

**INFLUENCE OF YOUTH ENTERPRISE DEVELOPMENT FUND ON THE  
GROWTH OF YOUTH GROUP PROJECTS IN KENYA; A CASE OF  
GATUNDU NORTH DISTRICT.**

**BY**

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## DECLARATION

This research project report is my original work and has not been presented for any examination in any other university.

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

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## **DEDICATION**

This project report is dedicated to my wife Faith and our three children, Jacqueline, Charles, and Melvin who tirelessly supported me through prayers and words of encouragement and to my parents Virginia and Charles who invested in my Education.

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## ABSTRACT

The purpose of this study was to find out the influence of youth enterprise development fund on the growth of youth groups projects in Kenya but more specifically in Gatundu North District. The government of Kenya through the Ministry of Youth affairs and sports has tried to economically empower the youths through various projects like the youth empowerment marshal plan, the national youth policy and the establishment of Youth Enterprise Development Fund in 2006. However these efforts do not seem to bear much fruits in as far as youth empowerment is concerned. This necessitated carrying out this study with four objectives in mind i.e. to establish the extent to which entrepreneurship training through YEDF influence growth of youth group projects, to determine the extent to which accessibility of YEDF funds influence youth group projects; to examine the extent to which sufficiency of YEDF funds influence youth group projects and to establish how repayment of YEDF funds influence youth group projects. The study employed descriptive survey design for the purpose of describing the state of affairs as they were. The study involved a sample of 132 youths drawn from a population of 200 youths who were members of 20 youth groups each having an average of 10 members. Data was collected from respondent using questionnaire. The study instruments were validated prior to actual data collection by close consultation with research experts and peer students. 10 youths who were members of 5 youths groups from a neighboring Gatundu south district were used for the pilot testing. The scores obtained from the pilot respondents were correlated to determine the instruments reliability. Obtained raw data were systematically organized, coded, analyzed through descriptive statistics and finally presented using percentages and frequency distribution tables. The research findings of this study showed that entrepreneurship training by YEDF, sufficiency of YEDF funds, accessibility of YEDF funds and the repayment of the funds all had positive influence on the growth of youth group projects. The study recommends that the Government through YEDF should enhance and invest more on entrepreneurship training to the youths before any loans are given to them either in groups or as individuals. This was so since from the findings 80% the 123 sampled youths who reported having not been trained on entrepreneurship reported problems in repayment of their loans which could be attributed to poor business performance due to lack of management skills. The Government through YEDF should come up with a legal mechanism on how to ensure loans extended to youths are paid back on time since from the study repayment of funds faced challenges emanating from lack of legal mechanism on how to recover the funds disbursed to youth groups.

## **ABBREVIATIONS AND ACROYNMS**

AYF	African Youth Foundation
CDF	Constituency Development Fund
ECA	East Commission for Africa
GOSL	Government Sierra Leone
ILO	International Labour Organization
ICT	Information and Communication Technology
KAIS	Kenya AIDS Indicator Survey
KERYLIP	Kenya Rural Youth Livelihood Strategies Programme
KKV	Kazi Kwa Vijana
KNBS	Kenya National Bureau of Statistics
KYF	Kenya Youth Foundation
LDC	Locational Development Committee
MOYAS	Ministry of Youth Affairs and Sports
MFI	Micro Finance Institutions
TISA	The Institute of Social Accountability
UNDP	United Nations Development Program
WPAY	World Programme of Action of Youth
YEDF	Youth Enterprise Development Fund
YESA	Employment Scheme Abroad

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study.

With the youth population in the world being estimated to be 1.6 billion, unemployment has become one of the most daunting economic challenges facing the youth in the world today. Almost all countries in the world are currently faced by a youth bulge; this is a situation that occurs when more than 20 percent of a country's population is comprised of young people (Youth and Human Development Report, 2010).

Having a population skewed towards the young has become a challenge to many countries in the world. Conventionally a large population means that the economy will be strained to support large and growing numbers of youths and per capita incomes will necessarily shrink.

Gunnar Heinsohn (2003) argues that an excess of young adult males in a population can lead to social unrest and further cautions that developing countries undergoing a demographic transition are especially vulnerable. A large proportion of young adults and a rapid rate of growth in the working age population tend to exacerbate unemployment, prolong dependency, and diminish self esteem and fuel frustrations (Gunnar, 2003).

According to the International Labor organization the world's youth population has grown with more than 10% while the youth employment rate grew by less than 1% (World Bank, 2006). Furthermore according to ILO more than 70 million youths are unemployed this representing two fifths of the total unemployed people in the world.

As Somavio (2009), the Director General of the UNs International Labor Organization puts it, the world, Kenya included is wasting an important part of the energy and talent of the most educated youth generation humankind has ever had through unemployment (Kenya National human Development report, UNDP 2009).

The World Bank estimates that by 2015, there will be more than three billion people in the world under the age of 25 years. The quality of and their level of education and unemployment will play a role in the world's ability to meet the challenges of the 21<sup>st</sup> century. Despite being the world's most educated generation ever, statistics from the ILO shows a continued rise in population of unemployed youth (U.N., 2008).

Africa has also gotten her share of youth unemployment. Many African countries especially in the sub-Saharan evidence show that many young people are either underemployed or employed in the informal sector. In Uganda for example over 70% of the urban workers are informally employed. As Migire, 2011, in his research puts it; the share of unemployment in sub-Saharan Africa to total unemployment has reached nearly 80% of the total unemployed in some countries (Migire, 2011).

In the 1990s both sub-Saharan Africa and North Africa recorded the world's highest youth unemployment. In Tanzania the magnitude of unemployment is a fundamental problem. The economic growth that is currently taking place in the country has not been able to generate adequate employment and income generating opportunities to absorb net increases to the labour force and reduce the proportion of the labour force that is unemployed and underemployed (Asha, 2007).



In Kenya, according to the 2009 Kenya population and housing census, the total population was noted to be 38, 610,097 people. There seemed to be quite a steady growth over the years and by the end of 2012, the population was projected to have grown to 41 million people. The steady increase in population growth has always been attributed to improved health care, improved nutrition, high fertility as well as absence of armed conflicts in many areas of the country.

Though Lumumba 2010, commenting on progressive agribusiness was of the views that high population growth may not necessarily be a bad thing if taken as a market waiting to be exploited, Kenya's population increase has brought with it high levels of unemployment and under employment. The constant scramble for scarce opportunities by graduates from tertiary institutions and school dropouts, all in the name of survival is undesirable and contradicts the spirit and aspirations of the vision 2030 blue print (Lumumba, 2010)

So as to cushion youth against unemployment governments all over the world has come up with programs which are aimed at ensuring that youths play crucial roles in country's development.

Internationally there exists the common wealth plan of Action for youth empowerment which is a framework for Common Wealth action in Youth Affairs. The plan of action for youth empowerment takes its place alongside human rights instruments, poverty reduction, national budgets and other policy framework relevant to the youth. It was launched in 2000 and its contribution has been to stimulate an assets based approach to youth development where it recognizes young people as an asset to their societies as it builds on young people's capacities and agency to overcome poverty. Also engaging

young people in decision making as partner in democracy and development([www.un.org/youths](http://www.un.org/youths))

Decentralization of financial decision making has been done in many countries in the world. In Bolivia for example, decentralization of financial decision found that investment patterns in human capital and social service changed significantly after decentralization, the poorest and the smallest municipalities invested in the highest priority Youth Projects (Faguet, 2004).

Many countries such as India has established Youth policies using the World Programmes of Action for Youth (WPAY) to the year 2000 and beyond as a guide. In this process it's worth noting that the WPAY mentions that Governments and Youth organizations should promote an "active and visible policy of mainstreaming a gender perspective in all policies and programmes," ([www.un.org/youths](http://www.un.org/youths)).

There exist the concept of Youth Business Enterprises which is complex such that an explicit relationship of performance of Youth Business Enterprises with various factors of production in economic terms is yet to be fully explored in research, thus the concept remains often unclear (Hirsch, 2008). Furthermore the origin and determinants of performance of Youth Business Enterprises are well understood in society, informed and innovative actions can be undertaken by the supporting institutions so as to promote innovative-competitive new business ventures (Ghani, 2008).

Policies and programmes designed specifically for promotion of performance of Youth Business Enterprises greatly affects innovation and competitiveness for wealth creation. Moreover, other spillover effects such as employment for youth (the world's vast

majority of population); improved social services like education, health care and peace building by maintaining law and order through effective governance of the states are attained (Mache&Markley,2003).

The youth however remain largely unemployed and entangled with many obstacles to effectively participate in performance of Youth Business Enterprises in many African countries. In the youth and employment study commissioned by the government of Sierra Leone (GOSL) in 2006 more than three quarters of the youth worked in the informal sector and mainly the agricultural sector. The low productivity and income in the agricultural sector have increased migration of youths to cities and urban areas to seek employment opportunities. Most of the youths remains unemployed and have joined the ranks of the urban poor (Backes &Werner, 2007).

The African Youth Foundation (AYF) is a nonprofit development organization based in Bonn, Germany, with a regional office in Accra, Ghana. It was established in 2000 to aid young Africans in Africa and its Diaspora, as well as Europeans of African descent, to undertake projects that will enable them to obtain skills necessary for their future livelihoods. The organization specializes in training young people in business and entrepreneurial skills through the help of local business institutions. AYF promotes self-awareness, researches development conditions in African countries, and analyzes favorable conditions for development and participation of youth in social life. (<http://www.ayf.de>)In South Africa there is the South African national Youth Policy 2009-2014 which is aimed at identifying gaps in the current policy and propose strategic policy interventions designed to fill them there by speeding up further development of the youths (South African national youth policy, 2009).

As experienced elsewhere in the world, Kenya is faced with a bulging youthful population yearning for food and jobs. According to Kenya National Human development report 2009, approximately 36 percent of Kenya population is youths who are dynamic and full of energy ready to play significant role in the country's economy, politics and culture.

The youth's accounts for about 60 percent of the active labor force but the majority estimated to be 75 percent or 3 million people are unemployed with 800,000 people joining market every year with good academic qualifications (Kenya National Human Development report, 2009). So as to cushion youths against unemployment the government of Kenya came up with various interventions among them being the creation of Ministry of Youth Affairs and Sports and in it the formation of Youth Enterprise Development Fund (YEDF) which was created in 2006 and later on in 2007 transformed into a state corporation whose role among other things would be to extend loans to the youths in the Country at very low interest rates so that the Youths would start their own businesses either in groups or individually(MOYAS,2007).

Other mandates of Youth Enterprise Development Fund (YEDF) would include market support and linkages, commercial infrastructure and entrepreneurship. YEDF is also mandated to facilitate young people whose services are not engaged locally but are required abroad to secure employment. In regard to this, YEDF has developed labor migration framework to guide youth labor migration process (MOYAS, 2007).

YEDF under this mandate has developed on leading migration loan product to successful youth through private agencies and by 2012 YEDF had released 9 million Kenya shillings and was in the process of releasing another 12 million to private employment

agencies for on lending to youth migrants. YEDF has also signed memorandum of understanding with international organization for migration to provide pre departure training and by 2012, 4000 youths had undergone the training before leaving to take up jobs abroad.

In the recent past however, youth empowerment has been prioritized through majority of government of Kenya's development vision and planning instrument such as vision 2030, youth empowerment Marshal Plan, the National youth policy and the associated development plans and strategies. It is noteworthy that Kenya is a signatory to the African charter which recognizes that youths are partners, assets and prerequisite for sustained development and for peace and prosperity of Africa with unique contributions to make to the present and to future development. (Kenya National Youth Policy, 2006)

Gatundu north district was gazetted in 2009 having been curved from the larger Gatundu district. It is one of the 10 districts in Kiambu county and measure 289 km<sup>2</sup>. It neighbors Gatundu south to the west and Thika west to the East. According to 2009 national population census, Gatundu north population was 100,611 persons out of which about 30%, that is 30,183 were youths between 18-35 years (Kenya Population & Housing Census 2009, Volume 16)

The population density in the district was at 375 while the population growth rate was at 0.9%. As indicated, 30% of the population in the district was comprised of youths. The national unemployment outcry has also affected the district and therefore youths were eager to grab any opportunity that came their way in an attempt to better their livelihoods. (Gatundu District Development Plan, 2012).

## 1.2 Statement of the Problem

With the world in most parts experiencing youth bulge and without commendable growth in job creation, unemployment has increased posing a threat to social stability. Appropriate policies are needed to boost the relevance and quality of school curricula, provide support for vocational training and kick start job schemes that provide relevant and adequate skills training (Kenya National Human Development Report, 2009).

Although the Government has come up with programmes and policies to cushion youth against unemployment such as Youth Enterprise Development Fund, there seem to be no studies done to investigate what influence YEDF have had on the growth of youth groups' projects in Kenya.

Abdirahiman, 2010 studying the influence of YEDF on youth livelihood in Madera district only looked into the influence of YEDF on youth capacity to self reliance and income levels. He never looked into how YEDF has influenced the profit margins, income level as well as the expansion of projects owned by youth groups after being funded by YEDF since it was established in 2007.

Migire, 2011 studied the influence of youth funds on small scale enterprises owned by the youths in Kasarani constituency. There therefore seems to be no study done to find out how YEDF has influenced the growth of youth groups projects in Kenya.

The C.E.O of Youth Enterprise Development Fund in the status report of the fund from 2007-2012 revealed that 5.9 billion Kenya shillings had been spent to fund 158,000 youths enterprises in the country, so how has this huge amount of money influenced the

growth and profit margins of these many youth enterprises funded by Youth Enterprise Development Fund?

