

**FACTORS INFLUENCING SUSTAINABILITY OF YOUTH GROUP
PROJECTS FUNDED BY YOUTH ENTERPRISE DEVELOPMENT FUND
IN BOMET COUNTY, KENYA**

**BY
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**A research project report submitted in partial fulfillment of the requirement for the award
of the degree of Master of Arts in Project Planning and Management of the University of
Nairobi**

2016

DECLARATION

This research project report is my original work and has never been presented for a degree or any award in any other university.

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

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DEDICATION

This research project report is dedicated to my parents Hezron Jassor and the late Grace Jassor who are a great source of my inspiration.

ACKNOWLEDGEMENTS

I sincerely thank my research supervisor Mr. JohnBosco Kisimbii for providing constant guidance, advice and critical insights from the formative stages of the research project to the end. Appreciation goes to Dr. Moses Otieno, the Resident Lecturer, Kisii Extra Mural Centre, and lecturers Mr. George Onuonga, Mr. Kipkirui Rono and Mrs. Nancy Ouma, amongst others who took me through the course units which are pillars to my research study. I thank the staff at Bomet Extra Mural Centre, for the supportive study environment they provided. My special appreciation goes to my classmates Michael Cheruiyot, Winnie Ngetich, Stephen Chelule, and Stella Chepkemoi for all the input shared during the various interactive sessions. I also acknowledge the Constituency Youth Officers and group officials for providing the necessary, reliable and authentic data which enabled finding conclusive results pertaining to the study. I am forever grateful to my wife Emily Akoth for the humble time she accorded and for all support through the study. Last but not least i thank the Almighty Lord for the many blessings throughout my study period.

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LIST OF ABBREVIATIONS AND ACRONYMS

| | |
|----------------|---|
| BIS: | Business Innovation and Skills |
| C-YES: | Constituency Youth Enterprise Scheme |
| EIP: | Entrepreneurs' Infrastructure Program |
| IEA: | Institute of Economic Affairs |
| KIHBS: | Kenya Integrated Households Budget Survey (KIHBS) |
| MARDEF: | Malawi Rural Youth development Fund |
| MFI: | Micro Finance Institutions |
| MOYAS: | Ministry of Youth Affairs and Sports |
| NYP: | National Youth Policy |
| PwC: | Price Waterhouse Coopers |
| OOE: | Office for Entrepreneurship Education |
| SHGs: | Self Help Groups |
| SMEs: | Small and Medium enterprises |
| WEF: | Women Enterprise Fund |
| YEDF: | Youth Enterprise Development Fund |

ABSTRACT

Unemployment is a critical issue in developing countries. Besides, the great numbers of those who depend on the few earners, majority of the young people who are unemployed are kept on the very brink of misery and starvation. Unemployment leads to poverty and provides sanctuaries for deviant patterns of social behavior among the young people, such as the rise of crime in the country. However a close look at the allocated resources the Kenya government has set aside, to set-up youth enterprise development indicates most beneficiary youths have not lived up to the government initiative. The youth projects are incapable of maintaining themselves for a long period of time. The purpose of the research study was to investigate factors influencing sustainability of youth group projects funded by Youth Enterprise Development Fund in Chepalungu Sub County, Bomet County, Kenya. The study was guided by four objectives; one of the objectives was to assess the extent to which entrepreneurial skills among the youth influence sustainability of youth group projects. The study was guided by four research questions; one of the research questions was to find out how group leadership influences sustainability of youth group projects. Theoretical framework of the study was based on two theories; David McClelland's achievement theory of 1961 and Joseph Schumpeter's entrepreneurship theory of 1948. Descriptive survey was used as the research design of the study. Descriptive survey design was considered suitable as it allows an in depth study by capturing both qualitative and quantitative data. The target population was 142 youth group projects funded in the last three years. The sample size was 30% of the target population, (Mugenda & Mugenda, 2003). The sampling procedure applied stratified random sampling to select respondents for the study. This is because the youth groups undertake different economic activities hence the need to segregate them into categories they are involved in. For accurate representation 30% of the target group i.e. 43 sampled youth groups were purposively picked to represent the study. Research instruments of the study were questionnaires, observation and interview schedule. The researcher conducted a pre-test of the study by administering the questionnaires in Sotik Sub County, a different area from the location of study. The sample for the pre-test was 43 respondents who are 10% of the total target population. The validity of research instruments (both construct and content validity) was addressed through input of the supervisor, and peer review before embarking on data collection. Data analysis for the study was presented by use of statistics in percentages and frequencies. The findings from the study established that entrepreneurship skills, group leadership, internal controls and level of education influence sustainability of youth group projects. Based on the findings, conclusion and recommendation to various stakeholders were suggested. These findings will be helpful to make recommendations on policy formulation and interventions on youth empowerment. Some of the recommendations include; entrepreneurship lessons be introduced in secondary school education curriculum in order to instill a sense of entrepreneurship among the students, training component should be part and parcel of all government funding to the youth, finally, a consideration on the age, gender, leadership position, level of education and duration of existence of members in groups when registering youth groups.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Youth unemployment is one of the major challenges facing most governments in the whole world. Indeed, their sheer numbers is overwhelming – being over a billion – and constituting more than 18% of the world population, (UNICEF, 2009). Numerous efforts and strategies by various governments to boost employment and job creation for young people are being implemented. One that stands out is entrepreneurship, which is increasingly accepted as an important means and a valuable additional strategy to create jobs and improve livelihoods and economic independence for young people, (Njeri, 2012).

Countries such Australia, USA and Canada place particular emphasis on supporting the growth and development of small and medium-sized enterprises (SMEs). Examples of initiatives focusing on entrepreneurship skills include: the US Office for Entrepreneurship Education (OEE), a dedicated national resource with the specific remit of assisting the skills development of upcoming entrepreneurs. Another US initiative is the Emerging Leaders Executive, a level development program, which targets emerging businesses with small turnover but growth potential. Evaluation findings indicate positive results in terms of job creation, access to finance and securing of public sector contracts among 2,000 participating businesses. Indeed the US has a long tradition of policy favorable to SMEs and youth entrepreneurship development, (Ernst & Young, 2013).

In Canada, the Futurpreneur Canada initiative is directly targeted at youth entrepreneurship and has achieved notable impact and results. Futurpreneur Canada also has well defined mentoring programs, consisting of business advice and funding support tailored to youth entrepreneurs. Futurpreneur Canada looks to have a well-targeted program of mentoring, advice and funding support for the entrepreneur and to develop associated skill-sets. There are specific policy led and funded by the Canadian Government, via Industry Canada, targeted at SME owners and entrepreneurs that seek to foster the development of entrepreneurship and enterprise growth, (BIS research paper no. 236, Sep 2015).

Current UK initiatives such as Goldman Sachs 10,000 and Growth Accelerator are helping targeted and largely self-selected youth enterprise businesses to develop their entrepreneurship skills and provide examples of good and effective practice. Such policies initiatives suggest that targeting of key groups such as young entrepreneurs may help programs reach those most likely to have underdeveloped entrepreneurship skills, (Christen, 2015).

Dedicated policies in Australia brought together under the Entrepreneurs' Infrastructure Program (EIP) directly target young entrepreneurs and their needs and look to provide simple and clear points of entry for its intended beneficiaries. Australia has an Innovation Investment Fund (IIF) program and part of the intent is to develop entrepreneur finance skills. Such extensive business networks are meant to provide a wealth of experience and expertise in functional business support, process improvement, and commercialization to ambitious upcoming young entrepreneurs' hence economic growth, (Ernst & Young, 2013).

The self-help group (SHG) model is the dominant form of microfinance in India addressing unemployment. In India it refers to a group of 10–20 poor women who band together for financial services, beginning with periodic, compulsory savings and then mainly loans, and sometimes social services as well. SHGs are managed by their members, with varying degrees of external support. Occasionally, promoters give SHGs initial seed capital to lend, but more typically, groups begin by saving and lending out their members' own resources. Most, but by no means all, SHGs eventually borrow from an external source, usually a bank. This bank linkage is the most distinctive characteristic of the Indian SHG model. The massive outreach of SHGs has generated interest in the model's sustainability and replicability in India and elsewhere. Many well-executed SHG programs are achieving financial sustainability, even when all promotion and support costs are included. Most Indian SHGs are externally funded by banks or by promoter organizations who borrow from banks. Studies show SHGs reach poor and excluded groups. In well-managed programs, provided with training, monitoring, and other support services, SHGs can be profitable, and many are, (Isern, 2007).

The policy environment in India has been extremely supportive for the growth of the microfinance sector. The rise of SHGs and more formal SHG Federations coupled with SHG Bank Linkage have made this a dominant form of microfinance in addition to microfinance institutions. SHG Bank Linkage has provided the capacity for SHGs to increase their capital base

to fund more members and bigger projects. Today, it is estimated that there are at least over 2 million SHGs in India. In many Indian states, SHGs are networking themselves into federations to achieve institutional and financial sustainability. The formation of common-interest groups consisting primarily of women has had a substantial impact on their lives. The impact of SHGs on women's empowerment and social security has been invariably an improvement from the status quo. Further, SHGs are becoming more than just financial intermediaries, instead they have emerged into a more political and social unit of society, (Reddy and Sandeep, 2005).

Globally, 85 percent of the world's young people live in developing countries. An increasing number of these young people are growing up in the cities. In many cities on the African continent, more than 70 percent of inhabitants are under the age of 30. With more than 200 million youth living in poverty globally, there is a clear need to specifically and meaningfully engage and support youth for their empowerment. Hence youth unemployment is one of the biggest development challenges facing Africa today. The youth account for a large percentage of the unemployed, which implies that unemployment is predominantly a youth issue and a youth problem. It is one of the most daunting economic challenges facing the youth in the continent, (World Bank, 2009). As a result, various initiatives in Africa have been put in place to address this issue, which indeed is a ticking time bomb.

In Malawi the Youth Enterprise Development Fund (YEDF) was conceived by then President, Professor. Bingu wa Mutharika, as a vehicle to address challenges facing youth in Malawi by providing them with knowledge, essential skills, competencies and opportunities to engage in micro, small and medium enterprises as a self-employment strategy. The objective of the fund is to provide the youth with sustainable technical, entrepreneurial and financial skills that will promote business ingenuity as well as sufficiently prepare them to operate commercial ventures in an effective and efficient manner towards achieving business continuity, growth and profitability, (MARDEF, 2010).

In line with the Malawi Growth and Development Strategy (MDGS), the goal of the Fund is poverty reduction through economic growth. As per the sub-theme of the MGDS on Youth Development and Sports, the Fund assists the youth to increase their contribution to national development through youth economic empowerment and mass participation in economic activities. Funding is required for the following activities: lending to the youth for their working

capital needs, procurement of tools and equipment to be given as part of loan scheme, training of youths in artisan and business management skills and for re-equipment of training institutions. The Fund is designed to achieve wide outreach in all the three regions and its resources are equitably distributed across all areas in the country. The Fund is revolving in nature and its success is therefore dependent on timely repayment of loans by its beneficiaries, (MARDEF, 2010).

In South Africa, the National Youth Development Agency (NYDA), outlines its mandate which include; advancing youth development through guidance and support to initiatives across sectors of society and spheres of government, embarking on initiatives that seek to advance the economic development of young people and developing and coordinating the implementation of the Integrated Youth Development Plan and Strategy for the country. The NYDA activities have propelled young people to reach their personal goals and develop their full capacity. Numerous young people have been assisted since the NYDA's establishment including; disbursing loans to microfinance enterprises, disbursing Small and Medium Enterprise loans, disbursing Business Consultancy Services Vouchers and engaging youth under the National Youth Service Programme, (NYDA, 2012).

As a country Kenya is facing an increasingly young labour force and limited economic growth that absorbs only 25 percent of the 500,000 youth joining the labour market annually. The rapidly increasing youth unemployment has been due to the large number of young people graduating from various institutions of learning yet the economy cannot absorb all of them in formal gainful employment. The result is a critical challenge of unemployment and underemployment (NPI, 2008). Kenya's population is largely youthful, forming a massive human resource. As a country we are not well endowed with natural resources, therefore the population is the nation's most valuable resource. The young people comprise two thirds of the potentially active population. The youth therefore account for over 60 percent of the unemployed, (Gachuru and Mwirigi, 2014).

The Constitution of Kenya defines youth as young persons that are between 18 years and 35 years. They are a critical segment of the population, which is characterized by energy, dynamism and change, (Devolution and Planning, 2015). Youth unemployment is a national issue that is stunting Kenya's economic growth and development. Unemployment has serious social,

economic and political repercussions; first, the foregone national productivity i.e. what the unemployed could be adding to the economy. Secondly, the unemployment constitutes an economic burden on the employed. Potentially the unemployed are an economic burden on the employed and this has the effect of depressing savings and consequently investment. Kenya's dependency rate stands at 84% as revealed in Kenya Integrated Households Budget Survey (KIHBS, 2005-2006). This has resulted in depressed savings and consequently low investment. Finally youth unemployment is associated with deviant and high risk behavior such as drug abuse, spread of HIV/AIDS and illegal groupings, (Gachugia, Mulu-Mutuku. & Odero-Wanga, 2014)

The majority of the unemployed youth largely have formal education but no training. Primary and secondary school graduates account for 82 percent of the unemployed, and university graduates account for 2.4 percent. Out of these, 92 percent have no job training other than formal schooling, (IEA, 2013). This means that unemployment is not just a lack of jobs but also of job skills due to inadequacy of training infrastructure as well as the means to acquire skills due to poverty, (Odhiambo-Odera et al, 2013). In the absence of adequate opportunities in the formal sector, a large percentage of youth are engaged in the informal sector. But due to a myriad of challenges such as hazardous working conditions, low earnings, and long working hours without formal contract, unemployment still persist and a large number of youth continue living in poverty, (MOYAS, 2010).

