## UNIVERSITY OF NAIROBI

# FACULTY OF ARTS DEPARTMENT OF SOCIOLOGY

## **TOPIC:**

CHARACTERISTICS OF SELF-EMPLOYED YOUTH IN SERVICE PROVISION AND TRADE SECTORS:

A CASE STUDY OF NGONG-HILLS TOWN

Project paper submitted in partial fulfillment of requirements of Masters of Arts degree in Sociology with specialization in Rural Sociology and Community Development.

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#### DECLARATION

This project paper is my original work and has not been presented for a degree in any other University.

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Date 25/10/57

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## DEDICATION

This work is dedicated to my parents, husband, sons and daughter Ivy Phoebe.

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#### **ABSRACT**

The study was carried out to provide information on background characteristics of the self-employed youth in services and trade, and to establish the extent to which the youth self-employment activities alleviate poverty.

In view of the limited opportunities, which can be offered through formal employment, self-employment is being recognized as a highly viable and effective response to the growing problem of youth unemployment. In most countries, special efforts are being made to encourage unemployed youth to take up self-employment activities and lots of resources is being diverted for the promotion of this program. Kenya as a country set aside Kenya shillings one billion in the 2006/07 budget for the Youth Enterprise Development Programme.

The study was conducted in Ngong-Hills Town open-air market. Ngong-Hills Town is a cosmopolitan peri-urban settlement situated in the outskirts of Nairobi City but lies in Kajiado District of the Republic of Kenya.

The main findings of the study were:

- 1. The self-employed youth in Ngong-Hills Town were becoming young entrepreneurs taking all the necessary risks to ensure the success and viability of their activities.
- 2. The background characteristics (family environment, education level, age range, gender, marital status and ethnic groups) influence youth involvement in self-employment activities.
- 3. The background characteristics of traders and service providers are different implying that the background characteristics influence the choice of activities.
- 4. The self-employment activities enabled them to achieve their livelihood security at different levels but they still lacked some productive skills such as relevant skills for their activities and physical assets.
- 5. The self-employed youth were faced with various challenges especially accessing of funds from micro-finance institutions and relevant information on issues affecting them.

#### Conclusion:

The background characteristics are important in promoting self-employment activities among the youth. The activities enabled them to be employed, economically empowered and socially integrated.

#### Recommendations:

- 1. The government to facilitate the establishment of resource centers at community level where the youth can get information, training and counseling on employment matters and other issues affecting them.
- 2. The entrepreneurship development strategy should consist of stimulatory activities such as entrepreneurial education and skills training, technical support programmes, and other supportive activities such as apprenticeship, start-up capital and sustaining activities such as linkage with Micro Finance institutions for the provision of loans under user friendly terms to nurture and expand viable Youth Self Employment Activities.
- 3. The government to make vocational training institutions more accessible to the youth to enable the majority acquire employable job skills along side free secondary education free.

#### **CHAPTER 1: INTRODUCTION AND BACKGROUND INFORMATION**

#### 1.1 Background

The youth constitute a large proportion of most societies in developing countries and have many pressing health, education, economic, and social needs.

Various sociological studies carried out in different parts of the world on the youth reveal that young people, as a category, seem to be highly dissatisfied with their lives. They feel deprived of adequate education and employment opportunities. They barely identify with the political thinking and behaviors of their parents. They feel let down and marginalized by society. The youth are in a crisis, which can be seen as a societal crisis impacting on youth resulting in a feeling of 'uneasiness' in the face of societal change or arising from youth and impacting on society at large (UNDP 2006). Young people are thus confronted with dynamic challenges. Their lives are shaped by forces beyond their control such as prevalence of endemic poverty; crime; inadequate and/or unavailability of education and training opportunities; rising demand for skilled workers with higher level education; emerging health risks; the changing nature of politics and the growth of civil society; globalization and new technology (World Bank 2006).

Chigunta (2002) observes that the situation of youth worldwide is changing as a result of the dynamic and ever changing cultures. This dynamic situation creates problematic conditions for transition of youth from childhood to adulthood, and from school to work place leading to increased poverty. According to him, the youths' increasing involvement in conflict and war situations all over Africa is attributed to the "social exclusion" and marginalization of youth arising from the collapse of social institutions and failure of the economic systems to generate sufficient livelihood opportunities for young people. He argues that the youth are lured into conflict situations due to their disadvantaged or vulnerable positions as a result of economic hardship and/or are influenced and often recruited as instruments and perpetrators of violence. The changing circumstances mean that there is need for greater attention for the concerns of the youth than ever before.

Socially disadvantaged youth are particularly adversely affected by unemployment, thereby perpetuating a vicious cycle of poverty and social exclusion. In developing countries, where very

few can afford to be openly unemployed, the employment problem is more of underemployment, low pay and low quality jobs in the typically large informal sector (World Youth Report 2003).

Unemployment, underemployment and low wage employment make the youth more vulnerable to social exclusion and as such youth unemployment has become an issue of great concern worldwide. The Millennium Development Goals have placed human well-being and poverty reduction at the center of global development objectives (United Nations Development Programme - Human Development Report, UNDP-HDR, 2003). By including youth unemployment in the Millennium Development Goals (MDGs), the Millennium Declaration had an important and catalytic impact on drawing international attention to the problem of unemployed young people. Under Target 16 in Goal 8, the Resolution "To develop and implement strategies that give young people everywhere a real chance to find decent and productive work" is the only explicit reference to youth in the MDGs (ibid).

In view of the limited opportunities, which can be offered through wage-employment, self-employment is increasingly being recognized as a highly viable and effective response to growing problem of youth unemployment. In developing countries, special efforts are being made to encourage unemployed youth to take to self-employment/entrepreneurial activities and a lot of resources are being diverted for the promotion of this programme. While in some countries, the response from the youth is very encouraging, in others, the programme has been wading through a host of problems, including those associated with the socio-cultural milieu of the developing countries. The family environment and the resultant socialization process are not conducive to the development of positive attitudes and values appropriate for the promotion of self-employment, with its attendant risks. Other problems include: inadequacy of resources which can be committed to this programme; lack of trained manpower for training of prospective entrepreneurs and for promotional work among youth; and not-very effective implementation strategy (Commonwealth Secretariat 1989).

Since the ultimate aim of developing countries' governments is job creation and poverty alleviation, the informal sector offers enormous opportunities for job creation to emerging entrepreneurs and plays a pivotal role in the development of the countries' economic future. Governments, therefore, need to address the removal of the barriers that constrain the participation of enterprises in the informal sector and to promote the activities preferred by the youth.

The government of Kenya has recognized the fact that unemployment is one of the most daunting economic challenges facing the country. Consequently, the government has placed job creation at the top of its policy agenda. The government has established a Youth Enterprise Development Fund as one of the bold and radical interventions to address the youth unemployment problem. This is an initiative whose aim is to empower the youth economically. The Ministry of State for Youth Affairs (MOYA) intends to set up Youth Empowerment Centers in every constituency to address the diverse needs of the youth (MOYA, 2007a).

In most countries education is seen as the vehicle to drive people out of poverty and improve their well—being. Thus in order to develop the youth, developing countries invest heavily on their education systems, resulting in mass production of educated youth without employable skills who cannot be readily absorbed in the labour market. However, most of the education systems are geared towards preparing the youth for university education, even though the majority of students eventually move directly into the formal and informal labor market. This is because prestige and status continue to be attached to university education and young people seek careers in the so-called professional occupations, even though, in many countries there are few employment opportunities in the professions for which they wish to train (Bryan and Borgen, 2002). Several studies have revealed that most of the education systems in developing countries like Kenya do not empower the youth with the necessary skills for labour force and for earning a livelihood thereby rendering them poor. In Kenya 92% of the unemployed youth have no job training other than formal schooling (MOYA, 2007).

According to the UNDP (2006) report, the concept of youth is intrinsically linked with the idea of transition from childhood to adulthood - from a phase of life in which the individual needs protection, sheltering and guidance, to one of self-determination, maturity, independence, responsibility and accountability or decision making. A person is perceived to be an adult member of a society when he/she has finished his/her school attendance, possesses a job, has left the family of origin, creating a new one, and possibly has own children. As a consequence, in the past, youth stage lasted a few years because most people at least, finished school and found a job at a younger age. On the contrary, today many persons in their twenties are still attending school or college, and may not have gotten started in gainful employment/work. Moreover, in several countries the age at first marriage, or at first cohabitation, has increased significantly in the last twenty years, and the same holds true for the age at which women have their first child. This makes it difficult to determine with certainty the individual life span during which a man or woman can be considered

as young. Richard Curtain, one of the main theorists of the idea of youth as a transition phase suggests that in most societies, the defining dimension of the transition would coincide with demonstrating the capacity to contribute to economic welfare of the family (World Youth Report 2003).

For the purpose of this study, the youth is defined as one aged between 15-35 years. This takes into account the physical, psychological, cultural, biological, political and economical definitions of the term. The extension of the category of youth to 35 years is due to the emerging phenomenon of a prolonged period of youth dependence arising from the status of unemployment and poverty. As a result of the depressed and/or stagnated economic situation in Kenya, many young people are not able to pursue independent and/or sustainable livelihoods. On the other hand, the lower age limit caters for those driven into early marriages due to cultural practices and/or poverty, as is the case of most of the initiated young Maasai girls.

For the purpose of this study unemployment is defined as not being involved in any gainful economic activities. The term employment refers to performance of work. The concept of work covers all persons undertaking economic activities either for pay, profit or family gain. Economic activities as described in the Kenya System of National Accounts (KSNA) includes all market production and certain types of non-market productions namely; the production of primary products for own consumption, the processing of primary commodities for own consumption by the producers of these items; the production of fixed assets for own use; and the production for own consumption of other commodities by persons who also produce them for the market (Government of Kenya, GoK, 2005a) Hence any youth who is full-time involved in own economic activities will be described as self-employed.

It is against this background that the study seeks to establish the relationships between the background characteristics of the self-employed youth in service provision sector and trade; and the effectiveness of the two sectors in alleviating poverty among the youth in Ngong Hills Town.

#### 1.2 Problem Statement

Since its attainment of political independence in 1963, one of the principal goals of development effort in Kenya has been to reduce poverty and create jobs. The government has used various strategies that emphasize economic growth, employment creation and provision of basic social services, among other initiatives.

As indicated in the first four National Development Plans, in the first two decades after independence ((1963 - 1974)), Kenya's development strategy was based on the idea that poverty would be alleviated through rapid economic growth, since the poor would also benefit from sustained growth and more jobs will be availed. Subsequent policy documents that have been adopted also put emphasis on economic growth as a strategy for poverty alleviation and job creation. However, despite the economic growth the majority of the population is still poor and jobless.

The major challenge currently facing the Kenya government is how to sustain the restored economic growth, generate employment opportunities to absorb particularly the youth and to further reduce poverty levels. Most of the youth who are productive and energetic remain unemployed, poverty stricken and continue to suffer from lack of material and moral support. A growing number of youth leaving schools cannot secure gainful employment. The most seriously affected are school dropouts, primary and secondary school leavers, university graduates and other tertiary vocational college graduates, who also find it increasingly difficult to secure productive and sustainable jobs in both the formal and informal sectors. The youth constitute two thirds of the economically active population and account for 61% of the unemployed. Of these, majority has formal education but no training. Primary and secondary school graduates account for 82% of the unemployed, and university graduates for 1.4%. Of these, 92% have no job training other than formal schooling. This means that unemployment is not just about lack of jobs but also lack of skills (Ministry of Youth Affairs, 2007).

According to Mburugu, cited in MOYA, 2007, mass unemployment has serious adverse socioeconomic and political consequences. In addition, high but unfulfilled expectations fitels frustration and desperation. This is what has led to preponderance of criminal behavior, violence, and drug abuse, risky and irresponsible sexual behavior among the youth.

The Minister for Youth Affairs, in his message on the Youth Market Day organized to unleash their potentials, observed that there are countless unemployed young people roaming the streets and villages throughout the country, many hanging out in the streets idle and alienated, while many have gone over the edge and gotten ensnared in criminal activities. According to him, over 50% of all inmates in Kenyan prisons comprise of young people (Daily Nation 4<sup>th</sup> Aug 2006).

A research by the Ngong Catholic Parish (Fr. F. Ndungu 2006) on the issues facing the Ngong youth revealed that the greatest challenge facing the youth in Ngong, and by extension, others throughout the country, is unemployment. Yet in terms of natural resources they represent the most important single potential resource, human capital, for future national development. The fact that the youth form the bulk of the population calls for interventions that will ensure that their potential is fully exploited.

This situation continues to worsen year by year as the unemployed youth continue to migrate to towns and cities in search of non-existent white-collar jobs and urban-based informal sector (*Jua kali*) opportunities. Most of the migrant youth usually end up in the informal settlement and periurban slums forcing them to live under abject poverty conditions. According to the Minister for Youth Affairs, Hon. Kuti, the limited economic growth only absorbs 25% of the country's increasingly youth labour force leaving out the majority, 75% of the approximately 500,000 youth that annually join the labour market (Daily Nation 4<sup>th</sup> Aug 2006).

Efforts to deal with youth unemployment situation have been made and documented in various policy documents:

- Sessional Paper No. 2 of 1992 on Small Scale and Jua Kali Enterprises
- The 1997 2001 National Development Plan
- The National Poverty Eradication Plans (1999 2015)
- Economic Recovery Plan 2003 2007, among others.

The most recent effort is the creation of the Kenya Youth Enterprise Development Fund (KYEDF) as a strategic move to arrest unemployment. KYEDF is meant to incubate youth entrepreneurs and prepare them to mature into the mainstream financial markets in future as fully fledged businessmen and women. The fund is to initially support existing businesses run by young people who have the ability and great potential to be successful but lack financial resources, and eventually expand into other areas of economic investments (YES 2006).

Though there has been considerable research interest into the background of owner-managers in different industry sectors in other countries, no research has been done on the youth concerning the relationship between the self-employment activities and their background characteristics. The literature reviewed reveal that the research on self-employment was mainly concentrated on the

activities and the attitude towards the informal sector activities, which were perceived as intended for those without formal education, the old and the retirees. Galaty 2005 p.155 quoted a parent commenting that it was fairly disgraceful that his son, a form four boy should be doing unskilled job of making small tin oil-lamps in Gikomba Market!

