

UNIVERSITY OF NAIROBI

DEPARTMENT OF SOCIOLOGY AND SOCIAL WORK

**FACTORS INFLUENCING PERFORMANCE OF THE UWEZO FUND
ASSISTED YOUTH PROJECTS IN MIGORI COUNTY, KENYA.**

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DECLARATION

This research project is my original work and has not been presented in any other University. No part of this research may be produced without the prior permission of the author or University of Nairobi

Signature.....

Date.....

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This research project has been submitted with my approval as the university supervisor.

Signature.....

Date.....

Prof. Preston Chitere

DEDICATION

I dedicate my work to God who gave me the strength and wisdom to complete the project and my Master course. I also dedicate this work to my parent Mrs. P. Otieno, my brothers David Otieno, Bob Seth, my sister Janet Otieno Prosper and George Gregory Hagono for their resilience and understanding.

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ABSTRACT

Uwezo Fund is a program for employment. It was launched on the 8th of September 2013 and enacted through the legal notice number 21 of the Public Finance Act 2014 and launched on 21st February 2014 under the Ministry of Devolution and Planning. The President allocated 6 billion to the youth aged between (18-35) years. Its main aim was to enhance economic growth towards the realization of the Millennium Development goal number one (to eradicate poverty and hunger). It was also to promote gender equality and empower women also to provide mentorship to enable the beneficiary to make up to 30% procurement by the government, (Uwezo Fund Handbook, 2013). Migori County had seven constituencies; Rongo, Suna East, Suna West, Uriri, Nyatike, Kuria East and Kuria West. The county received Ksh.146.7 Million. Rongo constituency received Ksh.16, 943,338 as per the gazette notice of September 2014.

The study main objective was to assess factors influencing performance of the Uwezo Fund assisted youth projects in Migori County, Kenya. The study sought to establish the following factors had affected performance: profiles of the entrepreneurs, the process of disbursement and repayment of the fund to different groups and individual entrepreneurs, type of projects entrepreneurs owned, performance of the projects and administration of the fund. The study adopted descriptive research design. The population of the study was 99 Uwezo Fund members who were a representative sample representing 10% of the youth assisted by the fund. Primary data were collected by use of questionnaires which contained both open and closed ended questions.

The literature review and theoretical framework of this study was based on social capital and Grameen banking frameworks. Social capital focused on human being sociability and connectedness and their relationship to individual and social structures. Grameen banking is based on the idea that the poor have skills but have no chance to use their skills without money it gave small loans to the rural poor .

The key findings of this study were as follows. The study found out that female youth entrepreneurs were less involved in the uptake of the fund. The process of disbursement and repayment had setbacks. It took longer to access the fund compared to the other financial institutions. On the performance of the projects assisted by the fund, the study found out that a considerable number of respondents had managed to employ workers and increased their stock and high cost of doing business pointing out high taxes introduced by the county and national governments. The study found out that the youth entrepreneurs managed various businesses; merchandising, service and hybrid businesses. Poor state of infrastructure, inadequate electricity supply, inadequate knowledge of running enterprises and communication skills were some of the factors that affected the youth entrepreneurs. Lastly the fund administration failed to train the entrepreneurs, offer internet services and was characterized by lack of professionalism, corruption and nepotism.

The study recommends that in order to improve the fund management; institutionalizing its structures that allows 'bottom up approach of leadership', where the people are given a chance to create rules that govern them was key.

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ABBREVIATIONS AND ACRONYMS

CDF	-	Constituency Development Fund
CEDAR	-	Centre for Entrepreneurship Development and Research
GOI	-	Government of India
GOK	-	Government of Kenya
IRDP	-	Integrated Rural Development Program
KKV	-	Kazi Kwa Vijana
NYDA	-	National Youth Development Agency
R	-	Rand
RM	-	Ringgit Malaysia
SME	-	Small Medium Enterprise
SSM	-	Surahanjaya Syarikat Malaysia
TRYSEM	-	Training of Youths Self Employment
UN	-	United Nations
UNDP	-	United Nation Development Program
WPoA	-	World Program of Action
YEF	-	Youth Entrepreneur Fund

CHAPTER ONE: INTRODUCTION

1.1 Background to the study

The youth have various definitions; United Nations defines the youth as those between fifteen to twenty four years. The Kenyan constitution seals the ambiguity of who a youth is by providing the definition in article 260. This is a person who has attained 18 years but is below 35 years. The main focus is on those between ages eighteen to thirty five years. In reference to the United Nations Advocate for youths, there are more young people in the world than ever before. The global populations for young people are about 1.8 billion; between ages 10 and 24. Most of these young people's potential is hindered by extreme poverty, discrimination and lack of information, (UNDP Report 2015).

In 1995, the United Nations adopted the World Program of Action (WPOA) for youths and beyond. It set the global framework to address key issues related to the youth reflecting ongoing dialogue from 1960s. The three most popular themes in the four past decades were International conference on Population and development and peace and participation of the youths. With the reflection on these themes, the World Program of Action for youths outlined ten priority areas of concern to the young people as follows; education, employment, hunger and poverty, health, environment, drug abuse, juvenile delinquency, leisure time, girls and young women and participation, (Advocate for youths 2012).

Entrepreneur is a French word meaning to undertake and focus on a business enterprise. Schumpeter (1934) describes an entrepreneur as a person who identifies business opportunity, harnesses and obtains the resources necessary to initiate a successful activity. He implements the idea and undertakes to operate the business. An entrepreneur is therefore a central key individual in the society who makes things happen for economic development. In broader meaning; entrepreneurship refers to the means of stimulating innovative and creative undertakings for a better business community or world. They anticipate demand and bear risks associated with their investments.

According to The Youths Factor (2012) Survey of Malaysian Youth Opinion affirmed that youths today experience various needs in their daily livelihood. Joblessness is one major problem the youth face thus most governments in the world have come up with programs to affirm hope to the youth population to enhance the economic growth: eradicate poverty and hunger; promote equality to youths and persons with disability. The youth constitute about forty three per cent of the total population. The Malaysia government has a fund called Young Entrepreneur Fund (YEF). This is a special fund allocated by the government of Malaysia as part of the continuous strategy creation of new entrepreneurs among Malaysian youths. The main purpose of the fund is to provide alternative access to financing new businesses by the young entrepreneurs. The financing concept is based on Sharia financing concept. The financing limits are minimum of RM 20,000 and maximum of RM 100,000. The tenure is up to seven years including maximum one year grace period. The net profit rate is 5% per annum. (MITI, 2013). To be eligible for the fund, the applicant must be a Malaysian youth between the ages 18- 30 years owning a business. The business must be registered with Suruhanjaya Syarikat Malaysia (SSM) under a sole proprietorship or partnership, (Centre for Entrepreneurship Development and Research, 2013).

Mago (2014) says that youths in Africa too face the problem of unemployment as well as job insecurity that make them disadvantaged and thus cannot compete with their peers globally besides having no input in their countries economic growth. One such country is South Africa; for over the last seventeen years the government has spearheaded policies, strategies and plans of action to improve the well-being of the youth. Poverty and lack of working opportunities are the greatest threat to young South Africa's social capital development.

In reference to Michael (2004), National Department of Social, Economic Inclusion and Integration of the Youth – commissioned the development of Framework for social Security for youth in South Africa. The government has set aside a fund to support innovative programs of the youth and to provide rapid and measurable benefits that can be sustained, (National Youth Development Agency Act, NO54, 2008). One such fund for development is the National Youth Development Agency (NYDA). The fund was established in the year 2008 to help address some of the problems facing South African youth such as skill development and unemployment.

This agency ensures that the government, private sector and Civil Society make the youth development a priority by identifying solutions to the youth problems.

NYDA core business is education, skills, and granting of loans. The grants are through micro finance for the youth entrepreneurship and cooperative grants for greater participation of youths in co-operative sectors. The objective is to provide young entrepreneurs an opportunity to access both financial and non-financial business development support. The grant starts from a minimum of R1000.00 to a maximum of R100, 000.00 for any individual or youth cooperative mostly upcoming entrepreneurs. Grants to co-operatives; autonomous association of people united to meet common economic and social goals through jointly owned democratically controlled enterprise and community development and facilitation projects. National Youth Agency Act affirms that the youth must be between the ages of 18-25 years with skill for the business and industry they wish to venture in. Applicant must be a South African citizen with an ID and operate the business in South Africa, (Republic of South Africa, 2008).

Kenya faces lack of independent creation of adequate productive and sustainable employment opportunity since independence. William (2013) on his paper says the youth population is fourteen million and is estimated at seventeen million. Rural areas have minimal employment thus the rural urban migration. There is a case for an urgent enhancement of interventions that promote access to quality education for the youth for better labor market outcome.

In this publication titled 'Youth Fact Book', Njonjo, (2010) explains that Kenyan young populations are unemployed, underemployed and underpaid thus is in the swelling ranks of the working poor. He states that large portion of young adults has prolonged dependency on parents and diminishing self-esteem that fuels in to frustrations which increases the likelihood of violence or conflict. Article 21 (3) of the Constitution of Kenya obligates all state organs and officers to address the needs of the vulnerable groups within the society, women, the old members of society, persons with disability, children, youth, marginalized communities and members of a particular ethnic or religious or cultural communities. Ongeru (2013) asserts that youths in Kenya experience much higher unemployment rates than the rest of

Kenyan youth. There is a substantial variation in employment rates in urban and rural regions. Youth Employment.

Kenya formulated the Vision 2030 which would make the country be a middle income state by the year 2030. According to the Vision 2030, the youth are the integral and important component towards wealth creation. The youth form much of the human capital thus young people would be the future stakeholders and beneficiary of Vision 2030. In order to reduce the percentage of unemployment, the government of Kenya has put employment creation as a major policy agenda for development. It has developed National Employment Policy to help achieve productive, decent and sustainable employment opportunities, William (2013).

A study carried out by United Nations Development Program entitled Kenyan Youth employment Challenge (2013) indicated that Kenya has over the years recognized the existence of youth unemployment. The study highlighted that the government and other stakeholders have come up with policies to help the country deal with unemployment challenge. From 1963 to 2013 seventeen policies had been implemented and ten amongst them being used as policy menu. They were categorized into three types: active labor policies, structural policies and macroeconomics policies. The study further states that the measures were divided according to time frames; 1963-1979 structural policies were implemented, 1980-1989 the government implemented labor and microeconomic policies and 1990 to the present.

Most of these policies have not been adequate to deal with unemployment challenge among the youth. The policies emphasized on public works, entrepreneurial development and skill enhancement,(UNDP,2013).National Youth Service was established in 1964-1990 based on premises of offering young people technical , vocational and professional skills. It was also a reservoir for Kenya Armed Forces by rehabilitating and training disadvantaged youths from poor background. Many youths benefited from NYS until its collapse in 1990s.

Kazi Kwa Vijana (KKV) is another policy that was launched by the coalition government under the Prime minister's office. Its aim was to employ between 200,000-300,000 youths per year both in rural and urban areas to carry out intensive

public works projects. Examples of the activities are irrigation, repairing roads, building dams, tree planting waste management etc., GOK (2013) Poverty Reduction report.

Youth Enterprise Development Fund (YEDF) was established in 2006 purposely to reduce unemployment among the youths by 61% in the country. The targeted age bracket is 18 to 35 years. The fund strategic focus was on enterprise development that would increase economic opportunities and participation of the youth in nation building. It also had diversified its product base by focusing on intervention that responsive to the needs of the youths and addressing specific challenges facing the youths. The fund had improved communication at the grassroots levels dubbed Mashinani where they gather all the stake holders and leaders from various counties to discuss on opportunities and challenges the youth's experiences and how best they can be solved depending on their uniqueness, GOK (2006) YEDF report.

According to National Youth Policy, a number of organizations dealing with youth problems have increased over the years, lack of comprehensive policies made it difficult for the groups to effectively tackle the problems. Government of Kenya policy was aimed at ensuring the youths played a role alongside the adults on issues affecting their life. Thus the policy meant that the youths participated in community programs such as employment creation, education and training, arts and culture and sports, GOK (2007) National Youth Policy.

Entrepreneurial cultural practices in Kenya have come a long way. The practices vary from country to country depending on the following; material resources, the industrial climate and social and political systems. The underdeveloped regions especially in Kenya due to the policing of funds; lacks skilled labor, existence of minimum social and economic overheads to curb emergencies of innovative entrepreneurs and lack of developed institutions to support and encourage it. Kenya has imitator entrepreneurs lacking enough innovators unlike other countries like South Africa.

However Kenya has established institutions that provide assistance to aspiring entrepreneurs in terms of funds disburse loans especially for the youths in the hope of promoting entrepreneurs. (GOK. 2015). Because of the challenges the youth's faces

the government come up with the idea of youth development Funds. The Kamunge report in 1999 recommended that entrepreneurship education and training should be introduced at all levels of training programs to promote self-employment and reliance among the Kenyan youth. The main objective of the government was to empower the youth's economically; example of such funds is UWEZO FUND.

1.1.1 An Overview: The Uwezo Fund

Uwezo is a Kiswahili word meaning empowerment. Uwezo Fund is a program for employment and its philosophy affirms hope and faith to the Kenyan people. It was launched on the 8th of September 2013 and enacted through the legal notice number 21 of the Public Finance Act 2014 and launched on 21st February 2014 under the ministry of Devolution and Planning. The President allocated 6 billion to the youth between (18-35) years. It was meant to enhance economic growth toward the realization of the Millennium Development goal number one (to eradicate poverty and hunger), and promote gender equality and empower women also to provide mentorship to enable the beneficiary to make up to 30% procurement by the government. The program enables the women, youth and persons with disability to access finance and promote business enterprise at constituency level, (Uwezo Fund Handbook, 2013).

The main objectives of Uwezo Fund are to expand access to finance in promoting youth and women businesses and enterprises at the constituency level for economic growth towards the realization of Vision 2030; generate gainful self-employment for the youths and women and a model for an alternative framework in funding community driven development. The money is accessed through grants and credit to assist women and the youth to start income generating projects.

According to the Uwezo Fund Hand Book (2013), the fund is administered as a revolving fund by the ministry responsible for the youth. Ministry of Devolution and National planning then receive the Kshs. 6 billion on behalf of the National Oversight Board from the National Treasury as put by the national budget. The money is then distributed among the 290 constituencies in accordance to the formula used for the division of Constituency Development Fund (CDF). The grace period for disbursement is six months and payable in equal installments of a period not exceeding two years. The group that successfully utilize the money from the initial

amounts and pays back the loans will be eligible to access up to double amounts borrowed to the maximum provided; not more than sh.500,000 per group.

To be eligible for Uwezo Fund; the youth must be registered with the Department of Social Services or the Registrar of Societies with membership of ten to fifteen members. The youth group membership must be between 18 and 35 years of age. The women group must; be made up of women; the preference was granted to groups that had been in existence for at least six months, be based and operating within the Constituency it seeks to make an application for consideration, operate a table banking (Chama) structured where members make monthly contributions according to the groups internal guidelines (evidence of monthly contributions was a requirement). Hold a bank account in the name of the group must be recommended by the chief of the location, for Religious Institution and registered entities, members to be recommended by the Inter-religious Council of Kenya and have listed youth and women group, (Uwezo Fund Hand Book, 2013).

The overall guiding principle is equal representation for all Kenyans, accountability, accessibility to the lowest levels of engagement and economy. The fund is distributed on a 50-50 basis among women and youth groups based on a first come basis. The registered youths are to use the fund to start off their businesses and proceed under table banking framework.

