

**FACTORS INFLUENCING PERFORMANCE OF PROJECTS FUNDED BY THE  
YOUTH ENTERPRISE DEVELOPMENT FUND AMONG YOUTH GROUPS IN  
NAKURU TOWN WEST SUB COUNTY.**

**BY  
MATIANYI LILIAN RUTH**

**A RESEARCH PROJECT REPORT SUBMITTED IN FULFILMENT OF THE  
REQUIREMENTS FOR THE AWARD OF DEGREE OF MASTER OF ARTS IN  
PROJECT PLANNING AND MANAGEMENT OF THE UNIVERSITY OF  
NAIROBI**

**2015**

## DECLARATION

This research project report is my original work and has not been forwarded to any university for any award.

**SIGNED:**.....

**DATE:**.....

**LILIAN MATIANYI RUTH**

**REG NO. L50/71784/14**

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

**SIGNED:**.....

**DATE:**.....

**NAME: DR. JOHN MBUGUA**

**Department of Extra Mural Studies, The University of Nairobi.**

## **DEDICATION**

I dedicate this work to The Almighty God for empowering me with strength to start continue and finally reaching the end. May the name of God be glorified. Also my late husband Erastus Ababu and my late father Elphas Matianyi for encouraging me to go to higher heights in education.

## **ACKNOWLEDGEMENT**

I wish to acknowledge my supervisor Dr. John Mbugua for his guidance and support in writing this project report. He played a major role in formulation of study objectives, comments and support in conceptualizing the problem and guidance during the research project report and making it successful. I also acknowledge the support I received from my daughters Sharon, Faith and Gift Ababu for allowing me time to go through my course. The support I received from colleagues and friends in development field who lend a listening ear and played a big role in reading and critiquing the document is also acknowledged.

The writing of this project report could not have been complete without the invaluable contribution of the Nakuru District Youth Officer. He played a key role in not only providing the secondary data important got this study but in helping link the researcher to the groups to be studied. Their contribution is hereby appreciated. I am also grateful to Martha, Mogeni and Loice who have been handy in editing this project report.

My thanks go to University of Nairobi's Nakuru Extra Mural Centre and all my lecturers for their moral support and advice.

## TABLE OF CONTENT

<b>DECLARATION</b> .....	<b>ii</b>
<b>DEDICATION</b> .....	<b>iii</b>
<b>ACKNOWLEDGEMENT</b> .....	<b>iv</b>
<b>TABLE OF CONTENT</b> .....	<b>v</b>
<b>LIST OF TABLES</b> .....	<b>viii</b>
<b>LIST OF FIGURES</b> .....	<b>ix</b>
<b>ABBREVIATIONS AND ACRONYMS</b> .....	<b>x</b>
<b>ABSTRACT</b> .....	<b>xi</b>
<b>CHAPTER ONE: INTRODUCTION</b> .....	<b>1</b>
1.1 Background to the study .....	1
1.2 Statement of the Problem.....	5
1.3 Purpose of the Study .....	6
1.4 Objectives of the Study.....	6
1.5 Research Questions .....	7
1.6 Significance of the study.....	7
1.7 Limitations of the Study.....	7
1.8 Delimitations of the Study .....	7
1.9 Assumptions of the Study .....	8
1.10 Definition of Significant terms used in the study .....	8
1.11. Organization of the study.....	9
<b>CHAPTER TWO: LITERATURE REVIEW</b> .....	<b>10</b>
2.1 Introduction.....	10
2.2 Factors influencing the performance of projects .....	10
2.2.1 The influence of project planning in project performance.....	14
2.2.2 Improving the performance of projects through project control.....	16
2.2.3 The role of project team in improving project performance.....	19
2.3. Theoretical framework.....	27
2.4 The Conceptual Framework.....	31

2.5 Chapter Summary .....	32
<b>CHAPTER THREE: RESEARCH METHODOLOGY .....</b>	<b>33</b>
3.1 Introduction.....	33
3.2 Research design .....	33
3.3 Target Population.....	33
3.4 Sample Size and Sampling Procedure .....	34
3.5 Data Collection Procedures.....	34
3.6 Research Instruments .....	34
3.7 Validity of the Research Instrument .....	35
3.8 Reliability of the Research Instrument .....	35
3.9 Data Analysis Techniques.....	36
<b>CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION .....</b>	<b>38</b>
4.1 Introduction.....	38
4.2 Response rate .....	38
4.3 Groups incorporation .....	38
4.3.1 Groups Membership.....	39
4.3.2 Academic level of group members .....	40
4.3.3 Group competencies and activities prior to funding .....	40
4.4 Factors influencing the Performance of projects .....	41
4.4.1 Choice and Nature of projects started by the groups .....	41
4.4.2 Allocation of Funds to Project .....	42
4.4.3 Clarity of project goals and objectives.....	43
4.4.4 Development of business plans.....	43
4.4.5 Identification of project roles.....	43
4.4.6 Development of project work-plans, budgets and specification of timelines .....	44
4.4.7 Reporting of the activities.....	45
4.4.8 Financial record keeping.....	45
4.4.9 Group meetings .....	46
4.4.10 Using the work-plans and budgets to guide implementation.....	46

4.4.11 Supervision of Projects .....	47
4.4.12 Technical skills of the project team .....	47
4.4.13 Defining targets for members .....	48
4.4.14 Commitment of project team members.....	49
4.4.15. Performance of project staffs in project management .....	49
<b>CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>51</b>
5.1 Introduction.....	51
5.2 Summary of findings.....	51
5.2.1 Establishing the extent to which project planning factors influence the project performance .....	52
5.2.2 Establishing the extent to which project control factors influence performance of projects.....	53
5.2.3 Establishing the extent to which project team factors influence the performance of projects.....	53
5.2.4 Establishing the influence of moderating factors on project performance .....	54
5.3 Discussions .....	55
5.4 Conclusions.....	57
5.5 Recommendations.....	58
5.6. Suggestions for further studies.....	59
<b>REFERENCES.....</b>	<b>60</b>
<b>APPENDICES .....</b>	<b>63</b>
Appendix I : Key Informant (MOYS official) Interviews Schedule .....	63
Appendix II: Questionnaire for Group Leaders .....	64
Appendix III: Letter of Affiliation.....	67
Appendix IV: National Research Licence .....	68
Appendix V: Table Showing Correlations Among Variables .....	69
Appendix VI: Figure. 2.2. Map showing Nakuru Town West Constituency .....	71

## LIST OF TABLES

Table 3.1: Operational definition of variables .....	37
Table 4.1: Distribution of groups by years of operation.....	39
Table 4.2: Groups Membership .....	40
Table 4.3: Education level of group members .....	40
Table 4.4: Distribution of the groups by the activities.....	41
Table 4.5: Nature of Projects began by the groups.....	41
Table 4.6: Distribution of groups by proportion of funds invested in projects.....	42
Table 4.7: Distribution of the groups by funds investment .....	42
Table 4.8: Distribution of groups by number that injected additional funds to projects .....	43
Table 4.9: Number and percentage of groups that developed business plans .....	43
Table 4.10: Frequency of groups that identified project roles .....	44
Table 4.11: Frequency of the groups that prepared work-plans and budgets .....	44
Table 4.12: Distribution of groups by reporting .....	45
Table 4.13: Distribution of the groups by the degree of financial recording.....	46
Table 4.14: Distribution of groups by regularity of meetings .....	46
Table 4.15: Distribution of the groups by degree of utilization of work-plans and budgets .	47
Table 4.16: Distribution of the groups by degree of supervision .....	47
Table 4.17: Distribution of the respondents by the degree of skills and knowledge .....	48
Table 4.18: Distribution of groups by definition of staff targets .....	48
Table 4.19: Distribution of groups by members who have left the project .....	49
Table 4.20: Performance of project staffs in project management .....	49



## LIST OF FIGURES

Figure 2.1: The relationship between the study variables.....	31
---	----

## **ABBREVIATIONS AND ACRONYMS**

<b>CBO</b>	Community Based Organization
<b>HCT</b>	Human Capacity Training
<b>MFI</b>	Micro Finance Institutions
<b>MGCSS</b>	Ministry of Gender Children and Social Services
<b>MOYAS</b>	Ministry of Youth Affairs and Sports
<b>NYDA</b>	National Youth Development Agency
<b>SACCO</b>	Saving and Credit Cooperative
<b>SPSS</b>	Statistical Packages for Social Scientists
<b>YEDF</b>	Youth Enterprise Development Fund
<b>YES</b>	Youth Employment Scheme
<b>YESA</b>	Youth Employment Scheme Abroad
<b>YFF</b>	Young Farmer's Fund
<b>ZAR</b>	South African Rand

## ABSTRACT

The Youth Enterprise Development Fund (YEDF) was established in year 2006 with the sole purpose of reducing unemployment among the youth who account for over 61% of the unemployed in the country. The target of the fund is young people within the age bracket of 18 to 35 years who number 13 million. The Fund was gazetted on 8th December 2006 and then transformed into a State Corporation on 11th May 2007. The Fund's strategic focus is on enterprise development as a key strategy that will increase economic opportunities for, and participation by Kenyan youth in nation building. The government has so far released Ks. 3.8 billion to the Fund. In 2008 the Fund developed a 3 year strategic plan to address varied needs and aspirations of the youth, and to address the challenges it has faced in the past. The Fund is currently working on a 5 year strategic plan in line with the Medium Term Plan (MTP) of the Vision 2030. It is the Fund's intention to evolve and be able to meet the dynamic needs of the youth. The fund is constantly reviewing its operational mechanisms from time to time in order to make it responsive to needs and expectations of the target clients. The study investigated the factors influencing performance of projects funded by the youth enterprise development fund among beneficiary youth groups in Nakuru Town West Sub-County, Nakuru County. The research was guided by the following research objectives, to examine to what extent project planning factors, project control factors and team factors influence the performance of the youth Enterprise development fund. This study therefore employed the theory of organizational effectiveness and examined view of various scholars on this theory over time. The study limited itself to youth groups funded through the constituency youth enterprise scheme in Nakuru Town West sub-county, Nakuru county. The research used descriptive survey study, sample 20 beneficiary youth groups to whom a questionnaire was administered. The data collected was summarized using the statistical packages for social science (SPSS) and analysis was done using the same package to produce frequencies and calculate correlations that was used to present the findings. The results from the study indicate that the project planning factors such as work plan development, market analysis and project role identification influence the performance of project performance while the skills level of project team, setting targets and involvement in decision making are strongly related to improved project performance. the study also revealed that a lot of the funded groups did not develop work plans and those that did failed to stick to them choosing to divert the funds to other businesses. The study thus recommends the setting up of oversight structures to improve n funds management, monitoring and control and the building of capacity of the beneficiary groups.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the study**

The Youth Enterprise Development Fund (YEDF) was established in year 2006 with the sole purpose of reducing unemployment among the youth who account for over 61% of the unemployed in the country. The target of the fund is young people within the age bracket of 18 to 35 years who number 13 million. The Fund was gazetted on 8th December 2006 and then transformed into a State Corporation on 11th May 2007.

The Fund's strategic focus is on enterprise development as a key strategy that will increase economic opportunities for, and participation by Kenyan youth in nation building. The government has so far released Ks. 3.8 billion to the Fund. In 2008 the Fund developed a 3 year strategic plan to address varied needs and aspirations of the youth, and to address the challenges it has faced in the past. The Fund is currently working on a 5 year strategic plan in line with the Medium Term Plan (MTP) of the Vision 2030. It is the Fund's intention to evolve and be able to meet the dynamic needs of the youth, who are its *raison d'être*. The fund is constantly reviewing its operational mechanisms from time to time in order to make it responsive to needs and expectations of the target clients.

Youth Enterprise Development Fund was established in December 2006 by the government as an initiative that is hoped to address the unemployment rate among the youth. The twin strategic pillars of this initiative are enterprise development and externally focused employment creation through Youth Employment Scheme Abroad (YESA). To date the Fund has: Financed over 157,000 youth enterprises to the tune of KS. 5.9 billion. Many of the youth the Fund supported at inception are today big employers. It has helped thousands of youth build their enterprises through market support and entrepreneurship training. The Fund has trained over 200,000 young entrepreneurs.

It has also supported thousands of youth to take up jobs overseas through the Youth Employment Scheme Abroad (YESA) programme. The Fund has continued to diversify

its product base by focusing on interventions that are more responsive to the needs of the youth and are geared towards addressing specific challenges facing young entrepreneurs. The Fund has established a component that will enable it advance big loans directly to youth whose enterprises demonstrate capacity to create many jobs for young people. The Fund intends to partner with business owners who would like to franchise their brands. This move affords the youth with business opportunities already tried and tested and known in the market. The Fund will finance interested franchisees to start and run such businesses with the technical support of the franchisor.

In order to enhance penetration of information at the grassroots, and to ensure that the Fund's services remain relevant the fund has started a grassroots stakeholder programme known as Mashinani. In this programme youth, leaders and other stakeholders from a particular county are gathered together where they discuss their opportunities and challenges with the fund, and also give their recommendations on their unique needs. Young people comprise the bulk of the human population with more than half of the total world population aged below 25 years (National Council of Population and Development, 2005). It is estimated that 15-24 year olds comprise about 1.5 billion of the total world population with approximately 1.3 billion of these in developing countries (Making Cents International, 2007). With the world population of young people growing at alarming rates (10.5%) especially in developing countries, this percentage is on the rise.

Kenya is no exception with 75% of the population being those aged below 30 years of age (Ministry of Gender, Sports, Culture and Social Services, 2005). With an annual population growth of 2.4%, the number of young people keeps increasing. It is estimated that youth aged 15-30 comprise 32% of the total population while youth aged 18-35 who comprise the workforce number about 13 million (MGSCSS, 2005). This formidable force can no longer be ignored in developmental initiatives. Despite the youth being productive and energetic, the utilization of this potential is yet to be realized with majority of the youth (about 61% of them) remaining unemployed. This means that this key cohort that forms the largest human resource comprising about 60% of the total workforce plays no part in the economic growth of the country. The increase in the

enrollment and completion rates in schools means many more youth are constantly being released into a job market that is incapable of absorbing them.

There is general consensus that youth unemployment and underemployment can have far reaching consequences for a country. Zuehlke (2009) suggests that large numbers of unemployed youth pose a security risk with propensity to engage in criminal activities. Unemployment also creates rising anxiety, a recipe for protests and involvement in civil warfare activity. Studies have also shown that about 15% of youth have by the age of 19 entered child bearing age and therefore becoming parents (Kenya National Bureau of Statistics & ICF Macro, 2010). This means that a number of young people have already taken up parental responsibilities without a steady source of livelihood (KNBS, 2010), a situation that can only perpetuate the cycle of poverty. HIV/AIDS has also had its toll on Africa with many more teenagers being left with the burden of raising siblings as their parents succumb to HIV/AIDS.

