

**DETERMINANTS OF THE PERFORMANCE OF YOUTH OWNED
MICRO AND SMALL ENTERPRISES: A CASE OF MUTARAKWA
DIVISION, BOMET COUNTY, KENYA.**

BY

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DECLARATION

I declare that this research project report is my original work and has never been submitted in any other university or learning institution for a degree or any other award.

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DEDICATION

This research report is dedicated to my beloved wife Rose Tonui, and my daughters Marion and Claire. I also dedicate this research report to my entire family and friends who have always been there for me, and to all those who helped me through the entire process of writing this research project report.

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ABBREVIATIONS AND ACRONYMS

FSD:	Financial Sector Deepening
GOK:	Government of Kenya
GDP:	Gross Domestic Product
MSE:	Micro and Small-scale Enterprises
SMEs:	Small and Medium-sized Enterprises
MSME:	Micro, Small and Medium Sized Enterprises
YWEF:	Youth and Women Enterprise Funds
MFIs:	Monetary financial institutions
FSD:	Financial Sector Deepening
KNYP:	Kenya National Youth Policy
ILO:	International Labour Organization
NCI:	National Council for Industry
GEM:	Global Entrepreneurship Monitor
PRs:	Poverty Reduction Strategies
NACOSTI:	National Commission for Science, Technology & Innovation

ABSTRACT

Many youth-owned micro and small enterprises in Kenya face a number of challenges that hinders their business performance. This study examined the determinants of performance of youth owned businesses in Mutarakwa Division, Bomet County in Kenya. This study focused on how finance, infrastructure, management, and marketing influence the performance of small enterprises owned by youth. Several literatures were reviewed to identify a gap that exists in relation to this study. The study adopted descriptive research design with a targeted population of 377 youths who operate micro or small-scale enterprises. A sample of 102 was selected from four strata using simple random sampling technique. This study used questionnaires and interviews to collect the data. Data gathered from this study was cross-examined and analyzed using Excel and Stata (version 12) software. The findings of this study show that the majority (69.6%) of youth operating micro and small enterprises were males. The majority of the respondents (43.5%) were aged 26-30 years. The findings show that 80.4% of the respondents made a profit between Ksh 0 and Ksh. 10,000, which is a clear indication that the performance of the majority of youth-owned businesses in Mutarakwa Division were performing poorly. The study found that most of the respondents (71.7%) had incurred losses. The findings show that more than half (53.3%) of the respondents relied on personal savings as their source of start-up capital, 37% relied on loans, and 3.3% and 6.5% got their start-up capital from friends/relatives and family respectively. The Pearson's correlation between the amount of start-up capital and monthly profit was 0.38. The study found that 72.8% of the respondents either disagreed or strongly disagreed that poor customer relationship and handling was a challenge to their marketing whereas 19.6% either agreed or strongly agreed. The findings indicate that 85.9% of the respondents rated the infrastructure as either poor or very poor and only 14.1% rated it as either good or very good. It was found 91.3% of the respondents believed that infrastructure had influence on the performance of their businesses, and only 8.7% believed that infrastructure did not have any influence on their businesses. The study established that most of the respondents (75%) went to up to secondary or college, 12% went to university, 9.8% did technical or vocational education, and only 3.3% either went to primary or had no formal education. Majority (67.4) of the respondents had no training in business management and only 32.6% had training in business management. It was also found that majority of the respondents (90.2%) had five or less years of experience in operating or managing a business. The results from Chi-Square test ($\chi^2 (12) = 27.935$ and $p = 0.006$) found a statistically significant association between the years of experience in business and monthly profit made. The findings of the study show that the four factors studied (access to finance, marketing, infrastructure, and managerial skills) had influence on the performance of youth enterprises in Mutarakwa Division. The national and Bomet County government should provide affordable alternative sources of finance for MSEs. Both the national and the county governments should ensure improved provision of necessary infrastructure. The government should try to link MSEs with private contractors so that the operators are able to secure market opportunities. The youth entrepreneurs should be trained on business management skills.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Small Scale Enterprises play a significant role in the improvement of entrepreneurial capacities and indigenous innovation, which create job opportunities. In the United States, the small business industry keeps on suffering comparable faith of uncontrolled failure just like developing countries. Research showed that roughly 46.4% of new businesses have encountered high failure rates (Timmons & Spinelli, 2009).

In Montenegro, small businesses are predominant and represent 96.5% of the aggregate of 6539 firms. The large ventures in Montenegro represent only 0.8% of the total. The figure of medium businesses is additionally low; they are approximately 2.7% of the population. During the past few years, 20 enterprises or about 37.95% of 53 large businesses had a positive business effect. This rate is 41.5 within the medium group and 20.8 within small enterprises (Karadzic, Drobnjak, & Reyhani, 2015). A study conducted in Montenegro highlighted that young business people are not acquainted with conditions they have to meet to begin a business or acquire a loan (Karadzic, Drobnjak, & Reyhani, 2015). The study further demonstrates that youths are frequently determined by their longings to roll out an improvement or become independent. The youths in Montenegro are additionally not aware of all the supporting organizations and administrations accessible to them. A well-focused entrepreneurial institution is expected to propel the improvement of the young in such manner. Given the restricted access to finance, the significance of changes aimed at expanding accountability and transparency, likewise in the provision of financial services, cannot be overemphasized.

In Brazil, studies carried out by the local Brazilian agency show that small business plays a critical role in nation's development and growth. Small and medium size enterprises (SMEs) contribute to about 96% of the employment in Brazil and constitute 98% of all the companies in the nation. Sharma¹ and Kulshreshtha (2014) contend that tax system in Brazil economy is the greatest challenge for the young entrepreneurs and the new ventures. The taxation rate in the Brazil economy constitutes 38% of GDP, which is the most elevated in the rising economies.

In South Africa, a study by Rankhumise (2010) demonstrates that although the small enterprises add to the financial development, most of these enterprises face many challenges such as exorbitant costs because of fraudulent activities and lack of financial support. Another

study conducted by Fatoki and Garwe (2010) in South Africa shows that the issue of access and accessibility of finances to entrepreneurs is ranked second after the lack of management and entrepreneurial skills in most potential and existing businesspersons in the SME sector.

A study in Nigeria shows that the rate of failure of small-scale enterprises in developing nations is higher than in the developed world (Marlow 2009 cited in Olabisi, 2009). Akabueze (2002) briefly expressed that it would appear to be sensible to expect that small enterprises would develop and thrive, but the rate of business failure keeps on expanding on account of the obstacles influencing business performance. These obstacles include lack of finances, poor management skills, poor location, laws and regulations, economic conditions, and basic components, such as poor infrastructure, low demands for goods and services, and destitution.

In Zimbabwe, small and medium endeavors (SMEs) have become the drivers of economic development (Mudavanhu, *et al.*, 2011). Youth unemployment is a test standing up to numerous African nations, and Zimbabwe is not an exemption. Chirisa and Muchini (2011) additionally bring up that the previous decades have seen an exceptionally uneven pattern in the economic environment of Zimbabwe.

In Ethiopia, Micro and small enterprises are facing a number of challenges that influence their performance (Werotew, 2010). The central point incorporate monetary issues, the absence of qualified employees, the absence of proper financial records, advertising issues and absence of work premises, and so forth. In addition, natural factors influences the business, which include social, political, legal, monetary, social, and technological variables. There are also individual attitudes or internal variables that influence the performance of MSE, which is associated with a personal attitude such as training and specialized skill (Werotew, 2010). In Tanzania, a study done by surveying 160 small scale enterprises found that corruption, regulation and high tax rates in the form of permits and licenses, are discovered to be the most vital limitations to the operations of small scale enterprises (Fjeldstad et al, 2006).

According to Longenecker, et al. (2006), improper financing, lack of planning, and poor management are the key causes of failure of small businesses. The absence of credit has likewise been recognized one of the factors impeding young entrepreneurs (Oketch, 2000). Nonetheless, the introduction of the Youth and Women Enterprise Funds (YWEF) and the Association of MFIs in funding the MSEs saw the entrance to microcredit increment from 7.5% in 2006 to 17.9% in 2009 (FSD Kenya, 2009), therefore, tending to the issue of access to microcredit. According to Kenya National Youth Policy (KNYP), youth in Kenya is a person aged

between 15 and 35 years. The youth 15-35 in Kenya constitute approximately 38% of the around 40 million Kenyans, make the main part of the most financially dynamic portion of the population forming a solid 80% of the aggregate unemployed (The Republic of Kenya, 2008).

The promotion of micro and small-scale enterprises in developing economies like Kenya is of foremost significance because it contributes to the great distribution of benefits across the country. According to Wolfenson (2001), small-scale business is perceived as a vital part of financial improvement and a vital component in the push to lift nations out of poverty. The small-scale businesses are main driving forces for financial improvement, job creation, and destitution decrease in developing nations like Kenya. Quickened economic development and fast industrialization can be achieved through small businesses (Sausser, 2007). Moreover, small-scale business has been perceived as a feeder service to large-scale commercial ventures (Fabayo, 2009).

Small-Scale businesses cut across all sectors of nation's economy and provide standout productive wellsprings of employment, and act as the breeding ground for medium and large commercial ventures, which are vital for industrialization (GoK, 2005). In Kenya, the Micro and Small Enterprises are in formal and informal sectors that are classified into the farm and non-farm classes employing 1-50 workers (GoK, 2005). Given the significance of the small-scale business sector in job creation, development and poverty reduction, it is critical that it is proficiently overseen for effective results within more extensive overall goals. According to Oketch (2000), good management has been missing because of external factors that are beyond the proprietor's control. These variables are inherent in the institutional setting of Kenya, which supports bigger firms. Moreover, continuous changes in the business environment concerning globalization of business sectors act as a further challenge development prospects of businesses in Kenya.

Although the contributions of micro and small-scale businesses to economic growth are recognized, entrepreneurs still face a number of impediments that limit their long-term survival and advancement. According to International Labour Organization (ILO), researchers have demonstrated that starting a business is a risky venture and caution that the odds of small entrepreneurs making it past the five-year point are extremely slim (ILO, 2005). In spite of the numerous policy intercessions as highlighted in the different strategy papers, a large part of small scale ventures fail to develop into medium and ultimately large ventures as conceived in their conceptual plans. Bowen et al. (2009) contend that more than half of small-scale

enterprises keep on having a declining performance with three in five SSEs failing within a few months after establishment.

Regardless of the inherent issues connected with the development of small-scale enterprises, youth entrepreneurs are progressively venturing into ownership of small-scale endeavors either all alone or in association with adult entrepreneurs (ILO, 2005). This has been made conceivable essentially due to the simplicity of entry, restricted access to other businesses, and lack of job opportunities in the formal sector of the economy. Additionally, given the development of business among youths, understanding the both social and economic components affecting their performance is of great importance.

1.2 Statement of the Problem

Small Scale businesses are the primary drivers of development and job creation in most developing economies. Numerous business analyst until the mid-1960s view the presence of small-scale businesses in developing countries as justified by the shortage of capital and management experience. It was frequently contended that current types of large-scale businesses with economic development would supersede small and traditional type of business. To guarantee a systematic transition, small-scale industries were seen to merit support, but mostly in sectors where the modern strategies could not be quickly connected.

Job creation in developing nations like Kenya can be accomplished through the advancement of micro and small scale enterprises. Small-scale businesses provide income, job creation, and saving. They are seen as real drivers for the improvement of entrepreneurial abilities and indigenous innovation, which create job opportunities. Small-scale enterprises serve to accelerate the rate of social, financial growth of numerous developing economies like Kenya. Advancement of such business in developing economies is of great significance since it realizes an awesome distribution of wealth and income, financial self-reliance, entrepreneurial employment, and many other positive, economic elevating factors. MSEs add to modern development by delivering an expanding number of firms that grow up and out of the small-scale industry. Small-scale enterprises make up the biggest part of the job creation in Kenya and are the bedrock of the local private sector.

Although micro and small-scale businesses owned by youths play a significant role in the economic growth of the country, they still face a number of challenges that needs to be investigated and addressed. Regardless of the huge financial changes initiated in Kenya, micro and small-scale enterprises owned by youth still face many obstacles attributable to different

factors. This study investigated the factors influencing the performance of small-scale enterprises owned by youths, and identify the potential constraints associated with small-scale enterprise performance in Mutarakwa Division.

1.3 Purpose of the Study

The purpose of this study was to assess factors that influence the performance of micro and small enterprises (MSEs) owned by youth in Mutarakwa Division, Bomet County.