GoK, (2013) asserts that the management and implementation modalities for Uwezo Fund activities are as follows: the national champion who is H.E the President tasked with leading the policy direction and demonstrates political good will. His duties are; receiving reports annually on performance and implementation progress, setting overall agenda for the fund and ensuring commitment and providing motivation by recognizing fund success stories through annual award ceremony. Others are national oversight Uwezo Fund Board, chairperson, ministry of Devolution and National Planning, Sub county district accountant, Constituency Development Fund committee, Constituency Uwezo Fund management, chairperson, secretary and treasurer of the constituency Uwezo Fund Management committee and constituency Uwezo Fund secretariat.

1.2 Problem Statement

Unemployment among the Kenyan youth is a challenge. More than 70% of those without employment are between the ages of 15 and 35 years, Obonyo (2014). With the introduction of Uwezo Fund by Jubilee government in 2013 and with the understanding how crucial the fund is to the youth and the nation at large, it's important for the youth to be involved entirely in decisions making and management of the fund. In the process of decentralizing the fund, it has experienced a lot of challenges which included; group formation, access and repayment, tribal and political interferences. Corruption has been devolved from the central government to the local government and top-down approach used to develop the concept of Uwezo Fund thus lack of involvement of the beneficiaries, (Obonyo, 2014).

Locally, Wangari (2013) investigated an assessment of media campaigns on Uwezo Fund: case study of Lari constituency in Kiambu County. The study found out that low level of awareness of Uwezo Fund led to low engagement of the beneficiaries and recommended a review of mandatory requirements to be done to make it friendlier to the youth. Anne Nyanchama et al.2016 assessed factors influencing access to Uwezo Fund by citizens in Kenya a case study of Nyamira County. The study found out that government policies had both positive and negative influence in access of the fund. However rules and regulations on procedures of access, repayment and government policies had made it more difficult to access the fund in general.

Further, Ibuathu and Kubaison (2013) did an in-depth study on Realizing Equal Opportunities among Youths in Accessing Government Financial Credit Facilities. They found out that there was need to train youth, embrace modern technology, and impart relevant business skills to the youth and to determine mechanisms that functional youth groups must institute to access government funding such as Uwezo Fund and others.

All these studies failed to address the challenges that the youth entrepreneurs experience and how they directly influence negatively on the performance of their enterprises. This, then, led to the research question: What are the factors influencing performance of the Uwezo Fund assisted youth projects in Migori County, Kenya?

1.3 Research Questions

- a) Does the administration of the fund affects performance of youth enterprise anti-poverty projects assisted by Uwezo Fund?
- b) To what extend does profiles of the entrepreneur affects performance of youth enterprise projects assisted by Uwezo Fund?
- c) Does the process of disbursement and repayment of Uwezo fund to individual or groups affects performance of youth enterprise anti-poverty projects assisted by Uwezo Fund?
- d) Does type of projects funded by Uwezo Fund affects performance of youth enterprise anti-poverty projects assisted by Uwezo Fund?
- e) Does the performance of the projects affects performance of youth enterprise anti-poverty projects assisted by Uwezo Fund?

1.4 Objectives

1.4.1 Main Objective

The broad objective of the study was to assess factors influencing performance of the Uwezo Fund assisted youth projects in Migori County, Kenya.

1.4.2 Specific Objectives

- a) To determine how the administration of the Uwezo Fund affects performance of its assisted enterprises.
- b) To establish how the profiles of the entrepreneurs affect the performance of projects assisted by Uwezo Fund.
- c) Find out how the process of disbursement and repayment of funds to individual or group affects performance of projects assisted by Uwezo Fund.
- d) Explore the type of projects and how they affect performance of projects assisted by Uwezo Fund.
- e) To access performance of projects assisted by Uwezo Fund.

1.5 Justification of the Study

Having understood the plight of many young people and their opinions when it comes to the performance of funds designated to the youths, this research project was to act as a follow up that the Ministry of Devolution needed to carry out to ensure accountability and curb wastage by the persons tasked to guard and ensure proper utilization of Uwezo Fund. This research was also to add to the body of knowledge as a background on any future studies related to the youth in Migori County.

1.6 Scope and Limitations

The study was limited to two wards of Rongo Constituency Migori County and it focused on youth entrepreneurs groups who had been assisted by Uwezo Fund between the years 2013 to 2016 and were registered by the Ministry of Social services. The researcher was unable to sample the whole county due to inadequate resources and limited time.

CHAPTER TWO: LITERATURE REVIEW AND THEORITICAL FRAMEWORK

2.1 Introduction

This chapter reviewed the background of Uwezo Fund, modalities that are in place to access the fund, performance of the youth projects and adverse scholarly evidence that have been written on the factors affecting the performance of youth enterprise anti-poverty projects assisted by Uwezo Fund. Journals, books, online material and article were reviewed. The section also looked at theories relevant to the research objectives and was also used as guidelines to the investigation. Singletons, Eichenbaum and Hassan (1998), assert that all empirical study should be backed on a theory.

According to Uwezo Fund (2013), National government through the Ministry of Devolution and National Planning had set aside Ksh 6 billion to support Uwezo Fund. They released 5.35 billion of the 6 billion approved by parliament in 2013. Migori County received 146.7 million and was launched in Nyatike Constituency Development Fund office in June 2014. Other offices were located in Rongo, Migori, Nyatike and Awendo towns. Migori County had about 650 groups supported by the fund. The staffs employed by the fund management in the county were about 150 people.

2.2 Youth Groups

The youth were all registered with the Department of Social Department or the Registrar of Societies with membership of ten to fifteen members. The youth groups were aged between 18 and 35 years. All the groups funded by the fund had been in existence for at least six months, based and operated within the Constituency.

The requirements for the support were that the groups operated table banking (Chama) activities where members made monthly contributions according to the groups internal guidelines. (Evidence of monthly contributions was a requirement). Each held a bank account in the name of the group, had to be recommended by the chief of the location, while for the Religious Institution and registered entities, members had to be recommended by the Inter-religious Council of Kenya and had to

be either youth and women group, (Uwezo Fund Hand Book, 2013). For instance, Neighbors group 'NeG' a beneficiary of Uwezo Fund and one of the youth groups from Central Kamagambo realized Ksh 61, 000 yearly from table banking. In four years from the time the group was registered, the members had reinvested Ksh.244, 000 as Chama contributions.

Rongo had a total of 336 registered Uwezo Fund youth groups. In 2013 forty (40) groups were registered, in 2014 one hundred and eighty eight (188) of the groups, in 2015 seventy one (71) were registered and in 2016 thirty seven (37) were registered.

2.3 Administration of the Uwezo Fund

Governance is a system of values, policies and institutions in which the society manages its economic, political and social affairs through interactions within the state. It includes social and political dimensions and how they operate at every level of human enterprise; from households, villages, municipality, nation, regions or globe, Governance for Human Development, (2000). The World Bank defines good governance as the means by which power is exercised in management of countries economic and social resources for development. It encompasses public sector management, accountability, and legal framework for reforms, information technology, government policies and decisions for effective delivery, (Potter 2000:379). Thus good administration has the following characteristics.

B .S. Minhas (1977) talks of Rural Development for Weaker Section; and one such program in India is Integrated Rural Development Program proposed in the central government budget of 1976-77. It was aimed at improving the economic conditions of the rural poor. Unlike the previous programs such as IADP that were established and implemented in selected areas of the country IRDP operated all over India to benefit the target groups. It offered financial assistance through grants and loans from the banks, and training of rural youth for self-employment. The program structures were well organized, each with specific function thus lessening administrative cost, time wastage and bureaucracy. India invested heavily on monitoring and evaluation of her programs both by the government and the Ford Foundation. They ensured all the findings were implemented that's why India changed from one project to another by integrating them to achieve desired objectives. India also had clear distinction

between the programs; each provided unique coverage and providing specific assistance from area to area

Accountability implies being held in to account for ones actions. Public accountability means the firm recognition and acceptance of all the fact that all public officials own and hold their positions on trust for the people, Akpan, (1982). Uwezo Fund has experience challenges with accountability right from the Ministry of Devolution in charge of implementing the objectives of the fund from the country to the county levels. The fund lacks effective accountability which entails the following.

There must be clear performance expectation which entails performance target, the goals, objectives and expected accomplishments that are clearly detailed. If this is not done then, there will be no responsibility to fix non-performance. There must be clear reporting of performance based on reliable information on a timely basis and reasonable review and adjustments about performance, targets recourses and obstacles, NYCK,(2013).

According to Obonyo (2024), Uwezo fund lacks transparency; this means that all the decisions taken and their enforcement are done in a manner that does not follow rules and regulations. The information should be freely available and directly accessible to the youths who will be affected by the decisions made. However, most of the time the managers do not give enough information that is easily understandable forms and frame.

According to National Youth Council Kenya, (2013), Uwezo Fund management has not fully embraced equity and inclusiveness. The society well-being depends on ensuring that all members feel that they all have a stake in governance and that some do not feel excluded. The managers of the fund therefore must ensure that the most vulnerable to have opportunity to improve their wellbeing.

United Nations (2004) put the cost of corruption as insidious plague that has a wide range of corrosive effects in the society.” It makes economic development difficult; it had led to embezzlement of the Uwezo Fund from the youth, women and person with

disabilities to few selfish individuals. Corruption has links to conflict; it has undermined the government and public sector confidence in governing institutions.

National Youth Council Kenya, (2013) asserts that Uwezo Fund lack political and legal accountability. The Tenth Parliament who should play the oversight role in parliament has not done much to help in the implementation of the fund. This should have been aided by anti-corruption agencies, Ombudsman man offices and human rights institutions. In Kenya such offices includes the judiciary, Human Rights Commission, lobby groups, ombudsman offices and the anti- corruption body in Kenya. The judiciary up to now is yet to hold the executives implicated in the loss of over seven billion of Uwezo Fund kitty responsible despite the evidence that the money was lost. Being independent arm of the government, the expectation is to adjudicate on cases that concern the State in order to ensure that rule of law is maintained.

Governance and political interference of the fund where members are ill informed about the fund management. This cast doubt on their ability to manage and govern fund distribution. Procurement process is also not justifiable, as there is no clear policy about fund distribution to various entrepreneurs. Questionable training on entrepreneurship projects; Uwezo Fund operations have remained questionable to all stakeholders(ranging from members of parliament, the public sector, private firms and Community Based Organizations) with a lot of gray areas ranging from tenders unjustified and total lack of documentation and receipts., NYCK,(2013).

The government should reduce the administrative cost and wastage of time that is involved when applying for the fund. Too much bureaucracy that the youth have to undergo thus consumes time unlike other financial institutions like banks offering loans to Kenyans. Fredric (2014) says in his article ‘Uwezo Fund Inaccessible’ that the fund management has failed to act as a bridge and voice to ensure the government and other policy makers are kept informed on the views of the youth entrepreneurs. The youths take funds and no one care to monitor if the money has been used appropriately.

2.4 Profiles of the Entrepreneurs

Most of the youth entrepreneurs are between the ages 18-35 years. The entrepreneur who starts an enterprise at a younger age has different goals than the older entrepreneurs. They are more likely to have less experience, the older founders of enterprise have had more time to build up networks and have better access to information in networks. The older youth entrepreneurs are characterized by entrepreneurial self-efficiency and are more educated in their various enterprises. They have low tolerance of risks, Kok and Verheul, (2010).

Education has a positive impact on growth of businesses, King and Mograth, (2002). The levels of education of the youth entrepreneurs reflect on the extent to which they manage their business ventures. Most of the youth groups in Migori have got primary, secondary and post-secondary education. Despite their education level they lack entrepreneurial education which entails starting a business and sustaining the already established business, Maina, (2012). This affected how the groups would adopt new production techniques that increase the returns.

Education level often has different effect on each entrepreneur. Higher education level leads to better performance in entrepreneurial activities. It also creates a set of possible entrepreneurs that are attracted by non-material advantages of entrepreneurship such as greater autonomy and personal achievements, Van and Jansen, (2006). Traditionally, WEF, (2009) and Coduras et al., (2006), argues that individuals that have better training especially from secondary education, acquire specific knowledge and develop capabilities that facilitates personal development in various entrepreneurial ventures and go for business they can put into practice. They can also develop creativity and conduct personal activities and be able to use modern communication techniques and team work, (UNESCO, 2005 and Gauthier, 2006).

The Uwezo Fund youth entrepreneurs that have attained secondary and post-secondary education perform better than their counterparts that have lower education levels, Migori County annual report, (2015). They are able to advertise and sell the goods and services better both locally and across other counties. They also have higher levels of confidence when facilitating their exploration of entrepreneurial activities. Schultz, (1959) asserts that such entrepreneurs have higher cognitive skills

that help them evaluate the opportunities as they arise. However the other entrepreneurs with lower education levels do well but not as their counterparts because of not being able to tackle their challenges well.

Uwezo Fund Oversight Board developed Capacity Building Training Manual for Uwezo Fund following the enactment of the Public Finance Management Regulation Act, (2014). The main aim of the manual is to equip prospective groups benefiting from the fund with basic entrepreneurial and management skills to ensure success and sustainability. The board is also to promote business enterprise at constituency levels toward the realization of Vision 2030. They were also to model an alternative framework in funding community driven projects and generating self-employment for women, youth and persons with disability, Uwezo Fund Hand Book,(2013).

However not much has been realized despite the availability of the training tool, Kwame (2013) asserts that inadequate training and education on Uwezo Fund has failed to prepare the youth adequately to participate in decision-making, hence denying them necessary analytical skills for critical thinking or problem solving through participatory active learning. Trainers of trainees have failed to facilitate youth, women and persons with disability entrepreneurs' capacity through training. The result is poorly coordinated business projects that fail to yield profits to the proprietors. There are no reports on monitoring and evaluation where the group activities can be regulated and coordinated for better results. India employed schemes for training of the youth self-employment (TRYSEM) and through research by the government and the Ford Foundation. India managed to adequately prepare and allow her youth population to get educated and make decisions that could help them improve their entrepreneurship projects, (G.O.I., 1963, 1967, 1977).

Professionals have appointed fingers at entrepreneurial attitude of the youth entrepreneurs, IGI Kenya, (2010). Lack of entrepreneurial culture in most learning institutions does not provide the necessary skills to handle innovations. The entire Uwezo Fund stakeholders don't inhibit the culture of entrepreneurship and have no proper knowledge when they leave school, (Kenya Government, 2007 Youth Enterprise Development Fund Status report). There is need for timely procurement of materials and services for Uwezo Fund projects so that the project money does not

lose value due to delay caused by the procurement process. Indian employed schemes for Training of Youths Self Employment (TRYSEM) that was done in well-developed village institutions. Training was done by professional knowledgeable in various areas ensuring success in gaining the right attitudes on entrepreneurship and participants graduated after six months, Mohan and Eveson,(1973). This helped Indian program to be beneficial to its target population as all stakeholders had knowledge and right attitude to handle funds.

Dependency rate of the youth entrepreneurs on the government is still very high. Even after the government gave the fund for business startups, most of the entrepreneurs have not yet become self-reliant, Migori Uwezo Fund Annual Report, (2015). Most of the youth groups depend on referrals for markets of their services and products. Instead, they should consider doing their own sales promotion, advertisement, posters and use of social media platforms such, Face book in marketing their products, Huka and Wario, (2015).

According to Wolfgang, (2011) the financial management systems in Kenya are often too weak help manage funds availed by the government. The corruption with impunity from both the youth groups and the Uwezo Fund managers increase the dependency ratio up. The funding of youth projects by the government through Uwezo Fund should adopt information and technology strategy which can create pressure to hold local leaders and the youths accountable whenever they misappropriate the funds.