While there is growing gap between the number of youth seeking employment and opportunities available to them, there is also a growing recognition of the need to support and invest in young people as key partners in socio economic development (Making Cents International, 2007). It is in line with this that development organizations have initiated enterprise development and micro finance schemes targeting the youth. The availability of micro finance services for youth in Micro Finance Institutions and other Youth Serving Organizations is a pointer to this (McNulty, 2005).

There are great opportunities for youth employment in micro-enterprise. In Indonesia with a 60% unemployment rate, young entrepreneurs earn at least twice the monthly income as youth in employment (Shrader, Kamal, Darmono & Johnston, 2003). The involvement of youth in small scale enterprises has led to increased living and housing standards (Kosgei, 2005). It is in recognition of this that youth micro enterprise is growing in its popularity among countries in Africa such as Malawi, South Africa and Nigeria.

It is on this basis that the Kenyan government initiated the Youth Enterprise Development Fund (YEDF) in the year 2007 through a Presidential executive order (Youth Enterprise Development order 2007) as a way of addressing unemployment among the youth. The concept is based on an institutional financing of small and medium youth focused and youth benefiting development initiatives as a means of job creation. The enterprise scheme which is run by a board of directors is managed through the Ministry of Youth Affairs and Sports (MOYAS).

The scheme is based on two pillars. The first pillar involves enterprise development I through increasing access to capital by young entrepreneurs while providing business development services, facilitating linkages in supply chains, creating market opportunities locally and abroad for products/services by youth enterprises and facilitating the creation of commercial infrastructure to support growth of youth business. The other pillar of the project i involves facilitating the employment of semi-skilled and skilled young people in external labor market through the Youth Employment Scheme Abroad (YESA).

Since its inception in 2006, the government has committed 2.25 billion towards the implementation of the project and created a state corporation to guide its implementation. The money has been utilized in the funding groups through financial intermediaries such as banks, non-governmental organizations, saving and credit cooperatives (SACCOs) and MFI and through the constituency mechanisms.

The constituency funding mechanism dubbed Constituency Youth Enterprise Scheme (CYES) is by the far the most accessible to most youth groups which may not meet the stringent criteria set by the MFIs and thus elicited the most interest. This mechanism, where a substantial portion of this funding went through, involved registered groups applying for a fixed amount of funding by submitting an application detailing a project they could initiate which would not only enable the repayment of the amount advanced but also initiate a sustainable income generating project that would create self employment for the groups. It is the performance of these projects that this research seeks to explore.

## **1.2 Statement of the Problem**

Youth unemployment has become a major challenge in the 21st Century and is of critical concern to almost every country in the world. A 2010 Report by the International Labour Organization (ILO) revealed that Sub-Saharan Africa is one of the regions highly affected by youth unemployment. Globally, the youth unemployment rate stood at 15.4% in 2010 with a total of 84.8 million young people unemployed. Developed economies had a youth unemployment rate of 17.7% in 2010 while developing economies in Sub-Saharan Africa and North Africa had unemployment rates of 13.6 % and 25.3% respectively. The number of youth unemployed increased to 76 million with the youth-adult employment ratio remaining almost constant at 2.8. (ILO, 2010).

The scenario is not any different in Kenya where the employment challenge has been growing overtime with the youth being the main casualties. Creation of adequate employment opportunities remain one of the greatest challenges in Kenya. It is estimated that 64% of unemployed persons in Kenya are youth. The country has a youthful population with about 73% per cent being under 30 years of age. Kenya has experienced steady growth in population coupled with expanding youth unemployment. Statistical surveys have put the Kenyan unemployment rate at 29% per cent (Njonjo, 2009).

The Kenyan government recognizes the social implications of unemployment among the youth and thus created the youth fund which in its intermediate report released in March 2009, reported disbursing over 370 million to 8480 youth groups through the CYES as loans to start up business projects with profit free repayment package. A closer look at the state of affairs however reveals mixed results in terms of funds management and overall ability to repay the loans. In Nakuru town constituency for instance, of the 40 groups that received funding, only 3 have been able to fully repay the loan within the stipulated time. This represents a paltry 7.5% (Periodic C-YES disbursement summary).

An additional 3 groups have been able to pay back more than 50% of the loan advanced. Thus of the Kshs 2,000,000 advanced to groups in Nakuru Town West, Sub County, only ksh 312,000 which represents 15.6% has been paid back (Periodic C-YES disbursement



summary). This is despite some of the groups having received funding as way back as 2007. This should be of primal concern bearing in mind that the fund is expected to be revolving in its nature for its eventual sustainability to be achieved.

This low repayment rate suggests disparities in how different groups have been able to manage the funds. While there are groups whose projects have taken root and achieved sustainability, officials in the youth ministry admit that there are groups whose projects have collapsed making it difficult for them to repay the loans. This collapse, the officers hypothesize, is influenced by a number of project management factors. To what extent this is corroborated by empirical findings is questionable therefore the labor of this research to verify these factors.

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

The purpose of this study was to investigate factors influencing performance of projects funded by the youth enterprise development fund among beneficiary youth groups in Nakuru Town West Sub County, Nakuru County.

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

This study was guided by the following objectives.

1. To examine to what extent project planning factors influence the performance of YEDF funded projects among recipient groups in Nakuru Town West Sub County, Nakuru County.
2. To access to what extent project control factors influence the performance of YEDF funded projects among recipient groups in Nakuru Town West Sub County, Nakuru County.
3. To explore to what extent project team factors influence the performance of YEDF funded projects among recipient groups in Nakuru Town West Sub County, Nakuru County.

### **1.5 Research Questions**

The research questions for the study were as follows -

1. To what extent does a project planning factor influence the performance of youth projects initiated with funding from the YEDF in Nakuru Town West Sub County, Nakuru County?
2. To what extent does project control factors influence the performance of youth projects initiated with funding from the YEDF in Nakuru Town West Sub County, Nakuru County?
3. To what extent does the project team influence the performance of youth projects initiated with funding from the YEDF in Nakuru Town West Sub County, Nakuru County?

### **1.6 Significance of the study**

The youth enterprise development fund continues to elicit public and media interest with various theories and arguments being put forth on its success and failure. However despite the board admission that low repayment rates is one of its challenges, very little effort has been made by the administrative board to diagnose the problem behind the low repayment rate and poor funds management among the groups with low success rates. The findings of this research attempted to shed light on this.

Moreover, a lot of development partners and multi-laterals have committed a lot of resources to the fund and it is expected that in the long term this fund was come self sustaining and run in the form of a revolving fund.

### **1.7 Limitations of the Study**

This study limited itself to the funded groups in Nakuru Town West Sub County. This may raise questions on the generalizability of the findings particularly bearing in mind that Nakuru is an urban area.

### **1.8 Delimitations of the Study**

It is important to note that all the beneficiary groups received funding at the same time and had similar time span to initiate and carryout their different projects. This study

limited itself to Nakuru Town West Sub County in Nakuru County of Kenya with a population of 0.5million (KNBS, 2010). The Sub County comprises of only one constituency, Nakuru Town West. Since the YEDF are distributed at constituency level, targeting groups from the same constituency reduce the chances of creating bias as a result of disparities between constituencies. Moreover, the study involved an in-depth analysis of the groups selected and thus selecting groups from the same constituency ensured that data collection from the groups is within the time and cost constraints of the research.

### **1.9 Assumptions of the Study**

It was the researcher's assumption that the respondents responded to the questions truthfully especially because some of the questions was reflect on the group leadership.

### **1.10 Definition of Significant terms used in the study**

**Enterprise development:** The fostering and promotion of entrepreneurship typically in the form of small businesses to achieve economic empowerment.

**Project Planning:** An endeavor in which human, material and financial resources are organized in a better way to undertake a unique scope of work of a given specification within constrains of time, cost and quality so as to achieve some intended goals/objectives.

**Project Control:** The process of comparing actual performance against plan to identify deviations, evaluate possible alternative courses of action and take appropriate corrective action.

**Project Team:** Full time and part time human resources assigned different project tasks and who will help achieve the goals and objectives of the project.

**Project team management:** A managerial function within projects which involves selecting team members, assigning and clarifying roles as well as setting ground rules to guide team interactions.

### **1.11. Organization of the study**

This study report consists of five chapters. Chapter one comprises of the background of the study, statement of the problem, study objectives, questions and hypothesis. Chapter two comprises of the relevant literature review on factors influencing performance of projects funded by the youth enterprise development fund among youth groups in Nakuru Town West Sub County. This chapter also presents the theoretical framework of the study. Chapter three on the other hand deals with methodological approaches of the study which comprises of the study design, sample population size and population sampling procedures, research instruments and other items. Finally there is chapter five which deals with the summary of the study, conclusions, recommendations and also suggestions for further studies.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter presents related empirical and theoretical studies on the role project management factors play in performance of projects reviewed by the researcher. The chapter also graphically presents the conceptual framework. This chapter therefore reviews relevant literature under the following sub-chapters: Factors influencing the performance of projects, The influence of project planning in project performance, Improving the performance of projects through project control, The role of project team in improving project performance and conclusion.

#### **2.2 Factors influencing the performance of projects**

For projects to perform well, there are several factors which determines their performance. According to Malkheheleza, (2010) Youth loans were not a peculiar development in Zimbabwe alone. South Africa also offered loans to the youth through the National Youth Development Agency (NYDA). The funds were dispersed to the youth between the ages of 18 and 35 years. The loan sizes were between ZAR1 000 and ZAR100 000. The funding was given either directly to the youth or through business development partners. The NYDA also offered development services to the youth businesses(Malkheheleza, 2006)

Botswana formed a Young Farmers' Fund (YFF) in 2006. This fund was set up to offer financing and other developmental technical services to young farmers who had just obtained skills from college. The loan amounts had a ceiling of 500 000 Botswana Pula (BWP). The interest rates were lower than the prevailing bank rates at five percent. The payment periods ranged from 60 months to 120 months depending on the project. The grace period before the first payment was due was negotiable up to 24 months.

In 2008, Namibia also set up a revolving loan fund to provide their youths with loans. The fund aimed to fight unemployment and poverty among the youth of Namibia. The

loans were administered in three phases. At each phase, the loan amount increased. This also depicted the rate of increase in the mutual trust between the fund and the client. Finally, the client would graduate from borrowing from the fund to other financial institutions. The fund used the group-lending model. The definition of the youth eligible for funding in the Namibian case was similar to that of Zimbabwe.

So therefore, several factors are intergrated to enhance success of youth funded projects. Several scholars have identified those factors as financial, technical, human resource factors, operational factors and legal factors among others.

According to Klapper, Laeven and Rajan (2006); Aghion, Fally and Scarpetta (2007); Ayyagari, Demirgüç-Kunt and Maksimovic (2011), financial capacity is key in program effectiveness. This literature has also provided insights into the channels through which finance fosters economic growth. Overall, the evidence has shown that finance has a more important impact on growth through fostering productivity growth and resource allocation than through pure capital accumulation (Beck, Levine and Loayza, 2010). Specifically, the availability of external finance is positively associated with entrepreneurship and higher firm entry as well as with firm dynamism and innovation.

Rajan and Zingales (1998); Beck et al. (2005, 2006) discuss that finance also allows existing firms to exploit growth and investment opportunities, and to achieve larger equilibrium size. In addition, firms can safely acquire a more efficient productive asset portfolio where the infrastructures of finance are in place, and they are also able to choose more efficient organizational forms such as incorporation.

Aghion et al., (2010) assert that financial sector development is important not only for fostering the economic growth process, but also for dampening the volatility of the growth process. Financial systems can alleviate the liquidity constraints on firms and facilitate long-term investment, which ultimately reduces the volatility of investment and growth.

Similarly, well-developed financial markets and institutions can help dampen the negative impact that exchange rate volatility has on firm liquidity and thus investment capacity. This is especially important in economies that depend heavily on natural resources and are thus subject to high terms of trade and real exchange rate volatility (Aghion et al. 2009).

Beck et al., (2006), on the other hand, indicates that it is important to note, however, the important difference between real and financial/monetary shocks, whereby the latter can be exacerbated by deeper financial systems.

The goal is related to meeting a specific need that is either for profit, expansion of business interests, meeting a developmental need or purely philanthropic reasons. Each project therefore has its own goal and whereas goals may bear similarities projects tend to be unique and typically involve doing something that has not been done before.

Many studies have shown improved social and economic outcomes for disadvantaged youth participating socio-economic activities in the wake for improvement of their living standards. For example, in the U.S., Karoly and Bigelow (2005, [California]), and Borman and Hewes (2002); and in other countries such as France, Jarousse et al. (1992). The U.S. researcher Barnett (1998) reviews 38 studies and finds that of the 37 studies reporting improved economic outcomes for the youth.

The U.S. articles by Gormley et al. (2005) and Barnett et al. (2005) extend the analysis to include more advantaged youth from both urban and country, and find that participating youth in youth led projects from both low- and high-income families receive roughly comparable gains in high quality and well designed youth fund programm..

However, a Swedish researcher Andersson (2003) states that one problem with many of the studies in the literature is that the followup period is too short. Even if some of the youths engaged in the youth projects showed some behaviour incompetencies in after

spending and utilizing funds allocated to them, we know nothing about how long-lasting these effects may be. Some effects may manifest themselves years later. These “sleeper effects” may be positive or negative. Andersson found that positive effects on economic development do not show up until the end of the project cycle period, when they were very substantive.

Andersson (2003) also indicates that “Higher-quality youth designed funding programm (in the form of responsive and stimulating care) is associated with better cognitive and skills development, positive peer relations, compliance with policies, fewer behaviour problems, and better youth to state/government relationships.

The role of project management and to a large extent the project manager therefore becomes to plan, organize, and control project activities and resources in order to achieve its intended objectives. These roles are met that a project can be said to achieve success. With the growing use of projects to meet developmental and business goals, there is growing need to establish what factors lead to improved project performance (Hyvari, 2006).

For example, according to the South African Youth Economic Review, (2012), after having made various interventions to conceptualize and advance youth development since the dawn of democracy in South Africa in 1994, a review on youth development indicates that despite much effort the challenges of youth development remain enormous. Various reports, particularly those from Stats SA, indicate the vast majority of the unemployed to be young people between the ages of 18 and 35. The fact that the majority of these young people hail from the previously disadvantaged black communities is consistent with the general fact that we have a two-economy scenario, generally being a legacy of the past.

