

**THE INFLUENCE OF ENTREPRENEURSHIP TRAINING AND FINANCIAL GRANT
ON YOUTH-OWNED ENTERPRISES: THE CASE OF SHARDO YOUTH
ENTERPRISE DEVELOPMENT PROGRAMME IN SOMALIA**

NASRA AHMED MOHAMED

C50/61613/2013

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT
FOR AWARD OF THE DEGREE OF MASTER OF ARTS IN SOCIOLOGY
(ENTREPRENEURSHIP DEVELOPMENT), UNIVERSITY OF NAIROBI**

NOVEMBER, 2014

DECLARATION

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

Signature:

Date:

NASRA AHMED MOHAMED

REG.NO: C50/61613/2014

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

Signature:

Date:

Dr. Karatu Kiemo

Lecturer

Department of Sociology and Social Work

University of Nairobi

DEDICATION

This project is dedicated to my lovely husband Abdinor Dahir, who has constantly encouraged for me to go on during my study period.

ACKNOWLEDGEMENTS

First, All Glory and Honour be to the Almighty Allah, for the gift of life and all blessings. I am deeply obligated to my supervisor, Dr. K. Kiemo for his support, advice, guidance and his continuous evaluation and supervision of my work.

I also wish to acknowledge and thank my loving mother Hawa, father Ahmed, sister Hodan and all my brothers and sisters for their support, love and care which saw me through difficult times of my study, special thanks to my husband Abdinor who has voluntarily supported me through the entire process and contributed to the successful completion of this project.

Finally, I would also like to extend my gratitude to Simad University for their support and to the administration of the University of Nairobi through the university's library and the library staff that enabled me to access the various materials used in compiling this work. Special attribute goes to my class members and friends who through their persistence assistance and hard work saw the achievement of this study.

ABSTRACT

Entrepreneurship and business creation are a growing alternative for young people whose age group often faces a labour market with double digit unemployment rates. It plays a crucial role in driving economic development and job creation. The study therefore sought to establish the effects of entrepreneurship training and empowerment among youth in Somalia due to inadequacy of research that only entrepreneurial development were done on women entrepreneurs. The study focused on role of entrepreneurial training on the growth of youth owned enterprises, whether entrepreneurship promotion have impact on the enhancement of youth living condition and also the influence of grants provided on the growth of enterprises owned by youth.

Descriptive research design was selected in this study because it would allow the researcher to gather numerical and descriptive data to assess the relationship between variables. Simple random sampling was used to select a total of 83 youth for a population of 110 youth entrepreneurs. Questionnaire was used as the main data collection instrument and statistical packages for social sciences was employed for analyzing the data.

The study found that the trainings provided helped the enterprises of the youth and that they got an idea of establishing plans and managing businesses. The entrepreneurship promotions of youth in Somalia enhanced the youths' living condition, the creation of the job enabled the youth to cover their needs, also the grants offer foundation as the business starts. Finally; the knowledge spillover theory of entrepreneurship posits that entrepreneurship is a response to investments in knowledge and ideas by incumbent organizations, Entrepreneurship development is the process of improving the skills and knowledge of entrepreneurs through various training programs. The provision of training and grants empowered the youth for their livelihood. The

study recommended that the entrepreneurship training programmes should be repeated for the youth and that the Entrepreneurship development programs should first identify the local market. It is recommended to analyze and then design unique ideas based on the needs of the surroundings.

TABLE OF CONTENTS

| | |
|--|------------|
| DECLARATION..... | ii |
| DEDICATION..... | iii |
| ACKNOWLEDGEMENT..... | iv |
| ABSTRACT..... | v |
| LIST OF TABLES | x |
| LIST OF FIGURES | xi |
| LIST OF ABBREVIATIONS | xii |
| | |
| CHAPTER ONE: INTRODUCTION..... | 1 |
| 1.1 Background of the study | 1 |
| 1.2 Problem Statement..... | 4 |
| 1.3 Objectives | 5 |
| 1.4 Significance of the Study..... | 5 |
| 1.5 Scope and Limitations of the Study | 6 |
| 1.6 Definition of Key Terms & Concepts..... | 7 |
| | |
| CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK..... | 8 |
| 2.1 Introduction..... | 8 |
| 2.2 Youth Entrepreneurship..... | 8 |
| 2.3 The Value of Youth Entrepreneurship and Self-employment | 9 |
| 2.4 Factors for entrepreneurial engagement to youth | 10 |
| 2.4.1 Social /cultural attitudes..... | 10 |
| 2.4.2 Entrepreneurship education & training | 11 |
| 2.4.3 Access to start-up finance | 12 |

| | |
|--|-----------|
| 2.4.4 Business development service..... | 14 |
| 2.5 The role of entrepreneurship training on the performance of youth enterprises..... | 15 |
| 2.6 Impact of Entrepreneurship for enhancing youth living condition..... | 16 |
| 2.7 The influence of grants for youth enterprises | 18 |
| 2.8 Theoretical Framework..... | 18 |
| 2.8.1 Social Capital Theory..... | 18 |
| 2.8.2 The knowledge Spill over Theory of Entrepreneurship..... | 21 |
| 2.9 Sustainable Livelihoods Approach (SLA)..... | 23 |
| 2.10 Summary of Literature Review..... | 28 |
| | |
| CHAPTER THREE: METHODOLOGY | 29 |
| 3.1 Introduction..... | 29 |
| 3.2 Site Description..... | 29 |
| 3.3 Research Design..... | 29 |
| 3.4 Target Population..... | 30 |
| 3.5 Sample Size and Procedures | 30 |
| 3.6 Unit of Analysis & Unit of Observation..... | 31 |
| 3.7 Data Collection Tools | 31 |
| 3.8 Data Validity and Reliability | 31 |
| 3.9 Data Analysis | 32 |
| 3.10 Ethical Issues | 32 |
| | |
| CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS | 33 |
| 4.1 Introduction..... | 33 |
| 4.2 Questionnaire Return Rate..... | 33 |

| | |
|---|-----------|
| 4.3 Profile of youth entrepreneur | 33 |
| 4.4 Entrepreneurship Training | 36 |
| 4.4.1 Content of Entrepreneurship Training..... | 36 |
| 4.4.2 Impact of Entrepreneurship Training | 40 |
| 4.4.2.1: Impact of Entrepreneurship Training | 40 |
| 4.4.2.2 Opinions on improvement of entrepreneurship training program | 41 |
| 4.5 Entrepreneurship Promotion | 42 |
| 4.5.1 Changes in living standards come about as a result of having the business | 44 |
| 4.6 Performance of Enterprises..... | 44 |
| 4.7 The effect of grants to the development of your business | 45 |
| 4.7.1 Whether the grants empowers economically | 45 |
| 4.7.2 Challenges experienced while running or managing the business..... | 49 |
| 4.7.3 Other intervention strategies recommended for youth empowerment..... | 49 |
| | |
| CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS..... | 50 |
| 5.1 Introduction..... | 50 |
| 5.2 Summary | 50 |
| 5.3 Conclusions..... | 52 |
| 5.4 Recommendations..... | 53 |
| 5.5 Suggestions for further studies..... | 53 |
| | |
| REFERENCES..... | 54 |
| | |
| APPENDICES | 1 |
| APPENDIX 1: QUESTIONNAIRES FOR YOUTH ENTREPRENEURS | 1 |

LIST OF TABLES

| | |
|--|----|
| Table 4.1: Composition of Respondents by Age & Gender | 33 |
| Table 4.2: Level of education attained..... | 34 |
| Table 4.3: Type of business activity | 35 |
| Table 4.4: Year attended training..... | 36 |
| Table 4.5: Duration the entrepreneurial training last | 36 |
| Table 4.6: Areas covered in the entrepreneurship training undertaken/attended..... | 38 |
| Table 4.7: Impact of Entrepreneurship Training..... | 40 |
| Table 4.8: Contribution to household's monthly income | 42 |
| Table 4.9: Amount contributed to household's monthly income before starting business..... | 42 |
| Table 4.10: The amount contributed to household's monthly income at present..... | 43 |
| Table 4.11: Satisfaction with performance areas of the firm after starting the enterprise..... | 44 |
| Table 4.12: The Grant Obtained | 45 |
| Table 4.13: Number of people employed after starting the business..... | 46 |
| Table 4.14: Whether the business made profit or loss for the last year | 46 |
| Table 4.15: Total profit as a percentage of total value of the firms' assets in the last year..... | 47 |
| Table 4.16: Total loss as a percentage of total value of the firms' assets in the last year | 47 |
| Table 4.17: If the respondents had adequate capital for the business | 48 |
| Table 4.18: Ways intended to acquire additional capital for the business..... | 48 |

LIST OF FIGURES

| | |
|--|----|
| Figure 1: Key components of the Sustainable Livelihoods Framework..... | 24 |
| Figure 2: Conceptual Framework | 27 |

LIST OF ABBREVIATIONS

| | |
|--------|--|
| ESDP | Entrepreneurial Skills Development Programmes |
| GDP | Gross Domestic Product |
| GEM | Global Entrepreneurship Monitor |
| ILO | International Labor Organization |
| MDG | Millennium Development Goals |
| NGO | Non-governmental Organization |
| OECD | Organization for Economic Co-operation and Development |
| SHARDO | Shabelle Relief & Development Organization |
| SLA | Sustainable Livelihood Approach |
| UNDP | United Nations Development Programme |
| YEN | Youth Employment Network |
| YES | Youth Employment Summit |

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Entrepreneurs have been defined as people with ability to identify viable business opportunities, marshal their resources to start a profitable business venture (Rwika, 2003). Entrepreneurship training has been highlighted as a key necessity to development and growth of the entrepreneurship in many countries of the world. It has been recognized as an important tool for changing the attitude and transfer of skills to people with entrepreneurial traits. Entrepreneurship training is a systematic, structured, and objectivism activity that people who has potential ability would be creatively educated or entrepreneurs would be educated to increase their skills and capabilities. The correlation between entrepreneurship training and entrepreneurial intention is intriguing if we consider the economic relevance of entrepreneurial activity mentioned by various authors: entrepreneurial behavior, the creative destruction leading to innovation (Schumpeter, 1997), increases the economic wealth of nations and can be one element which contributes to the improvement of the economic condition of entire countries. According to Ajzen's (2002) theory, the immediate antecedent of behavior is the intention to perform a given behavior. Ajzen states that the intention to perform the behavior can be predicted with high accuracy from three antecedents which is attitudes towards the behavior, subjective norms and perceived behavioral control.

Empowerment means assisting people to overcome obstacles which might prevent them from achieving their potentials. The need for empower arises from the inability of an individual or a group of people to actualize their dreams and reach their greatest potential due to artificial barriers created by individuals and other groups within the same society (Olakulein and Ojo 2006). Youth empowerment as an attitudinal, structural, and cultural process whereby young

people gain the ability, authority, and agency to make decisions and implement change in their own lives and the lives of other people, including youth and adults. He further argued that young people are empowered when they acknowledge that they have or can create choices in life, are aware of the implications of those choices, make an informed decision freely, take action based on that decision and accept responsibility for the consequences of those actions (Semboja, 2005). Empowering young people means creating and supporting the enabling conditions under which young people can act on their own behalf, and on their own terms, rather than at the direction of others. The process of involving the youth in planning, implementation, and evaluation, brings about a strong sense of belonging and ownership that essentially leading to sustainability and immense benefits of the Programmes. Over the last decade, the concept of empowerment has emerged as the main paradigm of development throughout different governmental sectors (Blanchard, 1996).