Over eighty percent of the youth entrepreneurs have ventured in to the informal business sector with less than ten percent engaging in to formal businesses. They are small scale farmers, second hand clothes sellers, animal husbandry, carpenters, shop keepers, tailors, fish mongers and many others. This was the same in the case if TRYSEM program in India. The target groups were small scale farmers, tenants, and share coppers, landless and rural artisans. Members of the tribal and scheduled castes were also targeted, (GOI, 1963, 67 and Mohan and Eveson, 1973). TRYSEM main objective was to generate additional employment opportunities in the field of agriculture and raise income level of the identified target groups; the families to improve their economic vulnerability and become self-sufficient. This not different

from Uwezo Fund objective which is create employment and ensure the youth, women and person with disabilities in society become self-reliant.

2.2.1 The process of disbursement and repayment of Uwezo fund loans

According to Robert and Rakesh (1974) the Intensive Agricultural Districts Program in India were established to improve the income distribution and employment among her population as a measure to eradicate rural poverty. It was based on two main premises: economic slack; economically relevant technologies existed but farmers were reluctant to adopt them due to ignorance and complimentary inputs. The second premise was an intensive program with several programs that would have a higher payoff than more diffused program activities G.O.I. (1963, 1966, 1967) Indian government had a concern on stagnating food production thus invited an Agricultural production team sponsored by the Ford Foundation to study the countries food problems, make recommendations and coordinate efforts to increase production. The report was entitled India Food Crisis and Steps to Meet It G.O.I., (1959a).

It was the first major experiment program done by the government of India. The launching was done in the year 1961 after community development lost sheen and the core philosophy was to provide loans for seeds and fertilizers to farmers. It was a sector development program just like Uwezo Fund is under the ministry of Devolution and National planning. Indian government then demonstrated the projects in the pilot districts and got the best ways of expanding food production by cooperate efforts between the state, the districts, the blocks, the villages and individual farmer. This made it easy for the distribution and repayment of loans given to farmers in the selected districts.

In Kenya, the loan amount that can be borrowed by the youth groups are from a minimum of fifty thousand shillings to a maximum of five hundred thousand as business loan at a time and for a period of six months grace period. The fund is accessed through Uwezo Fund Committees and be distributed on a first come first served basis depending on the eligibility of the group. The following factors are considered; the length of time the group has been in existence, proposed plan for the loan, current status of contribution and the total amount contributed by each member basing on the table banking, Uwezo Fund Hand Book, (2013). The Indian approach

was not taken by the Kenyan government though Uwezo Fund stakeholders, instead they rolled out the program without prior test of its objectives. It assumed youth problems are the same all over the forty seven counties. As a result, the following challenges now threaten the performance of the projects assisted by Uwezo Fund.

Lending requirements by Uwezo Fund management are harsh and lock out the poor youths from accessing credits. Bureaucracies of lending create barriers for the youths thus stopping them from accessing loans as they cannot meet them. The government tends to have strict timelines which automatically leads to disqualification of the applicants of the fund, International Journal of Social Research, (2013).

The loan leading procedures and policies put in place by Uwezo Fund management team are complex and tedious for the youths. The government requires identification document, Business Registration Certificate, personal identification number, tax compliance certificate, partnership Deed for partnership businesses and Memorandum of association for registered companies. This makes the cost of starting business high and cumbersome for the youth groups, (Uwezo Fund Hand Book, 2010). The loan takes two to three months to be disbursed as opposed to other leading institutions like banks. The bureaucratic nature of the process discourages the potential youth groups from acquiring the loan.

Loan amount and repayment period is also not encouraging to the youth groups. The money obtained from the loan is most of the times insufficient for the business development. Some groups get as low as fifteen thousand meaning each member gets one thousand shillings only. The repayment period goes up to two years period after disbursement, this has encouraged many defaulters as there is no proper financial mechanism put in place by the government to punish them or recover the money back to the kitty, Andrew, David and Maina,(2015).

Management to ensure they have more staff and more offices at the grass root level for easy interaction with youths and other beneficiaries and help them in passing relevant information so that the youth can increase uptake of Uwezo Fund loans. Insufficient information often results to most of the youths going through the process haphazardly. They also lack information on available avenues for participation in

governance, this may include information on policies, programs, where and when the youth can participate, Obonyo, (2014). It will also help the time taken to process the group loans. Long processing time tends to discourage potential youth applicants from applying for the fund.

Namuge, (2013) asserts that repayment of the borrowed loan is the biggest challenge. Uwezo Fund Committee needs to come up with strict measures that can ensure one hundred percent repayment of the loans. There is need to set strict legal, regulatory and supervisory frame work to help govern the repayment process just like banks do, Micro Finance Act, (2006).

The youth entrepreneurs also lack micro insurance; this is where the low income people are protected against specific risks in exchange of low premiums. Most of the youth groups site theft of their goods and services because of insecurity and natural calamities like the floods and lightening. This makes it very difficult to repay the loans that were given to them, Churchill (2006). Another challenge facing Uwezo Fund borrowers are operating and financial expenses that are making the entrepreneurs to make low revenues. Most of the youth groups make loses in their businesses because of high taxes introduced by the government; the result is loan defaulters.

Monitoring and evaluation influence loan repayment. It helps to know whether the intended objectives are being achieved or not, UNDP, (2009). Lack of commitment on the part of Uwezo Fund managers has affected the repayment of the loans. The inability to design monitoring and evaluation process that attributes to the intended intervention of the youth groups assisted by Uwezo Fund has led to laxity of the groups to repay the loans, Boateng and Dawoe, (2005). Lack of credit history; most of the youth groups assisted by Uwezo Fund do not have enough business experience and track records of business skills that are part of the requirements needed by Uwezo Fund Management to hasten or fast track the process of fund disbursement.

Wanjohi, (2008) asserts that lack of transparency affects performance; there are no clear micro finance structures to ensure efficiency and effectiveness of the flow of the fund besides the low interest rate. Uwezo fund management lack appropriate policy, legal regulatory and supervisory framework for the credit industry in Kenya. This has resulted to rampant misuse of the funds by both the youths and Uwezo fund management.

2.2.2 Types of youth projects

In India, TRYSEM program was initiated to provide basic technical and management skills to rural families below the poverty line to enable them take up self-employment specifically in agricultural field and allied sectors such as business and industrial services. This helped India to addresses barriers of inappropriate general education, inadequate technical skills and lack of financial capital. Training was done through formal institutions, including service and industrial units, commercial and business establishment and master of craftsmen. The course duration did not exceed six months. After successful completion of the courses, the trainees were eligible for loans from banks under the integrated rural development programs, which were implemented in all districts of the country, (Pravin V. 1998). The Indian case had clear cut areas of involvement; agriculture and its allied sectors.

In the Kenyan case; the Uwezo Fund, there is no specification on what the youth entrepreneurship projects should be, they are involved in all sorts of business ventures. According to Matunga, (2016) most of the entrepreneurs are selling second hand clothes. They have shops and stalls where they sell fast moving items like children clothes or official ladies clothes; they wash and iron them before selling. Some of them sell cereals as brokers or middlemen. They buy them from farmers during harvesting period then later distribute to other sellers in residential areas or sell by themselves. Other groups have started outsourcing their cleaning services to the institutions and offices in the county. They make good money by cleaning offices and building. They have bought buckets, detergents, and brushes and clean for professionals like doctors, lawyers, teachers and businessmen who need their services. Some have also ventured in events organization; events such as birthdays, graduations, weddings, church fund raising and funerals. They also plan for products

launch for companies such as telecommunication; Safaricom, Orange, Airtel and banks.

According to Uwezo Fund coordinator in Rongo Sub County Matunga (2016), in his report on the “State of Affair of Uwezo Fund Groups in Migori County”; he asserts that majority of the youth entrepreneurs have ventured into agro-business. They own fish ponds, keep poultry, dairy farming and some own sugar cane farms and they supply the cane to the two industries Sony Sugar and Sukari companies.

Despite the good progress of the youth entrepreneurs have made their performance have been hindered by the following challenges. Poor infrastructure; the basic physical infrastructure in Migori County for economic development such as roads, security and constant power supply are in very poor state. The deplorable roads and inadequate power supply make small business operation difficult. Poor transport facilities and bad roads results in high cost of moving goods from one section of the county to the other. Information and communication infrastructure are weak, good information infrastructure is considered an indispensable condition for wide spread social economic development, Matunga, (2015). According to the United Nations office of the special advice on special programs report, (2015) promotion of enterprise though privatization has not been adopted by the county governments in Kenya Migori included.

Lack of apprenticeship among the entrepreneurs and the government institution involved. Apprenticeship results into the large number of economic infrastructure and smoother transition from education to labor markets, European commission (2012). This could have helped the youth entrepreneurs to gain experience, better prospect of labor markets and education. It promotes more effective ways of working, increasing job satisfaction thus motivating work force and educate the youth entrepreneurs on use of new technologies and equipment, Richard (2013). India however in their integrated rural development programs, practiced apprenticeship for not more than six month then successful candidates graduated and qualified for the loans offered by the government. This helped in distribution of the funds unlike Uwezo Fund where youths are given fund without proper knowledge of the business ventures they take. The fund management thus takes longer time to analyze the proposal submitted to the

board for consideration with most of the youth groups having to redo their proposals to mark the fund standard and guidelines. The result is, time wastage.

McCormick, (1999), states that inadequate awareness of information technology and appropriated education has led to slow dispatch of funds. These factors reduce entrepreneurial activities in a given economy. Therefore, the government must aspire to boost its performance of youth entrepreneurship projects by ensuring acquisition of technical skills by the youths, providing accessible training institutions which are affordable and friendly for both the youths and managers of the fund. Robert and Rakesh, (1974) asserts that India had relevant technologies however her people were reluctant to adopt them due to ignorance and complimentary inputs. India then established intensive programs with several programs integrated together to realize higher pay off. With her population now equipped with technical skills, service provision and communication was enhance every sphere of life was improved.

2.2.3 Performance of the Projects

According to George (1985), an employee is a combination of good skills set and a productive work environment. Most of youth entrepreneurs have not managed to employ more workers even after the Uwezo Fund assistance. The enterprises are managed by the group members with few of the groups managing to employ not more than five people in their businesses, Obado (2015). They lack business focus, poor leadership skills and personal differences among the youth groups, external and internal group politics have interfered greatly with the groups funded by Uwezo Fund. The result is poorly coordinated enterprises, loan defaulters and in the end none functioning groups, Heyer et al, (2003). This has hindered the group enterprises from having better economic growth despite Uwezo Fund loan assistance.

Matunga, 2016 states that the level of stock held by most of the entrepreneurs are not enough to ensure that every customer who requires the goods or services is availed. This shows that little money was allocated to purchase the stock and that the availability of credit does not guarantee more stock unless the allocation for the same is done. The youth entrepreneurs must ensure that every service and products as required by each customer must be availed. When they sell good stock, then they

create confidence to their customers and will guarantee continued flow of funds in to the business.

Sustainable business and mission requires effective and financial management. Without sales and marketing working to produce revenue, the enterprises will not grow. The net sale gives more accurate picture of the actual sale generated by the entrepreneurs. Campbell, (2012) defines net sales as the amount the entrepreneurs receive from the sales of products after deducting discounts, returns of products by customers and damaged, missing or stolen products. It provided the most accurate calculation of what an enterprise has received or expects to receive in revenue from sale. Thus sales refer to net sales. Most of the youth enterprises have done well in Migori County despite meeting challenges. They have wider markets from the neighboring counties and from Tanzania .They have managed to market the products and services making the business to grow.

The ability to generate profit is important to the survival of the business. It's also the ability to use surplus funds to invest in and grow their business. The major mistakes they made is to spend too much money at the beginning, they spend too much money on buying equipment, furniture, hiring employees they don't need, renting spaces and modifying the spaces at high cost and not developing business plans. The business plans are helpful as they show financial forecast to see if business can make money year-round. It includes analysis, profit and loss forecast and cash flow analysis.

Ashe –Emunds asserts that when an entrepreneur reinvests profits back they can improve the quality of their businesses. It keeps their businesses relevant. Over time consumers prefer evolved and improved technologies it also helps to attract to the customers. Plowing profits in business have helped majority of the youth entrepreneurs to expand the enterprises by adding the capacity and creating new sales opportunity and to open new businesses, Uwezo Fund annual Report, (2015).

Inconsistency in budgetary allocation from the government has made the fund management to adequately assist Uwezo Fund beneficiaries. They find it challenging to provide business development services such as mentorship and business coaching to young entrepreneurs due to large number of youths involved and increasing

demand. In India however, the TRYSEM had support from leaders both private and public. The central government was consistent in allotting the fund through banks and other financial institutions; this can be seen in the central budget of 1976-77. It was aimed at improving the economic conditions of the rural poor. (B.S., Charan D.W., Tata M.H., (1977).

Management has also failed to facilitate marketing of the products and services of the youth owned projects or entrepreneurs, attract and facilitate investment and coordinate youth entrepreneurships in the constituency to ensure the youths develop through structured networks, organization and collaboration. Monitoring and evaluation need to be designed as an intertwined participatory exercise that involves all stakeholders. This is made possible through mentorship programs, however it has been neglected. The youths need a mentor; someone outside the business circle who can offer their experience, wisdom and wider insight on how to run their entrepreneurs. Contrary to India where pace setting path finding experimental programs were done developing ideas and in the subsequent years the programs were rolled in selected areas addressing specific needs of the people thus increased economic production and self-reliance. (G.O.I.1961, P.316).

2.3 Theoretical Framework

This is a collection of interrelated ideas based on evidence (Kombo & Tromp). A theory is defined as a set of interrelated definitions, prepositions and concepts that present a systematic view of a phenomena by specifying relations between variables purposely to predict a phenomena (Bull, 1991). This study was based on Social Capital and Grameen banking frameworks.

2.3.1 Social Capital Framework

The concept of social capital draws attention to the effects and consequences of human being sociability and connectedness and their relations to the individuals and social structure. According to Bourdieu (1986,p.248) social capital is defined as the aggregated of the potential resources which are linked to possessions of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition. For Bourdieu, social capital is related to the size of network and volume of past accumulated social capital commanded by the agent. Bourdieu,(1986,p.249)

see clear profit as being the main reason the main actors engage in and maintain links in a network. The profit is not necessarily economic, but can be reducible to economic profit. The actors potential for accruing social profit and control of capital are differently distributed.

Bourdieu says social capital is productivity that is used by the actors to achieve a particular end that would have been impossible without it. It must have a clear instrumental purpose where resources are collectively utilized by actors who are goal oriented. It must also be embedded in the structures of relationships among people in other words; it's a bonding mechanism which adds to the integration of social structure and agents who can use embedded social capital as resources.

Uwezo Fund is characterized with entrenched inequalities in access of resources or grants via exclusive use of social networks. This has resulted to the grant benefiting the more privileged. Those who have the necessary social connections are the ones appropriating development at the expense of the needy. Nepotism and tribalism is at its center stage, if you know someone then you get the loan and jobs at the Uwezo Fund offices.

According to Bourdieu, social capital is found to be important for social mobility in societies. He asserts that when quality of network resources decline, the result is high welfare dependency and unemployment. This is the scenario in Kenya and in particular Rongo constituency. Youths rely on family adults in job seeking and because the adults don't occupy influential positions in the networks they have become vulnerable to illicit activities. The vicious circle related to this process is disturbing; the members are cut off information about this grant and its benefit promoting a local sub cultural system that makes it impossible to start any sustainable business to make them self-reliance.

Social capital is an effect rather than the cause of institutionalization of structures. Formal institutions such as the government and legislative setting have stimulated development of social capital. This is brought out by Pitman's bottom-up "approach and has sought to isolate the political and associational structural particularly government structures that impede the rise of social capital and trust in the society.