As one of the strategies to address the youth challenge, the government through the then Ministry of Youth Affairs and Sports, (MOYAS), on 8th December 2006, established the Youth Enterprise Development Fund, (YEDF). The YEDF principle is based on the premise that youth economic initiatives are likely to have big impact on job creation. This mass of unemployed youth has serious adverse socio-economic and political consequences. Therefore job creation for the youth is more than just a youth employment issue. It is the core of the employment challenge in Kenya. It is critical to raising national productivity, economic growth and poverty reduction, (KIHBS, 2005-2006).

The YEDF was created with the sole purpose of reducing unemployment among the youth through provision of a revolving fund, by providing affordable loans to the youth groups. The core mandate of the fund is to provide loans for on lending to youth enterprises at very low

interest rates. The main beneficiaries of the fund are youth aged 18 years to 34 years who are in business or who want to be entrepreneurs. This was expected to create employment, which is in line with the government economic recovery strategy (ERS) for wealth creation and employment creation (2003-2007), which estimated that about 500,000 jobs needed to be created annually, out of which 85 percent expected to be created from Small and Medium Enterprises (SMEs). The Fund is one of the flagship projects of the social pillar of the Kenya Vision 2030. It is a blueprint for 2008-2030 which aims at making Kenya a newly industrializing middle income country providing high quality life to its citizens by the year 2030 (NESC, 2007).

The development and growth of self-help groups in Kenya is important as it is aimed at social and economic growth. The concept of 'self-help', a component of SHGs framework, as a strategy in addressing youth unemployment has faced some challenges. Onger, (2012) in a study of factors influencing sustainability of groups, noted issues of group management, participation of members and the extent of implementation of projects as some challenges that hindered groups from achieving their objectives. Njeri, (2012) in a study investigating factors influencing sustainability of youth group enterprises established that marketing, technological skills, educational level and personal factors influenced the sustainability of projects set up by the youth.

Muteti, (2012) in a study of factors influencing sustainability of projects funded by the youth development fund noted that prudent financial management, effective leadership and management skills, active participation of individual members and adequate financing influences sustainability of the projects.

1.2 Statement of the Problem

In Kenya, youth groups have emerged as an important tool of socioeconomic development aimed at youth empowerment, livelihoods strengthening and poverty alleviation. They have been formed for enterprise development to engage the young people in economic activities, create self-employment and enable the country become a globally competitive and prosperous nation by 2030. To attain this course, a number of efforts and strategies have been made by the Kenya government to initiate youth development programs, such as the Youth Enterprise Development Fund, established on the premise that micro, small and medium enterprises development

initiatives are likely to have the biggest impact on job creation and thereby address the challenge of unemployment, (MOYAS, 2008).

However, a close look at the resources the government has set aside, to uplift youth enterprise initiatives, indicates the youth projects have not lived up to this expectation. The anticipated impact on job creation and economic empowerment of the target groups is yet to be established. The youth group projects are incapable of maintaining themselves for a long period of time. According to Chepalungu Sub County YEDF status reports, out of kshs.3, 200,000 disbursed to the youth group projects in the past three years, only 40% of the amount has been repaid. Official reports indicate most of the youth projects do not mature to the first three years. Despite efforts by the government and other stakeholders investing in the youth enterprises, very few of these projects go beyond implementation stage (Kenya Vision 2030).

This analysis shows a clear challenge of sustainability among the youth group projects. This could be as a result of various reasons, such as lack of entrepreneurship skills, issues of group leadership, internal controls in the groups, and level of education of the group members. Therefore, the study sought to establish how these factors influence sustainability of youth group projects funded by YEDF in Chepalungu Sub County, Bomet County.

1.3 Purpose of the Study

The purpose of this study was to investigate the factors that influence sustainability of youth group projects funded by YEDF in Chepalungu Sub County, Bomet County, Kenya.

1.4 Objectives of the Study

The study was guided by the following research objectives:

1. To assess the extent to which entrepreneurial skills among youth influence sustainability of youth group projects in Chepalungu Sub County
2. To establish how group leadership influence sustainability of youth group projects in Chepalungu Sub County
3. To determine to what extent internal controls influence sustainability of youth group projects in Chepalungu Sub County
4. To establish to whether the level of education of group members influence sustainability of youth group projects in Chepalungu Sub County

1.5 Research Questions

The study was guided by the following research questions:

1. To what extent do entrepreneurial skills among the youth influence sustainability of youth group projects in Chepalungu Sub County?
2. How does group leadership influence sustainability of youth group projects in Chepalungu Sub County?
3. How do internal controls influence sustainability of youth group projects in Chepalungu Sub County?
4. How does the level of education of group members influence sustainability of youth group projects in Chepalungu Sub County?

1.6 Significance of the Study

The study would benefit the youths, the government agencies implementing youth funding and other stakeholders who also provide funds to the youth. To the youths, the findings would benefit them in terms of learning ways of maintaining and ensuring sustainability of their group projects. To the government agencies, the findings would be useful by way of understanding the challenges affecting youth projects. Therefore incorporate best intervention strategies for youth empowerment. To the stakeholders, such as the micro finance firms who have an interest in community development and as providers of various kinds of micro credit to the youth and local community. The study would be beneficial as it would enable them come up with right strategies of implementing the programs to the potential beneficiaries. The study was worth undertaking because a large number young people are still unemployed, underemployed or underpaid yet the government is investing lots of resources for youth enterprise development. The study anticipates that the identified challenges affecting the sustainability of youth group projects could be adequately addressed in order to reduce the scourge of unemployment among the youth of Bomet County.

1.7 Limitations of the Study

Limitations are the anticipated challenges when a research study is being carried. Limitations in this study included; challenges of weather, perception of youth toward research, and financial

constraints. To address these challenges the following strategies were helpful; on the challenging weather patterns, the study was carried out in the morning hours, before the rains which in the region are common in the in the afternoon. Another strategy meant to address the weather challenges was the use of off-road vehicle that is designed to travel over rough terrain. To address the negative youth perception toward research, the approach was by way of explaining to them the importance of the research, why the research was being done and how they expect to benefit from the study findings. Confidentiality was reinforced to mitigate the youth perceptions. To address the issue of financial constraints, the researcher sourced for necessary and adequate funds required to complete the study. The researcher was therefore adequately prepared financially by the time of embarking on data collection.

1.8 Delimitation of the Study

The study was on factors influencing sustainability of youth group projects funded by YEDF in Chepalungu Sub County, Bomet County. The study targeted Chepalungu Sub County because of the low performance of the Fund in terms of the rate of loan repayments in comparison with the other sub counties in the county. For instance, in Chepalungu Sub County the loan repayment rate is less than 40%, while in Sotik Sub County the loan repayment rate is at 56%, in Konoin Sub County the loan repayment rate is at 52%, in Bomet Central the repayment rate at 46, while in the neighboring Kilgoris Sub County of Narok County the loan repayment rate stands at 54% (YEDF Reports, 2015). This state of YEDF performance in Chepalungu Sub County necessitated a study on factors influencing sustainability of the youth group projects in Chepalungu Sub County. The study interacted with a representative sample of the funded youth groups.

1.9 Basic Assumptions of the Study

This study assumed that the respondents provided the needed valid, reliable and authentic data to enable conclusive results pertaining to the study.

1.10 Definition of Significant terms used in the Study

Entrepreneurial Skills: Is the ability to think of new ideas or activities and make them work that is necessary for youths who starts a new business or manages a business, often in a way that involves financial risk. It includes persistence, time management, efficiency and flexibility on the part of individual group members.

Group Leadership: Is the ability of youth group leaders to mobilize group members to achieve the group's objectives. It entails having a vision, planning, problem solving and regular communication to the group members

Internal Controls: These are systematic measures such as reviews, checks and balances, methods and procedures instituted by a youth group as a means of monitoring its assets and resources. It entails record keeping, accountability, prompt implementation and monitoring of youth group projects.

Level of Education: Is about literacy issues of the youth group members. It concerns the ability of the group members to read and write. It is about the highest level of education a group member has reached. It is important in terms of the various forms of training the youth group undergoes and relevance of these training.

Sustainability of Youth Group Project: To sustain a group is to continue it or maintain it for a period of time with the same level of activity without any problems. It refers to the continued existence of a youth group, and its active engagement in various economic activities. If youth projects are sustained the youth are involved in income generating activities, thus reduce levels of unemployment in the county.

1.11 Organization of the Study

The research study is organized into five chapters. Chapter one of the research gives a background of the study, statement of the problem, purpose of the study, objective of the study, research questions, significance of the study, limitations of the study, delimitations of the study, basic assumptions of the study, definitions of significant terms as used in the study and the organization of the study.

Chapter two covers literature review on the four variables in the research study. These were, the influence of entrepreneurial skills on sustainability of youth groups, the influence of group leadership on sustainability of youth groups, the influence of internal controls on sustainability of youth groups and the influence of level of education of group members on sustainability of youth groups. The theoretical framework and conceptual framework is also covered in chapter two. Chapter three describes the research methodology used in the study, respondents in the study, research design, target population, sample size and sampling procedures, data collection instruments, data analysis techniques and also the ethical issues in the study. Chapter four dealt with data analysis, presentation, and interpretation. Chapter five contains summary of findings, discussions, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviewed literature from previous researchers on concept of sustainability of youth group projects. The chapter analyzed this is in relation to the group projects funded by the YEDF. For this study the chapter looked at previous literature on: the concept of sustainability of youth group projects, entrepreneurial skills and sustainability of youth group projects, group leadership and sustainability of youth group projects, internal controls and sustainability of youth group projects, and level of education and sustainability of youth group projects. The chapter also comprises of the theoretical framework, the conceptual framework, literature gap and summary of literature review.

2.2 The concept of Sustainability of Youth Group Projects

Sustainability is to be able to continue to make something continue to exist or happen for a period of time. It is the endurance of systems and processes, (James, 2002). Youth groups are small informal associations created for enabling members to reap economic benefit out of mutual help, solidarity and joint responsibility. The benefits include mobilization of savings and credit facilities and pursuit of group enterprise activities. The group based approach not only enables the youths to accumulate capital by way of small savings but also helps them to have access to formal credit facilities, (Mandal, 2004).

Various studies carried out on youth group projects indicate that these groups are faced by various challenges to their sustainability. For example In India, studies conducted on the sustainability of these youth groups have identified various factors that have determined success of youth group projects and the sustainability of the youth groups. These factors include lack of funds and political intervention in the identification of suitable projects for the youth groups, (Rahman, 2002).

Group organization enables individual members to empower themselves and to increase mutual benefits from sustained activities they are involved in. More importantly, getting together with one another enables poor individuals to cope with their challenges. This supportive mechanism has also been found to be a vital strategy for fighting against poverty in a sustainable manner.

Youth groups and other self-help groups such as for women groups, have also achieved improvements in education, access to health services, employment opportunities and social participation (Kothai, 2003).

However, youth group projects face various challenges that hinder them from achieving their objectives. Such challenges impact on the sustainability of the youth groups and the sustainability of their projects. Sustainability of the youth groups means that these groups are able to carry out various projects and the benefits of such projects are maintained and continue after the end of the project (IFAD, 2007). The banks' bureaucracy has also been identified as a factor undermining the sustainability of the youth groups in India. These banks also cause long delays before releasing money to the youth groups thereby negatively affecting their projects, (Rahman, 2002).

Other factors in India that have been identified as affecting the sustainability of youth groups and their projects include political interference in the selection of the beneficiaries, lack of timely and adequate credit and lack of youth-oriented schemes, (Vadivoo & Sekar, 2004). Other factors that have been studied on, and found to affect the sustainability of youth groups in India include lack of proper maintenance of book keeping, restrictive government procedure, lack of training, low returns and overemphasis on repayment of loans given by banks, inadequate loans and long waiting period to get loans, lack of cooperation and understanding among members, conflict between leaders and members based on caste and locality, (Kumari & Malathi, 2009).

In another study on the sustainability of youth group projects in India some key areas of weakness which undermine the sustainability of a youth group were observed. Areas identified were financial management, governance and human resource management. Other key areas of any youth group which touches on a wide range of issues including cases of members dropping out from youth groups and internal politics, and issues of social harmony and social justice, community actions, bookkeeping, equity, defaults and recoveries as issues that can determine the sustainability of youth groups, (Reddy, 2000).

In South Africa, the following factors were found to affect the sustainability of youth groups i.e. most youth groups do not have well-developed management systems in place and do not have clear vision and mission statements to guide their decision making. Many of these youth groups

just developed a constitution for registration purposes only. Several youth groups in the study also indicated the registration process with government departments to be a challenge for them, (Russell & Schneider, 2000).

Youth groups in Kenya face various challenges including lack of appropriate skills, unclear and uncoordinated youth policies and programs, resource constraints and low status given to youth (NYP, 2006). Studies in Kenya have found that many youth groups have broken up in the face of various challenges that face them. Many others simply exist and are not active (MOYAS, 2006). The findings raise the question of the sustainability of youth groups in Kenya and the sustainability of their projects. According to the department of Social Services, the relevant government department in charge of registering groups, out of a total of 79 youth groups registered in the last two (2) years in Chepalungu Sub County, less than 50% are actively involved in various empowerment initiatives. The rest of the groups are either dormant or have disintegrated along the way

2.3 Entrepreneurial Skills and Sustainability of Youth Group Projects

The starting point for the study on entrepreneurial skills is Hayton's report for BIS (2015), which defines entrepreneurship skills as "identifying customer needs, technical or market opportunities, and pursuing opportunities" (Hayton, 2015). He posits the entrepreneurship skills as part of a broader set of leadership and management skills needed in SMEs. Hayton identifies a positive relationship between entrepreneurship skills and some measures of business performance. Leadership skills and entrepreneurship skills combine to influence strategy formalization and responsiveness, factors that are positively associated with performance and growth. One potential implication of the findings is that successful interventions to improve entrepreneurship skills are likely to result in improved SME performance.

