

**FACTORS INFLUENSING THE UPTAKE OF DEVOLVED FUNDS IN KENYA: A
COMPARATIVE STUDY OF YOUTH ENTERPRISE DEVELOPMENT FUNDS [YEDF]
AND WOMEN ENTERPRISE DEVELOPMENT FUND [WEDF] IN KALOLENI
CONSTITUENCY-KILIFI COUNTY-KENYA**

BY

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**A RESEARCH SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT
OF THE AWARD OF MASTERS OF ARTS DEGRE IN PROJECT PLANNING AND
MANAGEMENT OF THE UNIVERSITY OF NAIROBI**

2013

DECLARATION

I, the undersigned declare that this research project is my original work and has not been submitted for a degree in any other university other than the university of Nairobi for academic purpose.

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DECLARATION BY SUPERVISOR

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

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DEDICATION

I dedicate this study to my wife Maua and kids Allen and Michelle, my sisters Nancy and Beverly and auntie Alice for the encouragement and support, without which I would not have made it, thank you and God bless you.

ACKNOWLEDGEMENT

I acknowledge the valuable contribution of a number of people and institutions which contributed to this study, first my supervisor Dr Moses Otieno for the advice and guidance, staff of ministry of youth affairs and sports and ministry of gender children and social development of Kaloleni district, youth enterprise development field staff, several very special friends who will remain unnamed, my colleagues in the PPM class, wonderful people, and all those who contributed in one way or another to the success and completion of my study, thank you.

ACRONYMS

MOYAS-Ministry of youth affairs and sports.

YEDF-Youth enterprise development fund.

WEDF-Women enterprise development fund.

NGOs-Non governmental organizations.

DFRSD-District focus for rural strategy development.

CBF-Constituency bursary fund.

HIV-Human immunodeficiency virus.

AIDS-Acquired immune deficiency syndrome

CDF-Constituency development fund.

LATF-Local authority transfer fund.

FPE-Free primary education.

FSE-Free secondary education.

RAMLF-Roads maintenance levy fund.

REPF-Rural electrification programme fund.

WSTF-Water services trust fund.

PELF-Poverty eradication fund.

NYP-National youth policy

GOK-Government of Kenya.

MFIs-Micro finance institutions.

SACCO-Savings and credit co-operative society.

C-YES-Constituency youth enterprise scheme.

C-WES-Constituency women enterprise scheme.

MDGs-Millennium development goals.

UNDP-United nations development programme.

PPOA-Public procurement oversight authority.

DF-Devolved funds.

PRA-Participatory rural appraisal.

IEC-Information education communication.

GEM-Global employment monitoring.

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ABSTRACT

This was a relative investigation of youth venture advancement reserves [YEDF] and ladies endeavor improvement finance [WEDF] in Kaloleni Constituency-Kilifi County-Kenya. Devolution or decentralization has been one regular imperative for tending to an extensive variety of issues, for example, monetary wasteful aspects, macroeconomic flimsiness, administration lacks, and poor conveyance of open administrations (Akai and Sakata, 2002). As per Bossert and Beauvais (2002), decentralization is sought after for an assortment of reasons: specialized, political, and monetary. In Kenya, a few endeavors have been made to diminish pointless layers of government to influence administration to arrangement to the people more compelling. Right now, there are different standardized decayed assets which incorporate YEDF and WEDF (Ogolo, 2009). Although the YEDF and WEDF takes a relatively small amount of national resources its impact can be significant if the funds are efficiently utilized. While the fund was a good initiative, comprehensive research lacks on how much it has achieved in job creation. Despite the impressive performance within only one year of its operation the Fund has faced various challenges which included are that many young people lack entrepreneurial skills, lack of credible financial intermediaries in some areas of Kenya, fear of taking loans, inadequate information on investment opportunities and bureaucratic legal requirements for business registration among others. According to Alemayehu (2009), YEDF has faced other problems of government interference impacting negatively on its purpose. The afore-mentioned challenges are depicted to be the cause of inefficiency on realizing the intended mission of the YEDF and WEDF in creating employment. The study objectives were to establish whether lack of entrepreneurship skills, fear of taking loans, inadequate information on investment opportunities and bureaucratic legal requirements for business registration has led to poor uptake of YEDF and WEDF in Kaloleni Constituency. The study used a descriptive survey research design where the target population of this study consisted of the officials of the 33 groups who have benefited from YEDF/WEDF. Stratified sampling technique was used to select the sample where the sample of 24 groups funded by YEDF/WEDF was selected. From each of the YEDF/WEDF funded groups the study selected and administered the questionnaire to three officials thus the study had a sample size of 72 respondents. A structured questionnaire and interview guide was used to collect the data. Data was analysed using descriptive statistics. From the findings, the study concluded that women and youth groups had acquired entrepreneurship skills to manage the funds for maximum benefits. However, the skills gained were not adequate for utilization of YEDF and WEDF. The funds were not easily accessible owing bureaucratic procedures involved in the application. The legal requirements for business registration were highly prohibitive to the youths and women. Youths and women groups feared of taking the funds owing to corruption, lack of transparency. The youths and women were not updated with information on investment opportunities. The lack of entrepreneurship skills, fear of taking loans, inadequate information on investment opportunities and bureaucratic legal requirements for business registration has a significant relationship with uptake of YEDF and WEDF.

The study recommends that the government should increase the amount of YEDF and WEDF; address the bottlenecks hindering the uptake of YEDF and WEDF; and offer continuous training to the beneficiaries on entrepreneurship.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Devolution or decentralization has been one regular imperative for tending to an extensive variety of issues, for example, monetary wasteful aspects, macroeconomic precariousness, administration lacks, and poor conveyance of open administrations (Akai and Sakata, 2002). As indicated by Bossert and Beauvais (2002), decentralization is looked for after for an arrangement of reasons: particular, political, and cash related. On the specific side, it is an approach to improve legitimate and advantage movement sufficiency. Politically, decentralization generally speaking tries to grow neighborhood support and independence, redistribute control, and lessening ethnic and also nearby strains. On the cash related side, decentralization is summoned as a strategies for growing cost efficiency, giving neighborhood units more noticeable control over resources and salaries, and sharpening obligation.