Entrepreneurship and business creation are a growing alternative for young people whose age group often faces a labour market with double digit unemployment rates. Within the framework of potential efforts and strategies to boost employment and job creation for young people, entrepreneurship is increasingly accepted as an important means and a useful alternative for income generation in young people. As traditional job-for-life career paths become rarer, youth entrepreneurship is regarded as an additional way of integrating youth into the labour market and overcoming poverty. Given global demographic trends, it is important that the social and economic contributions of young entrepreneurs are recognized. Entrepreneurship can unleash the economic potential of young people.

The promotion of youth entrepreneurship is fundamental to the achievement of MDG 8, Target 16 which focuses on developing decent and productive work for youth. This has a significant

effect of bringing back the alienated and marginalized youth into the economic mainstream thereby addressing some of the socio-psychological problems and delinquency which occur due to the joblessness (White and Kenyon, 2000).

Action on youth unemployment must be integrated as a central platform for achieving MDG 1 on poverty reduction and hunger. The achievement of MDG 1 has a bearing to the achievement of other MDGs in particular MDG 3, which promotes an increase in the share of women on wage employment in Nonagricultural particularly in Africa where socio-cultural constraints tend to affect the participation of female youth in self employment.

According to White and Kenyon (2000) youth entrepreneurship is a critical in promoting innovation and resilience as it encourages young people to find new ideas and methods of doing things through experience based learning. White and Kenyon further note that social and cultural identity is promoted through youth enterprises, as is a stronger sense of community where young women and men are valued and better connected to society. They note that youth enterprises give young people, especially marginalized youth, a sense of 'meaning' and 'belonging'. This can shape the identity of youth and encourage others to treat them as equal members of society. A popularization and democratization of entrepreneurship can allow the disadvantaged in society to succeed regardless of social or family background (OECD, 2001).

Youth entrepreneurship also promotes the revitalization of the local communities by providing valuable goods and services. Despite the numerous benefits, the development of youth entrepreneurship in many countries faces numerous challenges. These include unfavorable administrative and regulatory burdens, poor access to finance, market, entrepreneurship

education and business development services for the start-ups by young people in a high-income and developing countries (World Bank, 2002, 2005).

Available evidence shows that in developing countries, the rate of self-employment among youth, while low compared to adults, is significantly higher than among young people in developed countries. This is particularly the case in countries with slow or stagnant economic growth. Thus, Sharif (1998) observes that the tendency towards self-employment among youth is much greater in Sub-Saharan Africa than in other parts of the world. The belief in African countries is that young people are 'natural entrepreneurs' who only need access to credit to become self-employed.

1.2 Problem Statement

The influence of culture on economic activities of the different societies has been investigated since beginning of the 20th century. It is no doubt therefore that culture is an obvious source of significant variations in the levels of entrepreneurship. Entrepreneurial culture is peoples' systems of values that foster positive attitude towards entrepreneurship (Bums, 2001).

Entrepreneurship is in fact a part of Islamic culture, there are a lot of Muslims that are successful entrepreneurs in the world and Islam always invite all Muslims to be innovative, entrepreneur and active. We propose that Islam views extrinsic aspects of work positively. It is clear that the Islamic work ethic argues that engagement in economic activities is an obligation (Yousef, 2000). Work is thus the source of independence and the means to achieve a fulfilled life. The *Qur'an* speaks in favor of free trade and legitimate profit so long as it is consistent with Islamic ethics and does not exploit others (Ludwig, 2001). As entrepreneurship played a crucial role in driving economic development and job creation, there are youth entrepreneurship training

programmes in Mogadishu by NGOs and private companies, it is therefore important to contribute by finding out the impact of the youth entrepreneurship training and empowerment. Most of the studies on the entrepreneurial development were done by the women entrepreneurs. This means that there is a lack of research and concrete data, this study seeks to address this research gap by exploring the impact of youth entrepreneurship training programme on youth's empowerment in its enterprises in order to widen our experience and narrow the knowledge gap in the area.

1.3 Objectives

To examine the influence of entrepreneurship training and financial grant on youth-owned enterprises.

Specific Objectives

1. To determine the role of entrepreneurial training on the growth of youth owned enterprises
2. To find out whether the entrepreneurship promotion have impact on the enhancement of youth living condition.
3. To investigate the influence of grants provided on the growth of enterprises owned by youth

1.4 Significance of the Study

This study sought to promote youth entrepreneurship as a viable alternative source of employment, the knowledge generated by this study is useful to all developing countries in the area of youth entrepreneurship development and empowerment.

The findings of the study are likely to be of interest to the government, non-governmental organizations and in the donor community as well as to business development service providers. The findings may also contribute to the existing information/literature that may be used academicians who may wish to carry out further studies on a related subject matter.

With regard to the research gap in the area, the findings of this study was contribute to widening the experience of the Somali community.

1.5 Scope and Limitations of the Study

The study was to look on entrepreneurship training and empowerment among youth in Somalia. First it was to look on how the training programmes influenced on the growth of youth enterprises, the trainings delivered is the customer care, financial management, marketing, record keeping, so it was be focused on how these entrepreneurship trainings effected the development of the business. Second, it was looked the entrepreneurship promotion and its impact to the youth living condition, after taking the advantage of the programme, is it changed their wellbeing, and started helping their household for the income they earned, it was be paying attention if the promotion improved their living condition,. Third, the contribution of the grants to the growth of the businesses in terms of reducing risks and vulnerabilities, the focus was be youth entrepreneurs who benefited the training and started their enterprises.

The research met challenge when conducting the research that included the fact that some respondents would not want to give the information as they considered it of competitive importance. However, the researcher did look for contradictions in the information given and no inconsistency were found.

1.6 Definition of Key Terms & Concepts

Entrepreneurship. Refers to the process of identifying and selecting viable opportunities that can generate incomes under calculated risks, for the objective of income generation it's those individuals who are, or want to become self-employed or who have started, or want to start, a new business, in either the formal or informal sector, in order to generate income.

Empowerment. Assisting people to overcome obstacles which might prevent them from achieving their potentials. The need for empower arises from the inability of an individual or a group of people to actualize their dreams and reach their greatest potential due to artificial barriers created by individuals and other groups within the same society

Entrepreneurship training. A training program designed to impart skills and attitude to enable entrepreneurs start a new business or expand an existing one. It is a systematic, structured, and objectivism activity that people who has potential ability would be creatively educated or entrepreneurs would be educated to increase their skills and capabilities.

Youth entrepreneurship. This involves acquainting young people and students with the realities and opportunities of small-business employment and ownership.

Youth. Young people between ages 18-35 years of age.

CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

This chapter outlines literature related to youth entrepreneurship training and empowerment. It highlights Concepts, Ideas, theories, and Opinions from Authors/ Experts, theoretical perspectives and conceptual frame work. Also it describes related studies. It involves secondary data obtained from textbooks, journals and internet.

2.2 Youth Entrepreneurship

Chigunta (2002) has suggested three broad classifications of entrepreneurs; pre-entrepreneurs, budding entrepreneurs and emergent entrepreneurs. The first category which is pre-entrepreneurs is in the age group 15-19 years. They are usually the formative stage which appears to serve as a probationary period. The great majority of youth in this group are ‘pre-entrepreneurs’ who have a very low level of proprietary participation in the small enterprise sector. These younger youth are often in transition from the security of the home or education to the work place. But, as Curtain (2000) observes, for many young people, the transition from education to work is not a single step of leaving the educational system and entering the world of work.

The second category is budding entrepreneurs. It comprises young people in the age group 20-25 years who are in their middle twenties. They are in the growth stage, these youth are likely to have gained some experience, skills and capital to enable them run their own enterprises. They often face three enterprise pathways: 1) remaining stuck in marginal activities; 2) going out of business; and; 3) running successful enterprises.

The third category is emergent entrepreneurs, they are in the age group 26-29 years, and youth are in their prime. This means that emergent entrepreneurs have a higher level of maturity than youth in the lower age groups. They are also likely to have accumulated vital experience in business or in other areas of life. Hence, they are more likely to run more viable enterprises than younger youth. As the evidence from South Africa suggests, the majority of successful youth are in their middle twenties or older.

2.3 The Value of Youth Entrepreneurship and Self-employment

It is now widely accepted that there are many good reasons to promote entrepreneurship among young people. An obvious, and perhaps significant one, is that it creates employment for the young person who owns the business.

In a broader sense, 'entrepreneurship', when treated as 'enterprise', helps young women and men develop new skills and experiences that can be applied to many other challenges in life. Recent survey data suggest that more and more young people in both developed countries and developing countries increasingly view entrepreneurship as a viable career option. The importance of promoting entrepreneurship is also reflected in the increasing role that self – employment plays in job creation across the world. Self-employment is emerging as an important source of employment, livelihoods and economic dynamism. Entrepreneurship and self-employment can be a source of new jobs and economic dynamism in developed countries, and can improve youth livelihoods and economic independence in developing countries. For young people in the informal economy, micro entrepreneurship is a bottom-up method for generating an income, self-reliance and a new innovative path to earning a living and caring for oneself.

According to Chigunta (2006) the importance of promoting entrepreneurship is reflected in the increasing role that self-employment plays in job creation across the world. In developing countries, and especially least developed countries, self-employment is emerging as an important source of employment, livelihoods and economic dynamism. Given the growing importance of entrepreneurship and self-employment as a source of new jobs and economic dynamism in developed countries and livelihoods in developing countries, there is need to promote youth entrepreneurship as a source of improved youth livelihoods and economic independence.

2.4 Factors for entrepreneurial engagement to youth

2.4.1 Social /cultural attitudes

As cultural and social backgrounds influence an individuals' approach to life, they similarly influence entrepreneurial activity and enterprise culture. Gibb (1988) defined an enterprise culture as "set of attitudes, values and beliefs operating within a particular community or environment that lead to both "enterprising" behaviour and aspiration towards self-employment."

Researchers have long realized that cultural attitudes influence the entrepreneurial activities of a population, a country, region or ethnic group and that the interaction between culture and entrepreneurship is stronger in the case of some groups than others. Thus cultural differences between nations are increasingly understood as an important determinant of a nation's level of economic and entrepreneurial development. A cultural environment in which entrepreneurship is respected and valued, and in which business failure is treated as a useful learning experience rather than a source of stigma, was generally be more conducive to entrepreneurship.

Cultural values can have an important influence on entrepreneurial behaviour. However, that does not imply that they are enough to cause or to inhibit the rise of entrepreneurial activity. Social perceptions and perceived legitimacy of entrepreneurship are also an important factor in helping of hindering entrepreneurial behaviour. According to Wilken (1979), the degree of approval or disapproval of business activity was influence its emergence and characteristics, being favoured by those environments in which entrepreneurs enjoy greater legitimacy.