Perhaps then there was need for thorough research to be carried out to find out whether there is a relationship between the huge expenditure and growth, expansions and profitability of youth groups projects started through Youth Enterprise Development Fund initiative in the country.

This research therefore sought to find out how Youth Enterprise Development Fund have influenced growth in terms of expansion and profitability of Youth groups Projects in Kenya and especially so in Gatundu North District, since the youths in the district have also benefited from the YEDF funds. By the end of 2012, 4.45million Kenya shillings had been given out to youths in the district since 2007 according to YDEF status report of 2012. Out of this amount only 873,000 Kenya shillings have been repaid.

So, how have these funds influenced the Youth's Projects in this District? How has this repayment rate influenced the growth of Youth Groups Projects, in the District? This is what this research was trying to find out.

### **1.3 Purpose of the Study**

The purpose of this research was to investigate the influence of Youth Enterprise Development Fund on growth of youth groups' projects in Gatundu North district.

#### **1.4 Objectives of the Study**

The objectives of the study were;

- i. To establish the extent to which entrepreneurship training through YEDF influenced growth of youth group projects in Gatundu North District.
- ii. To determine the extent to which accessibility of YEDF funds influenced growth of youth group projects in Gatundu North District.
- iii. To examine the extent to which sufficiency of YEDF funds influenced growth of youth group projects in Gatundu North District.
- iv. To establish how repayment of YEDF funds influenced growth of youth groups projects in Gatundu North District.

#### **1.5 Research Questions**

- i. To what extent has entrepreneurship training by YEDF influenced growth of youth group projects in Gatundu North District?
- ii. To what extent has youth enterprise development funds accessibility influenced growth of youth group projects in Gatundu North District?
- iii. To what extent has sufficiency of youth funds given to youths influenced growth of youth group projects in Gatundu North District?
- iv. What is the extent to which repayment of YEDF funds influenced growth of youth group projects in Gatundu North District?



## **1.6 Significance of the Study**

It was hoped that this study would generate knowledge and information on the influence of youth enterprise development fund on the improvement, growth and expansion of the youths group projects based on the access of youth funds, repayment of youth funds, sufficiency of the youth funds and entrepreneurship training by youth fund.

It was also hoped that the research findings would also assist the policy makers and program implementers on the best way of implementing the programmes based on the actual outcome of the research as it also tried to establish how repayment of YEDF funds influenced growth of youth group's projects in Kenya.

The findings would also be useful in making conclusions, recommendations and suggestions for further studies. The findings of this study would also bring to the surface the impediments that influenced the growth and expansion of youth group projects. The study it was hoped would inform other stake holders like the community social organizations donors and the private sector on how best to take up youth based programmes with the aim of enhancing the performance of youth enterprises.

The study may also be used in informing the training institutions on how to organize their programs so as to include pragmatic tailor made curriculum that would tackle the knowledge gap that exist in business management. The findings would also be used in unraveling the interventions that could be put in place to address the challenges facing the youth in Kenya in the utilization of YEDF funds.

## **1.7 Limitations of the Study**

The researcher was a student and an employee and therefore with limited time to carry out the research. The researcher requested for leave from the employer and with the assistance of a research assistance was able to carry out the research.

Uncooperative respondents were encountered due to the suspicion on the real motive of the researcher. Most of the suspicious respondents were from groups which had not cleared their loan repayment; however working closely with group leaders the researcher was able to convince and explain to them that the sole purpose of the study was purely academic.

There was also the budget constraint since the researcher had to fund the research. The rugged terrain with steep grounds was also limitation especially in tea growing zone. This was overcome by the use of a motor cycle which was cheaper to lease and convenient in reaching out to respondents in the hilly rugged terrains..

## **1.8 Delimitation of the Study**

The study was carried out in Gatundu North district in Kiambu County. The study targeted 20 youth groups whose members were aged between 18 to 35 years which were funded by YEDF and had stayed for at least 2 years since they were funded since was easy to notice any growth from such groups after such a period of time. The groups were drawn from the 8 locations which made up the district.

## **1.9 Assumptions of the Study**

The assumptions of this study was be that the researcher would receive factual honest responses from the respondents and that the youths selected for the study would be a good representative of youths in the district.

It was also assumed that the youths in the district were familiar with the operations and functions of the youth enterprise development fund and its mandates.

## **1.10 Definition of Significant Terms used in the Study**

**Growth:** In this study growth referred to the positive change of youth group projects in terms of expansion, profitability and increase in working capital.

**Accessibility:** In this study accessibility referred to the easiness or difficulties in getting youth funds.

**Entrepreneurship Training:** In this study the term entrepreneurship training referred to imparting of business oriented skills to the youths as individuals or in groups.

**Sufficiency:** In this study sufficiency meant adequacy of the funds given to youth groups by YEDF.

**Livelihood:** In this study the term livelihood referred to the means or the methods used by people to earn a living through various activities.

**Income:** In this study, income referred to the financial gain to a person or group of persons from activities funded or supported through YEDF.

**Unemployment:** unemployment referred to a situation where by youths had no jobs despite the fact that they were ready and willing to work.

**Youths:** A youth in this study was taken to be any person between the ages of 18 and 35 years.

**Youth Enterprise Development Fund (YEDF):** This referred to the fund established by the Kenya Government in 2006 with the mandate of giving loans, providing training as well as offering market linkages to youths in the country with intention of reducing unemployment and poverty among the youths.

**Devolved funds:** This referred to decentralized funds from the government from the consolidated fund to support individuals or groups of persons to better their lives.

**Youth Groups:** Was used to refer to 8 or more persons aged 18-35 who wished to come together for a common objective namely to better their lives both socially and economically. The group comprised of 8-13 members.

### **1.11 Organization of the Study**

This research project report comprise of 5 chapters. Chapter 1 deals with the introduction of the study and in it there is the well articulated research problem. The purpose of the study was stated, specific objectives of the study and the research questions formulated, significance of the study, limitation and delimitation of the study were clearly noted as well as the assumptions of the study and the definition of the significant terms well articulated.

Chapter two is the literature review that supports the study and comprises of introduction of the chapter content; then literature review presented according to the objectives of the study. At the end of the chapter is the conceptual framework.

Chapter three comprise of the research methodology that was employed as the researcher undertook the study. The chapter also dealt with research design, target population, sampling procedure, sample size, research instrument, data collection procedures, data analysis techniques, as well as the operational definition of the variables.

Chapter four presents data analysis, interpretation and presentation. It starts with the analysis of the personal information of the respondents and the rest of the chapter has been arranged according to the objectives of the study.

Chapter five presents the summary, conclusions, discussions and recommendations of the findings and the suggestions for further studies on the influence of YEDF on youths.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter identified the various efforts which had been employed by the Kenya government to try and cushion the youths against the rampant unemployment levels through devolved funds.

The chapter however focused more on the youth fund. The chapter also discussed Entrepreneurship Training and growth of Youth group projects, Sufficiency of Youth funds and growth of Youth group Projects, Repayment of Youth funds and growth of Youth group Projects as well as the influence of Accessibility of YEDF funds on growth of Youth Projects.

#### **2.2 Youth Enterprise Development Fund Entrepreneurship Training and Growth of Youth Group Projects.**

United Nations in October 2006 reported that youth represented one fourth of the world's population of about 6 billion. Out of these, one fourth, 86 percent live in the developing countries. The report further said that one in five youths live on less than a dollar per day and about 45% lived on less than 2 dollars per day (world bank, 2006).

The poverty level was further compounded by lack of access to education, training, hunger and malnutrition, high exposure to diseases, and poor participation in decision making. Most of the problems facing youths today are not confined to any one country but are global in nature. Every country in the world reports on youth and drug abuse,

youth and crime, violence, identity crisis, lack of self confidence as well as low esteem, confusion and low morals. However, as Semboja reports, though young people consist of the most commonly active segment of population, they eventually desist from crime and deviant activity (Semboja, 2005).

In most African countries, unemployment, underemployment and poverty levels have continued to increase and have remained at extremely high levels despite considerable efforts to promote sustainable development by the respective national government and international development partners (Economic Commission for Africa, ECA 2002).

According to the commission there has been an increased concern over the tragic waste of human potential particularly for the youths who are either unemployed or underemployed. The proportion of young women in poverty is still more than that of men. Young women work more in agriculture and informal sectors where they earn low income and this explains why there is feminization of poverty in Africa (David, 2008).

However, there are several factors which are critical to positive youth outcomes. These factors include acquisition of wealth, access to education and training, access to labor markets, good personal and reproductive health, and access to social services as well as longevity of life.

This is best achieved through combination of skills training (usually non formal education), mentoring and guidance combined with helping young entrepreneurs gain access to financial capital. Skills training programs should provide youth with opportunities to master core literacy and numeracy skills, vocational as well as life skills. Skills training should build upon the existing knowledge and experience of participating

youth and relate these to the predominant household entrepreneurial strategies (Backes & Werner, 2007).

There should be schedules and locations that are compatible with the participants' livelihood and family demands and security concerns. Any skills training should enable youth to participate fully while reminding them to invest their scarce resources only in programs that are beneficial to them (David, 2008)

In an attempt to address the theme on Youth Unemployment and Empowerment, the Government has come up with various policy documents such as Poverty Reduction Strategy Paper which extensively elaborates on Youth Employment Strategies through Youth Training on Entrepreneurship, Vocational Training as well as career guidance service development.

In order to address some of the youth employment related problems, the Government of Kenya transformed Youth Enterprise Development Fund (YEDF) to a state corporation in 2007 with the aim of carrying out specific mandates to address Youth Unemployment issues.

Youth Enterprise Development Fund has initiated programs meant to cushion youths from unemployment for example through extension of low interest loans to individuals and groups of youths. However before any disbursement of funds to youths either in a group or individually is done, training on entrepreneurship has to be carried out.

Entrepreneurship is regarded as a process of enlarging people's choices. These choices primarily reflect the desire to lead a long and healthy life: acquire basic knowledge and have access to resources essential for maintaining acceptable standard of living.



Entrepreneurship provides the youth with knowledge and information which may contribute very effectively to the realization of their potential. It can also supply a strong sense of self esteem and self confidence. Entrepreneurship is therefore a social instrument for developing human resource and capital (UNDP – 2009).

Performance of youth business enterprises is a function of awareness information since inadequate information is a constraint to economic growth and development training prepares the youth group for effective business management in addition to financial control and accountability (Eggleston, Jensen&Zeckheuser, 2002)

Entrepreneurship training and provision of appropriate Business Development Services are key to the YEDFs achievement of its mandate. Business information awareness gained from training in entrepreneurial activities, employment and access to credit. Besides ensuring that youth have adequate skills, it is also supposed to assist them in identifying and tapping into business opportunities, while embracing modern Business Management techniques (McQuaid, 2002).

YEDF has a mandatory pre financing training programme to enhance sustainability of youth enterprises. By the mid 2012 YEDF reported having provided entrepreneurship training to over 200,000 youths (status report, 2007- 2012).

Youth Enterprise Development Fund has partnered with the Ministry of Cooperative Development to assist Youth form saving and credit cooperatives (Sacco). By 2012 YEDF had facilitated the formation of 24 Youth Sacco. Besides being marketing vehicles for youth enterprises these Sacco will also be used as financial intermediaries through which the fund can reach members with credit facilities (status report, 2007-2012).

According to 2007-2012 status report on YEDF by 2012, 2500 youths in 24 constituencies had been trained on how to Access procurement from the public sector. YEDF has also supported two businesses plan competition in which over 10,000 youth entrepreneurs have been trained and winners awarded.

However there is need for the Government to address the mainstreaming issues in the education sector, revamp adult education programmes as well as enabling the return to the school policy for girls who have given birth and are frequently barred from returning to school this will ensure that the youths easily understand the entrepreneurial programs offered to them more easily.

Proposals for tackling the economic challenges faced by the Youth through unemployment and national productivity include improving practical skills training to enhance the education to work transition, enhancing youth Entrepreneurship opportunities through improved Access to financing for youth-led employment initiatives as well as Identifying specific barriers to Youth Employment ( Kenya National Human Development Report, 2007).

Information and communication technology (ICT) is the fastest growing sub sector in Kenya with many youth forming the critical mass of ICT related business. The possibilities that ICT offers for youth employment is evidenced by the numerous ICT based small enterprises where young people provides services such as cybercafés, telecom facilities, tele centers and computer training (Kenya national human development report, 2007).

It is however important that these youths undergo training on entrepreneurship before they get funding from any financial intermediary to start these enterprises.

The youth problem thus requires properly planned well structured and broad based programs. So far the government seems to be tinkering at the superficial level without a long term, comprehensive plan. Accelerating economic growth is central to creating employment opportunities for youth as well as providing market driven education and training and life skills (*www. Wilson centre. Org African programmes*)

### **2.3 Accessibility of Youth Enterprise Development Funds and Growth of Youth Groups Projects.**

In a cross cultural study of potential entrepreneurs in India, China, Thailand and Australia on entrepreneurial intention and attitudes, Fitzsimmons & Douglas in 2005 established that inadequate financial resource is a major constraint in one's gaining the initial business inertia and further grow to a successful entrepreneur. Therefore, in any state inadequacy of government revenue to provide adequate financial allocation for YEDF is a limiting factor towards enhancement of performance of youth business enterprises (Fitzsimmons & Douglas, 2005). Wolff & Pett (2006) observed that inadequate financial resource endowment may be compensated for by flexibility, agility and innovation.