Decentralization has played bog roles in the many societies hitories. In Latin America, the process of decentralization took place in three stages: firstly, these countries began by implementing deconcentration; secondly in the 1980s, the countries decentralization was enhanced through devolution of power. Thirdly, in 1990s, decentralization was enhanced by a wave of democratization (Olowu, 2001). In Europe, local authorities have been considered as major centre of authority. However, two different visions of the role of local authorities influenced European countries' forms of decentralization. According to the Anglo-Saxon system, that influenced Northern Europe (Great-Britain, Norway, Denmark), decentralization is service-oriented and local authorities are in charge of implementing central government policies. French system which is the other version, which also applies in Belgium, Luxembourg, and Italy, power, is highly decentralized and local authorities are under the state. For Somewhat English Saxons, decentralization is a political procedure that comprises of exchanging force and assets from the focal government to neighborhood specialists or private organizations. In that capacity,

performing artists of decentralization include local institutions, communities, Non-governmental organizations (NGOs), associations and private firms.

In Africa, colonialism has had big and major impact on the growing process. While pre-colonial period in Africa was characterised by rulers or conventional pioneers speaking to fundamentally all specialist, amid the provincial and quick post-frontier periods, administration was organized and rehearsed in a very brought together way. The provincial styles of the British and French, for instance, made in a general sense diverse frameworks of ethnic stratification, which left differentiating inheritances for post-pioneer governance whereby development was skewed towards regional origins of those in power. mostly, the decentralized rule that was indirect by the British in countries like Nigeria fostered decentralized governance while the name of the French style which was centralised approximated a centralized system. This was followed by military dictatorship in several African countries whereby governance was personalized and in search for inclusive, involving, and participatory governance, decentralization was considered in many countries in Africa, especially since the mid 1980s (Blanton, Mason and Athow, 2001).

Uganda for example has encountered decentralization both as a framework and procedure of devolution of energy from the integral to neighborhood specialists. Verifiably, three principle periods of decentralization can be recognized (Emorut, 2006). In the principal stage (1955 to 1964) a solid neighborhood organization framework was made with regards to a frail focus. The second stage (1964 to 1985) included a recentralization of energy and serious debilitating of nearby organization. The third stage (1987 to date) has been described by huge devolution of energy to neighborhood specialists through projects to fortify nearby government frameworks (Bagaka, 2008).

In Kenya, a few endeavors have been made to diminish pointless layers of government to influence administration to arrangement to the people more compelling. After autonomy, managerial structures were set up with halfway designated executives, acquired from the provincial administration bringing about question between Central Government and the general population who needed decentralized system (Bagaka, 2008). Soon after independence, the first

attempt towards decentralization was in 1964 with the establishment of the neo federal (Majimbo) constitution which created regions to which local authority were supposed to be responsible. However, the new constitution was never implemented (Republic of Kenya, 1995). Another attempt towards decentralization was made in 1969 with the establishment of National Rural Development, meant to address needs of people in the rural areas (Occasional Paper No. 8, 1982). However, this program did not meet the intended objective. As a result, between 1983 and 1984, District Focus Strategy for Rural Development (DFSRD) was launched with a focus to strengthen co-ordination of development activities including planning and implementation of projects in rural areas by making districts the central units for rural development. While the strategy has been implemented, it has, however, failed to meet its intended objectives; namely, getting ready for provincial adjust and rustic urban linkages; enhancing organization of locale arranging and venture usage, and defending account and spending administration frameworks (Okungu, 2008).

Currently, there are various institutionalized devolved funds. Funds within the constituencies are Constituency Bursary Fund (CBF) meant for needy students, Constituency HIV/AIDS Fund to support the living conditions of those infected by the HIV virus and Constituencies Development Fund (CDF) meant for promoting development within the constituency. Those funds given outside the constituency include Local Authority Transfer Fund (LATIF) to enhance benefit conveyance, budgetary administration and diminish the remarkable obligation of nearby experts, Free Education Fund for both the primary and secondary level meant to reduced educational access or disparity, Roads Maintenance Levy Fund (RAMLEF), Rural Electrification Levy Fund (REPLF) and Water Service Trust Fund (WSTF) to improve infrastructure in rural areas. The fund for women known as (WEF), The fund for youth known as (YEDF) and National Development Fund for Persons with Disability and Poverty Eradication Loan Fund (PELF) were meant to support business initiative by women, the youth and disabled persons respectively (Ogolo, 2009).

1.1.1 Women and Youth Funds

Ladies constitute 52% of the aggregate Kenyan populace while the adolescent speak to 30 percent of Kenya's populace and their joblessness is double the nation's normal. Very nearly 33% of Kenyans are in the vicinity of 15 and 29 years, and the aggregate came to right around 11 million individuals in 2006 (contrasted with 8.5 million of every 1999). As indicated by the KPIA this age associate is presently at an authentic high (in supreme and relative terms) Youth and ladies in Kenya confront genuine difficulties, including high rates of joblessness and underemployment. The general joblessness rate for youth is twofold the grown-up normal, at around 21 percent. Insights on joblessness propose that the size of the joblessness issue is bigger for youth and ladies with 38 percent of who are neither in school nor work (amassing the rates of revealed joblessness and latency). Moreover, the Country Social Analysis found that adolescent's joblessness, particularly among guys, is a noteworthy supporter of dissatisfaction and strain, specifically in urban territories. Obviously, joblessness among the ladies youth has now turned into a matter of genuine strategy worry in the nation. Proof from past logical work demonstrates that absence of activity on the difficulties that influence youth will heighten both the social and monetary expenses of advancement in Kenya (Tombo, 2008).

The GoK built up a "Marshal Plan" for youth joblessness in 2007, stressing the significance of an organized and multi-sectoral way to deal with tending to the issue of youth joblessness and youth inertness, Ministry of youth affairs, 2009. www.yedf.go.ke. The GoK keeps on supporting the Youth Enterprise Development Fund (YEDF), built up in 2006, and Women Enterprise Fund (WEF) set up in 2007 in giving youthful and ladies access to back for independent work exercises and entrepreneurial abilities improvement. Kenya's own Vision 2030 endeavors to: decrease the quantity of individuals living in destitution and certification balance of chances; increment the open doors for youth, ladies and hindered gatherings; and enhance conveyance of social administrations (counting water, training and so forth) among others. The National Youth Policy, propelled in 2006, additionally tries to guide and standard youth related intercessions in the nation (Ministry of Youth Affairs, 2009).

