UNIVERSITY OF NAIROBI

Department of Sociology and Social Work

Factors Determining the Choice of Entrepreneurship among Tertiary Institutions Unemployed Graduates in Kitengela Township – Kenya.

M.A. PROJECT

BY

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DECLARATION

I declare that this research project is my original work and has not been presented for a degree award to any college or university.

Signature...... Date.....

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This research project has been submitted with my approval as the University Supervisor.

Name: Prof. Edward K. Mburugu

Signature...... Date.....

DEDICATION

This study is dedicated to the Almighty God for the enduring strength, the perseverance he bestowed upon me during my study period, and bringing me this far; what a Faithful God you are!

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LIST OF ACRONYMS

CBS:	Central Bureau of Statistics
EEM:	Entrepreneurial Event Model
EPZ:	Export Processing Zone
GOK:	Government of Kenya
ICT:	Information Communication Technology
KRA:	Kenya Revenue Authority
MOYAS:	Ministry of Youth Affairs and Sports
OECD:	Organisation for Economic Co-operation and
	Development
RCT:	Rational Choice Theory
SI:	Symbolic Interaction
TDC:	Technology Development Centre
UNDP:	United Nations Development Programme
VAT:	Value Added Tax
WEDF:	Women Enterprise Development Fund
YEDF:	Youth Enterprise Development Fund

ABSTRACT

Youthful populace is a capability resource for increase and social development if gainfully and productively engaged. From a demographic standpoint, youth represent 60% of the human capital in Kenya (MOYAS 2008). According to the report, there are approximately 500,000 adolescents in Kenya who graduate from various tertiary institutions prepared to get into the marketplace annually but due to a slow financial growth, nepotism, and demand for skills by probable employers, (factors that are rampant today), have made over 75% of them remain unemployed. This study was done with a vision of contributing to the understanding of the main factors that determine the choice of entrepreneurship as a means to employment among tertiary institutions unemployed graduates. The purpose of the study was to establish the most important entrepreneurial competencies, and further examine how accessibility of economic resources and sociocultural factors influence unemployed graduates of tertiary institutions in choosing entrepreneurship as a means of employment. It focused in particular on the analysis of those personal attributes and competencies that influence such choices. The study utilized descriptive survey design and the population was drawn from those who graduated from the Technology Development Centre (TDC) between 2013 and 2014 and had indicated Kitengela as their place of residence in the register provided by the college. A stratified random sampling criterion was used where a 30% target population (39 respondents) was taken. The study established that tertiary education increased the level of entrepreneurial competency and choice of business to engage in; and most of the youths had capital to start their preferred business with access tothe Youth Enterprise Fund, Women Enterprise Fund, Micro Finance Institutions and others. The study concludes that youths consider the idea of becoming entrepreneurs although sociocultural factors and access to economic resources are determinants to their choices; and this has affected the realization of their aspirations. This study recommends that the National Government introduces business incubation centres in colleges and universities to mentor youth in entrepreneurship. It is upon the National Government to integrate entrepreneurship in the curriculum of higher education and emphasise entrepreneurship as a means to employment. Lending institutions should design products, including soft loans that attract unemployed graduates to establish their enterprises.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Youth are forced to take up the challenge of starting their own businesses as traditional profession paths and possibilities are disappearing swiftly (ILO, 2006). As a result, youth who often face a labour market with twofold digit unemployment rates place a demand for much to be learnt on how the frenzy for achievement may be advanced via diverse varieties of assistance and through the creation of a supportive environment making entrepreneurship and business creation an option (Mutobola & Sifiso, 2014).

Youth private enterprise is a new developing subject within the world of improvement programmes and discussed in detail and its worth in riding financial development and employment idea for young human beings dealt with by Haftendorn and Shongzan (2010). Youth Entrepreneurship promotion was a significant aspect in achieving the Millennium Development Goal (MDG) 8 target 16 that focused on developing respectable and productive occupation for children (Isutsa, 2015). These efforts contribute in major ways to bringing back the alienated and marginalized youngsters into financial mainstream thereby addressing some of the socio-mental problems and misbehavior that sometimes come about when youth are jobless (White and Kenyon, 2000).

Chigunta *et al* (2005) observes that there are a number of payback from the merchandising of young people entrepreneurship or self-employment which are normally mentioned by way of commentators. The author in addition observes that at the same time as caution should be exercised in order that entrepreneurship is not always visible as a 'mass' or wide-ranging solution that could curb social crimes, moreover, entrepreneurship is beneficial. The greatest benefit of entrepreneurship is the creation of jobs for the youth (Chigunta et al 2005).YREs(Youth-Run Enterprises has proven to be beneficial to the local society through provision of important offerings and items(UK Embassy,2013).

The 2007 Kenyan sessional paper no.3, of the NYP describes a youth to be anyone at the age of 15 to 30 years reflecting upon the psychological, physical cultural, social, biological and political understanding of the expression (UNDP, 2010). According to the New Constitution of 2010, a youth is one who is 18 years and above; but below the age of 35 years. Youth represent a large and growing section of the Kenyan population and the youth policy factsheets indicative of youth accounting for 60% of the potential labour force, but the majority, estimated at 75% unemployed (GOK, 2009).

This segment of the population has considerable potential to make an input to the improvement of the nation, yet there are enormous challenges that exist that have prevented them from doing so. Because of the high expectations for employment there is need for the government to generate employment. In line with this the weight of

enterprise development is expressed in various strategy documents. The National Youth Policy (2007) encourages self- employment as one of the options of creating employment for the youth. According to Abod, (2014) youth private enterprise is perilous in promoting innovation and resilience among youth. They further perceive that, entrepreneurship promotes renewal of the local communities by providing valuable goods and services much needed for economic activity to thrive.

The social and economic overheads of the failure to include young people in Kenya's development are vast, and their costs are borne directly by young people themselves, in the form of diminished health, wellbeing and revenue (GOK, 2012). However, they also intensely affect the well-being of society as a whole. The economic and collective elimination of young people distances them from contributing efficiently; as a result, employment is now considered an indispensable basic requirement as well as an essential means for empowering a country's population (ILO, 2002).

The tertiary institutions are one of the avenues where students pass on the road to a fruitful functioning life. In reality, technical training college learning has a noteworthy responsibility in career development and business growth after matriculation (Uwem et al, 2012). They further observe that the economic and social segregation of learned youth from contributing fruitfully has led to the situation experienced now where the youth are beset by numerous problems; these include unemployment that is the wonderful and most essential problem facing the youngest people, who include graduates of tertiary

institutions. According to UNDP (2010), a large group of Kenyan youth are potentially prone to engaging in harmful anti-social behaviour due to their inability to make the transition to responsible and economically stable adulthood. This is because even though Kenya's monetary performance has been more desirable, boom in fruitful employment and income-producing possibilities have no longer kept tempo with increase inside the labour force (UNDP, 2010).

When the Government realized the significance of entrepreneurship for the economic expansion of the nation, it incorporated it into the curricular in all technical and vocational training institutions across the country as well as in the national economic development plans. It is apparent that students who acquire technical training are prospective for directing their capabilities toward entrepreneurial actions as technical college education has a extensive position in career formation and business development after commencement (Roudaki, 2009).

Entrepreneurship is rarely considered by graduates of tertiary institutions; furthermore, according to Nchimbi (2010), the majority do not see entrepreneurship as a plausible career option. In other words, graduates fall short in displaying a positive attitude towards entrepreneurship and become slow to take up entrepreneurial opportunities. In his report on stimulating youth entrepreneurship, Schoof (2006) observes that though the critical position played by using entrepreneurship in riding economic development and job introduction is increasingly understood, there has been little effort to have a look at it

from the young people perspective. Youth venturing in entrepreneurial pursuit have precise wishes distinctive from the ones of the general population (Schoof, 2006). Some needs in these two agencies are same, along with financing; however, each need offers its own distinctive challenge, more so to the unemployed leavers of tertiary institutions. For instance, youth seldom have security for a credit, making it complicated to acquire financing from authorized institutions (Entwistle, 2008).

The impact entrepreneurial education programmes are expected to raise is the attitude and intentions of students to become entrepreneurs by setting up their own businesses. The programmes need to impart knowledge and inspire students to influence their intention to be entrepreneurs. Technical institutions of study that encourage the entrepreneurial concept have an impact of its conviction among students (Essia *et al.* (2012). This can improve youth joblessness while creating new ventures in industrial diversity and service sectors. In fact, research in general shows that young technical training college graduates exhibit the utmost tendency towards opening enterprises as well as start new original ventures (Wafa *et al.* 2012).

1.2 Problem Statement

Youth are a latent reserve for economic increase and social advancement when profitably and efficiently occupied (MOYAS, 2008). Through demographic perspective, the youth represent 60% the human investment in Kenya and are potential agents of positive economic and social change (MOYAS, 2008). However, only 25% of them have access to secure economic, social and political opportunities and assets, which could help them to fulfil their potential (MOYAS, 2007). According to MOYAS (2007) report, there are approximately 500,000 teenagers in Kenya who graduates from numerous tertiary establishments geared up to go into the job market each 12 months. However,75% of the youth remain jobless due to slow monetary growth, nepotism, experience requirement and corruption (Kempe, 2012). Coupled with this, youth empowerment opportunities are scant, compounded by a low rate at which they are absorbed into the job market.

The National Youth Policy of 2007 states that despite their numerical numbers, the representation of the youth, in economic and political institutions is low because of poor organization, society perspectives, economic and social-cultural constraints. It is against this backdrop that concerted efforts have been made by the Ministry of Youth Affairs and Sports to ensure that youth are taking a positive active role in society. This has been achieved by enacting the National Youth Council Act 10 of 2009, which commenced on 6th January 2010. Among its functions are: resource mobilisation to sustain and fund children programmes and projects; coordinate with other companies to guarantee that the teenagers advantage front to sources and services appropriate to their needs; and be more vocal about their dreams and views to the government and important institutions.

A transformation of the youth mind-sets to embrace entrepreneurship is one of the strongest youth empowerment measures that a country may pursue in order to accelerate socio-economic development. According to (ILO 2007) this is because it transforms the

youth from being novice to innovators and more importantly, the decision to become an entrepreneur should be self-driven. The youth, after they graduate from the tertiary institutions, indeed, if they are able to make informed choices on how they can economically empower themselves, could augment the government's efforts to create employment. The issue of great concern is that despite the fact that many of them have requisite skills and knowledge, the rate of entrepreneurship uptake is very low as reported in the Kenya National Human Development Report of 2009. Graduates in Kenya scarcely complete school with a consideration of initiating a business owing to the constant "get a job" message passed on to them from an early age (Maina 2006).

The study carried out on Youth Enterprise Development Fund by Mburu (2008) highlights this barrier in line with the practicability of the fund as an empowerment strategy for the youth who are already in business. A study by Wangari (2010) assessed employment establishment in YEDF- funded Youth Projects and there is suggestive evidence in her work that previous sociological studies have laid emphasis on forms of funding and their impact on small and medium enterprises, with no focus on unemployed leavers of tertiary institutions. This is a gap which the researcher seeks to bridge.

Boundaries replicate the impact of social, cultural, financial, and institutional factors on choice of entrepreneurship. Examples of limitations consist of finding the basic properties to start a commercial enterprise, bureaucratic procedures to create a business which are long and cumbersome, and the communal risk connected to the disgrace of disappointment (Athanasios & Panikkos, 2011). Individual elements as qualifications of entrepreneurial intention include a family enterprise heritage, socio-demographic factors like gender, training and experience, and private characteristics which include entrepreneurial competencies (Athanasios & Panikkos, 2011). Although there seems to be a common settlement concerning the main elements at play when hired professionals opt to establish their very own firms, along with get admission to finances for the ones in employment or the ones already in enterprise, it would be unwise and irrelevant to anticipate that these factors play exactly the equal for those that this investigation focuses on (Mets, 2009). This study was undertaken with an outlook to add to the perceptive of the determinants of choice of entrepreneurship for unemployed alumni as a means of employment by way of focusing mainly, at the evaluation of these non-public attributes and capabilities that determine such choices.

1.3 Research questions

- (i) What type of entrepreneurial competencies did the 2013/2014 unemployed graduates of TDC Kitengela acquire?
- (ii) Which entrepreneurial competencies did the 2013/2014 unemployed graduates of TDC Kitengela consider important in choosing entrepreneurship?
- (iii)To what extent did access to economic resources for start-ups constrain the 2013/2014 unemployed graduates of TDC in choosing entrepreneurial activity in Kitengela?

(iv)To what extent did socio-cultural factors determine unemployed graduates' choice of becoming entrepreneurs?

1.4 Objectives of the Study

1.4.1 General objective

The general objective of this study was determining the most important factors at play in the choice of entrepreneurship as a means to employment among unemployed graduates of TDC Kitengela.

