 2003) recommends the adoption of practices which measures performance in the changing environment. According to Pearce and (J. Pearce & Robinson, 2003), business environment is key as it influences the type of strategies adopted to enable the firm compete effectively. In a business, strategies are dictated by many external factors. The business thus according to (Ansoff, Kipley, Lewis, Helm-Stevens, & Ansoff, 2018) are tasked with strategic responses to favourably align to environment. All businesses are in dire need of these responses to survive amidst the pressure from many environmental variables (Thompson & Strickland).

Notably, techniques used by the firms differ given traditional and contemporary management accounting categories. International Federation of Accountants (IFAC) in 1998 gave the four crucial stages. In each stage, the federation identified the key techniques used. To begin with, stage one was relating with cost determination for stock evaluation and overhead allocation while two aimed at helping managers choose strategic business units by choosing the right course of action. This was facilitated by use of techniques such as marginal costing and responsibility accounting. In stage three, more focus was on cost reduction in the industrial sector using techniques as Just in Time (JIT) and Activity Based Costing (ABC). In the latest stage four, IFAC notes the use of techniques which promotes effective utilization of resources to create value. These include Total Quality Management (TQM), reengineering, benchmarking and Activity Based Management (ABM).

From IFAC perspective, scholars have sought to give practices used commonly under the two broad categories namely traditional and contemporary management accounting. Traditional management accounting practices thus include cost benefit analysis, return on investment, standard costing and variance analysis (Pavlatos & Paggios, 2009). Other techniques include budgeting (Waweru, 1999), cost planning, controlling and reduction (Wijewardena & De Zoysa, 1999), full and direct costing (Adler, Everett, & Waldron, 2000). Basing on traditional management accounting practices' inability to adapt to changing business environment, more practices have been cited following these weaknesses. Some of these practices include Pareto analysis, CPA, JIT, throughput accounting (Ştefan & Réka, 2010), benchmarking (Affes & Rhouma, 2014), (Afthonidis & Tsiotras, 2014), ABM, TQM, Activity Based Costing (ABC), the balanced scorecard (BSC), key performance indicators (KPI), strategic cost management (SCM) and value chain analysis (Abdel-Maksoud et al., 2012). The researcher was interested on the contemporary management accounting practices among large businesses in Kenya. However, the practices evaluated excluded JIT and throughput accounting which are relating to inventory management and production process of a manufacturing firm.

Determinants of Contemporary Management Accounting Practices Usage

Studies done have focused on management accounting practices. In South Africa, (Luther & Longden, 2001) analysed the management accounting technique changes in the years 1996 to 2002 among 139 respondents. Using postal questionnaires, the findings indicate that contingent factors causing changes include competition and stakeholder pressures. (Thanju, 2012) look at the determinants of management accounting changes in three private hospitals in Nairobi, Kenya covering year 2006 to 2011. Descriptive cross-sectional survey was adopted while data was collected using both interviews and questionnaires. After analysing the data using descriptive statistics, there was an indication that these hospitals had adopted many modern management accounting techniques. This was due to high competition, advanced technology, need for financial and non-financial measures, financial performance, board members expectations, availability of resources, statutory and regulatory bodies requirements.

(K. Ahmad & Zabri, 2015) did a study to evaluate factors explaining the use of management accounting practices in Malaysia. Based on contingency theory, 110 medium sized firms were sampled and data was collected using questionnaires. From the survey, the data analysed indicated that management accounting practices are influenced by many factors namely; size of the firm, intensity of market competition, commitment of the owner or manager of the firm and advancement of manufacturing technology. (Oyerogba, 2015) investigated management accounting practices in developing economies with reference to 148 sampled Nigerian firms. Both descriptive and inferential statistics were used where the findings indicate that new management accounting practices have not been fully utilized. Further, their choice is determined by internal factors as firm size, structure, human capacity development. The external factors found to determine the choice of management accounting practices include infrastructure and competition.

More studies too relating to use of management accounting practices. (Waweru, 1999) investigated the extent to which management accounting practices were used in Kenya's publicly listed companies. Using census, all companies were studies and data was collected using semi-structure questionnaires. The descriptively analysed findings show that budgeting, a management accounting practice were common technique used for planning and control. (Wijewardena & De Zoysa, 1999) carried out a comparative analysis of management accounting practices in Australia and Japan. The main aim was to investigate the difference in adoption of management accounting techniques. Survey questionnaire mail was sent to 1000 largest manufacturing firms in each country. The findings indicate that firms in Australia place emphasize on cost control tools at manufacturing stage while those in Japan focus on cost planning and reduction tools. (Adler et al., 2000) did a study among New Zealand's manufacturing businesses. The main purpose was to understand the techniques used by the management accountants in their businesses. Using questionnaires, 868 respondents were targeted but only 165 completed them. From the findings, traditional management accounting practices such as full costing, direct costing and standard costing were often used. On the other hand, advanced management accounting techniques such as strategic management accounting were not common among the sampled businesses.