1.1.2 Youth Enterprise Development Fund

The Fund given to the youth as (YEDF) was imagined in June 2006 by the legislature as a vital move towards capturing joblessness which is for all intents and purposes a young issue. The credit focuses on all types of youth claimed undertakings whether possessed separately, as an organization, in gatherings, in cooperatives or some other authoritative documents of business proprietorship; (75.0%) of those jobless are the young. The administration put aside Kenya shillings One billion (Ksh. 1 billion) in the 2006/07 spending plan to quick track this respectable and auspicious activity (Ministry of Youth Affairs 2010). The Fund was gazetted on eighth December 2006 to give the essential legitimate structure to oversee its utilization and operations. The Fund encourages youth work through big business improvement and organized work send out.

The goals of the YEDF are; give advances to existing miniaturized scale fund foundations (MFIs), enrolled non-administrative associations (NGOs) engaged with smaller scale financing, and reserve funds and credit co-agent associations (SACCOs) for on-lending to youth ventures; pull in and encourage interest in miniaturized scale, little and medium endeavors situated business framework, for example, business or modern parks, markets or business hatcheries that will be advantageous to youth undertakings; bolster youth arranged small scale, little and medium undertakings to create linkages with huge ventures; encourage showcasing of items and administrations of youth undertakings in both local and worldwide markets; and encourage work of youth in the global work advertise (YEDF guide,2009). Least conditions for getting to the Fund incorporate; one must fall in the age section of 18 to 35 years and Kenyan, one must have the goal of putting the Fund in a business wander, the Fund is a credit and should accordingly be reimbursed and any type of lawfully enrolled association or firm working in Kenya.

YEDF and WEDF is authored as the fiscal organization rendered to the precluded assembling from claiming the all inclusive community and little specialists to help them in making free work openings and distinctive compensation creating works out.

1.1.3 Women enterprise development fund

Ladies Enterprise Fund (WEF) was brought about by the Government of Kenya in 2006 and formally propelled in 2007. The central target of the reserve is monetary strengthening of ladies. Ladies Enterprise Fund credits achieve the objective recipients through our accomplice monetary middle people and specifically through Constituency Women Enterprise Scheme (C-WES). It is overseen by the service of sexual orientation, kids and social improvement (Women Enterprise Fund (WEF) 2010).

The reserve will empower the legislature understand the third Millennium Development Goal (MDG) on "sex equity and strengthening of ladies". In acknowledgment of the basic part ladies play in financial advancement, the WEF has been distinguished as a leader venture under the social column in the Vision 2030. It is normal that the reserve will assume a reactant part in mainstreaming ladies in the formal money related administrations area (WEF 2010).

Despite the fact that ladies constitute 52% of the aggregate Kenyan populace, larger part of them have been barred from the formal monetary administrations – for instance, few have financial balances, can get to advances, cash exchange administrations, and so on. The rustic ladies are more distraught than their urban partners. The reserve is intended to address the lasting difficulties ladies confront in their want to wander in pay creating exercises (undertaking improvement) (Women Enterprise Fund WEF 2010).

1.2 Statement of the Problem

Although the YEDF and WEDF takes a generally little measure of national assets 2.5% of government's common income gathered each year, its effect can be noteworthy if the assets are productively used. The strategy has put accentuation on certain key zones beginning with work creation. The need bunches are youth and ladies with incapacity, road youth, youth tainted with HIV/Aids, female youth, jobless youth, and all through school youth. Be that as it may, the jury is still out to decide how much the arrangement has accomplished up until this point.

While the fund was a good initiative, comprehensive research lacks on how much it has achieved in job creation or it is just a fad and a political gimmick aimed at enriching a few youth and forming an institutional ground on which the key players embezzle funds. Despite the impressive performance within only one year of its operation the Fund has faced various problems in its attempt to mitigate unemployment in the country. The challenges included are that many young people lack entrepreneurial skills, lack of credible Financial Intermediaries in some areas of Kenya, fear of taking loans, inadequate information on investment opportunities and bureaucratic legal requirements for business registration among others.

According to Alemayehu (2009), YEDF has faced other problems of government interference impacting negatively on its purpose. These problems are compounded by allegations of misappropriation of the funds resulting in minimal impact in job creation.

The afore-mentioned challenges are depicted to be the cause of inefficiency on realizing the intended mission of the YEDF and WEDF in creating employment. This is evident from the increasing number of unemployed youths and women in the country day after day. The unemployment problem has continued to cause disillusionment among the youth despite the introduction of the YEDF. This has partially been caused by the young people and women being unable to access capital due to bureaucratic legal requirements for business registration among others. Further obstacles include lack of business expertise (Alemayehu 2009). Even though the devolved funds has faced many the challenges of misappropriation and government interference impacting negatively on its purpose, no study has been done on its effectiveness in mitigating unemployment. Thus there is a research gap on the factors influencing the uptake of devolved funds in Kenya. This investigation tried to connect the information hole by breaking down the elements affecting the take-up of degenerated reserves.

1.3 Objectives of the study

- i. To establish whether lack of entrepreneurship skills has led to poor uptake of YEDF and WEDF in Kaloleni Constituency.

- ii. To determine whether fear of taking loans has led to poor uptake YEDF and WEDF in Kaloleni Constituency.
- iii. To determine whether inadequate information on investment opportunities has led to low uptake of YEDF and WEDF in Kaloleni Constituency.
- iv. To determine whether bureaucratic legal requirements for business registration have led low uptake YEDF and WEDF in Kaloleni Constituency.

1.4 Research Questions

- i. How does lack of entrepreneurship skills influence uptake of YEDF and WEDF in Kaloleni Constituency?
- ii. How does the fear of taking loans affect the uptake of YEDF and WEDF in Kaloleni Constituency?
- iii. How does inadequate information on investment opportunities influence the uptake of YEDF and WEDF in Kaloleni Constituency?
- iv. How does bureaucratic legal requirements for business registration affect uptake of YEDF and WEDF in Kaloleni Constituency?

1.4.1 Research Hypothesis

Ho₁. There isn't statistically significant connection between lack of entrepreneurship skills and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Ho₂. There isn't statistically important relationship between fear of taking loans and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Ho₃. There is no factually critical connection between inadequate information on investment opportunities and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Ho₄. There is no statistically significant relationship between bureaucratic legal requirements for business registration and poor uptake of YEDF and WEDF.