1.4 Objectives of the Study

The study was guided by the following objectives:

1. To determine the influence of access to finance on the performance of small enterprises owned by youth
2. To assess the influence of infrastructure on the performance of small enterprises owned by youth
3. To examine how managerial skills influence the performance of small enterprises owned by youth
4. To determine the influence of marketing on the performance of small enterprises owned by youth

1.5 Research Questions

The study sought to answer the following questions:

1. What is the role of finances in performance of small enterprises owned by youth
2. How does infrastructure influence the performance of small enterprises owned by youth
3. How do managerial skills influence the performance of small enterprises owned by youth
4. What is the influence of marketing on the performance of small enterprises owned by youth

1.6 Research Hypothesis

This study was guided by the following hypotheses:

- H₀1:** There is no significant effect of access to finance on the performance of small enterprises
- H₀2:** Infrastructure does not have a significant effect on the performance of small enterprises

H₀₃: There is no significant relationship between managerial skills and the performance of small enterprises

H₀₄: There is no significant association between marketing and the performance of small enterprises

1.7 Significance of Study

The findings from this study will assist academicians in the broadening of the prospectus on this study hence providing a deeper understanding of the critical factors that affect the performance of MSEs. The findings of this study will also help youth entrepreneurs in Mutarakwa Division and others within an insight into the benefits of using different factors studied in this research to predict the factors that affect the performance of SMEs. The government can use the findings of this study to assist in policy formulation and development for a framework for critical finance, marketing, work premises and other factors that affect the performance of MSE. Moreover, the findings of this study will help the policy makers and financial institutions how to encourage establishing or expanding MSEs. It also enables them to know what kind(s) of policies should be framed.

1.8 Limitation of the Study

Since this study covered a small region, the findings may not be a reflection of the whole county because different regions have different characteristics and factors. There is also a possibility that some respondent feared to disclose their financial record due to privacy reasons.

1.9 Delimitation of the Study

The study assessed factors affecting the performance of small-scale enterprises owned by youths in Mutarakwa Division. Although, there are different issues that can be researched about Micro and small scale enterprises, this study was delimited to the infrastructural, marketing, financial, and management factors.

1.10 Basic Assumptions of the study

This study assumed that the respondents provided accurate information that reflects the current situation of small enterprises in the study region. Another assumption is that the key variables did not change during the study period.

1.11 Operational Definitions of Terms

Enterprise: It refers to a unit of economic organization or activity whether public or private engaged in the manufacturing of goods.

Performance: In this paper, performance defined in terms of profitability of the small-scale enterprises

Technology: It is the collection of skills, techniques, methods, and processes used in the production of goods or services or in the accomplishment of business objectives

Funding: It is the provision of financial resources, typically in the form of money to finance a need, program, and project in a business

Infrastructure: Refers to the essential structures, systems, and facilities that serve an area including the services and facilities essential for its economy to function

Marketing: is the activity and processes for creating, communicating, distributing, and exchanging offerings, which have value for consumers

Entrepreneurship: It is the process of planning, launching, and operating a new business such as a startup business offering a product or service (Yetisen, et al., 2015). It is capacity and readiness to develop, form, and manage a business along with any of its risks in order to make a profit.

Youth: Youth is defined by the Kenya youth policy as persons in the age bracket of 15 to 35 years.

Micro and Small Enterprise: A business that employs a small number of workers and does not have a high volume of sales

1.12 Organization of the Study

This study was organized into five chapters. Chapter one presents the background of the study, statement of the problem, and objectives of the study. Chapter two presents the theoretical and empirical-related literature to the study while chapter three provides research methodology. Chapter four outlines data presentation, analysis and interpretation and chapter five presents the summary of findings, concludes and suggests some recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter review literature on the small-scale business in Kenya and other nations. Works on performance and determinants of performance will also be reviewed. This will be helpful to comprehend the condition of small-scale enterprises owned by youth and its performance's determinants.

2.2 Concept of small-scale business

There is no single conclusive way of classifying business enterprise as small scale worldwide. In a study conducted by ILO (2005), more than fifty definitions were recognized in 75 different nations. Nevertheless, evidence from literature demonstrates that when defining small-scale enterprise, reference is normally made to some proven measures such as the number of individuals employed by the businesses, investment outlay, the yearly turnover (sales) and the revenue value of the business or a mixture of these quantities. In Nigeria, following the National Council for Industry (NCI, 2002) categorization, small-scale enterprise is an enterprise that has a capital outlay of N1.5 - N50 million including working but exclusive of the cost of land and or employees of between 11 and 100. Kenya does define a small enterprise as one that has less than 50 workers or revenue, not more than 50 million Kenya shillings.

In general, these enterprises participate in the generation of light consumer products that are mainly related to soap and detergents, automotive parts, woodworks, leather products, food and beverages, clothing. Small-scale enterprise in Nigeria are split into three sectors: Production sector including manufacturing, processing and mining, service sector and trading sector that include retails and wholesales (Fabayo,2009) small-scale enterprises operate in semi-formal and formal sectors. Ajiebefunet, *et al.* (2003) defined a small-scale enterprise as business ventures that have 10 or fewer employees.

In Kenya, the small and micro enterprise sector play a central role in the wide-ranging industrial economy of the nation. Further, recently the small and medium-sized enterprise sector has constantly registered bigger growth rate as opposed to the general industrial sector. The main advantage of the industrial sector is its employment capability at the small capital expense. Based on the available statistics, this sector does an estimated eleven million people in over 2.2 million businesses and the work power in employ the small and medium-sized enterprise sector is approximated to be almost four times bigger than the large-scale enterprises.

2.3 The concept of performance in Business

According to Ogutu (2010) performance concept is defined basically in terms of yield, for example, profitability or quantified objectives. Performance has become the topic of broad and increasing experimental and conceptual study in the small enterprise literature (Bidzakin, 2009). The problems that remain uncertain are the objectives against which performance should be surveyed and from whose point of view the objectives should be set up.

Global Entrepreneurship Monitor, GEM (2004) did define performance as the demonstration of performing; of carrying out something effectively; utilizing knowledge as recognized from simply possessing it. Nonetheless, performance appears to be operationalized, conceptualised and measured in various ways hence making cross-comparison hard. Cooper et al. (1992) investigated various variables that influence the performance of business such as experience, gender, race, age, education, occupation of parents, and entrepreneurial objectives. While, Lerner and Hisrich (1997) carried out a study on Israeli business women and classified the variables that influence their performance into 5 points of view, that is, social learning theory (entrepreneurial socialization), motivations and goals, network association (contacts and partnership in associations); human capital (education's level, skills) and environmental impacts (sectorial participation, location and socio-political factors).

Thibault *et al.* (2002) suggest that variables affecting business performance might be attributed to individual variables such as demographic factor and business variables like amount of funding, the age of business, business structure, use of technology, and the number of full-time staffs as important variables in analyzing the performance of the small-scale business.

A business enterprise might measure its performance using the financial and non-financial measures. The financial measures include profit before duty and turnover whereas the non-financial measures concentrate on issues relating to clients and clients' referral rates, waiting time, delivery time and the turnover of employees. Identifying the limitations of depending entirely on either the non-financial or the financial measures, managers of the current small business has embraced a hybrid approach of utilizing both the non-financial and financial measures (Gin Chong, 2008).

2.4 Contribution of small businesses to country's economy

It is obvious and agreeable that poverty, both in rural and urban areas, is due to the low or inadequate level of income and consumption, lack of basic needs, poor demand over assets, and high level of social exclusion, vulnerability, and inequality. The role played by small enterprises, through several socio-economic benefits originating from the sector was discovered to be prominent in the general development determination and process of countries. That is to say, by generating bigger volumes of livelihood and higher levels of salary, the MSEs will not only have led to poverty decline, but they will also have improved the standard of living and welfare of a larger number in the society (Mukras, 2003). The current global thinking is tuned into a perspective that recognizes MSEs as an instrument towards fighting poverty in an extended period of time.

Poverty reduction is not going to occur by administration sanction but rather through private sector vitality. The proof directly connecting MSEs and poverty reduction is extensively less powerful than that connecting them to economic dynamism, even in the most developed economies. There are recommendations for greater employment opportunities for poor, low-skilled employees, increased skills improvement, and broader social effects. The movement towards supporting MSE development globally reflects a return towards promoting poverty reduction in the private sector- driven systems by the majority of the major multilateral organizations. Poverty Reduction Strategies (PRSs) presently being formulated in some developing nations puts a more claimed accentuation on the payment that the private sector might have to make – compared to the over-dependence on the social plan that defined earlier PRSs (Perumal K. and Prasad, n.d).

Drawing on a review carried out in the urban centres of four Western African nations namely Niger, Togo, Burkina Faso and Benin to recognize key variables shaping the micro-enterprise sector, Roy and Wheeler (2006) showed that small enterprises provide a considerable source of livelihood, thus contributing to eradication of poverty among the poor urban. Roy and Wheeler (2006) argues that the primary purpose of the urban poor to be caught up in the MSE is because of the way that the formal sector does not have the ability to absorb these increasing demands for jobs, and, therefore, many have needed to search for alternative avenues to generate employment. Contribution in the informal sector is regularly the main option accessible as a source of return; therefore, the sector has confirmed a number of the unemployed people who have been abandoned by the formal sector in the district. They did

point that the income produced from being occupied with MSEs mainly used to satisfy the physiological requirements of the poor and those of their relatives, and afterward to provide a residence and security to the family unit. Roy and Wheeler particularly claimed that small enterprises help the poor in the urban though making them financially secure which reduces or limits the misery, material and vulnerability and non-material difficulties that come with poverty.

2.5 Managerial skills and the performance of small enterprises

Many studies have taken into consideration the management capabilities of the top administration team as the key determinant of small business development. Olawale and Garwe (2010) argue that management capacities are groups of skills, competences and knowledge that will make the small enterprises more productive. Singh et al. (2008) stress that management skills are important for small enterprises to survive and attain growth. According to Aylin *et al.* (2013), management skills are a vital determinant for the development of small enterprises and that lack of management skills is an obstacle to development, and is one of the variables that may lead to failure. Pasanen (2007) proposes that the growth trend of small businesses is connected with their administrative skills. Bhide (1996) contends that an absence of core capability and a skilled top administration team is one of the primary difficulties faced by small and medium-sized enterprises.

Cheung (2008) claims that small entrepreneurs regularly lack experience and education in the management of their enterprises. A study by Wawire and Nafukho (2010) shows that poor management is the second most reason for the failure of small enterprises after the lack of sufficient funds. This is regardless of the way that management has been built up to be a critical perspective that influences the attainment of any given venture. In spite of the several institutions providing advisory and training services, there is still skills gap in the small enterprise sector (Kayanula & Quartey, 2000). This is because entrepreneurs cannot afford the high price of advisory and training services while others do not see the necessity to improve their skills because of complacency (King & McGrath, 2002).

Zelege and Eshetu (2008) carried out a longitudinal research to assess the effect of influential variables that influence the viability and long-term survival of small enterprises using a random sample of 500 enterprises from five major urban centres in Ethiopia. The study found that the factors that influence the long-term survival of small enterprises are level of managerial skills,

level of technical skills, level of education, and capability to convert a section of their earnings to investment. This is thus due to the discoveries of the study uncovered that business that did not succeed, during the research period were defined by low level of instruction (55%), poor administrative skills (54%), lack of technical skills (49%), and incapability to convert some of their profit into investment (46%). The study further showed that contribution in networking and capital schemes was vitally useful for long-term enterprise's survival.

In a study to investigate the impact of managerial skills on small-scale enterprises, Olowu and Aliyu (2015) used a descriptive research design and collected the data using survey questionnaire. Olowu and Aliyu (2015) reported that lack managerial skills in establishing goals, managing conflict, allocating resources, communication, taking action and self-control is the major factor that contribute to poor performance of small scale businesses.

2.6 Characteristics of entrepreneur and the performance of small enterprises

Entrepreneur's characteristics have been broadly studied with mixed outcomes on its effect on small business growth. According Gurol and Atsan (2006), entrepreneur characteristics are entrepreneurship personality characteristics need for achievement, locus of control, risk-taking propensity, tolerance for ambiguity, innovativeness, and self-confidence. Some studies convincingly affirmed that a few characteristics have significant and positive relationships with the success of small enterprises whereas other studies find inconsequential relationships (Sidika, 2012). The characteristics of the entrepreneur include age, training, level of experience and entrepreneurial abilities. Entrepreneurial capacities will likewise determine business strategies adopted by the enterprise, which include market introduction, techniques for financing, administration practices, and social capital. A few researchers have approached their surveys from the point of view of the attitude and personality of the entrepreneur (Wijewardena, et al., 2008), whereas others have taken a glance at it from the family background perspective, capability and entrepreneur's education (Kor & Mahoney, 2003). Another group of researchers has considered the individual role of the businessperson and his growth desires (Pasanan, 2007).

Ciavarella et al. (2004) noticed that the entrepreneur's inherent and stable character affect how they run their businesses. Additionally, entrepreneurs will have a tendency to carry out their business taking into account the qualities of their characteristics (Sidika, 2012). A number of perspectives have been investigated on the entrepreneurs' characteristics such as age,

motivation, experience, educational background, gender, preference for innovation and risk-taking propensity (Sidika, 2012). Charney and Libecap (2000) found that business enterprise education produces successful entrepreneurs. Besides, the study found that business enterprise education improves the likelihood that a small-scale business will succeed. This study concluded that the influence of entrepreneur characteristics on the performance of a business is significant.