In Ngong – Hills town, some of the out of school youth have been responding to the challenges of unemployment and poverty by initiating self-employment activities as a means of mobilizing resources for self – reliance and sustainable livelihood. Studies on development programs have shown that in development, the beneficiaries of a program should be involved in the design and implementation of such programs (Bergdall 1993). According to Bergdall, (1993) when people are involved in all aspects of an initiative, the chances of sustaining that initiative is much higher than when programmes are designed and presented to the relevant group, without having given them the opportunity to be part of the development planning process. The youth, who are involved in self-employment activities, therefore have better chances of sustaining their activities reducing their poverty.

It was against this background that this study sought to establish the relationships between the background characteristics of self-employed youth and the activities in informal sector and the effectiveness of these activities in mitigating their poverty. The study endeavored to establish the background characteristics of the youth in service provision and trade sub-sectors respectively; to find out the extent to which the activities assist in mitigating youth poverty in Ngong Hills town; and lastly, to identify the constraints in implementing youth self-employment activities. The study focused on the self-employed youth in the open-air market, in service provision and trade sectors in Ngong - Hills town.

#### 1.3 Research Questions

The study was guided by the following questions:

- What activities do self-employed youths carry out in Ngong-Hills Town?
- What are the background characteristics of the self-employed youths?
- To what extent do these activities assist the youth in mitigating their poverty?
- \* What are some of the challenges the self-employed youth face in implementing their activities in Ngong?

## 1.4 Main Objective

The main objective was to establish the relationships between the background characteristics of the self-employed youth and the activities in the service provision and trade sectors respectively, and examine the effectiveness of these activities in mitigating youth poverty in Ngong - Hills town.

## 1.4.1 Specific Objectives

Based on the above research questions the following were the specific objectives for the study.

- To find out the activities carried out by the self-employed youth in service provision and trade sectors.
- To establish the backgrounds characteristics of self-employed youth in trade and services.
- To compare the background characteristics of self-employed youth in service provision and trade sectors.
- To find out the extent to which the self-employment activities benefit the youth in mitigating their poverty.
- To identify the challenges that the youth face in implementing their activities in the respective sectors and their coping mechanisms.

## 1,5 Rationales and Significance of Study

the sum of the study was to establish the relationships between the background characteristics of the self-employed youth and the activities in the service provision and trade sectors respectively, and the effectiveness of these activities in mitigating youth poverty in Ngong - Hills Town.

With a large population of youth out of school at different levels graduating annually, there is urgent need for ongoing empowerment to enable them meet their ever-evolving needs and self-livelihoods security. Since one of the acute problems common to all the youth is unemployment occasioned by diminishing employment opportunities for the youth in the formal sector, the only alternative left for the majority of the youth is therefore self-employment. The outcome of this regreatch study shall be instructive to development and economic planners, and other key stakeholders alike in demystifying the misconception about self-employment, and so as to encourage more youth to go for self-employment activities.

This case study, strategically located in Ngong - Hills town, was necessary to create awareness among relevant government agencies, the private sector and the civil society about the self-employment activities preferred by the youth of different backgrounds in Ngong - Hills town. The awareness will hopefully elicit strategic linkages and increased resources support such as provision of funds, materials, information, expertise and market for the goods and services offered by the youth from the civil society and government agencies.

By sheer numbers, the youth constitute a substantial human capital and ought to be effectively mainstreamed in development efforts through public sector, private sector, civil society organizations and NGOs. By being actively involved in self-employment activities, the youth can positively contribute to the country's economic growth and development. This is because self-employment contributes towards Gross National Products (GNP) by way of producing consumer items; import substitutes or export goods and services. Self-employment also has a unique characteristic of self-generation since it can lead to more employment creation. The findings can be disseminated to the civil society to help in targeting youth of different backgrounds so as to improve their positive contribution to the economy.

The study is distinct from earlier studies as it targets the youth as a group and focuses on the relationships between the youth's background characteristics and their preferred self-employment activities. The earlier studies on self-employment have been based on the general population and not the youth in particular. Also the studies were mainly concerned with the self-employment activities in the informal sector. As such the study will avail detailed information on youth background characteristics and self-employment activities, which can be disseminated to the youth in different parts of the country.

Lastly, as a Youth Counselor at the point of transition into post high school social and career life, the researcher stands to gain invaluable insight into youth career life, challenges and concerns that they face in the informal sector.

#### 1.6 Scope and Limitations

Though the number of youth in Ngong - Hills town is large and the youth self-employment activities are varied, this study was primarily focused on:

- The background characteristics of the self-employed youth operating in the open-air market.
- The self-employment activities in service provision and trade sectors;
- The extent to which these activities assist in mitigating youth poverty;
- The constraints/challenges the youth face in implementing the self-employment activities and their coping mechanisms.

The geographical scope of this study was limited to Ngong - Hills town. This is a cosmopolitan town with the inhabitants coming from different parts of the country.

Given the scope of this study, the findings are directly applicable to the youth in Ngong - Hills area, and may only be generalized for youth in various parts of the country, with comparative background characteristics to the ones in Ngong - Hills.

#### CHAPTER 2: LITERATURE REVIEW

The literature review includes the concept of informal sector and self-employment, the owner-manager background characteristics, and the concept of poverty.

#### 2.1 The Concept of the Informal Sector and Self-employment in Kenya

The International Labor Office (ILO) introduced the term 'informal sector' in its 1972 publication to describe the employment of the working poor in Kenya, which was outside the scope of regulation and protection (ILO1972). The ILO described the sector as consisting of small scale units engaged in the production and distribution of goods and services with one primary objective of generating employment and income to participants, not withstanding the constraints of capital, both physical and human know-how (Galaty 2005).

#### 2.1.1 Characteristics of the Informal Sector

The sector is viewed in terms of economic activities, mode of production, organization and scale of production. The African informal sector enterprises have varied distribution of trading activities, among them wholesale, retail; manufacturing/production; transport and delivery of services. The sector is a by-product of rapid urbanization and increased unemployment. Many entrepreneurs in the sector see it as a means of carning a livelihood in the absence of formal employment. Informal activities are mainly non-agricultural and market oriented. United Nations Economic Commission for Africa (UNECA) 2005 Publication characterizes the enterprises in the Informal Sector as having low set up costs and entry requirement; operating typically on a small scale with only a few workers; the skills required for the business activities usually being gained outside formal education; and the production of goods and services being labour intensive.

According to UNECA 2005 Publication, the Informal Sector has not only persisted but has also actually grown in many developing countries, particularly Africa. There are various theories that try to explain the causes of the informalization in the economy. The informal sector is seen as marginalized 'survival' sector, which mops up excess or retrenched workers or as a vibrant entrepreneurial part of the economy, which can stimulate economic growth and job creation.

## 2.1.2 The link between Entrepreneurship, Self-Employment and Income Generation

In the context of employment generation, the three terms are often used interchangeably. Although there are a lot of commonalities among these concepts, the three terms are not the same. Entrepreneurship is the character, practice and/or skill of an entrepreneur. An entrepreneur is a person who organizes, manages and assumes the risk of a business. Thus entrepreneurship refers to and services; mobilizing resources; identifying/innovating ideas, products production/services and, finally, marketing them covering the risk with constant strive for growth and excellence. Self-employment refers to full time involvement in one's occupation or pursuits in which one may or may not have to take any risk to mobilize inputs and other resources to organize total production and services or to market the products and services. Income generating activities are often part time, casual and practised for the purpose of raising additional income. Hence all entrepreneurs are self-employed and income generating persons. But all self-employed and income generating persons may not necessarily be entrepreneurs. Similarly, all self-employed persons are income-generating persons, but all income generating persons may not necessarily be self-employed (Commonwealth secretariat manual 1989).

## 2.1.3 Myths and Fallacies about Entrepreneurship (Self-Employment)

Studies have shown that several myths and fallacies about entrepreneurs have developed over the years. (Ntale 2006). Some of the most outstanding include: Entrepreneurs are doers, not thinkers; entrepreneurs are born not made; all you need in entrepreneurship is luck; all you need in entrepreneurship is money and, the myth of entrepreneurial profile, there are quite many profiles of entrepreneurs because there are many different types of entrepreneurs.

## 2.2 Owner - Manager Background Characteristics

Research on Owner - Managers' background from United Kingdom reveals that there are significant differences common to owner-managers in different industrial sectors. According to (Ntale 2006), despects of personal background that were found to influence the ability to become entrepreneurs include: a) childhood/family environment e.g., birth order, parents' occupation and social status; b) education; c) personal values; d) age; e) working history; f) gender of the entrepreneur; g) marital status and; h) ethnicity.

Research has also shown that factors such as economic environment, supportive family and friends along with role models of entrepreneurs in families and community, availability of resources and presence of networks promote favourable environment for entrepreneurship (ibid)

- 2.2.1 Childhood/Family Environment e.g. Parents' occupation: act as role models. Children close to their parents tend to imitate them; Social status Children from low status are more motivated to achieve higher status than their parents. Also children from the upper class group develop information networks, which they can exploit to their advantage. Research has shown that the lower middle class provides more small business owners than other social backgrounds. This is influenced by the fact that those born into families of small business owners tend to follow in their parent footstep (Ntale 2006).
- 2.2.2 Education: Various studies reveal that there is no clear relationship between education and success in business, but education gives people confidence that is important in business. It may be negative because of the rigid rules and enhancing conformity. There is a traditional view that small business management requires a natural and/or acquired ability for practical ability in which formal education qualification are less relevant. Recent research has revealed that this qualification gap seems to have significantly narrowed with changing altitude towards small business and the growth of knowledge based small enterprises. Owner manager involved in high tech industries such as computer services, all those in marketing and design sector are likely to be well qualified.
- 2.2.3 Personal Values: People with the values such as Leadership, Aggression, Creativity, Opportunism, Individuality and Competitiveness tend to be more successful entrepreneurs.
- 2.2.4 Age: According to research done in U.K, the twenty two to forty five age brackets have been found to be the most entrepreneurial. Most people start business at this age. Age experience is a major predictor of success. The more experience, the more successful the person is. Also, types of enterprise will influence age ranges. Research into the profile of small enterprises in different service sectors found that younger sectors such as computers services and video hire attract relatively younger owner managers whereas established business type such as plant and equipment hire, wine bars and restaurants were owned by relatively older owners (Curran et al 1991in Ntale 2006).
- 2.2.5 Working History: Past work experience of an individual affects entrepreneur abilities.
- 2.2.6 Gender of the entrepreneur: Studies show that women start small businesses than men with fewer debts, less over-head and less everything. Women are more risk averse (opposed), their businesses grow more slowly and they commit more resources to the family, start a little older than men and start businesses for specific reasons related to the daily running of the home. They are discriminated during financing. In U.K women are underrepresented in small business ownership. Although they represent over 40% of employed work force, they account only a quarter of the self-

employed and fewer than 25% of small business owners who employ others (Watkins D and Watkins J 1986)

- 2.2.7 Marital status: Marriage is good for small business ownership as single people are not likely to be owner manager or self-employed than those who are married. This reflects the possibilities of either husband wife teams in business partnership or one supporting the other while a new venture is formed.
- 2.2.8 Ethnicity: Study in U.K revealed that some ethnic minority turn to self-employment and entrepreneurial activities because of inequality of opportunity in the job market

#### 2.3 The Concept of Poverty

Despite years of effort in fighting poverty, misconceptions remain about the poor, why they are poor and what is needed to help them lift themselves out of poverty. Poverty debate and analysis is understood to incorporate various dimensions.

According to Curtain (2002), poverty may be viewed in two perspectives as static or dynamic. The static definition focuses on cases of persistent poverty among the long-term poor. This view of poverty highlights how people experience difficulties in a continuing or persistent basis. The difficulties are likely to be caused by entrenched structural or cultural factors such as regional location and lack of access to basic services related to education and health. The poor are often seen as victims, born into poverty or otherwise trapped in poverty due to where they live.

A dynamic perspective of poverty acknowledges that poverty may be more situational than inherited, and more prone to short-term durations. The dynamic view of poverty emphasizes the active role the poor do play in secking to get themselves out of poverty largely by their own efforts.

Because the youth are likely to be associated with difficulties negotiating a particular stage of the lifecycle such as initially developing a regular source of livelihood or coping with the birth of a child, their poverty should therefore be understood in a dynamic perspective.

According to OECD (2001: 10), cited in Njeru (2004), poverty is multidimensional, in that it encompasses deprivations that relate to human capabilities, including consumption and food accurity, health, education, rights, voice, security, dignity and decent work.

The World Bank's 2000 World Development Report defines poverty as an unacceptable deprivation in human well - being that can comprise both physiological and social deprivation. Physiological deprivation involves non-fulfillment of basic material or biological needs including inadequate

nutrition, health, education and shelter. A person can be considered poor if he/she is unable to secure the goods and services to meet these basic material needs. The concept of physiological deprivation is closely related, but can extend beyond monetary income and consumption levels. Social deprivation widens the concept of deprivation to include risk, vulnerability, and lack of autonomy, powerlessness and lack of self-respect (World Bank 2002).

The Human Development Report (2001:xv) defines poverty as the denial of opportunities and choices most basic to human development, which includes choice to lead long life and enjoy a decent standard of living, freedom, dignity and self-respect. The poverty of choices and opportunities that focus on empowerment and actions to enhance opportunities is human poverty.

According to Njeru (2004) the social scientists have looked at poverty from three broad definitional approaches. These are absolute, relative and subjective poverty.

#### 2.3.1 Absolute Poverty

This refers to subsistence poverty based on assessment of minimum subsistence requirements, involving a judgment on basic human needs and measured in terms of resources required to maintaining health and physical efficiency. The resources in question include quality and quantity of food, clothing and shelter, all perceived as necessary for a healthy life.

Absolute poverty is a state where one cannot raise the income required to meet the expenditure for purchasing a specified bundle of basic requirements.

#### 2.3.2 Relative Poverty

This refers to the use of relative standards in both time and place in the assessment of poverty Relative poverty is when one cannot purchase a bundle of basic needs available to a reference social group, such as people within a median income level.

#### 2.3.3 Subjective Poverty

Closely related to relative poverty, subjective poverty has to do with whether or not individuals or groups actually feel poor. Those defined as poor by the standards of the day, will probably have low self-esteem, hence see themselves as poor. A moderately-well-to-do person, who might have done much better before, but currently experiencing cash-flow problems, may subjectively feel poor even though he or she may be way ahead of other members of society, who may not see him as poor.

Groups or societies, seen as relatively poor by majority standards may also not see themselves as poor.

#### 2.3.4 Hardcore Poverty

According to Kabubo-Mariara and Ndenge, 2004, the analysis of poverty has revealed that there is a 'hardest hit' category of people consisting of those who cannot afford to meet the basic minimum food requirements even if they allocated all there total spending on food. This group is referred to as the hardeore poor or the ultra poor in the literature of poverty.