Shola, (2012) suggests that there is a strong and positive correlation between entrepreneurship and the youth business sustainability. Egge, Tan, and Mohamed, (2003) in their submissions to the ASEAN forum argue that an increase in the number of youths leads to an increase in uncertainty. Such energies may better be utilized in positively directing their skills, and their

tendency to innovate there by bringing about development. A similar analysis is also noted in study done by Walukhu, (2015).

In a study on the Socio-economic Situation of Youth in Africa, Chigunta (2005) suggests that institutions and program developers for younger entrepreneurs should develop practical programs that can transform their business ideas into commercial entities. He proposes the following skills to be adopted by young entrepreneurs. Skills One Should Have: capacity to plan, communication, marketing, interpersonal, basic management, quantitative/analytical, personal effectiveness, team building and leadership. Skills One Can Access/Employ: specialized management talent, advanced planning, specialized marketing advice/services, record keeping, legal, accounting, research, technical, financial/financing and information management.

Profitability is a component of entrepreneurial skills. Profitability of an enterprise is the ability of an enterprise to earn profit. For an enterprise to be profitable, it must be viable. The viability of a business is measured by its long-term survival, and its ability to have sustainable profits over a period of time. If a business is viable, it is able to survive for many years, because it continues to make a profit year after year. The longer a firm can stay profitable, the better its viability. The core dimensions of business viability are market viability, technical viability, business model viability, management model viability, economic and financial model and exit strategy viability, (Thompson, 2003).

According to CDE (2007), though South Africa has sound policies to address youth problems challenges such as entrepreneurial skills among young people the youth enterprises have remained weak and less sustainable due to unfriendly business regulatory measures and lack of consultation of the youths on matters pertaining to development of policies and programs addressing youth issues. These factors collectively hinder youth participation in business.

Financial planning skills are primary in pumping resources to upgrade or improve diversity of services. The services are a vital output subject to quality. If service output is poor, no amount of satisfaction will be garnered, (Solow, 1986).

Bruderly et al. (1991) argue that greater entrepreneurial human capital enhances the productivity of the investment which results to higher profits and therefore lowers profitability of early exit. Higher productivity of the investment means the business owner is more efficient in organizing and managing operations or is able to attract more customers, negotiate better contracts with suppliers and raise money.

Entrepreneurial readiness among the youth entrepreneurs who benefitted from youth fund program in Nairobi is still low and that 48% of those youth surveyed had less than 50% likelihood of business success and hence impacting on repayment rate, (Sagwe, 2011). Chemwa (2015), observed YEDF prime objective is not only the development of SMEs by providing loans to youth owned enterprises but also to attract and facilitate investment in micro, small and medium enterprise - oriented commercial infrastructure such as business or industrial parks, markets or business incubators that will be beneficial to youth enterprises. It also provides franchise financing and linkages with large enterprise. This implies that that the youth cannot take full advantage of these beneficial programs from the fund if they lack requisite entrepreneurial skills for doing such businesses.

In a study of youth enterprises in Gatundu South by Kanyari & Namusonge (2013), successful entrepreneurs were found to be passionate and obsessive about making their business opportunities work with strong vision. Their determination to succeed is due to their strong will and setbacks and risks will not discourage them as they are relentless in their pursuit of goals. Their sheer belief and conviction in an idea of action is an entrepreneurial skill which help them to sustain and endure. Motivation influence entrepreneurial process and performance, and that hard work and commitment are some of the strong entrepreneurial skills which to most of the youths are lacking.

Maina (2012) noted the individual capabilities of an entrepreneur such as entrepreneurial skills, motivation, training and prior experience in business have significant effect in growth of business ventures and therefore efforts have to be up scaled and as well identify means and strategies of improving youth access to entrepreneurship development. Entrepreneurial training

is usually defined as a continuous process leading to the development of knowledge required for starting and managing a firm, (Politis, 2005).

Chigunta (2005) also noted that young entrepreneurs also need to know how to develop a business plan, business management, management of business finances and budgeting, time management, stress management, improving sales, managing and reducing costs, debt recovery techniques, stock control techniques, marketing and recruitment. Therefore there is need for programs to be developed towards skills training, business counseling, mentor Support, business expansion support and creating support networks. Chemwa (2015) observed that the youth may have started their businesses either because they were passionate and motivated or for survival. The assumption when youth funds loans advanced to them is that they already have positive entrepreneurial culture and entrepreneurial skills but in reality they could be doing it for survival and this mismatch contributes to poor repayment of the loans advanced to them.

In a research by Gachuru & Mwirigi (2014) in Mombasa on challenges facing disbursement of YEDF loans, fear of failure among the youth was observed. Majority of the youth lack entrepreneurial skills, and therefore fear the business may not succeed. The youth fear failure to repay the loan and subsequent arrest. Due to lack of entrepreneurial skills the aspect of risk taking and resilience directly affect the group focus. According to Hisrich (2005), there is strong evidence that children who have entrepreneurial parents tend to be entrepreneurs. Entrepreneurial parents tend to enforce feeling of independence, achievement and responsibility. However this scenario may be lacking in Kenyan society and youth could be lacking role models whom they can emulate for the groups sustainability. Entrepreneurial background context is important in determining entrepreneurship among the youth as family culture contributes to risk tolerance and problem solving.

2.4 Group Leadership and Sustainability of Youth Group Projects

The USA provides a good example of how the promotion and support of leadership and entrepreneurship skills can be given greater prominence. The US OEE is a dedicated national office and resource with the specific remit of assisting the skills development of entrepreneurs, which it deploys via a series of online toolkits and resources and targeted initiatives. Northouse

(2004) defines leadership as ‘a process whereby an individual influences a group or individuals to achieve a common goal’. Successful group leaders are able to listen and respond to what is being said. They have to be adept at managing cross functional teams and a range of decentralized operations. Their ability to lead such teams depends on their willingness and ability to listen, show empathy, and enter into meaningful dialogue, as well as their ability to inspire and convince the skeptical. Collective management and effective team working has been crucial to the success of such local group leaders, (Smiley & Hailey, 2001).

Communication is an aspect of leadership. Poor communication is one of the human factors that may lead to group projects failure. Studies have shown that lack of communication in leadership can trigger new behaviors and thoughts, and stir emotions of members in a group project. These could be negative emotions in response to the communication failure from the leadership especially on matters to do with finances. The negative emotions can impact attitudes and behaviors that decrease trust and commitment towards the group, increase turnover intentions and work slowdowns (Kiefer, 2005). Communication and delegation are entrepreneurial skills that help the entrepreneurs to coordinate team member efforts, and that mediating and handling of complaints of members requires immense tact and diplomacy (Gakure, 2001).

Guevara (2007) portends that the roles of leadership in a group include; dispute settlers, linkers, motivators, facilitators, and negotiators. At the same time, however, the participatory imperative implies that leadership should rotate according to the resource frameworks of the group. Onger (2012) also noted that such leaders are comfortable with sharing their leadership role, and work in a collective style. They can adopt different leadership styles, undertake basic tasks and balance the demands of different stakeholders in ways that do not compromise their individual identity and values. Youth group leadership, women group leadership and indeed any organization’s leadership have typical competencies commonly associated with them. These competencies are necessary for the organization to be able to achieve its objectives and survive. These competencies include; the ability of a leader to communicate vision or strategy, inspires team, motivate individuals, and identify opportunities and initiate transformation.

Kathleen (2011) observed that no organization can stand on its two legs without effective leadership. She further asserts that good leaders possess special skills and capacity. She opines that leaders can be developed at every level of the organization to provide lasting positive change. Building effective leadership capacity in her opinion involves training, mentoring and empowering emerging leaders through public speaking trainings. Onger (2012) noted that emotional intelligence of a leader describes the leader's innate ability to feel, use, understand and learn from his or her own emotions and those of others and of groups. The leadership with high levels of emotional intelligence has an ability to motivate both themselves and others. Many effective leaders demonstrate high levels of self-awareness, are capable of self-management, are socially aware and are well able to manage a diverse range of relationships in group set up.

Group leadership requires a rare balance of inward-looking i.e. management and outward looking i.e. influencing skills, with exceptional communication and networking skills, as well as resilience and emotional attachment. These findings reflect the belief that effective leaders display high levels of 'emotional intelligence', and their performance is determined by their emotional maturity and ability to mobilize their emotional intelligence, (Goleman, 2000). Self-help group projects are now coming up at a time when we are faced with complex challenges which are characterized by high level of uncertainty and rapid change. Leadership skills required are critical in solving these challenges, (Kotter, 2006).

White and Kenyon (2001) postulated that complex problems and rapidly changing solutions require more leadership from everyone in an organization. Willingness to lead members especially in crisis is a highly valued skill. These skills however may be lacking among many youths creating a vacuum that may lead to businesses to collapse. Conger (1993) observed that effective leadership is needed if organizations are to remain sustainable especially at a time when the problems are complex, when solutions are hard to get, when there is need for behavioral change, and when there is history of chronic policy failure. According to White & Kenyon (2001) young entrepreneurs depending on their age, limited life and work experience require better different treatment in terms of training and counseling.

Odeng (2007) noted that poor management, lack of planning. Poor product quality, weak relations, inadequate financing and poor marketing skills are among the leading causes of business enterprises failure and hence the youth entrepreneurs cannot be able to service their loans. Similarly, constraints facing credit schemes include management of credit portfolio which in the case of YEDF in Kenya engaged MFIs to reach the youth in individual lending due to limited capacity of staff in managing the schemes. Makombe et.al (1999) noted that among the constraints faced by credit schemes in Tanzania includes how management is structured and the procedures to follow to get the loan, client's perception on credit policy and design which in essence is lending process.

Research shows that group goals must be clearly defined, leaders must have specific leadership training and skills, and they must take into consideration member expectations about the group, willingness to participate, cultural expectations and values when designing group, and implementing specific project activities. An understanding of the goals of the group and the reason for its existence elicits contributions based on the needs of the group, i.e. participation, (Srinivasan, 2009).

Most of the groups fail because they do not have a common goal or interests. Group formation can be spontaneous or driven by external need. Supply driven groups have a tendency towards overreliance and dependence on the prompting agent. If the promises and expectations are not met the group fails. Some of the groups formed when they learned that the youth fund was available, collapsed afterwards because their formation lacked a long term vision. This is where the input of focused group leadership comes in handy for the group, (Gakure, 2001).

Factors such as clearly defined goals i.e. knowing what is expected, and an established structure or accepted process of well-defined steps that include; schedules, breaks, feedback periods, regular information up-dating i.e. goals and other pertinent information, and a clearly understood delegation of tasks to be accomplished i.e. clear and simple directives. A group goal is a future state of affairs desired by enough members of the group to motivate the group to work toward its achievement, (Johnson & Johnson, 2006). Effective leadership is very important for the success of businesses but if most youth enterprises support agencies do not provide business advice,

training and guidance to youth businesses and startups projects, failure is imminent, (Street & Sykes, 2003)

Political interests are factors that can also affect group leadership such as interference from community political forces. Studies carried out in India show that politicians interfere in terms of the projects the youth groups can choose and where to implement them, and the beneficiaries of such projects. This means that the youth group leaders are compromised and cannot make good decisions for the welfare of the group, (APMAS, 2010). The group lending methodology which is mainly used by most micro finance institutions may not be suitable in group situations in that some members are not active and may not make repayments on time or not make payments at all. The active ones who work hard cannot get further loans and this may discourage active members who can then opt to drop out of the credit program. It can therefore be seen that group leadership input on the members' commitment input in such occurrences is vital and are the pillars of any group, (Ongeri, 2012).

Leadership encompasses traits of self-confidence, high self-esteem, assertiveness, emotional stability, and self-assurance. Individuals that are self-confident do not doubt themselves or their abilities and decisions; they also have the ability to project this self-confidence onto others, building their trust and commitment. Integrity is demonstrated in individuals who are truthful, trustworthy, principled, consistent, dependable, loyal, and not deceptive. Leaders with integrity often share these values with their followers, and their projects are successful stand the test of time, (Howell, 2012).

2.5 Internal Controls and Sustainability of Youth Group Projects

Internal controls cover issues such as accountability, organizational management, project implementation, financial management and information disclosure. It is related to issues such as answerability, responsibility, liability, dependability, conscientiousness, reliability, trustworthiness, legitimacy, and transparency, (Srinivasan, 2009). Proper documentation of financial activities to enhance planning, budgeting, reporting and analysis are other important

components of prudent financial management. The organizations whose financial management is prudent and sound are able to attain financial project sustainability, (Kumar, 2004).

Several studies have shown that financial management of youth group can determine the sustainability of the youth group projects. Studies in India have shown that it is necessary the group members are enabled to understand the financial records that are made by the group leadership. Explaining the financial accounts to less educated members are necessary to avoid mistrust and conflicts and misunderstanding among the group members, (Kumar, 2004). However incases of the managers of these groups' misconduct in funds use, management, and governance, have come to light. This is because it threatens the sustainability of the groups and projects that they are involved in. It is shown that people's participation at every level of decision making within the project transforms group members into participants, from which ultimately everyone benefits, (Ranadive, 2004).

According to European regional development fund report (2007-2013), project sustainability is influenced by factors inherent in the project and factors external to the project. According to the report, sustainability at the project level can be attained through quality project planning, prudent financial management and adequate financing. The report further states that poor financial management in the form of open theft, embezzlement of funds are the major reasons for project failure and most projects that have remained sustainable have strong and prudent financial management.

In a study of SHGs sustainability in India the participation of group members in project activities can be determined by several other factors, sometimes group activities do not provide enough space for people to participate. Among those who participate, probably one or two will dominate. Conflict among members tends to arise as a result of this, leading to a waning of interest and even group disintegration, (Srinivasan, 2009)

Ongeri (2012) observed that the financial managers of most youth groups are mostly members of the youth groups who other members appoint into positions of financial management on behalf of the youth group. Such managerial positions include chairperson, treasurer and the secretary.