2.7 Technology and the performance of small enterprises

According to Drucker (1985), new technology enhances effectiveness, empower greater production. Morse et al. (2007) argue that technological abilities benefit small enterprises in many ways. Technology improves small enterprises effectively, reduce costs, and widen market share, both locally and internationally. As noted by Lee (2001), a small enterprise that embraces greater levels of scientific sophistication will be anticipated to grow more quickly than a similar business that does not. Low technological capacities hinder and discourage small and medium-sized enterprises from completely achieving their potential (Yusuf et al., 2003). Wendel Clark (2012) noted that nations with high levels of innovative growth have a tendency to have high levels of entrepreneurial development.

In the past decade, technologies have probably affected nearly every sector of the society and business. Micro and small enterprises have become more productive because of the adoption of different technologies. Certain innovations have made it feasible for small-scale businesses to utilize more quick types of correspondence. Small enterprises have likewise gained large amount of exposure with the capacity to put their products and services in plain view to a much bigger group of audience through the internet. Small businesses have likewise been given the capacity to streamline many tasks through technology, which would some way or another require additional time and/or labor, therefore, improving the performance of the business. According to Morse et al. (2007), harnessing the force of such technologies can help the business speed up their operations, while cutting expenses at the same time, which increases the performance of the business.

2.8 Infrastructure and the performance of small enterprises

Ejembi and Ogiji (2007) argued that poor infrastructure (location) hinders small business development. Poor infrastructure includes inadequate water supplies, inconsistent electricity supply and bad roads. According to Chong (2008), lack of ICT may lower client satisfaction

and severely limit development in small enterprises. Bowen et al. (2009) contend that infrastructure, as it identifies with the provision of access to roads, sufficient power, sewerage, telecommunication services and water, poses a severe challenge towards small businesses. Mbonyane and Ladzani, (2011) discovered that small enterprises had to compete with sewerage, dust and potholes on their business premises or close to their businesses and that the medium-sized enterprise operators were never educated about interruptions in water or power supply that might endanger their businesses. As far as innovation, small enterprises regularly have problems in accessing proper information and technologies on available systems (Naidu & Chand, 2012).

A study by Beyene (2002) found that the availability of good infrastructure provides a conducive environment for businesses to succeed and facilitate the economic growth. Beyene argues that there are no way the performance a business can be optimized without adequate power supply, water supply, transportation as well as effective telecommunication network. The study reveals that low cost and high-quality infrastructure services improve the performance of small and medium-sized business. The study concluded that infrastructure influence the performance of SMEs. A study conducted by Kessides (1993) found that the infrastructure contributes to economic growth, acting through demand and supply in an aggregate sense. The quality and availability of infrastructure influence the performance of private capital and public investment. At the microeconomic level, the influence of infrastructure is seen precisely through the reduced costs of production, and as a result, infrastructure affects profitability, level of output, returns, and employment, especially for small scale enterprises. A study conducted by Abdullahi, *et al.* (2015) to examine the effect of finance, infrastructure, and training on the performance of SMEs in Nigeria found that good infrastructure have positive and significant effect on the performance of SMEs.

2.9 Financing problems and the performance of small enterprises

The literature review revealed that a standout amongst the most critical issues faced by youth owned enterprises is financing issues. Such limitations have been recognized by Naidu and Chand (2012) to include the inability to acquire internal and external financing, high start-up costs, high-interest rates on loans, insufficient working capital, and failure to meet financial duty. There is limited access to financial assets accessible to small businesses contrasted with larger firms and the outcomes for their development and growth (Wanjohi, 2010; Naidu & Chand, 2012). A study by Hall (1992) has recognized two main causes of small business

failure, which include lack of proper management skills and insufficient capital.

Finding start-up fund for a business is the greatest obstacle that some entrepreneurs experience. Indeed, even after beginning, getting the adequate fund to sustain the growth of the business is another issue. A study show how small and medium-sized enterprises are constrained by funding (Daniels et al. 2003). Another carried out by Mirero et al. (1988) for Kenya Rural Enterprise Program (K-Rep) affirm that the main limitation of the small business venture sector is funding. In the study done in Nairobi amongst small manufacturing companies, Nyambura (1992) found that funding is one of the most serious issues. In South Africa, Eeden (2004) discovered that funding is a standout amongst the most prominent limitations to the success of small enterprises. The problem associated with finance incorporates lack of information on where to get fund, limited access to collateral, lack of track record required by the banks, insufficient financing, lack of access to finance, restrictive lending offered by commercial banks and the fact that banks lack proper structure for managing small enterprises.

Many studies have found finance as one of the main limitations to small enterprises development (Hall, 1992; Mugo, 2012; Kamunge, *et al.*, 2014; Kinyua, 2014). This is deteriorated by the lack of fiscal markets in the developing economies. Small enterprise owners cannot easily access fund to extend business, and they are usually confronted with baffling bank charges, feasibility studies, and the problems of collateral. This implies that entrepreneurs cannot access finance to enable them to develop. In a research to establish the variables influencing the performance of small and medium-sized enterprises at Limuru town market, Kamunge, Njeru, Tirimba (2014) found that availability of management experience and access to finance are the key variables influencing the businesses' performance.

A research by Mugo (2012) to examine variables influencing performance of women entrepreneurs in Central Business District (CBD) of Nairobi city had the goals, to evaluate the financial availability, assess the impact of record keeping difficulties, to establish impact of budgeting on economic variables influencing women entrepreneurs' performance, as well as to establish the impact of working capital administration on the performance of women entrepreneurs. The study additionally recognizes other variables influencing performance of women entrepreneurs as, outdated technology on women, poor access to markets, mismanagement of resources by women, lack of entrepreneurial training and education, lack of management skills and fraud. The research identifies fund as the major hindrance influencing women entrepreneurs' performance. It recommends that financial institutions

should develop a unique product that allows women entrepreneurs to obtain loans. It further suggests that government ought to offer business education to women entrepreneurs and that it should have good strategies in aid of women entrepreneurs. The study campaigns for women training through seminars to support them keep appropriate record, which demonstrates appropriate business operation, as well as helping them in assessing the business constrains.

Kinyua (2014) did a study to investigate variables influencing the performance of SMEs in the Jua Kali Sector in Nakuru Town with the objectives to explore the role of management skills, macro-environment factors, finance, and infrastructure on SMEs' performance in the Jua Kali sector. The study found that access to fund could absolutely influence SMEs' performance, and administration skills were also found to significantly and positively influence SMEs' performance. The study outcomes further showed that as number of years in business operations increased the performance in SMEs also augmented. The study recommends that banks need to enhance access to fund through the provision better loaning collateral requirements as well as terms and conditions. The above literature review about the influence of finance on the performance of the business reveals a significant relationship between the business' performance and access to finance.

2.10 Theoretical Framework

Several theories have been put forward by scholars to explain the field of entrepreneurship. These theories have their roots in economics, classical, psychology, sociology, anthropology, and management. The multidisciplinary nature of entrepreneurship is given a close examination in this research. Mark Casson's "Economic Theory" which holds that entrepreneurship is a result of conducive economic conditions was adopted to guide this study.

2.10.1 Economic Theory

According to economic theory, the command for business enterprise emerges from the command for change (Casson, 1982). Before 1980, policy-makers gave little consideration towards entrepreneurship, but recently there has been an interest's explosion for the topic. Much of this concentrates on small businesses and their ability for regional recovery. Managing and owning a small business was not, but the original definition of the term 'entrepreneur'. Casson defines entrepreneurship as the promotion of inventive high-risk projects that lead to economic effectiveness and growth. Risk innovations will easily fail, in any case.

2.10.2 Classical Theory

The classical theory extolled the virtues of free trade, specialization, and competition. The theory was the result of Britain's industrial revolution that took place in the mid-1700 and lasted until the 1830s. The classical movement described the directing role of the entrepreneur in the context of production and distribution of goods in a competitive marketplace. Classical theorists articulated three modes of production: land; capital; and labour. There have been objections to the classical theory. These theorists failed to explain the dynamic upheaval generated by entrepreneurs of the industrial age (Murphy, Liao & Welsch, 2006).

2.10.3 Psychological Theories

The level of analysis in psychological theories is the individual (Landstrom, 1998). These theories emphasize personal characteristics that define entrepreneurship. Personality traits need for achievement and locus of control are reviewed and empirical evidence presented for three other new characteristics that have been found to be associated with entrepreneurial inclination. These are risk taking, innovativeness, and tolerance for ambiguity. Entrepreneurship has a psychological contract involving a give and take, "transactionary" relationship in form of teamwork involving two or more individuals who jointly establish a business in which they have an equity (financial) interest.

2.10.4 Sociological Theories of Entrepreneurship

According to Sociological Theories of Entrepreneurship, entrepreneurial ventures are clearly social entities from the very beginning, because even solo ventures implicitly involve a choice not to share ownership with others in the founding process. How a venture begins and whether others are recruited to join the effort can have lasting consequences for its performance and survival. Enterprises can be formed because of teams. Sociological enterprise focuses on the social context. In other words, in the sociological theories the level of analysis is traditionally the society (Landstrom, 1998).

2.10.5 Anthropological Theory

The other major theory is referred to as the anthropological theory. Anthropology is the study of the origin, development, customs, and beliefs of a community. In other words, the culture of the people in the community. The anthropological theory says that for someone to successfully initiate a venture the social and cultural contexts should be examined or considered. Here

emphasis is on the cultural entrepreneurship model. The model says that new venture is created by the influence of one's culture. Cultural practices lead to entrepreneurial attitudes such as innovation that also lead to venture creation behaviour.

2.10.6 Resource-Based Theory

The Resource-based theory of entrepreneurship argues that access to resources by founders is an important predictor of opportunity based entrepreneurship and new venture growth (Alvarez & Busenitz, 2001). This theory stresses the importance of financial, social and human resources (Aldrich, 1999). Thus, access to resources enhances the individual's ability to detect and act upon discovered opportunities (Davidson & Honing, 2003). Financial, social and human capital represents three classes of theories under the resource –based entrepreneurship theories.

2.11 The Conceptual Framework

Conceptual framework implies that ideas that relate to each other utilized to describe the research problem. Because business performance is affected by both internal and contextual variables, operators need to comprehend what impacts businesses to achieve peak performance. The contextual variables include access to finance, infrastructure, and marketing. The impact of these variables to the organization performance is critical but it is noteworthy that the administration has no (little) power over them (Wanjiku, 2009). To align the conceptual system with the research goals, business performance is the dependent factor whereas access to finance, infrastructural, management skills, and marketing variables are all independent factors. The conceptual framework adopted in this study is as in Figure 2.1 below

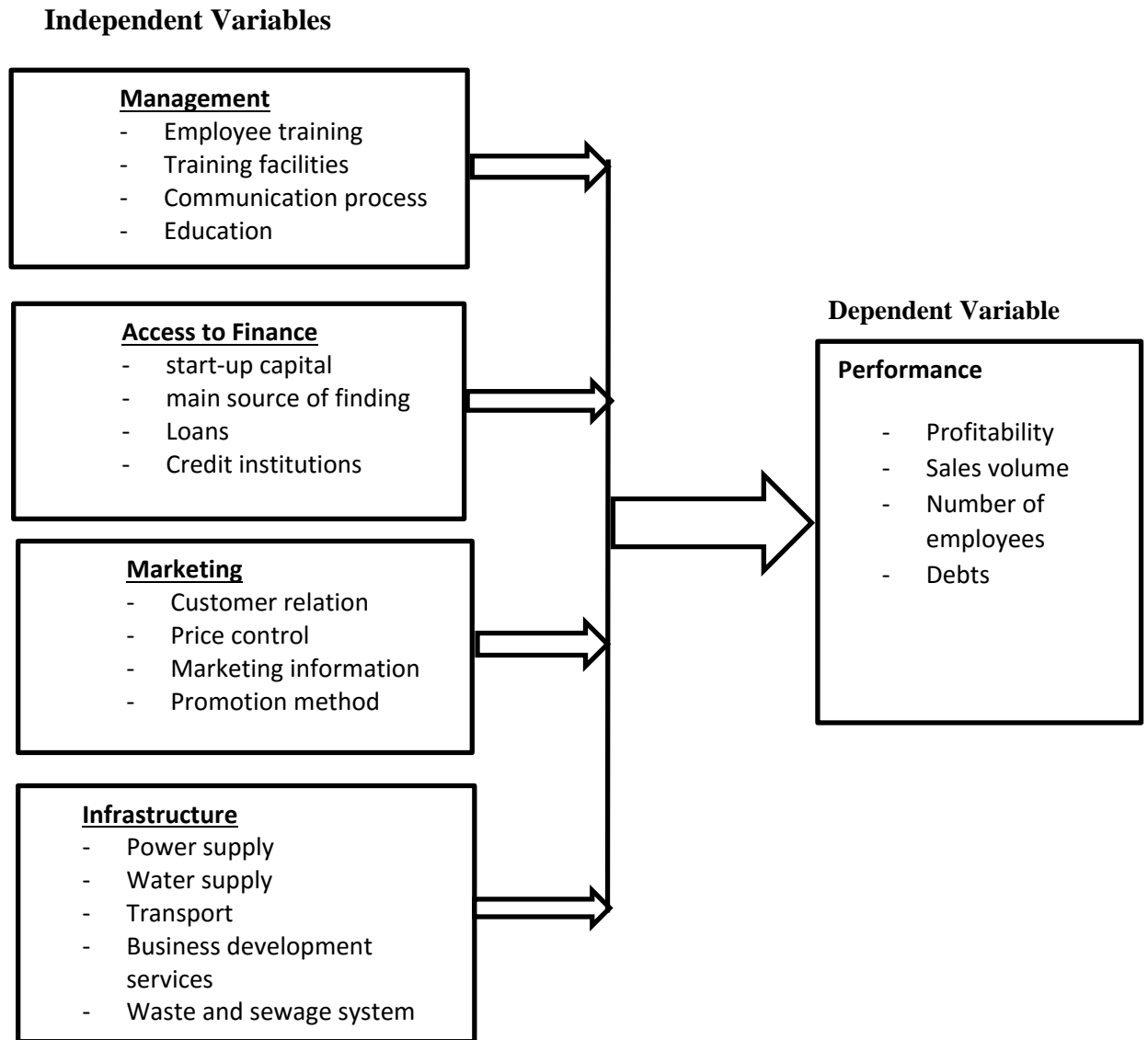


Figure 1: Conceptual Framework

2.12 Summary of gap in the Literature Review

From the above literature review, it can be concluded that the development of small enterprises is reliant on a scope of internal as well as external variables. However, there is no specific theory or clear understating as to whether small enterprises will succeed, fail, grow or sustain. Researchers have put forward several factors concerning the vital variables of the growing organization, for example, Story's (1994) recognition of three important variables for growth: the firm, the entrepreneur and strategy. Nevertheless, there seems to be no connected pattern. Instead, the evidence focuses towards a difficult set of interrelated variables that influence small business growth.

