

**INFLUENCE OF YOUTH ENTERPRISE DEVELOPMENT
FUND ON GROWTH OF YOUTH BUSINESS ENTERPRISES
IN KENYA: THE CASE OF KITUI CENTRAL SUB-COUNTY
KITUI COUNTY**

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DECLARATION

This research project report is my original work and has not been presented for an award of a degree in any other University.

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DEDICATION

I dedicate this study to my dear lovely daughters, Lynnette Mutanu and Natasha Museo and my wife, Roselyne Nzambi without whose support and encouragement, I would not have come this far.

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LIST OF ABBREVIATIONS AND ACRONYMS

C-YES	-	Constituency Youth Enterprises Scheme
GOK	-	Government of Kenya
GOSL	-	Government of Sierra Leone
GOKMOYAS	-	Government of Kenya Ministry of Youth Affairs and Sports.
MDGs	-	Millennium Development Goals
MSE	-	Medium and Small Enterprises
MSME	-	Micro-Small and Middle Enterprises.
NYC	-	National Youth Commission
NYDA	-	National Youth Development Agency
PRSP	-	Poverty Reduction Strategy Program Paper
PYBT	-	Prince Youth Business Trust
SPSS	-	Statistical Package for Social Sciences.
UYF	-	Umsobomvu Youth Fund
YBE	-	Youth Business Enterprise
YEDF	-	Youth Enterprise Development Funds

ABSTRACT

The purpose of this study was to investigate the influence of Youth Enterprise Development Fund on growth of Youth Business Enterprise in Kitui Central Sub-County of Kitui County. The objectives of the study were:- To determine the influence of utilization of youth Enterprise Development Fund on the growth of YBE, to determine how entrepreneurial training on YEDF influenced growth of YBE, to determine how the extent of allocation of YEDF influenced growth of YBE, and to determine the extent to which accessibility of YEDF influence growth of YBE. This study used descriptive survey research design. This study targeted all the 1500 youth in 100 youth groups in Kitui Central Sub-County. Simple random sampling was used to select 150 youth in 30 youth groups which is 30% of the total population. Questionnaires were used to collect data for this study. Most of the questionnaires were of five-point Likert rating scale. Pilot testing of the instrument was undertaken in one of the locations of Kitui Central Sub-County. Content validity of the instrument was determined by experts from the University of Nairobi. The reliability of the research instrument was established by administering the research tool in a pilot test. The raw data collected was systematically organized, coded, analyzed through descriptive statistics and finally presented using percentages and frequency distribution tables. The study found out that entrepreneurial training had a great influence on growth of YBEs. From the findings, those who attended training related to entrepreneurship had better management skills in terms of record keeping, financial management and leadership skills. The findings therefore recommended that entrepreneurial training on YEDF is essential and should be continued. Utilization of YEDF was also found to have influence on growth of YBEs. Ineffective utilization of YEDF negatively affected growth of YBEs. Influence of accessibility of YEDF on growth of YBEs was noted to be positive. The study findings pointed out that YEDF was easily accessible and as a result many youth groups applied for it hence influencing their youth projects positively. The extent of allocation in terms of adequacy of YEDF was also found to influence growth of YBEs. The findings recommended that there was need for the government to increase the YEDF allocations to at least Ksh.250,000. Finally, the study suggested further research on the significance of YEDF on economic empowerment of persons with disabilities, and secondly, further research on the role of UWEZO fund on growth of youth and women business enterprises in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

The prince's Trust is one of the oldest, most high profile and best -resourced youth venture creation and development programs in the UK. According to Pilkington (1994). The Prince's Trust was initially set up by Prince Charles in 1976 to provide charitable grants to improve the leisure activities available to the young people, but subsequently saw a role following the urban riots of the early 1980's for a dedicated youth enterprise support program. This was called the Prince's Youth Business Trust (PYBT). Since its inception, it has remained consistent in its delivery. Its main objective according to Dalgleish (1993) was to help young people who could not otherwise have the opportunity to develop their self-confidence achieve economic independence, fulfill their ambitions and contribute to community through the medium of self employment. "We target those who are unemployed and have few qualifications -people who have been turned down funding elsewhere. People who have been in prison, but want the chance for a new start, come to us for support" (Prince's Trust, 2004).

Nearer home, the National Youth Development Agency (NYDA) was founded in South Africa in 2009 as a result of a merger between Umsobomvu Youth Fund (UYF) and the National Youth Commission (NYC) In his state of the Nation Address, Jacob Zuma, the president of South Africa formally launched the NYDA on 16th June 2009. The mandate of NYDA was among others to advance youth development through guidance and support to initiatives across sectors of society and spheres of government, embark on initiatives that seek to advance the economic development of young people, develop and coordinate the implementation of the integrated youth Development plan and strategy for the country.

Kenya is facing a serious economic challenge due to high rates of unemployment. As a result, the government has given priority to job creation. Since the youth account for 61% of the unemployed (CIPAC, 2007). Most of the unemployed youth have no job training skills except the formal schooling they went through in high school. Unemployment is not just lack of jobs but also lack of the job skills as a result of shortage of training facilities as well as poverty. It is due to these facts that the government hatched a plan of institutional financing to address unemployment among the youth.

According to YEDF report, (2013) the Youth Enterprise Development Fund (YEDF) was founded in 2006 with the core business of reducing unemployment among the youth. The fund targets the population within the age bracket of 18 to 35 years who total to approximately 13 million people. This fund was gazette on 8th December, 2006 and officially launched by this Excellency former president Mwai Kibaki on 1st February 2007. It was later transformed into a state corporation on 11th May 2007.

The YEDF targets all forms of youth owned business enterprises whether personal, cooperatives, or even groups. The Constituency Youth Enterprise Scheme (C-YES) is the other component that funds youth group enterprises in all constituencies. This is effectively managed through Divisional Youth Enterprise Development Fund Committees. These committees identify and recommend viable group enterprises for loans. These groups must be registered with the department of social services or registrar of societies at least three months before applying for the loan. For the youth groups to be eligible for any loan they must be physically operating within the constituency and also be undertaking or proposing to carry out business oriented activities besides operating an active bank account.

According to Mabinda (2012), Youth Business Enterprise (YBE) is a company or other organization owned by Youth aged 18-35 years, engaged in commerce, involving selling of goods and /or services to clients for profit. Development targets proposed by the United Nations (UN) generally called Millennium Development Goals (MDGs) for world economic growth to be adopted by each state and assumed to be achieved by 2015 for some and 2030 for others as well as Kenya's vision 2030, necessitates competition among member states as well as within state performance of Youth Business Enterprises (YBE) in application of technologies in order to deal with global competitive challenges. Hence, an entrepreneurial approach involving innovation and competitiveness in business enterprises would be the best alternative (Hisrich, 2008). Nevertheless, the concept of performance of Youth Business Enterprises is complex in that an explicit relationship of performance of youth Business Enterprises with various factors of production in economic terms is yet to be fully explored in research hence the concept remains unclear (Hisrich, 2008).

According to Barnett, (1993), the origin and determinants of growth of youth Business Enterprises span a wide spectrum of theories and explanations. The determinants of growth of Youth Business Enterprises are well understood in society, informed and innovative actions can be taken by the supporting institutions so as to promote innovative competitive new business ventures (Ghani, 2008). Policies and programs designed specifically for promotions of performance of Youth Business Enterprises greatly affect innovation and competitiveness for wealth creation. In addition, other spill over effects such as unemployment of youth, the world's vast majority of population; improved social services like education, health care and peace building by maintaining law and order through effective governance of the states are achieved (Macke and Markley, 2003). In spite of this, the youth largely remains jobless and entangled with hosts of obstacles to effectively participate in performance of Youth Business Enterprises in most African countries.

In the youth and employment study commissioned by the government of Sierra Leone (GOSL) in 2006 more than three quarters of youth worked in the agricultural sector (Backes-Gellner & Werner, (2007). The low agricultural productivity and incomes in the agricultural sector have contributed to the migration of youth to cities and urban areas to seek employment opportunities. Quite a big number of the youth remains unemployed and have joined the ranks of the urban poor according to GOSL (2006). In spite of the fact that some would like increased skill development training (in areas such as business development), they tend to experience a gap between skills and available resources. This is because they are trained but lack the tools to practice their trade, there is no demand for their skills in their communities, lack resources to start their own businesses, or lack resources to become certified to practice their trades, for example drivers, welders, masons and carpenters as revealed in the Poverty Reduction Strategy Program paper (PRSP) Sierra Leone (2006).

Education cannot be separated from the broader context of poverty. Economic challenges in the family make many children not to attend school. Although primary school is free there are hidden costs in form of travel and uniforms. A survey conducted by Mbatia & Mbugua (2009) on the challenges faced by the Kenyan youth established that there is no universal definition of Youth. According to the United Nations (UN) World Bank (2005) youth refers to a young person aged between 15-24 years while the Government of Kenya, Ministry of Youth Affairs and Sports, (2006) defines youth as a person who is between 15 and 30 years. According to Kenya Constitution (2010) youth refers to anyone who is between 18 and 35 years and is legible for registration so as to be issued with a national identity card. The biggest Kenyan population is youthful. 75% of the population is below 30 years old. The government of Kenya has taken measures including affirmative action programmes to ensure that the youth access relevant education and training, take part in politics and are protected from harmful cultural practices and exploitation (Constitution of Kenya, 2010).

Considering the problem of unemployment among the youth, it is against this background that the Youth Enterprise Development Fund (YEDF) was founded under the Ministry of Youth Affairs and Sports (MOYAS) to assist in promoting growth of Youth Business Enterprises (YBE). Kitui Central Sub-County is in Kitui County which is among the driest counties in Kenya (GOK, 2010) Kitui District vision 2030). The rainfall pattern in this part is bimodal but erratic and unreliable within the range of 500mm to 700mm annually (Vasudevan & Gichohi, 2008). There is rampant food shortage. It is against this background that this study sought to investigate the influence of Youth Enterprise Development Fund on growth of Youth Business Enterprises in Kitui Central Sub-County, Kitui County Kenya.