1.5 Significance of the study

The government through the ministry [department of youth development] of youth undertakings and games and service of sex, kids and social improvement would pick up experiences in effective implementation and management of devolved funds disbursement to the targeted beneficiaries. From the research recommendations, the government officials would also derive important suggestions to incorporate while formulating the policies on devolved funds. This study would contribute valuable information on factors influencing the uptake of devolved funds in Kenya. The study would increase the body of knowledge on solving the bottlenecks in the uptake of devolved funds in Kenya by the youths and women and therefore it would be a useful point of reference for further studies to other scholars.

1.6 Delimitation of the Study

This study was confined to the factors influencing the uptake of devolved funds in Kenya. The study explored the various factors influencing the uptake of devolved funds in Kenya with special reference to lack of entrepreneurship skills, fear of taking loans, inadequate information on investment and bureaucratic legal requirements for business registration. Kaloleni Constituency shaped the land extent of the investigation; subsequently any speculation of the outcomes would be restricted to the constituency.

1.7 Limitation of the study

The study faced various limitations that included;

- i. The study couldn't control the respondents' state of mind which could have an influence the nature of data given.
- ii. The study could further be limited by the abnormal state of uncertainty in a few zones of the Kaloleni Constituency which might hinder the smooth flow of the data collection.

1.8 Definition of Significant Terms

Entrepreneurship: is a procedure through which people recognize openings, allot assets, and make esteem. This formation of significant worth is regularly through the distinguishing proof of neglected needs or through the ID of chances for change with the point of making benefit (Lundstrom, 2005).

Devolved funds: this is the budgetary allocations from the government to specific targeted beneficiaries with the aim of uplifting their economic status effectively meet the local need of community empowerment (Akai and Sakata, 2002). In this study the devolved funds involved will be YEDF and WEDF.

Training: alludes to fortifying the aptitudes, capabilities and capacities of individuals and groups in creating social orders so they can conquer the reasons for their rejection and enduring (UNDP, 2006). According to this study training is the continuous capacity building to make the beneficiaries remain up to date in the Business opportunities available in the Kenyan market for the young entrepreneurs.

Bureaucratic Legal Requirements: Refers to laws, tenets, and controls that must be taken after to begin and maintain a business. For all intents and purposes all aspects of your business is under some kind of legal choice. Specific structures, licenses and other documentation must be recorded with state and neighborhood government work environments remembering the true objective to begin.

Loan: Is a budgetary exchange in which one gathering (the moneylender) consents to give another gathering (the borrower) a specific measure of cash with the desire of aggregate reimbursement. The particular terms of an advance are frequently illuminated as a promissory note or other contract.

CHAPTER TWO

LITERATURE REVIEW.

2.1 Introduction

This part was structured to cover the factors influencing the uptake of devolved funds by the youths and women in Kenya. The factors reviewed include lack of entrepreneurship skills, fear of taking loans, inadequate information on investment opportunities and bureaucratic legal requirements for business registration. The chapter also gives the theoretical and conceptual frameworks on which the study is based.

2.2 Influence of Lack of Entrepreneurship Skills on Poor Uptake of YEDF and WEDF

Enterprise preparing and arrangement of proper business improvement administrations are keys to the YEDF and WEDF accomplishment of its order. Other than guaranteeing that the adolescent have satisfactory enterprise abilities, it additionally resources them in distinguishing and taking advantage of business openings that are promptly accessible in the market, while grasping present day business administration systems. The store has gained colossal ground around there, via preparing more than 150,000 youth on business enterprise. A portion of the trainings have directed in association with other money related mediators. Then again, more than 500 Ministry of Youth Affairs field based officers have experienced business enterprise instructional class to empower them prepare youngsters at the grassroots with pertinent aptitudes going about as coach of mentors. In accordance with enterprise trainings, the store upheld a strategy for success rivalry in which more than 6,000 youth business visionaries were prepared and victors granted. In year 2009 the store bolstered another marketable strategy rivalry which thousands were prepared and champs granted. A portion of the recipients of the strategy for success rivalries have begun suitable endeavors which have utilized many youth. The Fund has joined forces with Public Procurement Oversight Authority (PPOA) to sharpen over youth out in the open obtainment forms. This went for making mindfulness among youth on what they have to do to profit by government obtainment.

2.3 Influence of Fear of Taking Loans on Poor Uptake YEDF and WEDF

As per Tombo, (2008) the cash given to the young people by the budgetary foundation is hard to access since they had stringent measures that the majority of the adolescents don't meet. The nearness of such stringent measures and disappointment by the young and ladies to meet such states of make them unbiased in looking for the assets. There is requirement for the service to investigate methods for expanding take-up of the store. Access to formal back is poor by prudence of the high danger of default among the youngsters and ladies in light of lacking monetary working environments. A large portion of them once in a while meet the conditions set by cash related establishments, which see teenagers and women as a risk because of poor accreditations and nonattendance of information about their capacity to reimburse advances. There are many reasons that make young people and ladies to fear assuming credits including praise type of YEDF and WEDF. A portion of the fundamental reasons incorporate high loan fees, insurance necessity, and postponements in preparing, moneylenders requesting bunch getting as opposed to singular acquiring, absence of straightforwardness where conditions and prerequisites are not appeared ahead of time, defilement.

Advance security is one of the critical parts of credit. Most loaning to little scale undertakings is security based, with no respect for potential income. Be that as it may, associations loaning to them presently can't seem to devise elective types of security. These would include: amass credit ensures, where associations loan to people utilizing bunches as underwriters, and individual underwriters, where people are given advances in light of an underwriter's vow. Advance assurance plans are progressively being actualized as a methods for urging money related organizations to build their loaning to the unsafe areas and those without the conventional formal security. Frequently, ladies do forces guarantee as portable property, for example, stock, hardware, and book obligations. Be that as it may, these sorts of benefits are not normally viewed as valid sorts of guarantee. Ladies additionally confront prejudicial treatment by bank authorities who lean toward managing spouses and don't consider ladies important.

Despite the fact that the overseeing guideline of the improvement stores (DF) is to support group interest, an institutional structure for group inclusion is absent. The general normal for the DFs thusly is that:

(I) neighborhood committees and additionally parliament hold control of assets; and (ii) nearby groups need mindfulness about the goal, tenets and strategies overseeing their entrance to DFs, and their parts and commands. Fitting people group support instruments and methodologies, for example, Participatory Rural Appraisal (PRA) have not been sufficiently used for settling in group cooperation and the utilization of Information, Education Communication (IEC) to channel data to the overall population is negligible.