2.4.2 Entrepreneurship education & training

Entrepreneurship education is crucial in assisting young people to develop entrepreneurial skills, attributes and behaviours as well as to develop enterprise awareness, to understand and to realize entrepreneurship as a career option. It is not only a means to foster youth entrepreneurship and self-employment but at the same time to equip young people with the attitudes (e.g. more personal responsibility) and skills (e.g. flexibility and creativity), necessary to cope with the uncertain employment paths of today's societies. Young people can no longer expect to find the traditional 'job-for-life' careers but rather 'portfolio careers' (contract employment, freelancing, periods of self-employment, etc.) (Dearing Report, 1997). Enterprise education is therefore seen as a highly valuable preparation for the changing job market and economy in which young people have to operate.

According to OECD (2001) many experts believe that entrepreneurial education and training should begin as early as possible for two main reasons; first in that it forms an essential component in the preparation of potential young entrepreneurs to go into business by themselves. Second is that it instills entrepreneurial habits in the mind and work skills which can serve equally well for successful employees in the new, globalised, post-industrial economy and those

who actually choose to establish their own enterprises. Charney and Libecap (2000) conducted an evaluation of the Berger Entrepreneurship programme in the US, comparing business school graduates who completed the programme to other graduates. They found out that entrepreneurship education contributes to risk-taking and the formation of new ventures. On average, entrepreneurship graduates are three times more likely than non-entrepreneurship graduates to start new business ventures. Controlling for the personal characteristics of graduates and other environmental factors, entrepreneurship education increased the probability of an individual being. Similarly, there is clear evidence that entrepreneurship education increases the propensity of graduates to be self-employed.

In most developing and transition countries, enterprise education does not simply exist or has not been sufficiently adopted among in and out-of-school youth and where offered it is not applied on all different levels of education i.e. primary, secondary, technical and vocational and higher education (Schoof, 2006). According to Vanguard (2004) while entrepreneurship education has continued to thrive in many societies, in Nigeria it has been neglected. Literature from developing countries on the entrepreneurship education remains patchy. A study on Kenya, Botswana and Uganda by World Bank (2002) revealed that entrepreneurship education is essentially provided through technical and vocational training (TVET) and the pedagogy essentially remains limited to traditional classroom teaching even though the learning outcome is to teach students on how to start and run a business.

2.4.3 Access to start-up finance

The lack of adequate start-up finance is one of the most prominent (at least most talked about) impediments to young people seeking to create their own business.

According to the Eurobarometer Survey (2004), young people (aged 15-24) seem to be the strongest supporters of the perception that the lack of available financial support is an obstacle to setting up a business. About 78 per cent of the respondents (aged 15-24), compared to 73 per cent of all other age cohorts, agreed to this affirmation. The lack of finance was also considered to be a more severe barrier than administrative procedures/burdens or an unfavourable economic climate.

Chigunta, (2001) has suggested that youth enterprise support programmes in developing countries should consider socio-cultural constraints that limit the participation of youth in particular young women who want to engage in entrepreneurship and self-employment. However, the problem of credit access to youth run enterprises seem to be more pronounced in developing nations. Blanchflower (2006) observed that effective promotion of youth entrepreneurship requires adequate funding. Curtain (2000) suggested that the success or failure of any micro-credit schemes in terms of financial viability and servicing the poor young people largely depends on the design of the programme. To promote effective micro credit programmes, there is need to reduce access barriers and design programmes that meet the needs of potential youth entrepreneurs and existing youth run enterprises (Blanchflower, 2006).

Youth enterprises can be promoted through the provision of various types of finance and funding that can broadly be divided into three categories: Grants and 'free money', debt financing and equity financing. Developing countries have very few microcredit schemes targeting the youth. According to Curtain (2000) a review of 902 organizations in 96 countries listed under the Microcredit Summit's Council of practitioners revealed that only 21 organizations had the term 'youth' in their title. A study carried out by Chigunta (2005) in Zambia, suggested that the majority of potential youth entrepreneurs (72.4 per cent) cited lack of capital as the major reason

as to why they were not self-employed. Ayodele (2006) has also identified inadequate capital to be one of the principal factors hindering entrepreneurship in the Nigeria.

According to the World Youth Report (2003) many youth in developing countries relied on personal savings or turned to family and friends for start-up funding and expansion. Without such finances they had minimal chances of starting their own businesses. However, of late different African countries have set up special credit programmes to promote credit access among the youth.

2.4.4 Business development service

The more business assistance a young entrepreneur obtains in the start-up and new business phases the better his or her chance of creating a successful and sustainable business. Support services, including mentors, support networks, business clubs and incubators can hold the key to transforming one-person youth start-ups into successful small and medium businesses.

White and Kenyon (2000) have suggested that Young people have limited business networks and contacts compared to older people, leading to isolation and increased pressure. Entrepreneurial isolation occurs as a result of not knowing anyone in the business. Business contacts are particularly crucial for young and inexperienced entrepreneurs. According to Street and Sykes (2003) young people with no business experience have no former customer base or on an already established supplier network to fall back to. They even do not know where to look for it and what was be expected from them by professional purchasers.

Business incubators according to ILO (2006) have become a powerful tool for supporting the entrepreneurial process and for helping to increase survival rates for young innovative start-up companies. Besides the provision of physical working space, they often provide a huge range of

resources and services (management coaching, business plan preparation, administrative services, technical support, business networking, advice on intellectual property and sources of financing) for a limited time period (around 3-5 years). Business incubators can be found in very different forms and can be private, public or based on a Public-Private-Partnership (PPP) initiative involving many partners at national, regional and local levels (business angels, banks, regional and national government agencies, etc.). In the last twenty years, many governments have successfully launched systems of public business incubators to encourage and assist young enterprises.

2.5 The role of entrepreneurship training on the performance of youth enterprises

According to Cole (1997), training is a learning activity, which is directed towards acquisition of specific knowledge & skills for the purpose of an occupation. It focuses on the job task. The training can be both formal and informal and is usually carried out to assist a person understand and perform his/her job better. Armstrong (1999) concurs with Cole that training is a systematic modification of behaviour through learning, which occurs as a result of education and instruction. Meanwhile, entrepreneurship training is a systematic, structured, and objectivism activity that people who has potential ability would be creatively educated or entrepreneurs would be educated to increase their skills and capabilities.

Rasmussen & Sorheim (2006) argue that entrepreneurship training has traditionally focused on teaching individuals, but many initiatives are increasingly becoming more action-oriented, emphasizing learning by doing. In their paper they present a number of action-based activities at five Swedish universities. The cases show that entrepreneurship education focuses less on

teaching individuals in a classroom setting and more on learning-by-doing activities in a group setting and network context.

Entrepreneurship Education and Training has been found to be a major determinant in the growth and survival of enterprises. According to the human capital theory, investment in knowledge, skills and the abilities enhance the productive capacity of the individual. Entrepreneurial training and education acts as a facilitator for entrepreneurial activities with the main focus being to stimulate entrepreneurial activity and performance. This fact acts as a base to ensure that the research that is necessary and conducive in this field to ensure economic growth, is in fact conducted. Training within this perspective is supported by the work of Hynes and Richardson, (2007), where the training per se is defined as an intentional effort to teach specific abilities, which are knowledge bearing, to complete the project better.

Training plays an important role both in situations in technological change and the process of applying new management system. A well trained entrepreneur was portray most of entrepreneurial traits. These traits was then be translated into business growth with the following results; satisfied customers demonstrated by repeat buying, customer royalty and increase in sales volume, well-kept business records, satisfied workers and reduced labour turnover, and finally increase in capital investment and employment creation.

2.6 Impact of Entrepreneurship for enhancing youth living condition

Entrepreneurship and business creation are a growing alternative for young people whose age group often faces a labour market with double digit unemployment rates. As traditional job-for-life career paths become rarer, youth entrepreneurship is regarded as an additional way of

integrating youth into the labour market and overcoming poverty. Entrepreneurship can unleash the economic potential of young people.

Entrepreneurship is driven by economic necessity when there is no other alternative for income generation or making a living. According to GEM study, necessity-driven entrepreneurship levels in a country is associated with factors like low tax revenue as a percentage of GDP, lower levels of participation in both secondary and tertiary education and high levels of income disparity and low levels of social security. That is why especially youth in developing and low-income countries tend to engage in business out of economic necessity (e.g. lack of employment opportunities, need to supplement household income and poverty). The belief in the African countries is that young people are ‘natural entrepreneurs’ who only need access to credit to become self-employed (Mkandawire, 1996; Motts, 2000; Mulenga, 2000).

At global policy level, the need to promote youth entrepreneurship has culminated in the convention of a panel on the Youth Employment Network (YEN) by the Secretary General of the United Nations as well as a civil society-driven Youth Employment Summit (YES) held in Alexandria, Egypt. Both the YEN and YES have identified entrepreneurship as a key priority in the promotion of youth livelihoods and employment. At a local level, this has resulted in the emergence of a discourse on ‘youth livelihoods and entrepreneurship’ in much of Africa in recent years. This discourse has led to the introduction of Entrepreneurial Skills Development Programmes (ESDP) in countries like Gambia, Nigeria, Malawi, Zimbabwe, Swaziland, Uganda and Kenya. The belief in these countries is that promoting small business enterprises can solve the unemployment problem.

2.7 The influence of grants for youth enterprises

Start-up grants particularly aim to promote the establishment of new enterprises of students or young unemployed jobseekers by securing their livelihood during the time estimated for starting and stabilizing the business. Though increasingly superseded by loan schemes, the use of grant-based schemes is still a quite common approach to stimulate entrepreneurship and start-up activity among young people in different countries. However, as White and Kenyon (2001) point out, the issue of grant finance for self-employment ventures is a vexed one. On the one hand, it can be an important aid for people who have been rejected from other conventional forms of finance. On the other hand, many experts believe that programmes should help young people deal more directly with the problem of access to finance, rather than providing them with non-refundable funds or free money.

2.8 Theoretical Framework

This section highlights the theoretical reviews of entrepreneurship training and empowerment of youth and this study was use social capital theory.

2.8.1 Social Capital Theory

The social capital theory is based on the ideas of Piere Bourdieu, James Coleman and Robert Putman. According to Bourdieu (1986, p. 248) social capital is defined as ‘the aggregate of the actual potential resources which are linked to possession of a durable network of more of less institutionalized relationships of mutual acquaintance or recognition’. Social capital for Bourdieu is related to the size of network and the volume of past accumulated social capital commanded by the agent (Bourdieu, 1986, p. 249). Bourdieu sees clear profit as being the main reason that actors engage in and maintain links in a network. That profit is not necessarily economic, but

according to Bourdieu, it can be reducible to economic profit. The actors' potential for accruing social profit and control of capital are differentially distributed.

This differential distribution of potential and control is a central notion in Bourdieu's theories of social reproduction and social space. For Bourdieu (1984; 1989), social space is defined by the complex clustering of actor's positions. However these positions cannot be rendered 'objectively'. Any such effort would result in a very partial and misleading picture because it would conceal the complex interactions that occur between actors. These interactions make up another dimension defined by the relative distributions of resources, and the extent to which these resources can be activated. Actors are unequal in possessing and activating their resources. These inherent inequalities predispose or condition actors in differentially advantaged locations in social space in the competition for the appropriation of available scarce resources.