The government structures historically embedded political traditions. (Berman, 1979; Levi, 1996; Ostrom, 1994; Pildes, 1996; Woolcock, 1998)The government plays an important role in fostering at the community level via projects or institutional democratizing and accessibility (Evans et al., 1996; Kenworthy, 1997; Tandler and Freedheim, 1994).However Uwezo Fund lacks this government involvement, the structures put in place have been marred with corrupt officials, nepotism and tribalism, thus the society lack trust and confidence that the objectives of the fund will be achieved. We also lack effective political system to formulate laws and act as watch dogs and toothless judicial system to try the perpetrators.

2.3.2 Grameen Banking framework

The bank was founded by Dr. Mohammed Yunus and started as a personal project in 1976 in a village near Chittagong University. It met a lot of struggles for several years and grown into a bank owned by the poor. Seventy five percent of the shares are owned by landless borrowers and the remaining twenty five percent is by the government. Grameen bank has over four hundred thousand borrowers and over eighty percent are women. The bank lends over 3.5 million rupees each month and the borrowers have accumulated savings of up to over USD 7 million, (Yunus 2007). This is the same concept of the Uwezo Fund, the only difference is that the youth groups assisted by Uwezo Fund saves their profits in various banks of their choice as opposed to Grameen's borrowers who had to bank their profits at the same bank. Grameen bank has also spread in over eight hundred villages with over four hundred branches, Khaled and Rahman, (2011). Uwezo fund youth enterprises have also spread all over the 47counties in Kenya and in particular Migori County with over 50 groups in each ward, Uwezo Fund Hand Book, (2013).

According to Yunus (2007) Grameen's bank basic concept was the close relationship between them and the borrowers. The bank formed small groups of five members that acted as peer pressure and peer support groups. The groups helped created the right kind of peer pressure in times where the members tried to violate Grameen's bank rules. They helped members when they when they fall into difficult times in pursuing their economic gains. Uwezo Fund managers have done little to monitor and evaluate how the fund is being implemented in Migori County by the groups. The challenges they face are inadequate and inexperienced staff and entrepreneurial attitudes among

the youth groups. If this concept of forming peer support groups can be adopted then, Uwezo Fund will meet its objectives.

Grameen reached the poorest; their belief is mixing the poor and none poor is a sure way to failure. To ensure the poor are picked to benefit from then bank, Grameen puts many checks to the members wanting to join the bank for funding, Yunus (2007). This is same with Uwezo Fund, the beneficiaries have to pass the required regulations put in place to benefit and qualify for the funds. For instance , one be a Kenyan youth between the ages 18-35 years, own a bank account, have a tax compliance certificate and many others, Uwezo Fund Hand Book, (2013).

The members contribute to its formation and it what made Grameen bank to be stable. They identified the members themselves and later announce the formation of the group. The members screen each other before they arrive at the final five. This is the same concept of Uwezo Fund groups. The 10-15 members are screened by the group members, some drop out because of fear of joining groups with relatives or neighbors, (2013).

Khaled and Rahman (2011) asserts that when Grameen bank starts to operate at any new location, it create an illusion that it's not in any hurry to do anything. The process is allowed to take its own time, the branches gets into operation in a slow and easy manner. Before starting any operation in an area, the associate manager from Grameen's bank documents all the details of the area, he then decides whether to go ahead or not. When they decide to set up the branch, the manager held public talks with the people, explaining rules, procedures and objectives of Grameen's banking concept. They invited everyone; village leaders, religious leaders, teachers and government officials. Uwezo Fund managers are expected to do same however not much has been done; they most of the time do not carry prier assessment of the youth group enterprises before allotting funds to them. Thus it was rolled at once in the 47 counties of Kenya without proper monitoring and evaluation of the entire process. The result is poorly coordinated projects, fund embezzlement, management crisis, poor communication channels, and lack of participation of stakeholder among other challenges.

According to Yunus, (2007), Grameen banking concept is most adopted by women groups, however it has not been smooth as opposition sets in from religious leaders and the men. Some women have been abandoned by their husbands and left to take care of families. It is no different from what is happening in Migori County. Culture has been a barrier to the youth groups. Tradition dictates that a woman, youth and children are to depend on their parents for inheritance and maintenance. Thus the concept of becoming self-reliance is always opposed.

Khaled and Rahman, (2011) asserts that Grameen's bank managers usually find shelter in abandoned houses, schools or local council offices. They decline offers of food from the rich people in the community explaining that it is against Grameen's rules. This makes it difficult for corruption to set in unlike the case of Uwezo Fund where managers ask for hefty kickbacks from the youth groups before they award them the money. Grameen's bank managers are all educated with university degree and still show humility and respect while working with the poor communities. The result is acceptance, respect and admiration that lead to cooperation and achievement of the set objectives of the bank. This kind of management skill can be adopted by Uwezo Fund because it helps to dispel rumors such as the managers will steal the money or give it to their relatives or tribes men, Kwame, (2014).

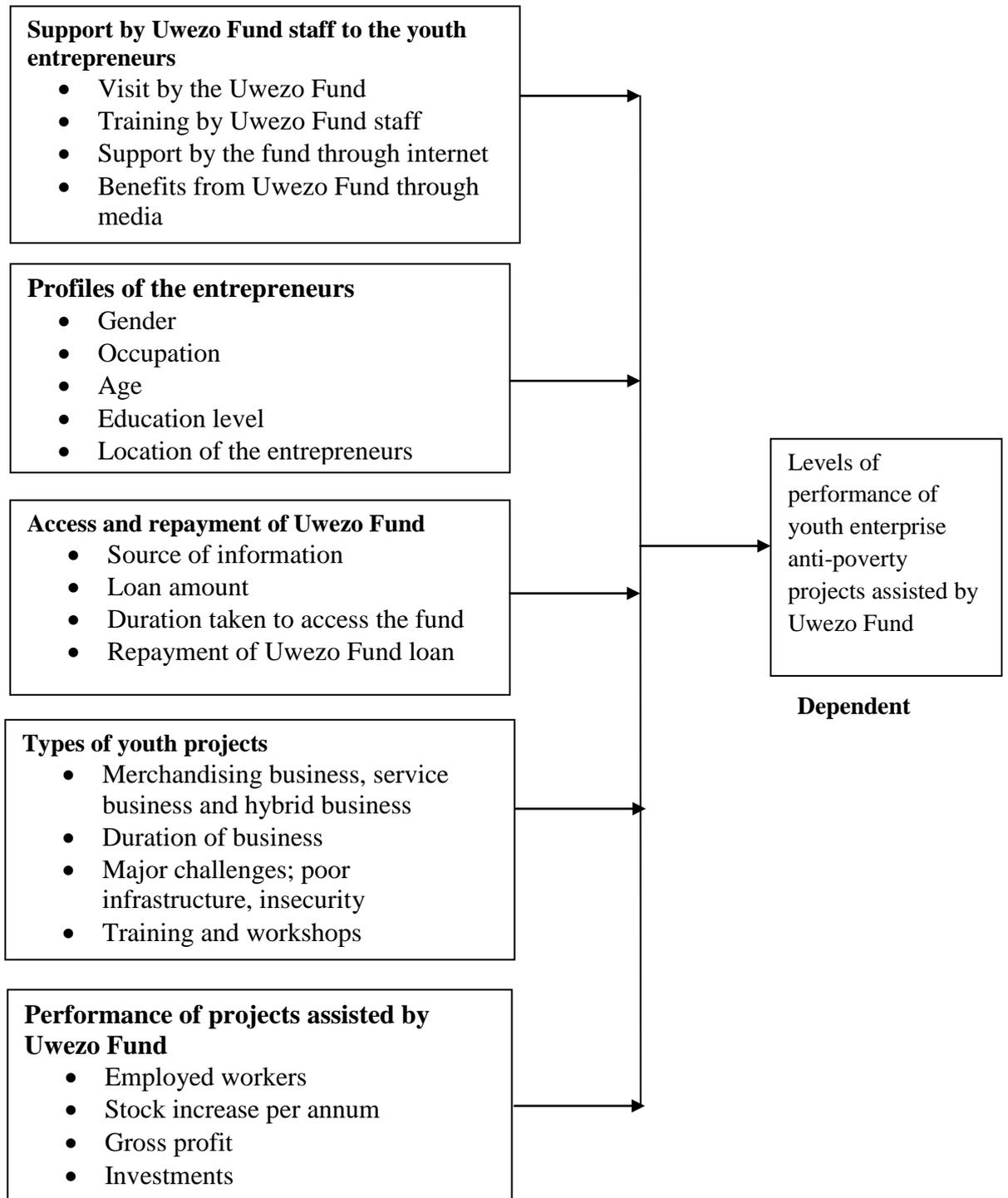
Evaristus et al. (2004) describes Grameen banking concept as highly decentralized organization. Its structure is described as organized on the principle of having circle within circle. The head office is the biggest circle and the smallest is the group. In decision making process the spirit of federalism is widely used. Grameen managers always assess the views of the people whose life and work would be affected by the decisions they make. The beneficiaries give opinions and reactions to issues affecting them by sending them to the drafting committee. Uwezo Fund management is experiencing challenges because most of the beneficiaries complain of being left out when major decisions are made. In Grameen's case everyone knew how decisions were arrived at.

According to Khaled and Rahman, Grameen also created problem solving attitudes among the participants. They involved the beneficiaries in training and were made to believe that every challenge they encountered had a solution. They emphasized on

innovation and creativity, the young women and men were asked for their opinion and suggestion upon joining Grameen thus encouraging diversity. Uwezo Fund also does the same, the youths are encouraged to venture into any business they can do best. Many of the youth groups have ventured into animal husbandry, fish keeping, selling second hand clothes and Jua Kali sector, Uwezo Fund annual Report, (2014).

2.4 Conceptual Framework

A conceptual framework; for factors affecting performance of youth enterprise anti-poverty projects assisted by Uwezo Fund in Migori County, Kenya.



Independent variables

2.5 Operational Definitions

Administration of UWEZO Fund

- Administrative cost and bureaucracy: Refers to expense one incurs to get services at the administration both the officials and administrative policy making groups.
- Professionalism: Refers to competence or skills expected in a profession.
- Corruption-dishonest or fraudulent conduct by those in power.
- Governance and political interference- an attempt to gain partisan or regional advantage by shaping statistical products against the judgment of a nonparty.
- **Performance:** Ability to see a business opportunity, take risks involved in combining available resources to start an enterprise.

Profiles of entrepreneurs

- Age of loan applicants: Refers to the length of time that a person has lived. Desired age is between 18-35 years.
- Education: Refers to the process of facilitating learning where acquisition of knowledge, skills values and habits.
- Occupation: Refers to a principal work, trade or business.
- Training; Refers teaching a person a particular skill.

Access and Repayment

- Time taken to process the fund Refers to the length of time measured in days or months.
- Loan amount: Refers to how much each entrepreneur received as a group or individuals.
- Repayment period: Refers to how much time it takes for entrepreneurs to fully settle the loan.
- Loan lending procedures: Refers to rules and regulations guarding Uwezo Fund acquisition.

Types of youth projects

- Types of businesses owned by the youth entrepreneurs; merchandising, service and hybrid businesses.
- Challenges that come with the choice of business ; examples
 - a) Infrastructures: Refers to roads, electricity, water and security.
 - b) Taxation by the government
 - c) Lack of apprenticeship.
 - d) Entrepreneurial attitudes among the youths.

Performance of a project

- Number of employees- how many entrepreneurs have managed to employ workers
- Level of stock: Refers to the number of goods or raw materials kept in an enterprise.
- Gross net sale: Refers to the grand total sale transactions reported in a particular period.
- Reinvestment in general: Refers to the use of profits and capital gains to purchase additional shares.
- Facilitation of markets for services and goods; availability of markets.
- Inconsistency in budgetary allocation: Refers to the difference, lacking of harmony or not regular amounts awarded to various groups and individuals.

CHAPTER THREE: METHODOLOGY

3.1 Overview

This chapter describes the following: study site description, research design that was used to conduct the study, sample population, sampling procedures well as the methods that were employed in collecting data, ethical consideration and data analysis.

3.2 Site Description

According to the Independent Electoral and Boundary Commission (IEBC) Survey Report (2012), Migori County is located in the former Nyanza province. It borders Homa Bay, Kisii and Narok counties and Tanzania to the South. Constituencies forming Migori County are: Rongo, Awendo, Suna East, Suna West, Uriri, Nyatike, Kuria West and Kura East, respectively. The area is 2,586.4sq.kms. According to 2009 National Census, it has a population of 917,170 people and the youths constitute 70% of the population.

The major economic activity in Migori is agriculture, the area is known for sugar cane, tobacco, tea, coffee, maize, groundnuts farming, mining of gold and trade. The people here are mostly Protestants (majorly, Seventh Day Adventists and Anglicans), Catholics and small percentage of Islamic religion. The inhabitants include Luo, Suba, Kisii, Kurias, Luhya, and a small pocket of Indians and Somalis.

The reason why Migori County was chosen was because majority of the entrepreneurs assisted by Uwezo Fund were performing better and at the same time several entrepreneurs had encountered a lot of challenges while doing business despite the availability of Uwezo Fund in the county.

3.3 Research Design

A research design is the presentation of a structure or plan which seeks to answer various research questions. The research used cross sectional study design which is descriptive by nature. It entailed collection, measuring and analysis of data (Kothari, 2004). The design described the state of affairs as they appeared and provided further insight into the research problem. It also described what existed in terms of practice,

trends, attitudes and beliefs among the youth on factors affecting the distribution of Uwezo Fund for their anti-poverty entrepreneurship projects.

3.4 Target Population

According to Busha and Harter (1980), population is a group of objects, individuals or items from which samples are taken for measurement or an entire group of persons or elements that have at least one thing in common. This study was undertaken among 99 correspondents drawn from Rongo constituency of Migori County. The reason was Rongo had the highest number of youths entrepreneurs that have done well with Uwezo Fund and at the same time those that have struggled to perform.

3.5 Sample size and Sampling Procedure

A sample is a group of units or events drawn from a population or universe. The population used in the study was the youth entrepreneurs funded by Uwezo Fund between the years 2013 to 2016. The sample size used was 99 respondents.

a) Wards

Rongo constituency had five wards; North, South, East, West and Central Kamagambo wards. The researcher divided them in to clusters to determine which of the five wards would be used in the study. Thereafter the researcher used simple random sampling by assigning numbers (1-5) to the wards and chose even numbers to be used in the study. Two wards were picked, Central and

b) Uwezo Fund Groups

The study used Mugenda (2003) 10% to determine which youth groups would be included in the study. Central Kamagambo had a total of 174 youth groups, thus 17 youth groups were picked from the total group population. The same was done to East Kamagambo which had a total of 162 groups and sixteen (16) groups from the total population were picked to conduct the study. Thirty three (33) groups took part in the study. Each group had between 10-15 people with each member having similar intra group experience and different groups had different experiences that needed to be learnt about. The following were groups sampled from central and East Kamagambo (see table 3.1).

Table 3.1 Youth groups Sampled

Number	Central Kamagambo	East Kamagambo
1	Nyaloo self-help	Opapao self-help
2	Kanyakodero	Winyo self-help
3	Tii Gi Wiyi	Kanyanyobambo youth group
4	Osiepe self-help	Nyakure self-help
5	Loo Rateng self-help	Kinda E Teko
6	Yao Pachi	Boda Anex self-help
7	Nyanam Youth Group	Kaudena
8	Hera Gweng	Nyi Santos
9	Ogenya Youth Group	Nyangao Empowerment group
10	Nyangoo Empowerment	Bidii
11	Konyri Kendi	Nyanam
12	Neighbors Group	Nyaburu Daraja self-help
13	Blessed mothers	Rapid Transport association
14	Seme Kisumo	Asango
15	Red Stars	Paka
16	Rongo transport Association	Wamanya
17	St Mary self-help	

d) Youth Entrepreneurs

The thirty three youth groups had a total of three hundred and thirty four (334) group members. Purposive sampling was used as it allowed the researcher to choose three entrepreneurs per group; the group leader and two group members. The study interviewed youth entrepreneurs between 18-35 years of age, who had voluntarily consented to participate in this research. They were drawn from Central (52%) and East Kamagambo (48%) locations.

b) Key Informants

They were four key informants: Two sub chiefs of Central and East Kamagambo and two Uwezo Fund officials took part in the study. To get information from them, we gathered and review existing data and determine what information was needed. The researcher used a Key Informant Interview Guide to interview the key informant interviewees. Questions had enough spaces between them to allow them manually write comments while conducting the interview.