(Abdel-Kader & Luther, 2006) studied the use of management accounting practices in United Kingdom's food and drink industry. The aim was to understand the level of management accounting practices sophistication and factors affecting its implementation in this industry. 650 executives in the industry were sampled and given questionnaires. From the findings, the level of sophistication given management accounting practices is determined by environment. As uncertainty increases, the sophistication level increases too. However, the management accounting practices that were used in the industry were not sophisticated. In Greece, a study was carried out by (Pavlatos & Paggios, 2009) to report the level of adoption and the benefits derived from traditional and contemporary management accounting practices among firms in the hospitality industry. Empirical survey was employed and questionnaires were distributed to 85 sampled leading hotels. From the descriptive data, adoption rate for modern management accounting practices was satisfactory but traditional ones were widely used.

(Tuanmat & Smith, 2011) carried out a study among manufacturing firms in Malaysia. The purpose of the study was to ensure that businesses cope with current changes towards global competitiveness. The objective therefore was anchored on determination of changes in management accounting practices in response to changing business environment and its effect on performance. These changes focused on were relating to 2003 to 2007 such as introduction of new practices, replacement of existing and modification of the way existing practices were used. Data was collected from 800 sampled firms using questionnaires. From the findings, there is no significant difference in management accounting practices among local and foreign as well as between small, medium and large enterprises.

(Abdel-Maksoud et al., 2012) study in Egypt aimed at investigating the influence of intensity of competition on the deployment of contemporary management accounting practices. Three biggest manufacturing firms were targeted in 2005. The results from the data collected from interviews and structured questionnaires showed a high level of implementation of contemporary management accounting practices. (Karanja et al., 2012) evaluated the determinants, preference and usage of modern management accounting techniques among SMEs in Kenya. Using survey research design, 120 entrepreneurs and manages were sampled. They were from six key sectors noted in the Vision 2030 namely agriculture, wholesale and retail trade, tourism and hospitality, manufacturing, financial services and information technology. Data was collected using interviews, questionnaires and ethnography. From the findings, enterprises have intuitively adopted varying management accounting techniques. (Senftlechner & Hiebl, 2015) did an extensive literature review of 33 relevant articles on management accounting and control in family business. The findings indicate that management accounting is less relevant to family than in non-family businesses.

From the above studies reviewed, several factors determining contemporary management accounting practices have been documented and thus were evaluated. They include competition (Luther & Longden, 2001), (Thanju, 2012), (Abdel-Maksoud et al., 2012), (K. Ahmad & Zabri, 2015), (Oyerogba, 2015), stakeholder pressures (Luther & Longden, 2001), and technology (Thanju, 2012), (K. Ahmad & Zabri, 2015). In the study by (Thanju, 2012), these factors include need for financial and non-financial measures, financial performance, board members' expectations, availability of resources, requirements by statutory and regulatory bodies. Other factors include firm size (K. Ahmad & Zabri, 2015; Oyerogba, 2015), owner commitment (K. Ahmad & Zabri, 2015), firm structure (Senftlechner & Hiebl, 2015); (Oyerogba, 2015), human capacity development, strategic priorities (Jermias & Gani, 2004) and entrepreneurial orientation (Olsson, Nowak, & Boberg, 2006).

Management Accounting Practices and Entrepreneurial Strategies

Studies have been done relating to the use and role of entrepreneurial strategies among firms. (Jermias & Gani, 2004) adopted fitness landscape approach to test contingency hypothesis about relationship between business strategy, organizational configuration, management accounting systems and business unit effectiveness. A mail survey was done basing on a sample of 106 business unit managers of firms listed in Jakarta stock exchange under consumer goods industry. The findings indicate that strategic priorities affect the types of controls and management accounting system used by the business units. (Nimtrakoon & Tayles, 2015) did a study in Thailand to explain management accounting practices and strategy using cluster analysis approach. Based on contingency theory, the study purposed to report the level of adoption and benefit obtained from range of management accounting practices in Thailand organizations in relation to various strategic typologies. After collecting data using questionnaires, analysis was done with the help of Krauskal- Wallis one way ANOVA and factor analysis. The findings indicate that firms pursuing entrepreneurial strategies benefit more from contemporary while conservative firms focusing on cost leadership strategies benefit from traditional management accounting practices.