Many studies have been done both locally and globally to investigate factors that influence the performance of small-scale enterprises, but the studies mostly concentrate on towns. Few studies have been done on rural areas, which call for attention among researchers. According to the reviewed literature, researchers concentrate on specific regions hence the studies cannot be conclusive due to regional variation. Little is known about the factors influencing performance of small Kenyan enterprises especially those run by the youth and in Mutarakwa Division in particular. Consequently, the motivation for this study is to investigate the main factors influencing performance of MSEs owned by youth in Mutarakwa Division. The originality of this study is that it will provide empirical evidence of small-scale business owned by youth in Mutarakwa Division.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology that was used to carry out the research to provide answers to the research questions. The chapter covered the research design, sampling procedure, data collection methods, validity and reliability of research instruments, methods of data analysis, operational definition of variables and ethical issues. Moreover, the section presents a discussion on the study area profile and the ethical issues.

3.2 Research Design

Research design is the layout for fulfilling research goals as well as answering research questions (Adams, et al., 2007). In other words, it is a master plan determining the procedures and methods for collecting and analyzing the required data. It guarantees that the study might be important to the issue and that it utilizes simple procedures. This study used descriptive research design. The main purpose of descriptive research is the explanation of the situation, as it exists presently. This study described and assessed the factors influencing the performance of small-scale businesses owned by young people in Mutarakwa Division. According to William (2006), descriptive research design is a process of collecting data to answer questions or test hypothesis concerning the present condition of the topics in the study. The design was appropriate for studying the behavioural perspectives of performance.

3.3 Target Population

In the research, the target population was youth-owned enterprises in the Mutarakwa Division, Bomet County. The population was approximated at 377 enterprises.

Table 3.1: Target Population

Stratum	Target Population	Sample proportion
Kipsonoi	30	7.96%
Chebole	254	67.37%
Kinyelwet	10	2.65%
Kapkures	83	22.02%
Total	377	100%

Source: Revenue Department Bomet County, 2015

3.4 Sample Size and Sampling Procedure

3.4.1 Sample Size

The sample size was obtained using the formula by Fishers, shown below:

$$n = \frac{z^2(pq)N}{d^2(N - 1) + z^2(pq)}$$

where:

n = sample size

Z = the standard normal deviate (1.96), at a 95% confidence level

N = population

d = Error margin.

P= proportion of occurrence

q= (1-p)

$$\begin{aligned} \text{i.e. } n &= \frac{1.96^2(0.9*0.1)377}{0.05^2(377-1)+1.96^2(0.9*0.1)} \\ &= 130.345/1.2857 \end{aligned}$$

Sample size = 102

Table 3.2: Sample Size

Stratum (Sub-location)	Target Population	Sample proportion	Sub-sample (n_i)
Kipsonoi	30	7.96%	8
Chebole	254	67.37%	69
Kinyelwet	10	2.65%	3
Kapkures	83	22.02%	22
Total	377	100%	102

3.4.2 Sampling Procedure

Stratified random sampling was utilized to obtain data from various micro and small-scale enterprises. This method was preferred because it helped in minimizing biasness when dealing with the population. With this sampling procedure, the sampling frame was divided into homogeneous groups (strata) prior to selecting components for the sample. The area of study was divided into four sub-locations where each sub-location is a stratum. Simple random sampling was then used to select a sub-sample (n_i) from each stratum. According to Ruane (2006), stratified random sampling increases the likelihood that the final sample will be

representative regarding the stratified groups.

3.5 Research Instruments

To realize the objective, the study used well-designed questionnaire. The owner, operator, or managers of the business completed the questionnaire. The format of the questionnaire was kept very simple in order to inspire meaningful participation of the respondents. The questions were kept as brief as possible with care taken to the actual phrasing and wording of the questions. The reason behind the appearance and structure of the questionnaire are of great significance in any study where the survey is to be completed by the respondent (Adams, et al., 2007). The questions that were used in the questionnaire are multiple-choice questions as well as five-point Likert scale rating questions.

3.5.1 Validity of the Research Instrument

According to Creswell (2009), validity is the extent to which a test measures what it purports to measure. Validity is defined as the precision and meaningfulness of the deductions, which depend on the research outcomes. It is the extent to which outcomes obtained from the analysed data really represents the phenomenon under study. Creswell (2009) argues that the validity of the instrument depend on the ability and readiness of the respondents to give the information asked. Before commencement of actual study, research tools will be gathered accordingly and necessary changes on the data collection schedule will be done accordingly.

To ascertain the validity of the instruments, a pilot study was carried out at the neighboring division to refine the strategy and test the questionnaire before administering the final phase. Questionnaire was tested on potential respondents to make the data collection tools objective, significant, suitable to the issue, and reliable as suggested (Adams *et al.*, 2007). Issues raised by the respondents were rectified and the improved version of the questionnaires developed and printed.

3.5.2 Instrument Reliability

The instrument's reliability measures the consistency of tools. Creswell (2009) defines the instruments' reliability as the level of consistency of the process or instruments. The reliability of a test is expressed as a correlation coefficient, which measures the quality of relationship between factors. In order to check and ensure reliability of the instruments the Internal Consistency Method were used. The internal consistency method provide a unique reliability estimate for the given test administration. The most well known internal consistency estimate

of reliability is given by Cronbach's alpha. It is expressed below:

$$\alpha = Np/[1+p(N-1)]$$

where N is equivalent to the figure of products and p equals the average inter-item correlation.

Cronbach's Alpha was computed using statistical package (Stata version 12).

Computed Cronbach's Alpha = 0.898

3.6 Data Collection Procedures

An introductory letter was obtained from The University of Nairobi, and a research permit obtained from NACOSTI. The respondents were provided the consent form to sign before filling in the questionnaires. The researcher personally administered the questionnaires and collected the filled in questionnaire.

3.7 Data Analysis Techniques

The data was first be processed using both manual and computerized framework. In the data processing method, coding, editing, categorization and tabulation of the collected data was utilized. Data processing included data clean-up and data reduction. During data clean-up, the collected data was edited to identify errors, omissions, and anomalies in reactions and checking that the questions are answered precisely and uniformly. The procedure of assigning numerical or different symbols followed, which was utilized to reduce responses into a predetermined number of classes. Data having the common characteristics were put together. Lastly, pie charts and tabulation will be used to summarise the data and tabulated for further analysis.

Data analysis is the transformation of the processed data to identify trends and relationship between different data groups using descriptive and inferential analysis. Stata version 12 was used to analyse the data acquired from main sources. Particularly, descriptive statistics (mean, charts and standard deviation) and inferential statistics (regression and correlation) was taken from this instrument. Descriptive analysis was used to reduce the data into a summary format through tabulation and measure of central tendency (mean and standard deviation). In addition, pie charts and bar graphs were utilized to describe the overall enterprises' characteristics. The reason for utilizing descriptive statistics was to compare different variables. As indicated by Sekaran (2000), inferential measurements permits to deduce from the data through analysis the relationship between two or more factors and how a number of independent variables describe the difference in a dependent variable.

Table 3.3: Operationalization of Variables

Objectives	Type of Variable	Indicators	Measurement Scale	Methods of data collection	Data collection tools
To determine the influence of funding on the performance of small enterprises owned by youth	Access to finance (independent variable)	<ul style="list-style-type: none"> • Loans • Assets • Savings • Inventory 	Ordinal	Administering questionnaire	Questionnaire
To assess the influence of infrastructure on the performance of small enterprises owned by youth	Infrastructure (independent variable)	<ul style="list-style-type: none"> • Power supply • Water supply • Transport • Business development services 	Ordinal	Administering questionnaire	Questionnaire
To examine how management and entrepreneurial factors influence the performance of small enterprises owned by youth	Management (Independent variable)	<ul style="list-style-type: none"> • Employee training • Training facilities • Communication process • Education 	Ordinal	Administering questionnaire	Questionnaire
To determine the influence of marketing on the performance of small enterprises owned by youth	Marketing (Independent variable)	<ul style="list-style-type: none"> • Customers • Suppliers • Pricing • Marketing information 	Ordinal	Administering questionnaire	Questionnaire
	Performance of the business (Dependent variable)	<ul style="list-style-type: none"> • Profit • Sales volume • Number of employees 	Ordinal	Administering questionnaire	Questionnaire

3.8 Ethical Considerations

All the research participants included in this study were appropriately informed about the purpose of the research and their willingness and consent obtained before the commencement of distributing questionnaire. The researcher guaranteed the participants that the data provided will be used for the purposes of this research only. All identifiable data were removed, and anonymity and confidentiality maintained. The research findings was presented objectively and honestly.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This section presents data analysis and discusses the findings of the study. The findings being discussed are connected to the research questions of the study. This chapter focuses on presenting the collected data in a meaningful way. The findings and analysis of data, and the summary is presented in this chapter. The findings and analysis incorporates general as well as cross tabulation of independent and dependent variables. Tables were used to facilitate a simplicity user-friendly writing. The summary of this chapter is finally provided.

4.2 Questionnaire Response Rate

In this study, a sample size of 102 was selected to complete the questionnaires

Table 4.1: Questionnaire Response Rate

Stratum	Sample size	Return Rate
Chebole	69	60
Kapkures	22	21
Kinyelwet	3	3
Kipsonoi	8	8
Total	102	92

Table 4.1 shows the response rate per stratum. According to this table, all sampled respondents in Kinyelwet and Kipsonoi returned the questionnaires where as out of 69 sampled respondents in Chebole only 60 responded, and only one respondent did not returned the questionnaire in Kapkures . However, only 92 questionnaires were completed which results in a 90.2% response rate. Mugenda and Mugenda (1999) argue that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Therefore, the response rate of this study is excellent for the analysis and reporting.

4.3 Demographic Characteristics of the Respondents

This study is composed of youth respondents of different geographical location, genders, marital status, and ages running different nature of businesses.

4.3.1 Geographical Location of the Respondents

The sample of this study was selected from different locations. Table 4.2 below shows the distribution of the sample

Table 4.2: Geographical Location of the Respondents

Sub-location	Frequency	Percent
Chebole	60	65.2
Kapkures	21	22.8
Kinyelwet	3	3.3
Kipsonoi	8	8.7
Total	92	100.0

Table 4.2 shows that most of the respondents (65.2%) are located at Chebole sub-location whereas the least respondents (3.3%) are located at Kinyelwet sub-location. The results from table 4.2 indicates that youth owned enterprises are more in Chebole compared to other regions. However, it is clear from the results that youth owned enterprises exist in different regions.

4.3.2 Gender Distribution of the Respondents

This study sought to determine the distribution of youth entrepreneurs by gender.

Table: 4.3: Gender Distribution of the Respondents

Gender	Frequency	Percent	Cumulative Percent
Male	64	69.6	69.6
Female	28	30.4	100.0
Total	92	100.0	

According to table 4.3, 64(69.6%) of the respondents are males while 28(30.4%) are females. The results from table 4.3 shows that more males are involved or operate small enterprises compared to females in Mutarakwa Division.

4.3.3 Marital Status of the Respondents

The respondents of this study were selected from youth with different marital status. This study sought to determine the distribution of the respondents by marital status.