1.2 Statement of the problem

According to Schreyer (2009) the small business sector is a major source of job creation. Medium and Small Enterprises (MSEs) contribute significantly to the provision of employment opportunities, income generation and poverty reduction. Starting small businesses is a sure way to create wealth and provide jobs for the youth. For the youth to receive funding from YEDF, they are required to be in groups. The youth needs skills to succeed in business. Although, majority of the youth in Kenya know about the YEDF, they lack essential details about this facility and more so on how to apply for the funds and utilize it. According to Mbatia & Mbugua (2009) about 60% of the youth neither know when YEDF was established nor to whom and how it is disbursed. According to 2014 status report, the YEDF released Kshs 9,306,385,519.00 to 260,553 youth groups nationally. Kitui County received Kshs 110,683,372.00 to 3756 youth business enterprises. Kitui Central received Kshs 35,557, 250 in 2013/14 financial year. Although this amount of money is a lot, majority of youth still remain ignorant of the existence of the fund and how the fund is applied for

(Mabinda 2012). The study therefore sought to investigate the influence of YEDF on growth of Youth Business Enterprises in Kenya, a case of Kitui Central Sub-County.

1.3 Purpose of the study

The purpose of this study was to investigate the influence of Youth Enterprise Development Fund on the growth of Youth Business Enterprises in Kitui Central Sub-County, Kitui County, Kenya.

1.4 Objectives of the study

The study was guided by the following objectives:-

- i) To determine the influence of utilization of YEDF on growth Business Enterprises in Kitui Central Sub-County.
- ii) To determine how entrepreneurial training on YEDF influences growth of Youth Business Enterprises in Kitui Central Sub-County.
- iii) To determine how the extent of allocation of YEDF influences growth of Young Business Enterprises (YBE) in Kitui Central Sub-County.
- iv) To determine the extent to which accessibility of YEDF influences growth of YEDF in Kitui Central Sub-County.

1.5 Research questions

To achieve the set objectives, the study sought to answer the following questions:-

- i) To what extent does the utilization of the YEDF influence the growth of YBE?
- ii) To what extent does entrepreneurial training on the YEDF influence the growth of Youth Business Enterprises?
- iii) To what extent does allocation of YEDF influence the growth of YBE?

iv) To what extent does accessibility of YEDF influence growth of youth Business Enterprises?

1.6 Hypotheses of the study

1. H₁: There is a significant relationship between utilization of YEDF and growth of youth business enterprises in Kitui Central Sub-County.
2. H₁: There is a significant relationship between accessibility of YEDF and growth of youth business enterprises in Kitui Central Sub-County, Kitui County, Kenya.
3. H₁: There is a significant relationship between the extent of provision of YEDF and growth of YBE in Kitui Central, Kitui County, Kenya.
4. H₁: There is a significant relationship between the educational level and training and growth of YDE in Kitui Central, Kitui County, Kenya.

1.7 Significance of the study

The study findings may be important to several stakeholders in different ways depending on the interest of each stakeholder. The government may be guided in redesigning lending policy so as to enhance youth business enterprises' access to the fund. The study findings will be useful to youth development stakeholders or those who work for and with youth. The findings will also unravel some of the impediments that influence growth of Youth Business Enterprises (YBE) even after the government has initiated YEDF to boost Youth Business Enterprises. The study findings will also be useful to future researchers. It will also contribute to the existing body of knowledge as a source of reference to future scholars and researchers.

1.8 Limitations of study

There was fear of giving false information by respondents due to suspicion on the real motive of the researcher. Secondly, the numbers of youth involved in Small and Medium Enterprises are many but only a proportion of that number was analyzed although results were generalized for the whole country.

1.9 Delimitations of the study

The study was designed to investigate the influence of YEDF on growth of Youth Business Enterprises in Kitui Central, Kitui County, Kenya. Therefore the data that was collected in this study was generalized with caution to other sub-counties in Kenya because Kitui Central Sub-County might have peculiar characteristic that may influence the findings. However, the results were significantly generalizable in most of the other parts in Kenya as long as almost similar characteristics to those in Kitui Central Sub-County prevail.

1.10 Assumptions of the study

It was assumed that the respondents were familiar with basic concepts as Youth Enterprise Development Fund (YEDF) and Youth Business Enterprises (YBE). The respondents would give factual and honest responses. Lastly, the researcher's data collection methods were not to influence the respondent's responses so as to give biased information.

1.11. Operational Definition of Significant Terms

Accessibility:	The easiness with which the YEDF can be obtained by the youth.
Enterprise:	A project or undertaking typically one that requires efforts.
Entrepreneurship training:	Imparting of business oriented skills to the youth as individuals or groups.
Growth:	The positive change of Youth Enterprises in terms of expansion, profitability and increase in working capital.
Income:	Financial gain to a person or group of persons from activities funded or supported through YEDF.
Innovativeness:	Youth's individual propensity to support new ideas, by novelty, experimentation and creation processes thereby depositing from established practices and technologies to inventing new business ventures.
Allocation:	The amount of YEDF made available or allocated to the Youth Business Enterprises.
Sufficiency:	Adequacy of the funds given to youth groups by YEDF.
Unemployment:	A situation where youths have no jobs despite their willingness and readiness to work.
Utilization:	How funds for YEDF are spent by the beneficiaries with regard to YBE.
Youth:	Any person between the aged of 18 and 35 years and is a member of a registered youth group.
Youth Business Enterprise:	A company or other organization owned by Youth aged 18-35 years, engaged in commerce, involving selling of goods and /or services to clients for profit.

1.12 Organization of the Study

This study is organized in to five chapters; chapter one is the introduction of the study and consists of the following sub-headings; background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, hypothesis of the study, significance of the study, limitations, delimitations, assumptions of the study and definitions of the significant terms. Chapter two is the literature that supports the study and comprises of introduction of chapter content, literature review presented according to the objectives of the study, theoretical frame work, conceptual frame work and research gap.

Chapter three is the research methodology and consists of introduction, research design, target population, sampling procedures and sample size, research instruments, pilot testing of the instrument, validity of the research instrument, reliability of research instrument, data collection procedure , data analysis, ethical considerations and operationalization of variables. Chapter four consists of introduction of the chapter, data analysis, presentation, interpretation and discussions of the findings while chapter five is summary, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section consists of review of related literature both at international and national levels. This section contains: Introduction, application of the Youth Business Enterprise Development Fund on growth of Youth Business Enterprises, entrepreneurial training about the YEDF on growth of YBE, extent of allocation of YEDF on growth of YBE, accessibility of YEDF and growth of YBE, a theoretical and conceptual frame work, and research gap.

2.2 Utilization of Youth Enterprise Development Fund and growth of Youth Business Enterprises.

According to McCormick (1999) individual's growth of Youth Business Enterprises (YBE) should have been developed gradually over several years and are attributable to an individual's role model, education, work experience, one's self-image, entrepreneurial personalities and discernment of various youth groups or organizations.

Scott and Twomey (1988) defined predisposing factors as those elements that prepare individuals for growth of YBE, like their family background, business work experience, which is uncommon to most of the youth. Many of the youth use the YEDF loans for consumables instead of putting it into production. This is a major draw-back of microfinance and it is possibly the reason why development economists are slowly drifting away from the micro-finance to impact investment (Mabinda, 2012).

Besides the government, parents are also expected to support the youth especially in their effort to become self-reliant. Entrepreneurial behavior can be constrained by social and

cultural practices. This is according to Max Weber as quoted in Kets and Devries (1985). A Study by Scott and Twomey (1988) showed that children whose parents were entrepreneurs were most likely to have a business idea than those whose parents were not. However, the youth neglected by their parents immediately after the former join world of work. Empirical research shows that certain entrepreneurial traits in young people are highly correlated with their parents being in possession of a business idea Scott & Twomey (1988). Traits like a high need for independence, ability to innovate, the capacity to take risks and a tendency to look for opportunities are closely connected with having a business idea.

According to Mbatia, (1987) 62% of the sampled youth support this view. This therefore indicates there is need to engage parents and educate them on the need to continue assisting the youth even after high school education. According to a documentary by Mbatia (1987). Parents from Murang'a District were reluctant to continue supporting youth financially after high school.

2.3 Accessibility of YEDF and growth of Young Business Enterprises (YBE)

Inadequate financial resource is a major constraint for an entrepreneur to gain initial business inertia and further grow to a successful entrepreneur, Fitzsimmons and Douglas (2005). In any state therefore failure of government revenue to provide adequate financial allocation for YEDF is a limiting factor towards enhancing growth of YBE, (Fitzsimmons and Douglas, 2005). Despite the adoption of YEDF policy in Kenya, majority of the youth (62%) claim they have not felt the impact of the youth fund. However where financial resources are the constraints, innovations are more important in enhancing performance of YBE (Baker & Sinkula, 2009). As observed by Wolf & Pett (2006) inadequate financial resource endowment may be compensated for by flexibility, agility and innovation. Hence, Kenya requires the mobilization of her government revenue to provide adequate financial allocation to her

current YEDF programme. Rapado (2008) asserts that the enactment of laws that protect intellectual property rights and innovations as incentive for business venture would also be beneficial to the performance of YBE. However, too many bureaucracies and regulations are likely to be impediments towards a long lasting performance of YBE (Djankov et al, 2005). According to Macke & Markley (2003) small weak markets are also an obstacle to entrepreneurial activities due to their limited opportunities. The government and other regulatory bodies should protect local entrepreneurial youth when faced with serious challenges that could ruin their enterprises (Rapado 2008). He further argues that performance of YBE ought to play an important role to achieve Kenya vision 2030. At the national level, Kenya should critically re-examine its inherently capitalistic socio-economic development philosophy. Critics of this philosophy argue that it allows the retention of idle land by the rich for speculation purposes in a situation where majority of the youth would remain landless (McCormick, 1999). In addition, private ownership of property has exaggerated inequality in Kenya. To a greater extent therefore, the challenges faced by the Kenyans in performance of YBE is a youth group's product of its inherently capitalistic socio-economic development ideology inherited from the colonial times (Rapado, 2008).