The inequality fuelling the actors' predispositions is rooted in the differential distributions of economic, cultural, social and symbolic capital. These predispositions act to legitimate the structure of differential awards and provide the means to perceive the structure. According to Bourdieu, all forms of capital, by being organically-related to positions in social space, act in two ways simultaneously: they reproduce all forms of capital and they use these resources to embed the actor's position further. So, positions of actors are both the cause and the effect of all forms of past accumulations of capital, particularly social capital. Social capital can be seen as a 'credential' that perpetuates social inequality by providing differential entitlements to credit (Bourdieu, 1986, p. 248-9). Therefore, social capital along with other forms of associated capitals 'explain the structure and dynamics of differentiated societies' (Bourdieu and Wacquant, 1992, p. 119). Social capital via group memberships becomes a collective phenomenon.

Coleman's (1988) definition of social capital comes close to Bourdieu's (1986) and Loury's (1977) but from a completely different point of departure. For Coleman, 1988, p. S98) social capital 'consists of some aspect of social structure, and facilitates certain actions of actors-whether persons or corporate actors-within the structure'. For Coleman, social capital is productive, i.e. it is used so that actors can achieve particular ends that would have been impossible without it. So it has a clear instrumental purpose.

Unlike Bourdieu though, Coleman sees social capital as a bonding mechanism which adds to the integration of social structure. For Coleman social structure predates the agent who can use embedded social capital as a resource. Coleman is preoccupied with the question as to whether conceptual tools, efficient at the individual level, can be utilized to make the so-called micro-macro transition (i.e. extend beyond the family to greater aggregates and collectivities). Social capital, despite its less tangible character, shares with financial capital an ease of making the micro-macro transition. Social capital infuses with value those aspects of social structure that become resources, which become utilizable for goal-seeking actors. As such social capital can be used conceptually at both the micro and macro levels without requiring a separate theory of social structure working at the two levels of inquiry.

For Putnam (1993a, p. 35; 1993b) social capital refers to 'features of social organizations, such as networks, norms and trust that facilitate action and cooperation for mutual benefit'. Putnam's argument presents social capital, essentially the 'amount' of 'trust' available, as the main stock characterizing the political culture of modern societies. For Putnam, voluntary associations that enable a horizontal linking of people produce trust, the norm that causes interpersonal bonding. This is also the celebrated norm-producing feature of networks in Coleman's formulation.

Putnam however, specifically connects trust and its concomitant reciprocity to civic engagement. Civic engagement, following a Tocquevillian perspective, presumes civil virtue which in itself is an index of the strength of civil society. In short, social capital is associated with political involvement, particularly via voluntary associations. Therefore for Putnam social capital amounts to a direct test of the democratic strength of American society. In Putnam's formulation, social capital is elevated from a feature of individuals and small groups in local communities to a feature of large population aggregates. Social capital becomes a collective trait functioning at the aggregate level. As such, it can become a diagnostic tool for societal political and economic health. Fukuyama (2001, p.7), argues that is the sine qua non of stable liberal democracy. Thus, citizens adhering to norms of strong associational participation and who are holders of high social capital are naturally more inclined to cooperate on economic and political projects.

2.8.2 The knowledge Spillover Theory of Entrepreneurship

This is a theory of entrepreneurship in which the creation of new knowledge expands the technological opportunity set. The entrepreneurial activity does not involve simply the arbitrage of opportunities, but the exploitation of knowledge spillovers not appropriated by incumbent firms. The Knowledge Spillover Theory of Entrepreneurship challenges two of the fundamental assumptions implicitly driving the results of the endogenous growth models. The first is that knowledge is automatically equated with economic knowledge. In fact as Arrow (1962) emphasised, knowledge is inherently different from the traditional factors of production, resulting in a gap between knowledge and what he called economic knowledge. The second involves the assumed spillover of knowledge. The existence of the factor of knowledge is equated with its automatic spillover, yielding endogenous growth. In the Knowledge Spillover

Theory of Entrepreneurship, the *knowledge filter* imposes a gap between new knowledge and economic knowledge and results in a lower level of knowledge spillovers (Acs et al, 2004).

In the Romer (1986) model of endogenous growth new technological knowledge is assumed to automatically spill over. Third-party firms and economic agents, resulting in the automatic spill over of knowledge, automatically access investment in new technological knowledge. The assumption that knowledge automatically spills over is, of course, consistent with the important insight of Arrow (1962) that knowledge differs from the traditional factors of production in that it is non-excludable and non-rivalries. When the firm or economic agent used the knowledge, it is neither exhausted nor can it be, in the absence of legal protection, precluded from use by third-party firms or other economic agents. Thus, in the spirit of the Romer model, drawing on the earlier insights about knowledge from Arrow, a large and vigorous literature has emerged obsessed with the links between intellectual property protection and the incentives for firms to invest in the creation of new knowledge through R&D and investment in human capital. The knowledge filter is the gap between new knowledge and what Arrow (1962) referred to as economic knowledge or commercialized knowledge. The thicker is the knowledge filter, the more pronounced is this gap between new knowledge and new economic knowledge.

The knowledge filter is a consequence of the basic conditions inherent in new knowledge. Similarly, it is the knowledge filter that creates the opportunity for entrepreneurship in the Knowledge Spillover Theory of Entrepreneurship. According to this theory, opportunities for entrepreneurship are the duality of the knowledge filter. The more impenetrable is the knowledge filter, the greater are the divergences in the valuation of new ideas across economic agents and the decision-making hierarchies of incumbent firms. Entrepreneurial opportunities are generated

not just by investment in new knowledge and ideas, but in the propensity for only a distinct subset of those opportunities to be fully pursued by incumbent firms.

Thus, as a result of the knowledge filter, entrepreneurship becomes central to generating economic growth by serving as a conduit, albeit not the sole conduit, by which knowledge created by incumbent organizations spills over to agents who endogenously create a new organization. Therefore, as the studies measuring knowledge spillovers show, knowledge spillovers tend to be greater in the presence of higher investments in knowledge, it follows that entrepreneurial opportunities based on exploiting such knowledge spillovers was also be greater in the presence of knowledge investments. The Knowledge Spillover Theory of Entrepreneurship suggests that, *ceteris paribus*, entrepreneurial activity was tend to be greater in contexts where investments in new knowledge are relatively high, since the new firm was be started from knowledge that has spilled over from the source actually producing that new knowledge. In a low knowledge context, the lack of new ideas was not generate entrepreneurial opportunities based on potential knowledge spillovers. By contrast, in a high knowledge context, new ideas was generate entrepreneurial opportunities by exploiting (potential) spillovers of that knowledge.

The knowledge spillover theory of entrepreneurship posits that entrepreneurship is a response to investments in knowledge and ideas by incumbent organizations that are not fully commercialized by those organizations.

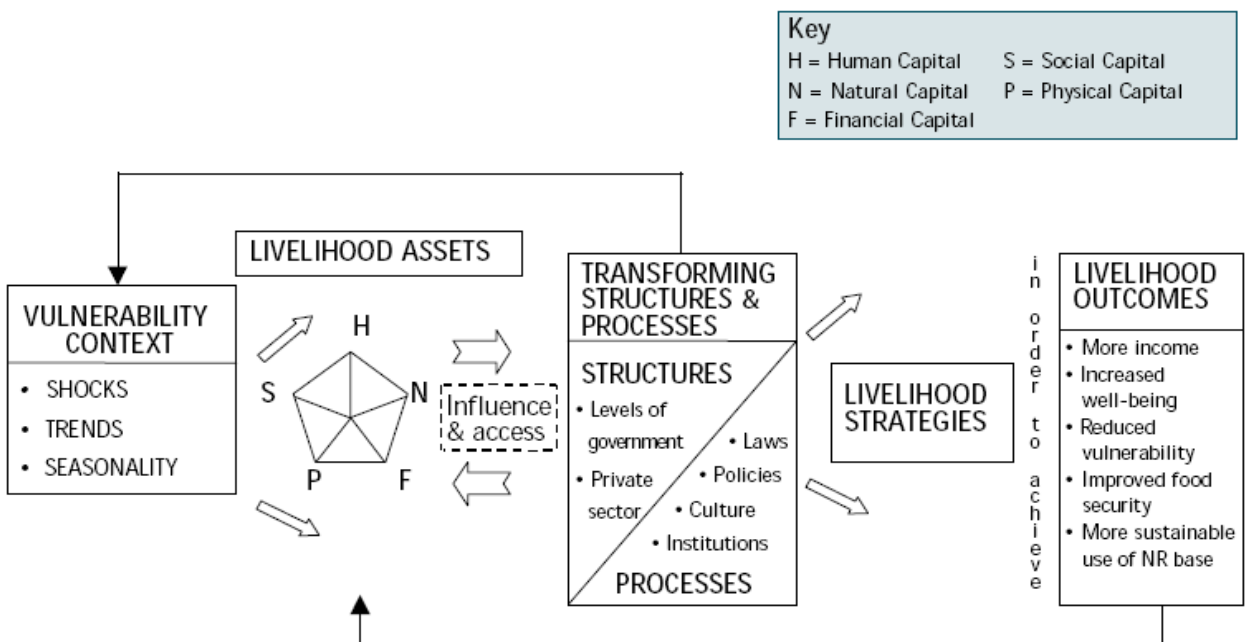
2.9 Sustainable Livelihoods Approach (SLA)

A livelihood comprises the capabilities, assets and activities needed for a means of living (Scoones, 1998). A livelihood is sustainable when it can cope with and recover from stresses and shocks, and maintain or enhance its capabilities and assets, both now and in the future, while not

undermining the natural resource base (DFID, 1999). According to Scoones (1998), five key indicators are important for assessing sustainable livelihoods: 1) poverty reduction, 2) well-being and capabilities, 3) livelihood adaptation, 4) vulnerability and resilience, and 5) natural resource base sustainability.

The concept of sustainable livelihoods posits that people pursue livelihood outcomes (e.g. health, income, reduced vulnerability, etc.) by drawing on “assets” to pursue livelihood-enhancing activities. Opportunities for pursuing these activities are influenced by the structures (e.g. government and the private sector) and the processes (institutions, policies, programmes and cultural factors), which people face. In aggregate, these conditions determine access to assets and livelihood opportunities, and the ways in which these can be converted into outcomes.

Figure 1: Key components of the Sustainable Livelihoods Framework



Source: Youth and entrepreneurship, ILO 2005.

The sustainable livelihoods framework provides a useful departure point for examining youth livelihoods and the notion of asset and capability enhancement. However, it does not differentiate between an individual as a child, a young person or an adult (i.e. the development and expression of capabilities and assets across the life-cycle). Furthermore, the sustainable livelihoods framework does not address the issue of whether and how livelihood (including self-employment and entrepreneurship) capabilities are developed and nurtured during the youth development life-cycle.