Since 1994 an enabling legal and policy framework on youth development was established in order to set out a transformation agenda. The adoption of the National Youth Policy 2009–2014 and the NYDA Act 54 of 2008 necessitated the development of



an Integrated Youth Development Strategy, a comprehensive implementation framework that will assist the NYDA to rally all key governmental and non-governmental stakeholders towards the successful ‘initiation, designing, coordination, evaluation and monitoring of all programmes aimed at integrating the youth into the economy and society in general’ (South African Youth Economic Review, 2012)

The review further indicates that the Integrated Youth Development Strategy (IYDS) is developed at an opportune time when the global community has made a commitment to youth development, and is deliberately aligned to this development. The African Union has declared the year 2009– 2018 a ‘Decade of Youth Development’ on the continent. The World Youth Forum

It is on this basis that this research consolidated the 10 factors to 3 factors; project planning, control and project team factors and explores empirical studies that have related these with improved project performance.

### **2.2.1 The influence of project planning in project performance**

Project planning involves listing in details what is required to successfully complete a given project within time, cost and quality dimensions. The project plan or schedule refers to the degree to which time schedules milestones; manpower and equipment requirements are specified beforehand (Pinto and Slevin, 1995)

As such project planning provides a basis for organizing the work on the project and allocating responsibility. This involves the development of work breakdown structures, a process through which there is a logical breakdown of the project into its component parts producing manageable units of work for which responsibility can be defined (Chandra, 2006). The work breakdown structures allow for the allocation of resources for work packets which will in turn generate projects work-plans and total budgets (Belout & Gauvreau, 2004). Thus by breaking down the projects into manageable units, project plans provide a means of communication and coordination between all those involved in project.

The futuristic component of a project plan induces people to look ahead and begin to anticipate what is expected and how it was delivered. By so doing, project planning instills a sense of urgency and time consciousness. The project plan highlights the timelines of the project and this becomes critical especially where the activities to be undertaken depend on the outcome of earlier activities (Dvir, Raz & Shenhar, 2003).

Since a project by its nature is unique and there are no historical experiences of the exact same replica to guide implementation, proper planning to anticipate its implementation is critical (Thomas, Jacques, Adams & Kihneman-Wooten, 2008). To guide the planning process, the project goals must be clear so that the plans are consistent with the objectives. Well defined project objectives serve as a framework for decision making by the project manager and a point of reference for monitoring the project (Chandra, 2006). The goals will therefore ensure the project manager remains focused even as he/she seeks to reach a compromise between achieving the goals and remaining true to time and other budgetary constraints, a common phenomenon in projects.

The process of planning cannot be complete without the gathering of critical information that will influence the implementation. This is akin to conducting a feasibility study or a market analysis in business projects. This will also involve the grasping of client's needs and involving the clients in establishing the project's limits and priorities (Belout & Gauvreau, 2004). Pinto and Slevin (1995) point out that it is of necessity to identify the future clients, beneficiaries or customers take into account their needs before implementation. It is no wonder then that project managers rate client consultation among the most important factor Hyvari (2006). The degree of involvement of the clients will also determine their support for the project (Manley in Pinto & Slevin, 1995) and increase the likelihood of later acceptance.

Although there are arguments that postulate that too much planning can curtail the creativity of the project team, there is no dispute that at least a minimum level of planning is required. Indeed, although planning does not guarantee project success, lack of planning will guarantee failure (Dvir et al, 2003). Yet despite the obvious importance

of planning to the implementation process, the pressure to get started on the job exerted on project managers often results in shortcuts on the planning process.

### **2.2.2 Improving the performance of projects through project control**

Since plans seldom materialize as expected, measuring deviations from plans gives the project manager the ability to anticipate problems, to oversee corrective measures and to ensure no deficiencies are overlooked (Pinto & Slevin, 1995). Project control serves the purpose of ensuring regular monitoring of performance versus targets. In this way project control will create bench marks for project personnel and motivate them to strive to achieve the project objectives. Critical to the control process is the baseline plan which forms the link between the planning and controlling and the work breakdown structures which define the work tied to a deliverable and within a duration and budget (Gray & Larson, 2004).

According to Richman (2008), project control involves controlling for five aspects; time (where actual performance on schedule is compared with baseline schedule); cost (comparing actual expenditure with baseline cost plans); scope and quality (technical specifications, performance requirements, quality standards, safety regulations, security issues and environmental considerations are reviewed); resource control (comparing the utilization of all resources including the human resource with the baseline) and project objectives (determining whether work is being accomplished or not).

The process of monitoring must be vigorous and regular lasting throughout the project cycle and involves not only the project manager but also the project staff. This means the monitoring process is all inclusive process that is integrated within the project functions whose results are assembled into reports which inform the project management of deviations from the plans and allow for corrective actions (Hormozi & Dube, 1999). The project manager therefore needs to build support within the team and within the organization for the monitoring function to ensure that it is accepted by all.

The process should be guided by measures that are developed through a process that involves defining the critical project factors to be measured, mapping the cross-functional

process used to deliver results, identifying critical tasks and capabilities required and designing measures to track those activities and capabilities. The resultant measurement system should be flexible, and capable of reporting unforeseen changes in project performance and at the same time simple to operate, maintain and modify (Hormozi & Dube, 1999).

Another key consideration to make when developing the measures is to differentiate between results measures and process measures. Hormozi and Dube (1999) differentiate the two as addressing themselves to project objectives and project functional areas respectively. They underscore the importance of the two and their interdependence and their relevance throughout the project. Thus the measurement system must embrace components of both if it is to give a clear picture of the project.

The system should make allowances for adequate feedback mechanisms and mitigation measures. Key personnel need to receive feedback on how the project is comparing to initial projections (Pinto & Slevin, 1995). The project management should agree to a set of specific boundaries which once crossed signal that the project has developed serious problems that require intervention (Hormozi & Dube, 1999). In the same breadth one can argue that measures must also reflect the dynamism of the project and change as the relative importance of each project function changes. As activities and even structures change so should the measurement system (Hormozi & Dube, 1999).

High-quality evaluations of youth programs/services should be designed to demonstrate with this degree of confidence that a program is reducing the onset or prevalence of negative behaviour (Andrews, 1994; Tolan & Guerra, 1994).

A less widely accepted but nevertheless important standard for demonstrating effectiveness is long-term sustainability of effects (Elliott & Tolan, 1999). Although this criterion may not be required to establish effectiveness in other disciplines, it is very important in evaluating youth programs/services because beneficial effects can diminish quickly after youth leave a service setting or program to return to their usual environment. Effective programs produce long-term changes in individual competencies, environmental conditions, and patterns of behaviour.

High standards should be set for programs that are promoted and disseminated at a provincial level. Before a program is best, it is important to show clearly that it has a significant, sustained deterrent effect and that it can be expected to have positive results in a wide range of community settings (as long as it is implemented correctly and with the appropriate population).

A study that was carried out in California, America, by T.K. Bradshaw between 1990 and 1996 on the contribution of small business guarantees to economic development, revealed that the following: The guarantee programme increased employment by 40 percent and the increase in tax revenues was in excess of the funding administered. Bradshaw questioned what progress could have been made without the funding, thus introducing the aspect of a control group to isolate the impact due to the fund and that due to other factors. The study was done on a case in a single city and California was undergoing a recession.

Fleicher and Felsenstein (2000) in Jerusalem, Israel, conducted an impact study on rural tourism loans. They concluded that there was an increase in the cost benefit ratios and net present value per job created. They noted an increase in the welfare of the poor living in the rural areas as the programme tended to have a redistributive impact on the income. They also realised that for a proper impact to exist, the government must have clear ideas of what is to be funded.

The World Youth Forum defined the youth as people between the ages of 14 and 24 (World Youth Conference, 2010). African leaders deviated from this view because their definition of youth included all persons between the ages of 14 and 35 (African Youth Charter). The Zimbabwean Ministry of Youth agreed with the African Youth Charter definition. However, according to the Zimbabwean Youth Empowerment Fund, the youth were defined as anyone aged between 18 and 35 (Zimbabweyouthcouncil.org). The South African Fund from the NYDA and the Namibian Loan Youth Fund, for fighting against unemployment and poverty, agree with this age definition. The reason for this definition

was that anyone below the age of 18 cannot enter into a contract and be held liable for any contractual agreement.

According to Pittman (1993), youth development is “the ongoing growth process in which all youth are engaged in attempting to: meet their basic personal and social needs to be safe, feel cared for, be valued, be useful and be spiritually grounded; and to build skills and competencies that allow them to function and contribute to their daily lives”. The above definition encompasses what the rest of the world is fighting against, that is crime, which involves drug and substance abuse by the youth.

### **2.2.3 The role of project team in improving project performance**

The development of project teams has been found to influence improved project performance (Thomas et al, 2008; Belout & Gauvreau, 2004). The development of the project teams begins with selection of the team members. Many managers will opt to select members with a strong sense of volunteerism, problem identification and solving skills. This ensures that there is personal commitment to the project critical to ensuring extra effort is put in when the project hits hard times (Gray & Larson, 2004)

Another obvious consideration when selecting teams is selecting people with necessary experience and knowledge/technical skills critical for project completion. Belout and Gauvreau (2004) recommend the conducting of a team profiling exercise to ensure that the strengths and weaknesses of each team member are appreciated. Project teams with higher level of skills result in higher chances of success (Pinto & Slevin, 1995). This premise is supported by Nieuwenhuizen and Kroon (2003) who found a medium effect size of 0.419 for knowledge and skills on the project success. This finding is supported by the findings of Roy and Wheeler (2006) who found a statistically significant correlation between formal education/training and literacy with perceived level of success.

After the selection of the team the project manager then fits the human resource to the different project tasks. This involves clarifying job descriptions and spelling out deliverables. This essential exercise ensures there are no human resource surpluses or

shortages during the project execution (Belout & Gauvreau, 2004). The project manager must set not only the team but also individual goals, an exercise that enables the monitoring and measuring team and individual performance. The goals set should be challenging but attainable, appreciating the needs of the team and in this way create a sense of accomplishment and personal growth.

In managing the project team, the project manager attempts to achieve coordination among the different team members playing different tasks. Here the manager creates synergy within the team by ensuring that team members leverage off each others' strengths and compensate for each other's weaknesses. The manager tries to harness the potential of project teams to cooperatively direct their energies towards accomplishing the project activities.

Hand in hand with this is the process of active team building which is began early and sustained throughout the project and contributes a lot towards developing an effective project team. As the project goes through phases of its cycle, group processes of forming, norming, storming and performing should run parallel with the processes of planning and control in projects (Thomas et al (2008)).

Conflict within the team which is an inevitable product of formal and informal groupings that come up within the team should be managed. Conflicts emerge not only between the groupings but also within the groupings (Stoner, Freeman & Gilberts Jr, 1996). Projects should build organizational capacity to react to problem as they arise (Pinto & Slevin, 1995). Belout and Gauvreau found this variable to be significantly correlated to project success and critical during the execution stage of the project

Thomas et al (2006) found a positive correlation between project success and management of conflicts. Clear communication channels play a big role in stemming conflict as does developing ground rules on team member relationships.

The project manager needs to build sufficient commitment towards project success among the project team (Pinto & Slevin, 1995). This factor (commitment) gains in relevance especially among project teams with longer working experience (Hyvari,

2006). Outstanding and committed project teams lead to the successful implementation of projects (Hahn, 1992; Pinto & Slevin, 1995; Thomas et al, 2008). Achieving commitment is done through motivation of project team using intrinsic and extrinsic rewards. Of equal importance is giving supportive feedback on performance to team members and the recognition of achievements at individual or group level and giving rewards (Thomas et al, 2008).

However, evaluation of projects is very important. This enables individuals to improve the quality of products and services. Literature on the evaluation of economic development studies indicate that there are two categories of evaluations, namely process evaluations and impact evaluations (Bartik & Bingham, 1997; Bradshaw, 2002).

Although this study did not dwell much on process evaluations it was worth exploring as it shed a significant amount of light on impact evaluations. Many authors agree on the fact that process evaluations are easier to achieve since they involve already established forms of control like internal audits and cost benefit analysis, which are further explained below. Thus, they ventured into these evaluations. Few authors have written on impact evaluations. This is mainly due to the difficulties faced in obtaining data for such evaluations. (Bartik & Bingham, 1997) The paragraphs below look at the evaluations done to date, the problems faced and how this research study has gained its strengths from the previous studies.

According to Bowman and Pagano (1992), a programme may be deemed to have an impact if it has accomplished its social economic and developmental goals despite it not having made a profit on the funds invested. Authors agreed that impact evaluations are the most difficult to achieve and yet they provide a more accurate picture of the extent to which the project can meet its objectives (Bartik & Bingham, 1997; Austrian & Norton 2002; Armendariz & Morduch, 2010). The authors agreed that the difficulties they had experienced were because: there was insufficient methodology; political overtones were attached to such results; it involved evaluating the policy itself; the process was very expensive; control groups were not readily available; and other external variables existed.



Despite these difficulties, practitioners were slowly finding a way to make it through by developing various methodologies. Armendariz and Morduch (2010) agreed with Bartik and Bingham (1997) in that on measuring impacts there are two groups involved. The first group is made up of those who received the loans. Armendariz and Morduch (2010) referred to them as the treatment group. The second is a counter-factual group without having received the loan. These were referred to as the control group. The two authors agreed that there is need for a control group in order to tap into the advantages of impact studies. Bartik and Bingham (1997) talked of a theory of change approach and likened the complexities of economic development impacts to those of comprehensive community initiatives. The other approach is the pre-test - post-test design. The resulting change will be the impact.

Coleman (1999) collected information on 445 households in 14 villages of North East Thailand. Eight of the villages had the village bank in operation while six villages did not have the bank. The eight became the treatment group while the six were the control. The control were asked to organise themselves according to the bank's selection criteria. They were asked to wait for a year until the financing had been administered. Choosing potential participants according to the bank's criteria helped him come up with a closely comparable control group. The waiting helped Coleman control the selection bias. The results on impact were not significant from zero. There was also a need to further analyse the control group. The best comparison would have been with those whom would have actually participated against just those eligible for the funding.

In 2001, Barnes, Keogh and Nemarundwe conducted an impact study on the Zambuko Trust Microloans Programme in Zimbabwe. They made use of the comparison of the before and after data. Thus, their baseline data was collected two years before a re-survey was done. The methodology employed was that the treatment group was randomly selected from the participants of the small loans programme. In selecting the control group, the research team walked in a certain direction from the house of a participant. An interview was then held at the house of a non-participant to assess eligibility to the programme. The research team also did follow-ups on the dropouts. An analysis of

covariance was then used to determine the impact. The disadvantage of this methodology, as noted, was that it was expensive.