Therefore radical social, political, constitutional and economic reforms need to be effected in Kenya towards addressing the challenges facing performance of YBE (Rapado, 2008). For instance, land reforms should be undertaken to facilitate access to land by those who need it. Meaningful strategies to reduce wide disparities in income, access to basic resources and other opportunities should be adopted urgently, such as to initiate youth based programmes which are friendly, accessible and meaningful to the Kenyan youth. Rapado (2008) argues that since a large Kenyan population is youthful, development programmes and plans should largely be youth-led and youth- focused in order to direct more resources to the youth development programmes. Those involved in working for and with the youth should be

people with passion for the youth. It is only then that the government's (as well as other) youth development programmes will be made successful.

Legal systems that do not provide enabling business environment discourage performance of YBE (McCormick 1999). This is the reason why the Kenyan youth continue to complain that the sharing of the national cake is biased against their interest (Rapado, 2008). This study therefore sought to investigate the easiness to access the YEDF loan and its application to growth of YBE.

2.4 The extent of allocation of YEDF and growth of Youth Business Enterprises

According to McCormick (1999), inadequacy of financial resources is one of the discouraging factors of business ideas. Therefore, any government that is aspiring to boost its performance of YBE through YEDF should rejuvenate the growth of the economy. History and experience in most business enterprises have shown that the amount of the capital invested determines the success or failure of business enterprises (Musee 2013). According to Pretorius and Shaw (2004) and Atieno, (2009), Lack of finance is one of the major constraints to the formation and growth of new enterprises. A large percentage of the failure of entrepreneurial ventures in South Africa is attributed to inadequate capital structure or resource property, Pretorius & shaw (2004).

YEDF has not received sufficient funding to finance the youth business enterprises (Amenya, 2011). According to YEDF guide, (2013) some business enterprises upon receiving Kshs 50,000 were not performing well resulting to their collapse. The amount of loan disbursed under YEDF has a positive influence on the youth business enterprises in Kenya (Omukhango, 2012). According to Chigunta (2002), majority of young people start their business enterprises with lower levels of initial capital thus exposing themselves to risks of failing.

2.5 Entrepreneurial Training on YEDF and growth of YBE.

According to Schults (1980) education level enables an entrepreneur to deal with disequilibrium in the environment therefore succeeding in his/her business planned development without the influence of nature. Inadequate education constrains individuals from dealing with complex life obstacles optimally for wealth creation (McCormick, 1999).

Minniti (2007) argues that all states should orient their education systems appropriately to meet the needs of the globalized labor market and create an infrastructure that facilitates easy access to information by the youth to enhance their creativity, innovation and competitiveness in entrepreneurial activities. Knowledge empowers people in a society. Training in entrepreneurship is relevant in different countries (Ntale, 2010). Kenyan education system has been blamed for its failure to impart the relevant technical skills to the youth (Mukala 2014). It is further blamed for encouraging the youth to acquire unrealistic aspirations that drive them to exclusively search for white collar jobs that match their educational achievement (Mbatia, 1987).

From a study conducted by Mbatia and Mbugua (2009) majority of the youth (62% of the 180 sampled youth) agreed that the education system is to blame for failure to impart the relevant entrepreneurial skills that could enhance growth of YBE. It is therefore important to review the gaps within the current education system especially the contents of the curriculum in terms of relevance and applicability into both the current globalized jobs market and Youth Business Enterprises (Mbatia 2007). Training the youth groups on the YEDF before they get the YEDF financial aid to market information and awareness (Mukala, 2014). It also enhances the youth group's creativity, innovation and competitiveness towards their entrepreneurial activities. According to Eggleston, Jensen & Zeckheuser (2002) inadequate information technology (IT) is a constraint to the economic growth and development.

Economies with high rates of entrepreneurship are performing well and this is evidenced by high levels of prosperity (Macke & Markley, 2003).

Entrepreneurial training on youth prepares them for effective business management in addition to financial control and accountability. Information could also empower rural communities towards gaining entrepreneurial skills and initiatives through enabling them to participate in decision-making and to exchange ideas with others in developed and developing countries (Mukala, 2014). In Kenya, the youth's access to information is curtailed by fewer adults and political elite especially those working for and with the youth. For instance officers in the Department of Youth Affairs and Sports (Rapado, 2008).

Training youth groups on entrepreneurship is expected to boost the performance of YBE (Musee 2013). According to YEDF status report, (2011) 200,000 youth have been trained on entrepreneurship with the aim of boosting the performance of YBE. The youth in South Africa are far less likely to start their own businesses compared to those from other countries. This low entrepreneurship activity among the youth is one of the primary reasons for over all low rate of entrepreneurship activity in South Africa. Entrepreneurial training is one of the solutions to low rate of entrepreneurial activity in South Africa (Von Broembsen, 2005).

Herrington and wood, (2003) in the global entrepreneurship monitor report point out that lack of education and training have reduced management capacity and entrepreneurship in South Africa. Entrepreneurship education is one of the initiatives that can be designed to enhance skills and knowledge in entrepreneurship (Fatoki 2011). He further states that there is evident skills mismatch between what skill, graduate entrepreneurs developed in higher education and what they need in order to survive in the business world. It is recommended that the

University students and high school students should go for industrial attachment for at least 2 years during their study to gain valuable business and technical experience. Education Institutions should introduce and strengthen entrepreneurial education. Training seminars and workshops are necessary in disseminating entrepreneurial education to the youth (Musee 2013).

Absence of entrepreneurship mentorship programs remains part of the key challenges facing youth integration into Micro-Small and medium Enterprises (MSMEs) and national economic grid (Omollo, 2010). The provision of continuous and relevant business development services to the youth entrepreneurs is key to the success of the business enterprises initiatives in creating, Long term employment (YEDF status report 2011). According to the same report, provision of entrepreneurship training to sensitize and inculcate entrepreneurial culture among the young people is crucial to identifying emerging business talents. The YEDF has done this through itself and other partners by training 200,000 youth on entrepreneurship and 400 youth development officers to carry out further training of the youth at local areas. Training youth on the entrepreneurship has positive influence on the performance of YDE (Omukhango 2012). Most youth business enterprises collapse because of lack of entrepreneurship culture which needs to be adopted through entrepreneurship training. 50% of respondents in a research carried out by Amenity (2011) said that they very often lack capacity building in terms of financial management.

2.6 Theoretical framework

This study was hinged on several theories. All the theories complement each other in investigating the influence of YEDF on the growth of YBE. The static theory of competitive equilibrium postulates that size of firm is determined by the efficient allocation of given

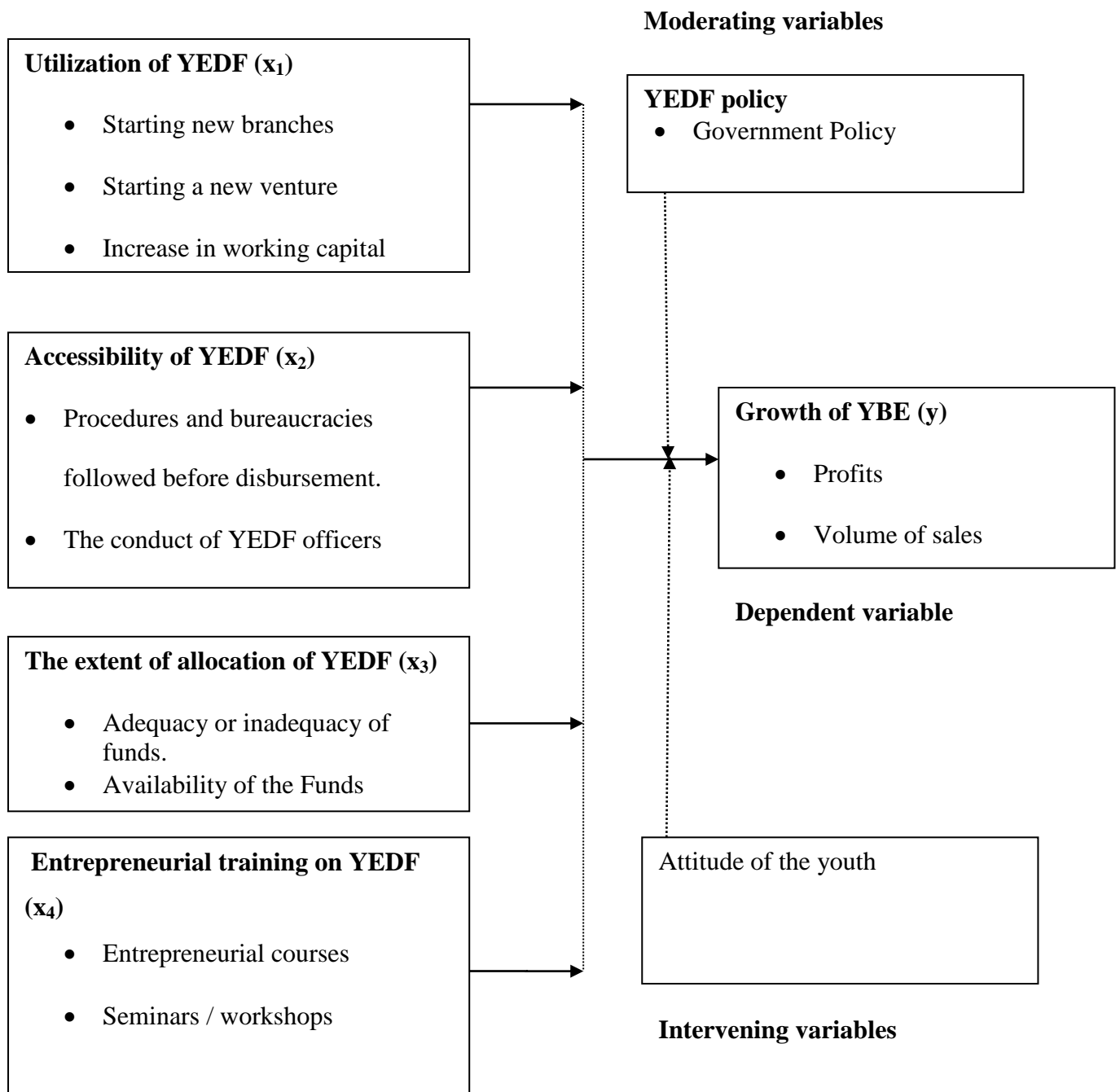
resources, including entrepreneurial resources under given technologies (Penrose, 1959). The observed firm size is the efficient size in the sense that long run costs are reduced at that point. Growth follows from the assumption of profit -maximizing behavior and the shape of cost functions. A firm will grow until it has reached the size where long run marginal costs equal price, which is assessed as the “Optimum” size of the firm. Lucas (1978) equates the firm with the entrepreneur or manager and he assumes that a firms output is a function of managerial ability as well as capital and labour. Managers with higher abilities (Higher efficiency levels) will have lower marginal costs and therefore will produce larger outputs (profits). However, firm’s expansion will be limited due to decreasing effectiveness of the manager as the scale of firm increases. According to Lucas theory the variation in levels of business acumen is the major determinant of business growth. Alternatively, the major determinant of business growth is the differing taste for risk among individuals (Kihlstrom and Laffont, 1979).