The enactment of laws that protect intellectual property and innovation as incentive for business venture would also be beneficial to the performance of Youth Enterprises (Rapando, 2008) However too many bureaucracies and regulations are likely to be impediments towards a long lasting performance of youth business enterprise. Macke &

Makley, (2003) noted that small weak markets are obstacle to entrepreneurial activities because of their limited opportunities.

Rapando (2008) suggest that the government and other regulating bodies should protect local entrepreneurial youth when faced with serious challenges that could ruin their enterprises. A survey done by Mbatia& Mbugua (2009) on challenges facing the youth in Nairobi, 62.4% of the 180 sampled youth knew very little about YEDF. This clear lack of information is likely to influence accessibility of youth funds.

In general there is a direct correlation between employment status and the youth income. Employment or access to income earning opportunities forms basis for enhancing youth incomes, alleviating poverty and improving standards of living. Although Youths Economic status can be influenced by that of their parents, the ultimate determinant of their income level is access to regular work. The level of accessibility to credit among the Youth is thus a critical factor in their development ([www.wilsoncenter.org/africanprogramme](http://www.wilsoncenter.org/africanprogramme)).

Provision of loans and business development services to Youth Enterprise either through financial intermediaries, youth groups or individual enterprises has been the main focus of the Youth Enterprise Development Fund. The fund as at 31<sup>st</sup> December 2011 had made the following disbursements; 614.8 million Kenya shillings to 13,341 youth groups and 66.1million Kenya shillings to 2645 individual enterprises. YEDF had also partnered with 33 financial intermediaries for on lending funds to youth. These financial intermediaries had on lent a total of 5.2 billion Kenya shillings in all counties in the country by 2012 (Kenya Government, Youth Enterprise Development Fund Status report, 2012).

It is however worth noting that YEDF loans are always channeled to the Youths through three modes, namely Constituency Youth Enterprise Scheme (C-yes), the Easy Youth Enterprise Scheme (E-yes) and through Financial Intermediaries. C-yes provides loans to Youth Groups at the Constituency Level throughout the country. The range products covers start up businesses, expansion of business and loans for special projects. There is a 5% management fee charged on these loans.

E- Yes is a constituency based loan intended to finance individually owned enterprises at the group level. It is actually an enhancement of the C-yes graduating the group members to individual loans while supporting individual youths who are in existing businesses. This product targets all young entrepreneurs between 18-35 years who have excelled under C-yes model. YEDF charges 8% management fee on these loans. (Kenya Government 2007, Youth Enterprise Development Fund Status report,).

The on- lending component of YEDF mainly works through financial intermediaries such as banks, nongovernmental organizations, savings and credit cooperatives [SACCOS] and micro finance institutions [MFIs]. The youth access funds directly as individuals or as organized entities such as groups, cooperatives or companies. The loan always targets all forms of youth owned enterprises whether individual or groups (MOYAS, 2006).

Direct funding is another loan product recently developed by YEDF to finance enterprises owned by individuals, partnership and other duly registered business entities.

Interested youths access the products through field offices who later forward the application to the head office for appraisal and approval.

By the end of the Year 2012, Gatundu North District had in total received 3,450,000 Kenya shillings from the Youth Enterprise Fund. The money targeted youths in groups inform of Constituency Youth Enterprise Scheme, direct funding to individual youths not affiliated to any group but has a running business and Youth Enterprise Funds for individuals within a group who has completed the first phase of funding while in a group. (Kenya Government, Youth Enterprise Development Fund Status report, 2007).

Table 2.1: Amounts accessed by youths from 2007 to 2012 in Gatundu North District

YEAR	AMMOUNT(KSH) C-YES	AMMOUNT(KSH) E-YES	AMMOUNT(KSH) DIRECT FUNDING
<b>2007</b>	<b>750,000</b>	<b>0</b>	<b>0</b>
<b>2008</b>	<b>550,000</b>	<b>0</b>	<b>0</b>
<b>2009</b>	<b>400,000</b>	<b>0</b>	<b>0</b>
<b>2010</b>	<b>500,000</b>	<b>50,000</b>	<b>0</b>
<b>2011</b>	<b>550,000</b>	<b>75,000</b>	<b>0</b>
<b>2012</b>	<b>700,000</b>	<b>25,000</b>	<b>0</b>
<b>TOTAL</b>	<b>3,450,000</b>	<b>150,000</b>	<b>0</b>

Source: Youth Enterprise Development Fund status report, 2012, Gatundu North District Youth office. However the applying group must be registered with the relevant government body, group Membership must not be less than 8, the Membership composition must be at least 70% youth (18-34 years), and the leadership 100% youth.

The group must have a valid group registration certificate and a clearly outlined business project proposal form properly filled up.

There are other decentralized funds in the country where youths can access credit from. This includes Local Authority Transfer Fund, Free Primary Education Funds, Constituency HIV/AIDs Control Funds, and Road maintenance Levy Fund. The other devolved funds include Water Service Trust Fund, Poverty Eradication Fund and the newly formed Women Enterprise Development Fund. All these efforts by the Government are meant to empower the Masses especially the Youths (Odhiambo, 2006).

#### **2.4 Sufficiency of youth enterprise development funds and growth of youth groups projects.**

Factors discouraging economic activities among the youth are generally referred to as barriers to Youth Business Enterprises. These factors reduce entrepreneurial activities in any given economy.

According to McCormick (1999), inadequacy of financial resources, awareness and information technology and appropriate education are some of the discouraging factors for business ideas. Others are cultural taboos, legal systems that fail to protect innovations and competitive business enterprises as well as small weak markets and excessive regulations that frustrate the implementation of business ideas into reality (McCormick, 1999).

Therefore any government that is aspiring to boost its performance of Youth Business Enterprises through YEDF should rejuvenate the growth of economy, create more

opportunities for acquisition of technical skills by the youth, provide accessible training institutions which are affordable and friendly to the youth, encourage allocation of opportunities and resources fairly as well as ensuring that whatever allocation of funds is adequate to undertake the project sited by the youth ( McCormick,1999).

Entrepreneurial behavior characteristics are very important for policy makers, as an attempt to understand categories of youth entrepreneurial behavior characteristics enables the policy makers to come up with viable interventions to stimulate and create an enabling economic environment for innovation and business competitiveness, hence inducing performance of Youth business enterprises ( Backes&Werner,2007).

However in spite of the looming performance of Youth Business Enterprise crises in the process of creation of youth entrepreneurs by failure of effectively putting state youth funds into appropriate business ventures in many of the African countries, there exist no regional coordinated efforts to address this problem. For example, the initiative to revive the East African Community (EAC) could have been used to explore new economic opportunities for wealth creation particularly for the educated unemployed (Backes&Werner, 2007).

At the global level, like other developing countries, Kenya is marginalized in the global economic system operations. The country therefore need to continuously review its global business linkages in performance of Youth Business Enterprises and market competition, towards getting its market share in the current capitalistic economy.



The Kenyan government should agitate against their economic exploitation and marginalization by the rich industrialized countries, once provided with a chance to do so especially in the international forums and meetings (Fitzsimmons & Douglas, 2005).

On its part YEDF face the challenge of inconsistency in budgetary allocation from the government which makes it unable to adequately fund the growing number of Kenyan youth on the enterprise development mandate, YEDF faces the challenge of high cost of providing business development services, which include mentorship and business coaching to young entrepreneurs due to large number of youth involved and increasing demand.

Lack of entrepreneurial culture, since most learning institutions do not provide entrepreneurship training which inhibits the youth's ability to unleash their entrepreneurial capacity which would help in employment creation is also challenges to YEDF since many youths have no idea or knowledge on entrepreneurship when leaving school, thus funds given to such youths might not be used well (Kenya Government, 2007 Youth Enterprise Development Fund Status report,). The challenge faced by YEDF in commercial infrastructure has to do with the legal and structural framework for partnership with public and private entities.

One to the complex nature of the infrastructure investment projects, the scope of the legal order establishing YEDF and the limiting scope of the public procurement rules, YEDF faces difficulties in developing partnership with both public and private enterprises.

YEDF also faces challenge in accessing land within municipalities, due to the diverse interested groups and unavailability of unutilized land in prime location across the

country. This is particularly so due to the lengthy process required for YEDF to be allocated land by the councils. Bureaucratic engagements processes with local authorities leading to protracted delays in engagement are also a challenge in attempt to acquire commercial infrastructure for the youths (MOYAS, 2006)

YEDF has the mandate of supporting Youth oriented micro, small and medium enterprises through marketing and market linkages. YEDF faces challenges in fulfilling this mandate since youth owned enterprises lack effective representation in sector specific and umbrella business associations that would provide a forum to articulate their issues for effective redress and negotiations for better pricing and recognition. There also lack market structures and sites for display and marketing of youth enterprise products. There is limited international exposure for Kenyan youth entrepreneurs due to lack of sufficient resources to facilitate such exposure (Youth Enterprise Development Fund Status report, 2012).

## **2.5 Repayment of youth enterprise development funds and growth of youth groups projects**

Youth development in many parts of the world continues to face obstacles at local, national and international levels, despite the numerous international resolutions calling for states to provide young people with opportunities to participate fully in all aspects of society. In Kenya the employment challenge has been growing overtime with the youth being the main casualties (Odhiambo, 2006).

Despite numerous policy efforts, poverty and unemployment continue to afflict many Kenyans. The Youth Enterprise Development Fund is one of the Government initiative

established in the year 2006 with a mission to increase economic opportunities and participation by Kenyan youth through enterprise development and strategic partnerships.

The plan by Government to reduce unemployment among the youths through Youth Enterprise Development Fund seems to experience challenges due to low recovery of the loans (Youth Enterprise Development Fund Status report, 2012).

These challenges could be due to various reasons which include business performance, socio-economic factors, repayment infrastructure and follow-up measures as well as disbursement levels. Further, there are no adequate resources to perform fund recovery activities.

To avoid failures in youth development organizations, there is need to equip the youths with technical knowledge so as to manage micro finance products. Better results occur when youth development providers build alliances with community micro finance providers. In these alliances each group play a specialized role and both respect the essential technical skills of the other. Adding a savings and financial literacy component to a short term youth unemployment scheme can open new doors to project completers and can serve to build a measure of sustainability to project outcomes.

Researchers have shown that youth perhaps more than adults need to be part of a solidarity group that enforces discipline in using loans wisely and in repaying them back. According to Abdirahiman (2010), research is showing that youth entrepreneurship programs should not expect youth to become fully independent bread winners, relatively small changes in income can lead youths to build or strengthen ties to their extended families, thus limiting the need to create their own households

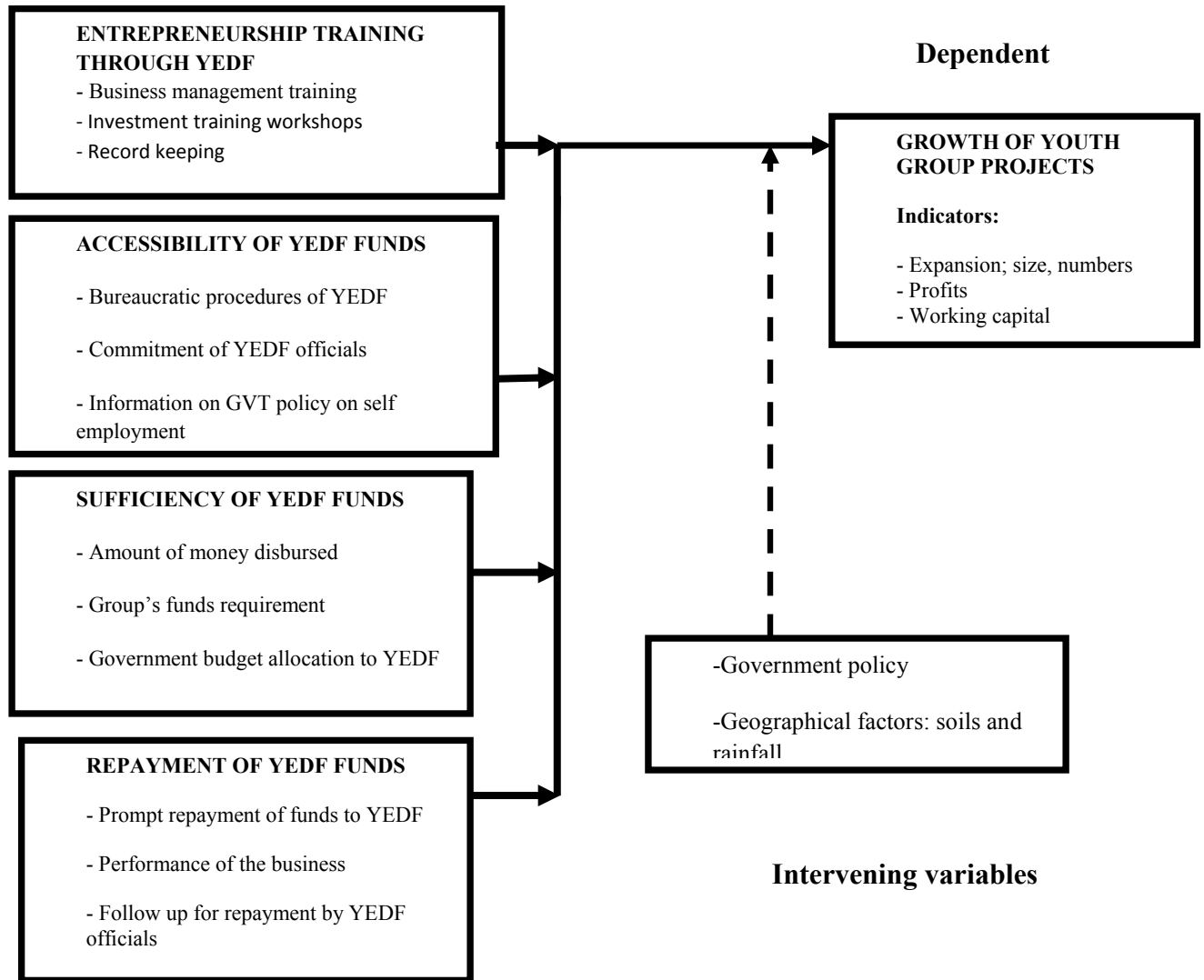
According to research done by Monica <http://erpository.uonbi> business performance was ranked as the main determinant of youth funds repayment. In her study she found out that regular capacity building among the youths should be affected so as to empower them.