These managers have a great role to play in the decision making on how youth group funds may be used and this may determine the success of the youth group projects. These managers must make sure that youth group funds are well used for the sustainability of the youth group. They must be transparent in all financial dealings on behalf of the youth group and ensure that there is no misappropriation of group funds. Ebrahim (2003) recommended that for community development groups such as youth groups and other SHGs to improve their financial management, accountability has to be improved through the use of financial documents like up to date periodic reports and disclosure statements, performance assessments and evaluations, etc. Further, participation of all group members in deciding on choice of projects need to be enhanced.

Studies conducted in Malaysia, identified various reasons why members of youth groups do not fully participate in group activities. Some of these reasons include non-adherence to norms set by the group and lack of mutual trust and confidence among members, Regular defaulting by some members, lack of co-operation and team work among group members, ineffective group leadership, lack of training in group formation, unequal work delegation, mismanagement of accounts, and discontinuance of internal lending, lack of time to perform home, and group activities, no reimbursement of money spent for group purposes, group conflicts, and misunderstanding of group members that leaders benefit more, (Rahman, 2002)

Group bylaws are also part of internal controls of the youth group projects. These are written rules and regulations that control the internal affairs of an organization. Bylaws generally define things like the group's official name, purpose of the group, requirements for membership and responsibilities, how offices are to be assigned, how meetings should be conducted, and how often meetings will be held. Bylaws also govern the way the group must function as well as the roles and responsibilities of its officers. They are essential in helping a group map out its purpose and the practical day-to-day details of how it will go about its business. However, they're not worth much if the groups don't actually use them, (PwC, 2013).

The importance of bylaws in a group is also observed by APMAS/EDA (2007) in a study of Indian self-help groups. It reported the problem of members dropping out of groups, revealing

the need for clear rules and regulations pertaining to members' organizational behavior and contribution to the group. It suggested a discussion and consensus on the by-laws, indicating rules and regulations for group functioning as well as roles and responsibilities of all the members. This is noted to be very paramount to group sustainability.

The YEDF is based on the group project approach to financing. The philosophy that lies behind it is that the shortcomings and weaknesses at individual level are overcome by collective responsibility and security afforded by the formation of a group. The coming together of individual people enhances education, awareness and bargaining power, (Bhole & Ogden, 2009). Groups are often more effective than individuals in achieving tasks, coming up with solutions, innovativeness and creativeness because a group has more talent in skills and ideas and there is strength in unity. Benefits of groups range from support from donors and private sector companies who may have interests in training and supporting organized groups. Groups are able to get collective marketing which increases product volumes and chances of getting more buyers. They help reduce mismanagement of funds, both for groups and individuals due to keen follow up, (Bhole and Ogden, 2009).

Therefore internal controls can be evaluated and improved to make a youth group project run more effectively and efficiently. Effective internal control implies the group generates reliable financial reporting and substantially complies with the laws and regulations that apply to it. However, internal control can provide reasonable, not absolute, assurance that the objectives of an organization will be met, (PwC, 2013).

2.6 Level of Education and Sustainability of Youth Group Projects

Education is an essential tool for achieving sustainability. People around the world recognize that current economic development trends are not sustainable and that public awareness, education, and training is key to moving society toward sustainability, (ESD, 2012). In a research study of loan repayment in Chepalungu Sub County, Chemwa (2015), observed how education impacts positively growth of youth enterprises. Educated youths are expected to adopt new production technologies that increase returns from the enterprises. For the same reasons, education would be

an indicator of creditworthiness, and would increase repayment capacity of the borrowers, (Njoku, 1997).

In a study carried out in Naivasha District, males were more educated than females, as males were more represented in the higher levels of education than females. Majority of the males had secondary level education and a small number with tertiary while there was no female with tertiary level of education in the youth groups. This meant for a long time less women were involved in entrepreneurial activities compared to men. The differences in level of education may have implications on how male and female youth access information necessary in managing their enterprises. Further, education has been found to have a positive impact on business performance, duration, and success, (Gachugia, Mulu-Mutuku, & Odero-Wanga, 2014)

Bates (1990) found that entrepreneurs with a college education were dramatically less likely to fail than those without a college education. College education also provides entrepreneurs with greater access to loans from commercial banks (Bates, 1990). A study conducted by Meng & Liang (1996), involving entrepreneurs in Singapore disclosed that successful entrepreneurs have higher education levels compared to that of unsuccessful entrepreneurs. Cooper (1994) noted that education improves enterprise survival and enterprise growth. Individuals with higher levels of education exhibit decreased probability of business exit during difficult economic times. There is a positive association between education and small business success. The likelihood of failure was also found to be associated with the owner's work experience prior to business launch and education, (Thapa, 2007).

After entering the entrepreneurial world, those with higher levels of education are more successful because university education provides them with knowledge and modern managerial skills, making them more conscious of the reality of the business world and thus in a position to use their learning capability to manage business, (Holt, 1992). Education and skills are needed to run a business. Majority of people carrying out SME's in Kenya are not quite well informed in terms of education and skills. Those with more education and training are more likely to be successful in the sector. The literacy level was reflected in their ability to carry out managerial

routines. The routine includes making decisions on financial investment and management. This affects the decision on the external funding of his enterprise, (King & McGrath, 2002)

Those entrepreneurs with larger stocks of human capital, in terms of education and (or) vocational training, are better placed to adapt their enterprises to constantly changing business environments. Those with more education and training are more likely to be successful in the small and medium enterprises' sector, (King & McGrath, 2002). Education had a positive effect on self-employment. Similarly, entrepreneurs with higher educational attainments tended to do better and their firms survived longer than those who lacked formal education and training, (Bates, 1995).

In China lots of studies have been done on the effect of education level on enterprise sustainability. There is plenty of evidence in daily life and scientific literature to show that improving educational level will increase future earnings of individuals and help people succeed in their businesses, (Angrist & Krueger, 1999). The influence of level of education on sustainability of youth groups need not necessarily be formal education but could also be through non formal means of education. Education plays a vital role in any economic set up. It is actually considered the bedrock of development. If it is deemed shallow at its foundation, any government initiative to develop the youth is bound to face enormous hurdles (Maler, 1991). The main reason for employing apprentices is their contribution to the production process. The firm then replaces unskilled employees by apprentice, (Steven, 1994)

A good general education system and a supportive overall training infrastructure within the economy will strengthen the entrepreneurial environment. Education provides a person with the ability to recognize commercial opportunities, have the knowledge, self-esteem and skills to act on them. It also gives young entrepreneurs the ability to access sources of financing. Access to funding facilitates the creation, survival and growth of Small and Medium Enterprises, (Ernst and Young, 2011). There are several channels through which the level of education might influence the propensity to become self-employed. Financial planning skills are primary in pumping resources to upgrade or improve diversity of services. Such business skills and services

are a vital output subject to quality. If service output is poor, no amount of satisfaction will be garnered, (Lee, 1999).

In a study by Mutai (2015) on women' accessibility to credit in Sotik sub county, he noted even the women have access to information on the financial services, and market opportunities available to them, but they may be less equipped to process it. Their lower levels of literacy and lack of exposure to other languages, especially relative to male family members, hampers their ability to benefit directly from information that is provided in writing or in languages other than those they speak at home. Cutura (2007) for instance, observed that women entrepreneurs are often prevented from running competitive businesses by their relatively low education and skill levels, which generally limit their access to the various support and credit services. UNDP, (2007) noted that even when they have access to information on the financial services and market opportunities available to them, women may be less equipped to comprehend it due to low levels of literacy (UNDP, 2007).

Charney & Libecap (2000) found that entrepreneurship education produces self-sufficient enterprising individuals and increases the formation of new ventures, the likelihood of self-employment, the likelihood of developing new products, and the likelihood of self-employed graduates owning a high-technology business. In their study, they revealed that entrepreneurship education of employee increases the sales growth rates of emerging firms and graduates' assets. Goel, (2007) noted that the input of education can open up entrepreneurship avenues such as value addition. In contrast young entrepreneurs who haven't gone to school, especially those in developing countries, are concentrated in low value local markets. As a result these youth lack access to information on product and input markets.

A study by Green (2005) reveals that entrepreneurship education plays a great role in an economy. They highlight that the policy makers recommend that this training should be embedded in the formal education system as its perceived beneficial in fostering skills and attitudes that are necessary for successful living among the youth. Njeri (2012) noted that the two scholars further recommended entrepreneurship education provides the youth with enterprising skills, enables them to build confidence as well as feel connected to the adults in their

communities and develop a sense of self-worth. Namusonge, (2006) also observed the way entrepreneurial education and training has been noted to have a significance role in stimulating entrepreneurship and self-employment.

Walukhu (2015) noted that there are several educational related factors which are critical to positive youth and women financial performance outcomes. These factors include access to education and training, acquisition of wealth, access to labor markets, good personal and reproductive health, and access to social services as well as longevity of life. Attributes which are healthy to self-employment.

2.7 Theoretical Framework

The study was based on two theories:

2.7.1 David McClelland's Achievement Theory

David McClelland came up with the theory of Need for achievement (N-Ach) in 1961. It refers to an individual's desire for significant accomplishment, mastering of skills, control, or high standards. It is associated with a range of actions which include: intense, prolonged and repeated efforts to accomplish something difficult. It involves the unity of purpose towards a high and distant goal, and the determination to win. The concept of N-Ach is associated with McClelland's concept of Human Motivation Theory. This type of motivation inspires behavior dedicated to producing and exhibiting higher capabilities. People who are driven by achievement often set their goals carefully, (McClelland, 1961).

According to this theory, the need to achieve, excel and be the best is the driving force is the motivation for success. People with high need for achievement are persistent, self-confident, show initiative, fast learners and take responsibility willingly. People with low need for achievement give up easily, are critical of their good achievements, show little or no initiative and will pick tasks that are less challenging (Sherlekar, 2005).

Importance of this theory and how it relates to the research study is that the youth need an intrinsic motivation to excel in any entrepreneurship activity they perceive. Motivation should be the driving force behind their actions. Motivation creates need for achievement (N-Ach) among the youth, they become more ambitious and their behavior is dedicated to developing and demonstrating higher abilities. Motivation should be an ingredient in youth entrepreneurship.

Need for achievement is considered to be a key factor in promoting innovation, competitiveness and job creation. Individual members of the youth groups who are high achievers should be assigned the challenging responsibilities of leading the group project goals.

2.7.2 Joseph Schumpeter's Entrepreneurship Theory

The other theory appropriate for the study is Joseph Schumpeter's theory of entrepreneurship of 1948. The theory states that entrepreneurship is based on purposeful and systematic innovation. The theory focuses on how the entrepreneur's drive for innovation and improvement creates upheaval and change. Schumpeter viewed entrepreneurship as a force of "creative destruction." The entrepreneur carries out "new combinations," thereby helping render old industries obsolete. Established ways of doing business are destroyed by the creation of new and better ways to do them. Schumpeter identified innovation as the critical dimension of economic change. He argued that economic change revolves around innovation and entrepreneurial activities. He theorized about "entrepreneur-spirit", and asserted "... the doing of new things or the doing of things that are already being done in a new way", (Pol & Carroll, 2009).

Importance of this theory and how it relates to the study is that interest of any developing nation today is surely to maximize entrepreneurship among its young people. Schumpeter recognizes that the entrepreneur identifies or discovers business opportunities through innovations, which move the economy away from equilibrium, (Orwa, 2012). Kenya's young entrepreneurs also exploit available opportunities, are risk takers and innovators of renowned products and services.

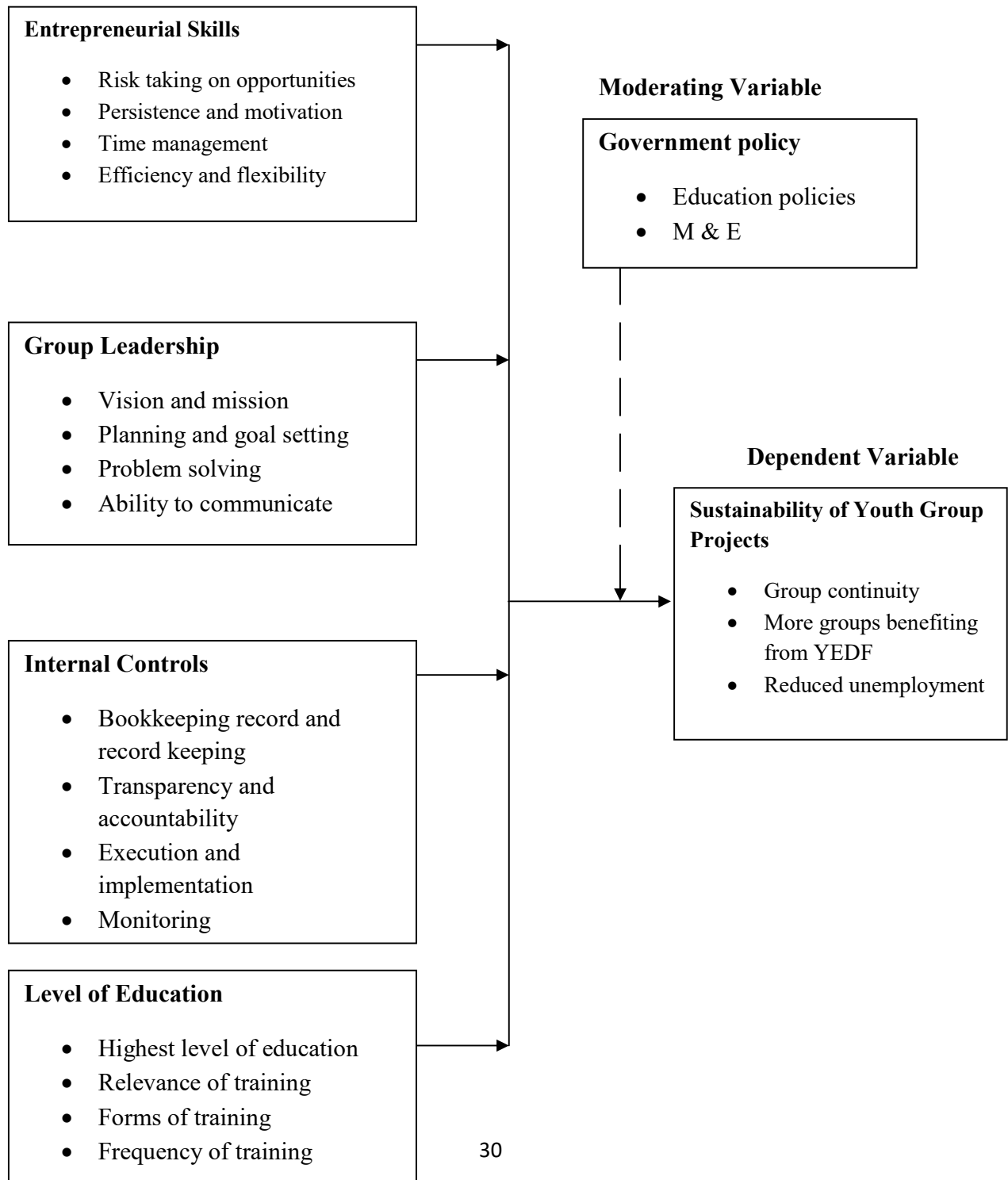
The Schumpeterian analysis is close to the reality regarding the work of Kenya's capitalistic market system and creation of profit. He also gives great importance to individual innovations. Kenyans being individualistic people, Schumpeter's theory fits well into the country's economic context. Kenya's youth can borrow a lot from this approach especially being a free market economy whose citizens are very individualistic. If Kenya's young entrepreneurs can borrow from such theories, and development of entrepreneurship in the developed countries through improving on the various policy areas and their entrepreneurial culture, then Kenya can be an economic hub not only in the East African region but also in Africa, (Orwa, 2012).