Karlan and Zinman (2010) studied a microfinance institution in South Africa that awarded consumer loans and charged high interest rates. The methodology employed there was that the programme took advantage of the credit scoring system that was used to determine eligibility.

The scoring had a list from zero (least likely to pay) to 100 (most likely to pay). The micro lender had a cut off point beyond which he would not lend. The researchers then convinced the micro lender to relax his selection criteria by randomly selecting some loan applicants from the rejected loans. The selected then became the treatment group (325 applicants). The system also randomly selected individuals below the threshold that had been rejected (462 applicants) to become the control group. The conclusion reached was that the groups with access to the loans had a high likelihood of honouring their loans. The median of the treatment group showed a 16 percent increase in household income and they were less likely to go hungry. The credit scoring method was seen to have a high predictive power. The experimental loans were less likely to be paid back. Nonetheless, they were paid back and the average benefit came to about USD32 per loan. This was a non-randomised way to gain insight into the impact of the consumer loans, which cancelled out the issue of selection bias.

The value of the small business sector is recognised in economies world-wide, irrespective of the economy's developmental stage. The contribution towards growth, job creation and social progress is valued highly and small business is regarded as an essential element in a successful formula for achieving economic growth (Vosloo, 1994: i). It is estimated that SMEs employ 22% of the youth adult population in developing countries (Daniels, 1994; Daniels & Ngwira, 1992; Daniels & Fisseha, 1992; Fisseha, 1992; Fisseha & McPherson, 1991; Gallagher & Robson). UNIDO (1999) estimates that SMEs represent over 90% of private business and contribute to more than 50% of employment and of GDP in most African countries. An earlier study by the Competition

Commission (2004) estimated that 99.3% of South African businesses were Small and Micro Enterprise (SMES) and that these SMEs accounted for 53.9% of total employment and contributed 34.8% to GDP.

Bartel and Martin (1990) state that a major reason why entrepreneurship has been receiving increased attention from both scholars and the public press is the growing recognition of the substantial economic and social contributions entrepreneurship brings. The economic contributions include economic growth, maintaining a favourable balance of payments and balance of trade and employment creation. Socially, entrepreneurship results in poverty eradication and improved standards of living. SMEs are, therefore, an essential panacea for improving the standards of living in a society and the stability of a country.

Despite this acknowledged importance and Small and Micro Enterprise (SME) contribution to economic growth, SMEs across the globe, and in South Africa in particular, are still faced with numerous challenges that inhibit entrepreneurial growth. Apart from SME funding and access to finance, the GEM Reports 2001-2010) noted that South African SMEs also suffer from poor management skills, which is a result of a lack of adequate training and education. This results in high rates of business failure - SA has one of the lowest SMEs survival rates in the world.

According to Guna Seelan Rethinam Maimunah and European foundation for the improvement of Living Conditions (2000), Quality of work life is a multi-dimensional construct, made up of interrelated factors. Quality of work life is associated with job satisfaction, job involvement, job security, productivity, health, safety, competence development, professional skills, balance between work and non work life of the employee.

According to Pallavi P. Kulkarni, (2013) the focus of Human Resource Capacity Development is on developing the most superior workforce which helps the organization for successive growth. All employees are needed to be valued and they should apply collective efforts in the labour market every time. This can only be achieved through

proper and systematic implementation of employee training and development programs. Employees are always regarded with development in career-enhancing skills which leads to employee motivation and retention. There is no doubt that a well trained and developed staff will be a valuable asset to the company and thereby will increase the chances of their efficiency and effectiveness in discharging their duties. Training is a learning experience which has a capacity to make positive changes and reach up to the desired objectives of the organization. It improves the ability of the employee to perform the job efficiently and with excellence. Training and development programs are the basic structural and functional foundations for the development of the employees. These foundations are important for guiding the employees through different situations. Training and Development programs are the framework for helping employees to develop their personal and professional skills, knowledge, and abilities. Training imparts knowledge to the employees regarding different issues in the organization and the proper execution of these programs result in number of benefits such as development of profitable, adaptable as well as efficient organization and productive & contented employees.

Human Capacity Training (HCT) is therefore argued as the most crucial practice in regard to equipping the human resource for effective program implementation. A number of scholars therefore have asserted the need to equip the human resource with relevant skills for program implementation.

See for example below various views and opinions of various scholars concerning human resource capacity: According to Oatey (1970), training improves a person's skill at a task. Training helps in socially, intellectually and mentally developing an employee, which is very essential in facilitating not only the level of productivity but also the development of personnel in any organization.

Yoder (1970): Training and development in today's employment setting is far more appropriate than training alone since human resources can exert their full potentials only when the learning process goes for beyond the simple routine. Hesseling (1971): Training

is a sequence of experiences or opportunities designed to modify behavior in order to attain a stated objective.

Kane (1986): If the training and development function is to be effective in the future, it will need to move beyond its concern with techniques and traditional roles. He describes the strategic approaches that the organization can take to training and development, and suggests that the choice of approach should be based on an analysis of the organization's needs, management and staff attitudes and beliefs, and the level of resources that can be committed. This more strategic view-point should be of use in assessing current efforts as well as when planning for the future.

Raymond (1986): The influences of trainees' characteristics on training effectiveness have focused on the level of ability necessary to learn program content. Motivational and environmental influences of training effectiveness have received little attention. This analysis integrates important motivational and situational factors from organizational behavior theory and research into a model which describes how trainees' attributes and attitudes may influence the effectiveness of training.

Adeniyi (1995): Staff training and development is a work activity that can make a very significant contribution to the overall effectiveness and profitability of an organization.  
Chris (1996): Training and development aim at developing competences such as technical, human, conceptual and managerial for the furtherance of individual and organization growth.

Seyler, Holton III, Bates, Burnett and Carvalho (1998): The continuous changing scenario of business world, training is an effective measure used by employers to supplement employees' knowledge, skills and behaviour.

Akinpeju (1999): The process of training and development is a continuous one. The need to perform one's job efficiently and the need to know how to lead others are sufficient reasons for training and development and the desire to meet organizations objectives of higher productivity, makes it absolutely compulsory.

However, training without practice and implementation of learned experiences is a waste of resources which should have been otherwise converted to something else which would benefit the institution or program. Bates and Davis (2010) Usefulness of training programme is possible only when the trainee is able to practice the theoretical aspects learned in training programme in actual work environment. They highlighted the use of role playing, cases, simulation, mediated exercises, and computer based learning to provide exposure to a current and relevant body of knowledge and real world situations.

### **2.3. Theoretical framework**

Since organization and management science emerged in the early 1900s in conjunction with the industrial revolution, an evolution has occurred in concepts about the nature and function of organizations and the criteria for organizational effectiveness. These concepts have grown and evolved in dynamic interaction with the organizations and institutions that have become the companies, governmental agencies, and not-for-profit organizations of today's increasingly global society. From almost nothing at the turn of the twentieth century, organization and management science has become pervasive at the turn of the twenty-first, represented prominently in colleges and universities, libraries and bookstores, and in the training classes of public and private sector organizations. Familiarity with the origin and evolution of the concepts, models, and rules-of-thumb upon which contemporary perspectives of effective organizations and management are based can help managers of publicly funded science organizations think more creatively about their own organizations and management strategies.

As Morgan (1997) vividly describes, there are numerous ways to conceptualize and model an organization, with profound consequences for criteria of effectiveness. These concepts typically deal with *organizational form and structure* on the one hand and *organizational functions and activities* on the other. How the organization is designed and how its functions are defined obviously have important implications for how processes and people are managed. If, for example, managers think of the organization as a machine for the efficient production of products (whether these are widgets, services, or research results), then management controls will seek to maximize production and

standardize products for efficiency. If the organization is seen as flux and transformation, then “the fundamental role of managers is to shape and create ‘contexts’ in which appropriate forms of self-organization can occur,”(Morgan 1997:267). Dooley (1997:69) has observed that the “prevailing paradigm of a given era’s management theories has historically mimicked the prevailing paradigm of that era’s scientific theories.”

During the nineteenth and early twentieth centuries, organization and management theories held reductionism, determinism, and equilibrium as core principles (the organization as a machine metaphor), and accorded management near total authority over the workplace. As science has developed theories of complexity and adaptive self-organizing systems, organization and management science have increased their emphasis on organization-external environment interactions, participation, worker motivation, and the dynamic aspects of change, adaptation, and learning (Morgan 1997; Wheatley 1992), placing a high priority on balancing technical aspects of organizational design with consideration of the needs and interests of the workers and the use of management models that emphasize support and participation (Mayo 1945; Likert 1961; McGregor 1960; and Trist 1981).

The organization and management sciences are interrelated disciplines, differing primarily in the extent to which they focus on the individual, the organization, or the system as the principal unit of analysis. Organization science, which typically focuses on the organization, deals primarily with organizational models, organizational design, organizational structure, organizational.

This study therefore used the organizational effectiveness theory. This theory has been developed and reviewed by several scholars in divergent and convergent ways. How organizational effectiveness has been constructed and evolved over 4 decades, examined against a ground of how an organization’s self-conception is reflected in its unique construct. The idea is to use organizational effectiveness as the probe into the effects (i.e., nature and characteristics) of the organization; the message that reveals the medium, corresponding to the guided narrative that reveals role.

According to Campbell (1977), he was concerned so much on Determinants of Organizational Effectiveness. What makes organizations effective is directly related to decision-making criteria and processes; calls for all to make explicit their “theories of effectiveness.” He emphasizes on goal-centredness vs. natural systems perspectives of effectiveness. In the “real world” proponents of each see these as mutually exclusive. Underlying objective is to determine a parsimonious set of effectiveness determinants to be used for organizational design. Campbell found 30 in the literature, but warned against assumptions of objectivity, even among “hard,” statistically-obtained artefacts; determining effectiveness criteria is a political process

On the other hand, Pennings & Goodman (1977) asserts much his arguments on on framework for organizational Effectiveness. Organization comprised of constituencies; effectiveness is a matter of coordination of these subunits (hence degrees of interdependency are important. Dominant coalitions of constituencies set the agenda (and there’s a good, hegemonic reason for this – they’re the “rational” ones) Organizations exist in an environment of external constituencies with whom they have exchange relationships. The organization plus its external constituencies comprise the “organizational set.”

But Sundstrom, De Meuse & Futtrell (1990) views the effectiveness of a program or organization from Ecological perspective. Based on organizational context, boundaries and team development. Meta-study, 20 years of 16 journals. Context: culture (collective values & norms), task design & technology, clarity of mission, timely performance feedback, rewards & recognition tied to team performance. Effectiveness is a matter of (quantifiable) performance, plus making sure the other stuff is covered. Boring, save for the demonstration of the dominance of the prevailing ground of management thinking on the construct. i.e., dominant conventional thinking limits what conventionally constructed organizational effectiveness can achieve.

However, Kaplan & Norton (1992-1996) have a strong believe on Balanced scorecard. Here, Customer, internal, innovation & learning, financial perspectives, reported on via regular management reporting mechanisms. Mission and values are translated into

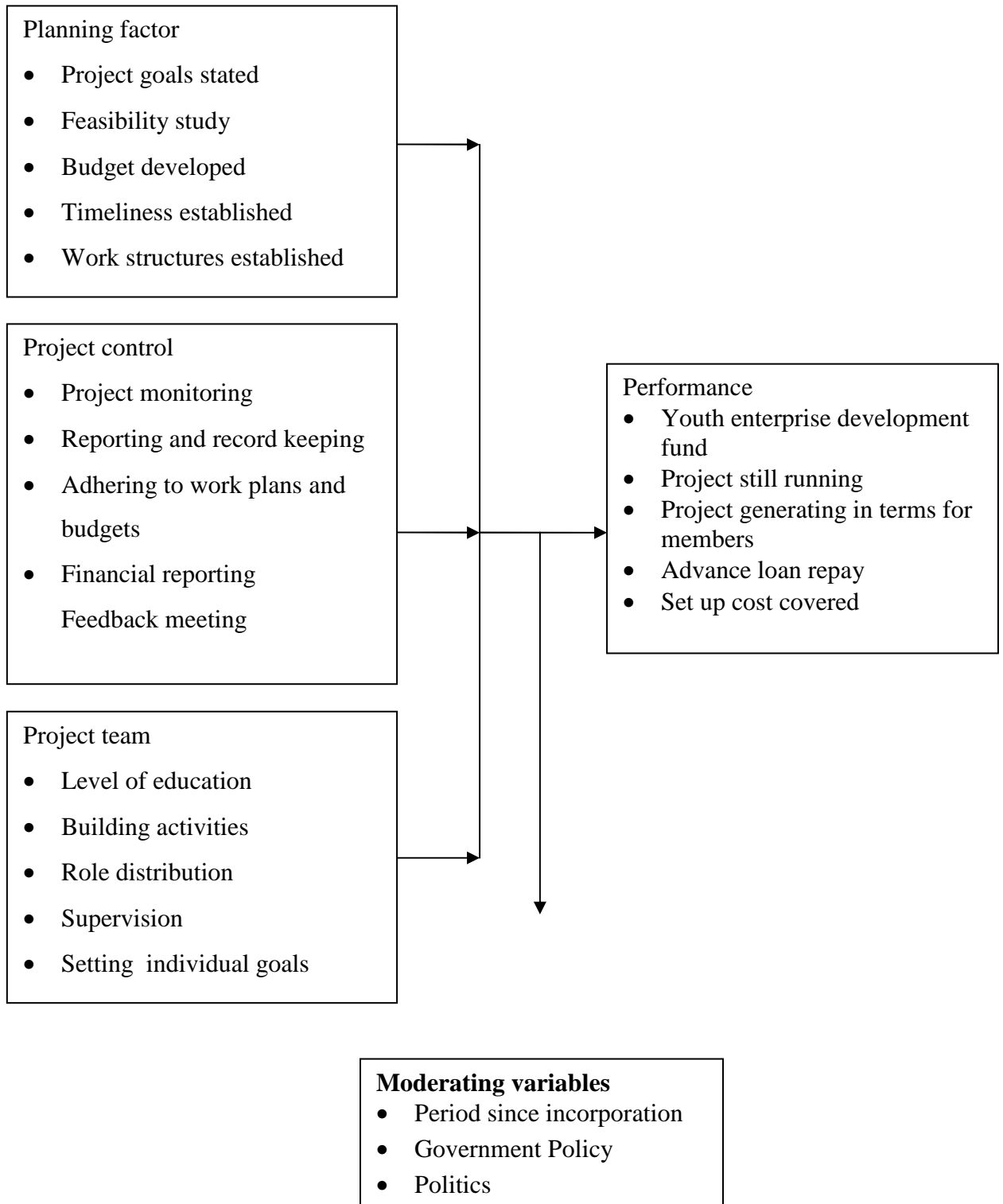


strategy, that is then translated into specific, quantifiable task objectives in each category, with targets. Nominally, this translates strategy into a management tool, with an exclusive focus on operational objectives. Critiques: When used as a basis for compensation, managers will manage to the numbers (focus on measurement, not management); focus on the scorecard limits vision to what is known (blind to new opportunities or new insights); requires a linear, causal model of the business that happens to be correct; not effective if there is not already a culture of causal links between financial and non-financial measures (as in a bank); the model is predicated on what currently exists and tends to ossify that model, hence it is not responsive to changes, especially in the external environment. In regard to the youth fund therefore, Kaplan & Norton (1992-1996)'s view on management is valid. However, they fail to consider issues of diversity and other impending natural calamities as key factors in relation to organizational management and effectiveness.