The challenges faced on on-leding mechanism include lack of a comprehensive legal framework which would ensure that defaulters don't get away with it but are legally followed up to repay loans disbursed to them. Adequate resources should be provided in order to enable smooth monitoring of all funded youth groups in addition to setting up a legal framework on how to handle defaulters.

## 2.6 Conceptual Frame Work

The following is a diagrammatic illustration of the conceptual framework.

### Independent variable



**Figure 1. Conceptual Framework**

The above conceptual framework illustrates the relationship between YEDF and growth of youth group projects. The Independent variable as YEDF is characterized by Entrepreneurship trainings, Accessibility of YEDF funds, Sufficiency of YEDF funds and

Repayments of YEDF funds. The dependent variable in this study was the Growth of Youth Group Projects in terms of Expansion, Profits and Working capitals.

## **2.7 Summary of Literature Reviewed**

This chapter explained at length Youth Enterprise Development Fund as the independent variable of the study highlighting the various characteristics of the independent variable. The study has discussed the influence of YEDF (IV) in terms of entrepreneurship training, accessibility of YEDF funds, sufficiency of YEDF funds and repayment of YEDF funds on the growth of Youth Group Projects (DV) in relation to the various components of the dependent variable namely expansion of Youth Group Projects, profit margins of the Youth Group Projects as well as the working capital of the Youth Group Projects. The chapter also explores other studies previously done related to this study.

YEDF as at 31<sup>st</sup> December 2011 had disbursed 614.8 million Kenya shillings as loans to 13,341 youth groups and 66.1million Kenya shillings as loans to 2645 individual youth enterprises. In Gatundu North District YEDF had given out 4,450,000 shillings as loans out of which 4,300,000 shillings was given to youths groups while only 150,000 shillings went to individual youths (Youth Enterprise Development Fund Status report, 2012).

Should YEDF extend loans to individual Youths or fund Youths while in groups? This is the question that this research was set out to answer by finding out whether there was any relationship between the heavy spending on youth groups and the growth of the same.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter provides the methodology of the study and gives specific procedures which were to be used in the study. The research design, population and sampling design, data collection, methods and data analysis methods are described in this chapter

#### **3.2 Research Design**

The research design that was be used in this study was the descriptive survey research design. The research design was used for the purpose of describing the state of affairs as they were. According to Mugenda and Mugenda (1999) descriptive research is a process of collecting data in order to answer questions concerning the current status of the subjects in the study. According to Orodho (2009) survey design is a frequently used method to collect information about people's attitudes and opinions of any social issues.

According to Mugenda and Mugenda (1999) this type of research design attempts to describe possible behavior, attitude and values. In this study the design was appropriate since the study was aimed at describing the relationship between YEDF (IV) and the Youth Groups Projects (DV) in their current situation.

#### **3.3. Target Population**

The target population of the study was 20 youth groups in Gatundu North district each having an average of 10 members. The total number of youths in the groups was 200 youths. These were youths who had at least 2 years since they benefited from YEDF and

were meant to provide valuable information on the influence of youth fund on the on the growth of youth group projects in the district. The researcher felt that a period of 2 years was enough time for any change in youth group projects growth to be noticed. The study targeted all youth groups who were funded by YEDF in all 8 locations found in the district.

### **3.4 Sample Size and Sampling Procedure**

In this section the sample size and sampling procedure to be used is as discussed here under;

#### **3.4.1 Sample Size**

The sample size used was 132 youths in Gatundu North district drawn from a population of 200 youths. The sample was arrived at using sampling table for determining sample size from a given population by Krejcie and Morgan, (1970).

#### **3.4.2 Sampling Procedure**

Kothari (2004) defines sampling design as a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Researchers have developed different formulae to describe sample size.

The researcher using sampling table by Krejcie and Morgan (1970) calculated the number of respondents to be drawn per group by use of proportionality since different groups had different numbers of active members. 66% of the members in each group were taken as the respondents in the research. The respondents were drawn randomly from each group.



Randomization was done by assigning each member of the group a number and writing these numbers on a small piece of paper. Members of the group were then allowed to draw the appropriate number of respondents for the group. The groups were all spread out in 8 locations all in Gatundu North District. See appendix IV for details on the calculation of the sample size.

### **3.5 Description of Research Instrument**

The questionnaire used contained questions which comprised of open ended and close ended questions. The questionnaire covered six parts the first part contained the Personal information of the respondent, second part was on the influence of entrepreneurship training by YEDF to growth of youths groups projects followed by a section on the influence of sufficiency of YEDF funds on growth of youth group projects.

The other section was on the accessibility of YEDF funds followed lastly by the section on repayment of YEDF funds. The researcher intended to use the questionnaire since it was cost effective given that financial constraint was a major limitation of the study.

#### **3.5.1 Pilot Testing of the Instrument.**

Pilot study was carried out on growth of youth group projects by using a different but a similar group from the neighboring Gatundu South District which had also been funded by YEDF. The researcher used youth groups undertaking similar activities where he selected a sample of 10 members from 5 youth groups using simple random sampling. This sample represented 13% of the study sample of 132 subjects. This was according to Mugenda and Mugenda who argues that a sample of 1- 10% of the study sample is enough for piloting the study instrument. Piloting helps in revealing questions that are vague so that they are reviewed until they convey the same meaning to all the subjects

The tools were revised according to the findings of the pilot test. The revised research tool was then used in the final study.

### **3.5.2 Validity of Research Instrument**

This is the degree to which results obtained from the analysis of the data actually represent the phenomenon under study (Mugenda and Mugenda, 1999). To enhance the content validity of the instrument, the researcher discussed the contents of the questionnaire with the University Supervisors, lecturers and other experts on the relevance of the questions to the topic under study.

### **3.5.3 Reliability of the Research Instrument**

According to Best and Khan, 2001, reliability of research instruments is the degree of consistency that the instrument or procedure of measurement demonstrates.

The consistency of the instrument was established by administering the research tool within four days. This way, it ensured similar conditions of measurements and reduced variations due to varied external conditions. Further the research assistants underwent training to make them understand the research tool and on how to administer the questionnaire. The training also covered interview skills. This was to ensure uniformity and avoid variations among the research assistants when they collected data.

The reliability of the instrument was estimated through a repeated measurement which involved split half method. The questionnaire items responded by the respondents of the pilot testing group were assigned arbitrary scores. The scores obtained were keyed into the SPSS soft ware and through spearman brown prophecy formula a correlation coefficient of 0.711 was obtained indicating that the instrument had internal constituency. According to Mbwesa (2006), if a correlation co efficient of the instrument falls above

0.6 the instrument is taken as reliable and therefore suitable to collect data. (Mbwesa2006).

### **3.6 Data Collection Procedures**

Primary data was collected using structured questionnaire which was distributed to the selected youths in Gatundu north district. The questionnaires were used due to their applicability to the research problem.

The researcher obtained permit to carry out the research from the National Council of Science and Technology and from the youth enterprise development fund. Meanwhile the researcher identified the research assistants and trained them on data collection techniques, did a pilot study in a neighboring Gatundu South District analyzed that data, and revised the questionnaire according to the findings of the pilot test. The revised research tool was then used in the final study.

The researcher together with trained research assistant accompanied by group leaders visited the YEDF funded groups for data collection. Questionnaire was administered to the sample group members and after responding to the items therein, the questionnaire were collected and handed over to the researcher. Ethical principles were observed throughout the exercise in line with the constitutional right of every person. In case the respondent appeared not to conceptualize the questionnaire the research assistants guided the respondent in filling in the questionnaire without interpretation to avoid bias. The local language was used to only interpret the question to the respondent.

### **3.7 Data Analysis Techniques**

For the primary data collected to have any meaning and be understood by the ordinary person once collected it analyzed in a way that it would be easy to understand.

The data was analyzed to summarize the relationships of data and also in order to generate and to determine patterns of behavior and outcome. The researcher used quantitative technique to analyze the data and descriptive analysis employed. These included frequencies and percentages. The data was analyzed using statistical package for social sciences.

### 3.8 OPERATIONAL DEFINITION OF VARIABLE

OBJECTIVES	VARIABLES	INDICATORS	SCALE	STUDY DESIGN	TYPE OF ANALYSIS
To establish the extent to which entrepreneurship training through YEDF influence growth of youth groups projects in Gatundu north	<u>Independent</u> Entrepreneurship training <u>Dependent</u> growth of youth group projects	No. of seminars and training by YEDF to the youths	Ordinal nominal	Descriptive survey	<b>Descriptive statistics</b> -frequencies -Percentile
To determine the extent to which accessibility of YEDF funds influence growth of youth groups projects in Gatundu N. District	<u>Independent</u> <u>Accessibility of funds</u> <u>Dependent</u> Growth of youth projects	-Lack of finance	Ordinal nominal	Descriptive survey	<b>Descriptive statistics</b> -frequencies -Percentile
To examine the extent to which sufficiency of YEDF funds influence youth group projects in Gatundu North District	<u>Independent</u> Sufficiency of YEDF funds <u>Dependent</u> Growth of youth projects	-Youth fund policy - amount available for allocation - budgetary allocation	Ordinal Nominal	Descriptive survey	<b>Descriptive statistics</b> -frequencies -Percentile
To establish how repayment of YEDF funds influence youth growth of youth	<u>Independent</u> <u>Repayment of YEDF funds</u>	-amount disbursed remaining -amount unpaid	Ordinal Nominal	Descriptive survey	<b>Descriptive statistics</b> -frequencies -

projects in Gatundu N. District.	<u>Dependent</u> Growth of youth projects				Percentile
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Table 3.2 Operational definition of variables.

### 3.9 Summary

This chapter has outlined the research methodology that was employed in this study. The study employed descriptive survey research design. Data collection instruments, sample and sampling procedure, target population, validity and reliability, operational definition of variables as well as data analysis and presentation used in this study has also been covered.

## CHAPTER FOUR

### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

## **4.1 Introduction**

Content in chapter four is data analysis, presentation and interpretation of the study findings. The subtitles in this chapter are arranged according to the objectives of this study. The study findings have been presented in frequency distribution tables and percentages while interpretation of the study results have been given alongside the findings.

The subheadings in this chapter were arranged according to the research questions: the influence of entrepreneurship training by YEDF on the growth of youth group projects; influence of sufficiency of YEDF funds on growth of youth group projects; influence of accessibility of YEDF funds to the growth of youth group projects and influence of YEDF funds repayment to the growth of youth group projects.

## **4.2 Questionnaire Return Rates**

The study targeted 132 youths from 20 youth groups spread out in 8 locations in Gatundu north district. However out of the 132 youths targeted 123 responded which represented a 93% response rate. There is no standard for an acceptable response rate, but published opinion indicates that below 80%, bias is likely to occur and a response rate below 60 is “barely unacceptable”.( Peninsula research and development support unit,n.d) this means a high return rate was acceptable. It was possible to obtain high response rate by personally presenting most of the questionnaires to the respondents.

## **4.3 Personal Information of the Respondents.**

This section looks at the personal information of the respondents which include their gender, education level, length of period in groups and the age group of the respondents.

### **4.3.1 Gender of the Respondents**

The first item of the questionnaire was to determine the gender of the respondents. The sampled youths were asked to indicate their gender and data was analyzed and tabulated as in table 4.1.

**Table 4.1: Gender Distribution of the Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
<b>MALE</b>	50	40.7
<b>FEMALE</b>	73	59.3
<b>Total</b>	123	100.0

The results indicated in table 4.1 showed that most of the respondents 73(59.3%) were females while the male respondents were 50(40.7 %.) This could be because most of the groups comprised of more females than males and also there were more groups which were predominantly females than there were those which were predominantly male.

#### **4.3.2 Level of Education of Respondents**

The researcher was interested in knowing the level of education of the sampled group members so that general information on the level of education of youths in groups would be determined. Respondents were asked to indicate their education level and the results were as tabulated in table 4.2

**Table 4.2: Distribution of Education level of Respondents**

<b>Education level of respondents</b>	<b>Frequency</b>	<b>Percent</b>
<b>Primary</b>	15	12.2
<b>Secondary</b>	66	53.7
<b>College</b>	24	19.5
<b>University</b>	18	14.6
<b>Total</b>	<b>123</b>	<b>100.0</b>

From the results indicated in table 4.2 the majority of the respondents 108 (87.8%) of the 123 respondents had achieved secondary education and above, 53.7 % indicated having reached up to secondary level, 19.5% college level while 14.6% indicated having achieved university education. Only 12.2% of the respondents had studied up to primary level.

#### **4.3.3 Period of Time as a Group Member**

The researcher wanted to target respondents who had more than two years in groups since they were funded by YEDF. Respondents were therefore told to indicate the period of time they had been members of their groups and the findings were as indicated in table 4.3.