2.8 Conceptual Framework

From literature review it can be established that entrepreneurial skills, group leadership, internal controls and levels of education affect the sustainability of youth group projects.

Figure 1 Conceptual Framework

Independent Variables



2.9 Gaps in Literature Review

Recent research has highlighted the importance of entrepreneurship skills to small business performance. Although there is extensive literature dealing with management and leadership, relatively little knowledge reaches the target youth in the country side, especially those in very remote parts of the country. Of significance is the fact that youth who are the people affected by unemployment are hardly consulted for their input when the state actors are formulating policies and programs addressing the unemployment scourge.

Another gap that is noteworthy of study is the tendency to treat youth as a homogeneous group. The youth constituency is so diverse and consist of young people who are very different form each other. The youth are not homogeneous owing to the age bracket being transitory. Therefore there is need to conceptualize this fact. Otherwise the system could end up isolating the youth, who cannot for instance, fulfill certain YEDF requirements such as business plan development, group registration requirements, operational and active bank account, etc. Some of these controls and regulations should be more flexible and needs-based so as not to lock out some of the needy and illiterate young people who might require more rigorous training and support.

Gaps in literature review can also be analyzed in the manner in which various programs targeting the youth in Kenya are managed, in parallel to each other. There is need for research on the benefits of consolidating and harmonizing these programs under one umbrella. A case in point is the YEDF, Uwezo Fund and WEF (also beneficial to female youth) which essentially is a duplication of roles targeting the same client, the youth. This is in spite of the numerous challenges being encountered in their implementation. Therefore due to various challenges the programs need to be harmonized to work together for success implementation of their mandate i.e. identify synergies, overlaps and linkages among the funds;

2.10 Summary of Literature Review

Education is an essential tool for achieving sustainability. There is literature to suggest that there is a positive association between entrepreneurship skills and some measures of business success. The data regarding the impact on business performance of specific education, training or support program to promote entrepreneurship has been documented by various studies. It calls for giving the young people knowledge and skills for lifelong learning to help them find new solutions to their economic and social issues.

The components of internal controls are control environment, risk assessment, control activities, information and communication, and monitoring activities. While leadership drive includes traits such as initiative, energy, assertiveness, perseverance and sometimes dominance. Young people with these traits often tend to wholeheartedly pursue their goals, work long hours, are ambitious, and often are very competitive with others. Likewise group leaders who demonstrate these skills will bring out the same qualities in their membership. Good leaders use their own inner mentors to energize their team and lead them to achieve success, and consequently sustain their group activities.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology used in the study. The chapter describes the research design, the target population, sample size, sampling procedures, the research instruments, and piloting of the study, reliability and validity of research instruments. This section also presents data collection procedures and instruments, data analysis and finally ethical considerations that the researcher observed.

3.2 Research Design.

The research study used descriptive survey design. Descriptive survey is mainly concerned with description of facts only. It is a self-report that requires the collection of equitable information from a sample. Descriptive studies are structured with clearly stated questions to be investigated, (Upagade and Shende, 2012).

Descriptive survey design enables the researcher to collect both qualitative and quantitative data. This research design enables the researcher to gather numerical data to access relationship between variables, (Orodho, 2005). The design was considered suitable as it allows an in-depth study of the factors influencing the sustainability of funded youth group projects. This made it possible for the researcher to produce both statistical and qualitative information on factors influencing the sustainability of youth group projects.

3.3 Target Population

Population is a group of individuals, objects, or items from which samples are taken for measurement (Kombo and Tromp 2006). In the study, the target population comprised of 142 youth groups which were funded by the YEDF in the past 3 years. Each youth group had an average membership of 12 persons, however the study purposively targeted the group officials who were; group chairman, group secretary, and group treasurer. This made it 426 i.e. 3 officials from the 142 groups. The target population of the study also included 3 Ministry of Youth officers, i.e. 2 Youth Officers and 1 Constituency Youth Fund Officer. Therefore total target population of the study was 429, as shown in table3.1.

Table 3.1 Population of the Study

| Category | Population | Target Population |
|---|------------------------------|--|
| Officials of Youth Group | 142 youth group projects | 426 (i.e. 3 officials per youth group) |
| Relevant Government Department officers in the Sub County | 3 Ministry of Youth officers | 3 (i.e. 2 Youth Officers and 1 Constituency Fund Officer) |
| TOTAL | | 429 |

3.4 Sample Size and Sampling Procedures

This part describes the sample size and the sampling procedure as was carried out in the study:

3.4.1 Sample Size

This section provided the sample size used in the study. Sampling refers to the process of selecting a number of individuals so that the selected individuals represent the large group from which they were selected. A good representative sample should constitute at least 20% - 30% of the entire population (Mugenda & Mugenda, 2003). For the study, 30% of the targeted 142 youth projects was the sample size i.e. 43 group projects as shown in table 3.2. Therefore the sampled respondents of the study were 129.

3.4.2 Sampling Procedures

For the study, stratified random sampling was applied in selecting respondents. The youth group projects undertake different economic activities hence there was need to stratify them into four (4) groups referred to as business categories, as shown in table 3.2 which represented the category of activity they are involved in. This was necessary for it gave each youth group in either of the categories an equal chance of being in the research study. This method of sampling technique reduces the potential for any human bias in the selection of cases included in the sample. As a result, the stratified random sample provided a sample that is highly representative of the population studied. Each enterprise category was represented in the stratum whereby 30% (Mugenda & Mugenda, 2003) of the business were put under study as shown in table 3.2.

Table 3.2 Sampling Procedures of the Youth Groups

| Categories | Total Number of Youth Groups | 30% of the Youth Group per category |
|-------------------|-------------------------------------|--|
| Farming | 42 | 13 |
| Commercial Trade | 24 | 7 |
| Poultry | 64 | 19 |
| ICT | 12 | 4 |
| TOTAL | 142 | 43 Youth Group Projects |

For accurate representation, group officials of the 43 sampled youth groups were purposively picked to represent the study as they know how their groups are managed, and they were also expected to give balanced and authentic information. This gave a total of 128 respondents, which also represented 30% of the 426 youth group officials. The researcher also scheduled an interview session with the Constituency Youth Fund Officer of Chepalungu Sub County. This was to corroborate information provided by the group officials.

Table 3.3 Sample Size

| Category | Population | 30% of the population per category |
|----------------------------|-------------------|---|
| Youth Group officials | 426 | 128 |
| Ministry of Youth officers | 3 | 1 |
| TOTAL | 429 | 129 Respondents |

3.5 Research Instruments

The study used a questionnaire as the research instrument. The questionnaire contained both open and closed ended structure questions developed by the researcher and capturing questions based on the variables as developed in the conceptual framework. The researcher administered interview session to the Youth Fund officer to corroborate the information provided by the by the group officials. The research study also used observation to fill in the information gaps. The primary data was collected through questionnaires and interview schedules, whereas the secondary data was collected from the Youth Fund Officers as well as from other official reports.

3.6 Validity and Reliability of Research Instruments

This section describes the pretest of the study, validity and reliability of the research instruments used in the study:

3.6.1 Pre- test of the study

Pre-test means testing the instrument on a few respondents to test the accuracy of the data collection instrument, in the study, it is the questionnaire. Pre-testing helps to identify just in case there is problem in the questionnaire, and to correct it to ensure accuracy and clarity. Kothari (2004) describes a pilot survey as a replica and a rehearsal of the main survey. For this study the researcher conducted a pre-test by administering it to the sampled 43 respondents in Sotik Sub County which was 10% of the study total targeted population, and by studying responses to the questions to identify any gaps in the instrument.

3.6.2 Validity of Research Instruments

Validity is the accuracy and meaningfulness of inferences which are based on research results, (Mugenda & Mugenda, 2003). Validity is the degree of which results obtained from the analysis of the data actually represents the phenomenon under study. The items of questions should reflect the four objectives and four research questions based on the terms under literature review. It should relate accurately to the research questions. Validity of the research instruments was on content and in construct forms. Content validity in the research study was also addressed by having input of experts in the relevant field (i.e. the supervisor and lecturers) and also peer review prior to fieldwork activity.

3.6.3 Reliability of Research Instruments

Mugenda & Mugenda (1999) define reliability as a measure of degree to which research instrument yields consistent results after repeated trials. An instrument is reliable when it can

measure a variable accurately and consistently and obtain same results under same condition over time it's considered acceptable. The researcher applied test retest. It is based on stability of the instrument over time. This method involves administering the same test twice to a different group after a certain time interval has elapsed since the previous test. Reports from the findings of the pretest conducted in Sotik Sub County indicated an acceptable level of reliability of the questionnaires as they were all returned duly completed. In addition the consistency of the pre results obtained in Sotik Sub County, when compared with the results of the study obtained in Chepalungu Sub County enforces reliability of the research instruments.

3.7 Data Collection Procedures

This refers to the collection of information to serve or prove some facts. It involves the real process of going to the field to get the required information from the selected population. Data collection for the study commenced when the research proposal was approved by the supervisor. The researcher first coded the questionnaires before visiting the sampled youth groups in order to obtain data from the respondents by use of the questionnaire. The questionnaires were distributed to selected respondents and collected later with a strict follow-up. This was to allow sufficient time for thorough completion by the respondents. Where possible some questionnaires were also be collected same day when duly completed. The researcher tried to ensure all the questionnaires are captured back

3.8 Data Analysis Techniques

Data analysis involves the process of data coding, data entry and analysis in order to make interpretation possible. For the study, the data is presented by use of frequency tables and analyzed by interpretation of percentages in line with the research questions. The researcher used descriptive and inferential statistics in frequencies and percentages for analysis of data.

3.9 Ethical Considerations

The researcher sought research permission from the relevant authorities i.e. the County Director Youth Development, Bomet County. The researcher introduced himself to the respondents beforehand. The researcher briefed them on the study, and why the study was being carried out. To ensure confidentiality, names of respondents were not used in the study. The respondents were not forced to complete the questionnaire simply because it was a voluntary exercise. All the sources used to gather the information are acknowledged.

3.10 Operationalization of Variables

Factors influencing sustainability of youth groups funded by YEDF include; independent variables i.e. entrepreneurial skills, which has the following indicators; risk taking on opportunities, persistence and motivation, efficiency and flexibility, and time management. Group leadership is another variable which has the following indicators; vision and mission, planning and goal setting, problem solving, and forms of communication. Internal controls is another variable which has the following indicators; books of accounts and group records, transparency and accountability, execution and implementation, and monitoring. Finally, is the level of education which has the following indicators; highest level of education, relevance of training, frequency of training and forms of training. Moderating variable is government policy i.e. on education and training, monitoring and evaluation of registered groups.