1.4.2 Specific objectives

- (i) To find out the entrepreneurial competencies that the TDC Kitengela unemployed graduates of 2013/2014 acquired?
- (ii) To investigate the entrepreneurial competencies that TDC Kitengela unemployed graduates of 2013/2014 considered important in choosing entrepreneurship?
- (iii)To establish the extent of access to economic resources for start-ups constrain for unemployed graduates of TDC 2013/2014 in choosing entrepreneurial activity?
- (v) To find out the degree to which socio-cultural factors affect unemployed graduates' of TDC 2013/2014 choice of becoming entrepreneurs.

1.5 Justification of the study

Youth Entrepreneurship promotion has been highlighted as significant aspect in achieving the Millennium Development Goal (MDG) 8 target 16, that focused on developing first rate and productive work for youth (Isutsa, 2015). By so doing it addresses the socio-psychological problems and delinquency which occur when youth are jobless. Even so, majority of the studies performed on individual initiative is when it comes to employees' performance and perhaps constrained research have been mentioned on private initiative when it comes to entrepreneurial fulfilment of unemployed youth who have graduated from tertiary institutions (Goitom, 2006). Atieno (2009) emphasises that, deficiency in right of entry to investment is one of the fundamental demanding situations dealing with youth run international organisations. Whereas the reference made focuses on youth run enterprises, what would be the fate of the unemployed graduate who might want to start an enterprise?

This study sought to generate useful insights that can be used by all stakeholders dealing with issues of youth unemployment to promote youth entrepreneurship. The study will offer useful recommendations and measures to aid in the realisation of Kenya Vision 2030 as well as the MDGs. The study is necessary in identifying factors hindering unemployed graduates of tertiary institutions in becoming entrepreneurs and in suggesting ways to cub the unemployment catastrophe amongst young people.

1.6 Scope and limitations of the study

In terms of scope, the study focused on the unemployed youth who are graduates of TDC in Kitengela township and its environs which is the largest catchment of the institution. This town is a cosmopolitan and fast growing urban setting with a noticeable increase of households given the establishment of modern housing estates, institutions and industries. This makes it appropriate for the study because many unemployed leavers of tertiary institutions are attracted to such an environment in their pursuit of employment. It was intended to cover aspects that contribute to youth not taking entrepreneurship as a career option even when formal employment is scarce. It focused on unemployed graduates of 2013/2014, determining the most important entrepreneurial competencies and examining how accessibility of economic resources and socio-cultural factors influence unemployed graduates of tertiary institutions in their choice of entrepreneurship. The study was limited in that there were other youth in Kitengela who were not leavers of tertiary institutions, and those who did not graduate from TDC. It focused on graduates who live in Kitengela Township only.

Time was a constraint in this study as the work was anticipated to be concluded before the end of the semester, the month of November. Funds for carrying out the study were limited as the researcher is self- sponsored and engaged in other responsibilities. The study was limited in that some of the respondents could not respond to the questions comprehensively, and not all of them could be available in Kitengela after graduating to participate, the study focused on graduates of 2013/2014 only and therefore limiting the data collection.

1.7 Definition of Key Terms

Entrepreneur

An entrepreneur is a person who bears the risk of running a commercial enterprise and works under uncertainty for achieving the goal

Entrepreneurship

The procedure of making something specific that has cost through devoting energy and time whereas the social risks, intellectual and economic risks and effort and hence achieving financial and individual contentment and self-determination benefits.

Competency

An integration of understanding, abilities, behaviours, attitudes, and personal traits that permit a person to perform productively on the job.

Innovation

Process with the aid of which new thoughts are generated and converted into beneficial products, or translated into a good or service with enhanced potential for wealth creation.

Personal initiative

Tremendous individual trait that describes the extent to which one possess the willingness and ability to take self-initiated motion within the quest of their objectives.

Collateral

Precise asset (together with land or building) pledged as a secondary (and subordinate) safety by using a borrower or guarantor.

Mentors

More experienced individual (the mentor) is assigned to act as an adviser, counselor and he or she will draw on individual experience and optimistically teach you to avoid the errors he or she has made inside the beyond, saving you each time and resources.

Social networks

Family and friends, and their households, that together create an interconnected machine through which alliances are shaped, assistance is acquired, information is relayed, and attachment is obtained

Risk taker

Character or an enterprise that tends to act in a manner that can probably motive physical damage or economic loss, however can also gift a possibility for a worthwhile final results.

Opportunity recognition

Acknowledgment of events or exploitable set of occasions with uncertain final results requiring commitment of sources and involving exposure to risk.

Tertiary Institutions

Refers to vocational colleges, community colleges, technical colleges, colleges and universities where any type of education is pursued beyond the high school level, which includes certificates, diplomas, associate's and bachelor's degrees.

Start-ups

It is the act or an instance of setting in motion, or a fledging business enterprise.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

This chapter presents the relevant literature on the topic under study. The chapter begins by outlining available empirical studies and goes on to discuss the scholarly work on factors influencing the participation of youth in entrepreneurial ventures. The factors are categorised under entrepreneurial competency, access to economic resources and sociocultural factors culminating into a conceptual framework for the study. The chapter then presents a theoretical review upon which the study is grounded.

An entrepreneur is person who creates a brand new business enterprise within the face of threat and uncertainty for the cause of accomplishing profit and boom by means of identifying essential possibilities and assembling the primary sources to make the most of them (Thomas *et al.* 2010). Entrepreneurs are risk takers especially in the initial stage of a business and they should be recognised for this (Hisrich and Peters,2005) and require support of their ideas through expert advice. Modern and Podnikani, (2015) discovered that an entrepreneur is one that can convert raw substances into items and services; who can correctly utilise bodily and monetary resources for earning money, income and employment; who can innovate new merchandise, renovate the current merchandise to open up new markets for other clients.

From this overview, current study regard an entrepreneur as a transition advocate, an inventor who is a risk taker and takes advantage of his environment and effectively uses the resources to maximize on production and profits , hence being a productive individual in the society.Owing to the reality that there is no market for "opportunities", the entrepreneur must utilize them, meaning that he or she must build up his or her capabilities to acquire funds, as well as manage and exploit opportunities (Alvarez & Busenitz, 2001).

Researches on issues that influence youth towards entrepreneurship have been delved widely. However, these studies have diverse conclusions and focus on the general youth based on different contexts and methodologies. This study has conceptualised types of entrepreneurial competencies acquired from tertiary institutions, entrepreneurial competency considered important, access to economic resources for start-ups and socio–cultural factors as the independent variables necessary for unemployed graduates' choice of entrepreneurship (the dependent variable). These variables have been illustrated in the ensuing section.

2.1.1 Types of entrepreneurial competences acquired in tertiary institutions

In their study Ijaz *et al.* (2012) found that entrepreneurial education helped entrepreneurs in rising their focal point on creativeness and building self-belief. Goitom (2006) noted that further to talents and personal trends, human capital of character entrepreneurs plays a position in contributing to the success of marketers. The study determined that an entrepreneur with higher schooling level, business and managerial revel in, and commercial enterprise exposure has greater hazard of succeeding than those who did not possess these human capital features. Grierson (2000) notes that, training lends itself to huge-scale systematic shipping of standardised products. even though most effective in the fundamentals - reading, writing and mathematics - schooling results in sustained fine effects in lots of civic, social and monetary areas. the ability to get right of entry to, absorb and practice truly all employment-related and self-employment related capabilities and capacities is a function of the possible entrepreneur's education.

There is an apparent disparity linking what expertise graduates' entrepreneurs acquired in tertiary institutions and what they require so that you can carry on within the commercial enterprise world. it is advised that higher getting to know institutions need to publish college students for commercial attachments for at least a year in the course of their have a look at to growth precious business and technical knowledge (Chindoga,2011).

Despite the possible profit of entrepreneurship, particularly youth entrepreneurship, many sectors, including the education system and the private sector, have been unsuccessful to identify its significance (Oladele *et al* 2011). He further noted that on children entrepreneurship approach, parents and teachers tend to perpetuate the notion that entrepreneurship is 'volatile' and no longer practical for the long time. Thus, they usually persuade youth to 'get a job'. The state of affairs in a number of countries still lags behind due to lack of enterprise-focused curriculum in schools. The Government of

Kenya recognises that entrance to entrepreneurial education is a solution to the progress and development of any enterprise and more so the micro small enterprises (GOK, 2005). Oladele *et al*, (2011) found that while some OECD countries are making attempts to reform their instructional structures to encompass entrepreneurship in the curricula, there were very few initiatives aimed toward promoting an entrepreneurial way of life among younger people from an early age. in a lot of these nations, the point of interest of career planning included in high college curricula is on developing the skills and understanding necessary to comfortable a 'strong, complete-time task.' In other countries, especially developing ones, many formal education systems have not adjusted to provide the talents and information that younger human beings need so that you can deal with themselves and their households upon commencement (Oladele *et al* 2011).

2.1.2 Entrepreneurial competency

Entrepreneurs are often times put into task to own a hard and fast of talents to achieve their activities. Studies conducted before hand underline the concept of entrepreneurial competency as the guiding theory of scrutiny. Garavan and O Cinneide (1994) notes that competency is crucial in ensuring the success of new business ventures. literature assessment suggests that competence is characterized through proficiency, talents, and mind-sets, and overall performance signs. Garavan and O Cinneide, (1994) defined competency as, "a capacity that exists in a person that leads to behaviour that meets the job demands within the parameters of organisational environment and that, in turn brings about desired results". It is taken into consideration an underlying feature possessed by a person which results in new assignment introduction, survival, and/or increase. Entrepreneurial competencies are categorised as threshold for success according to the level of exhibition. "A competency is a hard and fast of competencies, associated knowledge and attributes that permit man or woman to effectively carry out a assignment or an activity inside a particular feature or process (UNIDO, 2002). Competency consists of understanding, attitudes, behaviours and skills which assist someone to transform his thoughts into realities with an excellence in its overall performance in a given context. It does no longer include knowledge, but "applied" knowledge that produces success (Garavan & O Cinneide, 1994).

Study has shown that the success of an entrepreneur can be illustrated through his philosophies and goals Garavan & O Cinneide, (1994). They in addition factor out that, empirical studies display aim as the sole pleasant predictor of human behaviour and delivered the belief of entrepreneurial ability. In line with them, capability marketers floor and take the initiative while an appealing opportunity gives itself. Individuals understand possibilities, and for an opportunity to be seized, a person ought to first recognize it as an individually viable possibility. While ability marketers and possibilities coincide, entrepreneurial behaviour may take region, and a brand new undertaking can be based. For that reason, a possibility should be gift, and secondly someone to be had who is willing to take advantage of an entrepreneurial opportunity, subsequently an enterprise is started. Earlier than a company is born, there need to be an man or woman who's ready for entrepreneurship within the environment searching for to innovate (Garavan and

OCinneide, 1994). The influence of an entrepreneur is addressed with the aid of the competency technique from a method or behavioural angle. Entrepreneurial abilities are taken into consideration a higher-level characteristic encompassing persona trends, talents and know-how. It's the full capability of an entrepreneur to carry out a job function successfully (Che, et al 2015). He in addition states that skills are visible as behavioural and observable but best in part intrapsychic traits of an entrepreneur. Therefore, capabilities are changeable and learnable, permitting intervention in terms of the selection, training and development of entrepreneurship (Garavan and OCinneide, 1994).

For the purpose of the existing study, entrepreneurial abilities are defined as man or woman traits that include attitudinal competency and behavioural competency which enable marketers to begin and hold enterprise success. Attitudinal competency consists of several attributes that build up the attitudes of entrepreneurs. Schumpeter (1961) considered attitude as the way of thinking and acting. Entrepreneurs being greater creative and progressive than non-entrepreneurs are capable of seeing things otherwise (Rajesh, 2006). They experience changes from within themselves and therefore they continue to make attempts to change the way they perceive, behave and perform in their entrepreneurial attempts.

Attitudes are usually fine or terrible perspectives of a person. With regard to entrepreneurs, the ability to choose, hold or adapt one's fine attitudes for the existing situation is what makes them different from non-entrepreneurs. Entrepreneurs have very strong attitude to challenges hence they spot many opportunities; which others fail to recognise. It is therefore apparent that for one to start a business, it will depend to a larger extent on their attitude towards business. Entrepreneurs are positive people, occasionally working long hours and delaying their retirement. The demonstrable attitudinal competencies which are examined in this study are: Self-confidence, innovativeness, self-esteem, dealing with failures and tolerance for ambiguity (Garavan and O Cinneide, 1994).

Wayne *et al.* (1998) notes mental attributes have been counselled as predictors of entrepreneurial behaviour with some degree of concurrence. Kourilsky (1980) suggested the following as the most relevant: Need for achievement; risk taking; personal initiative; need for independence and autonomy; energy and commitment; persistence; and internal locus of control. The demonstrable behavioural competencies which are examined in this study are: need for achievement; risk taking; personal initiative and need for independence and autonomy.