**Table 4.3: Distribution of Time of Respondent as a Member of Youth Group**



<b>Duration as a group member</b>	<b>Frequency</b>	<b>Percent</b>
<b>2 Years</b>	16	13.0
<b>3 -4 Years</b>	78	63.4
<b>More Than 5 Years</b>	29	23.6
<b>Total</b>	123	100.0

From the results indicated in table 4.3 most of the respondents 107(87%) of the 123 respondents indicated that they had been members of their youth group for a period of more than 2 years, only 16(13%) had been together for a period of 2 years. The period of time that the group had been together was necessary since it would be easy to find out whether the funds given by YEDF to groups had any influence having spent it over a period of time. These findings meant that the researcher would be targeting the right and intended group of youths.

#### **4.3.4 Age Group of the Respondents.**

This was the last section on the part on personal information where the researcher wanted to know the age group of the respondents. This was necessary since youth fund targeted only youths within the age bracket of 18-35 years. The respondents were asked to indicate their age groups and the results were as analyzed in table 4.4

**Table 4.4 : Age Distribution of the Respondents.**

<b>Age group of respondents</b>	<b>Frequency</b>	<b>Percent</b>
<b>Less Than 18 Years</b>	18	14.6
<b>18 - 35 Years</b>	105	85.4
<b>Total</b>	123	100.0

From the results indicated in table 4.4 it showed that the majority of the respondents 105(85.4 %) of the 123 respondents were between 18 and 35 years age group. This is the age group that the researcher targeted since it is the age group that YEDF funded while in groups. However 18(14.6%) were below 18 years. This was acceptable since YEDF allowed 30% of group members in any youth group to be either above 35years or below 18 years of age as long as they don't take any leadership position in the group.

#### **4.4 Entrepreneurship Training by YEDF and Growth of Youth Group Projects.**

One of the study objectives was to establish the extent to which entrepreneurship training by YEDF influenced growth of youth group projects in Gatundu north district. In order to establish the influence of entrepreneurship training the researcher sought for responses to statements like attendance to training, training influence on group projects, training influence on business management, training influence on customer care and also training influence on the choice of group business the study further analyzed the results obtained by cross tabulating them with the respondents' response on the extent to which entrepreneurship training influence growth of youth group projects

#### **4.4.1 Attendance of Entrepreneurship Training and Growth of Youth Group projects**

One of the entrepreneurship training indicators that the study investigated on was on the attendance of youths to YEDF organized entrepreneurship training. The respondents were asked to indicate their level of agreement as far as attendance of entrepreneurship training was concerned. The results were analyzed and were as shown in table 4.5.

**Table 4.5: Distribution of respondents who Attended Entrepreneurship Training by YEDF**

<b>Entrepreneurship training attendance</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	30	24.4
<b>Agree</b>	71	57.7
<b>Neutral.</b>	3	2.4
<b>Disagree</b>	19	15.4
<b>Total</b>	123	100.0

As shown in table 4.5 the majority 101 (82.1%) of the 123 respondents agreed that they had attended entrepreneurship training organized by YEDF only 19(15.4 %) of the 123respondents disagreed while 3(2.4%) were neutral meaning that they were not sure of the training. Training is essential and these findings are in agreement with the MOYAS 2006 indication that a comprehensive mult sectorial programmes aimed at promoting and supporting youth initiatives through entrepreneurial training is essential for national

development. The national youth policy recognizes youth as key resource which can be tapped for further benefits of the whole country through supporting youth owned initiative (MOYAS,2006).

#### **4.4.2 Leadership Training And Growth Of Group Project**

Leadership training by YEDF was part of the entrepreneurship training by YEDF indicator. Respondents were asked to indicate the level of their agreement to the to the extent that they can attribute the growth of their group project to good leadership resulting from YEDF training. The data collected was analyzed and tabulated as shown in table 4.6.

**Table 4.6: Distribution Of Respondents on Leadership Training by YEDF**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strong Agree</b>	27	22.0
<b>Agree</b>	56	45.5
<b>Disagree</b>	40	32.5
<b>Total</b>	123	100.0

From the results indicated most of the 123 respondents 83( 67.5%) of them agreed that they can attribute the growth of their group project to good leadership as a result of training by YEDF. 40(32.5%) of the 123 respondents disagreed and therefore attributed the leadership skill to other factors apart from YEDF training. This finding concurs with a study done by Backes & Werner, 2007 who said that contribution of leadership skills

training and guidance are vital factors which are crucial to positive youth business outcome (Backes & Werner, 2007).

#### **4.4.3 Utilization Of Group Funds and Growth Of Youth Group Projects.**

Proper utilization and investment training were also indicators of entrepreneurship training that the research studied in order to establish the influence of entrepreneurship training to growth of youth group projects. The respondents were requested to indicate their level of agreement on the influence of entrepreneurship training as far as utilization of group funds was concerned. The responses were analyzed and results tabulated as indicated in table 4.7 below.

**Table 4.7: Distribution Of Respondents On Utilization Of Group Funds and growth of group project**

<b>Utilization of funds</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strong Agree</b>	22	17.9
<b>Agree</b>	78	63.4
<b>Neutral</b>	9	7.3
<b>Strongly Disagree</b>	14	11.4
<b>Total</b>	123	100.0

From the results indicated in table 4.7 above majority of the 123 respondents (81.3%) indicated that they were able to utilize their funds well as result of a training they attended organized by YEDF. 9 respondents out of 123 representing 7.3% were neutral while 14(11.4%) disagreed and attributed their financial management skills to other

factors. Training on the utilization of funds was found to be influencing the growth of youth group projects.

#### **4.4.4 Investment Training and Growth Of The Youth Group Projects.**

Training on investment was an indicator used by the researcher on the study of influence entrepreneurship training to growth of youth group projects. The researcher requested the respondents to indicate their level of agreement on the influence of investment training by YEDF to growth of their group project. The responses were analyzed and were as indicated in table 4.8

**Table 4.8: Distribution Of Respondents On Influence Of Investment Training To Growth Of Youth Group Projects**

<b>Investment training</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	34	27.6
<b>Agree</b>	33	26.8
<b>Neutral</b>	17	13.8
<b>Disagree</b>	39	31.7
<b>Total</b>	123	100.0

Table 4.8 above shows the results of the respondents on the influence of investment training on growth of group projects. 67(54.5%) of the 123 respondents agreed that investment training by YEDF influenced the growth of their group project. 17(13.8 %) of the 123 respondents were not sure whether to attribute the growth of their group project to YEDF training or other reasons. However 39(31.7%) of the 123 respondents disagreed and therefore attributed their ability to invest to other factors.

Although the youth groups seemed to have knowledge on investment they did not have sufficient training on the right way to access markets for their produce as well as prioritization of their investment. This findings concurred with Backes and Werner, 2007 who noted that skills training should build upon the existing knowledge and experience of participating youth so as to enable them explore new opportunities for their investment and relate this to the predominant household entrepreneurial strategies.( Backes& Werner,2007).However investment training was noted to have influence on growth of youth group projects.

#### **4.4.5 Increased Profits As Result Of YEDF Training On Customer Care And Growth Of Youth Group Projects**

The researcher posed a statement on whether increase in group profits could be attributed to entrepreneurship training. Respondents were therefore requested to indicate the extent to which they attributed their profit margins to training by YEDF. The respondents gave their responses as analyzed in table 4.9.

**Table 4.9: Distribution Of Respondents On The Increase Of Profits Of Youth**

#### **Group Project**

<b>Increase in profit</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	18	14.6
<b>Agree</b>	93	75.6
<b>Neutral</b>	9	7.3
<b>Disagree</b>	3	2.4
<b>Total</b>	123	100.0

Table 4.9 above shows the results which indicated that the majority of the 123 respondents 111 (90.2%) agreed that their group project had recorded growth in group profits which they could attribute to the training on customer care organized by YEDF. Only 2.4% disagreed and gave other reasons for it while 9(7.3%) of the respondents were not sure whether to attribute increase in profit to training by YEDF or other factors like good business. These findings indicated that training on customer care really influenced growth of group business.

#### **4.4.6 Success of the Group Project Due to YEDF Training and Growth of Group Project**

To answer the research question number (i) which sought to find out the extent to which entrepreneurship training by YEDF influenced growth of youth group projects, the researcher requested the sampled youth group members to indicate their level of agreement to the extent to which they would attribute the growth and success of their group project to the entrepreneurship training by YEDF. The responses were analyzed and results tabulated as in table 4.10.

**Table 4.10: Distribution Of Respondents On Success Of Youth Group Project As Result Of YEDF Training**

<b>Reponses on level of agreement</b>	<b>Frequency</b>	<b>Percent</b>
<b>YES</b>	80	65.0
<b>NO</b>	43	35.0
<b>Total</b>	123	100.0



Table 4.10 shows that 80( 65%) of the 123respondents attributed the success of the group project to the YEDF entrepreneurship training to the groups. However 43(35%) of the 123respondents disagreed that their group project's success was as a result of YEDF training and gave other reasons for their success. These findings showed that entrepreneurship training was an important and an essential component for any group project to succeed. Entrepreneurship training therefore was seen to have influence on the growth of youth group projects in Gatundu North district.

This findings concurred with research findings by Mabinda, 2012 who found out that a narrow spectrum of the possible entrepreneurial business skills needed to run a successful youth business enterprises are important and that the ministry of youth and sport should enhance training to youths before any funding is disbursed ( Mabinda,2012).

This findings could also be likened to the study by UNDP 2009 were the report indicated that Entrepreneurship provides the youth with knowledge and information which may contribute very effectively to the realization of their potential. It can also supply a strong sense of self esteem and self confidence. Entrepreneurship is therefore a social instrument for developing human resource and capital (UNDP – 2009).

The findings of this study concurs with the findings in the literature reviewed where performance of youth business enterprises was seen a function of awareness information since inadequate information is a constraint to economic growth and development training prepares the youth group for effective business management in addition to financial control and accountability (Eggleston, Jensen&Zeckheuser, 2002)

#### **4.5 Accessibility Of YEDF Funds And Growth Of Youth Group Projects.**

The second objective of the study was on the influence of accessibility of YEDF funds to the growth of youth group projects in Gatundu North district. In order to establish the influence of YEDF funds accessibility to growth of youth groups projects, the study obtained several indicators of funds accessibility like level of funds awareness, level of bureaucracy in accessing the funds, time taken to access the funds as well as the level of dissemination of YEDF information. The study further analyzed the results on the extent of their influence on growth of youth group projects. The selected youth group members were asked to rate the indicators of the accessibility of YEDF funds and how this influenced accessibility of YEDF funds.

##### **4.5.1 Awareness Of YEDF Funds And Growth Of Youth Group Projects.**

One of the indicators that was investigated in this study was the level of awareness of YEDF funds in order to establish how this influenced growth of group projects. The respondents were asked to indicate their level of agreement on the awareness of YEDF funds and the results were analyzed and presented as indicated in table 4.12.

**Table 4.11: Distribution of Respondents on Awareness of YEDF Funds**

<b>Awareness of YEDF responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	87	70.7
<b>Agree</b>	7	5.7
<b>Neutral</b>	29	23.6
<b>Total</b>	123	100.0

Table 4.11 shows that 94(76.4%) of the 123 respondents were aware of YEDF funds while only 29 ( 23.6%) of the 123 respondents were not sure what YEDF meant and were therefore neutral. These findings indicate that the level of awareness about the fund is high. The findings contradict earlier findings of a study done by Mbatia& Mbugua (2009) on challenges facing the youth in Nairobi, where 62.4% of the 180 sampled youth knew very little about YEDF( Mbatia& Mbugua,2009).

#### **4.5.2 Accessibility of Information On YEDF And Growth Of Youth Group Projects.**

The other indicator on accessibility of YEDF funds that was investigated in order to find out its influence on growth of group projects was accessibility of information on YEDF loans. The respondents were asked to indicate their level of agreement on the access of information on YEDF Loans and the results were as analyzed and presented in table 4.13

**Table 4.12: Distribution of Respondents on Access to Information on YEDF Loans.**

<b>Level of agreement on Information Access</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	83	67.5
<b>Agree</b>	40	32.5
<b>Total</b>	123	100.0

Table 4.12 shows that all the respondents 123(100%) agreed that they always got information on YEDF loans whenever they needed it. This meant that information on YEDF loans is accessible and available whenever all the respondents required it and this

could have some positive influence in growth of the group business since the groups would know which type of loans to request for and the interest charges of the loans. The researcher found it to be a positive indicator.

#### **4.5.3 Receipts of YEDF Loans and Growth of Group Projects.**

The other indicator of YEDF funds accessibility and how this influenced the growth of youth group projects was the application and receipt of YEDF loans. Respondents were required to indicate whether information on YEDF has enabled them to apply and receive funds which they can attribute to growth of their group project. The results were analyzed and tabulated as shown in table 4.13.

**Table 4.13 Distribution of Respondents on the Receipt of YEDF Loans and Growth of Youth Group Projects**

<b>Receipt of Yedf loan</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	24	19.5
<b>Agree</b>	46	37.4
<b>Neutral</b>	10	8.1
<b>Disagree</b>	21	17.1
<b>Strongly Disagree</b>	22	17.9
<b>Total</b>	123	100.0

Table 4.13 indicated that 70(56.9 %) of the 123respondents agreed that their group has grown due the receipt of YEDF funds brought about by information on YEDF loans while 43(35%) of the 123 respondents disagreed that their group project had grown since they were aware of and had received YEDF loans. 10(8.1%) of the 123 respondents were

neutral. These findings indicate that a majority of the respondents are in agreement that access to YEDF loans has influenced growth of their group project.