Table3.4 Operationalization of Variables

Dependent Variable

| Objectives | Variables | Indicators | Measures | Scale |
|--|---|--------------------------------------|---|----------|
| Factors influencing sustainability of youth group projects funded by YEDF in Chepalungu Sub County, Bomet County | Sustainability of youth group projects funded by YEDF | - Continuity of youth group projects | -Net worth of the youth group enterprises | -Ordinal |
| | | - More youth groups benefiting | -Number of active group projects | -Ordinal |
| | | - Reduced unemployment | -Number of youths engaged through self-employment | -Ordinal |

Independent Variables

| Objectives | Variables | Indicators | Measures | Scale |
|---|------------------------|-------------------------------|---|----------|
| 1.To assess the influence of entrepreneurship skills on sustainability of youth group projects funded by YEDF | Entrepreneurial skills | -Risk taking on opportunities | -Whether group perceive and capitalize on new business opportunities | -Nominal |
| | | -Persistence and motivation | -Whether group has ability to endure and cope with difficulties | -Nominal |
| | | -Time management | -Does group use time wisely and avoid wastage | -Nominal |
| | | -Efficiency and flexibility | -Whether group stresses on efficient initiatives in business operations | -Nominal |

| Objectives | Variables | Indicators | Measures | Scale |
|--|------------------|------------------------------|--|--------------|
| 2.To assess the influence of group leadership on sustainability of youth group projects funded by YEDF | Group leadership | -Vision and mission of group | -Whether group has operational service charter | Nominal |
| | | -Planning and goal setting | -Whether group has clear SMART profitable goals | -Nominal |
| | | -Problem solving | -Whether group has mechanisms for solving problems | -Nominal |
| | | -Forms of communication | -Whether group makes timely reports and feedback | -Nominal |

| Objectives | Variables | Indicators | Measures | Scale |
|--|-------------------|--------------------------------------|--|--------------|
| 3.To examine the influence of internal controls on sustainability of youth group projects funded by YEDF | Internal controls | -Books of accounts and group records | -Whether group has up to date reliable financial records | -Nominal |
| | | -Transparency and accountability | -Whether group has control measures such as approvals and authorizations on bank withdrawals | -Nominal |
| | | -Execution and implementation | -Whether group duly implements the group's planned tasks | -Nominal |
| | | -Monitoring | -Does group have regular management and supervisory activities | -Nominal |

| Objectives | Variables | Indicators | Measures | Scale |
|--|--------------------|-----------------------------|--|--------------|
| 4.To assess the influence of level of education on sustainability of youth group projects funded by YEDF | Level of education | -Highest level of education | -Whether group members have professional certificate | -Nominal |
| | | -Relevance of training | -Whether group members can read and write | -Nominal |
| | | -Forms of training | -Does group have seminars and workshops | -Nominal |
| | | -Frequency of training | -How frequent does group have trainings | -Ordinal |

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter dealt with data analysis, presentation, and interpretation of the research findings. The study was on factors influencing sustainability of youth group projects funded by Youth Enterprise Development Fund in Chepalungu Sub County. The chapter is organized into two sections, in the first section descriptive statistics is used to provide demographic information of the respondents. The second section presents the analysis of the responses to the specific objectives as provided by the respondents in the questionnaires. This presentation was based on the administered questionnaires and observations made. The data was interpreted as per the research questions. The presentation and findings is done using frequencies and percentages. The chapter also analyzed the response rate or questionnaires return rate.

4.2 Response Rate

The study issued 129 questionnaires to the selected respondents. Out of which 120 questionnaires were returned duly completed. This represents a response rate of 93%. This high return rate was realized due to the input of Ministry of Youth officers who participated on voluntary basis by administering the questionnaires to youth group officials. A response rate of 50% is adequate for analysis and reporting, a response rate of 60% is good, and a response rate of 70% and above is very good, (Mugenda and Mugenda, 2003). This study therefore returned an excellent questionnaire response rate. The response rate is shown in the table 4.1

Table 4.1 Response Rate

| Item | Target Sample Size | Response Rate | Percentage % |
|-------------|---------------------------|----------------------|---------------------|
| Respondents | 129 | 120 | 93 |
| Total | 129 | 120 | 93 |

4.3 Demographic Characteristics

The study sought to establish the following demographic characteristics of the respondents; gender, leadership position, age, level of education, duration of existence of group, and duration of existence of members in a group in Chepalungu sub county.

4.3.1 Demographic Characteristics by Gender

Gender of the group members was necessary in order to determine extent of gender representation in youth group projects. The findings are shown in table 4.2

Table 4.2 Demographic Characteristics by Gender

| Item | Category | Frequency | Percentage % |
|--------|----------|-----------|--------------|
| Gender | Male | 72 | 60.2 |
| | Female | 48 | 39.8 |
| Total | | 120 | 100 |

The result indicates that 60.2 % or 72 respondents in the study were male, while 39.8% or 48 respondents in the study were female. The finding suggests that female involvement in youth group projects tend to be lower than that of the male. This that implies more male youth have benefited from the Fund than their female counterparts. The analysis also suggests that male youth are more likely to form groups and start the enterprises compared to female youth. However the analysis indicates that 30% gender presentation in the study was achieved. This is according to the Kenya constitution 2010.

4.3.2 Demographic Characteristics by Leadership Position

The study sought to determine how gender composition of group leadership is distributed in the youth projects. This was necessary because youth leadership is diverse and varies from one group to the other. The responses are shown in table 4.3

Table 4.3 Demographic Characteristics by Leadership Position

| Item | Category | Frequency | | Percentage % | |
|---------------------|-------------|-----------|--------|--------------|--------|
| | | Male | Female | Male | Female |
| Leadership position | Chairperson | 45 | 4 | 62.5 | 3.3 |
| | Secretary | 6 | 36 | 8.3 | 30 |
| | Treasurer | 21 | 8 | 29.1 | 6.7 |
| Total | | 72 | 48 | 60 | 40 |

The finding indicates that majority of group chairpersons were male at 62.5% or 45 responses while female were 3.3% or 4 respondents only. A similar analogy was found about the group treasurers where the male were at 29.1% or 21 responses while female were at 6.7% or 8 respondents only. However the female were the majority in category of group secretaries at 30% or 36 respondents whereas male were at 8.3% or 6 respondents only. The analysis suggests that male youth dominate the influential leadership positions in the group projects.

4.3.3 Demographic Characteristics by Age

The study sought to find out the age of members and determine the dominant age group in the youth projects. The findings are shown in table 4.4

Table 4.4 Demographic Characteristics by Age

| Item | Category | Frequency | Percentage % |
|-------|---------------|-----------|--------------|
| Age | 18 – 25 | 52 | 43.3 |
| | 26 – 30 | 40 | 33 |
| | 31 – 35 | 26 | 21.7 |
| | Over 35 years | 2 | 1.7 |
| Total | | 120 | 100 |

The result indicates youths that aged 18 – 25 years were the majority at 43.3% or 52 respondents. The youth aged 26 - 30 years followed closely at 33% or 40 respondents, while the youth of ages 31 – 35 years were at 21.7% or 26 respondents. Finally the members above age 35 years were at 1.7% or 2 respondents only. This analysis suggests that most youth groups consist of younger youths of ages 18 – 25 years. This might be because at this age group there is a closer bonding relationship and shared interest among the youth. These are mostly young people who have just finished formal schooling from various learning institutions. The findings also imply persons above age 35 years are less likely to benefit from the fund. This is because YEDF regulations allow those below 35 years only, to be included as youth group officials. Hence the smaller number of respondents above 35 years. However these persons can still be members in a youth group as long as they are not more than 30%.

4.3.4 Demographic Characteristics by Level of Education

The study sought to determine the level of education to find out the ability of the youth to practice skills gained in studies at school, college plus the various training opportunities offered to the groups when they seek funding for their projects and enterprises. The findings are shown in table 4.5

Table 4.5 Demographic Characteristics by Level of Education

| Item | Category | Frequency | Percentage % |
|--------------------|-------------------|------------------|---------------------|
| Level of Education | Primary and below | 22 | 18.3 |
| | Secondary Level | 64 | 53.3 |
| | Tertiary Level | 24 | 20 |
| | University Level | 10 | 8.3 |
| Total | | 120 | 100 |

The finding indicates that 18.3% or 22 of the respondents had primary school level of education and below. The youths who had completed secondary education were the majority at 53.3% or 64 respondents. Those who had tertiary level of education were 20% or 24 respondents. Finally the minority youth at 8.3% or only 10 respondents were the ones who had university level of education. The analysis suggests that most of the youths after completing secondary school education are more likely to form groups, and also start enterprises so as to benefit from the youth funding. The analysis however, could also imply that group projects could be affected by high mobility of youth who leave the projects for further education after funding. This might have a direct influence on the group activity especially if they are officials of the groups.

4.3.5 Demographic Characteristics by Duration of Group Existence

The study sought to establish the stability of youth projects through the duration of group existence. Stability is reflected by the length of time a group has been in existence. The findings are shown in table 4.6

Table 4.6 Demographic Characteristics by Duration of Group Existence

| Item | Category | Frequency | Percentage % |
|---|--------------------|------------------|---------------------|
| Duration the group has been in existence | Less than one year | 9 | 20.9 |
| | 1 – 2 years | 21 | 48.8 |
| | 2 – 3 years | 11 | 25.6 |
| | Over 3 years | 2 | 4.7 |
| Total | | 43 | 100 |

The responses indicate that majority groups are those which have been in existence for 1 - 2 years at 48.8% or 21 groups. The groups which have been in existence for 2 -3 years followed at 25.6% or 11 groups. The groups which were formed less than one year ago were at 20.9% or 9 groups. Finally those groups formed over 3 years ago were at 4.7% or only 2 groups. This analysis suggests that majority of the groups were formed to take advantage of the opportunity the government has provided to the young people. The opportunities include the YEDF, among other public funding. The youth are likely to register youth groups when the government announces such funding. This might imply that some of the groups were formed in a hurry just to benefit from the government funding. Such groups are likely to collapse at storming and norming stage before they reach performing stage. Unfortunately, this hinders them from achieving the group objectives.

4.3.6 Demographic Characteristics by Duration of Existence of Members in Group

The study sought to establish the extent of project stability through the duration of members' existence in a group. Stability can be reflected by the length of time the group members stick together as one entity. The findings are shown in table 4.7

Table 4.7 Demographic Characteristics by Duration of Existence of Members in Group

| Item | Category | Frequency | Percentage % |
|--|------------------|-----------|--------------|
| Duration the members have been in existence in group | Less than 1 year | 24 | 20 |
| | 1 – 2 years | 59 | 49.2 |
| | 2 -3 years | 32 | 26.7 |
| | Over 3 years | 5 | 4.2 |
| Total | | 120 | 100 |

The study reported the duration of members' existence in groups. The category which has duration of members' existence in a group of 1 – 2 years was 49.2% or 59 responses. It was followed by the category of members' existence in a group of 2 -3 years with 26.7% or 32 responses. The category of those with less than 1 year membership existence in a group was 20% or 24 responses. Finally the category of those with over 3 year's membership existence was at 4.2% or 5 responses. The analysis suggests that most of the groups with members who have been in existence together for a period of 1 – 2 years have stable group projects. It also suggests that groups with high turnover of members have implications in the sense that management of their projects becomes inconsistent especially if it involves the group officials. This trend mostly affects youth groups whose members have finished secondary school education but after a while they proceed for higher levels of education. The analysis also that suggests duration of members in youth groups significantly reduce after 3 years. Though ordinarily, we would have expected group members who have been together longer, to be more, as they understand each other well.

4.3.7 Demographic Characteristics by Amount of Funding

The study sought to establish how beneficiary groups have been funded by YEDF and how this reflects on stability of youth group projects. The findings are as shown in table 4.8 below

Table 4.8 Demographic Characteristics by Amount of Funding

| Item | Category | Frequency | Percentage % |
|-------------------|-------------------------------|-----------|--------------|
| Amount of funding | Kshs.50, 000 | 39 | 90.7 |
| | Kshs.50, 001 – Kshs.100, 000 | 4 | 9.3 |
| | Kshs.100, 001 – Kshs.200, 000 | 0 | 0 |
| | Over Kshs.200, 000 | 0 | 0 |
| Total | | 43 | 100 |

The finding indicates that most youth group projects have received YEDF loan of Kshs.50, 000 i.e. 90.7% or 39 groups. The next category of youth groups who have received YEDF loan of Kshs.50, 001 – Kshs.100, 000 is 9.3% or 4 groups only. The results also reported none of the youth groups has received YEDF over Kshs.100, 000. The analysis implies that majority of the beneficiary groups are performing way below expectations. This is simply because they are yet to graduate from the first stage. According to the loan component of the Fund, the beneficiary groups receive the first loan of Kshs.50, 000, referred to as Rausha Loan, invest it prudently and repay it back to qualify for the second loan of Kshs.100, 000, referred to as Inua Loan. However, according to the analysis and as per the Fund regulations only 9.3% beneficiary groups have qualified for the second stage i.e. for Inua Loan.

4.4 Sustainability of Youth Group Projects

The study also sought to establish the extent to which the net worth of youth projects, activeness of the projects and how group members have benefitted by engaging in self-employment activities affect sustainability of youth group projects Chepalungu Sub County. The responses are shown in table 4.9 below

Table 4.9 Sustainability of Youth Group Projects

| | Net worth of group enables the group to be self-sustaining | | Group project is active operational | | Group members and have benefited by engaging in self-employment | |
|-------------------|--|------|-------------------------------------|------|---|------|
| | Freq. | % | Freq. | % | Freq. | % |
| Strongly agree | 18 | 15 | 27 | 22.5 | 19 | 15.8 |
| Agree | 25 | 20.8 | 48 | 40 | 32 | 26.7 |
| Neutral | 7 | 5.8 | 9 | 7.5 | 2 | 1.7 |
| Disagree | 41 | 34.2 | 20 | 16.7 | 40 | 33.3 |
| Strongly disagree | 29 | 24.2 | 16 | 13.3 | 27 | 22.5 |
| Total | 120 | 100 | 120 | 100 | 120 | 100 |

The finding indicates that 35.8% or 43 respondents agreed the net worth of their group enables them to be self-sustaining. The study also found out majority of the respondents at 58.4% or 70 respondents did not agree that the net worth of their group enables them to be self-sustaining. The findings also indicate that 5.8% or 7 respondents were neutral. On active group projects, majority of the respondents at 62.5 % or 75 respondents agreed their group project is active and operational. The findings also indicate that 30% or 36 respondents agreed their group project is not active and operational. The analysis implies that despite the fact that the groups are engaged in various projects majority are not yet self-sustaining. On group members who have benefitted, by engaging in self-employment 42.5% or 51 respondents agreed they have members who have benefitted by engaging in self-employment. The finding also indicates that 55.8% or 67 respondents agreed their members have not benefitted or engaged in self-employment. The analysis suggests that the mandate of the fund to create self-employment for the youth has not been achieved by a majority of the beneficiary groups in Chepalungu Sub County.