Table 3.2 Sample Size

Study sub-site	Number of Groups	Number of groups sampled	Number of entrepreneurs in groups	Number entrepreneurs sampled
Central Kamagambo				
Nyarach	20	2	26	6
Rongo Township	100	10	50	30
Koderobara	54	5	50	15
East Kamagambo				
Opapo	62	6	78	18
Nyaburu	50	5	70	15
Kameji	50	5	60	15
Total	336	33	334	99

3.6 Data collection techniques and tools

According to Wilson, (2010) questionnaire is a tool of data collection that comprises a set of questions designed to generate data suitable for achieving objectives of the research project. Questionnaires allow the researcher to obtain reliable, accurate information and are cost effective means of gathering feedback.

The data sources for the study were both primary and secondary. The researcher collected primary data at the source while secondary data was collected from published sources such as past reports. A Semi-structured interview administered

questionnaires were administered to the 99 study respondents using 12 trained and incentivized Research Assistants. The researcher identified, selected and trained research assistants using both theoretical and simulation methods to ensure adequate understanding of the research questions and standards for probing responses to ensure they were uniform for all study respondents. The research assistants were persons above 18 years who had previous research survey experience who had attained middle level to university level training and who hailed from the study site.

Study pilot to test the questionnaires for validity and reliability was undertaken among youths involved Uwezo Fund from different Sub-County but who shared similar socio-economic indicators and involved in the fund activities. The research questionnaires was improved basing on facts from the pre-test results. According to Mugenda (2003), for the researcher to realize validity and reliability of data he or she must use properly constructed instruments, appropriate data collection tools and sampling techniques that yield accurate data. The validity of the data collected was verified by test-retest method of the questionnaires where some selected Uwezo Fund beneficiaries of the targeted population were consulted.

3.7 Data Analysis and Presentation

The study generated both qualitative and quantitative data. Descriptive data analysis method was used to help analyze numerical data gathered quantitatively using closed ended questions. The Statistical Package for Social Science Version 14.0 (SPSS) was used. The data was cleaned, coded, categorized per each variable and then entered in the computer to check inconsistency. The key informant interviews were analyzed and presented descriptively.

3.8 Limitations of the Study

The study would have wished to interview the entire youth entrepreneurs assisted by Uwezo Fund in Migori County. However, due to limited funds, resistance from the beneficiaries and time constrain the researcher conducted the study in Rongo one of the sub-county of Migori County.

3.9 Research Ethics

The ethical standards guiding social science were adhered to. They included standards for the researcher such as plagiarism and miss use of privileges while to the respondent; it involved privacy and confidentiality. The researcher ensured that no psychological or physical harm was subjected to the respondents. She obtained permission from the ministry of Devolution and National Planning where the researcher presented the letter from University of Nairobi showing the academic purpose of the study. The researcher had appointment with the respondents upon seeking their consent voluntarily and then issued questionnaires. The researcher also assured the respondents of confidentiality of information given some were sensitive.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents data analysis and its interpretation. The presentation was done based on the research questions and the objectives.

The study was to evaluate factors affecting performance of the Uwezo Fund assisted youth enterprise anti-poverty projects in Migori County, Kenya. Data were gathered from youth entrepreneurs, and key informants. The data covered administration of the Fund, characteristics of the respondents which were: gender, occupation, age, education level, marital status and source of information. The data also covered access and repayment of the Fund, types of youth projects and Performance of the projects assisted by the Fund,

4.2 Administration of the Uwezo Fund

The first objective of this study was to examine the administration of Uwezo Fund and its effect on performance of its assisted anti-poverty projects. That is: visits, training, and support through media; radio programs and television shows had an impact on the entrepreneurs. It also covered professionalism, transparency, governance, political interferences and management style that the fund administration had adopted.

Table 4.1 Support by Uwezo Fund Staff

Visit by Uwezo Fund Staff	Number of sampled respondents	Percentage
Yes	12	12
No	87	88
Total	99	100
Training by Uwezo Fund		
Yes	9	9
No	90	91
Total	99	100
Support by Uwezo Fund through internet		
Yes	None	0
No	100	100
Total	99	100
Internet access		
Yes	None	0
No	99	100
Total	99	100

4.2.1 Visit by Uwezo Fund Staff

When asked if they had received any support from the services offered by Uwezo Fund staff, 12% said they had been visited by the staff while 88% said they had not received any visit. The visits were to help check on the performance by evaluating every stage of growth of the enterprises however this did not happen. The result was poorly managed enterprises that were vulnerable to any change in the market.

4.2.2 Entrepreneurship training by Uwezo Fund Staff

The sampled entrepreneurs were asked if they had received any training by Uwezo Fund managers and 9% agreed that they had been trained whereas 91% said they were yet to receive any training. This was reasonable explanation that the entrepreneurs understood the objectives of the fund and what was expected from both the youth entrepreneurs and the fund management. It is however evident that the training they received was done annually when the youth entrepreneurs got the initial funding.

4.2.3 Support by Uwezo Fund through Internet

All the sampled respondents however had not received any support on internet access from the fund management. They explained that few of them had knowledge on e-commerce thus majority did not understand how their enterprises could benefit from

use of internet. The above data showed majority of the youth entrepreneurs had little knowledge on information technology, besides the Uwezo Fund managers made less effort to avail free internet services.

4.2.4 The fund sources of dissemination of information to the respondents

From the figure below 30% of the respondents agreed to have benefited from radio programs organized by Uwezo Fund officials whereas 70% said they had not had any programs on radio or television organized by Uwezo Fund County officials. This was an indication that information was not freely available and directly accessible to the respondents from the Uwezo Fund officials.

Respondents were asked how corruption and embezzlement of Uwezo Fund by the managers had affected performance of their projects. Of the 99 respondents only four 4% said they had not been affected in any way, while 96% noted that corruption made groups to be given less money as the rest are taken by the corrupt officials. They also said this led to lack of accountability on both the managers and the youth entrepreneurs making the fund to lose its meaning and intended purpose. This tended to undermine the entrepreneurs in the governance of the fund

Of the 99 respondents 91% entrepreneurs felt that lack of professionalism, transparency; governance and political interferences had affected the performances of the projects assisted by Uwezo Fund. They reported that political offices dictated who was to get the money and who was not to do so. The youth entrepreneurs who come from areas that had different political opinions were often sidelined or left out. That is politicians manipulated the fund management system and in turn interfered with the entrepreneurs' performance.

Nearly all of 100% respondents said the money was always given to relatives, clan mates and to those entrepreneurs that had supported the politicians in the office. They also reported that managers were corrupt and often took the funds in a manner that did not follow rules and regulations of Uwezo Fund. They also did not embrace equity and inclusiveness while distributing the fund. Besides, they also reported that the administrative cost was strenuous and took a lot of time while applying for the funds

as the offices were far apart. Some were in Rongo, Awendo and Migori towns, respectively.

The data above showed that nepotism and tribalism had affected the performance of the enterprises managed by the entrepreneurs, sidelining the requirements and guidelines put by Uwezo Fund management. It also undermined the equitable distribution of resources among the entrepreneurs in Migori County.

All the sampled youth entrepreneurs had the opinion that democratic management style would be the most effective and would lead to effective equal distribution and repayment of the fund. This meant that the policy, procedure and actions steps are reached through consultations between leaders and the entrepreneurs.

On the question of how top managers should manage Uwezo Fund, the key informants recommended that the top Uwezo fund managers should improve on their skills through monitoring and evaluation to ensure the fund achieved its intended objectives. Key informants suggested that the fund management to devise ways of battling corruption and prosecute perpetrators, follow up on the loan defaulters and be part of the entrepreneurs as they establish the business till the time the businesses can stand alone. They also advised that the managers to be up to date with repayment progress report to help them have a clear picture of how the youth entrepreneurs progress in their various fields.

4.3 Profiles of the youth entrepreneurs

The second objective of the study was to examine how profiles of the entrepreneurs affected the performance of enterprise anti-poverty projects assisted by Uwezo Fund. Profile entails characteristics such as gender, occupation, age, level of education, location of the residents and the types of businesses the entrepreneurs run. A total of ninety nine respondents drawn from various youth groups in Central and East Kamagambo location took part in the study and four key informants from the Rongo Sub County.

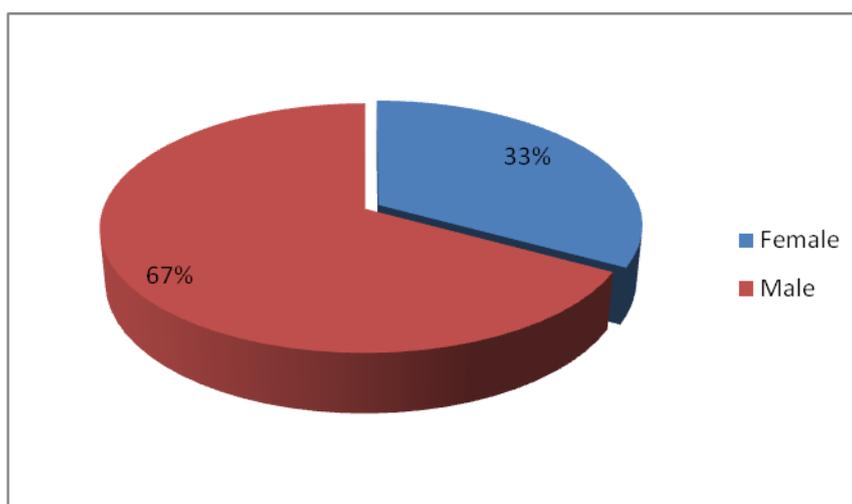
4.3.1 Gender of the Respondents

Gender was used in the study to help analyze different perceptions of their business environment, which of the two genders were the most active and what Uwezo fund

team needed to do to improve popularity of the fund to the youth entrepreneurs. The study found that female youth were less involved in the uptake of the youth funded projects compared to their male counterparts. The male youths were 67% and the female youths were 33% (see Figure 4.1). One woman responded, “ I prefer other financial institution because of the tedious processes Uwezo Fund had. The lending procedures put in place by the government made me to automatically be disqualified for the acquisition of the fund. This can not happen when I go to any of the banks, they will give me the loans within 24 hours as long as I have collateral. They also don't treat me like a woman; we are all their customers with equal rights as men”. Thus majority of the women no longer attempt to get Uwezo Fund.

The study also found out that cultural perceptions often give men priority over women; 17% of the female entrepreneurs often worked fewer hours compared to the male entrepreneurs. The female are often burdened by taking care of the family thus losing business opportunities and recording poor sales. One male respondent was reported saying, “ In our culture, a woman is confined to home managers, they must take care of the family by cooking, cleaning and ensure every one is comfortable before they open their businesses. This has affected three of my group members”.

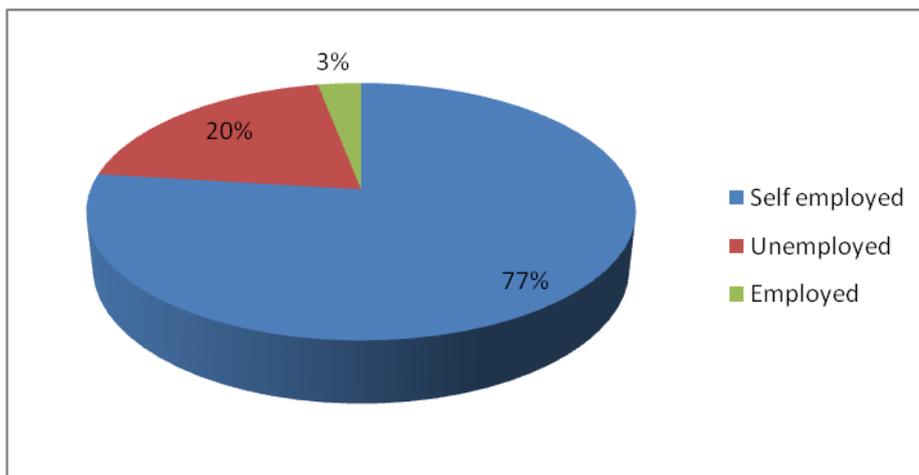
Figure 4. 1: Gender of the respondents



4.3.2 Respondents Occupation

Majority (77%) of the youth respondents were self-employed and operated various businesses in the county while unemployed youth were 20% and those employed were 3% of the respondents. From the above data it was clear that majority of the respondents were self-reliant by engaging in various businesses. Youth entrepreneurs (77%) that had other income were able to inject more capital in their various businesses, thus were performing better compared to entrepreneurs that had fully relied on the government funding. However, unemployment was still an issue in the county despite the funding from the government through Uwezo Fund, (see Figure 4.2).

Figure 4.2: Occupation



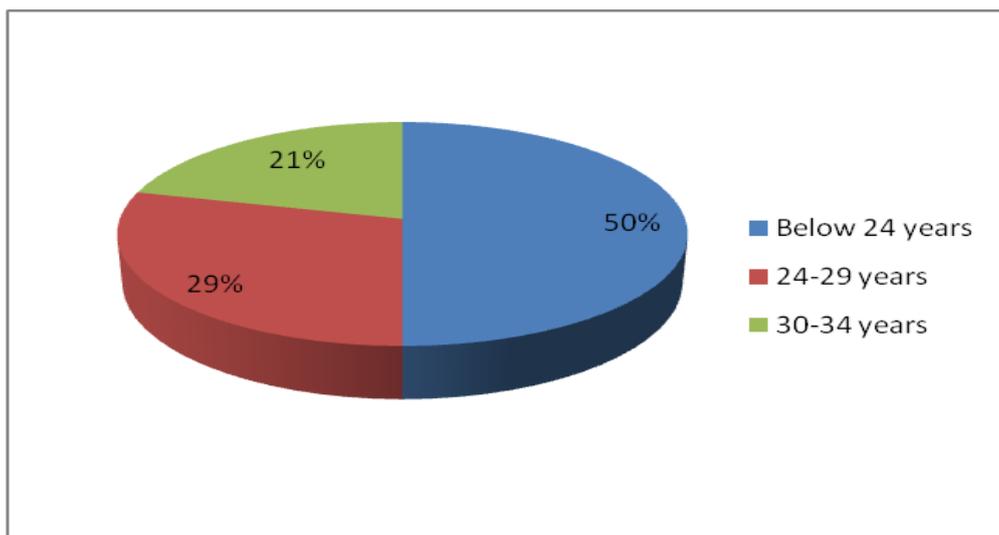
4.3.3 Respondents' Age

Age composition was used in the study because it helped in influencing the choice of answers, eases the entrepreneurs in answering personal questions and to analyze how it influenced performance. For the youths to be eligible for Uwezo Fund, the membership had to be between 18 and 35 years. About 50% of the respondents were below 24 years of age, 29% were between 24-29 years and 30-35 years were 21%. This gave a clear indication that the respondents below twenty four years were the most active in the county and had accessed of the fund. The respondents in the age bracket of 30-35years were less involved in projects assisted by Uwezo Fund. One of the sampled youths said, “The fund only covered age groups between 18-35 years , therefore many older youth entrepreneurs had the fear of being limited by the age

and as a result I opted for other available financial institutions like the banks and SACCOs,” (see Figure 4.3.).