Various literature define poverty in Kenya in the absolute sense, as a situation where individuals cannot raise the income required to meet a given level of basic needs, usually over a period of one month. It is this way of defining poverty that has resulted in under reporting of youth poverty since most of them still depend on their parents for the basic needs such as shelter, food and clothing. Therefore, no single definition can exhaustively capture all the aspects of poverty. Different people perceive poverty differently. Some limit it to mean lack of material well-being and others argue that lack of freedom, spiritual well - being, civil rights and nutrition must all contribute to the definition of poverty. From the general literature and the above definitions, poverty may be defined as a multidimensional phenomenon comprising economic, political, physiological, and psychological deprivations. Its manifestations are vulnerability, powerlessness, humiliation, social inferiority, physical weakness, isolation, ill health, lack of assets and inaccessibility to basic needs. However some groups in the population often face a combination of the predicaments associated with poverty: low income, illiteracy, lack of opportunities and choices, premature death, early marriage, large families, malnutrition, and illness and injury, which locks them into unacceptably low standards of living. The multidimensional definition is the one adopted in this study.

## 2.4 Unemployment

The lack of employment opportunities represents one of the most pressing problems for young people. According to the World Bank Development Report, 2006: 99, survey data from 60 developing countries suggest that after leaving school youth spend an average of 1.4 years in temporary or intermittent work and spells of joblessness before permanently entering stable employment. However the estimated duration varies widely between countries and could reach above 4 years in some instances.

According to Chigunta, 2002, an aspect of youth unemployment and underemployment in many cities in Africa is visible idleness whereby youth congregates in certain areas to converse, drink or

smoke for substantial parts of the day. He further observes that the large scale unemployment encourage the development of a culture that promotes criminal behavior such as stealing, prostitution, pick-pocketing e.t.c. The problem of unemployment and disaffected youth appears to play a significant role in Africa conflict experiences. The prevailing socio-economic environment is enticing youth to turn to war as a means of livelihood (Curtain 2000; and Chigunta 2002).

A study by Bay and Blakesaure on political marginalisation in European countries revealed that the unemployed youth express less confidence in politics, they talk less about politics and they more frequently support revolutionary political ideas (International Journal 2002). According to the ILO, cited World Youth Report (2003) 160m people in the world then were unemployed and many more subsisted in the margins of the economy or had jobs that did not provide them with adequate means to ensure their survival. Nearly 40% of those without work were young people and levels of unemployment tended to be 2 or 3 times higher for this group. Many International reports have drawn attention to the critical importance of youth employment. Stating that mass youth memployment poses a threat to social cohesion, and therefore to stability and security, which transcends national boundaries (ibid).

In Africa young people make up to more than 50% of population of most countries. The young people are potential resources for growth and social development if gainfully and productively engaged. But they could also be a source of devastating social tension and conflict if not employed (YES 2002). The countless number of young people loitering around and peopling the streets of major Africa cities bears ample witness to the limited job opportunities that youth have (ibid).

- The problem of youth unemployment is thus worldwide. However the factors for the phenomenon of youth unemployment differ from one country to another. In developed countries like Europe and Month America, increasing capital intensity of production, labour market regulation and generous welfare benefits are among the important factors. In developing countries like those in Africa, the main factors driving youth unemployment are:
  - The generalized lack of employment opportunities due to underdeveloped and stagnated economies. The employment prospects of the youth are diminished by the already high rates of unemployment and underemployment;
  - High rates of population growth;
  - Sluggish or stagnant economies;
  - Small private sectors;
  - Low literacy and innumeracy rates;

Poor quality of education and education sectors that equip young people with limited industrial and nil employable skills.

In Kenya the main causes of youth unemployment are high rates of population growth, high rates of unemployment and underemployment, and lack of job skills due to inadequacy of the training infrastructure as well as means to acquire skills due to poverty (MOYA, 2007a).

Though several strategies have been employed as interventions for poverty alleviation and reduction in unemployment in various countries, a comparison of wage employment and self-employment shows that self-employment is a better strategy for poverty alleviation and employment creation that needs to be promoted worldwide (Commonwealth Manual 1989).

#### 2.5 Youth Initiatives

Due to the poverty situation among the youth who cannot be fully absorbed in the job market, youth of various categories have decided to look for alternative ways to realize their own potentials to improve their lives. As individuals or groups they engage in various activities to help them sustain their livelihood. These activities may be categorized as trade or provision of services for the purpose of this study.

## 2.6 The Youth Enterprise Development Fund (YEDF)

The YEDF was conceived in June 2006 by the government as a strategic move towards arresting unemployment, which is virtually a youth problem. Seventy five percent of the unemployed are the youth. The government set aside KSh. 1 billion in the 2006/07 budgets to fast track the initiative. The fund was allocated such that each constituency was to receive 1 million and 690 million was channeled through financial intermediaries to finance all legally recognized forms of youth owned enterprises (Ministry Of Youth Affairs, 2007).

The constituency youth enterprise scheme (C-YES) loan targeted enterprise of youth groups in a constituency and is not accessible to individually owned youth enterprise. The loan access procedures / requirements are so elaborate. The youth are required to have a registered group in existence for at least 3 months as the date of application. The registered entity must have bank account; prepare business proposal using the standard format provided. The prepared proposal is to be evaluated and approved by the divisional Youth Enterprise Development Fund (YEDF) committee, District YEDF committee and then the YEDF secretariat that disburses the fund directly to the bank account of the approved groups.

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The funds channeled through financial intermediaries targeted all forms of youth owned enterprises whether owned individually, in groups, as a company or any other legal forms of business ownership. The loan access procedures / requirements are also elaborate

The above-mentioned conditions are too demanding for the youth. Some banks and micro finance institutions are demanding title deeds as a condition. Others demand that the loan applicants must be customers of the institution for 3 months, which is very unfair for the unemployed youth.

However some youth have taken loans from the financial intermediaries as indicated in the table below. The following is the summary of disbursement to youth enterprises through Financial Intermediaries excluding the new partners: as at 31<sup>st</sup> may 2007

Table 2.1: Summary of disbursement of Youth Enterprise Fund as at May 31st 2007.

l'rovince	Male	Female	No. of Enterprises
Nairobi	62	294	356
Central	152	1196	1348
Coast	6	1792	1798
Eastern	76	1383	1459
North Eastern	3	1	4
Nyanza	185	680	865
Rift Valley	88	1396	1484
Western	24	547	571
Total	596	7289	7885

Source: MOYA, 2007a.

The disbursement of the youth fund through the micro-finance institutions has not fully adopted the Grameen Bank model that is about taking capitalism to the poor as a means of poverty alleviation. Based on the vision of Professor Mohammed Yunus means of alleviating poverty by removing the major impediment to lending to the poorest in society – the need for collateral, the micro-financial institutions could make the conditions much easier for the youth to access the loans.

#### 2.7 Theoretical Framework

Theories help us to make sense of many interrelated phenomena and to predict behaviors or attitudes that are likely to occur when certain conditions are met. According to Schutt 1996:19, theory is a logically interrelated set of propositions about empirical reality. The study was guided by the underdevelopment, the need achievement and rational — choice, modernization theories and Grameen Bank Model to explain poverty among the youth, the youth involvement in self-

employment activities for poverty alleviation and the disbursement of youth fund through microfinance institutions.

#### 2.7.1 Dependency Theory

According to this perspective poverty is seen as consequences of processes, which concentrate wealth and power (Chambers 1991:36). From these perspectives, relations between nations, as between individuals, can be seen as the affluent maintaining and adding to their prosperity, while the poor, remain subjected, dependent and in relative poverty due to the exploitative pattern of relationships within capitalism.

According Frank Gunder, one of the proponents of the dependency theory, the 3<sup>rd</sup> World Underdevelopment is the result of deliberate and systematic exploitation through the market forces of capitalism in a global scale. He stressed that underdevelopment is not just the absence of development. But that underdevelopment is created by the economic system, which sucks resources from the rural areas to towns, from towns to capital cities, from country of the South to the financial capitals of industrialized nations, the headquarters of the Multinational Corporations in the north. Super-exploitation is a condition Frank describe as a process in which workers in the 3<sup>rd</sup> World are paid very low wages for working long hours producing goods for export to the affluent nations (Roberts 2000)

A recent research by Dr Geoffrey Njeru (2007), states: "Poverty is born, bred and perpetuated through exploitative structures of dependence on leaders, mainly politicians all for the sake of preserving the political elite. As long as politicians and their cronies continue dictating the development agenda, through allocation and (mis) management of resources, poverty is likely to persist and perhaps increase". Thus the poor are seen as an asset to the politicians.

Amongst the youth there is preference for employment in the formal sector leading to underemployment and mismatch of skills. There is also an emerging new trend of employment on contracts. All these are forms of exploitation since the employees are expected to work extraordinarily hard to secure their jobs and are underpaid. Also most of the employed youth are being underpaid due to lack of experiences. However it is difficult to understand how one can get experience without being exposed to the job. The irony is that the so-called experienced workers are

known to delegate their duties to the inexperienced that do the work and the experienced earn the pay.

The theorists hold the dynamic view of poverty in which being poor is seen as situational that can be escaped through revolution. From the situational perspective, behaviors patterns of the poor are not seen as pathologies nor are they seen as being internally derived as the products of unique value system. The behavior patterns of the poor are seen as normal result of situations where the dominant social structure is unfavorably disposed toward and restricts the options of the lower class. The youth in the informal sector can be seen as trying to escape the exploitation by the formal sector and the politicians through starting their businesses.

## 2.7.2 Modernization Theory

From the analysis of the social system, the modernization theorists maintain that historical progression has always been from simple, undifferentiated systems to complex highly differentiated systems. The modern industrial society is the most complex of these. Developmental process is seen as acquiring characteristics of modern industrial society

The theorists claim that societies are relatively poor and underdeveloped because they lack such characteristics as investment capital and entrepreneurial values together with modern technological equipments and the necessary skills to use them effectively. Accordingly the less developed societies can be helped towards 'enhanced adaptive capacity' by a process of interaction with more advanced nations.

Rostow indicated that there are non-economic and economic factors involved in the process of changing simple traditional societies. The non-financial factors such as attitudes and ideas involve the acceptance of entrepreneurial values that must be introduced into the less developed societies.

The economic factors necessary for the change from simple to complex societies are; that man must be prepared to lend their money on long term at high risks to back the innovating entrepreneurs, and that agriculture must supply more food to meet the rise in population.

The theory therefore explains the situation of the youth in the country. Relating the youth to the less developed societies, the youth lack investment capital, technological equipments, skills and most of

them lack entrepreneurial values. The educated youth have negative attitudes and ideas towards entrepreneurial. Institutions are also not prepared to lend their money on long term at high risks and the youth are not ready to be involved in agricultural activities. Accordingly they have not acquired the characteristics of the modern society (the entrepreneurship characteristics).

## 2.7.3 Rational - Choice Theory

The theory is based on the utilitarian philosophy of Adam Smith, which sees man as maximizing on personal benefit for every transaction (Abrahams 1984). It promotes the notion that human beings are rational and that while their action may involve both rational and non-rational (value oriented) elements, they calculate the likely costs and benefits of any action before deciding what to do, and mostly take action that brings them most benefit at the least cost. The benefits need not be quantifiable; it could be qualitative like the approval one derives from fulfilling a social obligation or conforming to expected social behaviors.

The theory was coined by George Homans and was based on the theory of social exchange. Earlier cholars like Max Web and Parsons Talcott argued that society is made up of individual human interactions (social exchanges) based on reciprocity and obligations. Parsons used social action concept to explain behavior based on the reward and punishment model. Human beings will romeiously choose the actions that promise reward and avoid those that result in punishment for them. The argument is that all human action is motivated by what they stand to gain rather than to have. All human interactions are therefore processes of exchange. Economic actions involve exchange of goods and services while social interactions involve exchange of approval and other cidued non-monetary rewards. Youth involvement in self-employment activities is a calculated hoves that bring them both quantitative and qualitative benefits in terms of economical and psychological satisfaction.

Mational - choice theory argues that what may appear on the surface to be complex social phenomena or system is in fact a multiplicity of individual human actions. The individual is the elementary unity of society and individual human action is the elementary unit of social life, which arrive out of the actions, and interactions of individuals.

According to Homans rational choice theory insists that human action is purely rational and calculative. Individuals are motivated by goals and wants that best express their preferences. With

these preferences in mind human beings make rational choices between different options after weighing the accruing benefits and/or consequence (Abrahams 2004). The goals and/or wants of the individuals are what motivate them to take the actions they take based on the information they have about the situation under which they are acting. In rational choice theory two scenarios exist, the individual preference or alternatives and the constraints faced by the individual in actualizing their preferences. Since it is not possible for individuals to achieve everything they want, they must carefully weigh the possible outcomes of each alternative course of action and cost involved. The rational individual will choose the option that is likely to give them the utmost satisfaction at the least cost. People also make rational choices based on their past experiences as well as those of others and the rewards or punishment that accompanied the experience.

Self-employment activities involve a lot of risk taking and challenges but there are also coping mechanisms that can be adopted. The youth preferred self-employment activities are motivated by their well-calculated goals.

This theory explains the involvement of the youth in self-employment activities for poverty reduction. To be involved in these activities the individuals or groups make rational decisions and through interaction they come up with activities that help them in reducing their poverty.

#### 2.8 Conceptual Framework

Nachamias and Nachamias (1996) define a model as an abstraction from reality, which orders and simplifies our view of reality by representing its essential characteristics. The reality of self-employment activities, an entrepreneur's personal attributes, technical skills, and management competencies is shown in the diagram below:

The self-employment activities are influenced by the technical skills, management competencies and personal attributes. This involves product/services knowledge and understanding of the market; managing the key functions of the enterprise; and being innovative and determined. Appropriate environment that would encourage the self-employed youth to participate effectively in their activities will enable them to mitigate their poverty.