Microfinance advanced as the consequence of a financial improvement approach that intends to offer help to low-wage bunches working little scale pay era tasks and organizations by defeating one of the primary obstructions confronted by destitute individuals around the globe, specifically deficient access to credit and other managing an account administrations offered through standard built up keeping money frameworks. The formal money related framework has generally seen the poor adolescents and ladies as "un-bankable", because of their apparent absence of insurance, little credit sizes, and low potential for reimbursement. Without access to formal budgetary administrations, the adolescents and ladies should frequently fall back on getting from moneylenders at over the top financing costs; or partake in nearby pivoting investment funds and credit circles, which require stores, and give unbendable advance sums at inflexible time interims. Also, the issue of security is especially delicate while considering the advancement of sex correspondence in Kenya. Given that ladies and youth are more averse to have resources that they can present as guarantee (and that notwithstanding when they do, their flexibility to discard these is extremely diminished by social and social standards), insurance can turn into a boundary rendering adolescents' and ladies' entrance to money related administrations significantly more troublesome than for men. The restrictive products from the devolved funds restrict the loan uptake by the women and youth; which includes the short repayment period which limits the return on investment. These also makes the women and youths desist from taking loans despite the lenders being willing to offer the loan.

In spite of the accessibility of many advance designs via the banks and the many microfinance establishments, youth go through face challenges in getting to assets. The rule impediments are related to ensure in getting financing for the banks. Instead of some unique states, "sacred flag-bearer examiners" are missing. Many youth are moreover unwilling to gain for socio-social reasons—a presence free of commitment is significantly regarded and brings societal position. Scarcely any prosperity nets that are there for the business starters that are young, for instance, security holds existing in different nations. Likewise, the credit sizes accessible however MFIs to youth are frequently too little to back a new company. (Aspen, 2008)

2.4 Effect of Inadequate Information on Investment Opportunities on Low Uptake of YEDF and WEDF

Enterprise preparing that prompts expanded business creation and extension is viewed as a suitable work system for youth and ladies universally. Backers for youth business enterprise preparing see a large number of advantages, despite the fact that others have been more mindful (Harper 1998). Current assessments show that generally couple of ladies and youth in the nation exploit the preparation and money related assets accessible for big business improvement; considerably littler numbers begin or extend ventures subsequent to being prepared. Business preparing coordinated at beginning a smaller scale or little venture has been essentially focused toward low-and center wage rustic and residential area youth, regardless of whether they are driven by need or opportunity.

Aside from for the most part negative states of mind among youth toward independent work and business, repeating issues, the nature of business enterprise preparing programs (absence of training introduction and social establishing), the nonappearance of a dynamic undertaking society, and the absence of an administrative and administration structure supporting enterprise in the nation. So far endeavors that have concentrated on here and now specialized mediations and monetary impetuses to build business enterprise, for example, preparing and institutional help to get to back, promoting connections, and counsel, have met with just constrained achievement. The rule choices are inadequacies in the tasks each other and the issue of rational

issuing to financial and advancing help, despite the fact that in principle, there is adequate institutional help accessible subsequent to preparing. Notwithstanding, the inability to seek after long haul procedures to make an empowering socio-social and administrative condition to help business enterprise has been a genuine hole in creating economies. This particularly influences youth, on the grounds that their impression of, and basic leadership about, preparing and professions are to a great extent affected by their families and companions (Goel 2006).

Data is missing on councils of trade and different establishments that advance undertaking improvement among youth, and more business directing is required, particularly in provincial ranges, to enable youthful business people to distinguish markets, and in addition to oversee everyday business (Aspen, 2008).

A great many people in Kenya are for the most part behind news or essentially, need enthusiasm on the administration's new activities of initiating advancement through the base up approach of drew in administration. This is predominantly because of disappointment with respect to the legislature in transcending board in building open certainty on the new foundations of advancement. In spite of the inadequacies that torment regressed just structures of improvement in Kenya, both the commentators and the sympathizers of the administration can't overlook one truth; the base up approach of advancement is a common duty between the legislature and the subjects and its prosperity or disappointment lies in the hands of all players in strategy making including the citizenry. Since the beginning of this approach of improvement in the nation, more picks up have been seen at the grass establishes as far as business open doors, schools enrolments and expanded development of nearby frameworks than at some other time ever, however so as to influence these activities to last the trial of time, genuine balanced governance must be set up to guarantee that this all encompassing advancement approach of drew in administration is watertight from mishandle and simple control by individuals with less respect for the more extensive society (Bagaka, 2008). Likewise, youthful business visionaries, especially those in poor countries, are accumulated in low regard neighborhood markets. Such youth in like manner require access to information on thing and data markets. Therefore, propelling the reasonableness of such endeavors will require empowering the passageway of

youth to information on things and data exhibits and interfacing them to overall regard chains. This will require asking young to explore existing overall exercises went for propelling trade among made and making economies (Goel 2006).

2.5 Influence of Bureaucratic Legal Requirements for Business Registration on Low Uptake YEDF and WEDF

Crosscountry considers particularly those led by Global Employment Monitoring (GEM) have stressed the need to enable youth business people. This is a direct result of their expansive numbers and furthermore the difficulties they confront because of the constrained business openings. The need to put resources into human capital by creating nations has been underscored by numerous researchers. In Kenya for example, a considerable measure of mediations have been set up to enable young people. One of the tasks is Youth Enterprise Development Fund (YEDF) began by the organization of Kenya under the Ministry of Youth and Sports.

Augmentation in energetic joblessness is a key test stood up to by governments all through the world. Countless young jobless have entrepreneurial attitude and have the objective of owing a little undertaking however may confront a few snags, for example, government directions, deficient abilities, learning and absence of acknowledgment by the associations and above all else the bureaucratic legitimate necessities to start a venture. There has been moderately less help gave by the legislatures to youthful business people keeping in mind the end goal to battle these impediments. Truth be told, the administration has been a noteworthy obstruction in transit for the little business visionaries. There exist numerous bureaucratic procedures that give an aggressive edge to significant financial specialists to the detriment of youthful business people. Regardless of its key part, right now the MSE segment in Kenya is under weight, plague with various limitations. Among these requirement and more regrettable for the fledging youth business people has been that of raising capital.