Chambers and Conway in their early work on sustainable livelihoods introduced several key concepts that provide insight into asset and capability development in general and that provoke a number of questions around the development of assets and capabilities of young people (Chambers and Conway, 1992). The idea of livelihood (self-employment and entrepreneurship) capability and asset development combined with the notions of developmental stages in the youth life-cycle and the opportunity to develop certain capabilities within specific ages, provides a useful tool to both assess capability development needs and opportunities and design and implement relevant support initiatives. Some of the key concepts and assumptions introduced by Chambers and Conway, that we believe are essential considerations in the asset and capability development for self-employment and entrepreneurship within the youth life-cycle include:

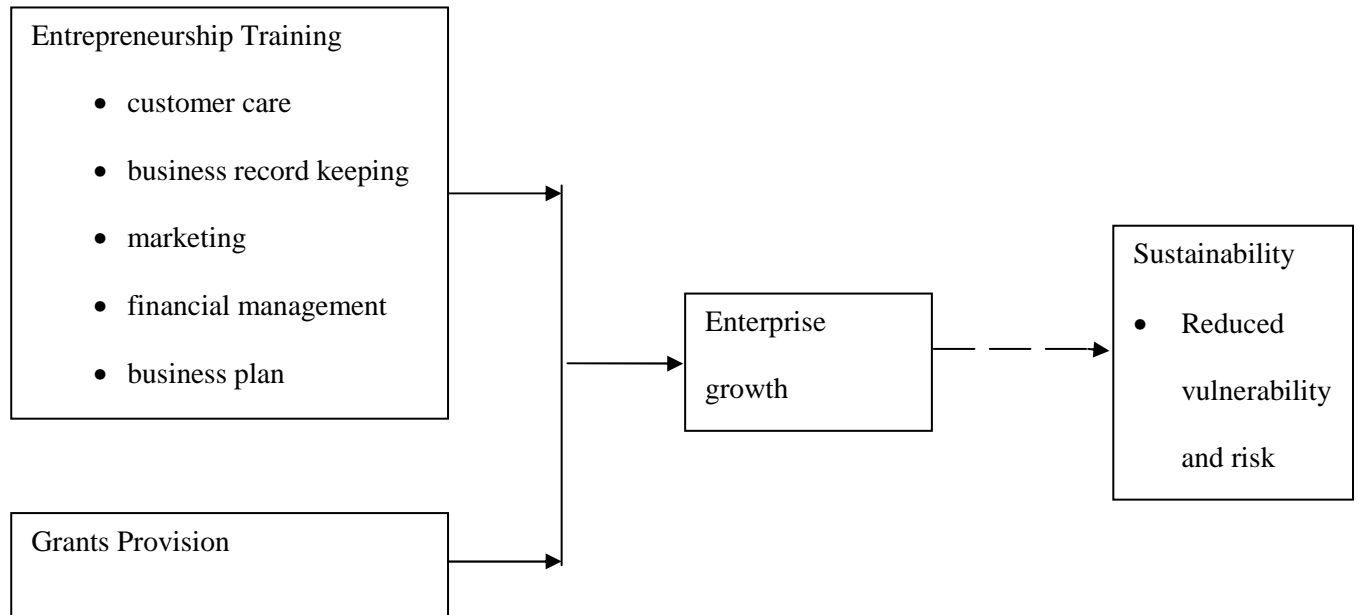
- (1) The difference between ascriptive (or predetermined by birth), improvised (determined by the environment), and chosen/adaptable (influenced by education/migration) livelihoods and livelihood capabilities (Chambers and Conway, 1992). We are making the assumption in this paper (based on the experience of the authors) that livelihoods and livelihood capabilities are primarily chosen and adaptable and to a lesser extent improvised or ascribed. This is particularly important with young people between the

ages of 15-24, who are in a period of their lives where they are able to develop certain cognitive, technical and emotional skills both rapidly and effectively.

- (2) The question of how one acquires tangible and intangible livelihood assets (and what of these are acquired/developed or even potentially lost during youth).

Pursuing a livelihood is a process of reducing vulnerabilities and building capabilities, largely through the enhancement or transformation of (human, social, financial, physical and natural) assets. This conceptualization is inherently positive in that it is “people or youth-centred”, seeks to understand risk and vulnerability in relation to assets and capabilities and takes an individual’s or enterprise’s existing strengths as its starting point to reduce vulnerability and risk rather than just focusing on their ‘external needs’. It also seeks to understand how moderate, strategically targeted support initiative can leverage large-scale improvements in livelihoods and enterprise outcomes (Rutherford, 2002). Entrepreneurship is means through which the youth develop their underlying resources and capacities to cope with the challenges they encounter. The assumption is that the youth would generally go into self employment by default. In this way, the youth build their livelihood assets to meet their needs on a sustained basis.

Figure 2: Conceptual Framework



Entrepreneurship training has been highlighted as a key necessity to development and growth of the small enterprise sector in many countries of the world. It has been recognized as an important tool for changing the attitude and transfer of skills to people with entrepreneurial traits. Grants provision aim to promote the new enterprises for the young people, the entrepreneurship training with the grants leads to enterprise growth.

Entrepreneurship is means through which the youth develop their underlying resources and capacities to develop their enterprises. The assumption is that the youth would generally go into self employment by default. In this way, the youth build their livelihood assets to meet their needs of sustained basis by reducing vulnerability and risk.

2.10 Summary of Literature Review

Entrepreneurship creates employment for the young person who owns the business. This is especially the case in an economy subject to rationalization, change and restructuring. Many experts believe that this could bring back the alienated and marginalized youth into the economic mainstream (Curtain, 2000; White and Kenyon, 2000). There may also be a direct effect on employment if new young entrepreneurs hire fellow youth from the 'dole' queues (Curtain, 2000). In this way, entrepreneurship could help address some of the socio-psychological problems and delinquency that arise from joblessness.

Entrepreneurship training has been highlighted as a key necessity to development and growth of the small enterprise sector in many countries of the world. It has been recognized as an important tool for changing the attitude and transfer of skills to people with entrepreneurial traits. The review revealed that there has been little effort to look at the involvement of entrepreneurship from a youth perspective, there were entrepreneurship training programs and enterprise creation for the youth, but it has not received adequate attention to look the impact of the training programs and its contribution to the youth employment. This research attempts to reveal the impact of entrepreneurship training and empowerment among youth in Somalia.

CHAPTER THREE: METHODOLOGY

3.1 Introduction

This chapter outlines the methodology which was used in the study. The main sections of this chapter included: research design, target population, sample size and procedures, data collection tools and data analysis.

3.2 Site Description

The study was conducted in Mogadishu, the capital city of Somalia. An organization named SHARDO was targeted to collect data for the youth trained by the organization & started their enterprises.

3.3 Research Design

This section focuses on the research techniques adopted and used for this study with the aim of achieving the research objectives. A research design is defined as an overall plan for research undertaking. Research design provides the glue that holds the research project together. Descriptive research design was adopted in this study. Schindler and Cooper (2003) observed that descriptive studies are structured with clearly stated questions to be investigated. The descriptive design was selected in this study because it would allow the researcher to gather numerical and descriptive data to assess the relationship between the variables. This would make it possible for the researcher to produce statistical information on the entrepreneurship training and empowerment among youth.

3.4 Target Population

The population refers to the entire group of people, events, or things of interest for which the researcher wishes to investigate. The population of interest in this research are youth entrepreneurs that are trained and got the grants, consisted of 110 youth entrepreneurs between (18-35) years from Banadir region engaged in various business activities which are trained and provided grants from SHARDO Organization in the year of 2011-2013. The study focused on micro and small enterprises owned and operated by youth entrepreneurs involved in the provision various goods and services.

3.5 Sample Size and Procedures

The study used probability sampling techniques to create a sampling frame from youth run enterprises. Simple random sampling was used to select a total of 83 youth enterprises that was picked randomly using Microsoft excel in the record of SHARDO enterprise development program. A simple random sample is meant to be an unbiased representation of a group, Random sampling is also easy to be conducted. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. This means that the response rate for this study was excellent and therefore enough for data analysis and interpretation.

Table 3.1: Sampling Framework

| Respondent | Number | Sample Size |
|---------------------|---------------|--------------------|
| Youth entrepreneurs | 110 | 83 |

3.6 Unit of Analysis & Unit of Observation

Mugenda and Mugenda (2003) defined unit of analysis as those units that the researcher was describe for the purpose of aggregating their characteristics in order to generalize to a larger group or abstraction and unit of observation as subject, object, item, or entity from which we measure the characteristics of, or obtain the data required in the research study. In this study the unit of analysis and unit of observation were the trained youth entrepreneurs of SHARDO Organization.

3.7 Data Collection Tools

Primary data was collected using a questionnaire that was administered by the researcher. The questionnaires had structured open and closed ended questions. The open ended questionnaires were used to collect qualitative data while the close ended ones were used to get quantitative data. The variables in the questionnaires were mainly developed based on the themes in the literature review section and research objectives. The decision to structure the questionnaire was predicated on the need to reduce variability in the meanings possessed by the questions as a way of ensuring comparability of responses.

3.8 Data Validity and Reliability

One important way of ensuring that we have used the right instrument and have taken correct measurement was that our outcome must be in consonance with two major criteria for measuring quality known as validity and reliability (Ojo, 2003).

Validity refers to the degree to which an instrument measures what it is supposed to be measuring (Polit & Hungler, 1989). Polit and Hungler (1989) define reliability of an instrument as the clarity, stability and consistency and accuracy of a measuring tool. To make sure the

validity and reliability of the questionnaire used for the study, researcher used SPSS to look at the questionnaire items in relation to its ability to achieve the stated objectives of the research, level of coverage, comprehensibility, logicity and suitability for prospective respondents.

3.9 Data Analysis

This began with pre-processing of collected data through editing to detect errors and omissions and making of corrections where possible. This involved a careful analysis of the completed questionnaires in order to ensure that collected data was accurate and consistent with other information gathered. Data collected from the questionnaire was analyzed, and summarized accordingly with the frequency and percentage and interpretations were completed by the researcher's own contributions. In the process of data analysis the researcher was used descriptive analysis with the help of the SPSS computer package to analyze the data.

3.10 Ethical Issues

The researcher endeavored to obtain an informed consent from the respondents before undertaking to collect data from the field. The researcher informed and explained the objectives of the research in order to solicit informed consent from the respondents. High level of confidentiality on the information provided by respondents through questionnaires was maintained.

CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter covers data presentation and analysis. The main objective of the study was to analyze entrepreneurship training and empowerment among youth in Somalia. In order to simplify the discussions, the researcher provided tables and figures that summarize the collective reactions and views of the respondents.

4.2 Questionnaire Return Rate

Eighty three questionnaires were distributed to the youth entrepreneurs and all of them were duly filled as required and consequently returned back.

4.3 Profile of youth entrepreneur

Table 4.1: Composition of Respondents by Age & Gender

| Age | Gender | | | | Total | Percentage |
|-------|--------|-------------|--------|-------------|-------|-------------|
| | Male | Percentage | Female | Percentage | | |
| 18-23 | 28 | 33.7 | 16 | 19.3 | 44 | 53.0 |
| 24-29 | 18 | 21.7 | 17 | 20.5 | 35 | 42.2 |
| 30-35 | 3 | 3.6 | 1 | 1.2 | 4 | 4.8 |

The data in Table 4.1 shows that the majority of male and female who participated the training and got the grants are under the age between 18-23 which indicates 53% of the respondents

33.7% male & 19.3%, while 42.2 % of which 21.7% are male while 20.5% are female were aged 24-29, and the remaining 4.8% were 30-35 of which 3.6% male & 1.2 female. This is indication that the most of the youth who are trained and own enterprises were in 18-23 age bracket and were youths who had a potential of being productive entrepreneurs after being trained and empowered. It also reveals that those who were unemployed lie on this age bracket indicated above.