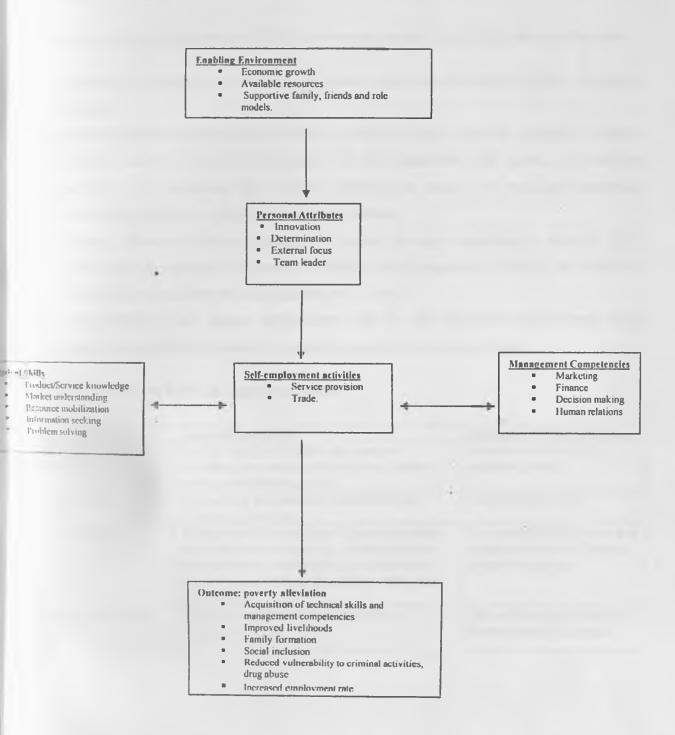
ligure I shows the interaction between the factors that influence the success of entrepreneurs and the poverty alleviation indicators.

The personal attributes, technical skills and management competencies determine the choice of selfemployment activities for poverty alleviation. The existing environment and the resources required to successfully implement the activities would strongly influence such choices.

Individuals with technical skills, management competencies and adequate resources tend to undertake varied activities while those with limited skills, competencies and resources engage in limited and often lower level scope of activities.

Ultimately, the integration of technical skills, management competencies, personal attributes and are enabling environment would influence the extent to which self-employment activities would alleviate youth poverty.

Figure 2.1: The Conceptualization of self-employment Activities for Poverty Alleviation



# 2.9 ()perationalization of Variables

A variable is anything that can take on differing or varying values. For the study the variables were:

- Background characteristics refer to age, gender, and level of education, family status and ethnicity.
- Self-employment activities refer to various activities in trade sector e.g. hawking, Mitumba, charcoal dealers, foodstuff, electronics and other non-food stuff goods; and services provision e.g. mechanics, hair dressers, repairing of items, ICT, transport (bodaboda, mikokoteni, taxi), artist, kiosks (hotels) among others.
- Poverty alleviation refers to reduction of poverty through acquisition of technical skills, management competencies, improved livelihood, social integration (transition into adulthood and citizenry) and improved opportunities and choices.
- The challenges and coping mechanisms refer to the difficulties encountered when implementing the activities and the strategies employed to overcome them.

Table 2.2: Summary of Variables Operationalization.

Variable of study	Variable Indicator	Method of Data Collection
Background	Date of birth, birth order, sex, years of	Interview with the self-
, characteristics	schooling, occupation of the parents, date of	employed youth.
	marriage and ethnic group.	
Self-employment	Services e.g. kinyozi, taxi mikokoteni and	Direct observation.
activities	trading e.g. hawking.	
Poverty alleviation	Marketing skills, keeping of financial records, and available resources e.g. income and non-financial assets. Increased opportunities and choices (e.g. for social interaction, networking and training).	Key informant interviews and in-depth interviews, focused group discussions
Challenges and coping mechanisms.	Problems experienced and how they are overcome	The self-employed youth and focused group discussion.

#### CHAPTER 3: RESEARCH METHODOLOGY

The chapter focuses on the research design used in the study.

Kerlinger (1964:275) defines a research design as a plan, structure and strategy of investigation conceived so as to obtain answers to research questions and variances. A research design guides the researcher in collecting or gathering, analyzing and interpreting observed facts.

The methodology comprised of review of literature, a general and specific description of the study area, definition of the target population; sampling plan, design and method; developing and using standardized instruments that include key informant interviews, focus groups discussions, semi – structured interviews; and data analysis.

Qualitative research is good for data gathering in this particular study. Qualitative techniques enable researcher to gain empathic understanding of social phenomena; facilitates recognition of subjective aspects of human behavior and experiences, and to develop insights into group's lifestyles and experiences that are meaningful, reasonable and normal to those concerned (Njeru 2004).

#### 3.1 Site Description

Location of the case study was Ngong - Hills town, situated in Ngong Division, Kajiado District, and Rift Valley Province of the Republic of Kenya.

Ngong Division lies in the northern part of Kajiado District and borders the neighboring districts of Nakuru, Kiambu, Nairobi and Narok to the West.

Ngong - Hills town is situated at an altitude of 1920m, at the foot of Ngong - Hills, and lies 25 km. to the South East of the City of Nairobi. The site was selected because the Ngong - Hills town is a first growing cosmopolitan urban center inhabited by people from different parts of the country.

Table 3.1: A Summary of Data Source, Method of Data Collection and Tools

Method	Tool	Sources	
Key Informant interviews	Interview Guide	Council rate collectors	
		(workers).	
		Self-employed youth	
		leaders.	
		• Customers.	
Personal interview	Interview Guide	Self-employed youth.	
In-depth Interviews	Interview Guide	Self-employed youth.	
Locus group Discussions	FGD Guide	Key Informants.	
		Self-employed youth.	
Direct observation	Observation Checklist	Ongoing activities.	

#### Man Sampling Design

This is the taking of any portion of the population or universe as representative of that population or universe. Sampling is the process of selecting a number of individuals for a study in such a way that the individuals selected represent the study population from which they were selected. This is mainly to seeme a representative group that will enable the researcher to gain information about the study population.

If study utilized non-probability sampling technique to identify the study area (Ngong - Hills

Tell-employed youth in Ngong - Hills town were the targeted population and were studied through futurious, focus groups discussions or key informant interviews. A preliminary survey was carried tool to calist the self-employed youth in trade and service delivery sectors. The sum of the self-employed youth listed from each sector provided the sampling frame. Multi-stage sampling technique was then used to arrive at a representative sample for data collection/information mathering.

Preliminary sampling analyzed the self – employed youth in Ngong - Hills town in two clusters; the list category being Traders, and the second being Service providers. Systematic sampling technique was applied to each group to determine the number proportional to size of the targeted self – employed youth for interviews. A total of 100 self-employed youth were listed comprising of 60 from trade and 40 from service delivery sub – sectors respectively. Out of these, 24 youths from trade and 16 youths from service delivery sub - sectors were systematically sampled for data collection and information gathering.

The key informants were identified through snowball method among the selected youth and the Kajiado County Council Rate Collectors, while customers of the self- employed youths were randomly selected.

Table 3.2: Summary of the Sample.

Targeted Number
16
24
2
2
44

#### 3.6 Data Analysis

The data collected were organized into emergent themes. This was a constant process from the onset of data collection. It involved working through the full range of detailed field notes, scanning data to mable the development of a set of coding categories which constituted the basis of further analysis and summaries. Statements of relationships from the categories were generated and modified or redefined as more data was collected. The research made use of concepts from sociological literature to make sense of the responses from data gathered to highlight the meanings of the emerging oncepts and themes.

Interpretive analysis was done on the emergent themes. Reported data are the summaries of themes from multiple interviews with the targeted respondents.

Quantitative data are presented in form of percentages, which were computed using the statistical package for social scientists (SPSS) soft – ware package. The qualitative data/information was analyzed manually.

#### CHAPTER FOUR: RESEARCH FINDINGS.

The chapter captures the research findings and discussions of the findings. This encompasses the self-employment activities; the background characteristics of the self-employed youth with regard to family environment, age, education, gender and ethnicity; poverty alleviation; challenges and coping mechanisms.

#### 4.1 Activities carried out by Self-employed Youth

The first objective was to find out self-employment activities carried out by the youth in trade and service provision sectors.

The informal sector self-employment activities have a varied distribution of trading activities including wholesale, retail, manufacturing, transport, building and construction and provision of services. The youth are involved in these activities either as self-employed or as wage-employed (employees). The study was limited to the activities carried out by the self-employed only in trade and services provision in the open-air market.

#### 4.1.1 Types of Activities.

A preliminary survey of the activities carried out by the self-employed youth revealed that the youth in trade were mainly retail traders involved in selling second hand shoes and cloths, new shoes and cloths, electronics- (radio, calculators, and their accessories), beauty products (hair bands, clips, bangles, ear rings, brochures, lipsticks, perfumes e.t.c), charcoal, green grocers, (vegetables) fruits, selling snacks and sweets, and petty traders involving miscellaneous items.

Provision of services activities included tailoring, repairs, ICT (Simu ya Jamii — Community Ielephone services, video tapes hiring, repairing of mobile phones), personal grooming, shoe thining, green maize roasting, sausage sellers, transport (Boda boda — Bicycle, taxis, and mikokoteni — Hand Carts), mechanics, and car wash and puncture repair among others.

These activities were not registered but those involved were expected to pay daily rates of KSh 15 to Kajiado county council on non-market days and KSh 30 on market days. The motorbike owners were to have insurance renewable yearly.

Table 4.1 below summarizes the types of activities carried out by the interviewed self-employed youth.

Table 4.1: Percent distribution of respondents by type of Self - employment activities.

Trade			Service provision		
Activity	Number (N)	Percent (%)	Activity	Number (N)	Percent (%)
Mitumba	5	20.8	Transport	4	25.0
Vegetables	5	20.8	Personal grooming	3	18.7
Electronics	4	16.7	ICT	3	18.7
New cloths & shoes	3	12.5	Car wash & puncture repair	2	12.5
l'etty trade	3	12.5	Watch & bicycle repair	2	12.5
Beauty products	2	8.3	Maize roaster	1	6.3
Fruits	1	4.2	Tailoring	1	6.3
Charcoal	1	4.2	-		
Total	24	100	Total	16	100
		(60)			(40)

The majority of traders were involved in selling second hand cloths and shoes (*Mitumba*), accounting for 20.8%, vegetables, 20.8% and electronics 16.7% of all traders. In service provision the majority were in transport, 25.0%; personal grooming and ICT each accounting for 18.7% of the activice providers.

# 4.1.2 Source of start-up capital and Financing of the Activity.

The study established that the activities were started by the youth themselves. The analysis of the source of the start up capital revealed that males were mainly involved as casual laborers before they started their current activities. An in-depth interview with a charcoal seller revealed that he started by helping his mother selling vegetables. The mother used to give him some little money, which he mayed and later used to start his own business of buying and selling dry maize. From buying and selling of dry maize he saved 9,000/= which he used to start his current business of buying and selling charcoal. At the time of interview he had a capital of about 0.5m.

Those with secondary education got their start up capital from either friends or family members. The married females borrowed their start- up capitals from friends while the single females in service delivery got support from their family members.

The financing of the activities solely came from the youth themselves, who were investing their money in merry- go- round as a source of revolving fund. None of the interviewed youth cited support from family members or friends. 7.5% had taken some loans from Faith Based Organizations. This fact may be considered as a positive move to make the youth independent and responsible.

# 4.1.3 Time spent on Activity

It was revealed that the self-employed youth spend between six to twelve hours a day on their activities. Those in services were generally spending more hours than the traders on some days depending on the availability of the customers.

# 4.1.4 The Motivating factors

The study revealed that the youth were motivated into their self-employment activities by various factors. The study factors are categorized into two groups as pull and push factors as indicated in the table below.

Table 4.2: Percent distribution of key motivating factors for youth's involvement in self — employment Activities.

Pull Factors of Motivation			Push Factors of Motivation		
Motivation factors	Freq.	Percent	Motivation factors	Freq.	Percent
Desire for independence (autonomy).	40	100	Unemployment.	36	90
Success of their role models (friends, Family members).	32	80	Scarcity of income	28	70
Financial incentives.	28	70	Idleness.	16	40
Freedom and peace associated with Self- employment	24	60	Work experience	4	10
Turning a hobby into income generator	4	10	Parent's influence.	2	5
Average frequency	25.6			17.2	
Percent of average frequency		59.8			40.2
Total	40	100	Total	40	100

The common factors that motivated the youth into self-employment activities were desire for independence, unemployment, role models, financial incentives and scarcity of income. Thus there full factors (59.8%) were more frequent than push factors (40.2%) meaning that they had interest in bring self-employed and were not forced by circumstances

## 4.2 Background characteristics

The second objective was to establish the background characteristics of self-employed youth in trade and services.

There are various aspects of personal background that influence the ability to become self-employed such as family environment; education; age; work history; personal values; gender and ethnicity. The study however concentrated on the family environment, education, age, gender and ethnicity.

## 4.2.1 Family Environment

This was considered in terms of birth order, parents' level of education, and parents' occupation.

4.2.1 (a) Birth order

Table 4.3, gives the distribution of birth order for the self-employed youth in trade and service provision sectors by gender.

Table 4.3: Percent distribution of self - employed Youth by Birth order

Birth Order of Respondent	Total	Percent
	(N)	(%)
1	- 11	27.5
2	4	10.0
3	5	12.5
4	5	12.5
5	8	20.0
6	3	7.5
7	4	10.0
Total	40	100

the majority of the youth were first-born accounting for 27.5% of all the youth, followed by fifth born with 20%. Third and fourth born accounted for 12.5% each, of the total number of respondents. Second and seventh born were 10% each. The sixth born had the least number of youth, 7.5%. The above analysis shows a positive preference for self – employment by first-born youths.

#### 4.2.1(b) Parents Occupation

Table 4.4 below shows the frequency and percent distribution of the Self – employed Youths Parents' occupation by Gender.

Table 4.4: Percent distribution of Self- employed Youths Parents' occupation.

Parents' Occupation	Number	Percent	
	(N)	(%)	
None	14	18.2	
Subsistence Farmer	33	42.9	
Small-scale businesses	15	19.5	
Wage employment	12	15.5	
Professional	3	3.9	
Total	77	100	

The parents described as professional comprised of primary school teachers and nurses. Parents with the occupation comprised of the unemployed and housewives.

The majority of the parents were subsistence farmers accounting for 42.9% of all the parents. The small-scale business owners accounted for 19.5% of the parents. The unemployed and/or housewives accounted for 18.2% of the parents. The wage-employed and professionals were the feat, representing 15.5% and 3.9% of the parents, respectively.

#### 1.2.1(c) Parents' level of Education

Table 4.5 summarizes the level of education of the parents of the interviewed self-employed youth.

Table 4.5: Percent distribution of Parents' level of Education.

Parent's level of Education	Number	Percent	
	(N)	(%)	
None	10	13.0	
Primary	42	54.5	
Secondary	22	28.6	
College	3	3.9	
Total	77	100	

The study established that 54.5% of the parents of the interviewed self-employed youth had only reached primary level of education, 33.4% had secondary and college education while 13.0% did not attend formal school at all.