Other studies relating to management accounting practices, entrepreneurial strategy and firm performance have been conducted. (Olsson et al., 2006) purposed chart and compare how management accounting systems are designed and used in organizations with different levels of entrepreneurial orientation. The main objective was to illustrate the current practice of management accounting in firms with different level of entrepreneurial orientation. After employing survey research design, 15 firms sampled where interviews and postal questionnaires were used to collect data. The findings indicate that design and use of management accounting differs based on level of entrepreneurial orientation. Those firms with lower level of entrepreneurial orientation base their decisions on financial information. In contrast to this, firms with higher level of entrepreneurial orientation use more of non-financial together with financial information. (Van Weezel, 2009) examined complexities of the relationship between entrepreneurial strategy-making mode and firm's performance in America. Case study research design was used and a sample size of 1400 newspaper firms. The findings indicate that the performance of entrepreneurial firms were better than those which are not.

(Afthonidis & Tsiotras, 2014) study on strategies for business excellence under economic crisis purposed to reveal the appropriate courses of action to any executive. Through extended literature review, verification was done by issuing questionnaires to 88 enterprises. From the data analysed using ANOVA, the findings indicate the need to have strong competitive advantage during economic crisis. In this case, implementation of TQM helps the firms' strategic plan to survive, strengthen position while exploiting opportunities during recession. (Jarrar & Smith, 2014) examined innovation in entrepreneurial among Australian firms. Using structural equation modelling, the findings indicate that innovation is a mediator given the relationships between entrepreneurial strategy, contemporary management control system and organizational performance. It also indicates that there is no significant relationship between entrepreneurial strategy and ABC even when innovation is in place.

(Affes & Rhouma, 2014) examined management accounting practices and entrepreneurial orientation. Based on a sample size of 53 new industrial ventures in Tunisia, questionnaires were issued. The data was latter analysed using simple regression model and principal component analysis. From the findings, benchmarking, a management accounting practice is used to fulfil entrepreneurial strategies as it incorporates non-financial measures. (Andersén & Samuelsson, 2016) examined how entrepreneurial orientation and use of management accounting practices in decision making affect profitability of manufacturing SMEs in Sweden. Among these SMEs, 153 were sampled from the study where data was analysed using two and three way interaction regression. The findings indicate that both entrepreneurial orientation and management accounting practices have a positive effect on profitability of non-growing firms. In growing firms, use of management accounting practices is a pre requisite for entrepreneurial orientation to influence profitability.

A group of researchers have done unique studies by focusing on the relationship between management accounting practices and performance of the firm in general. (Aksoylu & Aykan, 2013) did a study focusing on effects of strategic management accounting techniques on perceived performance of the business in Turkey. The objective was to examine the compliance of medium and large enterprises with strategic management accounting techniques and determine its effects on performance. After collecting data using questionnaires, the findings noted that over 50% of businesses use strategic management accounting techniques and thus exists a positive effect on their performance. (Kaynak, 2003) analysed literature regarding the relationship between TQM practices and their effect on firm performance. Cross sectional survey was also done where 214 business units in United States were sampled. The structural equation analysis findings indicate a positive relationship between TQM practices and performance of the firm. (Cagwin & Bouwman, 2002) investigated the relationship between ABC and firm performance. A sample size consisting of 1058 internal auditing professionals were issued with questionnaires. The data collected was latter analysed using confirmatory factor analysis and structural equation modelling. A positive relationship was found between ABC and firm performance.

(Gichaaga, 2014) analysed the effects of management accounting practices on financial performance of manufacturing firms in Kenya. Guided by contingency theory, descriptive survey was adopted where sample size comprised of 46 firms. The findings indicated that decisions of the firms were based on management accounting practices and thus had a positive relationship with the performance. Mohamed and Jones (2014) purposed to propose a comprehensive strategic model to manage profitability in Egypt. By reviewing literature in phase one, a relationship between strategic management accounting techniques and profitability was focused on. In the second phase, perception of the 467 managers was tested and data was collected using questionnaires. After conducting factor analysis, findings indicate that different management accounting tools, which is termed to be strategic management accounting, need to be used in enhancing profitability.