## 2.4 The Conceptual Framework

**Independent Variables**

## Dependent Variables



**Figure 2.1: The relationship between the study variables**

## **2.5 Chapter Summary**

This chapter reviewed various literatures on factors that affect the implementation of projects with particular reference to factors that result in better project performance. From the studies reviewed, the development of project work plans based on client needs is the first step towards achieving better project performance. This must however be complimented with monitoring of project processes to ensure the objectives are being met and work plans adhered in order to achieve success.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the research design and methodology that was used in the research. The chapter provides the rationale that was used by the researcher in choosing the design. The target population, sample size and sampling procedure, data collection methods and data analysis are also discussed in the chapter.

#### **3.2 Research design**

The research design that was used is the descriptive survey design which includes both qualitative and quantitative approaches. This design is ideal for studies that seek to determine the frequency with which variables occur (Kothari, 2004). This design also allows for the description of characteristics of a given phenomenon in a systematic and accurate manner to allow for drawing conclusions and generalizations to the general population. This design allows the researcher to study relationships with minimal bias and maximal reliability (this is consistent with Kothari, 2004).

#### **3.3 Target Population**

The study population comprised of youth groups operating in Nakuru Town West Sub County. These groups, registered as either community based organizations or self help groups with the Ministry of Gender, Children and Social Services are part of the 4008 registered community based organizations in the wider Nakuru County.

According to Wanyama (2006) youth groups are self help associations formed exclusively by young people within a community to satisfy their interests. Such interests include initiating income generating activities to mitigate the impact of unemployment and to source for funding from development agencies to implement community health projects. According to Chitere (as cited by Wanyama, 2006) CBOs operate at the level of the group, community or locality and have established regulations and procedures. Memberships in CBOs range in size depending on the group strength or standing in community with the stable groups having a larger membership.

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

Primary data for the study was collected from all the 16 youth groups that received funding from the YEDF through CYES funding scheme to initiate enterprise development projects in the year 2013– 2014 in Nakuru Town West Sub County. The sample was selected through two stages sampling where cluster sampling was used to select the Sub County while purposive sampling was used to select the youth groups. The Sub County has only one constituency and since the funding is channeled through the constituency, it reduced the possibility of bias introduced through disparities in constituencies.

### **3.5 Data Collection Procedures**

This study collected both primary and secondary data. Data was collected from youth group leaders through a questionnaire self administered by the researcher. This method of data collection allowed the researcher to seek clarifications, mitigate against a low response rate, reduce misunderstanding and ensure that the literacy level of the respondents does not compromise quality of responses. Additional information was sourced from document review. The documents review included the Fund Status report, 2013 – 2014 and other documents generated by the groups and fund managers.

### **3.6 Research Instruments**

The study used questionnaires and interview schedules for data collection. A closed ended questionnaire was used for collecting primary data from the key respondents. This type of data collection instrument was used because it contains questions that allow for unambiguous responses and are easier to administer (Mugenda & Mugenda, 2003). The questionnaire was consistent with the quantitative data analysis methods to be used. The questionnaire was administered to the group leaders.

The questionnaire consisted of two parts; a section on background information and another section with questions measuring the variables under study using a 3 point, rating scale. Additional data was obtained from interviews with the Sub County Youth Officer. The interview was guided by an open ended interview schedule.

### 3.7 Validity of the Research Instrument

Validity refers to the extent to which the research tool/ instrument is accurate, correct and true. Saunders et al (2002) argues that research is only valid if it actually studies what it sets out to study and only if the findings are verifiable. To increase the validity of the data collection tool, a pre-test of the questionnaire was conducted with groups that received funding during the period 2008 – 2009. The pre-test helped the researcher improve on the questionnaire by rewording and adding items that would help measure the variable under study.

### 3.8 Reliability of the Research Instrument

To strengthen the reliability of the tool, the study used internal consistency techniques. This involved correlating a score in one item with scores obtained from other items in the instrument. The Cronbach's Coefficient Alpha (K-R 20) was computed on the items to establish their correlation. Obtaining a high coefficient implies high correlation among the items and thus internal consistency (and to a large extent validity) of the tool. K-R 20 was calculated using the formula below.

$$KR_{20} = \frac{(K)(S^2 - \sum s_i^2)}{(S^2)(K - 1)}$$

Where:

KR20 = reliability of coefficient of internal consistency

K = Number of items used to measure the concept

$S^2$  = Variance of the scores

$s_i^2$  = Variance of individual items

This technique despite using the split half techniques of internal consistency estimation principle was selected over the split half techniques because it results in a conservation estimate of the reliability useful in avoiding erroneous conclusions, (Mugenda and Mugenda, 2003). The technique is also appropriate when the items in the tool measure different substantive areas within a single construct (Mugenda & Mugenda, 2003).

### **3.9 Data Analysis Techniques**

The research generated enumerative data such as group size and thus used nominal, ordinal and interval scales of measurement. The researcher assigned codes to the responses for ease of analysis. After collection of the data, the Statistical Package for Social Sciences (SPSS) version 21 was used for data entry and data analysis. Descriptive statistics was used to summarize the data and to describe the sample as well as the variables under study. To investigate relationship between the variables, the coefficient of correlation as developed by Karl Person was calculated using the same statistical package.

**Table 3.1: Operational definition of variables**

Research objectives	Variables	Indicators	Measurements	Measurement scale	Data collection	Tools of analysis
To examine to what extent project planning factors influence the performance of the YEDF funded projects among recipient groups in Nakuru Central district	Dependent Variable • Project performance	<ul style="list-style-type: none"> <li>•Advanced loan repaid</li> <li>•Project generating income for members</li> <li>•Project still running</li> <li>•Set up costs recovered</li> </ul>	<ul style="list-style-type: none"> <li>• Amount of money repaid</li> </ul>	<ul style="list-style-type: none"> <li>• Nominal</li> </ul>	<ul style="list-style-type: none"> <li>•Interview</li> <li>•Document review</li> </ul>	Descriptive statistics (Frequencies, correlations,)
	Independent Variable • Project planning	<ul style="list-style-type: none"> <li>•Project goals stated</li> <li>•Feasibility study</li> <li>•Budget developed</li> <li>•Work-plans developed</li> <li>•Timelines established</li> <li>•Work structures established</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of objectives</li> <li>▪ Study reports</li> <li>▪ Presence of budgets and work-plans</li> </ul>	<ul style="list-style-type: none"> <li>• Nominal</li> </ul>	Self administered questionnaire	Descriptive statistics (Frequencies, percentages, correlations)
To assess, to what extent project control factors influence the performance of the YEDF funded projects among recipient groups in Nakuru Central district	Independent variable • Project control	<ul style="list-style-type: none"> <li>•Project Monitoring</li> <li>•Reporting and record keeping</li> <li>•Adhering to work plans and budgets</li> <li>•Financial reporting</li> <li>•Feedback meetings</li> </ul>	<ul style="list-style-type: none"> <li>•Monitoring plans</li> <li>•Periodic reports</li> <li>•Financial records</li> <li>•Meeting minutes</li> </ul>	<ul style="list-style-type: none"> <li>• Nominal</li> </ul>	Self administered questionnaire	Descriptive statistics (Frequencies, percentages, correlations)
To explore to what extent project team factors influences the performance of the YEDF funded projects among recipient groups in Nakuru Central district	Independent variable -Project team	<ul style="list-style-type: none"> <li>•Level of education</li> <li>•Other capacity building activities</li> <li>•Role distribution</li> <li>•Supervision</li> <li>•Setting individual targets</li> </ul>	<ul style="list-style-type: none"> <li>•Modal level of education</li> <li>•Trainings attended</li> <li>•Organo-grams</li> <li>•Supervision reports</li> </ul>	<ul style="list-style-type: none"> <li>• Nominal</li> </ul>	Self administered questionnaire	Descriptive statistics (Frequencies)



## **CHAPTER FOUR**

### **DATA ANALYSIS, PRESENTATION AND INTERPRETATION**

#### **4.1 Introduction**

This chapter dealt with the analysis and presentation of data collected concerning factors influencing performance of projects funded by the youth enterprise development fund among youth groups in Nakuru Town West Sub County. The data presented here was analyzed using Statistical Package for Social Sciences-(SPSS), a computer program for analysis of data. Data was presented in various formats such as graphs, pie charts and tables. This data was collected using well designed questionnaires so as to achieve the intended research objectives as outlined in chapter one of this study project. Other data collection methodologies included the use of observation schedules, interviews and library based studies.

#### **4.2 Response rate**

The study respondents comprised of the group leaders to whom the questionnaires were administered and one key informant who was interviewed. Of the 20 groups that the questionnaire was to be administered, a total of 16 groups were involved. This represents a response rate of 80%. Although it was desired to achieve 100% response rate, three of the four groups that did not participate could not be traced as the groups have been disbanded and the members relocated to other towns. The remaining group did not receive the funding despite being listed as having received the funds. The interview with the key informant was successfully carried out.

#### **4.3 Groups incorporation**

All the groups interviewed are registered with the Ministry of Gender Children and Social Services. The number of years of operation prior to funding ranges from 1-8 years. As shown in the table below, majority of the groups however appear to have been registered 1-2 years prior to receiving funding. This suggests a small period of operation before receiving funding. As was noticed from appendix III, a moderate but significant correlation was found between the years of group registration and loan repayment and project sustainability at 0.531 and 0.584 respectively at 0.01 level of significance

**Table 4.1: Distribution of groups by years of operation**

<b>Number of years</b>	<b>Frequency</b>	<b>Percentage (%)</b>
1	6	37.5
2	6	37.5
3	2	12.5
4	1	6.3
8	1	6.3
<b>Total</b>	<b>16</b>	<b>100</b>

Number of years of operation and existence since registration prior to funding is regarded for a higher score in regard to experience for management of funds and projects. As shown in the table above, majority of the groups however appear to have been registered 1-2 years prior to receiving funding. This suggests a small period of operation before receiving funding.

#### **4.3.1 Groups Membership**

Membership of the groups ranges from as low as 14 to as high as 35. This membership however tended to decline with time and most of the groups experienced high attrition rate. While at funding period many of the groups had between 16-35 members, by the time of the research, majority of the groups had between 1-15 members. This has a lot of bearing on the project implementation particularly because most of the groups made use of the group members in implementing the project. The table below summarizes this.

**Table 4.2: Groups Membership**

Number of group members	Initial membership		Current membership	
	Frequency	Percentage	Frequency	Percentage
0-5	0	0	1	6.3
6-10	0	0	6	37.5
10-15	3	18.8	6	37.5
16-20	6	37.5	0	0
21-25	2	12.5	2	12.5
26-30	3	18.8	1	6.3
31-35	2	12.5	0	0
<b>Total</b>	<b>16</b>	<b>100</b>	<b>16</b>	<b>100</b>

**4.3.2 Academic level of group members**

As was noticed from the table below, majority of the members in most of the groups are educated up to O-levels. This suggests fairly high level of literacy. However it also points out to a lack of advanced skills gained particularly from tertiary level education

**Table 4.3: Education level of group members**

Educational level	Frequency	Percentage
Primary School level	1	6.3
O levels	14	87.5
Tertiary level	1	6.3
<b>Total</b>	<b>16</b>	<b>100.0</b>

**4.3.3 Group competencies and activities prior to funding**

The groups funded were involved in diverse activities prior to the funding. Majority of the group members were involved in small scale businesses and thus formed the groups as a means of strengthening savings and lending within the group in merry go rounds.

**Table 4.4: Distribution of the groups by the activities**

<b>Groups activities</b>	<b>Frequency</b>	<b>Percentage</b>
Community empowerment and development activities	2	12.5
Small scale businesses	9	56.3
Farming and livestock keeping	3	18.8
Transport and informal sector	2	12.5
<b>Total</b>	<b>16</b>	<b>100</b>

#### **4.4 Factors influencing the Performance of projects**

##### **4.4.1 Choice and Nature of projects started by the groups**

Most of the groups selected projects that they had experience in, either as a group or as individuals in the group. All the groups involved the group members in the choosing the projects to undertake. No relationship was found between the choice of projects and project performance factors meaning all the projects started had an equal chance of success. The table below summarizes the distribution of the groups by types of projects.

**Table 4.1: Nature of Projects began by the groups**

<b>Nature of project</b>	<b>Frequency</b>	<b>Percent</b>
Light manufacturing	1	6.3
Agriculture based	3	18.8
Food and Beverages	3	18.8
Entertainment	1	6.3
Small scale business	5	31.3
Service provision	3	18.8
<b>Total</b>	<b>16</b>	<b>100</b>

#### 4.4.2 Allocation of Funds to Project

All the groups received similar amounts of funding, ksh 50,000. They were however expected to pay a management fee of ksh 2,500. They therefore received an actual amount of 47,500. As was seen from the table below, while 9 groups invested all this money in the project, 7 groups only used part of the amount advanced on the project. This is despite developing budgets prior to receiving funding which were contained in the application forms submitted.

**Table 4.2: Distribution of groups by proportion of funds invested in projects**

<b>Amount of funds used in project</b>	<b>Frequency</b>	<b>Percentage</b>
All funds invested in project	9	56.3
Only part of funds invested in project	7	43.8
<b>Total</b>	<b>16</b>	<b>100</b>

It will also be noticed from the table that 62.5% of the groups invested the money advanced to new business ventures while 37.5% invested it to an existing business.