## 1.2.2 Age distribution of the Self – employed Youth

Table 4.6 below indicates the age distribution of the interviewed Self - employed Youth.

Table 4.6: Percent distribution of the age of the Self - employed Youth.

Age Range	Number	Percent
15- 19	0	0
20 – 24	11	27.5
25 – 29	16	40.0
30 – 34	10	25.0
35 – 39	3	7.5
Total	40	100

The study established that the majority of the youth, 40%, were in the age bracket of 25-29 years. The frequency of self- employed youth increased from the age bracket of 20-24 to age bracket of 20-29 years, and then decreased with age.

# 1.1.3 Level of Education of the Self - employed youth

Table 1.7 below summarizes the level of education of the interviewed youth.

Table 4.7: Percent distribution of the Self - employed Youth's Level of Education.

Level of education	Number (N)	Percent (%)
None	0	0
Primary	. 18	45
Secondary	20	50.0
College	2	5.0
Total	40	100

All interviewed self – employed youth in Ngong Hills town had attained at least primary level and/or devel of education. However, of the youth interviewed, none had attained university level of

education. Forty five percent (45%) comprised youth with primary education only. The study further established that 55% of the interviewed youth had secondary and/or college level of education.

## 4.2.4 The respondents professional and/or skills training.

Table 4.8 below gives professional training of the respondents.

Table 4.8: Percent distribution of the respondents by training background.

Skill training	Number	Percent
Trained	21	52.5
Untrained	19	47.5
Totals	40	100

Out of the 40 youths interviewed, 52.5% had received skills training, while 47.5% had none

# 4.2.5 Marital status of the respondents

Table 4.9: Percent distribution of the Self - employed Youth by their marital status.

Marital Status	Number	Percent
Married	20	50.0
Single	18	45.0
Divorced	2	5.0
Total	40	100

The study revealed that married self – employed youth were the majority, (50%), and especially if you factor in the divorced category (5%), as compared with the single self – employed youth, 45%. The study also established that the spouses of the married youth were also involved in self-employment activities and all the married males got married after starting their activities. Hence the delivities have enabled them to become self – reliant young adults with their own families.

#### 1.2.6 Gender.

Table 4.10 below shows the gender composition of the self-employed youth interviewed.

Table 4.10: Percent distribution of the respondents by Gender.

Gender	Number	Percent
Female	12	30.0
Male	28	70.0
Total	40	100

the study established that there are more males (70%) than females (30%) engaged in Youth Self-employment Activities.

# 1.2.7 Ethnic background of the Self - employed Youth in Ngong - Hills town.

Table 4.11 below shows the ethnic distribution of the self- employed youth interviewed.

Table 4. 11: Percent distribution of the Self - employed Youth by Ethnic group.

Ethnic group	Number	Percent	
Embu	1	2.5	
Kamba	7	17.5	
Kikuyu	22	55.0	
Luliya	5	12.5	
Luo	4	10.0	
Maasai	1	2.5	
Total	40	100	

The cosmopolitan nature of the town, the study tried to establish the ethnicity of the self-employed youth in the town. The result revealed that the Kikuyu were the majority, accounting for more than half (55%) of the interviewed youth. The Embu and the Maasai self – employed youth were the least accounting for only 2.5% each. The Kamba, Luhya and Luo accounted for 17.5%, 12.5% and 10% of the respondents respectively.

# Background characteristics of the Self -employed youths versus Activity type.

The third objective was to compare the background characteristics of the youth in trade and service

The activities covered in trade included selling of new cloths and shoes; selling second hand cloths and shoes; selling electronics; beauty products; charcoal; vegetables; fruits and petty trades

involving miscellaneous items. Those covered in service provision included tailoring, repairs, ICT, personal grooming, shoe shining, green maize roasting, sausage vendors, transport (*Boda boda* – Bicycle taxis and *Mikokoteni* –Hand Cart), car washers and puncture repairs among others.

The background characteristics of the traders and service providers were compared and the findings revealed the following facts.

#### 4.3.4: Family background compared.

#### A: Birth orders

Table 4.12 below compares the birth orders of the traders and service providers.

Table 4.12: Percent distribution of the respondents by Birth order versus Activity type.

Birth Order of Respondent	Tr	ade	Service prov	Total	Percent	
	Number	Number   Percent		Percent	(N)	(%)
	(N)	(%)	(N)	(%)		
1	9	37.5	2	12.5	11	27.5
2	3	12.5	1	6.3	4	10.0
3	2	8.3	3	18.7	5	12.5
4	3	12.5	2	12.5	5	12.5
5	3	12.5	5	31.2	8	20.0
6	1	4.2	2	12.5	3	7.5
7	3	12.5	1	6.3	4	10.0
Total	24	100	16	100	40	100
		(60)		(40.0)		(100)

Those self—employed youth of birth order below 4 engaged in trade (58.3%) than in services provision (37.5%), while there were more self—employed youth service providers of the birth order land above (62.5%) than traders (41.7%), respectively. It can therefore be inferred that the older land above youth siblings (birth orders below 4) prefer trade (58.3%) as compared to the runner self—employed youth siblings who prefer services provision activities (62.5%).

# B: Parents occupation.

Table 4.13: Percent distribution of Parents' occupation versus Youth's activity type.

Background Characteristic		Activit	Total			
Parents' Occupation	Tra	de	Service Provision		Number	Percent
	Number (N)	Percent (%)	Number (N)	Percent (%)	(N)	(%)
None (Unemployed)	8	17.8	6	18.8	14	18.2
Famer	23	51.1	10	31.2	33	42.8
Business	7	15.6	8	25.0	15	19.5
Wage employment	5	11.1	7	21.9	12	15.6
Professional	2	4.4	1	3.1	3	3.9
Total	45	100	32	100	77	100
		(58.4)		(41.6)		

The majority of the Youth traders' parents (51.1 %,) were farmers, and 17.8% unemployed and/or housewives. Businesspersons were 15.6%; wage employees, 11.1% and 4.4% professionals respectively.

3.1% professionals. Hence more of the service providers' parents were businesspersons and wage employees than the traders' parents.

#### C: l'arents level of Education

Table 4.14: Percent distribution of Parents' level of education by the respondents choice of Activity.

Background Characteristic		Activity	Total			
Parents' Level of Education	Tra	de	Service Provision		Number	Percent
	Number	Percent	Number	Percent	(N)	(%)
	(N)	(%)	(N)	(%)		
None	6	13.4	4	12.5	10	13.0
Primary	27	60.0	15	46.9	42	54.6
Secondary	10	22.2	12	37.5	22	28.6
ollege	2	4.4	1	3.1	3	3.8
Fotal	45	100	32	100	77	100
		(58.4)		(41.6)		

The majority (60%) of the parents of the traders had primary level of education compared to 46.9% of service providers' parents. More parents of youth service providers (37.5%) had secondary level of education compared to parents of youth traders (22.2%).

The study shows that more parents of youth traders (13.4%) than parents of youth service providers (12.5%) had no formal education.

## 4.3.2 Self-employed youth level of Education compared.

Table 4.15 below compares the level of education of the self-employed youth traders and service providers.

Table 4.15: Percent distribution of the respondents Level of Education by choice of Activity.

Level of Education of the	Traders Services		Tot	als						
Self - employed Youth			provision		provision		provision		Number (N)	Percent (%)
	N	%	N	%						
None	0	0	0	0	0	0				
Primary	15	62.5	3	18.8	18	45				
Secondary	9	37.5	11	68.7	20	50.0				
College	0	0	2	12.5	2	5.0				
Total	24	100	16	100	40	100				
•		(60)		(30)						

More self - employed youth were involved in trade (24) than in services provision (16).

The study established that majority of youth with primary education (62.5%) were traders, while the majority of youth service providers (68.7%) had secondary level of education. This finding corresponds to an earlier analysis (Table 4.14above) that compared level of education of parents by choice of Activity and established that the majority (37.5%) of the service providers' parents had secondary level of education as compared to those of traders.

#### 4.3.3 Professional and/or skills training of the respondents compared.

Table 4.16 below compares the skills training of the self-employed youth in trade and those in services.

Table 4.16: Percent distribution of the respondents by training background.

Professional	Trac	Trade		ces	Total		
training	Number	Percent	Number	Percent	Number	Percent	
Trained	11	45.8	10	62.5	21	52.5	
Untrained	13	54.2	6	37.5	19	47.5	
Totals	24	100	16	100	40	100	
		(60)		(40)			

Out of the 40 youths interviewed, 52.5% had received skills training, while 47.5% had none. It was further found that 10 out of 16 youth services providers (62.5%) were trained, while only 11 out of 24 youth traders (45.8%) were trained. This implies that services provision require some basic skills training unlike most of the informal trade activities. All the trained service providers found their training useful for their activities. For the trained traders, their trainings were not relevant to their current activities but some of the skills learned were found useful. Training therefore provides the youth with useful skills for self-employment activities.

# 43.4 Self-employed Youth Age distribution versus choice of Activity compared.

Table 4.17 below compares the ages of trades and service providers.

Table 4.17: Percent distribution of respondents' age versus choice of activity.

Background characteristic	Activity Type				Total		
Age of self -employed	Trac	de	Service P	rovision	Number	Percent	
youth (years)	Number	Percent	Number	Percent	(N)	(%)	
	(N)	(%)	(N)	(%)			
15-19	0	0	0	0	0	0	
20-24	7	29.2	4	25.0	11	27.5	
25-29	6	25.0	10	62.5	16	40	
30-34	9	37.5	1	6.3	10	25	
35-	2	8.3	1	6.3	3	7.5	
Total	24	100	16	100	40	100	
		(60)		(40)			

The study established that the majority of the youth, 40%, were in the age bracket of 25-29 years. The frequency of self- employed youth increase from the age bracket of 20-24 to age bracket of 25-29 years, and then decreased with age.

There were more youth traders in the age bracket of 30-35 (45.8%) than youth services providers (12.6%). Majority of the youth service providers (62.5%) were in the age bracket of 25-29 years compared to the youth traders (25%). The difference between self - employed youth traders and services providers appeared insignificant for the age bracket 20-24 years.

This can be explained by the level of education of the older self-employed youth who had only primary education compared to the younger with secondary education. As already pointed out those with low level of education prefer trade while those with high level prefer service provision.

### 4.3.5 Respondents Gender versus choice of Activity.

The table below compares the gender of traders and service providers.

Table 4.18: Percent distribution of respondents Gender versus choice of activity.

Background characteristic		Total				
Gender of Self -	Trade		Services Provision		Frequency	Percent
employed Youth	Frequency	Percent	Frequency	Percent	(N)	(%)
	(N)	(%)	(N)	(%)		
Male	15	62.5	13	81.2	28	70
Female	9	37.5	3	18.8	12	30
Total	24	100	16	100	40	100
		(60)		(40)		

The study established that there are more males (70%) than female (30%) in self-employment. However, there were more females in trade (37.5%) than in services provision (18.8%). The males were the majority in both trade 62.5%, and service provision 81.2%.

#### 4.3.6 Respondents ethnic groups versus choice of activity compared.

The table below compares the ethnic groups of traders and services providers.

Table 4.19: Percent distribution of respondents ethnic groups versus choice of activity.

Background characteristic		Activity	Total			
Ethnic group of	Trac	le	Services P	rovision	Number	Percent
Self - employed Youth	Number	Percent	Number	Percent		
Embu	1	4.2	0	0	1	2.5
Kamba	4	16.6	3	18.8	7	17.5
Kikuyu	15	62.5	7	43.7	22	55
Luhya	1	4.2	4	25	5	12.5
Luo	2	8.3	2	12.5	4	10
Maasai	1	4.2	0	0	1	2.5
Total	24	100	16	100 (40)	40	100
		(60)				

It was established that both Kikuyu were the majority in trade and services accounting for 62.5% of traders, and 43.7% of service providers. The Kamba were more in service delivery (18.8%) than trade 16.6%, and Luhya were more in service delivery (25%) than in trade (4.2%). The Luo were evenly distributed in trade and service delivery.

From the findings it may be concluded that the background characteristics of the self- employed youth in trade and service provision show variations in birth order; parents' occupation and level of education; youths' sex, ethnic group, the age range and educational level. The study revealed that the youth start engaging in trading activities at a younger age compared to starting age for service delivery. The youngest trader was 20 years old while the youngest service provider was 23 years old. The majority of the traders are in the age range of 30-34 years while in service delivery the majority in the range of 25-29 years. The majority of the traders (40%) had primary education while the majority in service delivery had secondary and college education (35%). The table below summarizes the differences.

Table 4.20: Summary of the differences in Background characteristics of the Traders and Service providers.

Characteristic	Traders	Service providers		
Birth order	Below 4 (1-3)	4 and above		
Parents' occupation	Farmers	Business, wage employment		
Parents' education	Primary	Secondary		
Youths' education	Primary	Secondary		
Youths' age	20-24 years, 30-35 years	20-24 years, 25-29 years		
Youths' sex	Female, male	Male		
Ethnic group	Kikuyu	Kamba, Luhya, Luo, Kikuyu		

# 4.4 Poverty Alleviation.

The fourth objective of this study was to establish the extent by which self-employment activities mitigated youth poverty in Ngong - Hills town.

Based on the expressed views and opinions of the study group that comprised of self - employed youth, key informants and focus groups discussions participants, the study established that the youths perceive poverty as defined by the following manifestations and characteristics as summarized in Table 4.21 below:

Table 4.21: Percent distribution of Self - Employed Youths' perception of Poverty.

haracteristic of Poverty/	(i) Freq.	(ii) Mean	(iii) Weighted	(iv) Percent
Innifestations of Poverty		Frequency	Frequency	Weighted Freque
Scarcity and/or Material deprivation:	26			
Lack of food, clothing and shelter.	36			
Inadequate and/or lack of education and	32			
gaployable skills.	1			
Lack of farming land and basic assets for	16			
.urvival.	40	20	70.0	
Sali - Total	40	28	70.0	
B. Lack of Capacity and Social				
andadjustment and proneness to criminal				
I chavior:	32			
Powerlessness, lacking in self – esteem, self –	32			
confidence and motivation, and highly prone to				
6 Idleness and Jaziness	28			
Powerless and lacking in essential Life skills	12			
7. Physically and/or mentally sick.	12			
Sub - Total	40	21	52.5	
C. Marginalization:	70	201	521.5	
#Unemployed:	40			
4. An isolated person.	8			
10.0ne with no support.	8			
	4			
11.0nc who knows nothing and assumed to be morall by peers and the society.	4			
inb-Total	40	15	37.5	
	40	15	37.5	
D. Rependency:				
Manipulated by politicians.	24			
Displained by the wealthy.	12			
LWorking for others.	8			
Allelying on handouts (beggars).	4		1	
Sub - Total	40	12	30.0	
Pertictions on rights & freedoms:	70	12	30.0	
It is ignorant of human rights.	12			
	2			
17.11 no voice, cannot be listened to and	2			
Sub - Total	40	7	17.5	
Total	40		207.5	
the foundation of the order of importance of the po				

fion of the order of importance of the poverty perception by Self – employed youth was calculated:

Weighted Frequency = Mean of Freq. x 100.

of frequencies of all expressed manifestations of poverty under each poverty characteristic divided by the number of manifestation categories = Mean of Frequencies for Poverty Characteristic.