McClelland (1961) observed that, of the many personality traits in behavioural competency of entrepreneurs, need for achievement is a well-established entrepreneurial characteristic. He further noted that need for achievement is based on expectancies of doing something better or quicker than all of us else or higher than the character's in advance accomplishments. According to Hansemark (1998), it's a technique of making

plans and striving for excellence. McClelland (1965) mounted that founders of enterprise have a better stage of need for achievement as a critical component for financial improvement and commercial enterprise expansion.

According to Akira (2010), risks exists in any situation wherein there is a possibility of a final results that we might as a substitute keep away from. He similarly observes that unexpected situations and their poor consequences are the very essence of hazard. If we may want to be expecting the destiny, there could be no uncertainty, and consequently no hazard. He notes that the turn side of danger is possibility; that a direct courting between danger and praise exists. The extra the potential upside, the more the risk concerned. For entrepreneurs, which means that, if you need to have a chance at success, you have to take full-size risks. Entrepreneurship is neither smooth nor threat unfastened, and that's exactly why more than half of all beginners fail within some years Akira (2010).

Che, *et al.* (2006) argues that marketers take extra degree of risk than non-entrepreneurs especially in areas where they have power or talents in realizing the profit. Many studies have covered risk taking as a first-rate entrepreneurial characteristic. Zhao, et al. (2010), contends that risk taking is a key component in distinguishing marketers from non-entrepreneurial people along with managers. They argued that marketers take extra extent of risk specifically in areas in which they have got control or talents in realizing the earnings. In his observe, "What kills start-ups," Akira (2010) categorizes some risks not unusual in organizations as: marketplace risks; competitive dangers; technological

dangers; monetary dangers; human beings' dangers and felony and regulatory risks, among others. Hisrich and Peters (2005) defined initiative of an entrepreneur as the behaviour with a choice for taking movement on exclusive obligations or assignments. They further observe that an entrepreneur is in a position and inclined to do more than what is required or predicted of her or him in a job. Frese and Fay (2001) argue that the next day's activity would require a better diploma of personal initiative than nowadays due to worldwide opposition quicker price of innovation, new production principles and adjustments inside the activity idea. Faster charge of innovation means that creative ideas ought to be applied quickly, they word, and implementation requires personal initiative.

The study conducted by Frese (2000), revealed that personnel with better personal initiative executed extensively higher within the place of job. Studies on individual initiative focus on the self-starting nature of entrepreneurs: how they pursue achievement with their proactive mind-set; how they are searching for and hold close opportunity with their proactive approach; and a way to discover any answers or necessities to triumph over limitations to acquire their desires. Entrepreneurs with excessive initiative are able to live in advance of their competition and are function fashions for his or her employees. Initiative is intention-directed and action-orientated (Cunningham, 1996) and therefore, intently linked to an active approach. It is also a psychological variable in the back of the cause whether or not someone has what it takes to emerge as an entrepreneur. Further, he notes that an entrepreneur with excessive non-public initiative is a person able to beginning action and to be proactive, whether it is to determine the fulfillment of start-up

or to efficiently lead a company to growth level. Non-public initiative, which represents the potential to self-begin, proactive, and over-coming obstacles performs a primary position. On the other hand, majority of the studies accomplished on non-public initiative is when it comes to personnel' overall performance and perhaps constrained research have been said on private initiative with regards to entrepreneurial achievement of unemployed youth who have graduated from tertiary institutions (Frese, 2000).

2.1.3 Access to economic resources

There are many factors that either positively or negatively influence the growth of youth enterprises. According to Chigunta (2002), on economic grounds, various constraints affect the growth of youth enterprises in developing countries. These include lack of right of entry to institutional capital; lack of right of entry to lucrative markets, insistent advertising and marketing and branding; inadequate planning; insufficient get entry to appropriate working area; loss of enterprise management capabilities and competencies, amongst others. Khanka (2002) reported that the challenging factors entrepreneurs face include variables like economic factors such as i) access to finances, ii) availability of markets, iii) choice of economic sector, and iv) contemporary machine technology, among others. The present study focuses on four economic factors namely: Access to institutional capital; availability of market; choice of economic sector; and inadequate youth policy on entrepreneurship.

In their research, Audretsch and Keilbach (2004) point out lack or inadequate way in to finance as one of the fundamental constraints to the formation of new enterprises by the youth. Bosma, *et al.* (2004) concurs with this on the ground that entrepreneurs require to have increased access to both internal and external finance. Expounding on this, Audretsch and Keilbach (2004) contend that inadequate capital structure or resource poverty by the youth results to their failure to participate in entrepreneurial activities. Atieno (2009) also emphasises that loss of get right of entry to finance is one of the major demanding situations dealing with youth run enterprises worldwide. Whereas the reference made focuses on youth run enterprises, what would be the fate of the unemployed graduate who might want to start an enterprise?

According to Chigunta (2002) lack of money is the chief obstacle to youth entrepreneurship with problems in collaterals sourcing and authentication during the processing of loans. Youth entrepreneurs have no form of collateral and have to rely on personal savings, friends and gifts from relatives, which are insufficient (Wamuyu, 2004). This is in agreement with a prior finding by the World Youth Report (2003) that in developing countries like Kenya youths relies much upon individual reserves or contribution from friends and family to start-up or advance their business on another level. Inadequate funds have been a great challenge to the youth to start-up their own enterprises. In Kenya, the Youth Enterprise Development Fund (YEDF) that started in 2006 as a State Corporation has the mandate of ensuring increased participation by Kenyan youth in nation building by facilitating increased access to capital for youth entrepreneurs, promoting the growth of business in the infrastructure sector to promote business for the young people, creating market opportunities, provision of business development services as well as in facilitating linkages in supply chains (Oloo, 2011).

However, despite the mandate with YEDF to provide business capital to youth individually or as entities through financial intermediaries, research has revealed that most of these state-sponsored youth credit schemes suffer from some of weaknesses ranging from negative programme design; poor implementation; bad mortgage disbursement; poor mortgage compensation fees; lack of tracking talents; inadequate strong finance institutions, the youth being unskilled on how to manage mortgage and businesses, and mismanagement of young people's constituency finances (Ogal, 2012). In a survey on youth entrepreneurship by Anderson et al.,2007 revealed that organisations such as banks, co-operatives and SACCOS view the youth not to have credit-capacity potential and hence do not increase or make initiatives to accommodate giving of credit finances to the youth. He further gave several reasons as to why the youth are left-out in the micro-loan initiatives. It was revealed that these loan initiatives have qualification limits such as an age limit of 18 years and above, and ownership of an asset as security for one to qualify to receive credit. The effectiveness of ineffectiveness of micro-loans programs in terms of availing funds for the youth is mostly driven by the structure of the program. To be able to sell powerful micro-credit score programmes, right of entry to obstacles ought to be reduced and programmes that meet the desires of capacity young people entrepreneurs and guidelines tailor-made to their desires designed.

Women Enterprise Fund (WEF) is a revolving fund which was established in 2006 and launched in 2007 by the Kenyan government. Its goal is to provide an alternative funding programme to the women who are left-out from the informal and formal monetary services yet they are 18 old years and above. The fund targets women in registered self-help groups, individuals or companies. Men can be members of women groups or companies supported by the fund (Kilonzo, 2011).

Economic sector can be referred to as the grouping of a population in a country according to the used economic region by this population. Online business dictionary recognizes the five finances sectors: the primal sector comprising of mining, agriculture, and the various herbal sources; secondary sector that includes engineering, creation and production; the tertiary sector transport industries; a quaternary zone for training services such as research and education and a quinary sector that oversees the selection of government and enterprise members (online source).

Female entrepreneurs for example frequently generally tend to pursue corporations in a constrained quantity of sectors, wherein women traditionally are economically active together with the retail and provider sectors. Sagwe et al. (2011) shows that studies from the west indicates that lady commercial enterprise proprietors favor to begin their enterprise in sectors where female employment is focused. Therefore, it is suggested that the economic sector one chooses may a motivate or demotivate the entrepreneurial activity.

Another factor that emerges as having a bearing on entrepreneurial spirit of young people is availability of markets for goods and services. Hisrich and Peters (2005) maintain that marketing abilities in the growth level of a brand new mission are important to a challenge's persisted achievement. Because the organization grows, it will need to increase new services and products to hold its specialty in an aggressive marketplace". Marketing talents are essential in coming up with product development strategies.

Evidence shows that during each advanced and growing economies, youth entrepreneurs depend largely on the local market. Schoof (2006) for example notes that on one hand there is a crucial benefit of manufacturing for local markets for the reason that marketers understand and recognize local wishes and possibilities, as well as the fine standards and expectancies of that market. However, according to Sharma, *et al.* (2012) the government and domestic companies support of the informal sector is sometimes extremely limited. This has resulted in the informal sector lacking virtually any foreign consumers, a situation that has been seriously impacting on the growth of youth entrepreneurship.

In Kenya, for example, when business leaders were interviewed on why they do not subcontract youth enterprises, they commented that it is because they lack capability (in shape of equipment and raw substances) to produce quality merchandise; lack potential to supply merchandise on time; lack commitment and discipline in business control, and shortage tax registration (Wanjohi and Mugure, 2008). Another consequence that affects the market for young entrepreneurs is the lack of new business ideas whereby according to Philip (2002), largely they copy a thriving enterprise's entrepreneurship idea until they all fail while competing among themselves. This reflects the level of inadequate diversification in the subsequent economic programme.

Financial influencers can affect market outcomes and thus causing the failure or success of an organisation in specific industries and some place (Ehlers and Lazenby, 2007). In case the youth are not familiar with the business environment, they might decide not start-up their own businesses. Nafukho and Muyia (2010) stated that youngsters' entrepreneurship issues no longer handiest the manner people perform in the sphere of monetary sports, however additionally the manner in which the government manages the financial system. They argued that the government has to facilitate and not stifle entrepreneurial spirit. Muthee, (2010) discovered that gaps in, and unsuitability of, present policy in conjunction with vital problems of implementation are a constraint to youth entrepreneurship. The study also found that part of the challenge was absence of youngsters' participation in real decision-making or implementation of rules affecting them, noting that youths are merely used as tokens inside the coverage components process. Despite the extensive range of benefits related to youth rules, they frequently suffer from boundaries which affect their effectiveness in terms of allowing kids to meaningfully interact in selection- making method (Kimando et al, 2012). They further argue that rules affecting teen's percentage a common subject of futurity – the valuing of young humans for what they will emerge as. They are based on the commonplace view that younger people are not vital as children, but as future adults.

Nwigwe (2010) noted that various regulatory framework and policies such as those touching on youth development, taxation and security have a bearing on youth's enthusiasm towards entrepreneurship. The literature indicates that such guidelines must be well integrated with key macro and micro guidelines that allows you to keep away from treating young people livelihoods and entrepreneurship as a remote hobby. For instance, in Kenya the cost of doing business is too high given that one not only ought to have the initial seed money, but has to consider such costs as Value Added Tax (VAT), council licences, Kenya Revenue Authority (KRA) levies, public procurement fees, among others. These requirements not only put a strain on young entrepreneurial effort, but act as a hindrance in the start-up and development of a business.

According to Kelley *et al.* (2012) there are frantic efforts to craft and implement practical policies to address the youth unemployment and underemployment challenges and a recurring element in these policies is youth entrepreneurship. They further observed that as a result of their cross-cutting nature, young people entrepreneurship guidelines require collaboration between one-of-a-kind ministries, which includes training, labour, enterprise, devolution and finance, and the development of a collaborative multi-stakeholder approach. For this to succeed, private sector initiatives should be brought on board so that the sector is active in making sure that youth are able to make informed decisions when venturing in entrepreneurship.

World Bank (2008) observes that use of restrictive burdens on young entrepreneurship are some of the main hindrances to the upcoming youth in the fast economic growing countries Registration fees and rules of a business can be deemed as the main obstacle to the young youth. World Bank (2013) observes that in growing and transition nations specially, those approaches are regularly associated with paperwork, corruption a poor tax system and lack of accountability or transparency. This can hence discourage the youth and hence losing their entrepreneurial ambitions. According to the 2011 African Youth Report, most African countries have established entrepreneurship policies for teenagers to help them in terms of monetary assistance.

The 2007 World Bank Report showed that they are dealing with issues of maximum authorities' aid programmes in this vicinity. There is an argument in Nigeria the maximum entrepreneurship associated regulations and programmes are not to standard of the required development institutions. In some countries the tax policies have an impact on profits or losses made on a business. Another financial risk to the youth in stating up a business is the risk of committing a personal asset.

In most countries, the definition of property rights has not been accurately identified. This also makes registering of property a high time and fee spending attempt. For example, from business database done by World Bank in 2005, revealed that the required amount of time for registration of a property in Norway can be one day and in Croatia, 956 days. It therefore culminates to the fact that reduced enforcement of copyright, patent and trademark regulations substantially disadvantages young individuals who are often no longer sufficiently acquainted with this problem. Hence, they do not as it should be defending their commercial enterprise and they will find themselves stuck up in litigation with organizations within the identical zone or industry for copyright infringement. This is why putting in place policies tailored to the needs of youth would be a significant ingredient in the endorsement of youth entrepreneurship.