**Table 4.3: Distribution of the groups by funds investment**

<b>Funds used to...</b>	<b>Frequency</b>	<b>Percentage</b>
Start new project	10	62.5
Invest in existing projects	6	37.5
<b>Total</b>	<b>16</b>	<b>100</b>

Nearly one third of the groups invested more monies to their business ventures with the reason given for doing this being that the amount of money advanced was insufficient to meet the costs of setting up the projects necessitating the injection of additional funds from group members or well wishers. A fairly strong correlation was observed between this variable and loan repayment (0.63) and project sustainability, (0.54) at  $p < 0.01$  (appendix III).

**Table 4.4: Distribution of groups by number that injected additional funds to projects**

<b>Additional funds</b>	<b>Frequency</b>	<b>Percentage</b>
Injected additional funds to project	5	31.3
Did not inject additional funds	11	68.75
<b>Total</b>	<b>16</b>	<b>100</b>

#### **4.4.3 Clarity of project goals and objectives**

All the groups were conversant with the project goals and objectives. This could be attributable to the fact that the groups had to fill in application forms which required the spelling out of the objectives for the projects. 68.8% of the respondents said they involved the members in selection of the project and this enhanced their knowledge of the project goals and specific implementation objectives.

#### **4.4.4 Development of business plans**

Despite the groups filling out application forms provided by the Ministry, only two groups went an extra mile to prepare a business plan for their venture. This means critical steps in business plan development such as market and competitor analysis were not carried out. This affected the performance of the projects as seen by the strong correlation of  $r=0.883$  between this variable and loan repayment at 0.01 significance levels.

**Table 4.5: Number and percentage of groups that developed business plans**

<b>Variable indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
A business plan was prepared	Completely	2	12.5
	Partially	5	31.3
	Not at all	9	56.2
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### **4.4.5 Identification of project roles**

A vast majority of the groups identified the roles required in the project and went ahead to even identify who will play those roles. As was seen from the table below 75% of the groups identified what work breakdown structures were needed in the ventures. It can also be seen from appendix III that this variable was correlated with loan repayment

( $r=0.674$ ) and project sustainability ( $r=0.73$ ) at 0.01 significance levels suggesting better project performance among that were clear on what roles needed for projects.

**Table 4.6: Frequency of groups that identified project roles**

<b>Variable indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Project roles were identified	Completely	6	37.5
	Partially	6	37.5
	Not at all	4	25.0
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### **4.4.6 Development of project work-plans, budgets and specification of timelines**

There were deliberate efforts by most groups (87%) to make budgets before implementation. However, as evident from the table below, very few groups translated their proposed activities to work-plans and specified the timelines within which the activities should be done. This is despite having clear repayment deadlines. Although no relationship was observed between budget preparation and project performance, a strong and significant correlation was observed between work planning ( $r=0.829$ ,  $p<0.01$ ) and timeline specification ( $r=0.684$ ,  $p<0.01$ ) with project performance (appendix III).

**Table 4.7: Frequency of the groups that prepared work-plans and budgets**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percent</b>
The group developed a work plan before beginning the project implementation	Completely	2	12.5
	Partially	6	37.5
	Not at All	8	50.0
The group developed a budget before beginning implementation	Completely	14	87.5
	Partially	2	12.5
The group developed timelines for project implementation	Completely	1	6.3
	Partially	7	43.8
	Not at All	8	50.0
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### 4.4.7 Reporting of the activities

Most of the groups prepared reports of the project work which they shared in meetings. This is in spite of this not being a requirement from the funders. The reports were largely given orally by the group leaders and documented in minutes of meetings. As was noticed in table 4.14 below, the meetings provided an avenue for sharing out the reports with members. As was seen from appendix III, the three indicators of the variable were strongly correlated to all the indicators of project success meaning reporting influences the performance of projects favorably.

**Table 4.8: Distribution of groups by reporting**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Reports on project progress were prepared	Completely	3	18.8
	Partially	10	62.5
	Not at All	3	18.8
Reports were shared group members	Completely	3	18.8
	Partially	10	62.5
	Not at All	3	18.8
Reports were used	Completely	3	18.8
	Partially	10	62.5
	Not at All	3	18.8
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### 4.4.8 Financial record keeping

On this the vast majority of the groups kept records with some having even receipts of the purchases made. This is probably because the groups expected they would be asked to account for the funds. The table below summarizes this. Financial record keeping was however not correlated with loan repayment and modestly correlated with project sustainability ( $r=0.537$ ) and profitability of the project ( $r=0.441$ ) both significant at 0.05 level.



**Table 4.9: Distribution of the groups by the degree of financial recording**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Financial statements were prepared	Completely	13	81.3
	Partially	3	18.8
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### 4.4.9 Group meetings

Most groups held meetings during the period of implementation. These however diminished as the project progressed and attrition set in. The holding of meetings was significantly correlated with loan repayment (0.596), project sustainability (0.577), profitability (0.722) all significant at 0.01 level (appendix III)

**Table 4.10: Distribution of groups by regularity of meetings**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Group held regular meetings to discuss the project	Completely	5	31.3
	Partially	10	62.5
	Not at All	1	6.3
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### 4.4.10 Using the work-plans and budgets to guide implementation

As earlier observed the low preparation of work-plans meant that few groups carried out activities as guided by the work-plans. 43% of the groups even went ahead to implement completely new projects other than those they had been funded to carry out. This inevitably interfered with the budgets with very few groups being guided to implement by the budgets developed. A modest correlation was observed between using work plans to guide implementation and repayments ( $r=0.503$ ,  $p<0.05$ ) suggesting the variable has an influence albeit minimal on project performance.

**Table 4.11: Distribution of the groups by degree of utilization of work-plans and budgets**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Project activities were guided by the work-plans and budgets developed	Partially	6	37.5
	Not at All	10	62.5
Spending was guided by the budget estimated	Completely	1	6.3
	Partially	2	12.5
	Not at All	13	81.3
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### **4.4.11 Supervision of Projects**

Only one group reported being frequently visited by the Ministry officials. For most groups, visits from the ministry were irregular. Groups which engaged in agriculture based activities reported higher visits, but these were by officials from the Ministry of Agriculture. No relationship was established between this variable and loan repayment. However, it can be said that supervision contributed to the observed sustainability of projects as seen through the correlation of the two variables ( $r=0.443$ ,  $p<0.05$ ).

**Table 4.12: Distribution of the groups by degree of supervision**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Ministry officials visited the groups to, supervise the projects	Completely	1	6.3
	Partially	3	18.8
	Not at All	12	75.0
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### **4.4.12 Technical skills of the project team**

Only 25% of the members had the skills required to carry out the project tasks and this was observed among groups that had tasks that required more of unskilled labor and those that selected projects where members' core competencies were exploited. Continuous training for group members towards improvement was not carried out with a few isolated cases of informal apprenticeship done by more experienced members of the

group thus the low percentage for additional skills provided. Technical skills of the group members was observed to correlate strongly with loan repayment ( $r=0.555$ ), sustainability (0.678) and profitability (0.586). Additional training on the other hand was observed to be strongly correlated with loan repayment at 0.623 at 0.01 significance level (appendix (III))

**Table 4.13: Distribution of the respondents by the degree of skills and knowledge**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Project staff/group members have the skills required for the project	Completely	4	25.0
	Partially	9	56.3
	Not at All	3	18.8
Project staff/group members are assigned roles that suit their qualification	Completely	5	31.3
	Partially	8	50.0
	Not at All	3	18.8
Project staff/group members received additional training that was useful for the project	Partially	5	31.3
	Not at All	11	68.8
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### **4.4.13 Defining targets for members**

Only 1 group assigned targets for the project team members on what they were expected to deliver. 75% of the groups did not assign project team targets. This could be attributable to the fact that the project team acted as volunteers and thus their contribution of time to the project was dependent on their availability. A strong correlation was observed between this variable and loan repayment (0.847).

**Table 4.14: Distribution of groups by definition of staff targets**

<b>Variable Indicator</b>	<b>Ratio</b>	<b>Frequency</b>	<b>Percentage</b>
Project staff/group members were assigned targets	Completely	1	6.3
	Partially	3	18.8
	Not at All	12	75.0
<b>Total</b>		<b>16</b>	<b>100.0</b>

#### 4.4.14 Commitment of project team members

The projects experienced high attrition rates. It is only one project where the group members are still intact. In most other projects the group members have left the group or have relocated to other places. The average attrition rate for the groups stands at 51% which is very high. High attrition is indicative of a lack of commitment to the project and the group.

**Table 4.1: Distribution of groups by members who have left the project**

Variable Indicator	Ratio	Frequency	Percentage
Project staff/group members who began the project are still working for the project	Completely Partially Not at All	1 10 5	6.3 62.5 31.3
<b>Total</b>		<b>16</b>	<b>100.0</b>

From the findings above, only 6.3% of project staff members are group members. 62.5 % begun the project are still intact while only 31.3% work for the project.

#### 4.4.15. Performance of project staffs in project management

The study sought to investigate how project staffs performed. In this case, respondent rated the performance of the staffs in project implementation and management so as to suggest the quality of output and commitment to excellence. Such findings are presented in the table below:

**Table 4.202: Performance of project staffs in project management**

Variable Indicator	Frequency	Percentage
Performed perfectly	1	6.3
Performed	10	62.5
Undecided	5	31.3
Not performed perfectly	0	
<b>Total</b>	<b>16</b>	<b>100.0</b>

From the table above, project staffs are said to have performed to the expectation. This represents 62.3% while those who were undecided on their performance represented 30.3%` as those who strongly felt that they performed perfectly represented 6.3%.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter gives the summary of the findings, conclusions and recommendations. In general, the study was centered in factors influencing performance of projects funded by the youth enterprise development fund among youth groups in Nakuru Town West Sub County. The study examined the extent to which project planning factors, control factors and project team factors influence the performance of YEDF funded projects among recipient groups in Nakuru Town West Sub County, Nakuru County.

#### **5.2 Summary of Findings**

In chapter one, the researcher the chapter one comprises of the background of the study, statement of the problem, study objectives, questions and hypothesis. Chapter two comprises of the relevant literature review on factors influencing performance of projects funded by the youth enterprise development fund among youth groups in Nakuru Town West Sub County. This chapter also presents the theoretical framework of the study. Chapter three, on the other hand deals with methodological approaches of the study which comprises of the study design, sample population size and population sampling procedures, research instruments and other items. Chapter four dealt with the analysis of the data collected. The study applied several methodologies in data collection such as use of questionnaires, observation, use of focused group discussion and finally use of secondary materials for comparative scholarly arguments. Finally there is chapter five which deals with the summary of the study, conclusions, recommendations and also suggestions for further studies. Finally, the data was analyzed using the Statistical Package for Social Sciences (SPSS) as presented in chapter four of this and presented for discussion. This chapter summarizes the study findings and draws conclusions from the data collected.

The chapter also makes recommendations on appropriate measures that MOYAS should take to strengthen the fund and point out areas of additional research. Very important

again is that this chapter also gives suggestions for further studies. The study sought to establish the influence of project planning, project control and project team factors in performance of projects funded by the YEDF. A summary of the findings follows.

### **5.2.1 Establishing the extent to which project planning factors influence the project performance**

The study measured project planning using four indicators, the clarity of project goals and their knowledge among the members; the conducting of a market and competitor analysis; the identification of project roles and the development of work-plans, budgets and schedules. From the findings, it is clear that all the groups clearly spelt out the objectives of their project. This is largely because the criteria for funding involved submitting an application that included goals statement. The fact that 68.8% of the groups involved their members in selection of the project means that the members were clear on the project objectives. The identification of roles in the project by 75% of the groups also prepared the groups well for sharing out of responsibilities.

However, only about 43% of the groups conducted a market and competitor analysis as measured by development of business plans. Their choice of projects to undertake was therefore largely informed by past experience and intuition rather than consideration of viability of project. Only a small fraction of the groups (12.5%) fully developed work plans and specified timelines for implementation. More energy was spent on developing budgets. Again this could be more because of the funding requirements which explicitly required development of budgets and not necessarily work plans.

This study found a strong positive correlation between the repayment rate and the conducting of the market/competitor analysis ( $r=0.883$ ). The development of work-plans was also strongly correlated with repayment rate and project sustainability. This implies that groups that conducted a market/competitor analysis, developed work plans and time lines for implementation in addition to identifying the work breakdown structures experienced better performance in their projects. These four indices are stable predictors of success in project implementation.

### **5.2.2 Establishing the extent to which project control factors influence performance of projects**

Although the preparation of reports was not a requirement by the funding, 81% of the groups said they had prepared reports either regularly or irregularly and shared them with all group members during meetings. The reports were used to make decisions. Financial records were also diligently prepared by the group treasurers who updated members on spending on the projects.

However only a modest group (37%) attempted to make use of work plans to guide implementation. Indeed 7 of the 16 groups diverted the funds to other activities different from those they had been funded to do. Similarly only 6.3% of the groups were completely guided by budgets developed in implementation. This situation could have been aggravated by the laxity in supervision as only 4 groups said they had been visited by the MOYAS officials.

Of the indicators used to measure project control, a significant correlation was established between repayment of loans and reporting ( $r=0.670$ ). Financial record keeping in particular contributed a lot to project sustainability as observed from the correlation between the indicators. Holding regular meetings was also moderately but significantly correlated to repayment ( $r=0.596$ ) while a significant correlation was established between repayment and sticking to work plans and budgets developed. It can therefore be argued out that reporting, holding regular meetings and sticking to project work plans and budgets resulted in better project performance.

### **5.2.3 Establishing the extent to which project team factors influence the performance of projects**

Most of the group members are fairly literate with majority of members having attained O-level education. However only about 25% of the groups had skills required for the project with the remaining groups having cursory knowledge in project area. These however said that they gained knowledge as the project progressed largely through experience since it is only 31.3% that were exposed to additional training. Group members who also comprised of the project team made efforts to assign responsibilities based on qualification with 31.5% of the groups basing qualification on roles assignment.



A majority of the groups said they involved group members in decision making (93.8%). This however is inconsistent with the high attrition experienced with only one group retaining all its members. This high attrition affected the human capacity of the groups and is a pointer to the wanting commitment from group members to the project. Another area that let down the groups was the failure to allocate targets to the members on the project deliverables as only one group completely gave targets to group members while four partially assigned targets.

A significant correlation was observed between repayment and assigning targets among the members at  $r=0.847$ . A significant correlation was also observed between favorable project performance and additional training at  $r=0.623$ ,  $p < 0.01$  and involvement of project team in decision making ( $r=0.614$ ,  $p < 0.01$ ). Thus of project team factors, assigning targets, adequacy of skills and involvement in decision making ensures better project performance.