Table 4.2: Level of education attained

| | Frequency | Percentage |
|------------------------|------------------|-------------------|
| Technical & Vocational | 34 | 41.0% |
| Primary | 29 | 34.9% |
| Intermediate | 7 | 8.4% |
| Secondary | 12 | 14.5% |
| University | 1 | 1.2% |
| Total | 83 | 100% |

Table 4.2 shows level of education of the respondents. From the findings, majority (41.0%) had technical & vocational followed by 34.9% who had primary education, 14.5% had secondary education, 8.4% intermediated and the remaining 1.2% were university graduated. From the findings of the study it can be concluded that a majority of the participants had a technical and vocational training, it shows that they did not attend formal schools and they got the opportunity of taking the training and managing their own businesses as tabulated in table 4.2.

Table 4.3: Type of business activity

| | Frequency | Percentage |
|-----------------------------|------------------|-------------------|
| Clothes shop | 25 | 30.1% |
| Cosmetic | 16 | 19.3% |
| Vegetable vendor | 14 | 16.9% |
| Cafeteria | 7 | 8.4% |
| Mobile Repair & maintenance | 5 | 6.0% |
| Electronic shop | 5 | 6.0% |
| Grocery | 3 | 3.6% |
| Pharmacy | 3 | 3.6% |
| Butchery | 2 | 2.4% |
| Salon | 2 | 2.4% |
| Playstation | 1 | 1.2% |
| Total | 83 | 100% |

The researcher also sought to establish type of business from the respondents. Based on the analysis of the findings, 30.1% indicated clothes shop, 19.3% cosmetic, 16.9% vegetable vendor, 8.4% cafeteria, repair and maintenance and electronic shop, each recorded 6.0%, grocery and pharmacy recorded 3.6% each, butchery and salon 2.4 each respectively and the remaining 1.2% had play stations. According to the analysis of the findings, it can be seen that most participant had cosmetics and clothes shop in their locations, it indicates that the majority of the youth like to engage businesses like cosmetics and clothes, the youth selected that businesses and seen that it's their best option of owning enterprises. The findings of the study are tabulated in table 4.3.

4.4 Entrepreneurship Training

4.4.1 Content of Entrepreneurship Training

Table 4.4: Year attended training

| Year | Frequency | Percentage |
|--------------|------------------|-------------------|
| 2012 | 66 | 68.7% |
| 2013 | 17 | 31.3% |
| Total | 83 | 100% |

The researcher requested the respondents to indicate the year they attended the training. Based on the findings of the study it is clear that a majority (68.7%) attended the training in the year 2012 and the remaining 31.3% indicated year 2013. Therefore, the findings of the study concludes that majority of the participants attended the training in year 2012 as tabulated in table 4.4.

Table 4.5: Duration the entrepreneurial training last

| Month | Frequency | Percentage |
|--------------|------------------|-------------------|
| 3 months | 28 | 33.7% |
| 4 months | 23 | 27.7% |
| 5 months | 13 | 15.7% |
| 6 months | 19 | 22.9% |
| Total | 83 | 100% |

The researcher required the respondents to indicate the duration the entrepreneurial training lasted. The findings of the study reveal that majority (33.7%) indicated three (3) months followed by 27.7% who indicated four (4) months. Moreover, 15.7% indicated 5 months and the remaining 22.9% said six (6) months, The youth who attend the training were preparing their proposals to start the enterprises they prefer. According to the findings of the study it can be deduced that most of the majority entrepreneurial training lasted for three months as tabulated in table 4.5, the youth who at.

Table 4.6: Areas covered in the entrepreneurship training undertaken/attended

| | Yes | | No | | Total |
|--|-----|-------|----|-------|------------|
| | F | % | F | % | |
| Customer care | 83 | 100% | 0 | 0% | 83 100% |
| Marketing products or services | 83 | 100% | 0 | 0% | 83 100% |
| Record keeping | 83 | 100% | 0 | 0% | 83 100% |
| Preparing business plans | 82 | 98.8% | 1 | 1.2% | 83 100% |
| Financial analyses | 81 | 97.6% | 2 | 2.4% | 83 100% |
| Overview of business management | 81 | 97.6% | 2 | 2.4% | 83 100% |
| Costing & pricing products/services | 79 | 95.2% | 4 | 4.8% | 83 100% |
| Managing crises in business | 6 | 7.2% | 77 | 92.8% | 83 100% |
| Human resource issues | 4 | 4.8% | 79 | 95.2% | 83 100% |
| Effective team management | 3 | 3.6% | 80 | 96.4% | 83 100% |
| Sources of business finance | 2 | 2.4% | 81 | 97.6% | 83 100% |
| Business expansion and growth strategies | 1 | 1.2% | 82 | 98.8% | 83 100% |

Table 4.6 shows areas covered by the respondents in the entrepreneurship training. Those indicated yes were on customer care with 100%, marketing products or services with 100%, record keeping with 100%, preparing business plans with 98.8%, financial analyses with 97.6%, overview of business management with 97.6%, costing & pricing products/services with 95.2%, and. In addition, those indicated no were on managing crises in business with 92.8%, human resource issues with 95.2%, and effective team management with 96.4%, sources of business finance with 97.6%, and business expansion and growth strategies with 98.8%. From the analysis of the findings, it can be seen that majority of the respondents have received entrepreneurship training on customer care, marketing products or services, record keeping, preparing business plans, financial analyses, overview of business management, costing & pricing products/services, and as tabulated in 4.6.

4.4.2 Impact of Entrepreneurship Training

4.4.2.1: Impact of Entrepreneurship Training

Table 4.7: Impact of Entrepreneurship Training

| | Strongly agree | Agree | Neutral | Disagree | Strongly Disagree |
|--|----------------|-------------|-------------|-------------|-------------------|
| I am able to prepare a marketing plan for my business | 71 85.5% | 12 14.5% | 0 0.0% | 0 0.0% | 0 0.0% |
| I am aware of my customer needs | 67 80.7% | 26 31.3% | 0 0.0% | 0 0.0% | 0 0.0% |
| I am able to prepare business plan | 54 65.1% | 26 31.3% | 3 3.6% | 0 0.0% | 0 0.0% |
| I am able to market my products due to the training | 11 13.3% | 69 83.1% | 3 3.6% | 0 0.0% | 0 0.0% |
| I carry daily bookkeeping of the business transaction | 4 4.8% | 58 69.9% | 19 22.9% | 2 2.4% | 0 0.0% |
| I am able to prepare profit and loss account | 0 0.0% | 0 0.0% | 12 14.5% | 48 57.8% | 23 27.7% |
| My financial skill are attributed to the training received | 0 0.0% | 0 0.0% | 54 65.1% | 21 25.3% | 8 9.6% |

Table 4.7 shows the impact of entrepreneurship training. Based on the findings of the study those strongly agreed were on being aware of the customer needs with 80.7%, being able to prepare marketing plan with 85.5%, and being able to prepare a business plan with 65.1%. Those agreed were on being able to market products due to the training with 83.1% and on carrying daily bookkeeping of the business transaction with 68.7%. In addition, those indicated neutral were on financial skill are attributed to the training received with 65.1%. Those disagreed were on being able to prepare profit and loss account with 57.8%. According to the analysis of the findings, it is concluded that entrepreneurship training impacts on the youths' enterprises and have the ability to cover their customers' needs and prepare plans for the business and marketing plans and that the youth can market their products after they advantaged the training, The findings of this study agree with those of the study by Tushabombwe-Kazooba (2006) that revealed that most small enterprises fail due to poor record keeping and basic financial skills. This is due to the fact that these entrepreneurs are not able to prepare a profit and loss account of which most of the respondents disagreed as tabulated in table 4.7.

4.4.2.2 Opinions on improvement of entrepreneurship training program

The researcher further requested the respondents to give their opinions for improvement of entrepreneurship training programs. Some of the respondent's views were: create awareness, in which the participants are encouraged to examine who they are, clarify their own values, and evaluate their own personality, enhancing the curriculum, following up the training impact, and developing strategies and action plans.

4.5 Entrepreneurship Promotion

Table 4.8: Contribution to household's monthly income

| | Frequency | Percentage |
|--------------|------------------|-------------------|
| Yes | 78 | 94.0% |
| No | 5 | 6.0% |
| Total | 83 | 100% |

The respondents were requested to indicate on whether they make any contribution to household's monthly income. According to the analysis of the findings, Majority (94.0%) indicated yes while only 6.0% were on the contrary view. The findings of the study therefore reveal that the respondents make contribution to household's monthly income as shown in table 4.8.

Table 4.9: Amount contributed to household's monthly income before starting business

| | Frequency | Percentage |
|-----------------|------------------|-------------------|
| None | 68 | 81.9% |
| Less than \$ 50 | 15 | 18.1% |
| \$50-\$100 | 0 | 0.0% |
| \$100-\$200 | 0 | 0.0% |
| Total | 83 | 100% |

The researcher also wanted to find out the amount contributed to household's monthly income before the training/before starting businesses. Based on the analysis of the findings, majority

indicated none who accounted for 81.9%, less than \$ 50 were 18.1%. The researcher used dollar instead of Somali shillings because the community base everything in dollar while the Somali shillings changes every time. This reveals an indication that the majority of youth entrepreneurs were not contributing to their families before starting the business for lack of personal income. With regard to the amount contributed apart from those who do not contribute is very small amount (less than \$50) reflecting their income status. The findings are as shown in table 4.9.

Table 4.10: The amount contributed to household’s monthly income at present

| | Frequency | Percentage |
|-----------------|------------------|-------------------|
| None | 5 | 6% |
| Less than \$ 50 | 26 | 31.3% |
| \$50-\$100 | 52 | 62.7% |
| \$100-\$200 | 0 | 0.0% |
| Others | 0 | 0.0 |
| Total | 83 | 100% |

The researcher also wanted to establish out on the amount contributed to household’s monthly income at present. The findings of the study reveal that majority (62.7%) indicated \$100-\$200, 31.3% recorded less than \$ 50 and 6 % indicated none. this reveals that the youth contributed to their families after starting their business and getting the grants, it reveals that they are doing higher contributions looking before the training started, before starting their businesses. The findings are as shown in table 4.10.

4.5.1 Changes in living standards come about as a result of having the business

The researcher also required the participants to indicate the changes in living standards come about as a result of having the business. According to the field responses, they listed issues like competition and innovation, feeling sense of having something, job creation, economic freedom & independence.