In Kenya, like in many other developing economies, the youths have a feeling that the authorities have not installed region any mechanisms that make it easier for them to run groups. They, for example, experience that they are subjected to high council costs. The council officials harass them and call for bribes. Access requirements are discouraging for a younger person who's 'in a hurry' to get started out. An instance is the registration of groups. It is bulky and maximum of the youngsters favor to remain unregistered and may consequently not perform organization financial institution money owed (Wamuyu, 2004).

Reference to a study conducted by Maina (2006), shows unfavourable business environment is a factor affecting development of youth entrepreneurs' locally. Other issues include irregular government policies and corruption as well as high rates of taxes. However, World Bank (2013) has found that Kenya is among the countries which have had remarkable improvements in the ease of doing business rankings. The report notes improvements in business registration, legal rights for borrowers and lenders, taxation procedures and across the border trading among other policy issues.

2.1.4 Socio-cultural factors

The international labour conference of June 1998 in Geneva adopted a recommendation on the importance of social and cultural impacts on entrepreneurship and the formation of new organisations that was recognised by member states (ILO, 2003). The report further noted that cultural standards are a determinant for a national culture and that members belonging to the same culture share values and activities that they consider normal, natural, typical and binding.

Cultural value priorities are imparted to individuals at very young ages (Amir et al, 2006). ILO (2003) noted that the study by Hofstede developed a model that identified four primary dimensions to differentiate cultures:

- i. Power distance- it specializes in the degree of equality or inequality among humans in the same country's society.
- ii. Individualism- it makes a speciality of the level to which the society reinforces man or woman or collective achievement and interpersonal courting.
- Masculinity- it focuses on the degree to which the society reinforces or does not fortify the conventional masculine role version of male success, manipulate and authority.

iv. Uncertainty avoidance- it focuses on the degree to which the society reinforces or does now not support uncertainty and ambiguity within it.

Cultures that price and praise entrepreneurial behaviour sell a propensity to increase and introduce radical innovations, while, cultures that give a boost to conformity, organization pursuits and control over the future are not probable to promote innovations (Sikdar and Prakash, 2011). According to Anderson *et al.* (2007), social cultural factors have a great influence on youth latent entrepreneurial intention. Entrepreneurship being a social aspect it enables us to look into the well-known literatures on social networks and social capital (Thornton *et al.*, 2011).

The literature analysis of Hayton et al., 2007, relate entrepreneurship and culture to three major branches of study First is the impact of the national way of life on the various entrepreneurship measures with respect to the current national output. The second deals with the national subculture and the various personalities of each entrepreneur. Finally, the third evaluates the effect of various country-wide cultures on a business enterprise. Moreover, they defined subculture as the change of acquired habits from one technology to another through assimilation and language. Consequently, when an individual sets-up a business in a certain cultural environment he or she considers its characteristics, such as the boom expectations and the strategic orientations (Thornton *et al.*, 2011).

Ijaz *et al.* (2012) observed that social norms are the unrecorded policies of conduct of a collection which affect the individual degree selection-making system. Those are shared with the aid of others and prevail in society by way of their approval, which maintain undesirable motivations and allows an individual in decision-making procedure. The literature shows that social norms help a man or woman in converting behaviour in step with environment and they have an effect on entrepreneurial behaviour due to unemployment and family commitment.

On the impact and effect of socio-cultural dynamics on improvement of micro and small agency, proof shows that in Kenya, like in many other economies, businesses operating inside the informal sector show resistance to formalisation because of socio-cultural factors (Omondi, 2013). That is because of study networks of agree with and interdependence. in the context of a strong cultural surroundings like Africa, it is popular in many markets and societies and hence can be considered a properly-used system. According to Omondi (2013), it is documented that the natural economic system is self – sustaining and associates with society and markets

In Kenya, for example, the participation of youths in entrepreneurial activities varies with gender. Ibuathu and Kubaison, (2013) have found that younger men are much more likely to be self-hired than younger girls. Those findings suggest the lifestyles of socio-cultural constraints which have a tendency to have an effect on the participation fee of young girls. The increased fear of failure and embarrassment have prevented many youths

endowed with ideas now not to explore them and task into competitive stage (Fatoki & Chidonga, 2011). This study focuses on the following socio-cultural factors that impact on lives of graduates in their choice of entrepreneurship: Extended family system (Adejumo, 2001); peer group/friends (Pihie 2009); entrepreneurial education (Ahmed et al. 2010); individualism (Hofstede, 2001); risk avoidance (Hofstede, 2001); and unemployment (Keat*et al.* 2011).

In this study, extended family system is defined as a multiplicity of primary familial courting, generally decided with the aid of kinship, in which anyone is father, mother, brother, sister, or infant, which features to fulfil the emotional, financial, physical and social desires of individuals (Abimbola, 2011). This family system is different from the Western conception of the extended family system, where relationships are marked by degrees of relationship. Family plays a robust position as a supply for growing entrepreneurial behaviour, their moral and economic aid facilitates one to take dangers and inculcate new thoughts in their enterprise (Ijaz *et al.* 2012) they further look at that family plays an essential position for financial activity in advent of corporations and their increase and moreover affords possibilities to its contributors to increase networking. Traditional households play an important role in enterprise due to more potent ties and relationships for the enhancement of business, for preserving their position in society and to keep their strength as nicely (Ijazet al. 2012). Own family as a unit of socio–cultural activities offers a platform for beginning financial pastime and represents the vital part of

lifestyle that has big effect on the firm overall performance as well as greater influence on entrepreneurial intention (Ijaz *et al.* 2012).

According to Kanyari and Namusonge (2013), generally there is a strong evidence of marketers having entrepreneur parents. Having spotted the self-employed, it creates a bigger ambition for an entrepreneur. The aspect of the flexibility and nature of self-hiring is developed at a young age. Having a parent who is an entrepreneur, he or she instills the perspective of independence, responsibility and successes. Households with an enterprise heritage often have an impact on and encourage the adoption entrepreneurial hobbies by their siblings and who are later expected to be more prosperous in their future businesses (Tong *et al.*, 2011).

Ijaz *et al.* (2012) notes that peer group is the primary supply for social interplay in addition to develop entrepreneurial aim. Interplay with friends impacts the individual to develop new thoughts and facilitates in recognising new possibilities in addition to opportunity advent, whilst sharing know-how and creative thoughts with friends turns into a supply for initiation of entrepreneurial intention (Sondari, 2014). He in addition points out that peers assist in developing entrepreneurial information and skills by means of sharing, studying and replacing facts approximately entrepreneurship programmes, occasions and sources of getting to know after they participate in meetings and institutions (Ijaz *et al.* 2012).

Ijaz *et al.* (2012) suggested that youth valued the opinion of their friends and peers more than those of other people, hence strong ties with friends were found to nourish entrepreneurial intention as well as offering moral and financial support that lead to growth of business. Sondari, (2014). Noted that entrepreneurial education has gained much importance worldwide, influencing students and improving their standard of living and it being a mainstream of economic development of their countries. According to sondari, 2014 entrepreneurial education instils the aim of profit maximisation in a business and gives an entrepreneur confidence to run his business. They further observe that entrepreneurial education equips students with skills to encounter the tasks of market requirements and gratify those necessities.

Cultures of individualism focus on self-centred individuals who care only about their interests (yeboah, 2014). He also described individualism to be related with character that is popular in a specific society. he stated that entrepreneurs can chooses competition over collaboration, and to integrate with non- governmental organisations. Moreover, they could agree with the view that planning is more important than a great fortune in achievement and to have fewer problems about not succeeding that those who are not entrepreneurs. Based on the framework of Hofstede (1994), it is concluded that individualistic culture emphasises the values of personal initiative and achievement (Soares*et al.* 2006).

Redundancy takes place when an individual who is aggressively searching for occupation is not capable to get a job. Joblessness is frequently taken as a degree of the economy wellbeing. The most commonly referred to measure of joblessness is the unemployment rate. It is calculated in terms of the figure of unemployed individuals divided by the number of individuals in employment. According to ILO guidelines, a person is unemployed if he or she is not working, is currently available for work and is seeking work (ILO, 2002).

Noorderhaven*et al.* (2004) cited studies showing that people are much more likely to begin their personal businesses when they face a loss of possibilities for possible careers in current firms. In their dialogue paper, Fritsch et al. (2013) noted other studies which counseled that human beings might also transfer from employment or unemployment into self-employment if starting one's very own enterprise appears to be more rewarding than the repute quo. If stages of unemployment benefits are low or brief-termed, the occupational preference approach suggests that transitions into self-employment may additionally arise greater regularly all through durations while the level of unemployment is especially high. Accordingly, the extent of begin-united states can be particularly low in periods when extra employment possibilities are available and the level of unemployment is noticeably low. The effect of joblessness level on entrepreneurial accesses is linked with the "recession push" argument hence it could lead to counter-cyclical effects of unemployment intensities (Fritsch *et al.* 2013). They further note that empirical findings for the connection between unemployment and entrepreneurship were

investigated with cross sectional data in 1990s and found that a great terrible relationship existed between the level of unemployment and the access rate into entrepreneurship (Fritsch *et al.* 2013).

2.2 Theoretical framework

The study of entrepreneurship is based on several theoretical backgrounds. Those theories shape the idea upon which the studies on which the study is anchored. Special theories exist due to the specific perspectives of researchers who propounded these theories. This study will utilize the following theories: McClelland's Achievement theory, George Homans' theory of Rational Choice, and George Herbert Mead's Theory of Symbolic Interactionism.

2.2.1 McClelland's Achievement Motivation Theory

McClelland's Theory is one of the psychological theories. This theory was initiated by David McClelland as an Achievement Motivation Theory. McClelland (1961) emphasized that psychological desire for achievement motivation is liable for undertaking entrepreneurial development. The proposal by McClelland was that there are 3 important wishes or reasons for employees' accomplishments. They are: The need for achievement (nAch); the need for affiliation (nAff) and the need for power (nPow). In his theory, he postulates that the Implications of Motives for personnel development, which are needs for association and for authority, are the riding forces in the direction of entrepreneurship. high level of success makes an entrepreneur and the desires of entrepreneur appear to be not to 'get rich' but to 'get big'. For the Achievement Motivation Theory to hold, there are four requisite conditions that should be satisfied. One, economic development relies upon on lively activities of some of folks who behave in an entrepreneurial fashion, the marketers will usually be influenced by means of robust need for fulfillment. 3, evidence has it that this motivational complicated has been in shorter supply in developing countries than in evolved ones, and subsequently, to improve the condition of terrible international locations, marketers ought to be accelerated (McClelland, 1961). This theory is relevant to the current study as it mirrors on both internal and external factors that envisage entrepreneurial behaviour among the youth. The theory also stresses the task of the surroundings, in this case the governments, in ensuring that their citizens adopt the entrepreneurial skills and implement them for the common good of community.

2.2.2 Rational Choice Theory (RCT)

A pioneering discern in setting up rational preference theory in sociology was George Homans (1961), who set out a basic framework of alternate idea, which he grounded in assumptions drawn from behaviorist psychology (Cox *et al*, 2016). RCT assumes that all motion is basically 'rational' in character and that people calculate the in all likelihood expenses and benefits of any action before determining what to do. The basic foundation of RCT is that collective social behaviour domino effect from the behaviour of human being actors, where each makes their personal decision. RCT then assumes that a person has alternatives a number of the to be had desire alternatives that permit them to kingdom

which alternative they choose. Those options are assumed to be whole (the person can usually say which of alternatives they recall ideal or that neither is favored to the other) and transitive (if choice a is preferred over option b and choice b is preferred over alternative c, then a is preferred over c). the rational agent is believed to take account of available information, chances of events, and ability prices and blessings in determining preferences, and to act always in selecting the self-decided nice preference of action (Pollack, 2006).

People are visible as encouraged by way of the desires or desires that express their 'alternatives'. They act inside specific given constraints and on the basis of the records that they have approximately the situations beneath which they're acting (Schettini & Olivero, 2014). At its best, the affiliation linking alternatives and constraints is visible in practical conditions of the association of a way to achieve the aim. Just as it is impossible for humans to perform all of the matters they desire in existence, they obliged to make selections in terms of both their goals and the means for attaining these desires. RCT holds that persons need to anticipate the effects of alternative courses of motion and determine the quality desire for them. Rational people select the opportunity that is likely to present them the greatest pride (Schettini & Oliverio, 2014).