The study also found out that younger youths had difficulty in realizing their goals because of inadequate experience. One youth respondent below 24 years was reported saying, “When we got the loan majority of us did not prioritize, we misused the funds; bought little stock, entertained our friend and rushed to start various enterprises without weighing in the pros and cons. The result was poorly coordinated businesses and losses. Some of us are soon closing down their businesses unlike the older youths who have had experiences, access to information in the networks thus are stable and are performing so well”.

Figure 4.3: Age of Respondents

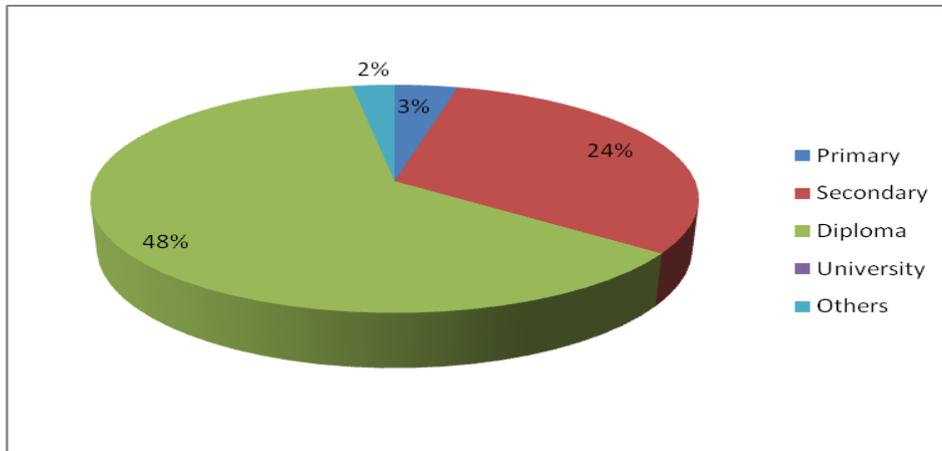


4.3.4 Level of Education of the respondents

Level of education was used in the study because it had positive impact on growth of business. Different levels of education have led to better performance in entrepreneurship projects in various parts of the county. There were various categories of the levels of education of the respondents namely, primary, secondary, diploma, university and certificate levels. It indicated that all the respondents had certain level of education and that they were not illiterate. This meant that the respondents would easily understand the objectives of the fund. Besides majority were able to develop

creativity and were able to use modern communication techniques and greater team work, (see Figure 4.4).

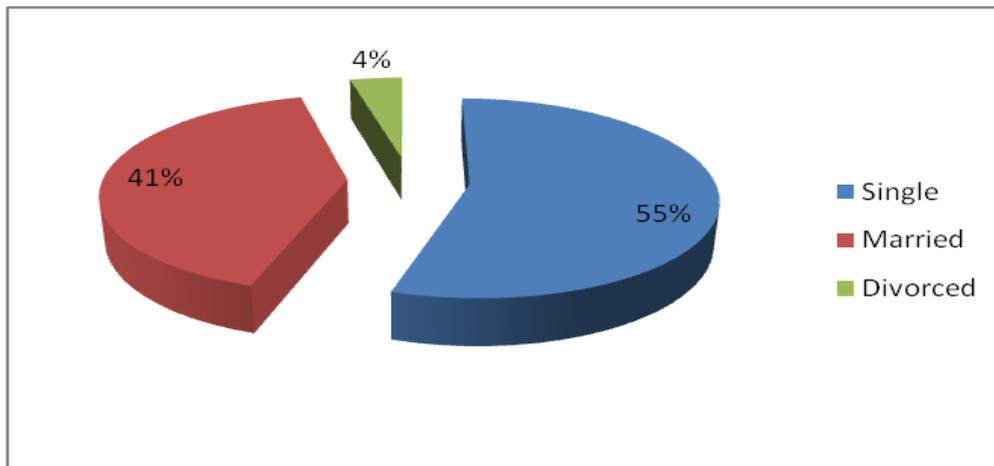
Figure 4.4: Education Level of the Respondents



4.3.5 Marital Status of the Respondents

Marital status can affect the way one answered questions. This was used to show the characteristic of the study population. It was also used to make a difference in respondents' answers and to avoid stereotype threat. Majority of the respondents were single 55%, married were 41% and separated or divorced were 4% (see Figure 4. 5). The single entrepreneurs were more organized and had better performing enterprises compared to the married ones. One of the respondent was reported saying, "I have a lot of expenses; paying rent, school fees and feeding my family. I hardly bank any profit I make in my enterprise".

Figure 4.5: Marital Status



4.3.6 Location of the entrepreneurs

According to Migori County Uwezo Fund Report (2016), there were 336 registered youth groups in the Central and East Kamagambo. The respondents interviewed were from Central Kamagambo 52% and East Kamagambo 48%. This was a clear indication that of the two locations of Rongo Sub County, Central Kamagambo had the highest youth entrepreneurs that were assisted by the Uwezo Fund. Majority of the enterprises were located in Rongo Township ward being the largest town in the area, followed by Opapo and Nyaburu towns in East Kamagambo, respectively. Uwezo Fund county offices were far apart, over 41.7 kilometers from these two wards. This made it expensive and tedious for the entrepreneurs to get various services.

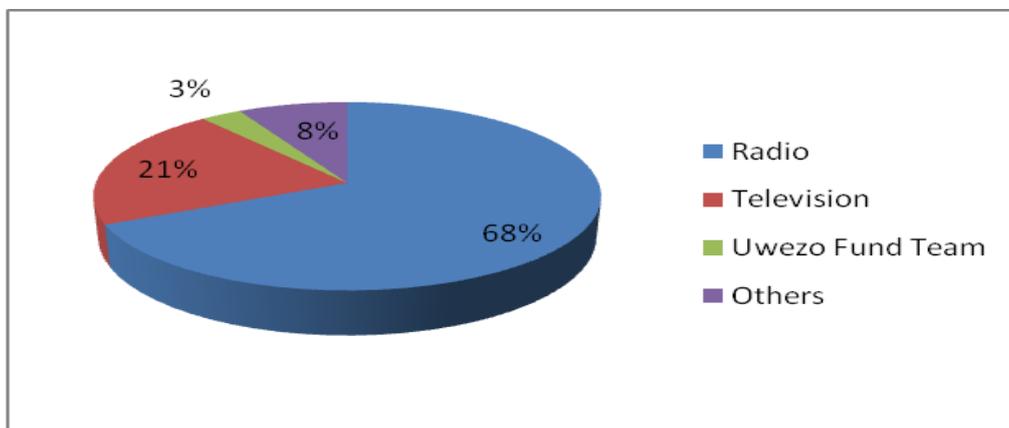
4.4 The process of disbursement and repayment of Uwezo Fund loans

The third objective of this study was to examine the process of disbursement and repayment of Uwezo Fund to individuals or groups. These entailed; source of information about the fund, time taken to process the fund, the loan amount of money allocated to individuals, the time taken to repay the fund and the loan lending procedures that were put in place by the fund. The main aim was to establish how the above factors affected the performance of the assisted youth enterprises anti-poverty projects in Migori County.

4.4.1. Source of information about the Fund

Dissemination of details on Uwezo Fund ought to have come from the national government through the Ministry of Devolution and National Planning. However this was not the case. Most of the youths got to know about the fund through radio 68%, television 21%, through Uwezo Fund team 3% and through friends 8%. The youth entrepreneur was reported saying, “I got to know about this fund through radio Citizen, Ramogi and Nam Lolwe. Later two officials visited us during the community meeting and explained that the government had launched Uwezo Fund to us two years ago. We did not understand how we can use the fund to benefit more and what ought to have done to get the fund on time”. These sources showed that the Ministry of Devolution and National Planning failed to disseminate information to the youth entrepreneurs as mandated by the Uwezo Fund guiding principles. Very few officers went out to tell the respondents about the fund and to explain what the fund was meant for, how to access it and its repayment process (see Figure 4. 6).

Figure 4.6: Source of Information about the fund



In response to the question on awareness of the Uwezo Fund and if the youth entrepreneurs were involved in the process of the access of the fund, the two county ward administrators and the Uwezo Fund officials acknowledged that they knew about Uwezo Fund and that they were involved in the process of access of the funds to the youth entrepreneurs. They explained that Uwezo Fund was launched by the president in 2013 to give youths, women and persons with disability business startups as soft loan.

On the questions of if the fund had been beneficial and if both the youth groups and the ward administrators were involved in the decision making process. They asserted that the fund had been beneficial to the youth entrepreneurs in the county of Migori in general as most of them had opened up businesses and had stable income. The ward administrators however noted that both the youths and the assistant chiefs were often left out during decision making process on access of the fund. This had affected various entrepreneurs as most of these decisions were often not beneficial and did not answer to their immediate needs. They hoped that the principles of Uwezo Fund would be followed to the latter by the managers as stipulated in the Uwezo Fund Guide Book.

4.4.2 Loan Amount from the fund

Majority of the respondents 97% had received funding from the fund with only 3% of the respondents having not received the funds after application. All the sampled youths stated that the funds were given to their various youth groups. The 3% of the respondents that had not received the fund reported that despite having fulfilled the requirements to be eligible, no money had been channeled into their accounts (see Figure 4.7).

Figure 4.7 Loan Amount from the fund

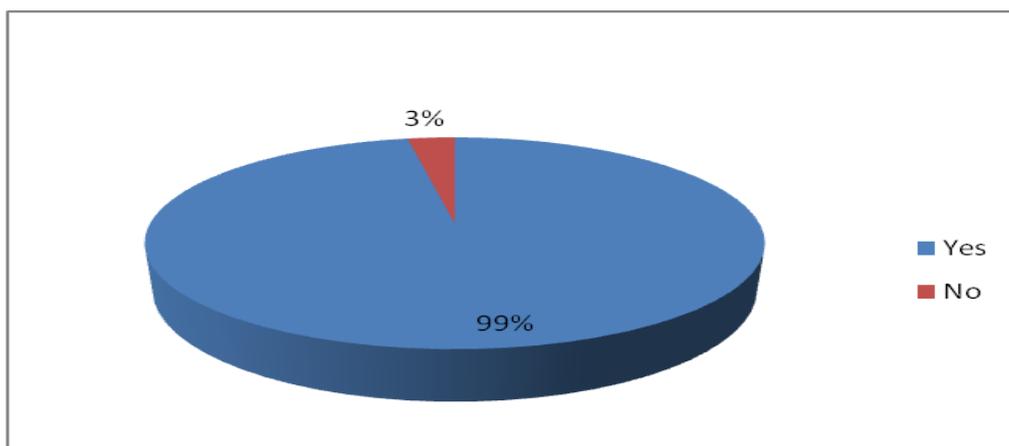


Table 4.2: The amount of funds received between 2013-2016

Number of youth entrepreneurs	Amount received in Ksh	Total amount received in Ksh
3	200,000	600,000
6	150,000	900,000
12	120,000	1,440,000
25	100,000	2,500,000
15	70,000	1,050,000
20	60,000	1,200,000
10	50,000	150,000
5	30,000	300,000
Total	96	8,140,000

From the above data it was clear that majority of the sampled youth entrepreneurs had received funding. Another issue that was evident was the inconsistency in budgetary allocation as various youths were awarded different amounts of money; thus the challenges of operating enterprises especially the individuals that received low amounts of money. The fund managers assumed that the youth entrepreneurs had the same problem that is why the loan was accessed through groups and not through individual entrepreneurs.

About 70% of the sampled entrepreneurs sighted political interference and nepotism to be some of the major challenges they had encountered in accessing the fund. They mentioned that some of the youths had suffered neglect and injustices especially those in areas that had different political views and that politicians had used that to instill discipline on the renegade areas. It was also clear that there was no political good will from the area leaders and their interferences had affected the performances of the youth entrepreneurs.

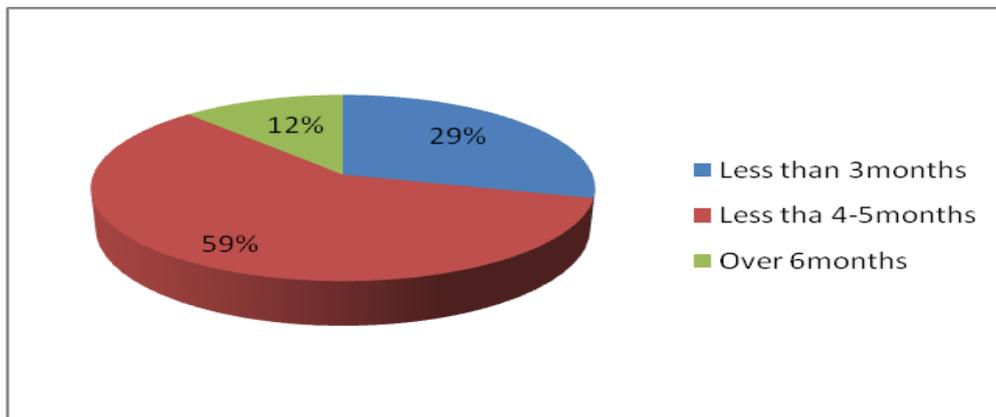
On the question of what should be done to make Uwezo Fund more beneficial, the Key informants agreed that the time taken to process the funds should be reduced to help encourage the youths in the uptake of the loans offered by the government. They also suggested that the loan amount given to entrepreneurs be increased so that the

youths can venture in big businesses as opposed to the current situation where groups got as low as thirty thousand Kenya shillings. Other suggestions were; stop political interferences and nepotism that had reduced the public sector in uptake of Uwezo Fund.

4.4.3 Duration taken to access Uwezo Fund

A large percentage of the respondents 59% received the funds between the fourth and fifth months from the time they made the application. Those that accessed the funds in less than three months were 29%, and over 6 months 12% respectively. This meant that it took long for the youth entrepreneurs to access the funds as compared to other financial institutions like banks that processed funds to their clients within a day. Uwezo Fund managers were slow and took long to get funds from this institution. The long processing trends had discouraged potential youths from applying for the fund besides affecting their daily business activities like taking risks involved in combining available resources to start an enterprise (see Figure 4.8).

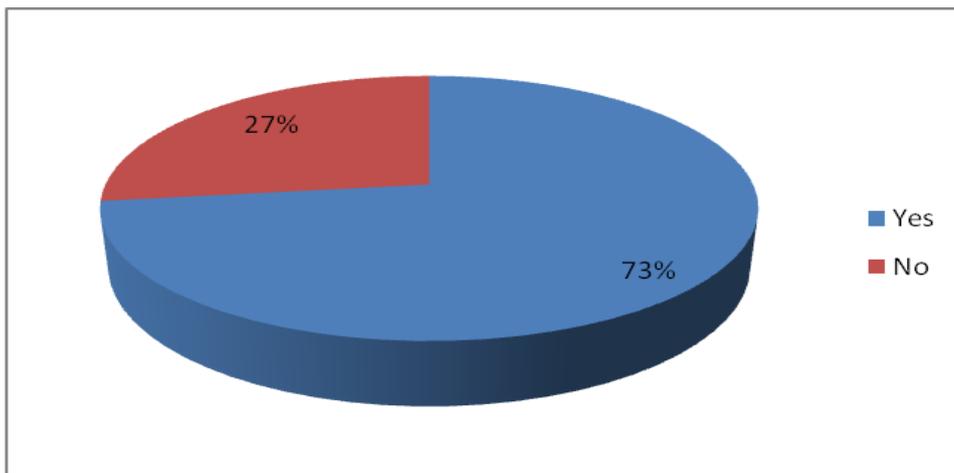
Figure 4.8: Duration taken to access Uwezo Fund



In addition 73% of the individual sampled youth entrepreneurs assisted by the fund sighted difficulties they encountered while accessing the funds. Twenty seven percent 27% said it was easy to access the funds. They sighted issues such as slow management process, nepotism, tribalism, corruption, embezzlement, bribe, fraud, kickbacks and lack of ethics to adequately handle the fund and its repayment. Theft through misappropriation, payment made to gain advantages and rewards for favorable decisions had also interfered with performance of the youth entrepreneurs.