#### **4.5.4 Bureaucracy in Access YEDF Funds And Growth Of Youth Group Project.**

Bureaucracy in accessing YEDF loans was another indicator that the researcher used to find out the influence of accessibility of YEDF loans to growth of youth group projects. The researcher asked the respondents to indicate their level of agreement on the existence of bureaucracy in accessing YEDF loans and the results were analyzed and presented as indicated in table 4.14.

**Table 4.14: Distribution of Respondents on Bureaucracy in Accessing YEDF Funds And Growth of Youth Group Projects.**

<b>Bureaucracy in accessing YEDF funds</b>	<b>Frequency</b>	<b>Percent</b>
<b>Agree</b>	54	43.9
<b>Disagree</b>	51	41.5
<b>Strongly Disagree</b>	18	14.6
<b>Total</b>	123	100.0

Table 4.14 shows 69(56.1%) of the 123 respondents said that there was bureaucracy in accessing YEDF loans while 54(43.9% ) of the 123 respondents were of the view that there was no bureaucracy in accessing YEDF funds. This was maybe because of the requirement for the groups to get authorization from their local chiefs and social development offices before they could be funded.

Majority of the respondents indicated that bureaucracy has negatively influenced the growth and expansion of their group project since they don't receive their loans as soon as they would expect while 43.9% disagreed meaning the growth and expansion of their group project can be attributed to lack of bureaucracy in accessing YEDF funds since to them there is no bureaucracy. These findings concurred with the study carried out by Macke & Makley 2003, where they found out that too many bureaucracies and regulations in access of youth funds were likely to be impediments towards a long lasting performance of youth business enterprise.

They further noted that small weak markets are obstacle to entrepreneurial activities because of their limited opportunities (Macke & Makley, 2003

#### **4.5.5 Increase in Working Capital due To Access Of YEDF Funds and Growth Of Youth Group Projects.**

The researcher wanted to find out the extent to which growth of group projects in terms of increase in groups working capital could be attributed to access of YEDF funds .Respondents were asked to indicate their level of agreement on whether growth of their group project in terms of increase in group working capital could be attributed to access of YEDF funds. The results were analyzed and presented as indicated in table 4.17.

#### **Table 4.15: Distribution of Respondents on Increase in Working Capital and Growth of Youth Group Project.**

<b>Level of agreement</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	14	11.4
<b>Agree</b>	76	61.8
<b>Disagree</b>	27	22.0
<b>Strongly Disagree</b>	5	4.9
<b>Total</b>	123	100.0

Table 4.15 shows 90(73.2%) of the 123 respondents agreed that they could attribute the increase of their group working capital to the accessibility of YEDF funds which they had received. However 32(26.9%) of the 123 respondents disagreed and attributed increase in their working capital to other factors.

These findings are in line with the YEDF mandates where by Provision of loans and business development services to Youth Enterprise either through financial intermediaries, youth groups or individual enterprises has been the main focus of the Youth Enterprise Development Fund.

The fund as at 31<sup>st</sup> December 2011 had made the following disbursements; 614.8 million Kenya shillings to 13,341 youth groups and 66.1million Kenya shillings to 2645 individual enterprises. YEDF had also partnered with 33 financial intermediaries for on lending funds to youth.

These financial intermediaries had on lent a total of 5.2 billion Kenya shillings in all counties in the country by 2012 (Kenya Government, Youth Enterprise Development Fund Status report, 2012).Accessibility of YEDF funds was noted to have a positive influence to the growth and expansion of youth groups working capital.

#### **4.5.6 Interval between Application of YEDF Funds and Receipt of the Funds and Growth of Youth Group Project.**

The other indicator of the influence of accessibility of YEDF funds to growth of youth group project was the interval between loan application by the youth group and the receipt of the funds. The respondents were asked to indicate the level of their agreement on whether the time taken to apply YEDF funds and receipt of the funds was short. The results were analyzed and tabulated as shown in table 4.16.

**Table4.16: Distribution of Respondents on the Period Between Application of YEDF Funds and Receipt of Funds**

<b>YEDF funds receipt interval</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	35	28.5
<b>Neutral</b>	22	17.9
<b>Disagree</b>	66	53.7
<b>Total</b>	123	100.0

Table 4.16 shows that most of the 123 respondents 66(53.7%) disagreed that the time taken to receive YEDF funds from the time of application was short. 35(28.5 %) of the 123 respondents were in agreement that the time taken was short, while 22(17.9%) were neutral and opted not to comment perhaps since they did not know the time frame between application and receipt of funds however majority of the respondents said that the time between application for funds and receipt of funds ranged from two to four



months. This finding contradicts the report given by the YEDF chief executive officer who gave time frame of one month from the time of application to the time of receipt of the funds. (Kenya Government, Youth Enterprise Development Fund Status report, 2007).

#### **4.5.7 Alteration of Business Plan Due To Time Taken To Access YEDF Funds and Growth of Youth Group Projects**

The other indicator of the influence of accessibility of YEDF funds and growth of group projects was on how the time taken to access YEDF funds influenced the alteration of business plan. Respondents were asked whether the time taken to access YEDF funds and receipt of the funds could lead to alteration of business plans of the groups. The responses were analyzed and tabulated as shown in table 4.17

**Table 4.17 Distribution of Respondents on How Time Taken to Access YEDF Funds Influence Business Plan and Growth of Youth Group Project.**

<b>Loan disbursement and change of plan</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	11	8.9
<b>Agree</b>	89	72.4
<b>Disagree</b>	11	8.9
<b>Strongly Disagree</b>	12	9.8
<b>Total</b>	<b>123</b>	<b>100.0</b>

From the responses indicated in table 4.17 above 100(81.3%) of the 123 respondents agreed that the time taken to access YEDF funds leads to change in the initial business of youth group project.

The third objective of the study was on the influence of sufficiency of YEDF funds to the growth of youth group projects in Gatundu north district. In order to establish the plan, 23(18.7%) of the respondents disagreed and therefore thought that time taken to access YEDF funds does to affect the initial business plan.

These findings concurred with the reviewed literature where according to McCormick(1999), time taken by youths to access financial resources, information and technology are some of the discouraging factors of business ideas.

From the findings of this study on the influence of accessibility of YEDF funds to the growth of youth groups projects it was noted that accessibility of YEDF funds influenced growth of group projects.

Bureaucracy was noted to have affected groups performance since bureaucracy led to delay in receipt of funds as 53% of the respondents indicated. Accessibility of YEDF funds was also seen to positively affect the working capital of the group.

Due to the time taken to access YEDF funds the majority of the respondents 100(81%) felt that their group project plans had to change due the time taken to receive YEDF funds once applied for, this was seen to influence the growth of youth group projects negatively.

**4.6 Sufficiency Of YEDF Funds And The Growth** influence sufficiency of YEDF funds had on growth of Youth group projects, the study obtained several indicators like receipt of group funds, amount of group funds received, and influence of funds on the growth of group project as well as the general opinion of the respondents on the

sufficiency of YEDF funds. The study further analyzed the results on the extent of their influence

On growth of youth group projects. The selected youth group members were asked to rate the indicators of the sufficiency of YEDF funds

#### **4.6.1 Receipt Of YEDF Funds And Growth Of Youth Group Project.**

One of the indicators that were investigated in this study was the receipt of YEDF funds in order to establish whether the Group was funded by YEDF. The respondents were asked to indicate their level of agreement to receipt of YEDF funds and the results analyzed and tabulated as indicated in table 4.18.

**Table 4.18 Distribution of Respondents on Receipt of YEDF Funds.**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>YES</b>	123	100.0

From the results in table 4.18 all the respondents agreed that they had received YEDF funds. This was to be expected since the study targeted youth group projects funded by YEDF.

#### **4.6.2 Sufficiency of YEDF Funds Received By Groups and Growth Of Youth Group Project.**

To be able to answer the question on the extent to which sufficiency of YEDF funds influenced growth of youth group projects the researcher asked the respondents to indicate their level of agreement on whether they felt that the amount of money they received as a group was enough for their project. The results were analyzed and presented as shown in table 4.21.

**Table 4.19 : Distribution Of Respondents On Adequacy Of Funds Given To Youth Groups By YEDF and Growth of Group Project.**

<b>Sufficiency of YEDF Funds</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly agree</b>	15	12.2
<b>Agree</b>	28	22.8
<b>Neutral</b>	10	8.1
<b>Disagree</b>	70	56.9
<b>Total</b>	123	100.0

From the table 4.19 above 43(35%) of the 123 respondents agreed that the amount given to their youth groups by YEDF was enough while 70(56.9 %) of the 123 respondents disagreed and therefore felt that money given to their group was not enough. 10(8.1%) of the 123 respondents were neutral and therefore not sure whether they were okay with the amount they had received. The insufficiency of the funds given to the group was likely to influence negatively the growth of the group project. These findings concurred with study done by Fitzsimons and Douglas in 2005 in Australia who established that inadequate financial resource is a major constraint in ones gaining the initial business inertia and growth of a successful entrepreneur (Fitzsimmons& Douglas, 2005).

#### **4.6.3 Funds Given to Groups by YEDF for Expansion of Group Business and Growth of Youth Group Project.**

The other indicator that the researcher used so as to establish the influence of sufficiency of YEDF funds to growth of youth group project was finding out the extent to which funds given to the youth group can be attributed to the expansion of their group project.

Respondents were required to indicate whether the funds given to them by YEDF had any influence in the expansion of their group project. The responses were analyzed and tabulated as shown in table 4.20.

**Table 4.20 Distribution of Respondents on Funds Given By YEDF and Expansion of Group Project**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	13	10.6
<b>Agree</b>	93	75.6
<b>Disagree</b>	17	13.8
<b>Total</b>	123	100.0

Table 4.20 shows that the majority 106(86.2%) of the 123 respondents agreed that funds given to the group by YEDF led to the expansion of their group project. Only 17(13.8%) of the respondents disagreed and therefore felt that other factors contributed to their groups expansion.

However though the youth groups would attribute the growth of their group project to funds given by YEDF the group projects face a lot of completion and as Fitzsimons and Douglas 2005 found out, the Kenyan government should agitate against their economic exploitation and marginalization by the rich industrialized countries, once provided with a chance to do so especially in the international forums and meetings (Fitzsimmons & Douglas, 2005)

#### **4.6.4 Government Budgetary Allocation to Youth Group and Growth of Youth Group Project**

The researcher in order to request the respondents to rate whether government allocation to YEDF had any influence on the amount of funds the groups received from YEDF. This was done in order to find out whether the Government was to blame for the insufficiency of the amount of funds given to youth groups as the respondents had earlier indicated. The data collected was analyzed and tabulated as shown in table 4.21.

**Table 4.21: Distribution of Respondents on the Influence of Government Budgetary Allocation to YEDF on Youth Group Funding and Growth of Youth Group Project.**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	39	31.7
<b>Agree</b>	66	53.7
<b>Disagree</b>	18	14.6
<b>Total</b>	123	100.0

Table 4.21 shows that the majority 105 (85.4%) of the 123 respondents agreed that the allocation of funds to YEDF from the Government influenced the amount of money the groups were given by YEDF. Only 18(14.6%) of the 123 respondents disagreed and therefore thought other factors contributed to the amount of funds the group got from YEDF.

These findings concurred with the literature reviewed where YEDF on its part reported having faced the challenge of inconsistency in budgetary allocation from the government which makes it unable to adequately fund the growing number of Kenyan youth on the enterprise development mandate, YEDF faces the challenge of high cost of providing business development services, which include mentorship and business coaching to young entrepreneurs due to large number of youth involved and increasing demand. (Kenya Government, Youth Enterprise Development Fund Status report, 2007). This findings also concurred with a study done by Oyugi (2007) who found out that the amount of devolved funds were not adequate (Oyugi, 2007)

#### **4.6.5 Enlargement of Group Project Capital Base Due To Increased Funding and Growth of Group Projects.**

For the researcher to be able to find out whether youth group felt there would have been any influence in their group project if they received more funding from YEDF, respondents were asked to indicate their level of agreement on whether they agreed on the enlargement of their group project if they received more money from YEDF. The findings were analyzed and presented as indicated in table 4.22.

**Table 4.22: Distribution of Respondents on Influence of More Funds from YEDF To Growth Of Group Business**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	77	62.6
<b>Agree</b>	46	37.4
<b>Total</b>	123	100.0

From the responses all the 123 (100%) respondents agreed that more funds would enlarge their group project. These findings indicated that the respondents felt that the money they received as a group was not enough and they would do more if funded more.

#### **4.6.6 The Growth of Youth Group Project and Amount of Funds Given by YEDF**

Respondents were asked whether they agreed to the statement that the growth in profit of their group project depended on the money given to their group by YEDF. The responses were analyzed and tabulated as shown in table 4.23.

**Table 4.23: Distribution of Respondent on Influence of YEDF Money to Growth in Profits And Size of Youth Group Projects.**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	8	6.5
<b>Agree</b>	75	61.0
<b>Disagree</b>	40	32.5
<b>Total</b>	123	100.0

From the 123 respondents 83(67.5%) indicated they agreed that the growth in profit and size of their group project depended on the money given to the group by YEDF.40(32.5%) of the 123 respondents disagreed and thus thought that there were other reasons for the growth of their project.

From this analysis on the influence of sufficiency of YEDF funds to growth of youth group project, it is has emerged that 105 (86.2%) of the123 respondents agreed that



YEDF funds led to their groups expansion. 123 (100%) of the 123 respondents agreed that if more funds were availed their group project would grow even bigger, while 83 (67.5%) of the respondents believe that YEDF funds influence the size of their group business.