These two proponents assume that production technology is risky and entrepreneurs who have the ability to take risks in the face of uncertainty will produce more output. This theory relates to my study in that it explains some major determinants of business growth. For instance managerial ability where this study is investigating the impact of entrepreneurial training on growth of YBE. There are also theories of development as proposed by Churchill and Lewis (1983). These theories are equally important in this study. According to the influential theories of Churchill and Lewis (1983) growth is part of the natural evolution of a firm. The proponents of this theory identify five stages of growth: existence, survival, success, take off and resource maturity.

In each stage, a different set of factors is critical to the firm's survival and success. Growth thresholds may exist as obstacles to the transition from one stage to another. In the take-off stage, there are two major concerns or obstacles to firm growth: the ability of the owner to: (a) hire new people and (b) delegate responsibility. The firm also needs sufficient money to meet the greater demand for financial resources brought about by growth. This theory is related to this study, because the study seeks to investigate the influence of YEDF loans on growth of Youth Business Enterprises.

2.7 Conceptual Framework

In this report the researcher conceptualized the independent, dependent, moderating and intervening variables as shown in Figure 1.



Independent variables

Figure 1: Conceptual framework

This study was based on the assumption that the independent variables affect the dependent variables. The independent variables have been discussed extensively in the literature review.

[Utilization of YEDF (x_1)] + [Accessibility of YEDF (x_2)]

[The extent of allocation of YEDF (x_3)] + [Entrepreneurial training on YEDF (x_4)]

Contributes to Growth of YBE (y)

$$y=(x_1) + (x_2) + (x_3) + (x_4)$$

The moderating and intervening variables are Youth Enterprise Development Fund policy and climatic factors respectively.

2.8 Research Gap

According to a study carried out by Musee (2013) on factors affecting performance of Business Enterprises funded under Constituency Youth Enterprise Scheme in Mwingi North constituency, he only studied performance of the youth projects. Little is known about the influence of the YEDF on the growth of Youth Business Enterprises, hence the need for the researcher to investigate the influence of YEDF initiative on the growth of YBE in Kitui Central Sub-County, Kitui County.

Pretorius and Shaw, (2004) and Atieno (2009) reported that lack of finance is one of the major constraints to the formation of new enterprises. Pretorius and Shaw, (2004) observes that large percentage of failure of enterprenurial ventures in South Africa is attributed to in adequate capital structure. Therefore, research should be done on the influence of the amount of YEDF on performance of business enterprises.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was adopted by the researcher. It specifically covers: research design, target population, sampling procedures and sample size, research instrument, reliability and validity of the instrument, data collection procedures and analysis, and ethical considerations.

3.2 Research design

In this study, descriptive survey design was used. Mugenda and Mugenda (2003) describe descriptive survey design as collecting data in order to test hypothesis or answer questions concerning the current status of the study. According to Orodho, (2009) descriptive survey design is a frequently used method to collect information about attitudes and opinions of any social issues. This method was used to bring out the facts on the ground as they were without any alterations. This design is appropriate because it enabled respondents to offer more information freely.

3.3 Target population

The study targeted all the 1500 youth in 100 youth groups in Kitui Central Sub-County particularly those who had at least 3 years since they benefited from YEDF, Youth Fund Status Report (2013). Three years according to the researcher was sufficient time for any meaningful change to be noticed in YBE.

3.4 Sampling procedures and sample size

Simple random sampling was used to select 30 percent of the youth groups for the sample of this study from the target population. The study sample was $30/100 \times 100 = 30$ youth groups which formed the sample size of the study in line with (Mugenda & Mugenda, 2008) who have recommended 30% of a small target population to be representative sample size for the study. Each group had 3 officials and an average of 12 members. The ratio of the officials to other members was 1:4 and so stratified random sampling was used to select 6 officials and 24 group members. In each selected group, one person, either chairman, secretary or treasurer was given a questionnaire to answer.

3.4.1 Sampling Frame

Table 3.1: Sampling Frame

S/NO	Category	of Population	Sample size
	respondents		
1	Officials	20	6
2	Group members	80	24
	Total	100	30

3.5 Research instruments

Questionnaires were used to collect data for this study with closed-ended items only for the youth. The closed-ended questions gave out structured responses, which facilitated for data consistency, ease of tabulation and analysis (Cohen & Manion) (1980). The selected youth filled the questionnaire. The questionnaires had 3 sections: Section I: Introduction and guidelines, Section II: Personal details of the respondents and section 3: Questions in groups

of various variables. Most of the questionnaire items were of five-point Likert rating scale of range (5-1 for example 5-strongly agree, 4-Agree, 3-Neutral, 2-disagree, 1-strongly disagree).

3.6 Pilot Testing of the Instrument

A Pilot study was undertaken. During the pre-test, the questionnaire was administered on a random sample of 4 sampled youth from 4 youth groups from Kyangwithya East location in Kitui Central Sub-County. This sample represented 13% of the study sample of 30 subjects. Mugenda and Mugenda (2003) argue that a sample of 1-10% of the study sample is enough for piloting the study instrument. The participants in the Pilot study were not included in the actual sampling for the study.

3.7 Validity of the Research Instrument

Research tools are valid depending on how data is related in terms of how effective the items have sampled significant aspects of the general objective of the study (Kasomo, 2006). Content validity of the instruments was used to measure the degree to which the items represent specific areas covered by the study. Content validity of the instrument was determined by the experts at the University of Nairobi who looked at the measuring technique and coverage of specific areas of study. Lecturers from the University of Nairobi ascertained the validity of the research instruments. The corrections identified were incorporated in the instrument so as to increase the validity (Mugenda & Mugenda 2008).

3.8 Reliability of research instrument

Reliability of the research instruments is the degree of consistency that the instrument or procedure of measurement demonstrates (Best & Khan, 2001). The consistency of the

instrument was established by administering the research tool in a pilot test using split-half method. A correlation coefficient was calculated using Pearson-Product Co-relation formula. The co-relation coefficient calculated was 0.721 meaning the instruments used was reliable. If a correlation coefficient of instrument is above 0.6, the instrument is reliable and therefore suitable.

3.9 Data collection procedure

A cover letter that highlights the need and significance of the respondent to the questionnaire items as well as acting as an assurance to confidentiality was obtained from the University of Nairobi, Department of Extra-Mural Studies. This letter was attached to the questionnaires to improve the response rate. A copy of the cover letter was submitted to the Sub-County youth officer in Kitui Central Sub-County. The researcher pre-visited the youth groups to establish rapport with them before the actual data collection date. The questionnaires were personally administered by the researcher to the selected youth groups who filled in the data and researcher collected the filled in questionnaires. The researcher was assisted by a research assistant.

3.10 Data Analysis

Data was analyzed using descriptive statistics utilizing the frequency distribution tables, percentages and averages. Statistical tally system was used to generate frequency counts from the responses so as to prepare frequency distributions. Percentage in the 5-point Likert rating Scale response out of the total study sample response rate per item were calculated. Averages were also calculated in respective items. A measure of central tendency, average was used to decide the concentration of responses within the 5-point Likert rating scale range. The findings were presented in frequency distribution tables. Each table was followed by brief explanations, inferences and interpretations of the findings from the earlier related reviewed

literature with the aim of bridging the research gaps through seeking the solutions to the study problem (Orodho 2005). Multiple linear regressions used was based on the regression model below:

$$y = \alpha + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \varepsilon$$

Where:

y = *Growth of youth business enterprises*

α = *autonomous growth*

X_1 = *Utilization of YEDF by use likert scale*

X_2 = *Entrepreneurial Training on YEDF by use of Likert Scale*

X_3 = *extent of provision of YEDF by use of likert scale*

X_4 = *Accessibility of YEDF by use of likert Scale*

ε = *an error term*

The study employed R² to test the significance of the above model. R² is the co-efficient of determinant expressed in percentage and shows the variability in the dependent variable explained by variability in the independent variables. Analysis was done using Statistical Package for Social Science (SPSS-V20).

3.11.Ethical considerations

The researcher sought a cover letter from the Department of Extra-Mural Studies, University of Nairobi to collect data. Consent was also sought from Kitui County Youth Officer to administer the questionnaires. A research permit was also sought from National Commission for Science Technology and Innovations (NACOSTI). The researcher and the research assistant pre-visited the youth groups for familiarization purposes before the actual date of data collection. The researcher assured the respondents of confidentiality in the handling of information so collected from them.

Table 3.2: Operationalization of Variables

Objectives	Variables Independent	Dependent	Indicator (s)	Measurement	Level of scale	Tools of analysis
To determine the influence of utilization of YEDF on growth of YBE	Utilization of Youth Enterprise Development Fund	Growth of Youth Business Enterprises	-Expansion of business -Starting a new venture -Increase in working capital	-Size of YBE	Nominal	Descriptive statistics -Frequency distribution tables -Pearson's Product Moment correlation coefficient Inferential statistics.
To determine how entrepreneurial training on YEDF influences growth of YBE	Entrepreneurial training on Youth Enterprise Development Fund	Growth of Youth Business Enterprises	Entrepreneurial training -Seminars /workshops	-Leadership skills -Record keeping skills -Volume of sales	Nominal Ordinal	Descriptive statistics -Frequency distribution tables -percentages Pearson's Product Moment Inferential statistics
To determine how the extent of allocation of YEDF influences growth of YBE	To extent of provision of Youth Enterprise Development Fund	Growth of Youth Business Enterprises	-Adequacy of funds -Inadequacy of funds	-Amount of YEDF loaned -Growth and size of YBE	Nominal	Descriptive statistics Frequency distribution tables -Pearson's Product Moment Inferential statistics
To determine the extent to which accessibility of YEDF influences growth of YBE	Accessibility of Youth Enterprise Development Fund	Growth of Youth Business Enterprises	-Procedures and bureau cracies in disbursement -The conduct of YEDF Officers	-Frequency of application for YEDF	Nominal	Descriptive statistics Frequency distribution tables -Pearson's Product Moment -Inferential statistics

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSIONS OF THE STUDY FINDINGS.