4.6 Performance of Enterprises

Table 4.11: Satisfaction with performance areas of the firm after starting the enterprise

| Indicator | Very high | High | Neutral | Low | Very low |
|-------------------------|------------------|-------------|----------------|-------------|-----------------|
| Market Development | 17 20.5% | 65 78.3% | 1 1.2% | 0 0.0% | 0 0.0% |
| New Product Development | 4 4.8% | 53 63.9% | 26 31.3% | 0 0.0% | 0 0.0% |
| Sales Growth Rate | 0 0.0% | 0 0.0% | 57 68.7% | 15 18.0% | 11 13.3% |
| Market Share | 0 0.0% | 0 0.0% | 73 88.0% | 7 8.4% | 3 3.6% |

Table 4.8 shows satisfaction levels with performance areas of the firm after starting the enterprise. According to the analysis of the findings, those indicated high were on market development with a 78.3% and new product development with 63.9%. In addition, those

indicated to a neutral extent were on market share with 88.0% and sales growth rate which also recorded 68.7%. The findings of the study are tabulated in table 12.

4.7 The effect of grants to the development of your business

4.7.1 Whether the grants empowers economically

The researcher investigated whether grants empower economically. According to the responses, it was established that yes indeed grants offer foundation as the business starts, it assists a struggling business, helps in expanding an existing business, it provide resources for training and skills development, it enable to encourage the development of a competitive and effective equities inclusive throughout the business, it is concluded that grants has enabled many youths in Somalia to be self employed.

Table 4.12: The Grant Obtained

| Amount | Frequency | Percentage |
|---------------|------------------|-------------------|
| \$ 500 | 47 | 56.6% |
| \$2000 | 36 | 43.4% |
| Total | 83 | 100% |

The researcher also investigated on the grant obtained. According to analysis of the findings, it emerged that majority (56.6%) have obtained \$ 500 while the remaining 43.4% indicated \$ 2000. The grants to be provided was either \$500 or \$2000 after the training, the grants and the training were in different periods. The results are tabulated in table 13.

Table 4.13: Number of people employed after starting the business

| Number | Frequency | Percentage |
|---------------|------------------|-------------------|
| None | 53 | 63.9% |
| 1 | 13 | 15.7% |
| 2 | 15 | 18.1% |
| 3 | 2 | 2.1% |
| | 83 | 100% |

The study further determined number of people employed after starting the business. Based on the findings of the study majority indicated none who accounted for 63.9%. In addition, 18.1% indicated 2 people, 15.7%, 1 person and the remaining 2.1% indicated 3 people. The majority of the youth indicated none because their businesses are small and they can control their business activities. The findings of the study are as tabulated in table 14.

Table 4.14: Whether the business made profit or loss for the last year

| | Frequency | Percentage |
|--------------|------------------|-------------------|
| Profit | 71 | 85.5% |
| Loss | 12 | 14.5% |
| Total | 83 | 100% |

The researcher also probed on whether the business made profit or loss for the last year. The analysis of the findings clearly reveals that most businesses created profit after creation who recorded 85.5% and only 14.5% made loss. The findings are tabulated in table 4.14.

Table 4.15: Total profit as a percentage of total value of the firms' assets in the last year

| | Frequency | Percentage |
|--------------|------------------|-------------------|
| 5% and below | 39 | 54.9 |
| 6-10% | 8 | 11.3 |
| 11-15% | 13 | 18.3 |
| 16-20% | 6 | 8.5 |
| 21-25% | 0 | 0.0 |
| 26-30% | 5 | 7.0 |
| Total | 71 | 100% |

Table 4.15 shows the findings of the study on total profit as a percentage of total value of the firms' assets in the last year. The findings of the study reveal that majority (54.9%) indicated 5% and below, 11.3% indicated 6%-10%, 18.3% indicated 11%-15%. Further the findings also revealed that 8.5% indicated 16-20% and the remaining 7.0% they indicated 26-30% respectively. The findings of the study are as shown in table 4.15.

Table 4.16: Total loss as a percentage of total value of the firms' assets in the last year

| | Frequency | Percentage |
|--------------|------------------|-------------------|
| 5% and below | 7 | 70.8 |
| 6-10% | 5 | 41.6 |
| 11-15% | 0 | 0.0 |
| 16-20% | 0 | 0.0 |
| 21-25% | 0 | 0.0 |
| 26-30% | 0 | 0.0 |
| Total | 12 | 100% |

Table 4.16 shows the findings of the study on total loss as a percentage of total value of the firms' assets in the last year. The findings of the study reveal that (70.8%) indicated 5% and below loss, while the remaining 41.6% indicated 6%-10%, The findings of the study are as shown in table 4.16.

Table 4.17: If the respondents had adequate capital for the business

| | Frequency | Percentage |
|--------------|------------------|-------------------|
| Yes | 22 | 26.5% |
| No | 61 | 73.5% |
| Total | 83 | 100% |

The study sought to determine whether the respondents had adequate capital for the business.

According to the analysis of the findings, it was revealed that majority (73.5%) no while only 26.5% indicated yes. Therefore, it is clear that majority of the respondent's lack enough capital for conducting their businesses as tabulated in table 4.17.

Table 4.18: Ways intended to acquire additional capital for the business

| Source of Capital | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Family and Friends | 18 | 29.5% |
| Banks And Credit Unions | 16 | 26.2% |
| Personal Savings | 13 | 21.3% |
| Commercial Loans | 11 | 18.1% |
| Other Investors | 3 | 4.9% |
| Total | 61 | 100% |

The researcher required the respondents to indicate on the ways intended to get additional capital for the business. The analysis of the findings revealed that majority (29.5%) are intending to get family and friends, 26.2% banks & credit unions, 21.3% personal savings,, 18.1% commercial loans, the remaining 4.9% from other investors. The findings of the study conclude that majority are intending to get family and friends as additional capital for the business, it reveals that the youth are very much depended and confident for their families and friends. The findings of the study are tabulated inn table 4.18.

4.7.2 Challenges experienced while running or managing the business

The researcher also investigated on the Challenges experienced while running or managing the business. The listed challenges from the respondents were such as lack of enough capital, lack of management skills, and lack of information about what is - and isn't – working, lack of a good plan, poor procedures, ignoring risks in their assessment of alternatives and opportunities, lack of focus, and also in some times lack of security which may cause failure to their businesses.

4.7.3 Other intervention strategies recommended for youth empowerment

The researcher also required the participants to recommend other intervention strategies for youth empowerment. The recommended interventions were that youths should be empowered on creating an economy so that they can be focus on their businesses and also giving them an opportunity for enhancing their education that helps the stability of the country because of the youth are the most populated in the country.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this chapter is to summarize the major findings of this study and draw conclusions based on the findings. The chapter also provides recommendations and suggestions of further studies.

5.2 Summary

The study sought to investigate the effects of entrepreneurship training and empowerment among youths in Somalia. The study was guided by the following specific objectives, to determine the role of entrepreneurial training on the growth of youth owned enterprise; to find out whether the entrepreneurship promotion have impact on the enhancement of youth living condition and To investigate the influence of grants provided on the growth of enterprises owned by youth. Schoof (2006) has suggested that entrepreneurship education is crucial in assisting young people to develop entrepreneurial attributes and behaviors for them to recognize entrepreneurship as a career option. The study reveals that the trainings provided helped the enterprises of the youth and that they got an idea of establishing plans and managing businesses.

The entrepreneurship promotions of youth in Somalia enhanced the youths' living condition, and that they get economic freedom of which they can also help with their households, the creation of the job enabled the youth to cover their needs, also the grants offer foundation as the business starts.

The study find out the role of entrepreneurship training on the growth of youth owned enterprises. From the analysis of the findings, it emerged that those strongly agreed were on

being aware of the customer needs, able to prepare a marketing plan for the business, and able to prepare a business plan. Those agreed were on able to market the products due to the training and carry daily bookkeeping of the business transaction. Analysis of the findings concluded that entrepreneurship training impacts on business growth and that they can manage their business effectively due to the trainings provided. As the findings stated the entrepreneurs are not able to prepare profit and loss account which is significant to the business and may cause failure due to the failure of basic financial skills.

On the entrepreneurship promotion, it has changed the living standard by bringing up competition and innovation, it has created jobs thus economic freedom and has enabled the respondents to build a prosperous live.

The grants also effected the growth of the youths' enterprises. The youth started their businesses for the grants obtained, according to analysis of the findings, it emerged that majority (56.6%) have obtained \$ 500 while the remaining 43.4% indicated \$ 2000, also the grants encouraged the youths by getting their independence to practice their own ownership

The respondents were requested to indicate on whether they make any contribution to household's monthly income. According to the analysis of the findings, Overwhelming majority (94.0%) indicated yes while only 6.0% were on the contrary view. The findings of the study therefore reveal that the respondents make contribution to household's monthly income as shown in table 4.8. Even though the businesses created was small and majority of the youth didn't employ others but a valuable number which 18.1% indicated that they employed 2 people, which gives an opportunity for other youth.

5.3 Conclusions

Entrepreneurship development is the process of improving the skills and knowledge of entrepreneurs through various training programs. The whole point of entrepreneurship development is to increase the number of entrepreneurs. By doing this, the pace at which new businesses or ventures are made gets better. On a wider level, this makes room for employment and improves the economy of a business or country. Provision of entrepreneurship training to sensitize and inculcate entrepreneurial culture among the young people is crucial to identifying emerging business talents. The provision of continuous and relevant business development services to youth entrepreneurs is a key to the success of enterprise development initiatives in creating long term employment. The results revealed that the entrepreneurs were able to do daily bookkeeping of the business transactions. However, most of the respondents were not able to prepare serious accounting practices such as preparation of a profit and loss account. Suffering from any of these issues may lead to business failure, an issue which is obvious in the small business enterprise world (The European Federation of Accountants, 2004).

Another factor which needs to be enhanced is promotion of youth entrepreneurs, such as creating businesses & giving them an opportunity to exercise their ownership. The grants give an opportunity to start their small businesses, cover the family needs, fight with the poverty but increasing the grants would be an advantage to the youth entrepreneurs.

5.4 Recommendations

From the analysis of the findings, the following recommendations were made:

1. The entrepreneurship training programmes should be repeated for the youth after starting the enterprises, so that the businesses are kept on success and to provide necessary market information to the youth so as to gain competitive advantage in the areas of operation.
2. The study recommends that the funding organizations to increase the grants to the youth enterprises, that can cause creation of more stable businesses.
3. To make the training more meaningful to beneficiaries, it is necessary for the trainees to be closely monitored after the training to ensure that they are properly making use of the learnt skills. This was also reveal gray areas in the training program and rectify them in time. According to Harnes (1988), training managers should co-ordinate, monitor and evaluate the training results while trainers should conduct field monitoring exercises
4. Entrepreneurship development programs should first identify the local market. It is recommended to analyze and then design unique ideas based on the needs of the surroundings.
5. The governments should formulate specific policies that effectively support entrepreneurial development for economic growth and creation of new jobs.