Table: 4.4: Marital Status of the Respondents

Marital Status	Frequency	Percent	Cumulative Percent
Single	49	53.3	53.3
Married	40	43.5	96.7
Divorced	1	1.1	97.8
Separated	2	2.2	100.0
Total	92	100.0	

Table 4.4 shows that 49 (53.3%) of the respondents were single, 40 (43.5%) were married, only one (1.1%) were divorced, and two (2.2%) were separated. From the results, the majority of the respondents are either single or married (96.7%). However, the results show that the

respondents were drawn from all forms of marital status, thus, the sample is a representative of entrepreneurs in Mutarakwa Division.

4.3.4 Age of the Respondents

Age is very important in determining if the respondents fall in the category of the youth which is between 15-35 years. In order to ascertain this, the respondents were asked to indicate their age.

Table 4.5: Age of the Respondents

Age	Frequency	Percent	Cumulative Percent
15-20 Years	4	4.3	4.3
21-25 Years	21	22.8	27.2
26-30 Years	40	43.5	70.7
31-35 Years	27	29.3	100.0
Total	92	100.0	

As seen in table 4.5, 4.3% of the respondents were aged between 15 and 20 years, 22.8% were aged between 21 and 25 years, 40% were aged between 26-30 years, and 27% were aged between 31 and 35 years. The results from table 4.5 shows that the youth entrepreneurs in Mutarakwa Division were distributed across the youthful ages 15 to 35 years.

4.3.5: Distribution of the Respondents by Business Type

Youth entrepreneurs in Mutarakwa Division operate small-scale businesses of different natures. The findings were as presented in table 4.6.

Table 4.6: Distribution of the Respondents by Business Type

Business Type	Frequency	Percent	Cumulative Percent
Small retail/Kiosk	44	47.8	47.8
Transport	3	3.3	51.1
Agricultural produce dealer	2	2.2	53.3
Chemist	5	5.4	58.7
Hotel	12	13.0	71.7
Small workshop	4	4.3	76.1
Mpesa	2	2.2	78.3
Agrovet	12	13.0	91.3
Other	8	8.7	100.0
Total	92	100.0	

Table 4.6 shows that 47.8% of the respondents operated small retail/kiosk, 3.3% were engaged in transport, 2.2% were agricultural produce dealers, 5.4% were operating chemists, 13% were running hotels, 4.3% operated small workshop, 2.2% operated Mpesa, 13% were operating

Agrovet, and 8.7% were engaged in other businesses. The findings indicate that youth entrepreneurs run a variety of business types as shown in table 46. Most of the youth entrepreneurs (47.8%) were running small retail/kiosk.

4.4 Performance of Youth Enterprises

In order to determine the performance of the youth owned enterprises, the respondents were asked to state their monthly sales, profit, expenses, and the number of employees in the business. Profit was used as the key indicator of the performance of youth-owned business in Mutarakwa Division.

4.4.1 Monthly Sales

This study sought to determine the amount of monthly sales for the respondents. The finding on the monthly sales is as shown in table 4.7 below.

Table 4.7: Monthly Sales (Ksh)

Sales (Ksh)	Frequency	Percent	Cumulative Percent
Below 5000	2	2.2	2.2
6000-10000	15	16.3	18.5
11000-20000	22	23.9	42.4
21000-30000	24	26.1	68.5
31000-50000	18	19.6	88.0
Above 50000	11	12.0	100.0
Total	92	100.0	

According to table 4.7, only 2.2% of the respondents were selling sales below Ksh. 5,000, 16% had monthly sales between Ksh. 6,000 and Ksh. 10,000, 23.9% had sales between Ksh. 11,000 and 20,000, 26% had sales between 21000 and 30,000, 19.6% had sales between Ksh. 31,000 and 50,000, and 12% had sales above Ksh. 50,000. The findings shows the monthly sales of most youth businesses (88%) were between 0 and 50,000, and only 12% were above 50,000.

4.4.2 Monthly Profit

The profit made by a business is a good indicator of the success of the enterprise. In this study, the performance of the youth-owned businesses was measured using the average monthly profit made by a business. Broadly speaking, profit is the monetary benefit or advantage gained after performing an economic activity. The business entity cannot exist and cannot sustain its further development if it does not recover its costs and gain surplus revenue. Tulvinschi (2013) argues that because of the economic activity, seen as a gap between the revenues and the expenditures

of a business entity, all the lucrative activities performed in an economic system are believed to have profit as a main objective.

Table 4.8: Monthly Profit of the respondents

Monthly Profit (Ksh.)	Frequency	Percent	Cumulative Percent
Below 5000	33	35.9	35.9
6000-10000	41	44.6	80.4
11000-20000	14	15.2	95.7
21000-30000	2	2.2	97.8
31000-50000	2	2.2	100.0
Total	92	100.0	

As seen in table 4.8, 35% of the respondents made a monthly profit below Ksh 5,000, 44.6% made a monthly profit between Ksh. 6,000 and Ksh. 10,000, 15.2% made a profit between Ksh. 11,000 and 20,000, whereas 2.2% made a profit between Ksh. 21,000 and 30,000, and 2.2% made a monthly profit between Ksh. 31,000 and Ksh. 50,000. It is evident from table 4.8 above that 80.4% of the respondents made a profit between Ksh 0 and Ksh. 10,000, which is a clear indication that the performance of the majority of youth-owned businesses in Mutarakwa Division were performing poorly. Only 4.4% of the respondents made a monthly profit between Ksh. 21,000 and Ksh. 50,000. These results indicate that most youth-owned enterprises in Mutarakwa division were performing poorly.

4.4.3 Number of Employees in the Business

Another indicator of business performance is the number of employees in a business enterprise. In order to determine the number of employees in the businesses, the respondents were asked to indicate the number of male, female, permanent, and casual employees. The total number of employees was computed by either summing the number of males and females or by summing the number of permanent and casual employees. The results obtained are shown in table 4.9 below.

Table 4.9: Number of Employees in the Business

No. of Employees	Frequency	Percent	Cumulative Percent
0-2	71	77.2	77.2
3-4	17	18.5	95.7
5-6	3	3.3	98.9
7-8	1	1.1	100.0
Total	92	100.0	

According to table 4.9 above, 77.2% of the respondents employed between 0 to 2 employees, 18.5% employed between three and four employees, 3.3% employed 5-6 employees, and only 1.1% employed 7-8 employees. In Kenya, according to MSME bill 2009, businesses with 10 or less employees are categorized as micro business. Based on the results in table 4.9 above, it is evident that nearly all the youth-owned enterprises in Mutarakwa division are categorized as micro businesses because they have less than 10 employees.

4.4.4 Respondents with Loss

Although every business activities are aimed at making profit, losses are sometime inevitable in many businesses. Good entrepreneurs can learn from their previous mistakes that led to a loss in business. In order to clearly understand the business performance of youth-owned businesses in Mutarakwa Division, the respondent were asked to state if they have incurred any loss in their business. The results were as seen in table 4.10 below.

Table 4.10: Respondents with Loss

Loss	Frequency	Percent	Cumulative Percent
Yes	66	71.7	71.7
No	26	28.3	100.0
Total	92	100.0	

The results in table 4.10 shows that 71.7% of the respondents have incurred a loss and 28.3% stated that they have not incurred any loss in their businesses. Based on these results, it is clear that the majority of the respondents in Mutarakwa Division have incurred loss in their businesses.

4.4.5 Rating of Business Performance

In order to determine the view of the respondents concerning the performance of their business, they were asked to rate their business. Table 4.11 below shows the findings.

Table 4.11: Rating of Business Performance

Business Rating	Frequency	Percent	Cumulative Percent
Very Poor	1	1.1	1.1
Poor	2	2.2	3.3
Fair	76	82.6	85.9
Good	10	10.9	89.1
Very Good	3	3.3	100.0
Total	92	100.0	

Table 4.11 above shows how the respondents rated their business. According to the table, most of the respondents (82.6%) believed that the performance of their businesses were fair, 10% rated the performance of their businesses as good, 3.3% rated as very good, 2.2% rated as poor, and 1.1% rated as very poor.

4.5 Access to Finance and the performance of MSEs

Access to finance is one of the independent variable that was investigated in this study on how it influences the performance of youth-owned businesses. Funding is paramount for the success of any business. Entrepreneurs aim at getting access to finances for start-up or expanding their businesses. The success of most businesses depends largely on the availability of finances. In order to have a clear picture of the influence of finance on the performance of the business, the study looked at the amount of start-up capital in relation to the monthly profit made by the business.

4.5.1 Amount of Start-up Capital

It was found necessary to know the amount of start-up capital invested by the respondents in order to understand if access to finance or availability of finance have any influence on the monthly profit of a business. The respondents were asked to state the amount of start-up capital for their business. The results were as seen in table 4.12 below.

Table 4.12: Amount of Start-up Capital

Start-up capital (Ksh.)	Frequency	Percent	Cumulative Percent
Below 5000	6	6.5	6.5
6000-10000	18	19.6	26.1
11000-20000	17	18.5	44.6
21000-30000	17	18.5	63.0
31000-50000	18	19.6	82.6
Above 50000	16	17.4	100.0
Total	92	100.0	

As in in table 4.12 above, 63% of the respondents had a start-up capital below Ksh.30,000, 19.6% had a start-up capital between Ksh. 31,000 and Ksh. 50,000, and 17.4% had a start-up capital above Ksh 50,000. The start-up capital came from different sources as shown in table 4.13 below.

Table 4.13: Source of Start-up Capital

Sources of start-up capital	Frequency	Percent	Cumulative Percent
Personal savings	49	53.3	53.3
Loans	34	37.0	90.2
Friends/Relatives	3	3.3	93.5
Family	6	6.5	100.0
Total	92	100.0	

According to the results in table 4.13, it is seen that 53.3% of the respondents relied on personal savings as their source of start-up capital, 37% relied on loans, and 3.3% and 6.5% got their start-up capital from friends/relatives and family respectively.

Having looked at the amount of start-up capital for the respondents, this study further looked at the relationship between start-up capital and monthly profit made by the respondents. A cross tabulation analysis was used to assess this relationship, and a Chi-Square test was used to test the statistical significance of the relationship.

Table: 4.14: Cross Tabulation of start-up capital and monthly profit

Amount of start-up capital	Monthly profit				
	Below 5000	6000-10000	11000-20000	21000-30000	31000-50000
Below 5000	2	3	1	0	0
6000-10000	14	1	3	0	0
11000-20000	6	9	2	0	0
21000-30000	7	7	3	0	0
31000-50000	2	13	3	0	0
Above 50000	2	8	2	2	2
Total	33	41	14	2	2

Table 4.14 above shows how monthly profit relates to the amount of start-up capital. For example, for those respondents with a start-up capital amounting between Ksh 6,000 and Ksh 10,000 only 14 made a monthly profit below Ksh 5,000, one made a monthly profit between Ksh 6000-10000, and 3 of them made a profit between Ksh 11000-20000. It was also noted that only four respondents with above Ksh 50000 start-up capital made a monthly profit above Ksh 20,000. These results indicate that the higher the amount start-up capital, the higher the profit. The coefficient of the relationship between the amount of start-up capital and monthly profit is show in table 4.15 below.

Table: 4.15 Correlation between start-up capital and monthly profit

		Value	Asymp. Std. Error	Approx. Sig.
Interval by Interval	Pearson's R	.380	.090	.000
Ordinal by Ordinal	Spearman Correlation	.374	.099	.000
N of Valid Cases		92		

According to table 4.15, the Pearson's correlation between the amount of start-up capital and monthly profit is 0.38. This shows that there is 38% possibility that an increase in the amount start-up capital leads to an increase in the monthly profit. At 95% confidence interval, the p-value (0.000) is less than 0.05, which means that the Pearson's correlation value is statistically significant. In order to ascertain the argument that start-up capital influence the monthly profit of a business, a Chi-Square test was performed.

Table 4.16: Chi-Square test - start-up capital and monthly profit

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	43.499	20	.002
Likelihood Ratio	41.463	20	.003
Fisher's Exact Test	36.682		
Linear-by-Linear Association	13.172	1	.000
N of Valid Cases	92		

The results from Chi-Square test show a statistically significant Pearson value (43.499) at 0.05 level of significance, $p-0.002 < 0.05$. This implies that there is a positive relationship between the amount of start-up capital and the monthly profit made in a business. The amount of start-up capital is an indicator of accessibility of finance whereas profit indicates the performance of a business. Therefore, we fail to accept the null hypothesis that there is no significant influence of access to finance on the performance of a business. The findings of this study concludes that access to finance have a significant effect on the performance of the youth-owned enterprises in Mutarakwa Division.

4.5.2: Access to Loans

Loan is a common source of finance for entrepreneurs. However, entrepreneurs face a number of challenges when trying to access loans. The respondents were asked to state if they have ever borrowed loans for the business. Those who said they have not borrowed loan were asked to state a reason. The results were as seen in table 4.17 and 4.18 below.

Table 4.17: Accessed Loan

Accessed loan	Frequency	Percent	Cumulative Percent
Yes	44	47.8	47.8
No	48	52.2	100.0
Total	92	100.0	

As seen in table 4.17 above, 47.8% of the respondents stated that they have borrowed loans for their businesses while 52.2% have never borrowed loans.