Percent Weighted Freq. per Poverty Charact. = [Weighted Freq. x 100]%. Sum of Weighted Freqs.

The study found that the majority of the youth (under study) viewed poverty as characterized and/o manifested by scarcity and/or material deprivation (33.7%), lack of capacity and social maladjustmer and proneness to criminal behavior (25.3%), marginalization (18.1%), dependency (14.5%), an restriction of fundamental rights and freedoms (8.4%) respectively, in order of importance.

The youth viewed poverty mainly as scarcity and/or material deprivation, and lack of capacities. A the interviewed youth associated unemployment with poverty. Ninety percent of them associate poverty with lack of food and cloths; 80% with lack of education as well as involvement in crimin activities such as stealing, drug abuse, robbing and killing, and prostitution among others. Seven percent associated it with idleness and laziness.

#### 4.1.1 Self-employed Youths' perceptions of themselves in relation to poverty.

The youths interviewed had various perceptions about themselves in relation to poverty. In response a question on "How they compared themselves with the poor", they gave the following responses a summarized in table 4.22 below:

Table 4.22: Self-employed youth perceptions of themselves in relation to poverty.

Poverty characteristic	Manifestations of Poverty	Frequency	Percen
Scarcity and/or material deprivation	Low and/or lack of education and employable skills.	35	87.
Marginalization.	One with no support.	32	8
Lack of Capacity.	Lacking essential Life skills.	28	7
Restrictions on rights & freedoms	Ignorant of human rights. Powerless/has no voice.	18	4
Social maladjustment and proneness to criminal behavior.	Highly prone to social maladjustment, e.g. alcohol and substance abuse, and prostitution.	10	2
Dependency	Manipulated by politicians. Exploited by the wealthy.	10	۷
Total		40	10

The majority of the respondent, 87.5% felt that they had low and/or lacked education and employable skills. Eighty percent felt marginalized because of lack of support from the government Though they were involved in self-employment activities, 70% felt that they lacked essential lift skills and needed advice from the parents and successful businesspersons. Those who felt that they were ignorant of their rights were 45%. The majority felt that their activities had enabled them to be independent but 25% felt that they were being manipulated and/or exploited by the politicians and the wealthy. A few, 25%, also felt that they were prone to social maladjustment since they had time and adequate income to spend on entertainments, albeit their choices were limited! The only

alternative they had was to involve themselves in cheap forms of social entertainments that predisposed them to social maladjustment.

From the findings it may be concluded that the self—employed youth are not income poor but rather back the opportunities and choices most basic to human development such as choice to enjoy decent standard of living, freedom, dignity and self respect. They also suffer from social deprivation including risks and vulnerability among others.

#### 4.4.2 LIVELIHOOD SECURITY

According to Frankenberger 1996, livelihood security is defined as adequate and sustainable access to income and resources to meet basic needs (including adequate access to food, potable water, health facilities, educational opportunities, housing and time for community participation and social integration). The three fundamental attributes of livelihood security are: a) possession of human capabilities (education, skills, health, and psychological orientation), b) access to other tangible and intangible assets (natural, social, human and economic capitals), c) the existence of economic activities.

4.4.2a Access to and availability of resources for the support of Self – employed youths Activities.

The study revealed that the self-employed youth had limited access to resources but had acquired some of the resources that they required for their activities.

- They had tools, equipments and stock though not adequate.
- They spent 6 to 12 hours on their daily activities.
- They had net monthly income ranging from KSh 1500 to KSh 45,000.
- The customers were available except that they were unable to satisfy their needs and demand (expectations) due to lack of and/or adequate capital.
- There were several micro-finance institutions within the town but they did not get loans fro them. They cited the tough conditions put by the institutions as the main reason for not taking loan from them. According to the youth, the institutions charge high interest rates, demand for collater and one has to save with then some money for a given number of months before qualifying for loan. At the time of interview only 7.5% of the interviewed youth had taken loan from the Far based SACCOs, which charge an interest rate of 1% per month. The remaining 92.5% cit rotational savings and credit organizations (ROSACOs), locally referred to as "Merry go round as their main source of investment capital to finance their activities on ongoing basis.

• Physical infrastructures were lacking (had no shades or stalls) but were operating in open-air market place, subject to the vagaries of weather fluctuation and natural elements on a daily basis. Despite the limited resources available to them, they all considered their activities a success. They attributed their success factors to support from colleagues, respect for work and customers, commitment and honesty. The availability of these limited resources had enabled them to sustain and expand their activities without a break. Some were able to expand their activities, for example those in the transport sector bought motorbikes to transport people upon graduating from bicycle taxi business (Boda boda). Those in trade were able to increase their stock. This shows that they had acquired some of the 'entrepreneurial' traits and skills and hence able to manage their activities effectively. The self-employed youth were therefore becoming young entrepreneurs.

#### 4.4.2b Achievements, Benefits and Investments.

The study established that by being involved in the self-employment activities the youth were variously able to achieve the following: Meet their basic needs, in the allocation of their net monthly meome, they cited, rent, food, cloths, health and education (for their children) as their number one priority; acquire household items, tools and equipments for their activities, Cattle (cows, goats sheep), poultry, plots, house; got married; support parents and siblings upkeep and educationa requirements and acquire business skills such as marketing skills, communication skills, negotiation and persuasion skills among others.

They listed some of the skills necessary for the success of their activities as: -communication skill

e.g. use of good language, management skills e.g. accounting, record keeping; market survey and marketing skills e.g. selection of goods; and administration skills e.g. dealing with the employees. The study however established that they did not have most of the skills mentioned. The few they have were acquired through hands-on-the-job experience. For example, it was found that only 12.5% were keeping records of their stock and sales. Others talked of having been keeping the records when they started their activities but stopped when the business became more demanding. Still others did not know the importance of keeping the records. They argued that since they were the one managing their activities, keeping records was not necessary. About 53% (21 out of 40) were foun to have had some training before starting their activities. Ninety percent of the latter, (19 out of 21 found their training useful to their activities, though some of the trainings were not relevant to the current activities.

Asked how they plan to acquire the necessary skills that they did not have, 25% (10 out of 40) sai they would like to go for some training in business management and administration. Thirty percent (12 out of 40) wanted to attend business management seminars and / or workshops. The remaining 45% (18 out of 40) did not have any future plans for acquiring necessary training and skills for their activities. They all had a goal to become well established and accomplished businesspersons. The Self – employed youths interviewed testified that their involvement in self-employment activities had enabled them to relatively improve their social and economic livelihoods security by acquiring assets and meeting their basic needs.

## 4.4.2c Opportunities and Choices

The study revealed that the youths' involvement in their self – employment activities afforded them with the opportunities to: -

- Generate income from participating in economic activities.
- Be independent (autonomy) in making own decisions and self-reliant.
- Be employed.
- Acquire and own property such as animals, household goods, houses, plots etc.
- Support their families, parents and relatives (brothers/sisters).
- Network and collaborate with stakeholders, though this was found to be only limited to just colleagues, customers and suppliers. There was no mention of involvement in partnership with other business partners and key stakeholders in other areas. Effective networking and collaboration with key economic sector stakeholders like the Government, NGOs, and relevant Private Sector operators appears to be a latent success factor yet to be exploited by the Self employed youths in Ngong Hills town.

# 4.5 Challenges faced by the Self - Employed Youth and their Coping mechanisms.

The fifth objective was to identify the challenges faced by the youth during the implementation of their activities and the coping mechanisms.

The youth were faced with several challenges that led to the adoption of various coping strategies.

# 4.5.1 Challenges

The several challenges cited by the youth revolved around lack of funding. The lack of investment capital was attributed to the difficulties in accessing support from various sources. The challenges were stated as summarized in Table 4.23 below:

Table 4.23: Summary of challenges faced by Self-employed Youths

Priority Order	Type of Challenge	Percent
1.	Tough conditions put by the micro-finance institution.	100
2.	Harsh environmental conditions due to lack of shades.	80
3.	Lack of business skills for those who are just starting.	70
4.	Lack of permanent stalls where they can securely operate and store their goods.	70
5.	Low demand of goods/ services due to high competition.	60
6.	Exorbitant rent and daily taxation.	60
7.	Lack of information on the existing opportunities for self-employment activities funding.	50
8.	Negative attitudes from parents who believe that the youth cannot be successful in business.	30

Though the Youth Enterprise Development Fund was intended to develop and support Youth Micro, Small and Medium Enterprises, the study revealed that the youth in Ngong - Hills town has not benefited much from it. Self – employed youths participating in focus groups discussions confirmed the above challenges stated by the individual respondents.

## 4.5.2 Coping Mechanisms.

In response to the challenges and constraints faced by the Self – employed Youth as established through the study, the study found that the affected youth variously opted to the following mitigating that gies/coping mechanisms as summarized in Table 4.24 below:

Table 4.24: Summary of Coping Mechanisms adopted by the Self - employed youths in Ngong - Hills toys.

Priority	Type of Coping Mechanism	Percent
Order 1.	Formation of merry-go-round revolving fund among the colleagues.	100
2.	Borrowing from friends and family members.	80
3.	Putting up temporary shades/stalls using polythene papers, carton papers and sacks.	70
4.	Resilience, perseverance (being content with the existing situation) and an enduring commitment to succeed despite the odds.	60
5.	Sharing information and regularly consulting colleagues on how to go about some problems. For example where to get quality goods at fair prices, etc.	40
6.	Practicing a competition cutting edge by outdoing competitors by listening to the customers' demands and providing them with the best services and goods delivery.	30
7.	Avoidance of taxation and/or compromising the tax collectors to pay non – receipted less amounts*.	30

It is worth noting that the Kajiado County Council Rates Collector affirmed that the coping mechanism No. 7 above was a major challenge to revenue collection! The focus group discussion also came up with the same mechanisms as the ones stated above.

The stated coping mechanisms are temporary measures, which could not provide them with effective solutions. All key stakeholders are challenged to come up with more viable and sustainable solutions that are social, economic and legal in nature.

# 4.6 Lessons Learned by the Self-Employed Youth.

The study revealed that the interviewed youth had learned major lessons in the process of being involved in the activities. The learned lessons were stated as follows: -

- All of them stated that success in business requires hard work, commitment, perseverance, creativity, honesty, good human relations and good health.
- About 50% knew that the most important person in a business is the customer, without customers a business cannot run.
- A few (30%) stated that to maintain customers you need to satisfy their needs and wants. This is also the best way to market your goods and/or services. This is because a satisfied customer will recommend you to others and will always come back to buy your goods or services. "When they come back they always come with other customers and so you need to be very consistence in dealing with the customers", observed a secondhand shoe seller.
- Twenty percent confessed that being self- employed is more satisfying psychologically than being in wage employment. This because you are able to understand what is happening at any particularly time and you are in control of the running of the activity. It therefore makes one to be flexible in doing things.

These lessons learned by the youth are important for the sustenance of self-employment activities.

Most of the self-employment activities fail because those involved do not understand what the activities require for viability and success.

#### 4.7 Recommendations by the Youths

The interviewed youth and the focus group discussion made the following recommendations and auggestions for the benefit of other youths who found their self – employment activities effective in nutigating their poverty situation, while propelling them to self reliance and prosperity: -

To focus on what they want to achieve in future.

- To make informed choices and decisions, and be ready to venture into any entrepreneurial activity and to work under any circumstances, that is, be ready to take well calculated risks in targeted self employment activities.
- To be resilient, focused and ready to take calculated risks in any self employment activity of choice.
- The Youth to minimize their socio economic vulnerability and not allow themselves to be exploited by the politicians who manipulate them for their political gains and no sooner dump them!
- Not to be engaged in too much entertainment.
- The Youth to fortify themselves with basic Life skills.

For the disbursement of the Youth Enterprise Development Fund, the youth suggested that the funds could have been disbursed through the Faith Based Organizations rather than micro-finance institution and the constituency YEDF could have also been disbursed through the FBO to avoid corruptions. They felt that this could have been done better after some assessment had been done to come up with the number of unemployed youth in a division and also those who are involved in self-employment activities. They felt that if it was done that way more youths could have benefited, unlike now when there is money in the banks and the youth are not able to access it.

The youth felt that they could be able to expand and sustain their activities if they were provided with an enabling environment by the stakeholders (NGO, Government, private sector and parents). They suggested that the stakeholders should provide guidance to the Kenyan youth on how to start, tun and sustain a business. According to them this can be done by:

- Providing training facilities to them to train in business management and administration.
- Not discriminating or stigmatizing those who do jobs that may look odd to the society e.g. making coffins, cleaning toilets etc.
- The government ensuring that any organization dealing with the youth is not exploiting them but is developing them to be successful citizens. They cited some cases when the youth have been used to solicit for funds which do not benefit them in the long run
- The local government providing good working conditions and coming up with a better taxation method rather than the daily collection of Cess.
- The parents not to be making unrealistic demands on the youths.

#### CHAPTER FIVE: SUMMARY/CONCLUSION/RECOMMENDATION

The chapter is organized to give short discussions, summaries, and interpretations of the findings, conclusions and recommendations.

#### 5.1 Summary, Discussions and Conclusions.

#### Self-employment activities.

The majority of the traders were involved in *mitumba*, vegetables and electronics. In services provision, the majority was in transport, personal grooming and ICT. The high percentage of traders in *mitumba* and vegetables can be explained by the fact that these goods are fairly cheap and are readily available. Thus they can be easily accessed by the youth. Trading in such goods does not require technical skills. Most of the necessary skills can be acquired through on the job experience while carrying out the activity. In services provision, the majority were in transport and this may be attributed to the youth vigor and exuberant energies. Being in involved in personal grooming and ICT is due to their personal concern and obsession with their physical appearances and adaptability to change. Most of the youth prefer being well-groomed while imitating their role models, and are highly adaptable to change. This shows the changing attitudes of the youth towards self comployment activities. The growth of knowledge - based self-employment activities may have a major role to play in this attitude change since such activities as watch or mobile phone repairing temper technical skills.