5.5 Suggestions for further studies

A further study is required to establish some of the factors necessitating entrepreneurship training and empowerment among youth in Somalia

REFERENCES

- Ajzen, I. (1985) 'From intentions to actions: a theory of planned behavior', in Kuhl, J. and Beckman, J. (Eds.): *Action-control: From Cognition to Behaviour*, pp.11–39, Springer, Heidelberg.
- Ajzen, I. (1991) 'The theory of planned behavior', *Organizational Behavior and Human Decision Processes*, Vol. 50, No. 2, pp.179–211.
- Ajzen, I. (2002) Constructing a Tpb Questionnaire: Conceptual and Methodological Consideration, available at <http://people.umass.edu/aizen> (accessed on 7/19/2010).
- Ayodele, J.B. (2006). Obstacles to Entrepreneurship development in Nigeria; in F. Omotosho, T.K.O. Aluko, O.I. Wale-Awe and G. Adaramola (Eds). Introduction to entrepreneurship development in Nigeria, UNAD Press Ado-Ekiti.
- Blanchard, K. (1996). *Empowerment takes more than a minute*. San Francisco: Berrett- Koehler.
- Blanchflower, D. G., A.J. Oswald and A. Stutzer (2001). 'Latent entrepreneurship across nations,' *European Economic Review*, 45(4-6), May, 680-691.
- Bourdieu, P. (1986). 'The forms of capital' in J.G. Richardson (ed) *Handbook of theory and research for the sociology of education*, New York: Greenwood Press, pp. 241-258.
- Charney, A.; Libecap, G.D. (2000): *The Impact of Entrepreneurship Education: An Evaluation of the Berger Entrepreneurship Program at the University of Arizona, 1985-1999*, Report to the Kauffman Center for Entrepreneurial Leadership, Kansas City, Missouri.

Chigunta Francis (2001). *Understanding exclusion and creating value: A look at youth livelihood in informal settlements in Zambia: study report II* Oxford University press, Oxford.

Chigunta Francis (2002). *Youth Entrepreneurship: Meeting the Key Policy Challenges*. Oxford University, England

Coleman, J.S. (1988). 'Social capital and the creation of human capital', *American Journal of Sociology*, 94, S95-120.

Curtain, R. 2000, '*Towards a youth employment strategy*'. Report to the United Nations on Youth Employment.

Department for International development. (1999). Sustainable livelihoods Guidance Sheet:Introduction.http://www.livelihoods.org/info/info_guidancesheets.html.

European Commission (2004). Flash Euro barometer "*Entrepreneurship*" Memo press, Brussels. *evidence*. *European Journal of Work and Organizational Psychology*, 9(1), 7-30.

European Commission (2004a): Flash Eurobarometer (2004) "Entrepreneurship" – Press Memo, Brussels,
http://europa.eu.int/comm/enterprise/entrepreneurship/coop/consultation/doc_en.pdf

Fueglistaller, U., Klandt, H. and Halter, F. (2006) *International Survey on Collegiate Entrepreneurship 2006*, University of St. Gallen and European Business School ed.,St. Gallen, Switzerland and Oestrich-Winkel Germany.

Hernes T. (1988). *A guide for trainers and training managers*, ILO Geneva

http://en.wikipedia.org/wiki/Simple_random_sample).

- ILO (2006). “*Stimulating Youth Entrepreneurship: Barriers and incentive to enterprise start-ups by young people*”. International Labor Office, Geneva, Switzerland
- Krueger, N.F., Reilly, M. and Carsrud, A.L. (2000) ‘Competing models of entrepreneurial intentions’, *Journal of Business Venturing*, Vol. 15, Nos. 5/6, pp.411–432.
- Linán, F. and Santos, F.J. (2007) ‘Does social capital affect entrepreneurial intentions?’, *International Advances in Economic Research*, Vol. 13, No. 4, pp.443–453.
- Loury, G. C. (1977). ‘A Dynamic theory of racial income differences, in women, minorities, and employment discrimination’, in Wallace P.A. and LeMund, A. (eds.), *Women, Minorities, and Employment Discrimination*, MA: Lexington Books.
- Maina Samuel (2012). ‘factors influencing the development of youth entrepreneurship in Ongata Rongai township, Kajiado county, kenya’.
- Mugenda, M., O., & Mugenda., G., A. (2003).”Research methods”. Nairobi: Act Press.
- OECD (2001), *Putting the Young in Business: Policy Challenges for Youth Entrepreneurship*, The LEED Programme, Territorial Development Division, Paris.
- Olakulehin F.K., Ojo O.D. (2006). *Distant Education as a Women empowerment strategy in Africa*. Turkey on-line Journal of distance Education TOJDE 7 (149-154).
- Paul Peter, Raphael and Kavinda Lucy (2013), “Impact of Entrepreneurship Training on Performance of Micro And Small Enterprises (Mses) In Kenya” *International Journal of Business and Management Review* Vol.1 No.2, pp.1-17.

- Polit, D. F. and Beck, C. T. (1989). Essentials of nursing research methods, appraisal and utilization, 2nd edition. Philadelphia: Lippincott.
- Premand Patrick, Brodman Stefanie, Almeida Rita, Grun Rebekka and Barouni Mahdi. (2012). “Entrepreneurship Training and Self-Employment among University Graduates: Evidence from a Randomized Trial in Tunisia” IZA DP No. 7079
- Putnam, R. D. (1993b). ‘What makes democracy work?’. National Civic Review, 82(2), 101-107.
- Putnam, R. D., (1993a). The prosperous community’. The American Prospect, 4(13), 35-42.
- Schnurr, J. and Newing (1997), “*A Conceptual and Analytical Framework for Youth Enterprise and Livelihood Skills Development: Defining an IDRC Niche*”. IDRC, Canada.
- Schoof Ulrich (2006). *Stimulating Youth Entrepreneurship: Barriers and incentives to enterprise start-ups by young people*, ILO, Geneva, Switzerland.
- Schumpeter, J.A. (1997) *Theorie der wirtschaftlichen Entwicklung Eine Untersuchung über Unternehmergeinn, Kapital, Kredit, Zins und den Konjunkturzyklus*, Duncker & Humblot, Berlin.
- Scoones, I. (1998). Sustainable rural livelihoods: a framework for analysis. IDS Working Paper 72, Institute of Development Studies (IDS), Brighton, UK.
- Semboja H, Hatibu H (2005). *A concept paper on promoting opportunities for youth employment in East Africa*, prepared for the ILO regional office and presented at the EAC meeting of labour commissioners, Silver springs Hotel, Nairobi, Kenya.

Sharif, N.R. (1998), “*Youth Livelihood Choices and Constraints in Sub-Saharan Africa: A Gender Perspective*”. Report to IDRC.

The Dearing Report UK 1997 (Higher Education in the Learning Society). Source: BBC Politics 97BBC Politics 97 <http://www.hi.is/~joner/eaps/dearing2.htm>.

Tushabomwe-Kazooba, (2006): Causes Of Small Business Failure In Uganda: A Case Study from Bushenyi and Mbarara Towns, *African Studies Quarterly*, Vol. 8 (4)

Valrus, J., Fletcher, A. (2006). *Guide to Social Change led by and with Young People. The Free Child Project*. Retrieved from [http://en.wikipedia.org/wiki/youth empowerment](http://en.wikipedia.org/wiki/youth_empowerment) on 25/7/12

White and Kenyon (2000). “*Enterprise-Based Youth Employment Policies, Strategies and Programmes*”. Drat Report to ILO, Geneva.

White, S; Kenyon, P. (2001). “*Enterprise-Based Youth Employment Policies, Strategies and Programmes.*” *Initiatives for the development of enterprise action and strategies*, Working Paper, InFocus Programme on Skills, Knowledge and Employability, ILO, Geneva.

Wilken, P. (1979): “*Entrepreneurship: a comparative and historical study.*” Ablex Publishing Corporation, New Jersey.

World Bank (2008). *Youth Development; Youth Entrepreneurship Volume II, Number 6*, Oxford University Press, New York.

APPENDICES

APPENDIX 1: QUESTIONNAIRES FOR YOUTH ENTREPRENEURS

Instructions

Please tick in the appropriate box and also fill in the blank spaces provided for those questions where elaborate answers are required. You are requested to complete this questionnaire as honestly and objectively as possible. Use the space at the back of this questionnaire if you need more space for your responses.

SECTION A: Profile of youth entrepreneur

i) **Age**

ii) **Gender**

iii) **Level of education attained**

• Technical & Vocational

• Primary

• Intermediate

• Secondary

• University

iv) **Type of business activity engaged in?**

Section B: Entrepreneurship Training

Part I. Content of Entrepreneurship training

1. When did you attend the training (year)?

2. How long did the entrepreneurial training last?

3. Amongst the areas indicated below, please tick those you have covered in the entrepreneurship training undertaken/attended

- Overview of business management
- Costing & pricing products/services
- Record keeping
- Preparing business plans
- Marketing products or services
- Sources of business finance
- Human resource issues
- Managing crises in business
- Effective team management

• Financial analyses

• Customer care

• Business expansion and growth strategies

• Others Specify: _____

PART II: Impact of Entrepreneurship Training

1. Please write your answer to the statements below. Kindly use the rating guided as follows:

1-Strongly disagree

2-Disagree

3- Neutral

4- Agree

5- Strongly agree

Please tick in the blanks provided as your response

| NO | SCALE | 5 | 4 | 3 | 2 | 1 |
|----|---|---|---|---|---|---|
| 1 | I am able to prepare a marketing plan for my business | | | | | |
| 2 | I am able to market my products due to the training | | | | | |
| 3 | I carry daily bookkeeping of the business transaction | | | | | |
| 4 | I am able to prepare profit and loss account | | | | | |
| 5 | My financial skill are attributed to the training | | | | | |

| | | | | | | |
|---|------------------------------------|--|--|--|--|--|
| | received | | | | | |
| 6 | I am able to prepare business plan | | | | | |
| 7 | I am aware of my customer needs | | | | | |

2. In your opinion, what do you think can be done to improve entrepreneurship training program that you have previously undertaken?

Section C: Entrepreneurship Promotion

1. Do you make any contribution to your household's monthly income?

Yes

No

2. If yes, please state the amount of your contribution to the household's monthly income before the training/before starting your business.

- None
- Less than \$50
- \$50-\$100
- \$ 100-\$200
- Other, please specify: _____

3. Please state the amount of your contribution to the household's monthly income at present (if the answer to question one is YES).

- None
- Less than \$50
- \$50-\$100
- \$100-\$200
- Other, please specify: _____

4. What changes in living standards would you say have come about as a result of having the business?

Section D: Performance of Enterprises

The following pertain to the satisfaction with performance areas of your firm after starting the enterprise. Kindly use the rating guided as follows:

1-Very low

2-Low

3- Neutral

4- High

5- Very high

Please tick in the blanks provided as your response

| |
|---|
| √ |
|---|

| No | Indicator | Very low | Low | Neutral | High | Very High |
|----|-------------------------|----------|-----|---------|------|-----------|
| 1 | Sales Growth Rate | | | | | |
| 2 | Market Share | | | | | |
| 3 | Market Development | | | | | |
| 4 | New Product Development | | | | | |

Section E: The effect of grants to the development of your business

1. How have grants empowered you economically?

2. What is the grant that you obtained?

3. How many people have you employed after starting your business?

4. After you have been created your business, did your firm make (please check one)

Profit _____ Loss _____

5. What is the profit or loss as a percentage of the total value of the firm's assets in the last year?

6. Do you have adequate capital for your business?

Yes

No

7. If NO, in what ways do you intend to acquire additional capital for your business?

8. What challenges do you experience while running or managing the business?

9. What other intervention would you recommend for youth empowerment

Thank You.