Table 4.18: Reasons for not borrowing loans

Reason	Frequency	Percent	Cumulative Percent
I do not like loans	7	14.89	14.89
Lack of information about loans	7	14.89	29.79
Interest rates are too high	16	34.04	63.83
No security/collateral to pledge	6	12.77	76.60
Unavailability of banks	9	19.15	95.74
other	2	4.26	100.00
Total	47	100	

Table 4.8 shows the reasons given by the respondents who have never borrowed bank loan for their businesses. From the table, it is evident that the leading reason why youth entrepreneurs in Mutarakwa Division do not borrow loan is due to the high interest rates as stated by 34% of the respondents. Another reason was unavailability of banks as stated by 19.15% of the respondents. Some respondents (7%) said they do not like loans, and other (7%) said they lack information about loans. Six percent of the respondents stated that lack of security or collateral required by the banks was the reason for not borrowing bank loans.

4.6 Influence of Marketing on Business Performance

Entrepreneurs endeavor to capture enough market share for their products. However, due to competition from other businesses, entrepreneurs find it difficult to get enough market for their products. This study assessed different aspects related to marketing using five-point Likert's rating scale. The respondents were asked to rate some statements related marketing and the results recorded were as shown below.

Table 4.19: Poor Customer Relationship and Handling

	Frequency	Percent	Cumulative Percent
Strongly disagree	3	3.3	3.3
Disagree	67	72.8	76.1
Undecided	4	4.3	80.4
Agree	11	12.0	92.4
Strongly agree	7	7.6	100.0
Total	92	100.0	

Table 4.19 shows that 72.8% of the respondents either disagree or strongly disagree that poor customer relationship and handling was a challenge to their marketing whereas 19.6% either agreed or strongly agreed that poor customer relationship and handling was a challenge to their marketing. This implies that the majority of the respondents did not believe that their customer relationship and handling was a challenge in their marketing.

Table 4.20: Inadequate market for the Business

	Frequency	Percent	Cumulative Percent
Strongly disagree	3	3.3	3.3
Disagree	10	10.9	14.1
Undecided	8	8.7	22.8
Agree	62	67.4	90.2
Strongly agree	9	9.8	100.0
Total	92	100.0	

Table 4.20 shows that 77.2% of the respondents either agree or strongly agree that they had inadequate market for their businesses, and 14.1% either disagree or strongly agree that they had inadequate market. The findings implies that the majority of the youth entrepreneurs in Mutarakwa Division did not have adequate market for their businesses.

Table: 4.21: Lack of Demand Forecasting Knowledge

	Frequency	Percent	Cumulative Percent
Strongly disagree	2	2.2	2.2
Disagree	11	12.0	14.1
Undecided	9	9.8	23.9
Agree	59	64.1	88.0
Strongly agree	11	12.0	100.0
Total	92	100.0	

The results in table 4.21 shows that 76.1% of the respondents either agree or strongly agree that they lacked demand forecasting knowledge, and 14.1% either disagree or strongly disagree

that they lack demand forecasting knowledge. Demand forecasting knowledge is important in marketing because it helps to determine which products or services are in high demand in a specific time or season, therefore, helping in designing the right marketing strategies. The findings of this study implies that the majority of the respondents lacked demand forecasting knowledge.

Table 4.22: Lack of Price Control

	Frequency	Percent	Cumulative Percent
Strongly disagree	8	8.7	8.7
Disagree	33	35.9	44.6
Undecided	4	4.3	48.9
Agree	37	40.2	89.1
Strongly agree	10	10.9	100.0
Total	92	100.0	

Pricing is one of the most effective marketing strategy used by many businesses across the globe. The ability to control prices in the market is a strong tool in an effective marketing. Table 4.22 above shows that 51.1% of the respondents either agreed or strongly agreed that they lacked price control, 44.6% either disagreed or strongly disagreed that they lacked price control, and 4.3% were undecided. The findings of this study implies that more than half of the respondents lacked price control.

Table 4.23: Lack of Promotion Method

	Frequency	Percent	Cumulative Percent
Strongly disagree	2	2.2	2.2
Disagree	31	33.7	35.9
Undecided	6	6.5	42.4
Agree	48	52.2	94.6
Strongly agree	5	5.4	100.0
Total	92	100.0	

According to table 4.23 above, 57.6% of the respondents either agreed or strongly agreed that they lacked promotion methods for their business, 35.9% either disagreed or strongly disagreed that they lacked promotion methods. This implies that more than half of the respondents in Mutarakwa Division lacked promotion methods.

Table 4.24: High Competition from other Businesses in the market

	Frequency	Percent	Cumulative Percent
Strongly disagree	8	8.7	8.7
Disagree	12	13.0	21.7
Undecided	4	4.3	26.1
Agree	30	32.6	58.7
Strongly agree	38	41.3	100.0
Total	92	100.0	

Table 4.24 above shows how the respondents responded when asked to rate the statement that there is high competition from other businesses in the market. The results indicate that 73.9% of the respondents agreed that there is high competition in the market, 21.7% disagreed to the statement, and 4.3% were undecided. These findings shows that the majority of the respondents face high competition from other businesses.

Table 4.25: Marketing aspects that influence Performance

Variable	Mean	Std. Dev.
Poor customer relationship and handling	2.478261	1.010693
Inadequate Market	3.995652	1.088697
Lack of demand forecasting knowledge	4.017391	1.070106
Lack of price control	4.086957	1.246112
Lack of promotion method	3.25	1.054816
High competition	4.047826	1.325446

Table 4.25 shows the means of each marketing aspect. The results indicate that inadequate market, lack of demand forecasting knowledge, and high competition are the main marketing aspects that influence performance.

4.7 Infrastructure and the performance of MSEs

This study assessed the influence of infrastructure on business performance. Different aspects of infrastructure were examined. The respondents were also asked to rate the infrastructure in their area and state if infrastructure influence the performance of their businesses.

4.7.1 Rating of Infrastructure by the Respondents

When the respondents were asked to rate the infrastructure, the results were as shown in table 4.26 below.

Table 4.26: Infrastructure Rating

	Frequency	Percent	Cumulative Percent
Very poor	24	26.1	26.1
Poor	55	59.8	85.9
Good	10	10.8	96.7
Very good	3	3.3	100.0
Total	92	100.0	

According to the results in table 4.26 above, 85.9% of the respondents rated the infrastructure as either poor or very poor, and only 14.1% rated it as either good or very good. These results show that the majority of the respondents have poor infrastructure.

4.7.2 Influence of Infrastructure on Business Performance

The respondents were asked to state if infrastructure play a role in their business, and the results were as shown in table 4.27 below.

Table 4.27: Influence of Infrastructure on Business Performance

	Frequency	Percent	Cumulative Percent
Yes	84	91.3	91.3
No	8	8.7	100.0
Total	92	100.0	

Table 4.27 shows that 91.3% of the respondents believed that infrastructure had influence on the performance of their businesses, and only 8.7% believed that infrastructure did not have any influence on their businesses.

4.7.3 Infrastructural Aspects that Influence the Performance of MSEs

In order to determine the satisfaction of respondents concerning different infrastructural aspects, they were asked to state their level of satisfaction on six key aspects of infrastructure. The level of satisfaction was rated from 1-5 where 1-very unsatisfied, 2-unsatisfied, 3-undecided, 4-satisfied, and 5-very satisfied. The findings were as shown in table 4.28 below.

Table 4.28: Satisfaction on Infrastructural Aspects

	Mean	Std. Dev.
Power supply	3.934783	.781719
Water supply	2.163043	1.102217
Provision of business development services	2.380435	.9357654
Transportation service	2.119565	1.202949
Waste and sewage system	1.521739	1.114128
Communication network	4.052174	.8311885

According to table 4.28, the mean values of all aspects except for power supply and communication network are less than three, which implies that the majority of respondents were satisfied with power supply and communication network. Waste and sewage system was the least satisfying aspect with a mean of 1.52 followed by transport service and water supply with mean values of 2.12 and 2.16 respectively. The respondents were also not satisfied with the provision of business development services, which had a mean of 2.38.

4.8 Managerial Skill and the Performance of MSEs

Another factor that was examined in this study is managerial skill and how it influences the performance of MSEs. It is argued from a theoretical viewpoint that management skill and continuous training provide entrepreneurs with the essential skills and aptitudes needed for effective entrepreneurship (Nkonoki, 2010). With adequate education mixed with management experience and training puts an entrepreneur in a better position to make decisions and forecasting under circumstances of uncertainty that in turn with those competencies making these particular entrepreneurs perform better than untrained individuals.

4.8.1 Level of Education

The respondents were asked to state their highest level of education. This question was indented to examine the influence of the level of education on the performance of MSEs.

Table: 4.29: Level of Education

	Frequency	Percent	Cumulative Percent
No formal education	1	1.1	1.1
Primary	2	2.2	3.3
Technical/vacational education	9	9.8	13.0
Secondary	28	30.4	43.5
College	41	44.6	88.0
University	11	12.0	100.0
Total	92	100.0	

Table 4.29 shows that most of the respondents (75%) went to up to secondary or college, 12% went to university, 9.8% did technical or vocational education, and only 3.3% either went to primary or had no formal education. This implies that most of the respondents have at least basic education.

A cross tabulation of level of education and performance of MSEs was performed to determine if there is any relationship between them. A Chi-Square test was then used to check if the relationship is significant. The results were as shown in table 4.30 and table 4.31.

Table 4.30: Cross-tabulation of Level of Education and Performance of MSEs

		Monthly profit					
		Below 5000	6000- 10000	11000- 20000	21000- 30000	31000- 50000	
No formal education	Count	0	0	1	0	0	
	% of Total	0.0%	0.0%	1.1%	0.0%	0.0%	
Primary	Count	1	1	0	0	0	
	% of Total	1.1%	1.1%	0.0%	0.0%	0.0%	
Technical/vacational education	Count	3	3	2	0	1	
	% of Total	3.3%	3.3%	2.2%	0.0%	1.1%	
Secondary	Count	11	13	3	0	1	
	% of Total	12.0%	14.1%	3.3%	0.0%	1.1%	
College	Count	17	19	3	2	0	
	% of Total	18.5%	20.7%	3.3%	2.2%	0.0%	
University	Count	1	5	5	0	0	
	% of Total	1.1%	5.4%	5.4%	0.0%	0.0%	
		Count	33	41	14	2	2
		% of Total	35.9%	44.6%	15.2%	2.2%	2.2%

According to table 4.30, it can be seen that only the respondents with technical/vocational training (1.1%) and secondary education (1.1%) made a monthly profit between Ksh 31,000 and Ksh 50,000. None of the respondents with college or university education made a monthly profit between Ksh 31,000 and Ksh 50,000. The results from the table also shows that 19.6% of the respondents with either college or university education made a monthly profit below Ksh 5,000, and only 15.3% of the respondents with technical/vocational training and secondary education. None of the respondents with no formal education made a profit below Ksh 5,000, but 1.1% with primary education made a profit below Ksh 5,000. The findings of this study shows that the level of education does not have influence on the performance of MSEs in

Mutarakwa Division. In order to ascertain this claim, a Chi-Square test was performed and the results were as shown in table 4.31 below.

Table 4.31: Chi-Square test for Level of Education and the Performance of MSEs

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.124 ^a	20	.197
Likelihood Ratio	22.856	20	.296
Fisher's Exact Test	28.112		
Linear-by-Linear Association	.002 ^c	1	.961
N of Valid Cases	92		

According to table 4.31, the Pearson Chi-Square value is 25.124 and p=0.197. This implies that there is no statistically significant association between the level of education and the performance of youth-owned MSEs in Mutarakwa Division.

4.8.2 Training in Business Management

This study also assessed if the respondents had any training in management. They were asked to state if they have training and the results were as shown in table 4.32 below.

Table 4.32: Training in Business Management

	Frequency	Percent	Cumulative Percent
Yes	32	32.6	32.6
No	60	67.4	100.0
Total	92	100.0	

As seen in table 4.32, most of the respondents (67.4%) stated that they had no training in business management, and 32.6% stated that they had training in business management. Lack of training in business management contributed to poor performance in MSEs.

Table 4.33: Cross-tabulation of training in business and monthly profit

		Monthly profit				
		Below 5000	6000-10000	11000-20000	21000-30000	31000-50000
Yes	Count	9	14	5	2	2
	% of Total	9.8%	15.2%	5.4%	2.2%	2.2%
No	Count	24	27	9	0	0
	% of Total	26.1%	29.3%	9.8%	0.0%	0.0%
Total	Count	33	41	14	2	2
	% of Total	35.9%	44.6%	15.2%	2.2%	2.2%

According to table 4.33 above, it can be noted that only respondents (2.2%) with training in business management made a monthly profit between Ksh 31,000 and Ksh 50,000, and none of the respondents without training made a monthly profit between Ksh 31,000 and Ksh 50,000. In addition, the table shows that most of the respondents (26.1%) who made monthly profit below Ksh 5,000 had not training in business management compared to only 9.8% with training. This implies that there is association between having training in business management and the performance MSEs.