The self-employed youth mainly raised their start-up capital by working as casual laborers, from friends and/or family members. The financing of the activities was solely from their merry-go round and other savings. This is a positive move to make the youth independent and responsible. A study by McClelland cited in Ntale 2006, revealed that parents who expected their offspring to be self-teliant at an early age while remaining supportive and not rejecting them, help their offspring to be independent. That is, when a youth is encouraged to do things on his own and provided guidance and help only when needed and sought for, he is being oriented to independence. Over protection and over-guidance during early socialization often inhibits the emergence of the value of independence. (Common wealth secretariat 1989)

The self-employed youth spend between 6 and 12 hours a day on their activities. This implies that they are actually self-employed and are not income generators who carry out their activities on part time basis.

The pull factors (59.8%) were more frequent than push factors (40.2%) meaning that they had interest in being self-employed and were not forced by circumstances

The customers were very positive about their activities. This shows that the customers appreciate their involvement in self-employment activities.

#### Conclusions.

The self-employed youth were becoming young entrepreneur taking all the necessary risks to ensure the success and viability of their activities. They were able to organize and manage the risks involved in carrying out their activities.

## 5.2 Background Characteristics:

# (a) Birth Order, Parents' Occupation and Parents' Education.

There was positive preference for self-employment by the first-born youths. The majorities of the parents were subsistence farmers (42.9%) and had primary education (53.3%). Parents act as frontline role models to their children. Children close to their parents tend to imitate them. Hence parent's occupation is highly likely to motivate their children who invariably wish to imitate them and/or excel their parents in the social and economic livelihoods security. Parents deliberately pressurize their children to determine to excel them in life.

# (b) Age Distribution.

The majority (40%) was in the age bracket of 25 – 29. This is the age cohort when the youths are very active and most of them are out of school, hence they can easily engage in risky behaviors. This helps them to be engaged in self- employment activities. According to Curtain 2000, youth is a period of rapid change and they are likely to be associated with a propensity to engage in risk taking behavior which can be both a positive and a negative feature for their development. The uncertain and volatile economic and social world faced by the youth offer them opportunities for risk taking in economic ventures. Risk taking is one of the important traits in self- employment hence the youth tend to make the best entrepreneurs.

## (c) Self-employed Youth level of Education.

Among the interviewed youth 55% had secondary and college education, and 45% had primary. There was none with university education or without formal education. This shows that the negative attitude towards self-employment is gradually changing. The traditional view has been that small business management requires a natural or acquired ability for practical activities in which formal education is less relevant (common wealth secretariat, 1989). In this sense small business was seen as an alternative route for advancement for those who had more practical and less academic skills orientation. The commonwealth secretariat further explains that those who have low resistance to manual labour have succeeded more frequently as entrepreneurs compared to those who exhibit a distinct dislike for manual work. This may partially explain the negative attitude towards self-employment amongst the learned youth. However the study findings provide evidence that the majority of the educated are now changing their attitudes towards self-employment activities.

#### (d) Skill Training.

More than half of the respondents (52.5%) had skills training and only 47.5% did not have skill training. The skill trainings were acquired from small commercial colleges or by working on commission as you train. As such they were not highly skilled.

#### (e) Gender Distribution.

There were more males (70%) and only 30% were females. Whereas this finding would make it appear as if female youths are more risk averse and less aggressive in self – employment activities compared to their male peers, other studies on the informal sector show that female gender are the major prime movers of the sector. Various reasons may explain this apparent finding, some of which include, but not limited to: lack of basic and/or essential skills, lack of collaterals and/or start-up capital needed for investment in service provision that often times most female youths do not have, the age factor as the younger females may not like to be associated with the open air market activities and last-but not least, gender stereotyped roles in service provision which tend to favor males against female youths. Furthermore, the sample size was too small to arrive at any conclusive evidence in support of latter contention.

#### (g) Marital Status.

There were more married youth (55%) than single youth (45%). This finding is in agreement with the traditionally held view that marital status influences one's ability to be involved in self-employment activity. A study in UK revealed that marriage is good for small business ownership as single people are less likely to be self-employed than those who are married. This reflects the possibilities of either husband- wife teams in business partnership or one supporting the other while a new venture is formed (Ntale, 2006). The study also established that the spouses of the married youth were also involved in self-employment activities and all the married males got married after starting their activities. Hence the activities have enabled them to become self – reliant young adults with their own families

#### (h) Ethnic Groups.

Most of the self-employed youth were Kikuyu. The high number of the Kikuyu self – employed youth in Ngong Hills town may be partly explained by the high population settlement of the Kikuyu in Ngong Division apart from the preponderant intermarriage among the local Maasai and the Kikuyu that spans more than 6 decades. The study also revealed that a part from lack of employment opportunities, Kikuyu were motivated into self-employment by seeing their role models (friends, relatives) success. This implies that they have an entrepreneurship culture in their ethnic group.

Though Ngong – Hills town is situated in Maasai land, only one Maasai youth was available for interview. The majority of Maasai youth are not involved in self-employment activities within the town. It was, nevertheless, established that the male Maasai are mainly involved in livestock rearing, trade and marketing, while the females are engaged in bead works outside the town. The one interviewed had secondary and college education. The other ethnic groups like the Kisii and Somalia were also involved in self-employment activities except that they were not operating on daily basis in Ngong – Hills town and/or were not located at one particular place.

#### Conclusions.

The family environment of the respondents was conducive to the promotion of selfemployment activities with the parents being their role models and the youth being motivated to achieve higher status than the parents or to attempt upward mobility through self-employment activities.

- The negative attitude about self- employment activity is changing with more youth with secondary level of education becoming self-employed. The educated youth have adopted positive attitudes towards self-employment and have better chances to venture into self-employment activities as an alternative career rather than seeking formal employment, which are not available, since they are risk takers
- \* Kikuyu have acquired entrepreneurship culture. According to the Commonwealth secretariat, 1989, youth in family environments where the socialization process is not conducive to the development of attitudes and values appropriate for the promotion of self-employment with it attendant risk, simply lack personality of entrepreneur. A culture that values an individual who successfully creates a new business will encourage more venture formation than one that does not. Hence entrepreneurial traits are acquired and may not be innate. Through training the other ethnic groups can be induced to acquire the Kikuyu entrepreneurial culture.
- Therefore the background characteristics influence youth involvement in self-employment activities for poverty alleviation

# 5.3 A Comparison of background characteristics of the traders and services providers.

## (a) Birth Order.

There was preference for service provision by younger youth (62.5%) and trade by older youth 158.3%). This may be due to the fact that the younger youth were more educated and had acquired some skills that were important for service provision. The older ones had not achieved high levels of education compared to the younger ones whose educations could have been facilitated by the older brothers and sisters. High levels of education equip people with some skills that are required in service provision and acquisition of such skills can motivate one to start up an activity. Most of the skills required for trade can easily be learned through experience.

# (b) Parents' Occupation Compared.

The majority of the traders' parents (51.1%) were farmers while those of service providers were mainly in business and wage employment (46.9%). This may partly explain the fact that the majority of the first-born were in trade. Trading activities do not require a lot of start-up capital since the equipment used to carry out the activities and display the goods are not expensive. The parents of self – employed youth traders were likely to be unable to provide any financial support for

their children. Hence more of the service providers' parents were businesspersons and wage employees than the traders' parents. Given the nature of their occupation the service providers' parents were in a better position to provide support for their offspring regardless of their birth order

## (c) Parents' Level of Education Compared.

More parents of traders (60%) had primary education compared to the majority of those of the service providers (37.5%) who had secondary education. There appears to be positive influence between the level of education of parents and the choice of self – employment activity by the youth. That is, more educated parents appear to influence higher education attainment by their youth and the consequent preference for services provision type of self-employment activity that requires additional basic skills training by latter. This explains the fact that the majority of the traders had primary education while the majority of service providers had secondary education just like their parents.

### (d) Sclf-employed youth level of Education Compared.

The majority (62.5%) of traders had primary education while the majority (68.7%) service providers had secondary education. This is because most of service activities require technical skills that cannot be easily acquired through experience with in a short time but can be acquired through training. Thus, a majority of Self –Employed youth with secondary education preferred service provision while majority of youth with primary level of education preferred trade activities. However the older traders were better established than the service providers. This is because they had acquired the experience needed, stable background and capital. Age experience is a major predictor of success in self-employment activities. Though education has been associated with higher income, most of the educated service providers had not reached the stability level. They were just beginners struggling to be established.

# (f) Skill Training Compared.

The majority of the service providers (62.5%) had training while most of the traders (45.2%) were untrained. This implies that services provision require some basic skills training unlike most of the informal trade activities. All the trained service providers found their training useful for their activities. For the trained traders, their trainings were not relevant to their current activities but som of the skills learned were found useful. Training therefore provides the youth with useful skills for self-employment activities. Though the majority of the youth had skill training they could not ge

absorbed in formal employment due to the demand for high levels of education, experience, relevant skills and competitive nature of formal employment. The skills they had might have not been relevant for the few available formal employment vacancies and they lack experiences.

#### (g) Age Distribution Compared.

The majority of the traders (45.8%) were older (30-35yrs) compared to the majority of the service providers (62.5%) who were younger (25-29 yrs). This can be explained by the level of education of the older self-employed youth who had only primary education compared to the younger with secondary education. As already pointed out those with low level of education prefer trade while those with high level prefer service provision.

### (h) Marital Status Distribution Compared.

There were more married youth 75%, in trade activities than in services, 25%. This may be attributed to the availability of the start-up capital. The analysis of the source of the start up capital revealed that males were mainly involved as casual laborers before they started their current activities. Those with secondary education got their start up capital from either friends or family members. The married females borrowed their start- up capitals from friends while the single lemales in service delivery got support from their family members. These findings show that family members and/or friends have more trust with the educated youth or they simply do not want the money invested in education to go to waste.

This study finding revealed that the married females interviewed either borrowed their start up capital from their female friends or was given by the friends. This was made possible by the fact that some of them started the business with as little as 20/=. The same females cited reasons related to the daily running of their home as their motivation for starting business. One cited lack of food and cloths for the children while still another one cited the inadequacy of the husband's income, so she wanted to supplement the husband's income.

The fact that the married females borrowed their start up capital and wanted to supplement their husband's inadequate income implies that they were motivated by the need for autonomy which was being frustrated by their spouses' unwillingness to support them. This would mean that the male spouses are not willing to disperse the economic power to their female spouses. This is not in agreement with the earlier studies carried out in U.K that revealed that marriage is good for small

business ownership as the spouses may team in business partnership or support the other in forming a new venture.

Kenya being a patriarchal country with culture heroes, the finding may be true to some extent though the sample had limited representation. There has been two types of power that have dominated the world affairs ever since. These are the muscle and economic powers. In the earlier times the muscle power was more dominant whereas in the modern society the economic power is more dominant. This is true at all levels of the society. Globally the developed worlds use their economic power to dominate over the developing countries. Nationally, the rich use their economic power to dominate the poor. At family level the traditional males have been using their muscle power to dominate over their female spouses. Now that the muscle power is being overcome by events with more females becoming aware of their rights, the culture heroes are turning to their economic powers to dominate their spouses. Such culture heroes feel threatened by the females' empowerment hence the unwillingness to support their female spouses to venture into income generating activities.

According to HDR 2001:xvi, official and unofficial literatures as well as practical daily experiences still indicate that women in Kenya constitute a disadvantaged social group and are discriminated against in many spheres of the society. Based on the available data then, the gender empowerment measure (GEM) for Kenya was estimated at 0.414, a value that placed the country among others low gender empowerment. Looking at the components of the GEM, it is very clear that women politics remain very low, currently women hold only nine of 210 the parliamentary Kenya. However there are eighteen females in parliament with nine of them nominated. Recently the government wanted to create 50 parliamentary seats to improve females' participation in politics but members of parliament rejected the move. The study however revealed that the spouses of the married females were also small- scale business owners or casual laborers with low level of education. Such a category of individuals is likely to be culture heroes, who are usually associated with low level of education and low income. It is however important to note at this point that being a culture hero depends more on the individual's community background than the education and /or income levels. Even though social and cultural expectations and norms still confine women to unpaid household work (linked to their reproductive role) and restrict their participation in paid production or income generating activities. A recent research carried out by Infotrak Research and Consulting and Harris Interactive Global across the country's eight provinces revealed that the traditional mindset is quite strong among the Kenyan men. Half of those polled (600 men) prefer a woman that earns less money than they do (Daily Nation 8th September 2007).

## (i) Gender Distribution Compared.

There were more (37.5%) females in trade than services (18.7%) and more males in services 81.3%) than trade (62.5). The high number of the females in trade may be attributed to lack of basic and/or essential skills and start-up capital needed for service provision which most of the females do not have

These skills cannot only be acquired through experience but involve some training and education. This is confirmed by the study finding that revealed that all the females in service delivery had secondary education and training while most of the females in trade had only primary education.

## (i) Ethnic Groups Compared.

The Kikuyu were the majority in both trade and services. The Kamba were more in trade than services while the Luhya were more in services than trade. The Luo were evenly distributed in both trade and services.

#### Conclusions.

From the findings it may be concluded that the choice of activity is greatly influenced by the background characteristics. The background characteristics of the service providers are quite different from those of the traders. Education is the key factor in determining involvement in self-employment activities. The parents' level of education influences their occupations and their children's level of education and consequently their children's occupations.

## 5.4 Poverty Alleviation.

## (a) Perception of Poverty.

The youth perceive poverty as mainly characterized with scarcity (lack of basic needs), marginalization (unemployment), and lack of capacity (powerlessness and prone to anti-social behaviors). They perceive poverty as a multidimensional phenomena comprising, economic, political, physiological, and psychological deprivations, which manifest itself as vulnerability, powerlessness, humiliation, social inferiority, physical weakness, isolation, lack of assets and inaccessibility to basic needs.

## (b) Youths' Perception of Themselves in Relation to Poverty.

The majority of the interviewed youth felt that they had inadequate or lacked education and employable skills; and lacked support from the government though they were able to generate income to meet their basic needs

## (c) Access to and Availability of Resources.

They had limited access to resources available for their self-employment activities but had acquired some resources necessary for their activities. They were not able to access funds from the microfinance institutions because of the tough conditions put by the institutions.

#### (d) Benefits.

The activities enable them to achieve various benefits including material benefits such as assets including income and investments, and personal benefits such as self-esteem, skills, social integration, financial security and life satisfaction.