4.5 Entrepreneurship Skills and Sustainability of Youth Group Projects

The study sought to establish how entrepreneurship skills influence sustainability of youth group projects. The responses are shown in table 4.10

Table 4.10 Entrepreneurship Skills and Sustainability of Youth Group Projects

| | Capitalizes on new business opportunities | | Ability to cope with difficult situations | | Use time wisely and avoid wastage | | Stresses efficiency in business operations | |
|-------------------|--|----------|--|----------|--|----------|---|----------|
| | Freq. | % | Freq. | % | Freq. | % | Freq. | % |
| Strongly Agree | 12 | 10 | 18 | 15 | 26 | 21.7 | 14 | 11.7 |
| Agree | 23 | 19.2 | 26 | 21.7 | 37 | 30.8 | 25 | 20.8 |
| Neutral | 4 | 3.3 | 7 | 5.8 | 8 | 6.7 | 5 | 4.2 |
| Disagree | 51 | 42.5 | 40 | 33.3 | 27 | 22.5 | 42 | 35 |
| Strongly Disagree | 30 | 25 | 29 | 24.2 | 22 | 18.3 | 34 | 28.3 |
| Total | 120 | 100 | 120 | 100 | 120 | 100 | 120 | 100 |

The finding indicates that 29.2% or 35 respondents agreed their group perceive and capitalizes on new business opportunities. The results indicate that 3.3% or 4 respondents were neutral, however 67% or 81 respondents agreed that their group do not perceive and capitalizes on new business opportunities. This analysis implies that majority of the groups are not able to take advantage emerging business opportunities. They cannot capitalize on opportunities such as the 30% government procurement to the youth that can increase returns and ensure their group projects are stable. On endurance, it is noted that 36.7% or 44 respondents agreed their group

have the ability to endure and cope with difficult situations. The finding indicates that 57.5% or 69 respondents agreed their group does not have the ability to endure and cope with difficult situations. On time management, the finding indicates a majority at 52.5% or 63 respondents agreed their group use time wisely and avoids wastage. The study indicates that 40.8% or 49 respondents agreed that their group does not use time wisely. This analysis implies that the groups do acknowledge the importance of time management in the group projects. A majority of the respondents disclosed their groups manage time wisely, and this is crucial in enterprise development. On efficiency in business, the analysis indicates that 32.5 % or 39 respondents agreed that their group do stress on efficiency in business operations. The results also indicate that 4.2% or 5 respondents were neutral, while 63.3 % or 76 respondents agreed that their group do not stress on efficiency in business operations. This analysis implies that the groups have not internalized the value of saving costs by finding better or cheaper alternatives of carrying out project activities.

4.6 Group Leadership and Sustainability of Youth Group Projects

The research sought to establish how leadership influences sustainability of youth group projects. Leadership abilities in a group are critical for growth and development of the youth projects. The responses are shown in table 4.11 below:

Table 4.11 Group Leadership and Sustainability of Youth Group Projects

| | Group has operational vision and mission | | Group plans its goals | | Group has mechanisms for problem solving | | Group ensures timely reports and feedback | |
|-------------------|---|----------|------------------------------|----------|---|----------|--|----------|
| | Freq. | % | Freq. | % | Freq. | % | Freq. | % |
| Strongly Agree | 38 | 31.7 | 39 | 32.5 | 12 | 10 | 14 | 11.7 |
| Agree | 46 | 38.3 | 34 | 28.3 | 15 | 12.5 | 17 | 14.2 |
| Neutral | 5 | 4.2 | 4 | 3.3 | 8 | 6.7 | 9 | 7.5 |
| Disagree | 18 | 15 | 27 | 22.5 | 54 | 45 | 45 | 37.5 |
| Strongly Disagree | 13 | 10.8 | 16 | 13.3 | 31 | 25.8 | 35 | 29.2 |
| Total | 120 | 100 | 120 | 100 | 120 | 100 | 120 | 100 |

The results indicate that majority of the respondents agreed that their group has a vision and mission. This majority is supported by 70% or 84 respondents. The findings also indicate that 25.8% or 31 respondents agreed that their group does not have operational vision and mission statement. The other 4.2% or 5 respondents were neutral on whether their group has operational vision and mission. The analysis implies that the beneficiary groups have the vision and mission but do not put them to use. The implication is that operationalization of the vision and mission should influence growth and development of the youth projects. On group planning, the findings indicate that a majority at 60.8% or 73 respondents agreed that their group plan their goals. The responses also indicate that 35.5% or 43 respondents agreed that their groups do not plan and implement their goals. This analysis suggests a similar analogy where by the beneficiary groups do the planning but probably not the implementation. This has direct consequences on group

sustainability because planning and implementation is core to project management. On group mechanisms for solving problems, the results indicate that 22.5% or 27 respondents agreed that their groups have mechanisms for solving problem. The findings also indicate that 70.8% or 85 respondents agreed that their groups do not have mechanisms for solving problems. This analysis suggests that, in majority of the groups, challenges and problems will continue as there are no mechanisms for resolving them. When issues are not amicably resolved sustainability ability of the projects are put in jeopardy. On timely reports and feedback, the results indicate that 25.9% or 31 respondents agreed that their groups do ensure timely reports and feedback. However the findings indicate that a majority at 66.7% or 80 respondents agreed their groups do not ensure timely reports and feedback. This analysis suggests that the beneficiary groups are not proactive enough in terms of general reporting to their stakeholders. This trend might directly influence sustainability of the youth projects when feedback and progress reports are not timely or prompt.

4.7 Internal Controls and Sustainability of Group Projects

The study sought to find out how internal controls influence sustainability of youth group projects. The findings were shown in table 4.12 below:

Table 4.12 Internal Controls and Sustainability of Youth Group Projects

| | Group up to date has reliable financial records | | Group has approvals and authorizations for bank withdrawals | | Group implements planned activities | | Group has its regular management and supervisory activities | |
|-------------------|--|----------|--|----------|--|----------|--|----------|
| | Freq. | % | Freq. | % | Freq. | % | Freq. | % |
| Strongly Agree | 24 | 20 | 13 | 10.8 | 20 | 16.7 | 12 | 10 |
| Agree | 33 | 27.5 | 17 | 14.2 | 33 | 27.5 | 14 | 11.7 |
| Neutral | 3 | 2.5 | 2 | 1.7 | 6 | 5 | 10 | 8.3 |
| Disagree | 35 | 29.2 | 54 | 45 | 40 | 33.3 | 46 | 38.3 |
| Strongly Disagree | 25 | 20.8 | 34 | 28.3 | 21 | 17.5 | 38 | 31.7 |
| Total | 120 | 100 | 120 | 100 | 120 | 100 | 120 | 100 |

The findings indicate that 50% or 60 respondents agreed their groups do not have up to date reliable financial records. The study also indicates that 47.5% or 57 respondents agreed their group do have up to date reliable financial records. The findings also indicate that 7.5% or 9 respondents gave a neutral response on their groups financial records. The analysis indicates that half of the groups have up to date reliable financial records while the other half does not. On bank withdrawals, the results indicate that 25% or 30 respondents agreed their groups have approvals and authorizations for bank withdrawals. The findings also indicate that majority of the groups at 73.3% or 88 responses reported their groups do not have systems for approvals and authorizations on bank withdrawals. This analysis implies that group funds and assets can easily be misappropriated through unlawful bank withdrawals. This results from lack of reliable financial records and proper systems on approvals and bank withdrawals. On implementation, the finding indicates that 44.2% or 53 respondents agreed their group implements the planned

group activities. The findings also indicate that 50.8% or 61 respondents agreed that their group does not implement the planned group activities. The results also indicate that 5% or 6 respondents reported a neutral position. This analysis suggests that majority of the groups do not implement their activities even when planning has been properly done. This is a malignant which affects numerous youth group projects in the country. On group supervisory activities, the findings indicate that 21.7% or 10 responses agreed their group hold regular management and supervisory activities. The finding also indicates that a majority of the groups at 70% or 84 responses do not hold regular management and supervisory activities. However 8.3% or 10 responses reported a neutral position. This analysis implies there is laxity on internal control systems in majority of youth groups. The responses indicate that the groups are not strict on maintaining high standards. It is apparent that majority of the groups have not given prudent financial management practices the attention it deserves in the projects.

4.8 Level of Education and Sustainability of Youth Group Projects

The study sought to determine how level of education influence sustainability of youth group projects in Chepalungu sub county. The following measures were analyzed; level of education, areas of training, frequency of training and the nature of training.

4.8.1 Level of Education

The study sought to find out the ability of members to practice skills gained in studies at school, college plus the various training opportunities offered to the youth groups when they seek funding for their enterprises. The responses were shown in table 4.13 below:

Table 4.13 Level of Education and Sustainability of Youth Groups

| Item | Category | Frequency | Percentage % |
|--------------------|-------------------|------------------|---------------------|
| Level of education | Primary and below | 22 | 18.3 |
| | Secondary Level | 64 | 53.3 |
| | Tertiary Level | 24 | 20 |
| | University Level | 10 | 8.3 |
| Total | | 120 | 100 |

The findings indicate that majority of the youth group members have secondary school level of education. This is supported by 53.3% or 64 respondents in the study. The findings also indicate that 20% or 24 respondents have gone up to tertiary level of education. The group members who have primary school level of education and below are 18.3% or 22 responses. Finally the group members with the highest level of education are 8.3% or 10 respondents only. This analysis implies that majority of the group members are able to read and write. The findings imply majority of the youth have formal education but no training. However, this also implies that proactive groups are able to practice various skills gained in the school curriculum such agriculture and business education. Education can increase the group’s ability to prudently use the necessary skills gained to start and manage business.

4.8.2 Areas of Training

The study sought to find out if the youth possess some form of formal training which is critical for sustainability of small and medium enterprises. The responses were as shown in table 4.14

Table 4.14 Areas of Training

| Item | Category | Frequency | Percentage % |
|-------------------|-------------------------------------|-----------|--------------|
| Areas of training | Business management | 28 | 23.3 |
| | Community Development | 9 | 7.5 |
| | ICT | 15 | 12.5 |
| | Agriculture Education and Extension | 65 | 54.2 |
| | Others | 3 | 2.5 |
| Total | | 120 | 100 |

The findings indicate that majority of the youths have agriculture education and extension background at 54.2% or 65 responses. This was followed by youths who have some training in business management at 23.3% or 28 responses. Those youths who have done ICT were 12.5% or 15 responses. The youths who have training in community development were 7.5% or 9 responses. The other final category was 2.5% or 3 responses only. The analysis indicates that it is only a few youths have undergone entrepreneurship training. This is despite of the fact that they have different background categories in terms of training. This focus is important as it directly impacts on areas in which the group members are trained to equip them with necessary entrepreneurship skills to manage and nurture projects.

4.8.3 Frequency of Training

The study also sought to find out whether the youth groups are engaged in training. The responses were as shown in table 4.15 below:

Table 4.15 Frequency of Training

| Item | Category | Frequency | Percentage % |
|-----------------------|-----------------|-----------|--------------|
| Frequency of training | Very frequently | 3 | 2.5 |
| | Frequently | 6 | 5 |
| | Occasionally | 21 | 17.5 |
| | Rarely | 86 | 71.7 |
| | Others | 4 | 3.3 |
| Total | | 120 | 100 |

The findings indicates that majority of the youths rarely engaged in training. This was supported by 71.7% or 86 responses in the study. Those youths who occasionally engage in various training were 17.5% or 21 responses. The categories of the youth who frequently engage in training were 5% or 6 responses. This was closely followed by those who very frequently engage in training at 2.5% or 3 responses. The other final category which includes those who don't engage in training

was 3.3% or 4 responses. This analysis suggests that majority of the youth rarely engage in the training opportunities. Yet these skills are necessary in assisting them in managing the group projects. Those who have accounting skill for instance can help other group members in book keeping. This is necessary in monitoring whether the group project is making profits or is at a loss.

4.8.4 Nature of Training

The study also sought to establish the nature of the training that takes place if any. The responses are shown in table 4.16 below:

Table 4.16 Nature of Training

| Item | Category | Frequency | Percentage % |
|--------------------|--------------------------|-----------|--------------|
| Nature of training | On the job training | 3 | 2.5 |
| | Workshop and seminars | 7 | 5.8 |
| | Informal group training | 22 | 18.3 |
| | Use of training software | 4 | 3.3 |
| | None | 84 | 70 |
| Total | | 120 | 100 |

The study indicates that majority of the youths at 70% or 84 responses have not been engaged in some form of training in entrepreneurship. The youths who have informal group training were 18.3% or 22 responses. This was followed by those who have attended workshop and seminars at

18.3% or 22 responses. The youths who have undergone use of training software were 3.3% or 4 responses. Finally it is closely followed by those youth who have gotten training opportunities on the job. The analysis implies majority of groups lack training. The analysis suggests that the groups have limited opportunities to develop the entrepreneurial skills and engage in new business. This is critical because training is essential as it equips the members with relevant skills and knowledge to enhance the operations of projects effectively and efficiently.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gave the summary of major findings, discussions, conclusions and recommendations of the study. The study was guided by the following objectives: to assess the extent to which entrepreneurial skills among youth influence the sustainability of youth group projects, to establish how group leadership influence the sustainability of youth group projects, to determine to what extent internal controls influence the sustainability of youth group projects and to establish to whether the level of education of group members influence sustainability of youth group projects in Chepalungu sub county.

5.2 Summary of Findings

The purpose of the study was to establish the factors that influence sustainability of youth group projects in Chepalungu Sub County. The first objective was to assess the extent to which entrepreneurial skills among the youth influence sustainability of youth group projects. The study established that 67% of the respondents agreed their groups do not perceive nor capitalize on new business opportunities. The study also established that 57.5% respondents agreed their groups do not have the ability to endure, and cope with difficult situations. The analysis implies that majority of the groups are not able to persevere through challenging and turbulent times. The study determined that 63.3% respondents agreed their group do not stress on efficiency in business operations.

The second objective was to establish how group leadership influences sustainability of youth group projects. The study revealed that 70% respondents agreed their groups have a vision and mission. However the analysis implies that in majority of the groups the vision and the mission are not operationalized. The study revealed that 60.8% respondents agreed their groups do carry out the task of planning on the group goals. Likewise from the analysis a similar analogy was deduced i.e. in majority of the groups the group plans are not implemented. The study established that 70.8% respondents agreed their groups do not have mechanisms for solving

problems. The study also revealed that 66.7% agreed their groups do not ensure timely reports and feedback. This analysis that implies majority of the group projects are not proactive enough to the stakeholder issues.