In entrepreneurship, as an example, RCT says that a person trying to begin an enterprise could make the most rational and useful choices to get it off the floor, along with scouting an area and finding investment - basically conforming to the marketplace (Huebsch, 2003). Marketers all over the international are continuously imagining and attempting to find new products and services with a purpose to exchange lives. Boettke, *et al.* (2003) explained; "The generator of change is the creative imagination of the entrepreneur, who in his attempt to earn profits and avoid losses, drives the market process." additionally, this facilitates shed mild on how the environment is in no way static and that the market is a system. Without some of these functions of people which include fallibility, creative potential, choice, imagination, boldness and alertness, marketers would now not have the riding pressure of development. As Kirzner (1997) explained, "Entrepreneurial discovery is seen as gradually but systematically pushing back the boundaries of sheer ignorance, in this way increasing mutual awareness among market participants and thus, in turn, driving prices, output and input quantities and qualities toward the values consistent with equilibrium..."

2.2.3 Theory of Symbolic Interactionism

Symbolic Interactionism (SI), propounded by George Herbert Mead and expanded by Herbert Blumer, is a factual social-technology aspect looking into human way of life and their behaviours (Chamberlain-Salaunet al, 2013). George Herbert is recognised for coming up with SI. According to Chamberlain-Salaunet al, 2013, Blumer states that he improvised the SI time period in his written chapter of guy and society SI rests in the analysis of 3 premises: the primary is that humans act in the direction of things according to what they value (Lee, 2008).in step with Medlibrary (2012), the person must be understood as a wondering being and human motion isn't always best interaction among

people, however also interplay inside the character. It is not always the ideas or attitudes or values which might be as crucial as the steady lively ongoing technique of wondering. Human beings are by nature people who engage in thinking, always talking to themselves as they interrelate with others.

Entrepreneurs, like other people, participate in role-appropriate behaviour so as to validate their position and exhibit a stance of self-efficacy (Ye Qian, 2011). The study further point out that person identities are simultaneously active in role relationships, and the individual will regulate both person and role identities, bringing them into alignment based on common meanings. Thus, entrepreneurs' self-enhancing and self-transcending person identities will be related to socially-oriented and economically-oriented role identities, just as they are to social and economic goals. Furthermore, the effect of these person identities on goals will take place through entrepreneurs enacting roles that confirm their person identity. For example, entrepreneurs will place greater importance on role identities such as "business person" which has meaning standards linked to the pursuit of economic goals (Ye Qian, 2011).

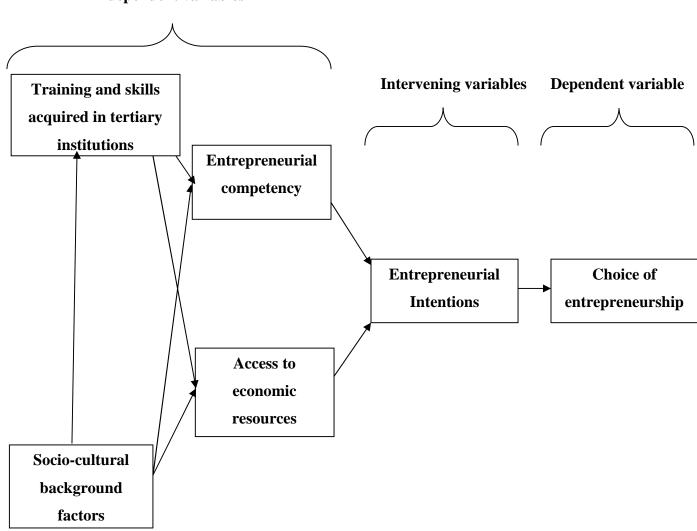
The second argument is that, meaning of such ideas emanates from, or is brought about in the social interaction one enjoys with his/her fellows. According to Medlibrary, (2012) the person should be understood as a social man or woman. It's the consistent search for social interaction conformists who try to gain the norms that accompany their roles; organization contributors' test every that leads us to do what we do. In preference to focusing at the character and his or her personality, or on how the society or social situation causes human behaviour, symbolic interactionism focuses on the activities that take location between actors. si assumes that humans are primarily character's performance to decide whether it conforms with that character's assigned norms, and practice sanctions for misbehavior in a try and make certain function performance (Boundless, 2016).

Put absolutely, people in interacting with each other have to take account of what each is doing or is about to do. They may be forced to direct their own behavior or deal with their conditions in phrases of what they keep in mind (Blumer, 1969). Thus, the events of others enter as nice factors within the formation in their personal conduct. In the face of the moves of others one might also abandon a goal or reason, opposite it, test or droop it, accentuate it or replace it. Individuals who engage in shared deed seem to adhere to the ways of co-participants, particularly those with more knowledge, express themselves and interrelate with things existing in the environment. The third argument is that these meanings are handled in, and customized in the course of an interpretative system used by the personality in managing the situation he encounters (Blumer, 1969).

"A key premise of symbolic interactionism is that meanings assigned to objects in the world arise out of the social interaction one has with one's fellows" (Blumer, 1969). This mutually created language and deed becomes the foundation for the assumed familiarity and application. Crossman, (2015) argues that, humans' selves are social merchandise, but that these selves also are purposive and innovative. she in addition factors out that, humans do not experience their environment directly; as an alternative they outline the scenario they are in. the definition of the scenario is what human beings use to recognize what is anticipated of them and what is expected of others in a situation. Through the definition of the situation, people gain an experience of the statuses and roles of these involved within the state of affairs so they recognize how to behave, it arises from the current social attitude and interaction. A reference group forms as a result of interaction within the environment, and connects with a point of view, before concluding to a situational definition. This illustrates important stages to give meaning to a situation. A motion is approved once the situation is known, thus leading to an interpretation of the motion that can affect the aspect, movement and definition (Wafa and Manolova, 2012).

2.3 Conceptual framework

Figure 2.1: The conceptual framework highlighting the factors that determine the choice of entrepreneurship among unemployed graduates of tertiary institutions.



Independent variables

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research design and methodology that was adopted for the study. It gives a description of the site, research design, unit of analysis and unit of observation, target population, sampling size and procedure, data collection, ethical considerations and data analysis.

3.2 Site description

This study was carried out in Kitengela, an urban cosmopolitan area 31km south of Nairobi City. It is located in the northern parts of Isinya Sub-county, in Kajiado County, along the Kajiado/Namanga Highway. It is situated at the border of Athi River in the expansive Export Processing Zone and has many industries coming up such as cement processing, quarries and a rapid growing transport system. Besides, Kitengela has many enterprises that feature the Green House farming concept, with majority growing horticultural crops. The construction industry is also a major activity in the town with many real estate companies thriving in this area.

It has a total of 8,619 households and a total population of 58,167 people in an area of 89.2 km square with a density of 309, according to the Housing and Population Census of 2009 (GOK, 2010). Kitengela Township is both a satellite commercial outreach of Nairobi city and an emerging business centre. It represents a cosmopolitan urban area in

Kenya with ethnic diversity and thus would be the largely suitable intended for achieving the objectives of the study. There are 10 university colleges and one vocational institution, TDC, in Kitengela. It is situated at the border of Athi River and Kitengela next to Savanna Cement Company along the Athi River-Namanga Highway, opposite EPZ. It offers training in Mechanical, Electrical, Automotive, Clothing and Information Communications Technology (ICT) at Diploma, Certificate and Craft levels.

Despite all these institutions, majority of the youth in Kitengela remain unemployed. It is against this background that the study focused on Kitengela Township, with specific reference to graduates from the Technology Development Centre (TDC) who live in Kitengela and who are not employed. This is because TDC is the only Government tertiary institution in Kitengela that offers entrepreneurial tailored courses incorporated in their curriculum. Although there are other unemployed graduates from TDC who live outside Kitengela and who would have been potential respondents for this study, the study focused only on those who live in Kitengela, the greatest catchment area for TDC.

3.3 Research design

The study used a descriptive research design also known as a Survey research design. Mugenda and Mugenda (2003), descriptive research is the process of collecting information with the objectives of describing a phenomenon. Descriptive research design was used to describe the relationship between dependent variables and dependent variables and the relationship is detailed about each variable. Schindler and Cooper (2003) revealed that this studies are designed with clear identified questions that are to be investigated. The researcher considered this design suitable since it allowed gathering reliable and accurate data on factors that adversely affects graduates of tertiary institutions who plan for careers in entrepreneurship. Also, this design allowed collection of both qualitative and quantitative data.

3.4 Unit of analysis and units of observation

The unit of analysis was the most elementary part of the phenomenon to be studied (Nachmias & Nachmias, 1996). In this study, the unit of analysis focused on factors that determine the choice of entrepreneurship among unemployed graduates of tertiary institutions. The unit of observation, according to Mugenda and Mugenda (2006), is the subject, object, item or entity from which one measures the characteristics or obtains the data required in the research study. The units of observation in this study were the individual graduates from TDC.

3.5 Target population

Kothari, (2004) defines population as all items in a field of enquiry. There are many youths in Kitengela, but the study mainly focused on the graduates of TDC, who graduated between the years 2013 and 2014who are residents of Kitengela Township. For the purpose this study, the population was drawn from those who graduated in the last two years (2013-2014). A register was provided by the college where 129 graduates

were found to have indicated Kitengela as the place of residence. They were clustered into three, namely certificate, diploma and others in which the sample was drawn from.

	Frequency	Percentage		
Certificate	42	32.6		
Diploma	56	43.4		
Others	31	24.0		
Total	129	100.0		

Table 3.1: Target population

Source: TDC Registrar, (2015)

3.6 Sample size and sampling procedure

A sample can be defined as the people who actually participate in a study. Sampling is the procedure of choosing units from a population of concentration so that by studying the sample, fair generalisation of results is made (Maina, 2011).

3.6.1 Sample size

According to Kothari (2004), the sample size should be optimum so as to accomplish the necessities of competence, representation, reliability and flexibility. While deciding on the sample size, the researcher determines the proportion of the target population that is acceptable in representing the population (Kothari, 2004). According to Kothari (2004), a sample of 30% of the target population is usually representative and generalizable. For this study, a sample of 30% (39 respondents) was taken using a combination of stratification and systematic sampling.

3.6.2 Sampling procedure

Stratified and systematic sampling techniques were utilized to obtain a sample. According to Babbie, (2010) stratified sampling method produce estimates of overall populace parameters with greater precision and ensures a greater representative pattern is derived from a exceptionally homogeneous populace. Stratification targets to reduce widespread blunders by using offering a few manipulate over variance. The study grouped the population into 3 strata based on levels of certification i.e. diploma, certificate and others. From each stratum the study did a further stratification based on the number of courses offered under each level of certification as discussed above. They were: Mechanical, Electrical, Automotive, Clothing and Information Communications Technology (ICT)

From each stratum of certification, the study used systematic sampling to select the 13 respondents. This was done by picking number 1 and 5 in each stratum until the 13 were obtained. The sample therefore was as shown below:

13 from each stratum x 3 strata = 39 selected

- 1. Mechanical 9
- 2. Electrical 9
- 3. Automotive 9
- 4. Clothing 6
- 5. ICT 6

39

3.7 Methods of data collection

The study adopted both quantitative and qualitative methods of data collection.

3.7.1 Collection of quantitative data

The study used tracing where the graduates were called using the contacts provided by the college. The researcher sought appointments and interviewed them. A semi structured questionnaire was used to interview the graduates. This way, quantitative data was collected and subjected to statistical analysis.

3.7.2 Collection of qualitative data

Data was collected through a key informant, interview guide that was administered to key informants who had been purposively selected. The interview guide was preferred due to its effectiveness in collecting data from respondents. The schedule was relatively quick and easy to administer, particularly in clarification of certain questions where required. Direct observation was used where required behaviour and characteristics were recorded on the basis of which conclusions were drawn.

3.8 Ethical considerations

Ethical issues are about being objective, honest and caring during the process of data collection. It is about assuring the participants of confidentiality and how the results of the study would be reported (Cohen, et al. 2007). confidentiality of information given by the respondents was highly maintained. Before collecting field data, the researcher made

an effort to get an informed approval from the respondents. The researcher familiarized respondents with his objectives so as to gain their informed approval.

3.9 Data analysis

Both qualitative and quantitative data analysis methods were employed. The Quantitative data collected from the questionnaire was later coded and fed into a computer to compute the descriptive statistics. SPSS (statistical package for social sciences), was employed to obtain descriptive statistics that include, percentages and frequencies to display figures and tables of the quantitative data according to the outlined objectives of this study. The qualitative data obtained from open-ended questions was identified in the themes and was reported in narrative form along with quantitative presentation.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSIONS

4.1 Introduction

This chapter discusses the presentation and interpretation of the findings. It presents analysis of the data on the most important entrepreneurial competencies, and further examines how accessibility of economic resources and socio-cultural factors influence unemployed graduates of tertiary institutions in their efforts to become entrepreneurs.

The study targeted a sample size of 39 respondents from which 35 responded to the telephone call, making a response rate of 89.74%. It is to be noted that a response rate of 60% is good and a rate of 70% and above is excellent.