From the review, firms can be categorised as entrepreneurial, established and conservative. Regardless of the category, each firm understand strategic management aspect though it varies among them. Through this, firms aim at having sustainable competitive advantage (Ramachandran et al., 2006) and exploiting opportunities given entrepreneurial firms (Ireland et al., 2001). In these firms, resources add value (JB Barney, 2007) and there is need to be aware of Porter's five competitive forces. Management accounting practices positively affect performance of the firm (Aksoylu & Aykan, 2013; Andersén & Samuelsson, 2016; Anderson & Lanen, 1999; Cagwin & Bouwman, 2002; Gichaaga, 2014; Kaynak, 2003; Mohamed & Jones, 2014). Other researchers have focused on management accounting and strategies of the firm as (Jermias & Gani, 2004) assert the latter affecting the former. Contrary to this, management accounting practices have been found to positively affect strategies of the firm (Afthonidis & Tsiotras, 2014), (Affes & Rhouma, 2014), (Jarrar & Smith, 2014). (Nimtrakoon & Tayles, 2015) sets forth that the entrepreneurial firms benefit more from contemporary management accounting practices hence the study focus on such firms. The study thus was determined in testing hypothesis H_{o1}; there is no significant relationship between contemporary management accounting practices and entrepreneurial strategies of large businesses in Eldoret town, Kenya. These strategies borrowed from studies reviewed were creating of new markets, addressing of resource constraints, having dynamic capabilities, exploiting fast moving opportunities, meeting customer new demands, agility and having new performance measures.

Research Design and Methodology

Correlational survey research design was adopted as it assesses the relationships among variables (Creswell & Creswell, 2017). The design is also based on the premise that if a statistically significant relationship exists between variables, then, one variable can be predicted based on the information available on the other variable. The study aimed at exploring the contemporary management accounting practices and entrepreneurial strategies of businesses in Kenya. The study targeted 1,237 large businesses in Eldoret town according to Uasin Gishu County government (July, 2017). From the County Government records, these businesses are grouped into 23 categories. Thus, the accessible population was 570 businesses under large trader, shop, retail store or personal category. This represented 46% of the total large enterprises in the town and has potential of preparing management accounting reports and having key entrepreneurial strategies unlike small and medium. Borg and Gall (2014) formula was employed to determine the sample size of 229 given the accessible population targeted to be 570 businesses. The unit analysis was staff in finance or accounting sections as they were in a better position to provide information.

Data collection and analysis

Structured questionnaires were self-administered among the 229 businesses sampled. After collection, data analysis was analysed descriptively using frequencies, percentage, mean and standard deviation. Thus, descriptive statistics was utilized given the data collected regarding contemporary management accounting practices use as well as factors determining the usage. Later, multiple regressions analysis was utilized in testing the study's hypotheses given the relationship between contemporary management accounting practices and entrepreneurial strategies of large enterprises in Eldoret town. Hence, the regression model of the study was as follows;

$$ES = \beta o + \beta 1BM + \beta 2ABM + \beta 3TQM + \beta 4ABC + \beta 5BSC + \beta 6SCM + \beta 7KPI + \beta 8VCA + \beta 9PA + \beta 10CPA + \varepsilon \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots..1$$

Key: ES (Entrepreneurial strategies); BM (Benchmarking); ABM (Activity based management); ABC (Activity based costing); BSC (Balanced scorecard); SCM (Strategic cost management); KPI (Key performance indicator); VCA (Value chain analysis); PA (Pareto analysis); CPA (Customer profitability analysis); e (Random error term)

Findings and Discussions

A total of 229 questionnaires were distributed and a total of but only 194 were returned. This resulted in a response rate of 84.72% which according to (Mugenda & Mugenda, 1999) was excellent. Out of the 229 questionnaires returned, missing values were identified. As stated by (Tabachnick, Fidell, & Ullman, 2007), these missing values have substantial impacts on the observations. This is because missing data reduces statistical power of the study, leads to biased estimates hence invalid conclusions (Kang, 2013). (Hair, Money, Samouel, & Page, 2007) opines the removal of particular cases if there are more than 50 percent missing values. As a result, 2 questionnaires were removed since there were more than 50 percent missing values.

Table 1: Response Rate of Questionnaires

	Number	Percentage
Questionnaires administered	229	100
Questionnaires returned	194	84.72
Questionnaires used for analysis	192	83.8

Source: Research Data (2018)

Descriptive Statistics Results

The gender of respondents was analysed In Table 2 whereby 81.8% were male while 18.2% of them were female. The results indicate all genders were had a chance to run large enterprise in Eldoret town even though male outnumbers female gender.