The reverted stores concentrate on big business advancement as a key procedure that plans to increment financial open doors for and support by Kenyan ladies and Youths in country building. The order of the reserve has been to build the entrance to capital by ladies and youthful business

visionaries yet additionally give business advancement administrations, encourage linkages in supply chains, make showcase openings locally and abroad for items and administrations of the adolescent endeavors and to encourage formation of business framework to help development of youth business.

The report of the World Bank contends "the presence of particular legitimate, administrative, and regulatory hindrances that ladies business people confront that are either not experienced at all by their male partners or disproportionate affect ladies. Since ladies have a tendency to be "time-poor" (consolidating family obligations with maintaining their organizations) and have constrained access to budgetary assets, they might be less inclined to enroll their organizations."

Business banks and other formal foundations disregard to cook for the credit needs of smallholders, regardless, generally in light of their advancing terms and conditions. It is overall the rules and controls of the formal budgetary establishments that have made the myth that the poor are not bankable, and since they can't manage the cost of the required assurance and other bureaucratic legal necessities, they are considered uncreditworthy (Adera, 1995). Hence paying little mind to attempts to overcome the sweeping nonappearance of cash related organizations, especially among smallholders in making countries, and the improvement of credit in the nation scopes of these countries, the prevailing part still have quite recently compelled access to bank organizations to help their private exercises (Braverman and Guasch, 1986). In Kenya, despite complement on extending the availability of credit to pretty much nothing and microenterprises (SMEs), access to credit by such attempts remains one of the genuine prerequisites they go up against.

2.6 Theoretical Review

The theoretical review of this study is concerned with theories rather than their practical applications of the study. The study adopts the social capital theory, public choice theory and human capital theory.

In light of made by Schultz (1971), Sakamota and Powers (1995), Psacharopoulos and Woodhall (1997), the hypothetical framework that has been in charge of the assignment of manage and change polices has been created as human capital speculation. The plan of formal run is viewed as a gainful vitality for human capital (Olaniyan and Okemakinde, 2008). Among business experts, there is a general assention that human capital recognize a liberal part in fulfilling higher money related change and extended work capacity for a country. The human capital approach rose out of an insistence that an individual, firm or country's choice to put resources into human capital looks like some different theory. This wander incorporate basic cost like instructive cost costs and unavoidable benefit while at school which the individual, firm or country plans to get an arrival later on through expanded income and profitability. New development speculations have likewise recognized the ways through which financial development happens and how the administration and the private division ventures can animate the stream of these different capitals – to be particular physical capital, human capital, creative know-how and data capital. As demonstrated by the new advancement theories, the flood effect of preparing is at the heart self-supporting improvement for economies (Blundell et al., 1999).

The human capital can apply a reinforced and supportive outcome all in all arrangement change of the economy (Rebelo, 1991). For example, Barro (1991) and Barro and Lee (1994) in their basic work displayed the enormity of human capital as a noteworthy determinant of cash related headway and advantage in a general space. Valadkhani (2003) likewise found that entire arrangement approaches went for animating the diverse sorts of enthusiasm for human capital would never-endingly improve work gainfulness. Concentrates in Australia for instance had set up that higher efficiency makes an interpretation of specifically into higher per capita wage and for Kenya, this implies Kenyans all in all would profit by higher norms of social insurance, instruction, and open welfare. In their current investigation, Chou (2003, p. 397) found that 42 percent of Australian advancement in the region of 1960 and 2000 is attributable to the climb in enlightening accomplishment. In that limit, in the Kenyan setting, it twists up perceptibly fundamental to screen the cost and moderateness of preparing through time to all social affairs of its people as the graduate workforce could expect higher picking up farthest point and pay prospects later on and add to the sensible headway of Kenya. In reality, even in the USA, the

world's wealthiest economy, preparing is the number two requirement for national arrangement according to a diagram done by Hart and Teeter (2003).

2.6.2 Public choice theory

Open decision tries to comprehend and anticipate the conduct of government officials and civil servants in the commonwealth by using scientific methods created from financial aspects, in view of the hypothesize of sane decision. At the end of the day, open decision is a use of neoclassical monetary devices (self intrigue and utility augmentation) to clarify political conduct. In broad daylight decision, people, premium gatherings, officials, and government officials are expected to look for their own particular self enthusiasm as in the commercial center. Choices made rely upon the expenses and advantages of a move made whereby each gathering endeavors to amplify their own particular net advantages. Advantages can appear as fiscal or non-money related rewards and can incorporate belief systems, objectives, and social esteems. The looking for of self enthusiasm by civil servants and legislators, and aggregate activity by the different intrigue bunches thus result in the reception of a specific position in the determination of foundations and property rights. Incredible discourses of open decision hypothesis can be found in Libecap (1989), Mueller (1989), and Rowley (1995).

2.6.3 Social Capital Theory

Close by political, cash related and human capital, social capital has been proposed as equally major to the degree society and its general accomplishment. As demonstrated by Wilson (1997:745) the social capital structure (for example, get some data about by Putnam (1993a, 1993b) and Fukuyama (1995)), progresses that "the nonattendance of, or diminish in, social capital lies behind the mental, skilled and cash related disquietude in bunches all through the world". Social capital has been portrayed as "not decisively beginning late the entire of the foundations which strengthen a general masses - the glue holds them together" (World Bank Group 1999).

The clarification "social capital" is used to propose the outcomes from the strategy of connection between people in a party that help that social affair to work satisfactorily (Robinson 1997). These affiliations are dependably spun around contemplate affiliations, for instance, bunch parties, sports clubs and work-based affiliations, and rely on trust and correspondence between the comprehensive group concerned. A point noted in the social capital formed work is that

Social capital makes from within building bits of beyond what many would consider possible concerning place stock in, protection, estimation of life, and proactivity. Affiliations are shaped, first inside the family and neighborhood, and later inside more wide social affairs (Bullen and Onyx 1998)

Social capital analysts portray a contorting upwards and downwards for the time and degeneration freely of social capital. For the upward curving to work, Coleman (1994) declares that an edge should be sought after the time of social money to act ordinarily supporting. Past this edge, consider and unconstrained social alliance happens. Right when supplies of social capital are underneath the purpose of restriction, the substitution of formal association is required to give a kick-begin to this philosophy.

Youth support is an approach instrument that is required to go about as needs be a kick begin in bundles that have decreased levels of social capital, yet which can switch into an upward winding should the sensible condition be made.