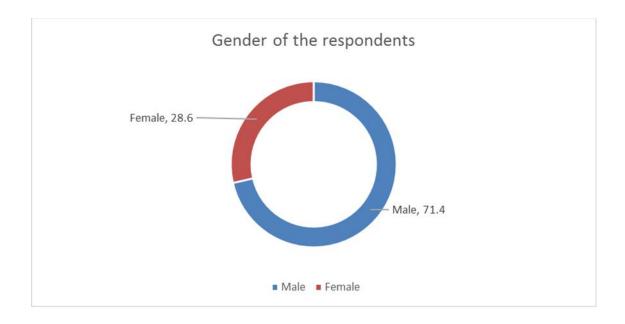
4.2 Demographic characteristics

Demographic characteristics of respondents' gender, age, years lived in Kitengela, level of certification, entrepreneurial competences acquired and their ethnicity.

4.2.1 Gender of the respondents

71.4% of who indicated that they were male while 28.6% indicated they were female. The results obtained are as shown in Figure 4.1 below.

Figure 41: Gender of the respondents



4.2.2 Age of the respondents

77.14% of the interviewees were between ages 25 to 29 and 22.86% were above 30 years. This implies that the majority of graduates interviewed were below 30 years.

Table 4.1:Age distribution

Age Brackets	25 - 29	Above 30
No. of respondents	27	8

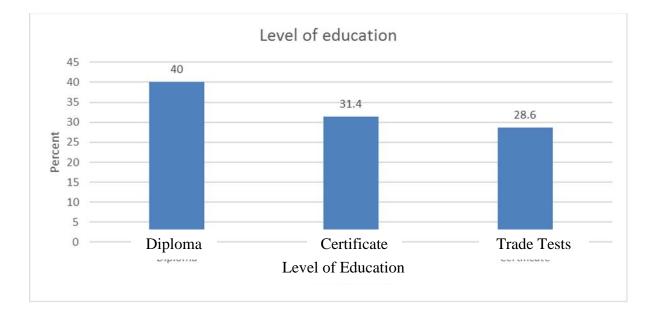
4.2.3 Years lived in Kitengela

The respondents were asked to indicate the number of years they had lived in Kitengela. Sixty percent of interviewees indicated that they had lived in Kitengela for 5 years with their parents, 10% indicated they had lived for 4 years alone, while 30% of interviewees had lived for 6 years with their relatives. This implies that 90% have lived in Kitengela for more than 5 years with parents or relatives.

4.2.4 Level of tertiary education

Forty per cent (40%) of the respondents indicated that their level of tertiary education was a diploma, 31.4% had a certificate, and 28.6% a trade tests certification. According to Figure 4.2 below, 71.4/% of the youths from Kitengela had attained diploma or certificate, as their level of tertiary education.

Figure 4.2: Level of tertiary education



4.3 Types of entrepreneurial competencies acquired in tertiary institution

4.3.1 Effect of tertiary education

The respondents were further asked whether they agreed tertiary education increased the level of listed entrepreneurial competencies that determined one's choice of entrepreneurship. Sixty per cent (60%) of the respondents strongly agreed or agreed that tertiary education increased the level of attitudinal competency as shown by a mean score of 3.6571 while 54.3% of the respondents strongly agreed or agreed that tertiary education increased the level of managerial competency as shown by a mean score of 3.5429. Additionally, 51.4% of the respondents strongly disagreed or somehow disagreed that tertiary education increased behavioural competency as shown by a mean score of 3.3714. See table 4.1 below. Thus, it can be deduced that tertiary education increased the levels of attitudinal and managerial competency among the graduates.

The interviewees were also asked how entrepreneurial education has helped unemployed graduates in increasing their focus on creativity and confidence building. They observed that it was through empowering them on issues of starting, running and managing businesses. Others said it has helped them to identify business opportunities. Some indicated that when one undertakes a course that is not business related, then there is little they can do in business. Key informants revealed that education helped to increase attitudinal and managerial competencies, building confidence in the youth to choose entrepreneurship as a means of employment upon graduation.

The interviewees were further asked whether personality trends and human capital of person entrepreneurs play a function in contributing to the achievement of marketers. They mentioned that it does, stating that one wishes to be wonderful on the way to take huge risks. Others pointed out that those personality traits help individuals to make significant self-assessments, which allow them to improve their weaknesses.

 Table 4.2: Strength of Agreement whether tertiary education increased

 entrepreneurial competency

Type of Competency	Strongly agree	Agree	Somehow disagree	Disagree	Strongly disagree	Total		Mean
	5	4	3	2	1			
						Percent	Ν	
Attitudinal competency	37.1	22.9	17.1	14.3	8.6	100.0	35	3.6571
Behavioural competency	20.0	28.6	31.4	8.6	11.4	100.0	35	3.3714
Managerial competency	31.4	22.9	22.9	14.2	8.6	100.0	35	3.5429

4.3.2 Chances of success

The respondents were further requested to suggest whether they agree that entrepreneurs with higher schooling stage, commercial and managerial experience as well as enterprise publicity have greater threat of succeeding than folks that did now not possess those human capital features. According to figure 4.3 shown below, 60% of the respondents agreed that entrepreneurs with higher education level, industrial and managerial experience as well as business exposure have a greater chance of succeeding than those who did not possess these human capital features while 40% disagreed. From these findings we can infer that entrepreneurs with higher education level, industrial and managerial experience coupled with business exposure have greater chance of succeeding than those who did not possess these human capital features. Key informants held the view that besides the above prerequisites being important, they play a vital role in avoiding mistakes that lead to failure. Others observed that "through tertiary education one is able to make better business decisions." Some disagreed, noting that it is all about individual focus, which is what brings success. Key informants stated that "business is all about networking, and networking is business."

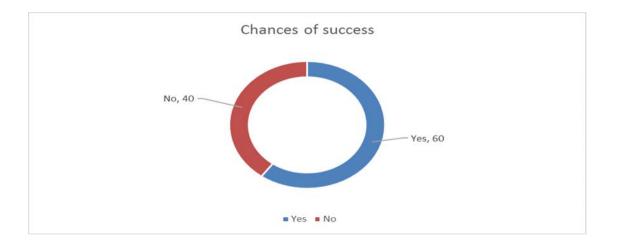


Figure 4.3: Chances of success

4.4 Entrepreneurial competencies which are prerequisite to becoming an

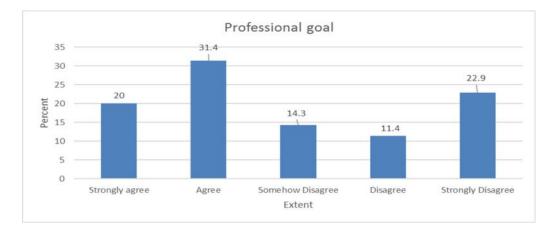
entrepreneur

The study further sought to investigate what entrepreneurial competencies unemployed graduates considered a prerequisite in accessing entrepreneurship. The results obtained were as shown in the sections that follow.

4.4.1 Professional goal

The respondents were asked whether they have a professional goal to start their choice of enterprise. From the figure 4.5 below, 51.4% of the respondents strongly agreed or agreed that they have a professional goal in wanting to start their choice of enterprise whereas 48.6% disagreed. As a result, we can deduce that the potential to succeed in the enterprise is great given that 51.4% either strongly agree or agree that they have a professional goal. The key informants revealed that where graduates have a professional goal, they have a higher motivation of starting and succeeding in their choice of enterprise.

Figure 4.4: Extent of agreement whether respondents have professional goal in wanting to start their choice of enterprise



Extent of Agreement

4.4.2 Competencies prerequisite to choosing entrepreneurship

The researcher asked respondents which competencies they consider prerequisite in determining choice of entrepreneurship. From the findings shown in table 4.2 below, 74.3% of the respondents strongly agreed or agreed that self-esteem is a prerequisite to choosing entrepreneurship, 71.5% said personal initiative, 65.7% need for achievement, while 62.8% cited innovativeness. All respondents indicated that the other competencies were equally important as they gave a score of above 50%. Hence, from the above findings, all the competencies were a prerequisite in determining choice of entrepreneurship. The key informants pointed out that for one to succeed in their choice of enterprise, good communication skills are paramount, as business is about dealing with people all the time.

Table 4.3: Competencies prerequisite to succeed in choice of enterpriseand st	rength
of agreement	

Competency	Strongly	Agree	Somehow	Disagree	Strongly	Frequency	Percent	Mean
	agree		disagree		disagree			
Self confidence	42.9	8.6	28.6	11.4	8.6	35	100.0	3.6571
Innovativeness	31.4	31.4	28.6	2.9	5.7	35	100.0	3.8000
Self esteem	31.4	42.9	14.3	5.7	5.7	35	100.0	3.8857
Dealing with failures	45.7	5.7	34.3	8.6	5.7	35	100.0	3.7714
Tolerance for ambiguity	37.1	8.6	22.9	14.3	17.1	35	100.0	3.3429
Need for achievement	34.3	31.4	11.4	14.3	8.6	35	100.0	3.6857
Risk taking	28.6	31.4	17.1	8.6	14.3	35	100.0	3.5143
Personal initiative	48.6	22.9	14.3	5.7	8.6	35	100.0	3.9714
Need for independence and autonomy	37.1	17.1	11.4	20.0	14.3	35	100.0	3.4286
Information seeking	28.6	34.3	8.6	11.4	17.1	35	100.0	3.4571
Goal seeking	40.0	14.3	11.4	11.4	22.9	35	100.0	3.3714
Communication skills	37.1	17.1	22.9	17.1	5.7	35	100.0	3.6286
Technical knowledge	40.0	17.1	11.4	14.3	17.1	35	100.0	3.4857

4.4.3 Influence of entrepreneurial competency

The respondents were asked to indicate the extent to which they agreed with the following statements regarding the influence entrepreneurial competencies have on choice of entrepreneurship. From the findings shown in the table 4.3 below, 74.3% of the respondents strongly agreed or agreed that need for independence and autonomy influenced their decision, 62.9% cited goal seeking, while 62.8% were of the opinion that communication skills were key. Dealing with failures, risk taking, and self-confidence had a mean score of 60%, self-esteem 48.6% and tolerance for ambiguity had a score of 48.5%. The rest of the competencies had a score of above 50%. From these findings it is clear that all respondents indicated that all competencies were important in determining choice of entrepreneurship.

The interviewees were further asked what entrepreneurial challenges unemployed graduates face in deploying a set of competencies to succeed in their entrepreneurial endeavours. A summary of the respondents was:

"The environment is at times not very conducive for applying the knowledge we have, furthermore having these competences is not a big deal, one starts to apply them when the business is in operation".

Others cited lack of information, capital and unwillingness to venture in fields perceived as odd. Others mentioned lack of mentors and role models while a few indicated the existence of stiff competition and fear of failure. In the words of one key informant:

"Education system does not provide the necessary skills and competencies to build confidence of choosing business among un employed graduates." Other than personality traits, skills and knowledge, the interviewees were asked what other entrepreneurial competencies they considered as higher-level characteristic for an entrepreneur. 60% cited 'creativity, good decision-making and problem solving skills', 30% networking with successful entrepreneurs while 10% cited innovativeness and the need for independence.

Table 4.4: Types of Entrepreneurial Competency and strength of agreement

whether they influe	enced ch	noice to l	become an ei	ntrepreneu	r			
Type of	Stron	Agree	Somehow	Disagree	Strongly	Total	Ν	Mean
competency	gly	0	disagree	0	disagree	%		
	agree		C		C			
Self confidence	37.1	22.9	17.1	14.3	8.6	100.0	35	3.6571
Innovativeness	20.0	28.6	31.4	8.6	11.4	100.0	35	3.3714
Self esteem	31.4	22.9	22.9	14.3	8.6	100.0	35	3.5429
Dealing with failures	25.7	34.3	17.1	20.0	2.9	100.0	35	3.6000
Tolerance for ambiguity	31.4	17.1	22.9	20.0	8.6	100.0	35	3.4286
Need for achievement	40.0	17.1	11.4	20.0	11.4	100.0	35	3.5429
Risk taking	42.9	17.1	17.1	17.1	5.7	100.0	35	3.7429
Personal initiative	42.9	11.4	11.4	17.1	5.7	100.0	35	3.3429
Need for independence and autonomy	31.4	42.9	14.3	5.7	5.7	100.0	35	3.8857
Information seeking	37.1	20.0	22.9	14.3	5.7	100.0	35	3.6857
Goal seeking	40.0	22.9	20.0	8.6	8.6	100.0	35	3.7714
Communication skills	45.7	17.1	25.7	5.7	5.7	100.0	35	3.9143
Technical knowledge	42.9	11.4	28.6	8.6	8.6	100.0	35	3.7143
Self confidence	37.1	22.9	17.1	14.3	8.6	100.0	35	3.6571

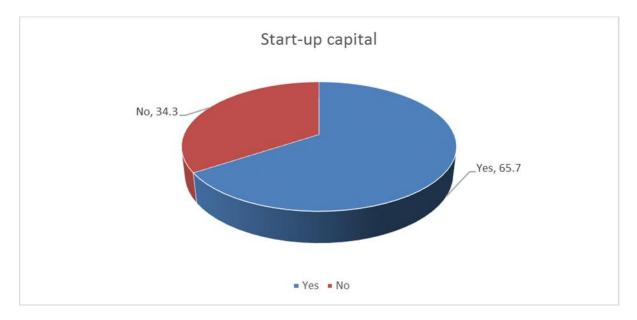
whether they influenced choice to become an entrepreneur

4.5 Access to economic resources

The study further sought to establish the extent to which access to economic resources for start-ups determines the choice of entrepreneurial activity in Kitengela among unemployed leavers of tertiary institutions. The results were as shown below.