4.1 Introduction

This chapter consists of data presentation, analysis, interpretation and discussions of research findings. The analysis was done by use of statistical tables and explanations from the qualitative data from the respondents were used.

4.2 Questionnaire return rate

The questionnaire return rate was 100 per cent since all the 30 issued questionnaires were received from the 30 sampled youth group officials and members in Kitui Central Sub-County.

4.3 Demographic Information of Respondents.

The researcher sought to establish demographic information of the respondents.

4.3.1 Distribution of Respondents by Gender

The respondents were asked to indicate their gender. This was aimed at establishing whether the study was gender-sensitive as well as to establish if gender influenced performance of youth business enterprises.

The results are shown in Table 4.1

Table 4.1: Distribution of respondents by gender

Gender	Frequency	Percentage
Male	12	40
Female	18	60
TOTAL	30	100

The results indicated in Table 4.1 above showed that most of the respondents 18 (60%) were females while 12 (40%) were males.

4.3.2 Education level of the respondents

The researcher sought to establish the education level of the respondents. The results were presented in Table 4.2.

Table 4.2: Distribution of education level of respondents.

Education level	Frequency	Percentage
Primary	8	26.67
Secondary	16	53.33
College	4	13.33
University	2	6.67
Other	0	0
TOTAL	30	100

The results indicated in Table 4.2 showed that the majority of the respondents 22 (73.33%) of the respondents had attained secondary education and above, 53.33% had reached secondary school, 13.33% college while 06.67% had University education and 26.67% had studied up to primary level.

4.3.3. Duration as a member of the group.

Respondents were asked to indicate the period of time they had been members of their groups. The results were shown in Table 4.3.

Table 4.3: Distribution of time of respondents

Duration as a member	Frequency	Percentage
3-4 years	22	73.33
More than years	8	26.67
Total	30	100

The results indicated that 30 (100%) of the respondents had been members of their Youth Groups for more than 3 years. These findings meant the researcher had targeted the right groups. Right from the onset, the researcher was targeting respondents who had a minimum of three years in groups.

4.3.4: Age Group of Respondents

Respondents were asked to indicate their age. The results were presented in Table 4.4.

Table 4.4: Age distribution of the respondents

Age group	Frequency	Percentage
18-23	4	13.33
24-29	20	66.67
30-35	6	20
Total	30	100

The results in Table 4.4 showed that majority of the respondents 20 (66.67%) were between 23 and 29 years. Out of the 30 respondents, 4 (13.33%) of were aged between 18 and 23 years while 6 (20%) were between 30 and 35 years.

4.4 Utilization of Group Funds and Growth of Youth Business.

The sampled Youth Group officials and members were asked to indicate whether they had business work experience before joining the YEDF group. The respondents were asked to indicate their level of agreement using the 5- Likert scale rating of 5- strongly agree, 4 -agree, 3 -neutral, 2 –disagree, 1-strongly disagree.

4.4.1 Business work experience and its application on utilization of YEDF funds to growth of YBE.

One of the indicators of the effects of utilization of YEDF on growth of YBE was the business work experience one had before joining the YEDF group. Respondents were asked to indicate their level agreement that they had business experience using the 5 Likert Scale of 5-strongly agree, 4 –agree, 3-neutral, 2-disagree, 1-strongly disagree. The results are analyzed in Table 4.5.

Table 4.5: Distribution of Business work experience of respondents before joining YEDF group.

Level of response	Frequency	Percentage	Cumulative percentage
Strongly agree	8	26.7	100
Agree	14	46.7	73.3
Neutral	4	13.3	26.7
Disagree	4	13.3	13.3
Strongly disagree	0	0	0
Total	30	100	

The results in Table 4.5 indicated that majority of the respondents, 22 (73.4%) agreed that they had business work experience before joining YEDF group. Only 4 (13.3%) disagreed while another 4(13.3%) were neutral, meaning they were not sure of having any work experience. The mean distribution was 3.87% and std devastation of 0.973. The interpretation of the mean is that respondents agreed that they had work experience before joining YEDF group. Since a 5 Likert Scale rating that ranged from 1-5 was used a theoretical mean value of 3.0; $(1+2+3+4+5) \div 5 = 15/5 = 3.0$ was used to provide a measurement point for judging the study results. Therefore a mean equal to or higher than 3.0 indicated to agree, while a mean less than 3.0 but between 2.5 and 2.99 indicated a neutral. However, a mean less than 2.5 indicated to disagree with the study variable.

4.4.2. The application of work business experience helps our group in effective utilization of YEDF leading to growth of our business enterprise.

Respondents were asked to indicate their level of agreement that their work experience helped their group in effective utilization of YEDF using 5-Likert Scale of 5-strongly agree, 4-agree, 3-neutral, 2-disagree, 1-strongly disagree. The results were analyzed in Table 4.6.

Table 4.6: The application of business work experience for effective utilization of YEDF.

	Frequency	Percentage	Cumulative percentage
Strongly agree	12	40	100
Agree	14	46.7	60
Disagree	0	0	0
Strongly disagree	0	0	0
Neutral	4	13.3	13.3
Total	30	100	

From the above table, majority 26 (87.7%) of the respondents agreed that they had business work experience before joining the YEDF group while 4 (13.3%) were neutral, meaning they were not sure of having any business work experience before. The interpretation is that previous business work experience had a positive influence on growth of YEDF. These findings agree with the study carried out by Scott & Twomey (1988) who argued that children whose parents were entrepreneurs were most likely to have a business idea than those whose parent are not.

4.4 .3: The percentage of YEDF set aside for business

Respondents were asked whether they diverted the money received from YEDF. The results were analyzed in Table 4.7

Table 4.7 percentage set aside for Business

Amount in percentage	Frequency	Percentage
100	3	10
Less than	27	90
Total	30	100

Results in Table 4.7 indicated that 27 (90%) of respondents diverted money meant for business into personal use. Only 3 (10%) committed all the YEDF to business. From the above results, it is clear that poor utilization of YEDF loan negatively affected growth of YBEs. The interpretation was that there were poor skills of the utilization of YEDF loan among the Youth Groups in Kitui Central Sub-County. This possibly impacted negatively on growth of youth business because very little amount of money was left for starting and expanding the business.

4.5: Entrepreneurial Training and Growth of YBEs.

The second study objective was to determine the extent to which entrepreneurial training by YEDF influenced growth of YBEs in Kitui Central Sub-County. The researcher sought for responses to statements like: attendance of entrepreneurial training, effective utilization of YEDF, volume of sales and record keeping skills.

4.5.1: Attendance of Entrepreneurial training and Growth of Youth Business Enterprises.

The respondents were asked to indicate their level of agreement as far as attendance of entrepreneurial training was concerned. The results as shown in Table 4.8.

Table 4.8: Distribution of respondents who attended entrepreneurial training on YEDF.

Entrepreneurial training	Frequency	Percent
Strongly agree	4	13.33
Agree	8	26.67
Neutral	0	0
Disagree	15	50
Strongly disagree	3	
Total	30	100

Majority 18 (60%) of the respondents disagreed that they had attended any entrepreneurial training organized by YEDF. Only 12 (40%) agreed that they had attended some entrepreneurial training. From the above results, it is clear that majority of the youth lacked training in entrepreneurship which is essential for national development. This had a negative influence on growth of the businesses. This agree with research carried out by Minniti (2007), who argued that all states should orient the education systems appropriately to meet the needs of globalized labour market and create infrastructure that facilitates easy access to information by youth to enhance their creativity, innovation and competitiveness in entrepreneurial activities.

4.5.2. Leadership training and Growth of YBE

Respondents were asked to indicate their level of agreement to the extent that they can attribute the growth of their group project to good leadership training. The results were analyzed in Table 4.9.

Table 4.9: Distribution of respondents on Growth of YBEs.

Leadership training	Frequency	Percentage
Strongly agree	12	40
Agree	7	23.33
Neutral	4	13.33
Disagree	4	13.33
Strongly disagree	3	10
Total	30	100

From the above Table, 63.33% of the respondents agreed that they can attribute their success of their group to good leadership as a result of training by YEDF. 13.33% were neutral or undecided while 23.33% disagreed and attributed their leadership skills to other factors apart from YEDF training. These results concur with a study done by Backes & Werner, (2007), who argued that contribution of leadership skills training and guidance are vital factors which are crucial to positive youth business outcome.

4.5.3 Effective Utilization of YEDF as a Result of Training.

The research sought to determine the extent to which entrepreneurial training influenced effective utilization of YEDF. The respondents were asked to indicate their level of agreement to the extent to which they would attribute effective utilization of funds to entrepreneurial training. The results were analyzed in Table 4.10.

Table 4.10: Distribution of respondents on effective utilization of YEDF due to entrepreneurial training

Responses	Frequency	Percentage
Strongly agree	14	46.67
Agree	8	26.67
Neutral	0	0
Disagree	5	16.67
Strongly disagree	3	10
Total	30	100

Table 4.10 shows that 22 (73.34%) agreed that entrepreneurial training on YEDF influenced proper utilization of the fund and subsequent growth of youth business. Only 8 or 26.67% disagreed. This therefore shows that entrepreneurial training is essential in proper utilization of YEDF. This agrees with a study carried out by Mukala (2014), who argued that entrepreneurial training of youth before they get financial aid was necessary as it enhance their creativity, innovation and competitiveness.

4.5.4: Information on YEDF and growth of Youth projects

The researcher sought to determine how information on YEDF had enabled the youth group members to apply for the fund and the subsequent growth of their project. Respondents were asked to indicate their level of agreement. The results were analyzed in Table 4.11.

Table 4.11: Distribution of respondents on information about YEDF and growth of youth projects.