The third objective was to determine to what extent internal controls influence sustainability of youth group projects. The study established that 50% respondents agreed their groups do not have up to date reliable financial records. The study also revealed that 73.3% respondents agreed their groups do not have control systems for approvals and authorization on bank withdrawals. This analysis implies that group funds and assets can easily be misappropriated due to lack of the said records, and also through unlawful bank withdrawals. The study established that 50.8% respondents agreed their group do not duly implement the planned activities. The study determined that 70% respondents agreed their group do not hold regular management and supervisory activities.

The fourth objective was to establish whether the level of education of group members influence sustainability of youth group projects. The study established that majority of group members at 53.3% have attained secondary school level of education, while those who have attained university degree are the least in numbers at only 8.3%. The findings imply majority of the youth have formal education but no training. The study also established that a majority of the youths have an agricultural background at 54.2%. This was followed by business management background at 23.3%. This analysis suggests that the group members need appropriate training to enable them appropriately manage the projects.

5.3 Discussions of the Study

According to the study, the first objective which was to assess the extent to which entrepreneurial skills among the youth influence sustainability of youth group projects the results indicated majority of the groups have not taken advantage of emerging entrepreneurship opportunities. The study revealed that majority of these groups have not capitalized on new opportunities such as the 30% government procurement to the youth that can increase their returns and ensure the projects are more sustainable. This analysis suggests that majority of the groups have not internalized cost cutting measures such as finding better or cheaper alternatives of carrying out project activities. The study illustrated this aspect by showing how the groups are not taking risks in the emerging new business opportunities. The study also revealed that the

groups do not have the ability to endure and cope with difficulties, yet entrepreneurship comes with practice, patience and persistence. The study also established that the groups have a challenge in time management, majority of the groups do not use time wisely. The findings of the study indeed show how lack of entrepreneurial skills among the youth influences sustainability youth group projects. This is in agreement with the literature review.

The second objective was to establish how group leadership influences sustainability of youth group projects. The studies revealed that majority of the groups have a vision and mission. However, the analysis implies that in majority of the groups, the vision and the mission are not operationalized. The study revealed that majority of the groups' plan the group goals, however, these plans are not duly implemented. These are crucial matters, because by not operationalizing the vision or implementing their plans, then the growth and development of youth group projects cannot be sustainable. When beneficiary groups are not implementing their activities even after planning has been done then this is recipe for stagnation and eventual failure. This is a malignant which directly influences sustainability of most youth group projects. The study also established that majority of groups do not have mechanisms for solving problems. This implies that majority of the groups' challenges will continue to persist as there are no mechanisms for amicably resolving arising issues or disputes. In general, when threatening issues in a group are not resolved, sustainability of the projects is put in jeopardy. The studies also revealed that majority of the groups do not ensure timely reports and feedback. This implies majority of the group projects are not proactive enough to the stakeholder issues. This is essential because concerns such as customer feedback and members' inputs need to be incorporated promptly. Such trend directly influences sustainability of youth group projects, especially when feedback and reports are not accurately and timely addressed. The findings of the study indeed indicate how group leadership influences sustainability of youth group projects. This is in agreement with the literature review.

The third objective was to determine to what extent internal controls influence sustainability of youth group projects. The study established that 50% of the groups do not have up to date reliable financial records. This means that half of the groups operate without proper financial records. This implies that groups may not adequately monitor growth or even decline patterns of their projects. This means that interventions cannot be done on time. As a result half of the

beneficiary groups are likely to face sustainability challenges for not having reliable financial records. The study also established that majority of the groups do not have proper control systems for approvals and authorization on bank withdrawals. This implies that group funds and assets can easily be misappropriated. This is due to lack of proper and reliable records, and also through cases of unlawful bank withdrawals. The study also determined that majority of the groups do not hold regular management and supervisory activities. This suggests that there is widespread laxity by majority of groups in issues of internal controls. Generally, the fact that the groups are not strict enough in maintaining high standards through supervisory activities, an inefficient management system directly influences sustainability of youth group projects. The findings of the study indeed show how lack of group internal controls influences sustainability of youth group projects. This is in agreement with the literature review.

The fourth objective was to establish whether the level of education of group members influences sustainability of youth group projects. The study established that majority of group members have attained at least secondary school level of education, while those who have attained university degree are the least in numbers. This implies that majority of the youth group members are able to read and write. This suggests that proactive groups are able to practice skills gained in the school curriculum such as agriculture and business education. The findings also imply majority of the youth have formal education but no training. The study established that the youth lack entrepreneurship skills, majority of the beneficiary groups have not undergone formal entrepreneurship training. However the study established that a majority of the youths have an agricultural background which explains why most group projects are agriculture based. Generally, education can increase the youth groups' ability to prudently use the necessary skills gained to start and manage business when they are adequately trained. The findings suggest that the group members need appropriate training to enable them appropriately manage the projects. The study established that some level of education plus entrepreneurship training is essential for equipping youth groups' members with relevant skills to start and operate enterprises efficiently and effectively. The findings of the study indicate that the level of education influences sustainability of youth group projects. This is in agreement with the literature review.

5.4 Conclusions of the Study

The youth groups are an important vehicle for socioeconomic development for the young people. They are aimed at job creation and economic empowerment of the young generation. Youth groups are formed for enterprise development, to engage the young people into various economic activities by creating self-employment opportunities (MOYAS 2008). The study has shown that sustainability of youth group projects are affected by various factors that prevent them from achieving this noble goal.

The study revealed that there is lower female involvement than the male in youth group projects in Chepalungu Sub County. That more male youth have benefited from the Fund than their female counterparts. The male also dominate the influential leadership positions in the group projects. This development should be keenly observed because in Kenya female population is higher than that of their male counterpart, and the female entrepreneurs are also high achievers in the SMEs sector in the country (ERS, 2015).

The study established that most youth groups consist of younger youths of ages 18 – 25 years. This might be the case because at this age there is a close bonding relationship among youths. There is also a shared interest among them as they have just finished school and college. However this age group has high turnover of members implying that management of the group projects becomes a challenge especially when it involves mobility of group officials. Such groups are likely to collapse at storming and norming stage before they even reach performing stage.

The study also established that the groups are performing way below expectations. According to the loan component of the Fund, beneficiary groups receive the first loan of Kshs.50, 000, invest it prudently and repay it back to qualify for the second loan of Kshs.100, 000 and gradually move to higher amounts. However from the study, only 9.3% beneficiary groups have qualified for the second stage. Majority of the beneficiary groups are yet to graduate from the first stage.

In general, majority of youth groups have not been exposed to business operations before. There is a weak entrepreneurial culture among the youth in Chepalungu Sub County. It emerged that a saving culture is yet to be inculcated among the youth. There are no mentorships programs where the youth entrepreneurs can learn how to manage the business and address these challenges.

Finally, there is a perception among the youth that the projects are small scale hence not competitive enough to generate enough proceeds.

5.5 Recommendations of the Study

On the basis of this study, the following recommendations were made;

1. Since age, gender, leadership position, level of education and duration of existence of members in groups affect stability of youth projects. The study recommends need to consider the age, gender, leadership position, level of education and duration of existence of members in projects when registering a youth group.
2. Since majority of youth group members are those who have attained secondary school level of education. The study recommends mandatory entrepreneurship lessons be introduced in secondary school education curriculum. This will instill a sense of entrepreneurship among the young people.
3. The private sector should also be integrated into the program to give mentorship to the youth right from younger ages. This will inculcate a saving culture among the youth. The private partnership will also mentor business acumen among the young entrepreneurs in areas such as risk taking, persistence in business, time management and problem solving.
4. Training component should be part and parcel of all government funding. The youth need to be sensitized on entrepreneurship skills, developing viable business plans, networking and sourcing of new and broad markets, bidding for public procurement opportunities and proper record keeping.

5.6 Suggestions for Further Research

The small and medium enterprise sector in Kenya today contributes the highest input to the economy (ERS, 2015). A better management of the sector provides immense opportunities to the youth group projects to achieve the goals and progressively ensure stability of their projects. Therefore more study should be carried out in the following areas;

1. Investigate the challenges faced by young female entrepreneurs in Chepalungu Sub County.
2. Establish the role of leadership in implementation of the county government funding to the youth projects in Bomet County.

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APPENDICES

Appendix 1: Letter of Transmittal

Michael Jassor,
P.O Box 3-20405,
SIGOR.
Phone 0720047140
27th April 2016

The County Director Youth Development,
Bomet County,
P.O Box 71-20400,
BOMET.

Dear Sir /Madam,

RE: REQUEST FOR RESEARCH DATA COLLECTION

I am a student at the University of Nairobi, pursuing Master of Arts course in Project Planning and Management. As part of the course assessment i am required to undertake a research project. My research is on **‘factors influencing the sustainability of youth group projects funded by the Youth Enterprise Development Fund in Chepalungu Sub County.’**

I have designed a questionnaire that will enable me collect the data. I am therefore seeking your authority to collect data from these groups. The information obtained will only be used for academic purpose. In addition the findings from the study shall be made available to you upon request.

Your assistance and cooperation is highly appreciated.

Thank you in advance.

Yours sincerely,

Jassor Michael

Appendix 11: Letter to the Respondents

Michael Jassor,
School of Continuing and Distance Education,
College of Extra Mural Studies,
University of Nairobi - Bomet Center
Phone 0720047140
mikejassor@yahoo.com

Dear Respondent,

I am a student at the University of Nairobi pursuing a Master of Arts course in Project Planning and Management. I am undertaking a research on the “**Factors influencing the sustainability of youth group projects funded by the Youth Enterprise Development Fund in Chepalungu Sub County**”. You have been identified as one of the respondents in this research. Kindly provide information by honestly completing this questionnaire.

Your name or the name of the youth group is not required. Whatever information you give will be treated with absolute confidentiality. Your co-operation is highly appreciated.

Thank you in advance.

Yours sincerely,

Jassor Michael

Appendix 111: Respondents' Questionnaire

SECTION A

Personal Information

1. What is your gender (Please tick in the space provided)

a) Male

b) Female

2. What is your leadership position in the group? (Please tick)

Chairperson

Secretary

Treasurer

3. What is your age bracket? (Please tick)

a) 18 – 25

b) 26 – 30

c) 31 – 35

d) Over 35 years

4. What is your highest level of education (Please tick)

a) Primary and below

b) Secondary level

c) Tertiary level

c) University level

5. How long has your group been in existence? (Please tick)

Less than one year

One to two years

Two to three years

Others specify.....

6. How long has the members been in existence in the group? (Please tick)

- a) Less than one year
- b) One to two years
- c) Two to three years
- d) Others specify.....

7. How much was your group funded? (Please tick)

- a) Kshs.50, 000
- b) Kshs.50, 001 – Kshs.100, 000
- c) Kshs.100, 001 – Kshs.200, 000
- d) Over Kshs.200, 000

SECTION B

I. Sustainability of Youth Group Projects

1. Does the net worth of your group project enable it to be self-sustaining? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

2. Is your group project active and operational? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly Disagree 1

3. Have your members benefited from YEDF by engaging in self-employment? (Please)

- a.) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly Disagree 1

II. Entrepreneurship Skills

1. Does your group perceive and capitalize on new business opportunities? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

2. Does your group have ability to endure and cope with difficult situations? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly Disagree 1

3. Does your group use time wisely and avoid wastage? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

4. Does your group stress on efficiency in business operations? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

5. In your opinion explain the influence of entrepreneurial skills on the sustainability of youth groups.....

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III. Group Leadership

1. Does your group have an operational vision and a mission? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

2) Does your group plan its goals? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

3) Does your group have mechanisms for problem solving in your group? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

4) Does your group ensure timely reports and feedback? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- b) Neutral 3
- c) Disagree 2
- e) Strongly disagree 1

5. In your own opinion explain the influence of group leadership on the sustainability of youth groups.....

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IV. Internal Controls

1. Does your group have up to date reliable financial records? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

2. Does your group possess control measures such as approvals and authorizations on bank withdrawals? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

3. Does your group duly implement the planned activities and tasks? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

4. Does your group conduct regular management and supervisory activities? (Please tick)

- a) Strongly agree 5
- b) Agree 4
- c) Neutral 3
- d) Disagree 2
- e) Strongly disagree 1

5. In your opinion explain the influence of internal controls on sustainability of youth groups.....

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V. Level of Education

1. What is your highest level of education (please tick)

- a) Primary level
- b) Secondary level
- c) Tertiary level
- d) University level
- e) Others (specify).....

2. In what area have you trained? (Please tick)

- a) Business Management
- b) Community Development
- c) Information, Communication and Technology
- d) Agriculture and Extension
- e) Others (specify).....

3. How frequently does your group engage in training? (Please tick)

- a) Very frequently
- b) Frequently
- c) Occasionally
- d) Rarely
- e) Others (specify).....

4. What is the nature of the training that takes place, if any? (Please tick)

- a) On the job training
- b) Workshop and seminars

c) Informal group training []

d) Use of training software []

e) Others (specify).....

5) In your own opinion explain the influence of level of education on sustainability of youth groups.....

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Thank you for your cooperation

Appendix IV: Interview Session with the Youth Fund Officers

1. For how long has YEDF been in operation in Chepalungu Sub County?

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2. What type of enterprises are youth groups mostly involved in Sub County?

a) Farming

b) Manufacturing

c) Commercial retail

d) Poultry

e) ICT

f) Others (specify).....

3. How has the loan repayment rate be in the sub county?

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4. Do you follow-up on the youth groups' enterprise performance? (Please tick)

a) Yes

b) No

Please give your reason(s):

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5. In your opinion what are the factors that influence the sustainability of youth group enterprises?

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6. In your opinion what do you think can be done to improve the sustainability of youth enterprises in the constituency?

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Thank you for yours cooperation