4.8.3 Years of Experience in Business

The years of experience in business is believed to have influence on the performance of MSEs. This study also examined if this is actually true. The respondents were asked to state the number of years of experience in operating or managing a business. The distributions of respondents based on the years of experience were as shown in table 4.34 below.

Table 4.34: Years of Experience in Business

Years	Frequency	Percent	Cumulative Percent
0-2	44	47.8	47.8
3-5	39	42.4	90.2
6-7	6	6.5	96.7
8-10	3	3.3	100.0
Total	92	100.0	

Table 4.34 shows that 47.8% of the respondents had 0-2 years of experience in business, 42.4% had 3-5 years of experience, and 9.8% had between 6 and 10 years of experience. This implies that the majority of the respondents (90.2%) had five or less years of experience in operating or managing a business.

In order to understand the relationship between years of experience and the performance of MSEs, a cross-tabulation was performed and the association tested using Chi-Square test. The results of cross-tabulation were as shown in table 4.35.

Table 4.35: Cross-tabulation - Years of Experience * Monthly profit

Years of Experience		Monthly profit				
		Below 5000	6000-10000	11000-20000	21000-30000	31000-50000
0-2	Count	19	20	5	0	0
	% of Total	20.7%	21.7%	5.4%	0.0%	0.0%
3-5	Count	12	18	7	2	0
	% of Total	13.0%	19.6%	7.6%	2.2%	0.0%
6-7	Count	1	2	2	0	1
	% of Total	1.1%	2.2%	2.2%	0.0%	1.1%
8-10	Count	1	1	0	0	1
	% of Total	1.1%	1.1%	0.0%	0.0%	1.1%
Total	Count	33	41	14	2	2
	% of Total	35.9%	44.6%	15.2%	2.2%	2.2%

Table 4.35 shows the relationship between years of experience and monthly profit made by the business. According to the table, only the respondents with 6-10 years (2.2%) made the highest monthly profit between Ksh 31,000 and Ksh 50,000. The results also show that 33.7% of the respondents who made a monthly profit below Ksh 5,000 had five or less years of experience in business, and only 2.2% of the respondents with 6-10 years of experience made a monthly profit below Ksh 5,000. This implies that as the years of experience increases, the monthly profit also tends to increase.

Table 4.36: Chi-Square Test - Years of Experience and Monthly Profit

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.935	12	.006
Likelihood Ratio	17.493	12	.132
Linear-by-Linear Association	8.832	1	.003
N of Valid Cases	92		

From table 4.36, Chi-Square value $\chi^2 (12) = 27.935$ and $p = 0.006$, which indicates a statistically significant association between the years of experience in business and monthly profit made. Therefore, we fail to accept the null hypothesis and conclude that the years of experience in business have influence on the performance of a MSE.

4.8.4 Challenges Experienced Concerning Business Management

This study also investigated the challenges faced by youth entrepreneurs in relation to business management. The findings were as shown in table 4.37.

Table 4.37: Challenges in Business Management

	Frequency	Percent	Cumulative Percent
Poor organization and ineffective communication	11	12.0	12.0
Poor selection of associates in business	14	15.2	27.2
Lack of trained and experienced employees	14	15.2	42.4
High cost of training facilities	12	13.0	55.4
Accessibility of training facilities	15	16.3	71.7
Lack of strategic business planning	26	28.3	100.0
Total	92	100.0	

Table 4.37 shows a number of challenges associated with business management. Lack of strategic business planning is the leading challenge with 28.3% of the respondents facing it. Other challenges include accessibility of training facilities (16.3%), poor selection of associates in business (15.2%), lack of trained and experienced employees (15.2%), high cost of training facilities (13%), and poor organization and ineffective communication (12%).

4.9 Chapter Summary

This chapter presents the analysis of the data provided by the respondents. The findings of the study are presented in form of frequency tables, which are enhanced by explanation of the data interpretations. This chapter was guided by the objectives of the study. The chapter presents the demographic data of the respondents, and the effect of access to finance, infrastructure, marketing, and managerial skills on the performance of youth-owned enterprises.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This Chapter presents the summary of the findings, discussions, conclusions, and recommendations based on the objectives of the study. The purpose of this study was to investigate the factors that influence the performance of youth-owned MSEs in Mutarakwa Division. The independent variables were studied against the dependent variable.

5.2 Summary of the Findings

The findings of this study show that the majority (69.6%) of youth operating micro and small enterprises were males. This implies that few female youth had ventured into business in Mutarakwa Division compared to males. It was also found that more than half (53.3%) of the respondents were single and 43.5% were married. Those either divorced or separated were 3.3%. This implies that the respondents were drawn from all forms of marital status, thus, the sample is a representative of entrepreneurs in Mutarakwa Division. The majority of the respondents (43.5%) were aged 26-30 years, 4.3% of the respondents were aged between 15 and 20 years, 22.8% were aged between 21 and 25 years, and 27% were aged between 31 and 35 years. The study also found that the majority of the youths (47.8%) operate small retail/kiosk followed by those operating hotel (13%) and agrovvet (13%).

The performance of the youth-owned enterprises using monthly profit as the key indicator. This helped in understanding how the youth-owned MSEs performed in Mutarakwa Division. The results showed that 35% of the respondents made a monthly profit below Ksh 5,000, 44.6% made a monthly profit between Ksh. 6,000 and Ksh. 10,000, 15.2% made a profit between Ksh. 11,000 and 20,000, whereas 2.2% made a profit between Ksh. 21,000 and 30,000, and 2.2% made a monthly profit between Ksh. 31,000 and Ksh. 50,000. The findings show that 80.4% of the respondents made a profit between Ksh 0 and Ksh. 10,000, which is a clear indication that the performance of the majority of youth-owned businesses in Mutarakwa Division were performing poorly. Only 4.4% of the respondents made a monthly profit between Ksh. 21,000 and Ksh. 50,000. In terms of losses, the study found that most of the respondents (71.7%) had incurred losses. These results indicate that most youth-owned enterprises in Mutarakwa division were performing poorly.

On access to finances, the sources and the amount of start-up capital were assessed. The findings show that more than half (53.3%) of the respondents relied on personal savings as their source of start-up capital, 37% relied on loans, and 3.3% and 6.5% got their start-up capital from friends/relatives and family respectively. The majority (63%) of the respondents had a start-up capital below Ksh.30,000, 19.6% had a start-up capital between Ksh. 31,000 and Ksh. 50,000, and 17.4% had a start-up capital above Ksh 50,000. A cross-tabulation analysis revealed that the higher the amount start-up capital, the higher the profit, which implies that access to finance had an influence on the performance of MSEs in Mutarakwa Division. The Pearson's correlation between the amount of start-up capital and monthly profit was 0.38. This shows that there is 38% possibility that an increase in the amount start-up capital leads to an increase in the monthly profit. At 95% confidence interval, the p-value (0.000) is less than 0.05, which means that the Pearson's correlation value was statistically significant.

This study assessed different aspects related to marketing using five-point Likert's rating scale. The study found that 72.8% of the respondents either disagreed or strongly disagreed that poor customer relationship and handling was a challenge to their marketing whereas 19.6% either agreed or strongly agreed. The findings of this study show that the majority (76.1%) of the respondents lacked demand forecasting knowledge. In relation to promotion methods, more than half (57.6%) of the respondents either agreed or strongly agreed that they lacked promotion methods for their business. Competition from other business was also found to be high (73.9%) among youth entrepreneurs.

On the influence of infrastructure, different aspects of infrastructure were examined. The findings indicate that 85.9% of the respondents rated the infrastructure as either poor or very poor and only 14.1% rated it as either good or very good. It was found 91.3% of the respondents believed that infrastructure had influence on the performance of their businesses, and only 8.7% believed that infrastructure did not have any influence on their businesses. Waste and sewage system was the least satisfying aspect with a mean of 1.52 followed by transport service and water supply with mean values of 2.12 and 2.16 respectively. The respondents were also not satisfied with the provision of business development services, which had a mean of 2.38.

The study established that most of the respondents (75%) went to up to secondary or college, 12% went to university, 9.8% did technical or vocational education, and only 3.3% either went to primary or had no formal education. A cross-tabulation analysis showed that only the respondents with technical/vocational training (1.1%) and secondary education (1.1%) made a

monthly profit between Ksh 31,000 and Ksh 50,000. It was also found that 19.6% of the respondents with either college or university education made a monthly profit below Ksh 5,000, and only 15.3% of the respondents with technical/vocational training and secondary education. The findings of this study shows that the level of education does not have influence on the performance of MSEs in Mutarakwa Division. A Chi-Square test (Pearson Chi-Square value is 25.124 and $p=0.197$) found that there is no statistically significant association between the level of education and the performance of youth-owned MSEs in Mutarakwa Division.

Majority (67.4) of the respondents had no training in business management and only 32.6% had training in business management. Only respondents (2.2%) with training in business management made the highest monthly profit between Ksh 31,000 and Ksh 50,000, and none of the respondents without training made a monthly profit between Ksh 31,000 and Ksh 50,000. The study established that most of the respondents (26.1%) who made monthly profit below Ksh 5,000 had not training in business management compared to only 9.8% with training. This implies that there is association between having training in business management and the performance MSEs. It was also found that majority of the respondents (90.2%) had five or less years of experience in operating or managing a business. The results from Chi-Square test ($\chi^2(12) = 27.935$ and $p = 0.006$) found a statistically significant association between the years of experience in business and monthly profit made.

5.3 Discussion

The findings of this study show a positive relationship between the independent variables (access to finance, infrastructure, marketing, and managerial skills) and the dependent variable (the performance of MSEs). The findings of this research project are discussed as follows:

5.3.1 Access to Finance and the Performance of MSEs

This study established that the performance of youth-owned enterprises in Mutarakwa Division were influence by lack of access to finances. Financial access is critical for Small and medium enterprises (SMEs) growth and development, and the availability of external finance is positively associated with productivity and growth. However, access to financial services remains a key constraint to SME growth and development, especially in emerging economies. Of all the areas in the business environment, improved access to finance has clear benefits to companies of all sizes (Hallward-Driemeier & Aterido, 2007). One of the principal conclusions of modern economics is that finance is good for improving performance of small enterprises (Cecchetti & Kharroubi, 2012). Most of the youth in Mutarakwa relied on personal savings as

the main source of start-up capital. The study found that youth face challenges in accessing loans, which include high interest rate and collateral required by the banks that the youth do not have.

This study agreed with the reviewed literature that access to finance play a significant role in the performance of MSEs. Studies have been to point to evidence supporting the view that financial development is good for improving performance of small and medium enterprises (SMEs). More recently, researchers were able to move beyond simple correlations and establish a convincing causal link running from finance to improving performance (Cecchetti & Kharroubi, 2012) of small and medium enterprises (SMEs). While there have been dissenting views, today it is accepted that finance is not simply a by-product of the development process, but an engine propelling improving performance of small and medium enterprises (Mohd Shariff et al. 2010). The lack of financial resources can constitute a serious obstacle to MSEs development.

5.3.2 Marketing and Performance of MSEs

Marketing was one of the factors found to have influence on the performance of small enterprises owned by youths in Mutarakwa Division. The study established that the majority of the youth entrepreneurs lacked demand forecasting knowledge, promotion methods, and high competition from other businesses. The role of marketing to manage such enterprises' performance is highly important. Successfully implementing marketing methods, optimally using marketing techniques and instruments, understanding the objectives and assessing the outcomes are essential steps to almost all important decisions in a company. Marketing provides information on the market, customers, competitors, suppliers and the business environment in general, it allows the planning of activities and the preparation of successful strategies. The marketing of MSEs is not conventional marketing due to resource limits that are inherent to all MSEs due to the little awareness on marketing planning and because an owner or an entrepreneur acts differently when making decisions as compared to conventional decision-making in large companies (Gilmore, David, & Ken, 2001).

The finding of this study concur with academic studies that have shown that marketing plays a significant role in SMEs. On the one hand it is one of the biggest problems owner-managers face in their business operations and, on the other hand, it is recognised as one of the most important business activities and essential to the survival and growth of the enterprises (Stokes 2000b, Simpson & Taylor 2002). Marketing blends with other activities in the performance of

SME's but it is essential to understand its context especially referring to customer involvement, entrepreneurial innovation and marketing approaches. According to Aaker (2004), developing marketing plans and efficiently communicating to target consumer segments are difficult tasks to entrepreneurs but the quality of such services directly influences a company's outcomes. Marketing allows better ranking and better promotion of a company.

5.3.3 Infrastructure and Performance of MSEs

On infrastructure, the study found that infrastructure play a role in the success of youth-owned enterprises in Mutarakwa Division. The majority of the respondents believed that infrastructure had influence on the performance of their businesses. The study further established that transport and business development services were not satisfactory. Concerning transport facilities, access to affordable and appropriate public transport is of paramount vitality in expanding the employment opportunities of the poor who need inexpensive access to areas of economic and commercial activity. Equally, the importance of physical capital especially infrastructure in enabling people to access, and directly support, income-generating activities is well recognized (Rakodi, 2002). A poor state of the road condition of locality has culminated in high transportation service costs to the MSEs, in addition to making it difficult for accessibility by the existing and potential customers.