Table 2: Descriptive analysis results for Demographic Information

		Frequency	Percent
Gender	Male	157	81.8
	Female	35	18.2
	Total	**192**	**100**
Age	Below 25 years	27	14.1
	Between 26 and 31 years	76	39.6
	Between 32 and 37 years	55	28.6
	Above 38	34	17.7
	Total	**192**	**100**
Level of Education	Master degree	10	5.2
	Bachelor degree	32	16.7
	Diploma	65	33.9
	Other not related to business	70	36.5
	None	15	7.8
	Total	**192**	**100**

Source: Research Data (2018)

In terms of age of the respondents in Table 2, 39.6% were within the age bracket of 26 and 31 years while 14.1% were below 25 years. Generally, it is believed that large enterprise individuals with the highest level of education. On the contrary, 5.2% and 16.7% of the respondents hold master and bachelor degree respectively. On the other hand, most large enterprises had individuals with other education qualifications not business related as indicated by 36.5%. This was followed closely by those with diploma (33.9%). Moreover, 7.8% of the respondents with no education were a clear indication that education was not the requisite to perform effectively in a large enterprise.

In the recent dynamic business environment, decision making in most enterprises is of the essence. CMAPs thus are handy since they bring into board non-financial indicators of performance as opposed to the traditional management accounting practices. In Table 3, customer profitability analysis (CPA) was rated best (Mean = 3.64). Generally, CPA according to (Ştefan & Réka, 2010) help management of a firm to understand its customers more. This is because CPA aids in grouping of customer profitability which in the end results in different actions and strategies for each customer profitability segment. Basing on the result therefore, CPA as a valuable ingredient for successful managerial decision making was leading CMAPs among large enterprises in Eldoret town. Other CMAPs with mean above 3.00 comprised of SCM (mean = 3.54), KPI (mean = 3.47), TQM (mean = 3.37), BSC (mean = 3.34), ABC (mean = 2.88) and benchmarking (mean = 3.05).

Table 3: Contemporary Management Accounting Practices (CMAPs)

		SD	D	N	A	SA	Mean	SD
Benchmarking	F	20	44	57	48	23	3.05	1.175
	%	10.4	22.9	29.7	25.0	12.0		
ABM	F	23	53	55	47	14	2.88	1.133
	%	12.0	27.6	28.6	24.5	7.3		
TQM	F	11	30	38	103	10	3.37	0.999
	%	5.7	15.6	19.8	53.6	10.0		
ABC	F	12	40	55	75	10	3.16	1.018
	%	6.3	20.8	28.6	39.1	5.2		
BSC	F	3	36	66	66	21	3.34	0.958
	%	1.6	18.8	34.4	34.4	10.9		
SCM	F	6	18	42	118	8	3.54	0.843
	%	3.1	9.4	21.9	61.5	4.2		
KPI	F	4	24	56	94	14	3.47	0.880
	%	2.1	12.5	29.2	49.0	7.3		
Value chain	F	25	74	54	35	4	2.58	1.000
analysis	%	13.0	38.5	28.1	18.2	2.1		
Pareto analysis	F	18	161	9	2	2	2.01	0.527

	%	9.4	83.9	4.7	1.0	1.0		
CPA	F	2	18	49	102	21	3.64	0.839
	%	1.0	9.4	25.5	53.1	10.9		

Source: Researcher (2018)

On the other hand, Pareto analysis was rated low (mean = 2.01). Basically, Pareto analysis relates to critical analysis of causes of problems in a firm. From the results therefore, the implication is that most of large enterprises in Eldoret town directs less attention to identification of the main root cause which could help resolve majority of the problems faced. In terms of standard deviation (SD), benchmarking had the highest (SD = 1.175) which indicated that most numbers generated from Likert Scale were far from the mean. On the contrary, Pareto analysis had the least (SD = 0.527) as that most numbers were close to the mean.