4.5.1 Start-up capital

The respondents were asked whether they had capital to start their choice of business. From the findings shown in figure 4.6 below, 65.7% of the respondents had capital to start their preferred business while 34.3% did not. From the results, we can deduce that most of the respondents had capital to start their choice of business. The interviewees were asked to indicate their source of capital. Most said family savings.





4.5.2 Accessibility of economic resources

The researcher sought to find out how accessible the following economic resources are to enable one start their choice of enterprise. According to the findings, 65.7% of the respondents have access to Trade Joint Loan; 65.6% to Youth Enterprise Fund; 62.8% to banks while 60% indicated Women Enterprise Fund and Micro Finance. From these findings, it is clear that Trade Joint Loan and Youth Enterprise Fund are very accessible to the graduates as well as all the other lending institutions as shown by a mean of above 3.6000. See table 4.5 below.

 Table 4.5: Accessibility of economic resources and degree of agreement they enable

 one start an enterprise

Type of	Strongly	Agree	Somehow	Disagree	Strongly	Tota	1	Mean
economic resources	agree		disagree		disagree	Percent	Ν	
Youth Enterprise Fund	31.4	34.2	11.4	14.2	8.5	100.0	35	4.5429
Women Enterprise Fund	31.4	28.6	31.4	2.8	5.7	100.0	35	3.7714
Trade Joint Loan	34.3	31.4	11.4	14.3	8.6	100.0	35	3.6857
Micro Finance	25.7	34.3	17.1	20	2.9	100.0	35	3.6000
Banks	31.4	31.4	14.3	14.3	8.6	100.0	35	3.6286

4.5.3 Economic factors determining the choice of entrepreneurship

The respondents were asked how the listed factors would affect their decision to become an entrepreneur. Concerning per capita income/salary levels, the respondents agreed that high levels of income, ICT and low levels of income affect their decision to become an entrepreneur as shown by mean scores of 3.9714, 3.8000 and 3.8000 respectively.

Regarding choice of economic sector, the respondents agreed that agriculture, mining, education, manufacturing and construction affect their decision to become an entrepreneur as shown by mean scores of 3.8000, 3.7714, 3.7143, 3.5429 and 3.7429 respectively. Further, the respondents somehow disagreed that service sector affected their decision to become an entrepreneur as shown by a mean score of 3.4286. Concerning lack of access to markets, the respondents agreed that demand for products/service and poor infrastructure affects their decision to become an entrepreneur as shown by mean scores of 3.8857 and 3.7143.

Regarding lack of adequate youth policy on entrepreneurship, the respondents agreed that registration process and infrastructure affect their decision to become an entrepreneur as shown by mean scores of 3.8000 and 3.6571 respectively. Further, the respondents somehow disagreed that decision making affects their decision to become an entrepreneur as shown by a mean score of 3.3429. Asked why youth entrepreneurs have limited access to both internal and external finances, some respondents noted that the youth lack collateral while others said the youth are usually not trusted enough to be advanced

credit. The interviewees were asked what strategies can be put in place for the formal sector to regard the unemployed graduates as low risk creditors and thus extend credit to them on favourable or concessional terms. Some suggested that youths should form groups and act as guarantors to each other. Others noted that the unemployed graduates should use parents and relatives to offer collateral.

Their responses are tabled below.

Table 4.6:	Economic	factors	determining	the	choice	of	entrepreneurship	and
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strength of agreement

Economic Factor	Strongly agree	Agree	Somehow disagree	Disagree	Strongly disagree	%	N	Mean
Per capita incom	e/Salary le	vels						
High levels of income	37.1	34.3	14.3	11.4	8.6	100.0	35	3.9714
Low levels of income	31.4	31.4	28.6	2.9	5.7	100.0	35	3.8000
Choice of econon	nic sector							
Agriculture	40.0	31.4	5.7	14.3	8.6	100.0	35	3.8000
Mining	31.4	34.3	17.1	14.3	2.9	100.0	35	3.7714
Manufacturing	31.4	34.3	14.3	14.3	5.7	100.0	35	3.7143
Construction	40.0	17.1	11.4	20.0	11.4	100.0	35	3.5429
Education	42.9	17.1	17.1	17.1	5.7	100.0	35	3.7429
Service	37.1	31.4	2.9	8.6	5.7	100.0	35	3.4286
ICT	40.0	31.4	5.7	14.3	8.6	100.0	35	3.8000
Government	31.4	34.3	17.1	14.3	2.9	100.0	35	3.7714
Lack of access to	markets	I				<u> </u>	11	
Demand for products/service	31.4	42.9	14.3	5.7	5.7	100.0	35	3.8857
Poor infrastructure	40.0	17.1	22.9	14.3	5.7			3.7143
Lack of adequate	e youth pol	icy on e	ntrepreneur	ship	1	<u>I</u>	1 1	
Decision making	40.0	8.6	20.0	8.6	22.9	100.0	35	3.3429
Registration process	48.6	17.1	5.7	22.9	5.7	100.0	35	3.8000
Infrastructure	42.9	8.6	28.6	11.4	8.6	100.0	35	3.6571

4.5.4 Government mechanisms to help unemployed graduates

The respondents were asked whether or not the government has put in place any mechanisms that can make it easier for unemployed graduates to run businesses. From the findings shown in figure 4.7 below, 71.4% of the respondents indicated that the government has put in place mechanisms that can make it easier for unemployed graduates to run businesses while 28.6% said it had not. They however suggested that the government should relax business registration requirements and introduce more Huduma Centres. Others appreciated the government policy that 30% of all tenders be preserved for women and youth. From the results, we can deduce that the government has put in place some mechanisms that can make it easier for unemployed graduates to run a business.

Asked what economic factors negatively influence the growth and development of youth enterprises, the respondents said there is competition and influx of cheap products from China and low income in rural areas, which in turn creates low market for goods.

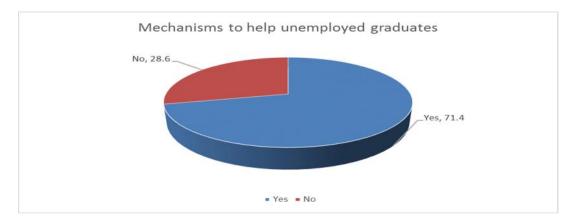


Figure 4. 6: Government mechanisms to help unemployed graduates

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4.6 Socio-cultural factors

The study further sought to determine the extent to which socio-cultural factors affect leavers of tertiary institutions in becoming entrepreneurs. The results were as shown below.

4.6.1 Influence of socio-cultural factors

The respondents were asked to rate how the social-cultural factors listed influenced their decision to becoming entrepreneur. According to the findings (see table 4.6 below), Concerning extended family system, the respondents agreed that having strong family ties, a self-employed parent and gender role influenced their decision to become an entrepreneur as shown by mean scores of 3.9714, 3.8000 and 3.8000 respectively. Regarding peer groups/friends, the respondents agreed that sharing ideas, helping in recognizing new opportunities, placing great value in friend's opinion and offering moral support affect their decision to become an entrepreneur as shown by mean scores of 3.8000, 3.7714, 3.7143, 3.5429 and 3.7429 respectively.

Concerning entrepreneurial education, the respondents agreed the kind of skills acquired and curricula relevance affected their decision to become an entrepreneur as shown by mean scores of 3.8857 and 3.7143. Regarding social networks, the respondents agreed that identifying markets affected their decision to become entrepreneurs as shown by mean scores of 3.8000 and disagreed that capital raising affected decision to become an entrepreneur 3.6571. Key informant held the view:

"Families and parents, friends and peers who speak positively about business encourage the graduate to start business after graduating. The curriculum given in the education system is not directly tailored to entrepreneurship development."

Asked what other socio cultural factors hindered unemployed graduates from becoming entrepreneurs, some of the respondents indicated their socio-cultural environment discouraged them while others noted that the perception of other young people on those who go into business negatively influenced them.

Key informant noted;

"The adults who interacted with these youth starting with parents and family members, teachers and lecturers, friends and peers influence them negatively about business before they got out of college and school."

The interviewees were asked their opinion on businesses that operated informally whether it was due to socio-cultural factors, and some felt that corruption is what forced many businesses to operate informally.

The findings show that socio-cultural factors have a negative influence on graduates wanting to start their own business and the curriculum offered not tailored to entrepreneurship development.

Their responses are tabled below.

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Table 4.7: Social - Cultural factors and strength of agreement whether they

influenced respondent to become an entrepreneur

Social Cultural Factors	Strongly agree	Agree	Somehow disagree	Disagree	Strongly disagree	%	N	Mean
Extended family	y system							
High levels of income	37.1	34.3	14.3	11.4	8.6	100.0	35	3.9714
Low levels of income	31.4	31.4	28.6	2.9	5.7	100.0	35	3.8000
Peer group/Frie	nds							
Sharing ideas	40.0	31.4	5.7	14.3	8.6	100.0	35	3.8000
Helping in recognising opportunities	31.4	34.3	17.1	14.3	2.9	100.0	35	3.7714
Placing great value in friend's opinion	31.4	34.3	14.3	14.3	5.7	100.0	35	3.7143
Offering moral support	40.0	17.1	11.4	20.0	11.4	100.0	35	3.5429
Entrepreneuria	l education							
Kind of skills acquired	31.4	42.9	14.3	5.7	5.7	100.0	35	3.8857
Curricula relevance	40.0	17.1	22.9	14.3	5.7			3.7143
Social networks								
Capital raising	40.0	8.6	20.0	8.6	22.9	100.0	35	3.3429
Identifying market	48.6	17.1	5.7	22.9	5.7	100.0	35	3.8000

4.7 The choice of entrepreneurship as an occupation

According to the findings (see figure 4.8 below), 51.4% of the respondents said they had considered the idea of becoming an entrepreneur while 48.6% had not. It can therefore be deduce that youths had considered the idea of becoming an entrepreneur as an occupation. The interviewees explained that they have always "dreamt of becoming entrepreneurs", with others saying they are exposed to business training in readiness to becoming entrepreneurs. Some observed that they would do better by employing themselves rather than being employed.

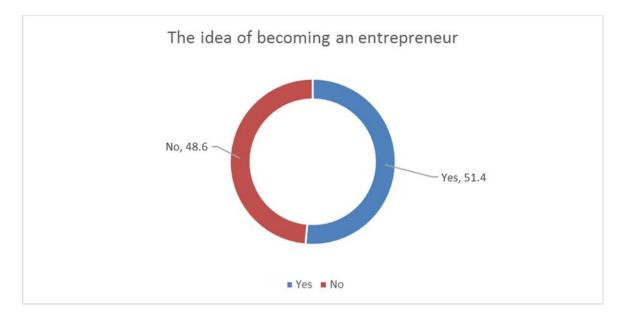


Figure 4.7: Response on choice of becoming an entrepreneur as an occupation

4.7.1 Critical Factors in Choice of Entrepreneurship

The respondents were asked to rate themselves on what factors they considered most critical in encouraging them to making a choice of entrepreneurship. The respondents rated themselves high concerning socio-cultural factors and lack of access to economic resources as shown by mean scores of 3.8857 and 3.8000. The respondents did not rate themselves very highly regarding lack of entrepreneurial competency as shown by a mean score of 3.6571. Their answers were as shown in table 4.8 below.

 Table 4.8: Respondents rating of factors considered critical in making choice to

 become entrepreneurs

	Strongly	Agree	Somehow	Disagree	Strongly	Total	Ν	Mean
Lack of	agree 42.9	8.6	disagree 28.6	11.4	disagree 8.6	% 100.0	35	3.6571
entrepreneurial competency			2010			10000		
Lack of access to economic resources	31.4	31.4	28.6	2.9	5.7	100.0	35	3.8000
Socio cultural factors	31.4	42.9	14.3	5.7	5.7	100.0	35	3.8857

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS 5.1 Introduction

This chapter highlights the summary of key data findings, conclusions drawn from the findings and recommendations made there-to. The conclusions and recommendations drawn were focused on addressing the objective of the study, which sought to determine the most important entrepreneurial competencies, and examine how accessibility of economic resources and socio-cultural factors influence unemployed graduates of tertiary institutions in their efforts to become entrepreneurs.

5.2 Summary of findings

The study established that tertiary education increased the level of entrepreneurial competencies. It further established that entrepreneurial education has helped unemployed graduates in increasing their focus on creativity and confidence building. It found that entrepreneurs with higher education levels, industrial and professional skill as well as industry experience have better opportunity of thriving than those who did not possess these human capital features.