This study agrees with previous studies that infrastructure influences the performance of MSEs. According to Rao and Srinivasu (2013) argue that infrastructure in general, is a set of facilities through which products and services are produced to the citizens and the infrastructure installation does not produce goods and services directly but provides inputs for all other economic, social and political activities. Nkechi et al. (2012) contend that it is a universal belief that infrastructural facilities aid the development of the mind, body and assist productivity in any environment and at the same time increase the performance of MSEs effectively and efficiently.

5.3.4 Managerial Skills and Performance of MSEs

Several indicators were used to measure managerial skills and the effect it has on the performance of MSEs. The findings of this study shows that the level of education does not have influence on the performance of MSEs in Mutarakwa Division. The study found that that only the respondents with technical/vocational training (1.1%) and secondary education (1.1%) made a monthly profit between Ksh 31,000 and Ksh 50,000. None of the respondents with college or university education made a monthly profit between Ksh 31,000 and Ksh 50,000.

However, the study found that lack of training in business management contributed to poor performance in youth-owned MSEs in Mutarakwa Division. Training is considered essential to the performance of MSEs; it is described as the vehicle that takes the organization to their destination towards achieving success within the stipulated period. Noe (1998) found that enterprises that use innovative training practices are more likely to report better financial performance than their competitors who lack such training.

The study established that managerial skills and business experience influenced the performance of youth-owned MSEs in Mutarakwa Division. Managerial constraints were confirmed by the respondents in this study who indicated that their businesses were constrained by poor management practice, insufficient training, lack of proper business plan and lack of relevant qualifications among employees. Lack of strategic business planning is the leading challenge. Other challenges include accessibility of training facilities, poor selection of associates in business, lack of trained and experienced employees, high cost of training facilities, and poor organization and ineffective communication. This study agrees with many researchers who argue that training facilitates SMEs expansion and enhances profitability, productivity and competitive advantage (Hashim and Ahmad, 2006; Jones, 2004; Collier *et al.*, 2004; Cosh *et al.*, 1998).

5.4 Conclusions

The performance of small businesses has been acknowledged and believed in accelerating the economic development of a country, which is the reason its role and importance has increased prominently throughout the world. This research project aimed at investigating the factors that influence the performance of youth owned enterprises in Mutarakwa Division. The findings of the study show that the four factors studied (access to finance, marketing, infrastructure, and managerial skills) had influence on the performance of youth enterprises. Based on the objectives and findings of the study, the following conclusions are worth drawn.

On access to finance, this study established that many youth entrepreneurs in Mutarakwa Division relied on personal savings for start-up capital. Youth entrepreneurs face many challenges in accessing finances to inject in their business both as start-up and finance expansion of the businesses. It was found that their savings were not enough and thus the performance of their businesses in terms of profit was poor. Most of these entrepreneurs could not access bank loans due to high interest rate, lack of collateral/security, unavailability of financial institution in the area, lack of information about loans, and some said they do not like

loans. Access to finance is found to have a significant impact on the performance of youth-owned enterprises. When the hypothesis was tested, the results show a statistically significant association between the amount of start-up capital and the monthly profit made by the MSEs.

On marketing, it was concluded that access to market affected the performance of the youth enterprises. The study established that there was association between marketing and the performance of the youth enterprises. Most of the respondents agree that they did not have sufficient market for their business, and that they faced high competition from other business. The study also concluded that most youth entrepreneurs in Mutarakwa Division lacked promotion method.

The study further concludes that infrastructure played a significant role in the performance of youth-owned MSEs in Mutarakwa Division. Most of the respondents rated the infrastructure in the study area as either poor or very poor. Infrastructure development is a phenomenon because its improved transport, which reduce workers' time spent on non-productive activities or which improve health status through better access to clean water and sanitation raise the economic return to labour. By the same token, the lack of affordable access to adequate infrastructure is an essential factor determining the performance of MSEs.

This study also concludes that the main internal factors identified were management aspects that include poor selection of associates in the business, lack of tactical business planning, and expensive and inaccessible training facilities. The study found a positive association between training in business and the performance. The years of experience in business is was found to have influence on the performance of MSEs. Chi-Square test confirmed that having training in business had a statistically significant association with the performance of youth-owned MSEs in Mutarakwa. A number of managerial constraints that hindered effective management of youth-owned MSEs include poor management practice, insufficient training, lack of proper business plan and lack of relevant qualifications among employees.

5.5 Recommendations

Based on the findings and conclusions of the study, the following recommendations are made.

1. The national and Bomet County government should provide affordable alternative sources of finance for MSEs. This can be done by communicating with the banks and other credit institutions to reduce their requirements so that youth entrepreneurs can get enough access to finance for their business activities.

2. Both national and county governments should ensure improved provision of necessary infrastructure and enabling the environment for business operations is generally an imperative.
3. In order to address marketing problems, the government should try to link MSEs with private contractors so that the operators are able to secure market opportunities. The government should also subsidize expensive promotion methods and make it available for youth entrepreneurs.
4. The youth entrepreneurs should be trained on business management skills. This training should be embraced at all school levels and in all sectors of education and training. To make MSEs competitive and profitable, it is important to increase the capacity and skill of the youth entrepreneurs through continuous trainings, experience sharing from successful entrepreneurs, and provision of guidance and consultancy.

5.6 Recommendations of Further Study

This study investigated four factors: access to finance, infrastructure, marketing, and movement in Mutarakwa Division. A further study to access other factors such as political, legal, technological, and social factors should be conducted in Mutarakwa Division. Since the challenges facing the youth-owned MSEs have been witnessed across the country, this study therefore recommends that another study be conducted on the youth-owned enterprises in other parts of the country to allow for generalization of findings among all youth-owned MSEs in Kenya.

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APPENDICES

APPENDIX I: INTRODUCTORY LETTER

Dear Respondent,

RE: REQUEST TO PROVIDE RESEARCH INFORMATION

I am Enock Tonui, and I am pursuing a Master's Degree at the University of Nairobi. As part of my Master's studies, I am conducting research on ***DETERMINANTS OF THE PERFORMANCE OF YOUTH OWNED MICRO AND SMALL ENTERPRISES: A CASE OF MUTARAKWA DIVISION, BOMET COUNTY KENYA***. You have been randomly chosen to participate in this study and I therefore kindly request that you provide accurate information. Your participation is **VOLUNTARY** and information you provide will be treated with high **CONFIDENTIALITY**. You are also assured that information you provide will be used for the sole purpose of this research. Your support is highly appreciated. Thank you.

Yours Sincerely,

Tonui Enock

APPENDIX II: RESEARCH QUESTIONNAIRE

Please you are requested to complete the questionnaire honestly and possibly give as much detail as possible. Where necessary tick (v) appropriately

DATA COLLECTION QUESTIONNAIRE

SECTION A: BACKGROUND

1. State your Sublocation _____
2. Name of Business _____
3. Gender: Male [] Female []
4. Age _____
5. Marital status: Single [] Married [] Widowed [] Divorced [] Separated []
6. Family size (number of members) _____
7. How long have you been in this business (in years) _____
8. What is the nature of your business
 - Small retail /kiosks [] Transport []
 - Agricultural produce dealer [] Chemist []
 - Hotel [] Agrovvet []
 - Small workshop [] other (*Specify*) _____

SECTION B: BUSINESS PERFORMANCE

9. Tick the following table where it applies to your business

Amount in KSh.	Monthly total volume sales	Monthly profit	Total monthly expenses of the business
Below 5000			
6000 – 10000			
11000 – 20000			
21000 – 30000			
31000 – 50000			
Above 50000			

10. Do you keep records of your transaction: Yes [] No []

11. How many employees do you have?

Male Female Permanent Casual

Number of employees

12. Do you have any debts related to your business:

Yes [] No []

If yes, how much (in Ksh)?

Below 5000 [] 21000 – 30000 []

6000 – 10000 [] 31000 – 50000 []

11000 – 20000 [] Above 50000 []

How do you settle this debt? From business profit [] Personal savings []

Salary [] Other (*specify*) _____

13. Have you ever run at a loss in this business?

Yes [] No []

If yes, how much was the loss (in Ksh.)

Below 5000 [] 21000 – 30000 []

6000 – 10000 [] 31000 – 50000 []

11000 – 20000 [] Above 50000 []

14. How do you rate the performance of your business?

Very good [] Good [] Fair [] Poor [] Very Poor []

SECTION C: ACCESS TO FINANCE

15. How did you obtained your start-up capital

Personal savings [] Profit from the business []

Loans [] Friends/relatives []

Family [] Other (*specify*) _____

16. How much was your start-up capital (in Ksh)

Below 5000 [] 21000 – 30000 []

6000 – 10000 [] 31000 – 50000 []

11000 – 20000 [] Above 50000 []

17. What is you main source of finding the business?

Personal savings [] Profit from the business []

Loans [] Friends/relatives []

Family [] other (*specify*) _____

18. Have you ever borrowed bank loan for this business? Yes [] No []

i. If yes, how much (in Ksh)

Below 5000 [] 21000 – 30000 []

6000 – 10000 [] 31000 – 50000 []

11000 – 20000 [] Above 50000 []

ii. If no, give reason(s)?

I do not like loans [] Lack of information about loans []

Interest rates are too high [] No security/collateral to pledge []

Unavailability of banks in the area [] Others (*specify*) _____

19. How do you agree or disagree with the following statements related to financial aspect

	Financial aspects	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree
a)	Inadequacy of credit institutions					
b)	Insufficiency of working capital					
c)	High collateral requirement from banks and other lending institutions					
d)	Complicated process involved when applying for loans in financial institution					
e)	High interest rate charged by financial institutions					

SECTION D: MARKETING

20. How do you agree with the following statements related to marketing aspect

	Marketing aspects	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree
a)	Poor customer relationship and handling					
b)	Inadequate market for my business					
c)	Lack of demand forecasting knowledge					
d)	Lack of price control					
e)	Lack of marketing information					
f)	Lack of promotion methods to attract new customers					
g)	High competition from other businesses in the market					

SECTION E: INFRASTRUCTURE

21. How do you rate infrastructure in this area:

Excellent [] Very Good [] Good [] Poor [] Very Poor []

22. Does infrastructure play a role in the success of your business?

YES [] NO []

23. How satisfied are you with the following aspects of infrastructure in your area?

	Aspects of infrastructure	Very Satisfied	Satisfied	Undecided	unsatisfied	Very unsatisfied
a)	Power supply					
b)	Water supply					
c)	Provision of business development services					
d)	Transportation service					
e)	Waste and sewage system					
f)	Communication network					

SECTION F: MANAGEMENT

24. What is the highest level of education of the manager/operator of the business?

No formal education [] Technical & vocational education []

Primary [] College []

Secondary [] University []

25. Do you have any training in business management?

YES [] NO []

26. Do you have any experience in managing/running a business

If yes, how many years of experience do you have _____

27. What challenge(s) do you experience concerning business management

Poor organization and ineffective communication []

Poor selection of associates in business []

Lack of well trained and experienced employees []

High cost of training facilities []

Accessibility of training facilities []

Lack of strategic business planning []

28. How do you agree with the following statements concerning management challenges in your business?

	Management aspects	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree
a)	Poor financial management					
b)	Poor personal management, development and growth					
c)	Poor asset management					
d)	Poor time management					

29. Do you have any access to information to exploit business opportunities?

YES [] NO []

30. indicate the degree to which you agree with the following statements concerning entrepreneurship aspects

	Entrepreneurial aspects	Strongly agree	Agree	Undecided	Disagree	Strongly Disagree
a)	Lack of tolerance to work hard					
b)	Lack of motivation					
c)	Lack of courage to face risk and failure					
d)	Lack of training in business operation					

Thank you very much for your cooperation

APPENDIX III: AUTHORIZATION LETTER FROM UNIVERSITY



UNIVERSITY OF NAIROBI
COLLEGE OF EDUCATION AND EXTERNAL STUDIES
SCHOOL OF CONTINUING AND DISTANCE EDUCATION
DEPARTMENT OF EXTRA-MURAL STUDIES
KISII & ENVIRON


Our ref: UoN/Cees/Scde/Dems/Ksi/17/46 vol. 1

Date 08/04/2016

Dear Sir/Madam

RE: DATA COLLECTION.

Tonui Enock Reg No.150/73267/2014 is a student at the University of Nairobi, College of Education and External Studies, Department of Extra-Mural Studies, pursuing a course leading to the award of a **Masters of Arts in Project Planning and Management**. For the course to be complete, He is required to carry out a Research Study. Therefore, the purpose of this letter is to kindly request you to accord him necessary assistance in getting information that will enable him carry out the Research work. His area of study is titled "**Determinants of Youth owned and Small Scale Enterprises, A case of Mutarakwa Division, Bomet County, Kenya**


Dr. Moses M. Otieno,
Resident Lecturer,
Kisii Extra-Mural Centre.