Table 4: Factors determining the use of Contemporary Management Accounting Practices (CMAPs)

		SD	D	N	A	SA	Mean	SD
Level of competition	F	2	5	8	171	6	3.91	0.513
	%	1.0	2.6	4.2	89.1	3.1		
Stakeholder pressure	F	16	78	49	37	12	2.74	1.060
	%	8.3	40.6	25.5	19.3	6.3		
Level of technology	F	17	81	46	36	12	2.71	1.066
	%	8.9	42.2	24.0	18.8	0.3		
Need for financial and non-financial measures of performance	F	2	5	8	171	6	3.91	0.513
	%	1.0	2.6	4.2	89.1	3.1		
Financial performance	F	2	5	12	162	11	3.91	0.558
	%	1.0	2.6	6.3	84.4	5.7		
Board member expectations	F	26	119	30	13	4	2.22	0.840
	%	13.5	62.0	15.6	6.8	2.1		
Availability of resources	F	5	9	16	143	19	3.84	0.763
	%	2.6	4.7	8.3	74.5	9.9		
Statutory and regulatory body	F	27	110	41	13	1	2.22	0.791
	%	14.	57.3	21.4	6.8	0.5		

requirements		1						
Firm size	F	14	90	43	33	12	2.68	1.043
	%	7.3	46.9	22.4	17.2	6.3		
Owner Commitment	F	17	116	33	18	8	2.40	0.926
	%	8.9	60.4	17.2	9.4	4.2		
Firm structure	F	4	19	9	154	6	3.72	0.767
	%	2.1	9.9	4.7	80.2	3.1		
Human capacity development	F	4	15	44	106	23	3.67	0.863
	%	2.1	7.8	22.9	55.2	12.0		
Strategic priorities	F	2	7	7	170	6	3.89	0.545
	%	1.0	3.6	3.6	88.6	3.1		
Entrepreneurial orientations	F	2	4	9	171	6	3.91	0.499
	%	1.0	2.1	4.7	89.1	3.1		

Source: Researcher (2018)

The study examined factors determining the use of CMAPs among large enterprises in Eldoret town. As shown in Table 4, board members expectation, statutory and regulatory body requirements were found to have the lowest mean of 2.22. In addition, the leading determinants with the highest mean (3.91) in line with (Thanju, 2012) were financial performance, need for financial and non-financial measure of performance. Moreover, level of technology even though it had highest SD (1.066) was among the key determinants of CMAPs usage hence in line with the findings by (Thanju, 2012), (K. Ahmad & Zabri, 2015)(2015), (Oyerogba, 2015). Lastly, entrepreneurial orientations of the firms as also found by (Olsson et al., 2006) were among the main determinants of CMAPs used by large enterprises in Eldoret town. Entrepreneurial orientations was however found have the lowest SD (0.499) out of all the factors examined by the study as to affect CMAPs usage.

Table: Entrepreneurial Strategies

		SD	D	N	A	SA	Mean	SD
New market development	F	0	3	7	178	4	3.95	0.344
	%	0	1.6	3.6	92.7	2.1		
Addressing of resource constraints	F	2	4	18	150	18	3.93	0.601
	%	8.3	40.6	25.5	19.3	6.3		
Having dynamic capabilities	F	4	15	43	108	22	3.67	0.857
	%	2.1	7.8	22.4	56.3	11.5		

Exploitation of fast-moving market opportunities	F	7	11	12	159	3	3.73	0.752
	%	3.6	5.7	6.3	82.8	1.6		
Meeting of customer demands	F	3	10	45	109	25	3.74	0.807
	%	1.6	5.2	23.4	56.8	13.0		
Agility	F	2	7	8	171	4	3.88	0.537
	%	1.0	3.6	4.2	89.1	2.1		
Having new performance measures in business	F	18	96	46	25	7	2.52	0.960
	%	9.4	50.0	24.0	13.0	3.6		

Source: Researcher (2018)

Entrepreneurial strategies are key determinants of the success of a firm in terms of its sustainability and growth. Ideally, firms are expected to create value either through strategic deployment of resources (JB Barney, 2007) and development of sustainable competitive advantage (Ramachandran et al., 2006). From the results in Table 5, new market creation was rated the best (mean = 3.95). This implies that majority of large enterprises in Eldoret town focus on increasing their existing market as part of their entrepreneurial strategy. Conversely, the need to have new performance measures as an entrepreneurial strategy was rated least in the study as shown by the mean of 2.52. This is contradicted (Kennerley & Neely, 2003) who were of the opinion that firms are to have new measures of performance as one of their entrepreneurial strategies. Basing on SD, new market creation was found to be a more reliable entrepreneurial strategy (SD = 0.344) as most numbers were close to the mean. However, dynamic capabilities was found to have high SD (0.857) hence unreliable given that most numbers were far from the mean.