This study has found out that the funds allocated to youth groups were not adequate to provide for all the needs of the youth groups. This finding concurs with the study done by Migire (2011) while studying the influence of YEDF on small businesses in Kasarani constituency, Kenya, where he found out that insufficiency of YEDF funds affected the performance of youth small enterprises.

The study also found out that the strategy used by the government on allocation of YEDF funds do influence the growth of youth group projects. This is agreement with the national youth policy document (2009-2009) where it states that government should formulate strategies and policies that responds to changing conditions of the young people in 21<sup>st</sup> century (oyugi, 2007)

Sufficiency of YEDF funds thus influence the growth of group projects since from the respondents amount of money given to youth group projects has had a positive effect on the growth of youth group project as already explained.

#### **4.7 Repayment of Youth Enterprise Development Fund and Growth of Youth Group Project.**

The fourth objective of the study was on the influence of repayment of YEDF funds to growth of youth group projects in Gatundu north district. In order to establish the extent to which repayment of YEDF funds influenced growth of group projects the researcher obtained several indicators of repayment and the influence it had on youth group projects.

These indicators were like repayment interval, rate of repayment and the effect of timely repayment on growth of group business. The selected group members were asked to rate the indicators of the repayment.

#### **4.7.1 Group Loan Repayment and Growth Of Group Project**

The researcher needed to find out whether youth groups had been paying back their loans. The respondents were asked to indicate their level of agreement on whether they were paying back their YEDF loan. The results were analyzed and presented as indicated in table 4.24.

**Table 4.24: Distribution of Respondents on Repayment Of YEDF Loan**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Disagree</b>	27	22
<b>Agree</b>	96	78.0
<b>Total</b>	123	100.0

Table 4.24 shows that all the 123(100%) respondents were paying their YEDF loans. This was seen to be a good gesture since for any further disbursement of loans to the youth group from YEDF they had to first clear the former loan.

#### **4.7.2 Rate of Repayment Of Loan And Growth Of Group Project**

The other indicator of influence of loan repayment on growth of youth group project was to establish the rate at which the groups paid back their loans. The respondents were asked how they attributed the growth of their group business to the rate of their loan repayment the responses were as analyzed and tabulated in table 4.25.

**Table 4.25: Distribution Of Respondents On The Rate Of Loan Repayment And Growth Of Youth Group project.**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	18	14.6
<b>Agree</b>	80	65.0
<b>Neutral</b>	25	20.3
<b>Total</b>	123	100.0

From the table above 4.25 a majority 98(79.7%) of the 123 respondents agreed that the rate at which they repaid their YEDF loan could be depended on the rate of growth of their business.25(20.3%) of the 123 respondents were neutral and therefore did not attribute the rate of repayment to growth of their group project.

These findings were in line with study carried out by Monica on business performance who ranked business performance as the main determinant of youth funds repayment. (<http://erpository.uonbi>).

#### **4.7.3 Timely Repayment and Growth Of Group Project.**

The researcher wanted to find out the extent to which timely repayment of YEDF funds would influence the growth of group projects. The respondents were asked whether they would attribute prompt repayment to more funding. The responses were analyzed and presented as shown in table 4.26.

**Table 4.26: Distribution of Responses on Timely Repayment and More Funding**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	30	24.4
<b>Agree</b>	67	54.5
<b>Neutral</b>	2	1.6
<b>Disagree</b>	24	19.5
<b>Total</b>	123	100.0

From the table 4.26 above a majority 97(78.9%) of the 123 respondents agreed that timely repayment of YEDF funds led to more funding. 24(19.5%) of the 123 respondents disagreed and therefore thought that other reasons were the ones which could lead to further funding. 2(1.6%) of the respondents were neutral.

This results indicate that repayment of YEDF funds has influence in the growth of youth group business in the sense that a majority of the respondents 78.9% are in agreement that the group shall get more funding once ii repays the original amount promptly. The further funding as has been established in this study would increase the working capital of the group project.

#### **4.7.4 Extension of loan repayment period and growth of group project**

The respondents were asked to indicate the extent of their agreement on whether the time allocated to repay loan should be extended. The results of the findings were as indicated in the table 4.27.

**Table 4.27: Distribution Of Respondents On Whether Time To Repay Loan Should Be Extended**

<b>Level of agreement on extension of repayment time</b>	<b>Frequency</b>	<b>Percent</b>
<b>Strongly Agree</b>	66	53.7
<b>Agree</b>	29	23.6
<b>Strongly Disagree</b>	27	22.0
<b>Total</b>	123	100.0

Table 4.27 shows that 95(77.3%) of the 123 respondents agreed that the repayment time of YEDF funds should be extended while 27(22%) of the 123 respondents felt that time should not be extended.

From the findings repayment of the loan influenced the growth of the group project since repayment attracted more funding. According to this research majority of the respondents 79% attributed the growth of their group project to further funding as a result of repayment of previous loan.

Researchers have shown that youth perhaps more than adults need to be part of a solidarity group that enforces discipline in using loans wisely and in repaying them back.

This findings concurs with research findings by Abdirahiman (2010), where he said that research is showing that youth entrepreneurship programs should not expect youth to become fully independent bread winners, relatively small changes in income can lead youths to build or strengthen ties to their extended families, thus limiting the need to create their own households and compromise their loan repayment.(Abdirahiman,2010)

#### **4.7.5 Would You Prefer Individual Funding Or As A Group?**

The researcher sought to know whether the youths would prefer being funded individually or as groups. The response gotten was as analyzed and tabulated here below in table 4.30.

**Table 4.28: Distribution of Responses on Whether YEDF to Fund Group or Individual Youths**

<b>Those in favour of</b>	<b>Frequency</b>	<b>Percent</b>
<b>Individual Youth</b>	87	70.7
<b>Group</b>	36	29.3
<b>Total</b>	<b>123</b>	<b>100.0</b>

From the results it was found out that 70.7% of the respondents preferred funding individual instead of groups. Only 29.3 thought youths should be funded while in groups. These who favored funding individuals gave reasons like individual efforts and lack of disagreement in implementation of projects as well as faster implementation of projects.

#### **4.7.6 Growth of Group Since It Was Funded.**

the researcher sought responses from respondents on whether there group has grown since being funded by YEDF. Respondents to this question gave responses as indicated in table 4.29 here under.

**Table 4.29: Distribution of Responses On Whether The Group Has Grown In Size Since It Was Funded By YEDF**

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
<b>Yes</b>	86	69.9
<b>No</b>	37	30.1
<b>Total</b>	<b>123</b>	<b>100.0</b>

From the responses the table indicates that 86(69.9%) of the 123 respondents indicate that they have grown in size since being funded by YEDF while 37(30.1%) of the 123 respondents disagreed having grown in size since they were funded by YEDF. These findings further indicate that YEDF has influence on the growth of youth group projects as witnessed by the 86 (69.9 %) majority response.

## **CHAPTER FIVE**

### **SUMMARY, DISCUSSIONS, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter comprises of and is organized into the following subheadings: summary of the study, discussions of the study findings, conclusions of the study, recommendations of the study and suggestions for further studies.

#### **5.2 Summary of the Study**

This study assessed the influence of YEDF on the growth of youth group projects in Kenya and more specifically Gatundu North District by: assessing the influence of entrepreneurship training by YEDF on the growth of youth group projects; assessing the influence of accessibility of youth funds to the growth of youth group projects; assessing the influence of sufficiency of YEDF funds on the growth of youth group projects and the influence of repayment of YEDF funds on the growth of youth group projects.

The study found out that entrepreneurship training has an influence on the growth of youth group project. The study findings pointed out that among the sampled youth group members, the entrepreneurial business knowledge and skills acquired as result of entrepreneurship training by YEDF had a positive impact on the running of the group project. According to the study findings, a majority 76.7 percent of the 123 sampled Youth Group members had agreed that they could attribute the success of their group project to entrepreneurship training they had attended organized by YEDF. Ineffective



utilization of YEDF loan facility which negatively influenced the performance of Youth group project was largely due to lack of background business experience as well as skills needed for effective management of any useful youth group project.

Influence of accessibility of YEDF funds to the growth of youth group projects was noted to be affected by bureaucracy. The study findings pointed out that there was need to address the bureaucracy involved in accessing YEDF funds. It was noted that whereas all the 123(100%) of the youths involved in this study knew about YEDF funds, many felt that the initial business idea was bound to be changed by the time they received the money owing to the long period of time taken between application for the funds and the receipt of the same. Bureaucracy was noted to prevail following the rigorous requirements by YEDF to have the loan application form stamped by the social development officer, the local chief, a patron who could be an elected member and the bank where youth group has an account. Many youths reported a length of time extending to more than six months from the time they applied for the money and the time they received the money. This affected the initial business idea the youths had when applying the funds.

Sufficiency of YEDF funds was also found to have influence on the growth of youth group projects. From the findings, the main problem that faced the Youth Groups in the initial start up and running of group projects successfully was inadequacy of starting capital. Most of the youth groups lacked initial capital to start or expand the existing Youth group projects so as to become more viable. According to the study findings, a majority 90 percent of the 123 sampled Youth Group members agreed that the Youth Enterprise Development Fund allocations to groups were insufficient for

any meaningful youth group project and many felt that the funds should therefore be increased. The majority 80% of the 123 respondents were of the view that if their group received more money from YEDF it would have enlarged its capital base.

Repayment of YEDF funds was also noted to influence growth of group businesses. The groups which repaid their loans on time reported more funding from YEDF and other funding agencies. The groups which delayed in repayment of their loans reported lack of capital and poor growth of their project something that was attributed to low investment due to low capital. They could not attract further lending from YEDF or any other agency.

The main findings of the study were a dear need to ensure that youths were trained on the possible entrepreneurial business skills needed to run successful Youth group projects this could be done through regular youth workshops and seminar.

Research instrument used was questionnaire for the selected youth group members. Data from the field was collected by the researcher with assistance of research assistant and analyzed for basic descriptive statistics

### **5.3 Discussions of the Study Findings**

In the reviewed literature of this study, Youth Enterprise Development Fund loan facility was started in 2006 as part of Government's aim to help the youth to start up small scale business enterprises as well as provide some support to youths who had an ongoing youth group project. The aim of YEDF was therefore to create self-employment for the youth and to let them become financially independent (Mabinda, 2012).

In research question (i) the study findings pointed out that among the sampled youth group members, the entrepreneurial business knowledge and skills acquired as result of entrepreneurship training by YEDF had a positive impact on the running of the group project. According to the study findings, a majority 76.7 percent of the sampled Youth Group members had agreed that they could attribute the success of their group project to entrepreneurship training they had attended organized by YEDF.

Ineffective utilization of YEDF loan facility which negatively influenced the performance of Youth group project was largely due to lack of background business experience as well as skills needed for effective management of any useful youth group project.

According to a research done by Mabinda (2012), it was revealed that most youth group members shared the YEDF funds once they got it and used it to buy consumables. This could be attributed to lack of entrepreneurial training on investment and to some extent therefore, the findings of this study had concurred with the literature reviewed on the findings from the study done by Mabinda where it was noted that, most Kenyan youth were not able to effectively utilize the YEDF loan to make any meaningful profit. (Mabinda, 2012).

In the reviewed literature (Mabinda, 2012), had noted that the trainers in the ministry of youth affairs and sports had negative attitude towards the youth training seminars and workshops and the training equipment and materials were inadequate both in quantity and quality in most of the Youth Groups who were involved in any YEDF related business enterprise management training seminar or workshop.

The financial management skills needed for the youth to effectively start and run their individual project and the efficacy of this funds in eradicating poverty as it create employment among the youths is subject to thorough research which is however not part of this study. However there is need for training workshops and seminars on the youth business enterprise financial management

Entrepreneurship training has influence on growth of youth group projects and necessary before funding of group projects. This concurs with Backes&Werner 2007, in the reviewed literature who found out that any Government that aspires to boost performance of youth businesses should provide accessible training institutions and create more opportunities for acquisition of entrepreneurial skills.(Backes&Werner,2007).

In research question (ii) the study findings pointed out that there was need to address the bureaucracy involved in accessing YEDF funds. It was also pointed out that whereas a majority 100% of the youths involved in this study knew about YEDF many felt that the initial business idea was bound to be changed by the time they received the money owing to the long period of time taken between application for the funds and the receipt of the same.

According to the study findings, a majority 78.9 percent of the Youth Group members agreed that acquisition and utilization of YEDF loans had negatively influenced the performance of the Youth group projects in Gatundu North district. This concurred with what had been found out in the reviewed literature where by according to the study

findings, a majority 83.4 percent of the youth group members agreed that access to Youth Enterprise Development Fund loans negatively influenced the performance of the Youth group projects in Gatundu North District.

In the reviewed literature, some of the hurdles in the acquisition of the YEDF loans so as to help in mitigating against the youth unemployment were: The youth were required to be in Groups of not less than 10 members in order to access the YEDF loan; they should be having a group account and should also be registered by the social development office as well as having authorization of their local chief before getting the loan (GOK: MOYAS, 2010).

However, requiring the youth to join Youth Groups before accessing the YEDF loan was uncalled for, since many of the youth entrepreneurs develop their ideas individually (Mabinda, 2012). There might be other Youth Group members who might have no entrepreneurial ideas, and who might not be interested in the business enterprises. Therefore such members fail to be actively involved in the Youth group project but just become joy riders.