One youth entrepreneur was quoted saying, “The fund officials extorted money from the entrepreneurs to award favors or give services to the entrepreneurs. Use of favoritism and officials were paid money to turn a blind eye to unauthorized connections resulting from tribalism and nepotism when awarding the funds to the various youth entrepreneurs”.

Figure 4.9 Difficulty in access of Uwezo Fund



The respondents were asked to state the challenges they had experienced on regulatory and supervisory frameworks that govern Uwezo Fund. All the sampled youth entrepreneurs observed that the fund had so many rules that made its’ acquisition impossible for many youth entrepreneurs. They compared the fund to other financial institution around the county like banks and they noted how one would easily get the loan within 24hours of application. They also said that the offices were far apart as far as 41.7Kms.The distance between Rongo to Migori 41.7km, the youth entrepreneurs observed it made the filling of Uwezo Fund forms tedious, expensive and time consuming.

4.4.4 Repayment of Uwezo Fund Loan

About 65% of the individual respondents sampled had their loan repayment on time while the remainder of them lagged behind. The respondents explained that they had lagged behind due to slow growth in business, high cost of starting the businesses and poor infrastructure that had negatively affected the youth entrepreneurs. One of them said, “I was given the money and used most of it to pay for rents, taxes and levies

from the county government and the rest to buy goods and services”. The data above was a clear indication that repayment was not timely. Slightly more than a third of the respondents had not repaid their loans.

Twenty six percent 26% reported that majority of the youth entrepreneurs were not prompt on loan repayment besides they were struggling with trust issues because they did not know each other well. They also said inadequate loan amount given by the fund managers had affected the choice of business they ventured in affecting performance of individual businesses.

The entrepreneurs reported that there was embezzlement of the Uwezo Fund by both the group officials and group members. One of the sampled youth entrepreneurs was reported saying, “Many group members are repaying loans that they cannot account for. The group leaders and the fund officials cannot explain where the rest of the money is. The bank statement showed different amount of money from what they were given. The level of impunity shows lack of integrity and transparency that needed to be addressed for us to renew our confidence in Uwezo Fund”.

4.5 Types of youth Projects

The fourth objective of this study was to access how the type of projects the entrepreneurs engaged in had affected performance of projects assisted by the fund. It aimed at finding out the type of businesses owned by the individual youth entrepreneurs. It also assessed the challenges that come with the choice of business like the infrastructure, taxes by both the local and national government and entrepreneurial attitudes among the youth entrepreneurs.

We found out that the respondents operated various businesses ranging from merchandising business such as grocery stores, distributors and resellers were 40%. Those operating service businesses came in second with 34%; such businesses were intangible products such as saloons, barber shops repair shop and hotels. Hybrid business was 26%; examples were restaurants, carpentry shops and farming, (see table 4.3). These businesses attracted different challenges such as small budgets constraints, pricing due to cost of structures, disagreements among the group members, advanced technology and innovations. The youth entrepreneurs had not adequately specialized

on these businesses thus poorly performing enterprise. One entrepreneur was quoted saying, “Every business has numerous challenges; they vary in taxation, they require different capital to start and require expertise to run them. I lacked specialization and this has made my enterprise vulnerable to market changes”.

Table 4.3: Type of Enterprises managed by Youth Entrepreneurs

Types of enterprise	Number of youth entrepreneurs	Percentage
Merchandising business	40	40
Service business	34	34
Hybrid business	25	26
Total	99	100

On the question on how long the entrepreneurs had been in businesses, between the years 2013 to 2016, we found out the following. (See table 4.3)

Table 4.4: Duration of doing business

No. of Years from 2013-2016	No of Respondents	Percentage
One	20	5
Two	23	27
Three	26	33
Four	30	35
Total 4 Years	99	100

From the data above, the study found out that majority of the entrepreneurs established their enterprises in 2014 after Uwezo Fund was established. However there was a decrease in their numbers which implied that the fund had slowly lost its popularity in the county.

The youth entrepreneurs were asked to list some of the major challenges they had experienced while doing the various businesses and the following were their responses: nearly 63% of the youth entrepreneurs sighted poor communication skills

among members that resulted to slow decision making process and often led to the group wrangles. About 11% of the respondents reported laziness among members, lack of cooperation and knowledge of running the enterprise as some of the factors affecting them.

About 87% respondents said poor road network and constant power cuts had affected them greatly in their various enterprises. The enterprises they ran were dependent on these two major infrastructures. However, 13% of the sampled entrepreneurs said they had not experienced any problem with infrastructure as their enterprises had benefited from good road network and constant electricity supply.

On the question on how often they had attended workshops organized by Uwezo Fund, 30% of the sampled youth entrepreneurs reported that they had attended workshops. Majority of them were from Uwezo Fund groups of 2013. However, 70% of the youth entrepreneurs complained of not participating in any of the workshops. One respondent said, “They promised to organize workshops that could help us better our various business ventures and that is yet to happen. They said we exercise patience to allow the fund managers and their staff to fulfill the promise”. The data above was a clear indication that Uwezo Fund staff had not organized workshops to majority of the youth entrepreneurs as stipulated in Uwezo Fund Hand Book.

Poor state of the infrastructure in Migori County; road networks, inadequate supply of electricity and water had hindered the performance of the entrepreneurs. Besides, slow decision making process, lack of cooperation and inadequate knowledge in running the enterprises were some of the challenges affecting the performance of the enterprises managed by groups.

4.6 Performance of the projects assisted by Uwezo Fund

The fifth objective of this study was to find out how Uwezo funded projects performed following their assistance. Performance of the project is a combination of good skills and productive working environment. It entailed the ability to use Uwezo Fund to invest, grow business and generate profits. This objective sought to find out performance in terms of how many entrepreneurs had managed to employ workers in their various enterprises, their level of stock, the gross profits, and reinvestment in

general and facilitation of markets for services and goods see (Table 4.2). It also sought to find out some of the challenges the youth entrepreneurs encountered that had negatively affected performance of their enterprises.

Table 4.5: Performance of the projects assisted by Uwezo Fund

Employed workers	Number of sampled youth	Percentage
Yes	64	65
No	35	35
Total	99	100
Stock increase per annum		
Yes	46	49
No	53	51
Total	99	100
Gross profit per annum		
Yes	22	22
No	77	78
Total	99	100
Investments		
Yes	85	86
No	14	14
Total	99	100

4.6.1 Employed Workers

A considerable number of the respondents had managed to offer employment to not more than one worker, while 65% had not employed any worker in their various enterprises. This implied that there was growth of nearly a third of the enterprises.

4.6.2 Stock Increase

Nearly 49% of the respondents reported to have increased their stock levels. One of the sampled respondents said, “ I made mistakes at the beginning by spending much money in buying equipment , renting spaces, paying taxes instead of developing business plans and improving the quality of my business”.

4.6.3 Gross profit

Gross profit is the sale of a good or services less the cost associated with production. Only 22% of youth entrepreneurs had realized profits while 78% had not. One of the entrepreneurs was quoted saying, “I focused on overhead expenses placing too much emphasis on buying equipment, paying rent and modifying business spaces instead of focusing on increasing profit and overall enterprise value”. Only 35% youth entrepreneurs had proper business plans, 65% had not properly stated their financial plan making the enterprises vulnerable to changes in the markets.

4.7 Investments

The youth entrepreneurs that had reinvestment in general in their various enterprises were 86% while those that had not reinvested were 14%. This they said helped them to improve their businesses enterprises. The entrepreneurs said the money helped them to keep their businesses relevant by adding the capacity and helping them create new sales opportunity. However one of the entrepreneurs was reported explaining the following. “I had not reinvested because I lacked knowledge and skills on current markets, poor marketing techniques made me not to properly market my goods and services thus I made loses. Rapid technological changes that were costly and new laws that both the local and national government enacted to had hampered the growth of various enterprises”.

Other respondents 96% sighted high cost of doing business as one of the factor affecting the performance of projects assisted by Uwezo Fund. They pointed out taxes introduced by both the county and national governments as being high and making most of them to close down business to avoid arrest and harassment by the authorities. However, 3% of the respondents said that the government had helped them realize profits especially through the tenders awarded to them. All the entrepreneurs reported that they were struggling to find markets for their goods and services.

From the above data it is clear that both the local and national governments through their legislations on taxes have made the cost of doing business very high. The results were low wages, high prices for commodities and loss of businesses among the entrepreneurs.

4.8 Relationship between respondent profile and their performance

Having presented descriptive data on the profiles and performance, the study sought to show the relationships between these variables. The profiles were; gender, age, occupation, level of education, marital status and number of children.

Firstly gender was cross tabulated with performance, a significant relationship was observed between the two variables. The male respondents performed better than their female counterparts. It was likely that cultural perception played a role in making the female youths less involved in entrepreneurial activities. The culture did not allow women to own property and were subjected to mere caregivers and home managers.

Secondly we cross tabulated age of the respondents and performance and found out that at $\chi^2=1.603$, $DF=4$ and $P=<0.05$ indicating that there was no relationship between the two variables. This meant that younger youths did not perform better than the older ones. They shared the same social environment of their businesses that had an impact on type and number of customers the entrepreneurs attracted.

Thirdly occupation was cross tabulated with performance and we found out that at $\chi^2=1.612$, $df=4$ and $p=<0.05$ there was no relationship between the two variables. All employed, self employed and unemployed performed averagely. This was brought about by the impact of consumer attitude and life style changes like buying habits, social classes and average disposable income of the people in the area of study.

Fourthly we cross tabulated level education with performance and found out that at $\chi^2=17.999$, $df=6$ and $p=>0.05$, which meant there was relationship between the two variables. The study found out that the higher the level of education the better the performance. Education and training determined how an entrepreneur performed in business.

Fifthly marital status of the respondents and performance was tabulated and we found out that at $p=<0.05$, $df=4$ and $\chi^2= 1.064$ there was no relationship between the variables. This meant that all the youth entrepreneurs; married, single and divorced had performed equally in their various enterprises. The equal performance was brought about by the rising costs of utilities such as cost of production, food and petroleum products experienced in the entire county. The result was raising cost of products and services to keep pace with the inflation and maintain profits.

Finally we cross tabulated number of children against respondents performance and found that at $\chi^2= 3.350$, $df=4$ and $p=<0.05$ there was no relationship between the variables. Both youth entrepreneurs with and without children had performed equally. They all operated in the same economic space influenced by the same consumers and risks like poor infrastructures such as roads, insecurity and constant power cuts.

Table 4.6 bears the cross-tabulation between the respondents' profiles and their performance.

Table 4.6: Relationship between respondent profile and their performance

		Performance levels			Total
		Low	Average	High	
Gender	Male	7	50	9	66
	Female	8	25	0	33
Total		15	75	9	99
$\chi^2 = 7.200, df=2$ and $P \Rightarrow 0.05$					
		Performance levels			Total
		Low	Average	High	
Age in years	Below 24 years	7	38	6	51
	25-29 years	5	22	1	28
	30-35 years	3	15	2	20
	Total	15	75	9	99
$\chi^2 = 1.603, df=4$ and $P < 0.05$					
		Performance levels			Total
		Low	Average	High	
Occupation	Unemployed	10	59	7	76
	Self-employed	4	14	2	20
	Employed	1	2	0	3
Total		15	75	9	99
$\chi^2 = 1.612, df=4$ and $P < 0.05$					
		Performance levels			Total
		Low	Average	High	
Level of Education	Primary	0	1	1	2
	Secondary	2	21	3	26
	Diploma	13	34	1	48
	University	0	19	4	23
Total		15	75	9	99
$\chi^2 = 17.999, df=6$ and $p \Rightarrow 0.05$					
		Performance levels			Total
		Low	Average	High	
Marital Status	Single	8	40	6	54
	Married	6	32	3	41
	Divorced	1	3	0	4
Total		15	75	9	99
$\chi^2 = 1.064, df=4$ and $p < 0.05$					
		Performance levels			Total
		Low	Average	High	
Number of Children	None	11	56	6	73
	1-2 children	2	10	3	15
	3-4 children	2	9	0	4
Total		15	75	9	99
$\chi^2 = 3.350, df=4$ and $P < 0.05$					

4.8 Conclusions

The administration of the fund had negatively influenced the performance on Uwezo Fund assisted youth. The Uwezo Fund staff failed to train the youth entrepreneurs as per the Uwezo Fund Hand Book and failed to provide internet access. It was also characterized by lack of professionalism, corruption, nepotism.

In terms of the profile of the youth entrepreneurs: the Fund was not popular among the female youths who preferred other financial institutions because of its' tight lending procedures that automatically disqualified them. Youth entrepreneurs below 24 years were the most active while those that were between 30-35 years were less involved stating that they were frustrated by the Fund managers who constantly capitalized on the age limit set by the Fund. All the respondents had achieved certain level of education that made it easy for them to understand the objective of the fund.

The process of disbursement and repayment had a lot of challenges that impacted negatively on the youth entrepreneurs who accessed limited information about the fund. There was inconsistency in budgetary allocation of Funds both individually and as groups. The managers assumed that the youth problems were the same and consequently the Fund was not allocated according to individual problems. The lending procedures were too strict locking out most of the youth entrepreneurs. In regards to political interference, the county had experienced lack of political goodwill among the area leaders. Politicians frustrated youth entrepreneurs that came from areas that did not support their political ideologies. It took too long for the youth groups to receive funds. The earliest the youth entrepreneurs would receive the funds was between one to three months.

In regards to the type of the enterprises the entrepreneurs owned, the study found out that the youth entrepreneurs had ran various enterprises ranging from service, merchandising and hybrid businesses. They had been in business between one to four years. They listed challenges that had affected the various enterprises they had ventured into which were poor infrastructure including poor roads, insecurity and inadequate electricity supply. They also lacked internal democracy among the group members that resulted to poor communication and slow decision making process besides laziness. Other hindrances were embezzlement and corruption from both the

youth leaders and Uwezo Fund managers and offices that were far apart making the youth entrepreneurs travel for over 41.7 kilometers to get services.

Performance of the projects was affected by the high cost of doing business that resulted from high taxes put in place by both the local and national governments. Poor management styles often marred with wrangles among the youth and the Fund managers had affected the entrepreneurs.

When we cross-tabulated respondents profiles and performance, we found marked association between education and performance and gender and performance. Meaning that male were better educated respondents performed better than the reverse situation.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The objectives of this study were to access administration of the Uwezo Fund in Migori County, profiles of the entrepreneurs, the process of distribution and repayment of Uwezo Fund loans, types of the youth projects and performance of the projects. As shown in chapter four, various youth entrepreneurs gave different references regarding different questions posted to them.

In response to the question on administration of Uwezo Fund, it was worrying to note that 88% of the youth entrepreneurs reported that they had not been visited by the fund staff. Only 30% of the entrepreneurs had benefited from programs organized by the fund managers. None of the 99 sampled youths had benefited from internet access through the fund. About 99.9% said lack of transparency, professionalism and political interferences had affected the fund management.