Responses	Frequency	Percentage
Strongly agree	14	46.67
Agree	12	40
Neutral	1	3.33
Disagree	1	3.33
Strongly agree	2	6.67
Total	30	100

Table 4.11 shows that 26 (86.67%) agreed they got information on YEDF concerning availability and other details like repayment period and the interest rates. Only 3 or 10% disagreed that they lacked the information. The findings disagree with the research carried out by Mbatia & Mbugua (2009), who argued that 60% of the youth lack information about YEDF. Interpretation is that youth did not apply for the YEDF because of lack of information but maybe because of other reasons.

4.5.5: Increased sales Due to YEDF Training on Customer Care and Growth of YBEs.

The researcher sought to know whether YEDF training had any influence on the volume of sales. Respondents were asked to indicate the extent to which they attributed their increase in sales to YEDF training.

The results were analyzed in Table 4.12.

Table 4.12: Distribution of respondents on increase of sales of the Youth Group Project

Responses	Frequency	Percentage
Strongly agree	12	40
Agree	9	30
Neutral	2	6.67
Disagree	4	13.33
Strongly agree	3	10
Total	30	100

The results indicated that 70% of the respondents agreed that their business enterprises had recorded growth in sales due to YEDF training on customer care. Of the 30 respondents, 7 (23.33%) disagreed and gave other reasons for their growth. These findings indicated that training on customer care was crucial and should therefore be enhanced. The findings concur with research by Mukala (2014), who argued that entrepreneurial training enhance youth creativity, innovation and competitiveness toward the entrepreneurial activities. Possibly this is why there was increase of sales by those who had received training.

4.5.6: Good record keeping due to entrepreneurial training

The researcher sought to know whether entrepreneurial training had any influence on record keeping. Respondents were asked to indicate their level of agreement. The results were analyzed in Table 4.13.

Table 4.13: Distribution of respondents on record keeping due to YEDF training.

Responses	Frequency	Percentage
Strongly agree	14	46.67
Agree	8	26.67
Neutral	1	3.33
Disagree	5	16.67
Strongly agree	2	6.66
Total	30	100

The results showed that majority out of the 30 respondents, 22 (73.34%) agreed that they acquired good record keeping skills due to YEDF training. Only 8 (23.33%) disagreed. Interpretation was that YEDF training was crucial to good record keeping. The findings agree with a research carried by Musee (2013), who argued that entrepreneurial training boost performance of YBE. This further supported by another research by Amenya (2011), who argued that very often 50% of youth lack capacity building in terms of financial management.

4.6: The Extent of allocation of YEDF funds and Growth of YBEs

The third objective of this study was to determine how the extent of allocation of YEDF influenced growth of YBEs. The extent of allocation is in terms of adequacy of the funds and the influence YEDF has on growth of YBEs. The study obtained several indicators like receipt of group funds, and the amount received. The respondents were asked to rate the indicators of the extent of allocation of YEDF funds.

4.6.1 Receipt of YEDF and growth of YBEs

The respondents were asked to indicate whether they received the funds after applying. The results were tabulated in Table 4.14.

Table 4.14: Distribution of respondents on Receipt of YEDF.

Responses	Frequency	Percentage
Yes	30	100
No	0	0
Total	30	100

The results obtained indicated that all the respondents had received the YEDF.

4.6.2 Amount of loan received from YEDF.

Respondents were asked to indicate the amount of loan they received from YEDF. Results were analyzed in Table 4.15.

Table 4.15: Distribution of Respondents on the amount of loan received from YEDF.

Amount (Kshs)	Frequency	Percentage
Upto 30,000	1	3.33
31,000-50,000	25	83.33
51,000 and above	4	13.33
Total	30	100

Table 4.15 shows that 25 (83.33%) of the 30 respondents received loans ranging from Kshs 31,000 to Kshs 50,000. Another 4 (3.33%) received amount above Kshs 50,000. All the respondents indicated that the amounts received was too small. This agrees with the study carried out by McCormick (1999), who argued that inadequacy of financial resource was a

major discourage factors of business ideas. This is possibly why many of youth business collapse soon after starting.

4.6.3: How much loan would be adequate.

Respondents were asked to indicate how much loan they wished to receive so as to be in competitive business. Results were tabulated in Table 4.16.

Table 4.16: Distribution of Respondents on Adequacy of the loan from YEDF.

Loan	Frequency	Percentage
50,000-100,000	2	6.67
100,000-150,000	4	13.33
150,000-250,000	10	33.33
Above 250,000	14	46.67
Total	30	100

Table 4.16 shows majority, 14 (46.67%) wished if they could get above (Kshs250,000) it would be enough to boost their business. Of the 30 respondents 10 (33.33%) preferred amount upto Kshs 250,000. Another 2 (6.67%) felt that upto Kshs 100,000 was enough while 4 (13.33%) preferred between Kshs 100,000 to 250,000. Interpretation is that generally, the youth did not receive adequate amount to boost their business. The findings agree with a research carried out by Amenya (2011), who argued that YEDF has not research sufficient finance to finance the youth business enterprises.

4.6.4: Adequacy of YEDF received and Growth of YBEs.

The respondents were asked to indicate whether the money received was enough to boost their business. The results are tabulated in Table 4.17.

Table 4.17: Distribution of Respondents on Adequacy of funds by YEDF and Growth of YBE.

Responses	Frequency	Percentage
Yes	1	3.33
No	26	86.67
To some extent	3	10
Total	30	100

From the Table, 26 (86.67%) of the respondents disagreed that the amount they received was adequate for their business. Only 1 (3.33%) agreed that the money was enough, with 3 (10%) of the respondents admitting that the money boosted their business to some extent. This inadequacy was likely to have a negative influence on the growth of Youth businesses.

These findings concurred with study carried out by Fitzsimons and Douglas (2005) in Australia who established that the inadequate financial resources was a major drawback in one gaining the initial business inertia and growth of a successful entrepreneur.

4.6.5: Growth in size of the YBE and the amount of money from YEDF.

The researcher sought to know whether the increase in size of the youth projects was attributed to the YEDF. The respondents were asked to indicate their level of agreement on whether the growth their business was due to YEDF. The results are analyzed and presented in Table 4.18.

Table 4.18: Distribution of respondents on increase in size, and growth of YBE.

Responses	Frequency	Percentage
Strongly agree	6	20
Agree	16	53.33
Neutral	4	13.33
Disagree	2	6.67
Strongly disagree	2	6.67
Total	30	100

From the above Table, 22 (73.33%) of the respondents agreed on attributing the growth in size of YBE to funds received from YEDF, 4(13.34%) dis-agreed and gave other reasons for their growth. Another 4 (13.33%) were neutral. Interpretation is that amount of YEDF has a positive influence of growth of YBE. These findings concur with a study carried out by pretorious and shaw (2004), who argued that large failure of entrepreneur ventures in S. Africa is attributed to inadequate capital structure or resource property.

4.6.6: Increased capital Base Due to increased funding and Growth of Youth Business

Enterprise.

Respondents were asked to indicate their level of agreement on whether they agreed on increased capital base if their group received more funding from YEDF. The results are presented in Table 4.18.

Table 4.19: Distribution of respondents on influence of YEDF funds on growth of YBE.

Responses	Frequency	Percentage
Strongly agree	18	60
Agree	12	40
Neutral	0	0
Disagree	0	0
Strongly disagree	0	0
Total	30	100

From the responses, all the 30 (100%) respondents agreed that more funding would enlarge their business enterprise. These findings indicated that the respondents felt that the money they received was not sufficient and they could do better if they received more. This agree with a research carried out by Musee (2013), who argued that history and experiences in most business have shown that the amount of capital invested determines the success or failure of business enterprises.

4.7 Accessibility of YEDF and growth of YBEs.

The fourth objective of the study was to determine the extent to which accessibility of YEDF influenced growth of YBE in Kitui Central Sub-County. The study obtained several indicators of funds accessibility like the funds awareness, reliability of Youth officers, frequency of application for the fund, and ease of accessibility.

4.7.1 Awareness of YEDF funds and Growth of YBE.

One of the indicators that were investigated was the level of awareness of YEDF funds by the Youth group. Respondents were asked to indicate their level of agreement on the awareness of YEDF and the results were analysed and presented in Table 4.19.

Table 4.20: Distribution of respondents on awareness of YEDF funds.

Responses	Frequency	Percentage
Strongly agree	16	53.33
Agree	14	46.67
Neutral	0	0
Disagree	0	0
Strongly disagree	0	0
Total	30	100

Table 4.20 shows that all the 30 (100%) respondents were aware of YEDF funds. Interpretation is that those who did not apply for the fund was not because of lack of knowledge about existence of YEDF but possibly but possibly because of other reasons. The finding contradict findings by Mbatia & Mbugua (2009), who argued that about 60% of the youth lack information about the existence of YEDF.

4.7.2 Accessibility of information on YEDF and Growth of YBE.

Accessibility of information related to YEDF loans was investigated in order to find out its influence on growth of YBEs. Respondents were asked to indicate their level of agreement on the access of information on YEDF funds. The results were analyzed and presented in Table 4.21.

Table 4.21: Distribution of respondents on Access to information on YEDF loans.

Responses	Frequency	Percentage
Strongly agree	12	40
Agree	14	46.67
Neutral	4	13.33
Disagree	0	0
Strongly disagree	0	0
Total	30	100

Table 4.21 shows that 26 of the 30 respondents agreed that they always got information related to YEDF loans whenever they needed it. This means that information on YEDF loan was always available. This could have some positive influence on the growth of YBEs.

4.7.3 Reliability of Youth officers in relation to YEDF and Growth of YBEs.

The researcher sought to find out to what extent the youth officers were cooperative and reliable.

Respondents were asked to indicate their level of agreement in regard to how co-operative and reliable Youth officers were. Results analyzed in Table 4.22.

Table 4.22: Distribution of respondents on co-operation and reliability of Youth officers in relation to YEDF and Growth of YBEs.

Responses	Frequency	Percentage
Strongly agree	16	53.33
Agree	12	40
Neutral	2	6.67
Disagree	0	0
Strongly disagree	0	0
Total	30	100

From Table 4.22 it is clear that 28 (93.33%) of the respondents agreed that the Youth Officers were co-operative and reliable. Interpretation is that, this had a positive influence on the growth of YBEs.

4.7.4: Frequency of application for the fund by the Youth.