The cash related succeeding and working of a country rely upon its physical and human capital stock. While the past has all things considered been the party of cash related research, factors affecting the upgrade of human limits and most distant point are constantly figuring in the examination of social and behavioral sciences. With everything considered terms, human capital watches out for the theory individuals make in themselves that refresh their budgetary great position.

The hypothetical structure most accountable for the solid party of planning and change frameworks has come to be known as human capital speculation. In light of made by Schultz

(1971), Sakamota and Powers (1995), Psacharopoulos and Woodhall (1997), human capital hypothesis lays on the vulnerability that formal heading is exceedingly instrumental and even earnest to improve the time most remote degrees of a masses. Essentially, the human capital analysts battle that an educated masses is an advantageous people. Human capital speculation underscores how heading grows the advantage and capacity of managers by building up the level of scholarly heap of financially productive human purpose of control which is an aftereffect of trademark limits and vitality for people. The system of formal preparing is seen as an advantageous fervor for human capital, which the insurances of the speculation have considered as indistinguishably or by and large more additionally incredible than that of physical capital. As showed up by Babalola (2003), the sensibility behind imperativeness for human capital depends on three request: that the new period must be given the right parts of the information which has beginning late been amassed by past conditions; that new time ought to be indicated how existing learning ought to be utilized to grow new things, to demonstrate new structures and time procedures and social affiliations; and that individuals must be made a request to make all around new considerations, things, techniques and structures through inventive frameworks.

As per Fagerlind and Saha, (1997) human capital hypothesis gives an essential legitimization to clearing open use on run both in making and made countries. The speculation was solid with the conviction structures of standard government and liberal change found in most Western social sales. Its allure relied on the ordinary money related return of energy for course both at the full scale and little scale levels. Attempts to push vitality for human capital plainly acknowledged smart money related progress for society. For individuals, such theory plainly gave returns as individual money related accomplishment furthermore, accomplishment. Most market examiners concur that it is HR of country, not its capital nor its material assets that at last pick the character and pace of its cash related and social change.

Psacharopoulos and Woodhall (1997) report that: Human assets constitute an authoritative present of plenitude of countries. Capital and normal assets are uninvolved parts of creation, people are the dynamic work environments who gather capital, manhandle essential assets, collect social, cash related and political affiliation, and pass on forward national change

2.7 Conceptual Framework

Independent Variables

Dependent Variables

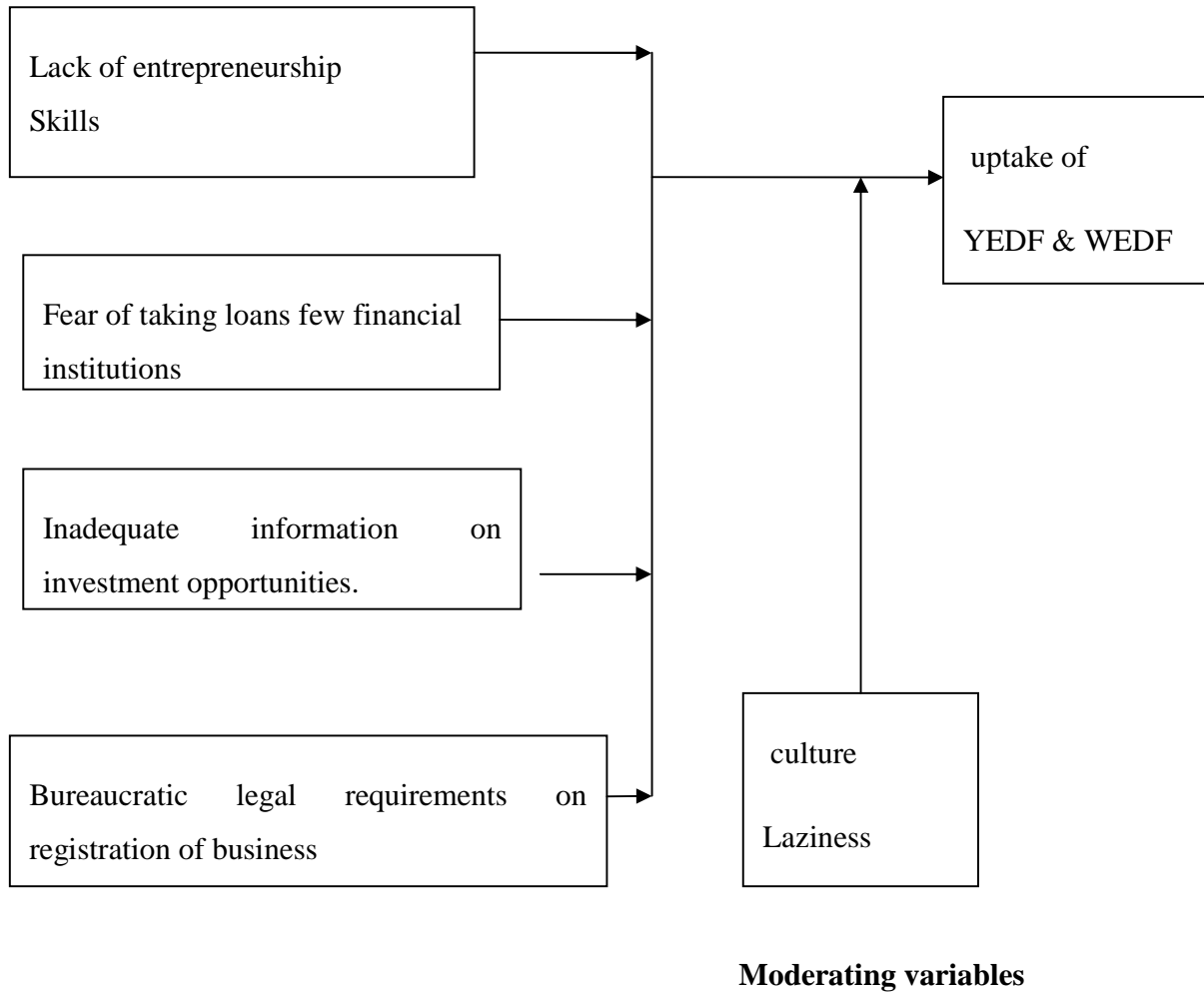


Figure 2.1 Conceptual Framework

Explanation

The needy variable in this investigation was poor take-up of YEDF and WEDF. This poor take-up of YEDF and WEDF is affected by a few factors that would constitute the autonomous factors. In view of the writing audit, the elements prone to impact poor take-up of YEDF & WEDF included lack of entrepreneurship skills, fear of taking loans, inadequate information on

investment opportunities, bureaucratic legal requirements on registration of business enterprises. Each of the independent variables was measured using its specific indicators as shown in the operationalization table below.