It is however worth mentioning that by the time this study was being carried out YEDF was in the process of launching what they called Vuka loan which targeted individual youths. The loan amounts were to range from 100,000 to 2,000,000 Kenya shillings and to attract an 8% interest rate. The only hurdle that the researcher fore saw was on the part of collateral in the form of vehicle log books and title deeds to be provided by youths before accessing these loans. This requirement was seen to be one that could lock out many youths who might not have this kind of collaterals.

In research question (iii) from the findings, the main problem that faced the Youth Groups in the initial start up and running of group projects successfully was inadequacy of finance (capital). Most of the youth groups lacked initial capital to start or expand the existing Youth group projects so to become more viable.

According to the study findings, a majority 90 percent of the sampled Youth Group members agreed that the Youth Enterprise Development Fund allocations from Central Government were insufficient for any meaningful youth group project and many felt that the funds should therefore be increased. These findings concurred with the findings of McCormick (1999) in the reviewed literature where he noted that inadequacy of financial resources is a factor that discourage business ideas and protect competitive business enterprises.

However awareness of YEDF was noted to be very high at 95% and therefore contrary to McCormick findings where he had listed awareness of Government funds and information technology as some of the other factors that discourage business enterprises,(McCormick, 1999). The majority 80% were of the view that if their group received more money from YEDF it would have enlarged its capital base. However the majority 75% agreed that YEDF had positive effect on the growth of their youth group project.

The research question (iv) was on the influence of repayment of YEDF funds on the growth of youth group projects. 80% of the group members interviewed agreed that they had been paying back their loans though majority of whom never repaid in accordance to the 1 month interval that they had agreed with the YEDF in their loan agreement during the time of funding. However a majority 75%felt that repayment interval of the loans

should be extended. This is contrary to YEDF rules governing borrowing however 90% of the respondents were in agreement that youth groups should repay their loans so as to benefit from more funds from YEDF as well as from other funding agents.

#### **5.4 Conclusions of the Study**

The job opportunities for the youth in Kenya have been noted in the study to be decreasing proportionally with increase of the educated unemployed as well as uneducated unemployed youth. However, it really remains to be seen whether the Youth Enterprise Development Fund has achieved its intended objectives among them creation of self-employment.

Some of the hurdles in the acquisition of the YEDF loans in cushioning youth against the unemployment found out in the study were: The youth were required to be in Youth Groups of not less than 10 members in order to access the YEDF loan; they found it tedious and unnecessary to take the form to local chiefs for endorsement; the group must have their membership list certified by the district social development officer as well as their group account signatories be verified and approved by their bankers. These were cited as major bottlenecks which made the youths feel that there is so much bureaucracy in attempt to acquire these funds.

However, many Youth Entrepreneurs develop their ideas individually, thus requiring them to join Youth Groups before accessing the YEDF loan is quite uncalled for. For such youths the majority 80% were of the opinion that they would prefer YEDF fund individual youths as opposed to youth groups citing reason like easy to manage and personal commitment to ones project.

According to the findings what the Youth really needed were the skills to succeed in their group projects. Many of the youth group members who indicated having not attended entrepreneurship training also indicated lack of experience in managing the group funds and indicated problems in repaying the loan due to poor group project performance. It is the entrepreneur's ability that leads to the success of the business, but not how much initial capital one has at the beginning of the business activities.

Majority 75% of youths interviewed reported having benefited as individuals from the group project and also reported increase in their groups membership, however as Salee (2012) rightly say, to provide a self-empowering alternative for underprivileged individuals to develop livelihoods; Capitalizing on creativity, so as to turn ideas and skill into marketable products; supporting talented youth to develop their skills, build their confidence and acquire the networks that enable them to start and run their own creative businesses should be the sole and ultimate goal of the Government so as to have a meaningful and sustainable youth development and create self employment among the youths.

### **5.5 Recommendations of the Study**

Based on the study, literature review and findings after the data analysis, the following recommendations were made:

- 1). The YEDF training programmes on entrepreneurship should be enhanced and be made compulsory before any group is to be funded. This will ensure that the youths will be able to make the right decisions on investments as well as on the proper accounting of their financial resources. The implementation of any YEDF programme should be



preceded by youth groups' training approach on how they would run their businesses once they start their Youth group project.

iii. As much as the government needs comprehensive information about any youth group to be funded there should be a better way of ensuring that instead of committing the youths to rigorous procedures like the social development officer and the chief, the YEDF officer should be able to ascertain the genuineness of the group by paying them a visit. The national youth council should be given the mandate of registering youths in the respective locations where they are represented.

iv. The study also recommended that Youth Enterprise Development Fund loans be structured in away that youths would be able to access loans of low amounts as individuals instead of being funded in groups. Currently the minimum loan that is available to an individual youth is one hundred thousand shillings though there are still many youths who would prefer lower amounts ranging from ten thousand and above, this group that desires less than one hundred thousand shillings forms the majority of the unemployed youths in the district. However for the groups loans there is need for an overhaul of the entrepreneurship training so as to enhance business accountability and effectiveness in management.

vi) The amount of money given to youths in groups should be increased to at least 200,000 shillings from 50,000shillings as the starting amount.

## **5.6 Suggestion for Further Studies**

The researcher suggested further studies on the influence of Youth Enterprise Development Fund on growth of individual youth projects which would add to the

findings of this study. This may provide a good comparison between the influence YEDF has on the growth of group projects and the influence it has on individual projects. This comparison would be important so that the Government would know exactly which mode to use in attempt to help the youths self employ themselves.

To enhance effective utilization of Youth Enterprise Development Fund loan other areas that require further research include; the influence of Youth Enterprise Development Fund on the economic empowerment of youths with disabilities. This is so because in all the groups represented in this study no youths who are physically challenged featured since no group had them as their members. So what then is the influence of YEDF on their livelihood.

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**APPENDICES**

**APPENDIX I :**

Transmittal Letter

John Mungai Muraga,

P.O Box 298,

Thika.

For Youth Groups-Gatundu North District

Dear sir/madam

Ref : Transmittal Letter

I am John Mungai Muraga a Postgraduate Student at Nairobi University pursuing a master of arts (MA) degree in Project Planning and Management (PPM). As part of the requirements of the award of the MA in PPM. I am conducting a study on the **Influence of Youth Enterprise Development Fund on the growth of Youth Groups Projects** in Gatundu North District, Kiambu county, Kenya. Being one of the Youth groups, your group has been selected together with other Youth groups in Gatundu North District to participate in this study and I therefore congratulate you for having been selected.

I kindly request you on behalf of your group to co-operate and assist me by correctly filling in this questionnaire. The information you will give shall be confidential and only shall be used for the purpose of this study. I also assure you that your identity and that of your group shall remain anonymous.

Looking forward for your cooperation.

Yours faithfully,

.....

John Mungai Muraga



## APPENDIX II:

### Questionnaire for the youths in the youth groups

This questionnaire is made to collect information for assistance in conducting a study on the influence of Youth Enterprise Development Fund on the Growth of Youth Group Projects in Gatundu North District-Kiambu County, Kenya. I humbly request you to fill up the questionnaire carefully and diligently. Use a tick to select your collect response among the choices and statements given below. Do not write your name. The information you are going to give will be confidential and will only be used for the study purpose.

#### Section A. Personal Information

**Kindly indicate your:**

Gender

Male                       Female

Level of Education

Primary               Secondary       College               University

3) Period of time as a member of your youth group

1 - 2 years       3 - 4 years       more than 5 years

4) Age group

Less than 18 years       18-35 years       above 35 years

**Section B. Influence of Entrepreneurship Training on the Growth of Youth group Projects.**

Indicate your level of agreement with the following statements concerning the influence of **Entrepreneurship training** by YEDF on the growth of youth group projects.

<b>Statement</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>disagree</b>	<b>Strongly disagree</b>
I have attended entrepreneurship training organized by YEDF.					
I can attribute the growth of this youth group project to good leadership as a result of training by YEDF.					
We are able to utilize group funds well as a result of business management training I attended organized by YEDF.					
Investment training by YEDF has enabled us to expand our group project.					
The choice of my group project is as result of training by YEDF on business choices.					
I'm good in record keeping because I					

was trained by YEDF.					
I am able to sell our group products since I was trained on how to handle customers by YEDF.					
Our group profits have increased since we have more customers.					

Would you attribute the success of your group project to the training you received from YEDF? Yes ( ) No ( ) If not please state other

reasons.....  
 .....

**Section C. Influence of Accessibility of YEDF funds on the Growth of Youth Group Projects**

Indicate your level of agreement with the following statements concerning the influence of **Accessibility** of YEDF funds on the growth of youth group projects.

Statement	Strongly agree	Agree	Neutral	disagree	Strongly disagree
I am aware of YEDF funds.					
I always get information on YEDF funds when I need it.					
Information on YEDF funds has enabled us to be able to apply and receive YEDF funds which have contributed to growth of our group project.					
There is no bureaucracy (masharti) in accessing YEDF funds.					
Lack of bureaucracy has contributed to expansion of this group project since it's easy to access funds from YEDF.					
YEDF officers are committed to their work.					
Increase in working capital of my group project can be attributed to the accessibility of YEDF funds.					
The interval between application of YEDF funds and receipt of funds is short.					
Time taken to access YEDF funds can lead to alteration of business plan.					
We have been able to open up another group project due to accessibility of YEDF funds					

**Section D. Influence of Sufficiency of YEDF Funds on the Growth of Youth Group Projects.**

Indicate your level of agreement with the following statements concerning the influence of **Sufficiency** of YEDF funds on the growth of youth group projects.

<b>Statement</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>disagree</b>	<b>Strongly disagree</b>
My group received money from YEDF.					
The amount of money given to my group project by YEDF was enough. Funds given by YEDF have led to the expansion of this group project in terms of size.					
The Government's budgetary (bajeti) allocation to YEDF contributes to the money given to my group project.					
The growth in profit and size of this group project depends on the amount of money given by YEDF.					
If my group project received more money from YEDF it would have enlarged its capital base.					
YEDF has positive effect on the growth of youth group project.					

In your own opinion do you think that the money given to the youths in groups is sufficient?

Sufficient ( ) not sufficient ( )

**Section E. Influence of Repayment of Youth Enterprise Development Fund on the Growth of Youth Group Projects.**

Indicate your level of agreement with the following statements concerning the influence of **Repayment** of YEDF funds on the growth of youth group projects.

Statement	Strongly agree	Agree	Neutral	disagree	Strongly disagree
We have been paying back our YEDF loan.					
The rate of repayment of YEDF funds can be attributed to the rate of growth of my group project.					
Timely repayment of YEDF funds leads to more funding from YEDF which boost growth of my group project.					
Repayment of YEDF funds depends on the aggressiveness of YEDF officials in following up funded groups to repay.					
Youth groups should repay their YEDF loans so that the groups can benefit from other youth funding Agents.					

Time given by YEDF to youth groups to repay loans should be prolonged					
--	--	--	--	--	--

What is the loan repayment interval in your group?

After 1 month ( ) after 2 months ( ) after 3 months ( ) after 4 months ( )

Would you prefer YEDF fund individual youths or youth in groups?

Individual youth ( ) youth in groups ( )

Give reasons i.....

ii.....

iii.....

Has your youth group grown since it was funded by YEDF in

Membership Yes ( ) No ( )

If Yes how

.....

.....

.....

.....

Number of projects Yes ( ) No ( )

If Yes how

.....

.....  
.....  
As an individual would you say you have benefitted from the group project in any of the following areas?

Financially Yes ( ) No ( )

If yes,

how.....

.....  
Socially Yes ( ) No ( )

If yes, how

.....  
.....  
.....  
Lack of legal mechanism to enhance recovery of YEDF loans have contributed to groups delay in repayment. Do you agree?

Yes ( ) No ( )



### APPENDIX III

Sampling table for determining Sample size from a given population.

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	357
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	351
40	36	160	113	380	181	1200	291	6000	357
45	40	170	118	400	196	1300	297	7000	361
50	44	180	123	420	201	1400	302	8000	364
55	48	190	127	440	205	1500	306	9000	367
60	52	200	132	460	210	1600	310	10000	368
65	56	210	136	480	214	1700	313	15000	373
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	225	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

NOTE; "N" is the population size, "S" is the sample size. Adopted from Krejcie, Robert V., Morgan, Daryle W. "Determining sample size for research activities," Educational and Psychological Measurement

#### APPENDIX IV

S/NO	Target group and sample size Group Name	Target group	Sample size	Percentage
1	Rehoboth S.H.G	10	7	5.30
2	Gachege Jitegemee Ufaulu SHG	12	8	6.0606
3	Mataara women Y.G	10	7	5.303
4	Nuru young farmers Y.G	11	7	5.303
5	Munyaka youth S.H.G	8	5	3.788
6	Kahuho youth group	10	7	5.303
7	Kageche youth S.H.G.	11	7	5.303
8	Tushauriane youth SHG	9	6	4.545
9	Ndikaga mix 92 SHG	10	7	5.303
10	Tofam youth group	10	7	5.303
11	Kairi-kwambari Y.G	8	5	3.788
12	Mataara bidii youth group	12	8	6.0606
13	Undugu SHG	12	8	6.0606
14	TOKYO 111 youth group	8	5	3.788
15	Kibue youth group	9	6	4.545
16	Mang'u motorbike SHG	11	7	5.303
17	New beginning Kihuha SHG	8	5	3.788
18	New dimension SHG	9	6	4.545
19	Vijana think Big SHG	11	7	5.303
20	Kabugi 95 youth SHG	11	7	5.303
<b>TOTAL</b>		<b>200</b>	<b>132</b>	<b>100</b>