The researcher sought to establish how frequently members of the Youth groups applied for the fund from YEDF. Results are analyzed in Table 4.23

Table 4.23: Distribution of respondents on frequency of application for the YEDF fund.

Responses	Frequency	Percentage
Rarely	0	0
Often	14	46.67
Very often	16	53.33
Never	0	0
Total	30	100

Table 4.23 shows that 14 (46.67) often applied for the fund while 16 (53.33) very often applied for the fund. The findings contradict findings by Mbatia and Mbugua (2009), who argued that 60% of the youth lacked information about YEDF and consequently did not apply for it.

4.7.5 Easiness of Access of YEDF and Growth of YBEs.

The researcher sought to establish whether the YEDF fund was easily accessible to the members of Youth groups. Respondents were asked to state their level of agreement in regard to easiness of access. Results are analyzed and presented in Table 4.24.

Table 4.24: Distribution of respondents with regard to Easiness of Access of YEDF.

Responses	Frequency	Percentage
Strongly agree	20	66.67
Agree	9	30
Neutral	1	3.33
Disagree	0	0
Strongly disagree	0	0
Total	30	100

Table 4.24 Shows that 29 (96.67%) agreed that the fund was easily accessible. Only 1 (3.33%) was neutral. This possibly had a positive impact on growth of YBEs. The finding differ with a study carried by Djankov et al, (2005), who argued that too many bureaucracies and regulation are impediments towards performance of YBE.

4.8: Growth of YBEs

Finally, the study sought to determine the level of growth of Youth Business Enterprise. This variable was measured by asking respondents to respond to various statements describing growth of YBEs. The statements were: My group has increased in membership, my group has grown in terms of project numbers, profits of my group's business enterprise have increased and working capital of my group's business has increased. The status of this variable was rated on a 5 point-Likert Scale ranging from 6 –strongly agree to 1-strongly disagree. The results presented in Table 4.25.

Table 4.25: Descriptive statistics Growth of Youth Business Enterprises variables.

	My group has increased in membership	My group has grown in terms of project numbers	Profits of my groups business enterprise have increased.	Working capital of my group's business has increased.
Valid	30	30	30	30
N				
Missing	0	0	0	0
Mean	2.5	2.10	2.20	2.33
Std Deviation	1.503	1.269	1.126	1.322

Since a 5-point Likert Scale rating that ranged from 1-2-3-4-5 was used, a theoretical mean value of 3.0 was used to provide a measurement point for judging the study results. Therefore a mean equal to or higher than 3.0 indicated to agree, while a mean less than 3.0 but between 2.5 and 2.99 indicated a neutral or undecided position held by the respondents. However, a mean less than 2.5 indicated to disagree with the influence of the study.

4.8.1 Increased membership in YBE.

One of the indicators that were investigated in this study was increase in membership in relation to the level of growth of YBE. This was in order to establish how this influenced growth of YBEs. The respondents were asked to indicate their level of agreements on the increase in groups membership. Results were presented in Table 4.26.

Table 4.26: My group has increased in membership

	Frequency	Percentage	Valid percentage	Cumulative percentage
Strongly disagree	8	26.7	26.7	26.7
Disagree	13	43.3	43.3	70
Valid Neutral	2	6.7	6.7	76.7
Strongly agree	7	23.3	23.3	100
Total	30	100	100	

Table 4.26 shows 23.3% agreed that their group has grown in membership after being funded by YEDF while 70% disagreed having grown in size. The findings, therefore indicate that YEDF has little influence on the growth in membership of YBEs as witnessed by 70% disagreement response.

4.8.2 Growth of YBEs in terms of project numbers.

Respondents were asked to indicate their level of agreement in group's project numbers. The results are presented in Table 4.27.

Table 4.27: My group has grown in terms of project numbers

	Frequency	Percentage	Valid percentage	Cumulative percentage
Strongly disagree	13	43.3	43.3	43.3
Disagree	8	26.7	26.7	70.0
Valid Neutral	4	13.3	13.3	83.3
Agree	3	10.0	10.0	93.3
Strongly agree	2	6.7	6.7	100
Total	30	100	100	

Table 4.27 indicates that 5 (16.7%) agreed they have grown in terms of project numbers after getting funds from YEDF while 21 (70%) disagreed having grown in project numbers. Only 4 (13.3%) were neutral.

4.8.3: Growth of YBEs in terms of increased profits.

Another indicator that investigated in the study was growth of YBE in terms of increased profits. Respondents were asked to indicate their level of agreement on the increase in group's business profits. The results are presented in Table 4.28.

Table 4.28: Profits of my groups business have increased

	Frequency	Percentage	Valid percentage	Cumulative percentage
Strongly disagree	9	30.0	30.0	30.0
Disagree	12	40.0	40.0	70.0
Valid Neutral	4	13.3	13.3	83.3
Agree	4	13.3	13.3	96.7
Strongly agree	1	3.3	3.3	100
Total	30	100	100	

Table 4.28 indicates that 5 (16.6) of the respondents agreed that their profits have increased, 21 (70%) of the 30 respondents disagreed on the increase in profits after receiving YEDF while 4 (13.3%) were neutral. This therefore means that there were other factors associated with increase of profits of YBE.

4.9 Inferential statistics

To evaluate the relationship between the dependent and independent variables, correlation and multiple analysis was done and the results presented in the following sub-section:

4.9.1 Correlation analysis

The summary of correlation and regression analysis is presented. It seeks to determine the degree of inter-dependence of independent variables and also show the degree of their association with the dependent variable separately. These results are summarized in Table 4.29.

Table 4.29: Summary of Correlations

		Effect of utilization of YEDF	Entrepreneurial training on YEDF	Extent of Allocation of YEDF	Extent of Accessibility of YEDF	Growth of YBE
Effect of utilization of YEDF	Pearson correlation	1	.796**	.966**	.862**	.806**
	Sig. (2-tailed)		0	0	0	0
	N	120	120	120	120	120
Entrepreneurial training	Pearson correlation	0.796	1	.781**	.851**	.858**
	Sig. (2-tailed)	0		0	0	0
	N	120	120	120	120	120
Extent of Allocation of YEDF	Pearson correlation	.966**	.781**	1	.881**	.835**
	Sig. (2-tailed)	0	0		0	0
	N	120	120	120	120	120
Extent of accessibility of YEDF	Pearson correlation	.862**	.851**	.881**	1	.939**
	Sig. (2-tailed)	0	0	0		0
	N	120	120	120	120	120
Growth of YBE	Pearson correlation	.806**	.858**	.835**	.939**	1
	Sig. (2-tailed)	0	0	0	0	
	N	120	120	120	120	120

Correlation is significant at 0.01 level (2-tailed)

The correlation summary shown in Table 4.29 indicates that the associations between the independent variables were significant at 95% confidence level but much smaller in

comparison to their associations with the dependent variable. This means that the inter-variable correlations between the independent variables were not strongly enough to affect the relationship with the dependent variable. A correlation analysis to determine the extent to which utilization of the YEDF affects growth of YBEs in Kitui Central Sub-County shows that a relationship exists ($r=0.806, \alpha = 0.05$). Pearson's product moment coefficient of correlation $r = 0.806$ suggests that a strong positive relation exists between the two variables. This means that effective utilization of YEDF loans has significant influence on growth of YBEs.

The study also sought to determine whether there existed a significant relationship between the entrepreneurial training and growth of YBEs. The correlation analysis shows that a relationship exists ($r=0.858, \alpha = 0.05$). Pearson's product moment coefficient of correlation $r=0.858$ indicates that a very strong relationship exists between the variables. This therefore implies that entrepreneurial training is of great importance to growth of YBE. The government should embark on intensive training of youth on entrepreneurship skills.

The study also sought to determine whether there existed a significant relationship between the extent of allocation of YEDF and growth of YBEs. The correlation analysis shows that a relationship exists ($r=0.835, \alpha=0.05$). Pearson's product moment coefficient of correlation $r = 0.835$ indicates that a very strong relationship exists between the two variables. This implies the extent of allocation of YEDF is of great significance to growth of YBEs hence the government should look for ways of increasing the fund.

Lastly, the study sought to determine whether there was a significant relationship between accessibility of YEDF and growth of YBEs. The correlation analysis shows a relationship exists ($r=0.939$, $\alpha = 0.05$). Pearson's Product Moment Coefficient of Correlation $r=0.939$ is very high and indicates that a very strong relationship exists between the two variables. These findings imply that accessibility to YEDF should be greatly improved and in case of any barriers, they should be removed.

It can therefore be concluded that all the variables were significant to the study problem although their degrees of influence varied. This is further investigated in the regression analysis.

4.9. 2 Regression Analysis

Regression analysis was used to determine the significance of relationship between the dependent variable and independent variables pooled together. The value obtained for R, which is the model correlation coefficient, $R=0.848$ which was higher than any zero value in Table 4.30. This indicates that model improved when more variables were incorporated when trying to investigate the influence of YEDF on growth of YBEs. The R-square value of 0.899 also indicated that all independent variables combined accounted for up to 89.9% of the changes in growth of YBEs in the regression model.

Table 4.30: Regression Analysis Model Summary

Model	R	R square	Adjusted R square	Std. Error of the estimate	Change statistics				
					R square change	F	df 1	df2	Sig. F change
1	.948 ^a	.899	.896	.532	.899	256.324	4	115	.000

a. Predictors: (constant), influence of accessibility of YEDF, influence of entrepreneurial training on YEDF, influence of utilization, influence of extent of allocation of YEDF.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter consists of four sub-headings: Summary of the findings, conclusions of the study, recommendations of the study and suggestions for further studies.

5.2 Summary of the Findings.

The purpose of this study was to investigate the influence of Youth Enterprise Development Fund on Youth Business Enterprise in Kitui Central Sub-County, Kitui County, Kenya. The researcher sought to establish to what extent utilization of YEDF influenced growth of YBEs in Kitui Central Sub -County. The study revealed that 73% or 22 out the 30 respondents agreed that their previous business experience helped their business grow.