#### **5.2.4 Establishing the influence of moderating factors on project performance**

Previous research has shown that the longer the period of operation of a firm, the higher the chances of success in its projects (McPherson and Rous, 2010; Roy & Wheeler, 2006). The study sought to also investigate the influence of length of group incorporation as a moderating factor. While a vast majority of the groups were registered 1-2 years before receiving funding the few groups who had been registered earlier than this tended to have a better project performance. A moderate but significant correlation was observed between the length of group incorporation and project profitability at 0.590, project sustainability at 0.584 and loan repayment at 0.531. These correlations though not very high are none the less significant at  $p < 0.01$ .

While all groups received the same amount of funding, it was anticipated that groups that put in additional resources into the projects from other streams of funding would perform better. Five of the groups injected additional funds to their projects. Curiously, these groups tended to be those who had been in existence for a longer period of time (this can be observed from the relatively strong correlation between length of existence and injection of additional funds to projects). As anticipated, injection of additional funds

from self and group savings contributed to the better performance in projects. This is seen by the fairly strong correlation between this variable and loan repayment (0.63) and project sustainability (0.54). This implies that access to additional resources improves success of projects.

### **5.3 Discussions**

Previous studies have established that project planning is critical to project success (Nieuwenhuizen and Kroon, 2003; Thomas et al, 2008). Critical to the planning process is the setting of clear goals and objectives, a process that several studies (Belout and Gauvreau, 2004; Hyvari, 2006; Pinto and Slevin, 1995 & Roy and Wheeler, 2006) have found to be strongly linked with project success. While this study did not find any correlation between goal setting and objectives specification with project performance, the correlation between performance and other planning factors such as work plan development, project roles identification, markets and competitor analysis supported the previous findings.

Consistent with the findings of Nieuwenhuizen and Kroon, (2003), the conducting of a market analysis was found to correlate with performance of the enterprise. A market and competitor analysis allowed the groups to identify where and how to market their products and how to counter competition from other players. However the failure by groups to conduct a market analysis led to challenges at implementation level when the prevailing markets became unfriendly. The groups were exposed to competition and without skills on how to counter such, their response was to close shop or switch to other initiatives.

Pinto and Slevin (1995) contend that development of time schedules and identification of project milestones is critical in project success. This must be a key activity at the planning stage of the project. This fact was corroborated by the findings from this research which found a strong correlation between work plan development and success. Failure by the groups to develop work plans and spell out timelines contributed to poor performance of projects. Without clear milestones, delays were inevitable with groups

taking too long to get started. Although this could be partly explained by the long period of time it took between application of the funds and disbursement (Migwi 2010), it still contributed a lot to observed challenges. Since the supervision was lax, the change of plans could not be challenged or advised against.

The involvement of group members in selection of business venture ensured that the project objectives are clear to all. A strong correlation was observed between involvement of group members in decision making and repayment rates. This implies that collective decision making enhanced groups chances of success. The longer the period of group existence, the more the involvement of members in decision making thus the observed significance between the length of group existence and involving of members in decision making (0.574,  $p < 0.01$ ). Although no significant correlation was found between indicators of project performance and group members retention, the fairly high correlation (0.652) between this variable and length of existence means that the longer the groups stayed together the less their chances of splitting up.

Many of the groups (75%) fully or partially identified roles in the project. However, there was a general lack of skilled personnel to fit those roles. This forced group leaders to look for volunteers or in some cases take up those roles themselves. Since no additional training was available some groups relied on advice from peers with similar projects and information from the internet to guide their project. Consistent with the findings of Nieuwenhuizen and Kroon (2003) and Roy and Wheeler (2006) this study found a strong correlation between the skills level and the success of projects. Projects with a higher number of skilled personnel have a higher likelihood of being ongoing as seen from the high correlation between this indicator and project sustainability.

Access to additional funding has been found to be related to better performance of micro enterprise projects (McPherson and Rous, 2005). Consistent with the findings of Mburu (2009) who found that 61% of youth entrepreneurs funded by YEDF injected additional capital, this study also found that nearly 50% of the groups injected additional funds to their enterprises. Although a medium size correlation was established between additional funds and performance of the enterprises, it none the less supports the assertion that access to financing improves performance. Since the additional funds came from group

members themselves, the commitment towards the success of the projects could have been enhanced leading to better project performance.

#### **5.4 Conclusions**

It is of concern that of the 20 groups advanced funding to initiate enterprise development, only one group has been able to repay the amount advanced with a paltry 5 groups being able to partially repay the loan. Of the projects initiated only 5 are still running meaning that a vast majority of the projects begun have either collapsed or are performing below par and are yet to achieve profitability. This study has unearthed several factors that could explain this scenario.

That many of the groups were formed one year prior to funding suggests that the groups were quickly constituted with the sole aim of attracting the funding. This put them at a disadvantaged position as they were yet to achieve cohesion and develop a shared vision. This lack of stability could have resulted in reduced commitment levels and accelerated member's disillusionment particularly when the enterprises did not achieve instant profitability and contributing to the eventual the high turn over of group members. This high turn over is a pointer towards the poor performance of the projects.

The observed lack of discipline in implementation which led to funds diversion is also a key factor that played a role in the poor performance the projects. This diversion denied the projects adequate financing. The failure to implement the project as by the road map detailed in the work plan meant that it was difficult for the groups to know when the intended objectives were not being met and institute remedial action. The failure by the MOYAS to regularly check on what the groups were doing created a feeling of abandonment and this reduced commitment towards projects.

It did not help matters that there was observed low technical capacity in the groups to manage the funds and oversee the projects initiated. A lot of activities that were carried out including the choice of projects relied on intuition more than established fact. Previous experience of some group members guided the type of business venture the groups undertook as opposed to a deliberate market analysis. Although some of the

groups were exposed to some training on entrepreneurship and small business management, a vast majority did not receive this and this denied the groups the opportunity to learn skills and management practices they could have employed to improve on the performance of their projects.

Consistent with previous research this study has shown that several factors during project planning and project implementation influence the way projects perform. Success in implementation can only be achieved if these factors are made part of the process.

### **5.5 Recommendations**

The YEDF remains one of the most viable youth empowerment programs with great potential to improve youth livelihood and address unemployment. However for its eventual success to be achieved there is need to come up with clear operational framework to guide how beneficiary groups was selected, financed and supported to set up their enterprises. Such a framework will spell out the obligations of both the funding agency and the beneficiaries and will improve the commitment of both parties to the success of the project. Such a frame work will ensure that funds are directed to projects with a higher chance of success and define a criterion for success that can be applied by the fund monitors.

Since the funds invariably attract small groups with little experience in projects and entrepreneurship, a lot needs to be done in improving the capacity of the groups to design and successfully carry out the business projects that can help improve livelihoods. The groups need to be exposed to knowledge and skills in business planning and management. This capacity building process should also be tied to supervision and regular follow up to ensure that the activities proposed are carried out. Visits from technical personnel drawn from the public and private sector to advice the projects would also go a long way in improving their performance.

To enable the groups access markets, the Ministry should create structures that can help link the groups to the markets to enable them move their products. The Ministry has to

this end organized exhibitions and fairs but these have been intermittent. Although there has been an attempt by the government to introduce policy that obligates its departments to procure goods and services from youth enterprises, there is little commitment towards achieving this and low knowledge by youth in government procurement procedures negating the intent. Efforts by the MOYAS to sensitize the youth on government procurement procedures should be stepped up.

The opportunity to access additional funding by the groups needs to be enhanced. Many of the youth groups feel that the amount advanced is inadequate and can not meet the costs of business set up and expansion. The ministry could also explore providing material capital/infrastructure required for the project as opposed to money which is easy to misappropriate. Groups which have successfully repaid should be linked up to MFIs and use their previous performance as collateral to enable them access more funds. New products that motivate the youth such as the yet to be launched Easy-YES which avails up to ksh 100,000 for borrowing by individuals in groups with other group members providing collateral should be enhanced as a way of motivating the groups that exhibit diligence in repayments to expand their projects.

#### **5.6. Suggestions for further studies**

The following areas were identified suitable for further studies by other scholars:

1. More research should be carried out on some of the entrepreneurial aspects affecting the projects undertaken by the youth.
2. Further studies should be done on the stakeholders' involvement in projects to guide them during the implementation stage.
3. Research should be carried out on the aspect of monitoring and evaluation to ascertain that the resources disbursed to the youth through credit and banking facilities is well utilized and the general impact it has created to the parties concerned.

## REFERENCES

- Belassi, W. and Tukel, O.L. 1996. A new framework for determining critical success/failure factors in projects. *International Journal of Project Management*, 14 (3), 141-151
- Belout, A., and Gaureau. 2004. Factors influencing project success: The impact of human resource management. *International Journal of Project Management*, 22 (1), 1-11
- Bowen, M., Morara, M. and Mureithi, S. 2009. Management of business challenges among small and micro enterprises in Nairobi-Kenya. *KCA Journal of Business Management*, 2 (1), 16-31
- Bryson, J.M., and Bromiley, P. 1993. Critical factors affecting the planning and implementation of major projects. *Strategic Management Journal*, 14 (2), 319-337
- Chandra, P. 2006. *Projects: Planning, analyzing, selection, financing, implementation and review*. New Delhi: Tata McGraw-Hill
- Chadwick, B.A., Howard, M.B. and Albretch, S.L. 1984. *Social science research methods*. New Jersey: Prentice Hall.
- Clough, P. and Nutbrown, C. 2002. *4 students guide to methodology*. London: SAGE
- Cooke-Davis, T. 2002. The real success factors on projects. *International Journal of Project Management*, 20 (3), 185-190
- De Wit, A. 1988. Measurement of project success. *International Journal of Project Management*, 6, (3), 164-170
- Diallo, A., and Thuillier, D, 2004. The success dimension of international development projects: the perceptions of African project coordinators. *International Journal of Project Management*, 22 (1), 19-31
- Dvir, D., Lipovetsky, S., Shenhar, A., and Tishler, A. 1998. In search of project classification: a non-universal approach to project success factors. *Research Policy*, 27 (9), 915- 935
- Dvir, D., Raz, T. and Shenhar, A.J. 2003. An empirical analysis of the relationship between project planning and project success. *International Journal of Project Management*, 21 (2), 89-95
- Gray, C.F. and Larson, E.W. 2004. *Project management: The management process*. New Delhi: Tata McGraw-Hill
- Kaplan, R. S., & Norton, D. P. (1992). The balanced scorecard--measures that drive performance. *Harvard Business Review*, 70, 71-79.
- Kaplan, R. S., & Norton, D. P. (1993). Putting the balanced scorecard to work. *Harvard Business Review*, 71, 134-140.
- Kaplan, R. S., & Norton, D. P. (1996). Using the balanced scorecard as a strategic management system. *Harvard Business Review*, 74, 75-85.
- Kaplan, R. S., & Norton, D. P. (1996). *The balanced scorecard: Translating strategy into action*. Boston, MA: Harvard Business School Press.
- Hahn, A. 1992. Managing youth programs: A critical gap in the research. New York: Eric Clearing house on urban education. Eric Identifier ED344978
- Hormozi, A.M. and Dube, L.F. 1999. Establishing project control: Schedule, cost and quality. *SAM Advanced Management Journal*, 64, 32-37
- Hyvari, I. 2006. Success of project in different organizational conditions. *Project*

- Management Institute, 37 (4), 31-41  
<http://www.youthfiind.go.ke>
- Kenya National Bureau of Statistics (KNBS). 2010. Kenya: 2009 Population and Housing Census highlights. Available from [www.knbs.or.ke](http://www.knbs.or.ke). (accessed on 31.08.2010)
- Kenya National Bureau of Statistics (KNBS) and ICF Macro. 2010. Kenya Demographic and Health Survey 2008-09. Calverton, Maryland: Author
- Kosgei, B.C. 2005. The role of youth groups-operated small scale enterprises in community development: a case study of Shabaab location of Nakuru municipality. Unpublished project thesis. University of Nairobi.
- Kothari, C.R. 2004. Research methodology: Methods and techniques (2 ed). New Delhi: New Age International
- Kotut, J.R. 2008. Significance of project planning in the success of construction projects: A comparative study of successful and unsuccessful projects. A Case Study of Nairobi. Unpublished research project. University of Nairobi
- Lim, C.S., and Zain Mohammed, M. 1999. Criteria for project success: an exploratory re-examination. *International Journal of Project Management*, 17 (4 ), 243-248
- Making Cents International, 2007. Youth micro-enterprise and livelihoods: state of the field lessons from the 2007 Global youth micro enterprise conference. Author
- Mburu, F.M. 2009. Youth enterprise development fund: a study of its viability as an empowerment strategy for youth entrepreneurs in Ruiru division, Thika district. Unpublished research report, University of Nairobi.
- McPherson, M.A., and Rous, J.J. 2010. Access to finance and Small enterprise growth: Evidence from East Java. *Journal of Developing Areas*, 43 (2), 159-172
- Migwi, W. 2010. Oral Interview. Nakuru. District Youth Officer
- Ministry of Gender, Sport, Culture and Social Services. 2005. National Youth Policy. Nairobi: Government Printers.
- Mitchell, T.R. 1985. An evaluation of the validity of correlational research conducted in organizations. *The academy of Management review*, 10(2), 192-205
- Mugenda, O.M., and Mugenda, A.G. 2003. *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press
- Munns, A.K., and Bjeirmi, B.F. 1996. The Role of Project Management in Achieving Project Success. *International Journal of Project Management*, 14, (2), 81-87
- National Coordinating Agency for Population and Development. 2005. Adolescent Reproductive Health and Development Policy 2005-2015. (author)
- Nieuwenhuizen, C, and Kroon, J. 2003. The relationship between financing criteria and the success factors of entrepreneurs in small and medium enterprises. *Development Southern Africa*, 20, (1), 129-142
- Owen, J.M. 2006. *Program evaluation: Forms and approaches*. New York: Guilford Press.
- Pinto, J.K. and Slevin, D.P. 1995. Critical success factors effective project implementation. In D.I Cleland & W.R King, (Eds) *Project Management Handbook* (pp 167-190). New York: Van Nostrand Reinhold
- Richman, L. 2008. *Project Management step-by-step*. New Delhi: Prentice Hall of India
- Roy, ML, and Wheeler, D. 2006. A survey of micro-enterprise in urban West Africa: drivers shaping the sector. *Development in Practice*, 16 (5), 452-464