## (c) Opportunities.

The self-employment activities provided them with several opportunities such as being employed; participating in economic activities; pursuit of their rights of ownership and protection of property; participation in making decisions that affect their lives; being self-reliant/ independence and to enjoy their right of freedom of expression, association and action.

#### Conclusion.

In conclusion the self-employment activities had provided the youth with the 3 levels of livelihood security. Most of the beginners were found to be at the first level, the survival level at which one is able to meet her/his basic needs but has no saving to sustain stresses and shocks.

The majority had reached the second level, the security level, at which they were surviving but also were able to generate resources to develop assets and capabilities to sustain stresses and growth. The majority of the interviewed youth were able to meet all their basic needs, had savings and some investments and had also acquired some business skills through experience.

The upper age limits have reached the third level, the growth level, at which they felt secure and were able to generate livelihood for others. Some had become job-creators employing casuals and had invested in various assets.

all the activities played a big role in alleviating poverty for them though the majority of the had not reached the growth level of livelihood. Thus self-employment activities provided with the three fundamental attributes of livelihood security: possession of human capital, to assets and existence of economic activities. These activities are important as they create sometiment to the youth; disperse economic power by empowering more young people; and harness vigor which if not meaningfully engaged is often diverted to violence and anti-social activities lead to self destruction resulting in the loss of the youth vigor which is the most valuable large. However the self-employed youth still lacked more skills necessary for descent living.

## ellenges and Coping Mechanisms.

- The main challenge was accessing the funds from parents and/ or financial institution.
- Lack of skills and information.
- Operating under harsh environmental conditions.
- They had adopted various strategies of coping with the challenges though they were temporary measures.
- They learned positives lessons that are important in sustaining the self-employment activities if well practiced.

Per with. Through experience they had acquired problem-solving skills that had enabled them to their activities continuously without breaks in between. The challenges were general to all the adopted temporary coping mechanisms were similar. Avoidance of taxation was due to the horservices offered by the county council.

#### Recommendations.

5

The government should facilitate the establishment of resource centers at community levels where the youth can get information, training and counseling on employment creation and other issues affecting them. Most of the youth are not able to get information from various sources. There has to be away of disseminating information to all youth all over the country. For example the youth week celebrated in all the provinces between 6<sup>th</sup> August and 12<sup>th</sup> 2007 were poorly intended by the youth because the majorities were not aware of what plans the ministry had for them

- 2. The entrepreneurship development strategy should consist of stimulatory, supportive and sustaining activities.
  - a) The stimulatory activities will ensure the supply of entrepreneurs ready to take initiative and organize their enterprise even if this involves risking their career. For example;
    - Entrepreneurial education will arouse the accepted qualities of entrepreneurs such as creativity, risk taking, perseverance, innovativeness and problem solving. These qualities need to be aroused since if they are not aroused they will be developed in only very few people.
    - dentification of potential entrepreneurs through scientific method will lead to outstanding performance by the youth and will make it easier for the microfinance institutions to be lending to the youth without much, restriction.
  - b) The supportive activities provide infrastructural facilities, resources, ability and skills to entrepreneurs for enterprise laughing and management.
  - c) The sustaining activities refer to all such efforts that facilitate growth and continuity through expansion, modernization, diversification and technology upgrading of on-going healthy enterprises and opportunity for rehabilitation of sick units.

Development of entrepreneurs requires integration of stimulating, supportive and sustaining activities. These activities can be reinforced through training processes.

The government, CSOs, and other development partners should concentrate on the entrepreneurship development strategy following the cycle consisting of stimulatory, supportive and sustaining activities. Providing youth friendly micro-finance credit facilities and allocating funds for youth enterprises will not help much unless the majority have been stimulated to venture into self-employment activities.

Through a number of studies carried out in countries where self-employment programme is being promoted on a big scale, it has become abundantly evident that the majority of small business enterprises, especially those launched by the youth, fail because the young enterpreneurs do not posses the requisite managerial or behavioral skills. It is imperative that the youth should have basic education, vocational training and undergo entrepreneurship training before starting a business venture. Teaching of technical skill and business skills should be

into the economic environment.

the study revealed that the majority of the self-employed youth had formal education but cked job skills, the government should make vocational training institutions more accessible to be youth to enable the majority acquire employable job skills along side free secondary ducation.

#### her Research

milar but inclusive study should be carried out in different parts of the country to establish the ous self-employment activities the youth are involved in, this will be important in stimulating the ng people into entrepreneurship as well as informing pro-youth policy development, gramming strategies and national youth self – employment activities action planning.

baseline survey is required to establish the approximate number of youth per constituency to sure that the allocation of youth fund is based on their numbers. The survey should be followed the adetailed study of the youth risk profile to enable them access funds from micro-finance stitutions with ease. Such a scientific research should involve collecting data on youth risk profile and developing an assessment tool for use by individual micro-credit providers. The tool would be to enable credit providers to identify the degrees of risk entailed on offering a loan to a youth.

sessment tool should include age range 20-24 or 25to 29 years, previous work experience, amount of capital, viability of a business plan, access to a mentor and social net work port, which are some of the factors associated with success in self-employment and sustainable come generation in the informal sector.

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#### APPENDICES

## A1: CONSENT CLAUSE AND IDENTIFICATION OF THE RESPONDENT

#### Introduction

I am a student of University of Nairobi, pursuing a Masters of Arts Degree in Community Development and Rural Sociology. I am conducting a study of which the finding may ultimately be useful in forming the designing of policies on youth self-employment activities and in future the distribution of finances towards youth development activities. Any information given will be confidential.

## Consent and identification of the respondent

#### Consent Clause:

The	DUIDOSC	of this	interview	session	is to	gain	insight	into	the	background	characteristics	of	the

self-employed youth living and operating within Ngong-Hills town, the nature of social and economic activities they engage in, and the extent to which these activities mitigate their poverty and/or employment status.

As one of the enterprising youth living in Ngong-Hills, and engaged in self-employment as an occupation, I would like to discuss with you a set of issues and questions related to youth employment in general and in particular, issues that directly relate to your self-employment activities.

I further wish to assure you that the content of our discussions, and in particular your views and opinions shall be treated with utmost confidence. During our interview session, feel free to seek any necessary clarifications.

Do I have your permission to proceed with the interview?

1) Yes. 2) No. {Please commence interview only if consent has been granted}.

# A2: PERSONAL IDENTIFICATION

1.	What are your official names? Surname:	, Middle name:
	Other names:	
2.	(By observation): Record the sex of the respondent:	) Male 2) Female
3.	Date of birth of respondent: Day Month	Year
4.	Location of respondent's current residence: Village/Es	tate
5.	With who do you stay?	
6.	Marital status of respondent: 1) Single 2) Married	
(1 (	(If single, skip Questions 7 below)	
7.	. If married, what is the occupation of your spouse? 1)	Professional (specify)
	2) Business (specify)3) Farmer 4)	Wage employment 5) none

#### 3: BACKGROUND CHARACTERISTICS OF SELF - EMPLOYED YOUTH

Level of education of respondent's household members:

No.	Respondent's	Sex	Level of education of Household member					
	Household	1 = male	0 = None; 1 = Lower Primary; 2 = Upper Primary;					
	member	2 = female	3 = Secondary; 4 = College; 5 = University					
1	Mother							
2	Father							
3	Respondent							
4	First born							
5	2 <sup>nd</sup> born							
6	3 <sup>rd</sup> born		٠					
-	4 <sup>th</sup> born							
(	8 5 <sup>th</sup> born							
2.			th in your family? a) 1st born; b) 2 <sup>nd</sup> born; c) 3 <sup>rd</sup> born					
	·		bom; g) other, (specify)					
•	What is the occupation of your parents?							
i	. Mother?							
	1) Professional	(specify)	; 2) Business (specify)					
	3) Farmer; 4) Wage employment; 5) none							
ii	. Father?							
1)	1) Professional (specify); 2) Business (specify)							
3)	Farmer;	4) Wage empl	oyment; 5) none					
	What is your ethr	nic group?						
	What professiona	l and/or skills	s-based training have you had after school?					
	-		hese) training(s) been to your current self- employmen					
	activity?		, , , , , , , , , , , , , , , , , , , ,					

- 7. Please tell me about your parental background. (Prompt and tick as appropriate):
  - 1) Both parents are alive. 2) Both parents died 3) one of the parents died
  - 4) Single parent (alive), Specify whether mother or father. 5) Single parent died.

# 9: SELF-EMPLOYMENT ACTIVITIES AND POVERTY ALLEVIATION

	Who started the activity? 1) Self; 2) Youth group; 3) Family member(s);						
	4) Others (Specify						
	i low much time do you spend on this activity:						
	i. Per day?  ii. Per week?  iii. Per month?						
	Did the activity require start-up capital?						
	1) Ycs 2) No						
	If yes, how much? KSh.						
5.	How did you raise the start-up capital?						
	1) Self 2) Family 3) Youth Self – Help Group						
	4) Borrowed from friends/local money lender						
	5) CBO/NGO (Specify)						
	6) Took a loan/credit from SACCOS/MFI/Bank (Specify)						
	7) Government 8) Donor Agency (specify)						
	9) Any other sources? (Specify)						
	Who finances your self-employment activity on an ongoing basis?						
	1) Self; 2) Family; 3) Youth Self – Help Group;						
	4) Borrowed from friends/local moneylender;						
	5) CBO/NGO (Specify)						
	6) Loan/credit from SACCOS/MFI/Bank (Specify)						
	7) Government; 8) Donor Agency (specify)						
	9) Any other sources? (Specify)						
7.	What motivated you and/or others to start this activity?						
	Approximately, how much is your saving now in form of:						
	Cash in hand (KSh); 2) Cash held in bank account (KSh)						
	3) Debtors (KSh); 4) Stock (KSh)						
0,	Before you started this activity, what were your other sources of income?						
10,	How have you invested part of your savings, and/or what other assets do you have apart from						
	savings in cash?						

Do you have any employees and/or volunteers assisting you in this activity?

1) Yes

2) No

If yes, how many are they, what are their respective responsibilities, and how much do you pay each of them?

How do you allocate your monthly and annual net income from the above self-employment activity (in order of importance)?

Average Monthly Net Income	Order of	Average Annual Net Income	Order of
(KSh)	priority	(KSh)	priority
Rent		Rent	
Food		Food	
Clothes		Clothes	
Health care and medical support		Health care and medical	
		support	
Education (school/college)		Education (school/college)	
Social entertainment		Social entertainment	
Personal upkeep and grooming		Personal upkeep and grooming	
Purchase of household goods		Purchase of household goods	
Family development project		Family development project	
Religious support and/or charity		Religious support and/or charity	
Others (specify:		Others (specify:	

- 14. Do you consider your Activity a success?
- 1) Yes
- 2) No
- 15. If yes, what are the factors of success of your activity?
- 16. What benefits have you achieved since you started the activity?
- What opportunities do you have by being involved your current self-employment activity?
- What skills (administrative, managerial and technical) do you consider absolutely necessary for the success of such activity as yours?
- Which of these skills do you have? How did you acquire them?
- 20. What plans and/or arrangements have you made to build your capacity in the other essential skills?

# PERSONAL INNOVATION, POVERTY ALLEVIATION, CHALLENGES AND COPING CHANISMS.

What is your ambition in life?

In your opinion, does this activity appeal to other youth within the area where you live? Please explain your answer

According to what is poverty?

What are some of the characteristics of the poor?

How do you compare yourself with the poor?

What do you consider as the major achievements of your activity? Explain your answer.

What challenges do you face in carrying out your activities?

How do you cope with the challenges?

- According to you, how should the Government administer the recently started Youth Affairs Development Fund to alleviate youth poverty and unemployment in this country?
- 10. Apart from the government, who are the other key stakeholders in alleviating poverty and promoting youth development activities? What are their roles?
- What lessons have you learned which you consider most valuable in ensuring the future success and expansion of the current activity?
- 2. What recommendations and/or advice would you like to give to other youth who may be interested in staring their own self-employment activities?

## A6: KEY INFORMANTS INTERVIEW GUIDE

#### Council Rates Collectors

- What are the statutory requirements of businesspersons who own small business enterprises in this town?
- 2. Are they required by law to formally register their business undertakings? 1) Yes; 2) No
- 3. If yes, with which authority?
- 4. What are the registration rates/fees for various small business categories?
- 5. How often are the small business enterprises required to renew their registration?
- 6. How do the small business proprietors benefit from such rates collections?
- 7. What challenges do you face (if any) while collecting rates from small business traders in Ngong?
- 8. How do you cope with these challenges?

#### 46: KEY INFORMANTS INTERVIEW GUIDE

#### 2 Customers

- 1. Are you aware of any services and/or goods delivered by Self employed youth activities and/or trade in Ngong Hills town? 1) Yes; 2) No
- 2. If yes, name some of them and give your honest opinion of their respective qualities.
- 3. Which of these goods and/or services do you get from the self employed youth activities in Ngong Hills town?
- How do these goods and/or services that you receive from the self employed youth activities compare with those from other traders in Ngong Hills town?
- 5. How dependable has been the supply of goods and/or services by self employed youth activities in Ngong Hills town over the last three months?
  - 1) Regular, sufficient quantities and on time; 2) Irregular; 3) Irregular and insufficient
- 6. In your view, what are the major challenges faced by self employed youth activities in Ngong Hills town in order of importance?
- 7. Give suggestions on how the self employed youth could resolve these challenges.
- 8. How can the self employed youth make their activities more viable and sustainable in the long run?

## A7: FOCUS GROUPS DISCUSSION GUIDE

# (Instructions to the Facilitator: Use separate sheets of paper/note book to record discussions.)

- 1. What is poverty? Discuss.
- 2. What are some of the key behavioral characteristics exhibited by the poverty stricken persons/families?
- 3. What kind of resources support is available to the youth self-employment activities? (Discuss the nature of support, source and adequacy or otherwise).
- 4. Are the youth able to access the available resources?
- 5. What difficulties do the youth face in accessing support for their self-employment activities?
- 6. What are some of the major problems and challenges faced by the self-employed youth in their current activities?
- 7. How do the youth engaged in self-employment activities cope with these problems and challenges? Suggest possible long- term solutions to these problems and challenges.
- 8. How can the self employed youth in Ngong Hills effectively sustain and expand their activities for posterity? What role(s) should the key stakeholders (Government, NGOs, Donors, Private sector, Faith based Organizations, Employers, Training institutions, Parents and CBOs etc) play in this noble initiative?
- 9. What major lessons have you learned in your self employment activities?

LIDNO PENATTA MENTRIAL