The study established that there is a professional goal in graduates wanting to start their own choice of enterprise and that personal initiative, self-confidence, the need for achievement, for independence and autonomy, and also communication skills are a prerequisite to becoming an entrepreneur. Furthermore, the study established that communication skill, need for independence and autonomy, goal seeking, risk taking, technical knowledge, information seeking, self-confidence, dealing with failures, self-esteem and the need for achievement influence entrepreneurial competency on choice of entrepreneurship as a means to employment.

The study found that most of the youths had capital to start their choice of enterprise and that Trade Joint Loan and Youth Enterprise Fund were very accessible to them, as were the Women Enterprise Fund, Banks and Micro Finance. According to the study, high levels of income, ICT and small income level affected the graduates' decision to become entrepreneurs. Moreover, agriculture, mining, education, manufacturing and construction sectors influence their decision to become an entrepreneur. Demand for products/service and poor infrastructure alongside registration process affects their decision to become an entrepreneur. Lastly, the study found that the authority has put in region mechanisms that make it simpler for unemployed graduates to choose entrepreneurship upon graduation. The study established that socio cultural factors such as extended family systems, peer groups/friends, and social networks have a negative influence on graduates wanting to start their own business and that the curriculum offered is not tailored to enterprise start-up upon graduation.

It also found that youths had considered the idea of choosing entrepreneurship as a means to employment. The leavers of tertiary institutions rated themselves highly concerning socio-cultural factors and lack of access to economic resources as factors they considered most critical in encouraging them to choosing entrepreneurship as a means to employment but not very highly regarding lack of entrepreneurial competency.

5.3 Conclusion

The study concludes that tertiary education increased the level of attitudinal and managerial competencies and that entrepreneurial education has helped unemployed graduates in increasing their focus on creativity and confidence building. It found that entrepreneurs with advanced education levels, industrial and professional skill as well as business exposure have greater chance of succeeding than those who did not possess these human capital features.

There is a professional goal for leavers of tertiary institutions to choose and start their own enterprise. Personal initiative, self-confidence, the need for achievement, for independence and autonomy, and also communication skills are a prerequisite to becoming an entrepreneur. Communication skills, need for independence and autonomy, goal seeking, risk taking, technical knowledge, information seeking, self-confidence, dealing with failures, self-esteem and the need for achievement determine entrepreneurial competency on choice of entrepreneurship.

Most of the youths had capital to start their preferred enterprise because the Youth Enterprise Fund, Trade Joint Loan, Women Enterprise Fund, banks as well as Micro Finance are very accessible to them. The study also revealed that the government has put in place mechanisms that make it easier for unemployed graduates to choose entrepreneurship as a means to employment. However, the study established that sociocultural factors such as extended family systems, peer groups/friends, and social networks negatively influenced graduates wanting to choose entrepreneurship while the curriculum offered in tertiary institutions was not tailored to entrepreneurship development.

5.4 Recommendations

5.4.1 Policy recommendations

The study found that entrepreneurs with higher education levels, industrial and managerial experience, and business exposure have a greater chance of succeeding than those who did not possess these human capital features. This study recommends that the National Government integrate entrepreneurship in the curriculum at tertiary education level and emphasise entrepreneurship as an option to employment.

The study established that the need for independence and autonomy is a prerequisite to choosing entrepreneurship as a means to employment. Therefore, I would recommend that the National Government introduce business incubation centres in colleges and universities to mentor youth in entrepreneurship and regulate the market. This will give more space to budding entrepreneurs to nurture their business ideas and produce for the market.

The study established that agriculture, mining, education, manufacturing and construction affect one's decision to become an entrepreneur. It is the recommendation of this study that decisions and policies being made by the government should be done so in consultation with the youth. The involvement of youths will help to positively influence their decision to engage in entrepreneurship.

The study found that youths have considered the choice of entrepreneurship as a means to employment. I recommend that the government puts in place a conducive environment for start-ups to development, and growth to be achieved. Lending institutions should also design products that attract graduates, including soft loans, to promote establishment of enterprises. Industry mentors and role models should make themselves available to provide practical guidance to the graduates who are unemployed.

5.4.2 Suggestion for further studies

1. This study sought todetermine the most important entrepreneurial competencies and examine how accessibility of economic resources and socio-cultural factors influence unemployed graduates of tertiary institutions in their choice of entrepreneurship as a means to employment. It focused on the unemployed youth who are graduates of TDC in Kitengela Township, in the years 2013 -2014. I recommend that another study be done to investigate the economic resources and socio-cultural factors that influence youths' decisions to become entrepreneurs in other counties within the country. A similar study should also be done in other countries since their operations are different.

2. This study targeted unemployed graduates of tertiary institutions in Kitengela Township, which is a cosmopolitan and fast growing urban setting. I would recommend a study to investigate all factors that hinder youth entrepreneurship in the rural areas.

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APPENDICES

APPENDIX 1: RESEARCH QUESTIONNAIRE

PART I

I am a student at the University of Nairobi, carrying out a research for my Master of Arts (MA) project. My area of study concerns youth who are graduates of TDC, and are living here in Kitengela. It is aimed at gathering information on the factors that hinder the youth in starting their own businesses. This information will be used for development of relevant programmes to empower youth in business start-ups. It is a brief interview that will last only 15 minutes.

Social and demographic information

1)	Gender	Male		Female					
2)	What is y i) (a)	our age? How	many	years	have	you	lived	in	Kitengela?
	 (b) With	whom?						•••••	
	ii) (a) Le	evel of ter	tiary educ	ation attaii	ned and w	vhen atta	ined?		
		Certific	ate] year at	tained [
		Diplom	a]			
		Bachelo	ors degree		7	Γ			

(b) What entrepreneurial competencies did you acquire in tertiary institution?

PART II

Types of entrepreneurial competencies acquired in tertiary institutions.

On a scale of 5-1 where 5 (Strongly agree) 4 (Agree) 3 (Somehow disagree) 2 (Disagree) 1 (Strongly disagree), indicate whether your tertiary education increased your level of competencies listed that encourage one to start a business.

Competency	5	4	3	2	1
Attitudinal competency					
Behavioural competency					
Managerial competency					

4) How has entrepreneurial education helped unemployed graduates in increasing their focus on creativity and confidence building?

·····

5) In your opinion, is the success of an entrepreneur influenced by human capital of a person and personal attributes?

.....

-
- 6) (a) Do you agree that entrepreneurs with higher education level, industrial and managerial experience, and business exposure have a greater chance of succeeding than those who do not possess these human capital features?

Yes No

(b) If Yes, explain why.

.....

(c) If No, explain why.

.....

PART III

Entrepreneurial competencies which are prerequisite to becoming an entrepreneur

8) On a scale of 5-1 where 5 (Strongly agree) 4 (Agree) 3 (Somehow disagree) 2 (Disagree) 1 (Strongly disagree), indicate whether you have a professional goal in wanting to start your own enterprise.



9) In your opinion, which of these competencies are a prerequisite to becoming an entrepreneur and why?

	Competency	Please tick	Why?
		appropriately	
i.	Self-confidence		
ii.	Innovativeness		
iii.	Self-esteem	-	
iv.	Dealing with failures		
v.	Tolerance for ambiguity		
vi.	Need for achievement		
vii.	Risk taking		
viii.	Personal initiative		

ix.	Need for	
	independence and	
	autonomy	
х.	Information seeking	
xi.	Goal seeking	
xii.	Communication	
	skills	
xiii.	Technical knowledge	

10) On a scale of 5-1 where 5 (Strongly agree), 4 (Agree), 3 (Somehow agree), 2 (Disagree), 1 (Strongly disagree), indicate whether you agree with the listed statements about the influence entrepreneurial competencies have on becoming an entrepreneur. (Please tick appropriately).

Competencies	5	4	3	2	1
Self-confidence					
Innovativeness					
Self-esteem					
Dealing with failures					
Tolerance for ambiguity					
Need for achievement					
Risk-taking					
Personal initiative					
Need for independence and autonomy					
Information seeking					

Goal seeking			
Communication skills			
Technical knowledge			

11) In your opinion what entrepreneurial challenges do unemployed graduates face to display their competencies in becoming successful entrepreneurs?

12) Other than personality traits, skills and knowledge, what other special characteristics of an entrepreneur can be related to him/ her?

PART IV

Access to economic resources

13) Do you have capital to start your preferred business?

Yes		No	
(b) If ⁷	Yes, hov	w much do	you have?

(c) What is the source of your capital?.....

14) How accessible are the following economic resources to enable you become an entrepreneur? Please tick appropriately where 5 (Very accessible) 4 (Accessible) 3 (somehow accessible), 2 (Not very accessible) 1 (Not at all accessible)

Institutional capital	5	4	3	2	1
Youth Enterprise Fund					
Women Enterprise Fund					
Trade Joint Loan					
Micro Finance					
Banks					

15) On a scale of 5-1 where 5 (Strongly agree) 4 (Agree) 3 (Somehow disagree) 2 (Disagree) 1 (Strongly disagree) indicate your level of agreement on how the listed factors would affect.

Per capita income/Salary levels	5	4	3	2	1
High levels of income					
Low levels of income					
Choice of economic sector					
Agriculture					
Mining					
Manufacturing					
Construction					
Education					
Service					
ICT					
Government					
Lack of access to markets					
Demand for products/service					
Poor infrastructure					
Lack of adequate youth policy on entrepreneurship					
Decision making					
Registration process					
Infrastructure					
Your decision to become an entrepreneur					

16) In your own opinion, why do youth entrepreneurs have limited access to both internal and external finance?

17) What strategies should the formal sector put in place to regard the youth as low risk creditors so as to extend credit on favourable or concessional terms to the unemployed graduates?
18) (a) Has the government put in place any mechanisms that can make it easier for unemployed graduates to run businesses?
Yes No No (b) If Yes, give the mechanisms that have been put in place.
19) In your opinion, what economic factors negatively influence the growth and development of youth enterprises?

PART V

Socio-cultural factors

20) In your opinion, how much would you say the listed factors have contributed to your not becoming an entrepreneur?

On a scale of 5 to 1, (where 5 = Very much, 1 = Not very much). Please tick where appropriate.

5	4	3	2	1
				-
				-

Social networks			
Existence of social networks in your community			
Capital raising			
Identifying market			
Identifying symplices			
Identifying suppliers			
Identifying and developing technology			

21) In your opinion what other social-cultural factors hinder unemployed graduates from
becoming entrepreneurs?
22) (a) Do you agree that enterprises operating in the informal sector display resistance to
formalisation due to socio-cultural factors? Yes No
(b)If Yes, please explain.
(c) If No, please explain.
23) In what ways do gender related socio-cultural constraints affect the participation rate
of unemployed graduates in entrepreneurial activities?

PART VI

The choice of Entrepreneurship as an occupation
24) Have you ever considered the idea of becoming an entrepreneur? Yes No
Explain your answer

25) On the following components, rate yourself on a scale of 5 (very high), 4(high), 3 (Not very high), 2 (Low), 1 (Very low) on how they encourage you in becoming an entrepreneur.

Factors	5	4	3	2	1
Lack of entrepreneurial competency					
Lack of access to economic resources					
Socio-cultural factors					

THANK YOU FOR TAKING YOUR TIME TO REPLY TO THIS QUESTIONNAIRE

APPENDIX II: INTERVIEW GUIDE

1)	How many years have you lived in Kitengela
2)	What is your level of tertiary education attained and when did you attain it?
3)	How has entrepreneurial education helped entrepreneurs in increasing their focus on
	creativity and confidence building?
4)	What entrepreneurial competency challenges do they face in their entrepreneurial
	endeavours?
5)	What are the major constraints that most youth face during the formation of new
	enterprises?
6)	Do financial institutions in the formal sector regard youth as high risk creditors and
	are therefore reluctant to extend credit to them on favourable or concessional terms?
7)	What challenges do the youth face in accessing financial services from financial
	institutions in Kenya?
8)	How does the availability of markets for goods influence the entrepreneurial spirit of
	young people in Kenya?

- 9) What administrative and regulatory burdens are among key barriers for start-ups of young people in Kenya?
- 10) In your opinion, how are business registration procedures and costs an obstacle for young people who want to become entrepreneurs?

.....

11) What policies do you suggest the government should put in place to make it easier for the youth to start their own enterprises?

.....

12) How can extended family system and peer group/friends hinder the youth from becoming entrepreneurs?

.....

13) What are some suggestions that can enhance unemployed graduates of tertiary

institutions to becoming entrepreneurs?

Description	Number of weeks																			
	1	2	3	4	5	6	7	8	9	1	1	1	1	1	1	1	1	1	1	2
										0	1	2	3	4	5	6	7	8	9	0
Proposal																				
development																				
Proposal defense																				
Data collection																				
Data coding and																				
analysis																				
Report writing																				
Presentation																				

APPENDIX III: IMPLEMENTATION SCHEDULE