The interview proved that more efforts needed to be put in place on implementation of the guiding principles of Uwezo Fund. Many youths were aware of the fund, the process of access and repayment however if the government through ministry of Devolution and National Planning would improve on loan lending procedures, corruption, political interference, taxation and entrepreneurial attitudes among the youth entrepreneurs then youths shall benefit more through their businesses.

Poor management style, insecurity and poor infrastructures in the county were also reported as the major challenges affecting performance of the youth entrepreneurs. Constant budget constrain seen in the inconsistency in budgetary allocation affected the performance that resulted to poorly coordinated enterprises.

In terms of age, there were more 50% entrepreneurs who were younger below 24 years, followed by those between ages 24 – 29 years 29% and 30 -35 years 21%, respectively. The older youth entrepreneurs were more established and had performed better compared to the younger youths due to lack of experiences in the market trends. Female respondents 33% were the least involved compared to their male counterparts 67% of the sampled entrepreneurs because of cultural perceptions subjecting them to

care givers and not supporting their businesses. Majority of the youth entrepreneurs were educated: diploma 48%, university 23%, secondary 24%, primary 3% and other 2%.

In response to the question asked on location of youth projects, the study found out that Rongo Township located in Central Kamagambo was the preferred location to many of the entrepreneurs. It hosted 52% of the enterprises while other adjacent towns played host to the remaining 48% enterprises located in East Kamagambo. In terms of types of enterprises, the youth entrepreneurs ran various businesses ranging from merchandising, service and hybrid businesses. The sampled youth entrepreneurs were faced with many challenges. About 87% of respondents were affected by poor road network, constant power cuts and insecurity.

In response to the question on the access and repayment of Uwezo Fund, the question intended to establish the amount of time taken to process the funds, the loan amount given to the youth groups, the repayment and the loan lending procedures. Of the sampled youth entrepreneurs, 97% acknowledged receiving funds while 3% not having received the funds four months after they had applied. The study found out that the youth entrepreneurs had experienced various difficulties such as the long durations they had to wait to receive the funds and slow management processes. Besides; nepotism, tribalism, corruption, hefty kickbacks that were demanded by Uwezo Fund staff had also hindered the process of access and repayment of Uwezo Fund.

We also found out that strict timelines that disqualified majority of the entrepreneurs, bureaucratic processes which were complex and tedious, lack of transparency, limited information about the fund, political interference and inconsistency in budgetary allocation had affected assisted enterprises.

In response to the question on the repayment process, 35% of the entrepreneurs were lagging behind. The study found out that high cost of starting business, poor infrastructure and strict timelines had hindered the repayment of loan given to the youth entrepreneurs.

In the response to the question on the performance of the projects assisted by Uwezo Fund, the entrepreneurs mentioned that both the national and county government policies such as high taxes had affected performances of most enterprises. It was clear that 61% of the youth entrepreneurs had spent large amount of the loan on paying taxes and levies as opposed to investing it on the businesses.

A considerable number of the entrepreneurs had managed to offer employment however to not more than one worker. Few increased their stocks though majority spent most of the loan on improving business space. Only 22% of youth entrepreneurs had realized profits. More than a half of the sampled entrepreneurs had reinvested in there various enterprises, the few that had not reinvested sighted lack of knowledge on current markets, poor marketing techniques and rapid technological changes that were costly made their businesses vulnerable to market changes.

5.2 Conclusions

The study sought to assess factors influencing performance of the Uwezo Fund assisted youth projects in Migori County. The study evaluated administration of the fund, profiles of the entrepreneurs, access and repayment of the fund types of projects that the youth entrepreneurs manage and performance of the projects.

Although the administration of Uwezo Fund had been devolved to the sub county level, the youth did not benefit much. Majority (91%) of the respondents sighted corruption, nepotism, tribalism, lack of professionalism, governance and political interference to be major issues impacting negatively on their performances. According to Hector (1994), corruption brings uncertainty in an economy and has negative impact on levels of investment and economic growth. The more the corruption the less economic growth, it has the strongest potential to steal the wealth of the people or nation and impoverish its people.

On the question asked on the profiles of the entrepreneurs, majority of the youth groups were well educated having attained diploma certificates making them to have better understanding of their business ventures. However this had not helped performance of the enterprises much, they still needed entrepreneurial training to have helped their businesses be at par with their other counterparts in the country. The

study also revealed that performance is gendered; cultural norms gave men priority over women. Cultural practices placed the female entrepreneurs to be confined as home managers; the result was that the women worked less hours compared to the male entrepreneurs' thus female owned business were less successful. They also got less business startups as low as Ksh 50,000.

The study revealed that the performance of the youth enterprises were greatly affected by the time taken to process and repay the funds which seemed longer than the time frame other financial institutions offered to their clients. The lending procedures were tedious and often discouraged the respondents. Loan amounts were inadequate to support youths with huge business ideas as shown from Chapter 4.

Performance of the projects was also not encouraging. Even though most of the youth entrepreneurs had reinvested money in their various businesses, very few had grown their businesses to be able to employ others. This showed little growth. It was also evident that majority of the youths struggled to market their goods and services alone without any support from Uwezo Fund management. Inconsistency in the fund allocations had also made the performance of the entrepreneurs to stagnate as they received little money that could not adequately support their businesses. Some entrepreneurs got as low as Ksh.2, 000.00 per person making it very difficult to start up any business. The inconsistency in budgetary allocation affected the entrepreneurs by interfering with proper business planning, facilitating market for goods and services and their ability to reinvest in their enterprises in general.

All the sampled youth entrepreneurs agreed that they lacked access to internet which meant they could not do E- commerce or get more expert information on internet on the various businesses they had ventured in. They also lacked radio and television programs on Uwezo Fund such as success stories on projects that had been assisted by the fund. This could act as motivation factor to the youth entrepreneurs.

5.3 Recommendations

From the study, it is quite evident that a lot is needed to be done in relation to factors that affects the performance of Uwezo Fund assisted youth enterprise anti-poverty projects. We understood that the fund was launched to help the youths, women and

persons with disability with business startups. However since 2013 the country has not achieved much progress despite the huge budgetary allocation from the national government to the Uwezo Fund.

5.3.1 Policy Recommendations

a. To improve the fund management, the study recommends Bourdieu Social Capital case of institutionalizing of structures. It allows ‘bottom up approach of leadership’, where the people are given a chance to create rules that govern them. This approach should be adopted by Uwezo Fund managers and the youth entrepreneurs to help realize the success of the fund. It will help achieve institutional democracy and accessibility of the persons in charge. This approach will also improve professionalism among the managers and reduce corrupt dealings that apparently take place during tendering process in Migori County.

b. To seal the loopholes the entrepreneurs encounter during access and repayment of Uwezo Fund, we recommend that Uwezo Fund managers revise regulations regarding acquisition of the fund. They are tedious and time consuming making it less attractive compared to other financial institutions like banks and micro-finance institutions giving their clients loans within twenty four hours of application.

c. To improve the administration of the fund, we suggest that the government through Ministry of Devolution and National Planning should borrow the principles of leadership the Grameen’s bank managers used. The Grameen bank managers were highly educated with university degrees. They had humility and respect to the poor while working in the communities. This made the bank concept to be widely accepted. If the Uwezo fund managers can borrow this style of leadership, ensure all their staffs are well educated and have proper work ethics, then issues of tribalism and nepotism that mars the Migori Uwezo Fund will be resolved and restore public sector confidence.

d. To reduce the high cost of doing business, we urge both the national and county governments to abolish some of the taxes making the cost of doing business extremely high. This can be amended through legislation to improve the business environment.

e. Following Bourdieu (1986, p.248), Social Capital theory that explains the effect and consequences of human beings sociability, connectedness and relationship as individuals and in social structures. There is need to strengthen institutionalized relationships of mutual acquaintances and profits are the main reason for the actors and maintain links. Network can help improve group formation, choice of enterprise, decision making process and communication that interferes with performance of the youth enterprises.

5.3.2 Recommendations for Further Research

a) . We recommend that pilot studies be done by the government before rolling out such projects like Uwezo Fund. Focus group discussions should be carried from different age groups, gender groups and different education levels to help give more insight on different needs and incorporate them in the objectives of the fund.

b). Monitoring and evaluation should be done twice in a year to keep on improving the operation of the fund and revise on the national and county laws making the cost of doing business very expensive. More training for the youth entrepreneurs should be done to help them manage their enterprises professionally.

c).The male youth entrepreneurs accessing Uwezo Fund are more compared to the female. We recommend a social economic study to be done in Migori County to find out what can be done to make the youth equitably access the fund.

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APPENDICES

APPENDIX I: YOUTH ENTREPRENEURS INTERVIEW GUIDE

FACTORS AFFECTING PERFORMANCE OF THE UWEZO FUND ASSISTED YOUTH ENTERPRISE ANTI-POVERTY PROJECTS IN MIGORI COUNTY, KENYA.

I am a student of university of Nairobi. I am collecting data on Factors affecting performance of the Uwezo Fund assisted youth enterprise anti-poverty projects in Migori County, Kenya.

This questionnaire is to collect data purely for academic purpose. The study will seek to investigate the factors affecting distribution of Uwezo Fund on youth entrepreneurship projects. All the information will be treated as confidential. Do not put any name or identification on this questionnaire

Questionnaire No.....

Respondent name (optional)

Nationality Kenyan / Other

County Name

Ward

Date.....

SECTION A: CHARACTERISTICS OF THE RESPONDENTS.

1. Gender

Male []

Female []

2. Indicate your age category

- Below 24 years []
- 24-29 years []
- 30-35 years []

3. What is your highest level of Education?

- Primary school []
- Secondary school []
- Diploma College []
- University []
- Others (specify).....

4. Occupation: kindly tick where appropriate .

- Unemployed []
- Self-employed []
- Employed []

5. What is your marital status?

- Single []
- Married []
- Divorced /Separated []

6. List some of the issues that affect you as a female or male entrepreneur?

.....
.....

7. What is your main occupation and that of your spouse?

Self.....

Spouse

8. How did you know about Uwezo Fund?

Radio []

Television []

Uwezo fund team []

Others (specify).....

SECTION B: Access and repayment of Uwezo Fund

9. Have you received any funding from Uwezo Fund?

Yes []

No []

10. If yes did you do so as a group or individual?

.....

11. How much money did you get?

Ksh

Which year.....

12. Approximately how long (month) did it take from the time of application to award?

Less than 0-3 months []

Less than 4-5 months []

Over 6 months []

13. Did you have difficulties to access Uwezo Fund?

Yes []

No []

b). If yes, which ones?

.....

14. How would you rate the loan amount given to you as an individual or group?

.....

15. What are any three conditions for the award and repayment of Uwezo Fund?

.....

.....

.....

16. Do you understand the lending procedures put in place by the management of Uwezo Fund?

Yes []

No []

17. Is your repayment on time?

Yes []

No []

18. If no, how far have you lagged behind, (months)? Kindly explain why.

.....

.....

.....

SECTION C: Performance of the projects assisted by Uwezo Fund

20. What is the approximate value of the stock of your enterprise?

.....

21. Estimate the monthly gross sale or profit.

Performance of Business	Before	After
Value of stock		
Gross Sale		
Profits		
Number of employees		

22. Have you reinvested any money into your business?

Yes []

No []

23. Have you ever attended any workshop, forum or mentorship programs organized by Ministry of Devolution and National Planning regarding Uwezo Fund?

Yes []

No []

24. If yes how often

Weekly []

Monthly []

Yearly []

25. How has the government policies affected the performance of the youth projects assisted by Uwezo Fund? Briefly explain.....

26. Who manages your enterprise?

Self []

Group []

27. If self how much times do you do so in a week?

.....

28. How did you spend the loan amount given by the Uwezo Fund? Briefly give a breakdown.....

.....

SECTION D: Types and profiles of the entrepreneurs assisted by Uwezo Fund

29. Where is your enterprise located?

Sub location.....

Location

30. What type of enterprise do you run?

Merchandising business []

Service business []

Hybrid business []

31. Kindly specify the enterprise you run?

.....

What is the name of the group?

.....

33. How many members are there in the group?

.....

34. How long have you been in business?

.....

35. What are the major challenges you experience as a group? Kindly list them.

.....

36. Have you received any entrepreneurship training from Uwezo fund staff?

Yes []

No []

SECTION E: Supported and Self-help groups

37. Kindly tick if you have received any support from the services offered by the Uwezo Fund staff

Types of support	Yes	No
a) Visits by Uwezo Fund Staff		
b) Training offers to entrepreneurs assisted by Uwezo Fund		
c) Internet access through Uwezo Fund agents		
d) Radio and Television programs on Uwezo Fund		

38. If yes, how many times per year?

After every 3 months []

After every 6 months []

One year []

39. Do officials link up with excelling entrepreneurs for mentorship?

Yes []

No []

40. Does Uwezo Fund management team help the youth groups look for markets for the goods and services?

Yes []

No []

41. Are you required to submit any report to the Uwezo fund department?

Yes []

No []

42. If yes, what kind of report(s) do you make and how often? (Kindly indicate your recommendations regarding management of Uwezo Fund).....

43. How has corruption and embezzlement of the fund by management affected the distribution of the fund? Briefly explain.

.....

44. Do you think Uwezo Fund is managed professionally and with transparency? Briefly explain.

.....

45. Does governance and political interference affect the performance of the projects assisted by Uwezo Fund?

.....

46. In your opinion which management style would lead to the most effective equal distribution and repayment of the fund?

a. Democratic: Policy, techniques, actions steps, work task and terms are reached through consultations. Leaders encourage, guide and assist stakeholders.

[]

b. Authoritarian: All determination of policies, terms, work tasks are done by the management.

[]

c. Bureaucratic: A system of rule by rule; defined by order less, procedures, formality and uniformity.

[]

SECTION F: Types of youth projects

47. What type of business do you operate?

Farming []

Service business []

Retail business []

Any other []

48. How long have you been in business?

.....

49. Do you keep records?

Yes []

No []

50. When was the group registered by the ministry of devolution and National Planning?

.....

51. What are the challenges you encounter on legal regulatory and supervisory framework the Uwezo Fund management has put in place? Briefly explain.

.....

52. Have you attended any workshop, forum or mentorship programs organized by ministry of devolution regarding Uwezo Fund?

Yes []

No []

a) If yes, how often.

Weekly []

Monthly []

Yearly []

53. Do you have any knowledge on apprenticeship?

Yes []

No []

b). If yes, explain.

54. What skills do you have and in what areas?

Service business []

Retail business []

55. Does the state of infrastructure affect the enterprise? Briefly explain.....

.....
.....

FACTORS AFFECTING PERFORMANCE OF THE UWEZO FUND ASSISTED YOUTH ENTERPRISE ANTI-POVERTY PROJECTS IN MIGORI COUNTY, KENYA.

INTERVIEW SCHEDULE FOR KEYINFORMANTS

County Word Administrator: Assistant Chief Kabuoro Sub location

1. Are you aware of the youths entrepreneurs engaged in the process of accessing and making use of Uwezo Fund?

.....
.....

2. How has the fund been beneficial to the youth entrepreneurs in your area?

.....
.....

3. What do you think should be done to make Uwezo Fund more beneficial to the youths in your ward?

.....
.....

4. How many trainings have you attended on entrepreneurship assisted by Uwezo Fund?

.....
.....

5. Are you involved in decision making process on distribution of Uwezo Fund?

.....
.....

6. Could you kindly explain how top managers should manage Uwezo Fund resources in order to successfully achieve monitoring and evaluation?

.....
.....

7. Are you aware of the youths entrepreneurs engaged in the process of accessing and making use of Uwezo Fund?

.....
.....

8. How has the fund been beneficial to the youth entrepreneurs in your area?

.....
.....

9. What do you think should be done to make Uwezo Fund even more beneficial to the youths in your ward?

.....
.....

Thank you for your assistance.