Ineffective utilization of YEDF which negatively influenced growth of business was largely due to the fact that some money was diverted into other activities leaving very little for the business. Those who committed the 100% loan to business were only 3 out of the 30 respondents. The rest diverted the loan. The researcher also sought to establish the influence of entrepreneurial training on growth of YBEs in Kitui Central Sub-County. The study found out that 18 or 60% of the respondents had not attended any entrepreneurial training on YEDF. This meant that they lacked vital business management skills which negatively affected growth of their business. The study also revealed that majority of the respondents, 63.3% attributed the success of their business to good leadership as a result of leadership training by the YEDF. Out of the 30 respondents, 22 (73.34%) agreed that entrepreneurial training had positive influence on utilization of YEDF loans. The study also revealed that 22 (73.34%)

attributed their good recording keeping skills to entrepreneurial training on YEDF. Out of the 30 respondents 21(70%) agreed that their business enterprise had recorded growth due to their training on YEDF.

The researcher also sought to determine how the extent of allocation in terms of adequacy of YEDF loans influenced growth of Youth Business Enterprises. The findings revealed that the main problem facing the youth groups was inadequacy of starting capital. Most of the Youth groups lacked initial capital to start and expand the existing business enterprise. From the study findings, majority of the respondents (86.67%) indicated that the YEDF loan given to the youth groups was inadequate. Majority indicated that they received between Kshs31,000 to Kshs 50,000 which was not enough. When asked to indicate how much loan they thought would be enough, 46% preferred a loan above Kshs 250,000 while 33.33% preferred amounts between 150,000 and 250,00. Of the 30 respondents 22 (73.33%) agreed that if they received YEDF the business enterprise would grow in terms of profit and size. All the 30 respondents interviewed agreed that increased fundings by YEDF would increase their capital base.

The researcher also sought to find out how accessibility to YEDF affected growth of Youth Business Enterprises. The findings of the study revealed that all the 30 respondents (100%) were aware of the YEDF funds. All the 30 respondents (100%) indicated they applied for the fund frequently. When asked to indicate whether the YEDF was easily accessible, 29 (96.67%) agreed that the fund was easily accessible. When asked to indicate whether the YEDF officers were co-operative and reliable, 28 (93.33%) agreed that they were co-operative.

5.3 Conclusions of the study

The correlation summary analysis indicates that the relationships between the independent variables were significant at 95% confidence level but much smaller in comparison to their relationships with the dependent variable. This means that inter-variable correlations between the independent variables were not strong enough to affect the relationship with the dependent variable.

The study sought to determine whether there existed a significant relationship between the extent of allocation in terms of adequacy of YEDF and growth of YBEs. The correlation analysis shows that a very strong relationship exists between the two variables. This implies that the extent of allocation is of great importance to growth of Youth Business Enterprise and hence the Government of Kenya should look for ways of increasing the YEDF allocation.

The correlation analysis to determine whether there was a significant relationship between accessibility of YEDF and growth of YBEs shows that a very strong positive relationship exists between the two variables. These findings imply that accessibility of YEDF should be increased and any barriers to access YEDF should be eradicated.

A correlation analysis to determine the extent to which utilization of YEDF influences growth of YBEs suggests that a strong relationship exists between the two variables. This means that effective utilization of YEDF has a very critical role on growth of YBEs.

Finally, a correlation analysis to determine the extent to which entrepreneurial training on YEDF influenced growth of YBEs suggests a strong relationship exists between the two variables. These findings therefore imply that entrepreneurial training should be enhanced.

Hence it can be concluded that all variables were significant to the study problem. The R-square value 0.899 also indicated that all the independent variables combined accounted for up to 89.9% of the changes in growth of business enterprises in the regression model.

The study therefore establishes that utilization of YEDF, accessibility to YEDF, the extent of allocation of YEDF and entrepreneurial training on YEDF are critical to growth of YBEs and therefore cannot be taken lightly.

5.4 Recommendations of the study

In view of the research findings, the following recommendations were made:-

The amount of YEDF is of a great importance to growth of Youth Business Enterprises and so the government should increase the allocation. At least Kshs. 250,000 should be allocated to enable the Youth groups to expand their businesses.

Accessibility to YEDF should also be increased and any barriers to access the YEDF should be removed.

Proper and prudent utilization of YEDF is crucial as far as youth business are concerned.

The money received by YEDF should be solely used on the prescribed business venture.

Finally, more frequent entrepreneurial training on YEDF should be carried out as it will equip the youth with essential business management skills. This will reduce wastage witnessed when youth divert the YEDF to personal use.

5.5 Suggestions for further research

Based on the findings of the study, the researcher makes the following suggestions for further research.

- i) The significance of YEDF on the economic empowerment of persons with disabilities.
- ii) The role of UWEZO fund on growth of Youth and women business enterprises in Kenya.

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APPENDICES

Appendix I : Transmittal Letter

ALFRED M. KITAVI

P.O.BOX 1496

KITUI

THE RESPONDENTS

KITUI CENTRAL SUB-COUNTY

KITUI

Dear Sir/Madam,

Ref No. L50/71767/2014

RE: REQUEST TO FILL THE QUESTIONNAIRE FOR RESEARCH

This is kindly to request you to fill the attached questionnaire for research purpose. I am a master's student at the University of Nairobi researching on: **The influence of Youth Enterprise Development Fund on Growth of Youth Business Enterprises in Kitui Central Sub-county**. I therefore request you to cooperate and assist me fill the questionnaire. The information you give will be strictly used for the purpose of this study and your identity will be kept confidential.

Thanks in advance

Yours faithfully,

ALFRED M. KITAVI
UNIVERSITY OF NAIROBI

Appendix II: Questionnaire for the Youth Groups' Officials and Members

SECTION 1: INTRODUCTION AND GUIDELINES

The answers you give will be used only for the research proposes.

Kindly answer all the questions in this questionnaire. Do not write your name in this questionnaire.

SECTION II

Demographic information

(Give an appropriate response) put a tick where applicable.

1) Indicate your gender?

a) Male [] b) Female []

2) Indicate your age.

a) 18-23 [] b) 23-29 [] c) 29-35 [] d)above 35 []

3) For how long have you been a member of the youth group?

a) 3-4 years [] b) More than 5 years []

4) Indicate your education level.

a) Primary [] b) Secondary [] c) College [] d)University [] e) Other []

SECTION III

(A) Utilization of Youth Enterprise Development Fund on growth of Youth Business Enterprises.

5).Indicate your level of agreement with the following statements.

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I had a business work experience before joining the YEDF group					
The application of business work experience helps our group in effective utilization of YEDF					

6).Do you often divert the money you receive from Youth Enterprise Development Fund?

- a) Yes [] b) No [] c) Sometimes []

7).If your answer in (6) above) is “yes” state briefly how you spent or diverted some of the money.

8a) Did you refund the money you had diverted back to the business?

- a) No [] b) Yes [] c) Partly [] d) N/A []

b) If your answer in Q 8 (a) is “yes” or “partly” state how long it took you.

- a) One year [] b) Less than a year [] c) More than 1 year []d) N/A[]\

(B) Accessibility of Youth Enterprise Development Fund

9). State your level of agreement with the following statements concerning application of YEDF to growth of YBE. (Use a tick).

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
i) I am aware of YEDF funds					
ii) I always get information on YEDF funds when I need it.					
ii) YEDF officers are co-operative and reliable					

10)How frequent do you apply for the fund?

- a) Rarely [] b) Often [] c) Very often [] d) Never []

11)Do you agree that this fund is easily accessible? Indicate your level of agreement.

- a) Strongly agree [] b) Agree [] c) Neutral [] d) Disagree []
e) Strongly disagree []

12)State briefly the reason (s) for your choice.

(C) The extent of provision of Youth Enterprise Development Fund.

13)Did you receive the exact amount of loan you had applied for?

- a) Yes [] b) No []

14)If “Yes” state the amount you received.

15)Was the amount received enough to boost your business?

Yes [] b) No [] c) To some extent [] d) I'm not sure []

16) If your answer in Q 15 is (b) or (c) state briefly how much loan would be adequate to be in competitive business.

17) Indicate your level of agreement with the following statement concerning the application to growth of business enterprise. (Tick as is appropriate)

a) The growth in size of this group project depends on the amount of money given by YEDF.

- i) Strongly agree [] ii) Agree [] iii) Neutral []
iv) Disagree [] v) Strongly disagree []

b) If my group received more money from the YEDF it would have enlarged its capital base.

- i) Strongly agree [] ii) Agree [] iii) Neutral []
iv) Disagree [] v) Strongly disagree []

c) YEDF has positive impact on the growth of YBE.

- i) Strongly agree [] ii) Agree [] iii) Neutral [] iv) Disagree []
v) Strongly disagree []

(D) Entrepreneurial training on Youth Enterprise Development Fund.

18) What position do you hold in the group?

- a) Official [] b) Member []

19) Indicate your level of agreement with the following statements concerning their application to growth of YBE. (Use a tick)

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
i) I have attended entrepreneur training on YEDF.					
ii) I attribute the growth of the Youth group project to good leadership as a result of training on YEDF.					
iii) We are able to utilize group funds affectively as a result of entrepreneurial training attended.					
iv) Information on YEDF has enabled us to apply and receive YEDF which is attributed to growth of our group project					
v) The choice of our business entrepreneur is as a result of training on YEDF.					
vii) We are able to sell more products to more customers due to our training on YEDF.					
vii) We have good record keeping due to our entrepreneurial training.					

(E) Growth of YBEs

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
My group has increased in size					
Profits have increased in my group					
The working capital of my group has increased					

Thank you for your cooperation

Appendix IV: Authorization letter



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

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Ref: No.

Date:

10th August, 2015

NACOSTI/P/15/1484/6917

Alfred Maithya Kitavi
University of Nairobi
P.O. Box 30197-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Influence of youth enterprise development fund on growth of youth business enterprises in Kenya (Case of Kitui Central sub-county),”* I am pleased to inform you that you have been authorized to undertake research in **Kitui County** for a period ending **4th December, 2015**.

You are advised to report to **the County Commissioner and the County Director of Education, Kitui County** before embarking on the research project.

On completion of the research, you are required to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


SAID HUSSEIN
FOR: DIRECTOR GENERAL/CEO

Copy to:

The County Commissioner
Kitui County.

The County Director of Education
Kitui County.



National Commission for Science, Technology and Innovation is ISO 9001:2008 Certified