- Saunders, et al (2000) Research Methods for Business students. 5th ed. Washington: Prentice Hall
- Singh, K.D. and Nyandemo, S.M. 2004. Aspects of Project planning, monitoring, evaluation and implementation. Dehra Dun India: Shiva offset Press
- Shrader, L., Kamal, N., Darmono, W.A. and Johnston, D. 2003. Youth and access to micro finance in Indonesia. Indonesia: Global Partnership for Youth Investments and Micra.
- Stoner, J.A.F., Freeman, R.E. and Gilbert Jr. D.R. 1996. Management (6th ed). New Delhi: Prentice Hall of India
- Thomas, M., Jacques, P.H., Adams, J.R., and Kihneman-Wooten, J. 2008. Developing and effective project: Planning and team building combined. Project Management Journal, 39 (4), 105-113
- Wanyama, F.O. 2006. Interfacing the state and the voluntary sector for African development: Lessons from Kenya. African Development, 31 (4), 73-103
- White, D., and Fortune, J. 2002. Current practice in project management-an empirical study. International Journal of Project Management, 20 (1), 1-11
- Youth Enterprise Development Fund board. 2009. Fund status report as at 31.03.09. Available from <http://www.youthflmd.go.ke> (accessed on 14.07.09)
- Zuehlke, E. 2009. Youth unemployment and underemployment in Africa brings uncertainty and opportunity. Available from <http://www.prlb.org/article/2009/youthemployment.aspx> (accessed on 14.07.09)

## APPENDICES

### Appendix I: Key Informant (MOYS official) Interviews Schedule

Title:

Period of time in office:

(Kindly provide a response to the questions below)

1. How many groups applied for the funding?
2. How many received the funding?
3. What criteria was used to select the beneficiary groups
4. Were there any reporting requirements after the funding?
5. How many groups have been able to fully repay? What proportion?
6. Are there groups which have been given additional funding?
7. Of the projects initiated through the funding, how many were successfully completed?
8. Of the successful projects, how many have received additional funding?
9. Other than finance what other support did you give to the youth groups to help them manage the funds properly?
10. Of the groups that initiated successful projects, what factors would you say contributed to this?
11. Of the groups that were not as successful, what factors would you say led to their failure?
12. What efforts has the department made in trying to link the youth enterprises with large enterprises for marketing of products?
13. What challenges have you encountered in the project? How have you/are you addressing them?
14. How would you rate the success of the CYES funding mechanism as compared to the others?

## Appendix II: Questionnaire for Group Leaders

**Introduction:**

Good morning/afternoon, my name is Lilian Matianyi, a student from the University of Nairobi (Nakuru campus). I am conducting a research on projects funded through the MOYS initiated Youth Enterprise Development Fund. Your group has been selected to participate in this study and that is why I am sharing this questionnaire. Some of the questions may require you to divulge some information about your group that may be confidential but I assure you that your answers were used for the purposes of this research only and will not be shared with anyone else other than the researcher. Your honest response to these questions will help us better understand how the selected groups implemented the project and make recommendations for future funding.

We would greatly appreciate your help in responding to this study.

<b>Part I</b>	
1. Is the group registered?	1. Yes _____ 2. No _____
2. For how long has the group been registered? (State the number of years)	_____
3. What was the membership of the group? (State the number of group members)	Total _____ M _____ F _____
4. What is the current membership of the group	Total _____ M _____ F _____
5. What are the key group activities	_____
6. What are the core competencies of the group members	_____
7. What is the nature of the project that was started	1. Light manufacturing 2. Agriculture based 3. Food and beverages 4. Entertainment 5. Small scale business 6. Service provision
8. How much funding did the group receive	_____

9.	Were all the funds invested in project	1. Yes _____ 2. No _____
10	Did the funds go to	1. Start a new project 2. Invested in existing project
11	During the funding period, did you receive other funds from else where?	1. Yes _____ 2. No _____
12	Were all the funds invested in the project?	1. Yes _____ 2. No _____
13	How many staff were involved in the project	_____
14	What is their highest level of education	_____

Kindly tick in the box provided the response by the key informant as by the rating scale

Rating scale

Rating Scale

1 Completely

2 Partially

3 Not at all

Part 2				
		1	2	3
1.	a) The group has repaid the loan advanced			
	b) The project initiated by the group is still generating income for the group			
	c) The costs incurred in setting up the project were recovered by the proceeds			
	d) The equipment and material bought for the project is still intact			
	e) The project is sustainable			
2.	a) The project had clearly stated goals and objectives			
	b) The project goals/ objectives were known to all staff/members			
	c) A business plan was prepared for the project			
	d) Group members were involved in choice of project			
	e) The project roles were identified and assigned to relevant personnel			
	f) The group developed a work-plan before beginning project implementation			
	g) The group developed a budget before beginning implementation			

	h) Timelines were developed for the project			
3.	a) Reports on project progress were prepared			
	b) Reports were shared with all group members			
	c) Reports were used to make decisions on projects			
	d) Financial statements were prepared			
	e) Group held regular meetings to discuss the project			
	f) Project activities were guided by the work plans developed			
	g) Spending was guided by the budget estimates			
	h) Ministry officials visited the group to supervise the project			
4.	a) Project staff/group members have the skills required for the project			
	b) Project staff/ group members were assigned roles that suit their qualification			
	c) Project staff/ group members received additional training that was useful for the project			
	d) Project staff/ group members were involved in decision making			
	e) Project staff/group members were assigned targets			
	f) Project staff/members who began project are still working for project			

Additional information

1. What other factors would you say affected the project implementation?

---



---



---

2. What recommendations would you make on the YEDF

---



---



---

### Appendix III: Letter of Affiliation



**UNIVERSITY OF NAIROBI**  
**COLLEGE OF EDUCATION AND EXTERNAL STUDIES**  
SCHOOL OF CONTINUING AND DISTANCE EDUCATION  
DEPARTMENT OF EXTRA - MURAL STUDIES

Tel 051 - 2210863

P. O Box 1120, Nakuru  
23<sup>rd</sup> April 2015

*Our Ref: UoN/CEES/NKUEMC/1/12*

### To whom it may concern:

**RE: LILIAN RUTH MATIANYI – L50/71784/2014**

The above named is a student of the University of Nairobi at Nakuru Extra-Mural Centre Pursuing a Masters degree in Project Planning and Management.

Part of the course requirement is that students must undertake a research project during their course of study. She has now been released to undertake the same and has identified your institution for the purpose of data collection on "Factors Influencing Performance of Youth Enterprise Development Fund among Youth Groups in Nakuru Town West Sub-County."

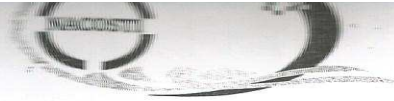
The information obtained will strictly be used for the purpose of the study.

I am for that reason writing to request that you please assist her.

Yours Faithfully,



## Appendix IV: National Research Licence



### NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,  
2241349, 310571, 2219420  
Fax: +254-20-318245, 318249  
Email: secretary@nacosti.go.ke  
Website: www.nacosti.go.ke  
When replying please quote

9<sup>th</sup> Floor, Utalii House  
Uhuru Highway  
P.O. Box 30623-00100  
NAIROBI-KENYA

Ref. No.

19<sup>th</sup> <sup>Date:</sup> June, 2015

**NACOSTI/P/15/4713/6184**

Lilian Ruth Matiany  
University of Nairobi  
P.O Box 30197-00100  
NAIROBI.

#### **RE: RESEARCH AUTHORIZATION**

Following your application for authority to carry out research on *“Factors influencing performance of Youth Enterprise Development Fund among youth groups in Nakuru Town West Sub-County,”* I am pleased to inform you that you have been authorized to undertake research in Nakuru County for a period ending 6<sup>th</sup> November, 2015.

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

On completion of the research, you are expected 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  
Nakuru County.

The County Director of Education  
Nakuru County.

### Appendix V: Table Showing Correlations Among Variables

	How long has the group been registered	All funds invested In project	Funds were directed to:	Additional funds invested in project	Loan advanced repaid	Project still generating income for the group	Set up costs recovered from the proceeds	Project is still sustainable	Business Plan developed	Group members involved in choice of project	Project roles were identified	Work plans developed	Budgets developed	Timelines developed
How long has the group been registered	1	-0.423	0.188	-0.53 <sup>^</sup>	-0.434 <sup>^</sup>	-0.590*	-0.512 <sup>^</sup>	-0.584*	-0.401	-0.334	-0.350	-0.236	-0.165	-0.284
All funds invested in project	-0.423	1	0.098	0.595*	0.427 <sup>^</sup>	0.293	0.108	0.390	0.347	0.221	-0.020	0.249	-0.333	0.194
Funds were directed to:	0.188	0.098	1	-0.035	0.344	-0.022	0.123	0.098	0.252	0.313	-0.041	0.510 <sup>^</sup>	-0.293	0.291
Additional funds invested in project	-0.531	0.595*	-0.035	1	0.623*	0.360	0.474 <sup>^</sup>	0.540*	0.419	0.164	0.410	0.363	0.255	0.263
Loan advanced repaid	-0.434	0.427 <sup>^</sup>	0.344	0.623*	1	0.751*	0.691*	0.799*	0.883*	0.484	0.674*	0.829*	-0.039	0.684*
Project still generating income for the group	-0.590*	0.293	-0.022	0.360	0.751*	1	0.629*	0.813*	0.695*	0.383	0.703*	0.603*	-0.098	0.662*
Set up costs recovered from the proceeds	-0.512 <sup>^</sup>	0.108	0.123	0.474 <sup>^</sup>	0.691*	0.629*	1	0.796*	0.615*	0.550 <sup>^</sup>	0.502 <sup>^</sup>	0.631*	0.251	0.555 <sup>^</sup>
Project is still sustainable	-0.584*	0.390	0.098	0.540 <sup>^</sup>	0.799*	0.813*	0.796*	1	0.704*	0.601*	0.593*	0.611*	-0.029	0.690*
Market and competitor analysis conducted	-0.401	0.347	0.252	0.419	0.883*	0.695*	0.615*	0.704*	1	0.538 <sup>^</sup>	0.554 <sup>^</sup>	0.685*	0.034	0.574 <sup>^</sup>
Group members involved in choice of project	-0.334	0.221	0.313	0.164	0.484 <sup>^</sup>	0.383	0.550 <sup>^</sup>	0.601*	0.538 <sup>^</sup>	1	0.281	0.412	-0.255	0.401
Project roles were identified	-0.350	-0.020	-0.041	0.410	0.674*	0.703*	0.502	0.593*	0.554 <sup>^</sup>	0.281	1	0.546*-	0.061	0.641*
Work plans developed	-0.236	0.249	0.510 <sup>^</sup>	0.363	0.829*	0.603*	0.631*	0.611*	0.685*	0.412	0.546 <sup>^</sup>	1	-0.204	0.792*
Budgets developed	-0.165	-0.333	-0.293	0.255	-0.039	-0.098	0.251	-0.029	0.034	-0.255	0.061	-0.204	1	-0.271
Timelines developed	-0.284	0.194	0.291	0.263	0.684*	0.662*	0.555 <sup>^</sup>	0.690*	0.574 <sup>^</sup>	0.401	0.641*	0.792*	-0.271	1

<sup>^</sup> Correlation is significant at the 0.05 level (1 – tailed)

\* Correlation is significant at the 0.01 level (1 – tailed)



Table showing correlations among variables cont....

	Reports on project prepared	Reports shared group members	Reports used to make decisions	Financial statements prepared	Regular meetings held	Activities guided by work plans	Spending guided by budget	Project supervision done by MOYAs	Project staff/group members have skills required	Project staff group members are assigned roles that suit their qualification	Project staff/group members received additional training for the project	Project staff/group members involved in decision making	Project staff/group members assigned targets	Project staff/group members who began the project still working for the project
Reports on project prepared	1	1.000	1.000	0.784*	0.548	0.422	0.548	0.350	0.465	0.440	0.440	0.238	0.525	0.183
Reports shared group members	1.000	1	1.000	0.784*	0.548	0.422	0.548	0.350	0.465	0.440	0.440	0.238	0.525	0.183
Reports used to make decisions	1.000	1.000	1	0.784*	0.548	0.422	0.548	0.350	0.465	0.440	0.440	0.238	0.525	0.183
Financial statements prepared	0.784*	0.784*	0.784*	1	0.501	0.372	0.215	0.258	0.532	0.546	0.324	0.070	0.258	0.358
Regular meetings held	0.548 ^	0.548 ^	0.548 ^	0.501	1	0.346	0.200	-0.048	0.637	0.402	0.181	0.196	0.336	0.200
Activities guided by work plans	0.422	0.422	0.422	0.372	0.346	1	0.577	0.249	0.319	0.232	0.313	0.188	0.249	0.346
Spending guided by budget	0.548 ^	0.548 ^	0.548 ^	0.215	0.200	0.577	1	0.527	0.127	0.080	0.422	0.196	0.336	0.400
Project supervision done by MOYAs	0.350	0.350	0.350	0.258	-0.048	0.249	0.527	1	0.112	0.212	0.101	-0.078	0.080	0.240
Project staff/group members have skills required	0.465 ^	0.465 ^	0.465 ^	0.532 ^	0.637	0.319	0.127	0.112	1	0.801	0.346	0.429	0.438	0.382
Project staff/group members are assigned roles that suit their qualification	0.440 ^	0.440 ^	0.440 ^	0.546 ^	0.402	0.232	0.080	0.212	0.801	1	0.266	0.603	0.366	0.562
Project staff/group members received additional training for the project	0.440 ^	0.440 ^	0.440 ^	0.324	0.181	0.313	0.422	0.101	0.346	0.266	1	0.531	0.795	0.302
Project staff/group members involved in decision making	0.238	0.238	0.238	0.070	0.196	0.188	0.196	-0.078	0.429	0.603	0.531	1	0.672	0.326
Project staff/group members assigned targets	0.525 ^	0.525 ^	0.525 ^	0.258	0.336	0.249	0.336	0.080	0.438	0.366	0.795	0.672	1	0.048.
Project staff/group members who began the project still working for the project	0.183	0.183	0.183	0.358	0.200	0.346	0.400	0.240	0.382	0.562	0.302	0.326	0.048	1

^ Correlation is significant at the 0.05 level (1 – tailed)

\* Correlation is significant at the 0.01 level (1 – tailed)

## Appendix VI

**Fig. 2.2. Map showing Nakuru Town West Constituency. Source: IEBC Library,  
IEBC REVISED NAKURU TOWN WEST CONSTITUENCY COUNTY ASSEMBLY WARDS**