Testing of hypotheses

The study sought to test hypothesis H_{o1}; there is no significant relationship between contemporary management accounting practices and entrepreneurial strategies of large businesses in Eldoret town. From the findings in Table 6, R Square was .504 implying that 50.4% of the variation in entrepreneurial strategies of large enterprises in Eldoret town is explained by predictor variable which are the contemporary management accounting practices. The overall regression model was of good fit as indicated by $F(10,181) = 2.091$, $p < .05$. The predictor variables (contemporary management accounting practices) statistically significantly predicted entrepreneurial strategies.

Table 6: Regression results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.522	.504	.514	2.471	
			ANOVA		
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	127.669	10	12.767	2.091	.027
Residual	1104.998	181	6.105		
Total	1232.667	191			

Source; Researcher (2018)

In Table 7, there was a positive (β = .318) and statistically significant relationship (p-value = .006 <.05) between benchmarking and entrepreneurial strategies. As a result, H_{o1a}; there is no significant relationship between benchmarking and entrepreneurial strategies was rejected. This implied that there was a significant relationship between benchmarking and entrepreneurial strategies of large enterprises in Eldoret town. Hence, 1 unit increase in benchmarking increased entrepreneurial strategies of the large enterprise by 0.318 units. To some extent, the finding supports the opinion by (Boxwell, 1994) that firms are tasked to be involved in the task of comparing their processes and performance with bet practices of other firms. Moreover, the results supported the opinion by (Affes & Rhouma, 2014) that benchmarking incorporates non-financial measure thereby handy to a firm in fulfilling its entrepreneurial strategies. The study failed to reject $H_{o1b;}$ there is no significant relationship between ABM and entrepreneurial strategies of large enterprises in Eldoret town. This was because there was a positive and insignificant relationship between ABM and entrepreneurial strategies as indicated by β = .248 and p-value = .130 >.05). Hence, it was concluded that there is a no significant relationship between ABM and entrepreneurial strategies of large enterprises in Eldoret town. The possible explanation is that firms engage in both operational and strategic ABM which according to (Kaplan, 1998) which aims at reducing costs while improving customer value. As a consequence, there is no relationship between ABM and firm's entrepreneurial strategies.

The study rejected hypothesis H_{o1c} and that there was a positive (β = .559) and statistically significant (p-value = .004< .05) relationship between TQM and entrepreneurial strategies of large enterprises in Eldoret town. Therefore, 1 unit change in TQM increased entrepreneurial strategies of the enterprise by 0.559 units. This finding thus supported (Afthonidis & Tsiotras, 2014) who found that TQM helps a firm achieve strategies as planning to survive, strengthening of positioning and exploitation of opportunities. Hypothesis H_{o1d}; there is no significant relationship between ABC and entrepreneurial strategies of large enterprises in Eldoret town was rejected. Accordingly, the study documented a positive (β = .357) and statistically significant (p-value = .047< .05) relationship between ABC and entrepreneurial strategies. This finding was thus contradictory with (Jarrar & Smith, 2014) who documented insignificant relationship between ABC and entrepreneurial strategies. The study sought to test hypothesis Ho1e; there is no significant relationship between BSC and entrepreneurial strategies of large enterprises in Eldoret town. From the results in Table 7, there was a positive and statistically significant relationship between BSC and entrepreneurial strategies as indicated by β = .385 and p-value = .008<.05 respectively. Therefore, 1 unit change in BSC increase entrepreneurial strategies of the enterprise by 0.385 units. BSC was thus a CMAP in most enterprises which as opined by Kaplan and Norton (1992) abet in analysis of key areas which include customers, finance, business process, learning and growth.

Table 7: Regression Coefficient Results

Model	Unstandardized coefficients	Standardized coefficients	t	Sig
Constant	22.429* (1.878)		11.942	.000
Benchmarking	.318* (.159)	.496	1.998	.006
ABM	.248 (.163)	.311	1.521	.130
TQM	.559* (.189)	.620	2.958	.004
ABC	.357* (.179)	.443	1.996	.047
BSC	.385* (.196)	.430	1.964	.008
SCM	.558* (.218)	.662	2.560	.013
KPI	-.077 (.212)	-.127	-.361	.718
Value chain analysis	-.117 (.183)	-.146	-.642	.522
Pareto analysis	.603 (.361)	.725	1.71	.096

Customer profitability analysis	.520* (.222)	.699	2.342	.011

*Significant at 5% level of significance; Standard error is in the table is shown in parenthesis
Source; Researcher (2018)

There was a positive (β = .558) and statistically significant (p-value = .013<.05) relationship between SCM and entrepreneurial strategies of large enterprises in Eldoret town hence rejection of H_{o1f}. The possible implication was that 1 unit change in SCM led to increase in entrepreneurial strategies of the enterprise by 0.558 units. There was thus an indication through SCM in line with opinion by (Shank & Govindarajan, 1992), management of large enterprises were dedicated in utilization of cost information in enhancing the business management process. In Table 7, the results indicated a negative (β = -.077) and insignificant (p-value = .718 >.05) relationship between KPI and entrepreneurial strategies. Consequently, hypothesis H_{o1g} was failed to be rejected. This implied that focusing on what is important as the key practice with KPI do not have any relation with entrepreneurial strategies of the enterprise. Given large enterprises' entrepreneurial strategies, a negative and insignificant relation with value chain analysis was reported as shown by β = -.117 and p-value = .522> .05. Hypothesis H_{o1h} was failed to be rejected and concluded that set of activities performed by the enterprise as to deliver valuable products and services in the market negatively affected the entrepreneurial strategies of large enterprises in Eldoret town. Furthermore, the study tested hypothesis H_{o1i} as to establish whether there was a significant relationship between Pareto analysis and entrepreneurial strategies of large enterprises in Eldoret town. Despite the relationship being positive (β = .603), it was insignificant (p-value = .096 > .05) hence failing to reject H_{o1i}. Therefore, despite the effort employed in creatively analysing the causes problems facing the enterprise, this does affect entrepreneurial strategies in any way. Lastly, the study rejected hypothesis H_{o1j} and concluded that there was a positive (β = .520) and statistically significant relationship between CPA and entrepreneurial strategies of large enterprises in Eldoret town. Hence, 1 unit increase in CPA increased entrepreneurial strategies by 0.520 units. In support of (Ştefan & Réka, 2010) CPA help a firm have valuable information arising from customer profitability segments for improving performance which in this case relate to entrepreneurial strategies. Regression equation 1 was therefore fitted as follows;

$$ES = 22.429 + .318BM + .248ABM + .559TQM + .357ABC + .385BSC + .558SCM - .077KPI - .117VCA + .603PA + .520CPA$$

Conclusion and Recommendations

In an enterprise, information is required to facilitate evidence-based decision making. From accounting and decision usefulness theories, relevant information is availed through financial reporting and accounting practice. In particular, the general objective of management accounting is to provide information to management of an organization which is useful in decision making. Initially, traditional management accounting practices were utilized by most organization. Unfortunately, these practices were inadequate since they failed to confine entire picture of the organization (Brands, 1999). Generally, there is need to take into account the dynamics of surroundings as they affect business performance. In the modern world therefore, there is call for more practices (Abdel-Maksoud et al., 2012). Hence, contemporary are preferred over traditional management accounting practices given their ability to enable a firm pursue entrepreneurial strategies (Jarrar & Smith, 2014). The study thus focused on the CMAPs adopted by large enterprises in Eldoret town whereby CPA was found to be widely used. Moreover, level of competition, financial performance, entrepreneurial orientations, need for financial and non-financial performance measures were found to be the key determinants of CMAPs used by large enterprises in Eldoret town. Lastly, the study found a positive and statistically significant relationship between CMAPs and entrepreneurial strategies. Among these CMAPs were benchmarking, TQM, ABC, BSC, SCM and CPA. As pointed out by (Nimtrakoon & Tayles, 2015). CMAPs are vital in firms that pursue entrepreneurial strategies. Despite the usage of these CMAPs is determined by several factors, the study suggested to management of large enterprises to focus more on CMAPs as most of these practices positively affect entrepreneurial strategies. By doing so, the enterprise will manage to pursue its entrepreneurial strategies in the current business environment which is dynamic in nature. Theoretically, the study findings contribute to accounting and decision usefulness theories. This is because most of CMAPs in particular have been found to provide information to management of large enterprises in regards to entrepreneurial strategies. Despite meeting its objectives, the study suggested that future researchers could focus more on enlarging the scope as the study focused on large enterprises. There is need for future studies to extend the model by incorporating variables such as demographic characteristics, educational background of the enterprise managers as well as enterprise size which interferes with the direct relationship between CMAPs and entrepreneurial strategies. Furthermore, other studies could be done as to examine the effect of CMAPs on financial performance of large enterprises through entrepreneurial strategies.

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