The intervening factors, which as indicated by Kothari (2004) are free factors that are not identified with the motivation behind the examination but rather can affect the needy variable, included youth groups funded, lack of investment culture and availability of funds. The intervening variables would be controlled through randomization to ensure that it does not influence the dependent variable.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the study area, research design and methodology. Included in this chapter is also target population, sample size, sampling procedure and techniques. A research instrument, criteria for selection and training of enumerators, validation of research instrument is also explained in this chapter. Data collection procedure, processing, analysis and presentation as well as ethical consideration and dissemination strategy are also elaborated in this chapter.

3.2 Research Design

The examination utilized an engaging overview inquire about plan. Distinct research is a logical technique for examination which includes accumulation and dissecting of both quantitative and subjective data. Mugenda and Mugenda, (2008) express that the elucidating configuration is a technique, which empowers the scientist to abridge and sort out information in a powerful and important way.

3.3 Target Population

As demonstrated by Kothari (2004), a masses is an especially portrayed or set of people, organizations, parts, events, social occasion of things or families that are being investigated. Mugenda, (2008), illuminate that the target people should have some noticeable qualities, to which the expert intends to entirety up the eventual outcomes of the examination. This meaning expects that the masses is non homogeneous alltogether. The lessons area's (Kaloleni Constituency) general population stands at 72,450 people. The number of families is 15,042 persons. There are 83 funded groups with YEDF having 43 WEDF 40 groups. The aim population of this research consisted of the officials of the 33 groups who have benefited from YEDF/WEDF.

3.4 Sampling Procedure and sample size

Stratified testing system was utilized to choose the example. This is on account of the method produces assessments of general populace parameters with awesome exactness (Shuttleworth, 2009). The examination assembled the populace into five areas that constitute Kaloleni Constituency. From every stratum the investigation utilized straightforward arbitrary examining to choose 8 gatherings. This constitutes 72.7% of the total number of groups funded by YEDF/WEDF. The study focused on a sample of 24 groups funded by YEDF/WEDF. From each of the YEDF/WEDF funded groups the study selected and administered the questionnaire to three officials thus the study had a sample size of 72 respondents. This is in congruity with Mugenda and Mugenda (2008) who proposed that no less than 10% of the objective populace is suitable to be utilized as an example of the investigation.

3.5 Data collection instruments

A structured questionnaire was constructed by the researcher, containing both open and close ended items for collection of primary data. A focus group discussion was also used by officials from the two ministries involved were invited to give their views and opinions.

3.5.1 Validity and reliability

Genuineness exhibits how much an instrument measures what it should assess; the accuracy, soundness and common sense with which an instrument measures what it is depended upon to gage (Kothari, 2004) or how much outcomes acquired from the examination of the information really address the marvels under investigation (Mugenda and Mugenda, 2008).

Constancy is a measure of how much an investigation instrument yields solid results after repeated trials (Nsubuga, 2000). Authenticity of the review was set up by peers and a leading group of masters from the University. The investigation instrument was benefitted to the authorities and partners, who developed its substance and created authenticity to ensure that the things are sufficient illustrative of the branch of learning to be considered. This investigation contemplate finished a pilot consider among 5 YEDF/WEDF sponsored get-togethers in the

County where 15 aggregate authorities took an interest. The pilot examine was led among the gatherings that did not partake in the fundamental investigation.

The unwavering quality of the instrument was evaluated utilizing Cronbach's Alpha Coefficient which is a measure of inside coefficient. An unwavering quality of no less than 0.70 was acknowledged. Changes were influenced as needs be to incase a low co-productive was gotten with a specific end goal to enhance the instrument.

3.5.3 Data Collection procedure

Prior to the collection of information, the specialist went to the range keeping in mind the end goal to get acquainted with the YEDEF/WEDF funded group officials. Data was collected through a self- administered questionnaire for the group officials and an interview guide for the key informants.

The researcher obtained approval from University department to conduct the study. The specialist clarified the reason for the examination and offered direction to the respondents while in transit to fill in the poll before overseeing the survey. For those respondents with challenges in perusing and filling in, the specialist talked with them and filled in the data in the poll.

3.5.4 Data Analysis method

Information examination is the entire procedure which begins instantly after information accumulation and finishes at the purpose of understanding and handling information (Kothari, 2004). In this manner, altering, coding, grouping and classifying are the preparing ventures to be utilized to process the gathered information for a superior and effective investigation. The factual bundle for sociologies (SPSS) was utilized; whereby frequencies, rates, mean and standard deviations, produced from the different information classes were registered and appeared in changed charts and tables. Data was analysed using descriptive statistics.

3.5.5 Operationalization Table

Figure 3.2 Operationalization Framework

Indicators of Independent Variables	Independent Variables	Dependent Variables	Tools of Analysis
<ul style="list-style-type: none"> • Lack of training facilities • Relevance of the training 	Lack of entrepreneurship skills	Poor uptake of YEDF & WEDF	Norminal Ordinal
<ul style="list-style-type: none"> • Stringent loan conditions (collaterals) • Lack of information • High interest rates • Delays and lack of transparency in loan processing • Cultural and social reasons 	Fear of taking loans	Poor uptake of YEDF & WEDF	Norminal Ordinal
<ul style="list-style-type: none"> • Negative attitude • Lack of institutions • Lack of access to information on products and markets 	Inadequate information on investment opportunities	Poor uptake of YEDF & WEDF	Norminal Ordinal
<ul style="list-style-type: none"> • Unfavorable government regulations • Bureaucratic processes 	Bureaucratic legal requirements on registration of business enterprises	Poor uptake of YEDF & WEDF	Norminal Ordinal

CHAPTER FOUR:

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This part displays the statistics that was found on a close examination of Youth Enterprise Development Funds [YEDF] and Women Enterprise Development Fund [WEDF] in Kaloleni Constituency-Kilifi County-Kenya.. The investigation made utilization of frequencies (outright and relative) on single reaction questions. On various reaction addresses, the examination utilized Likert scale in gathering and breaking down the information whereby a size of 5 focuses were utilized as a part of processing the methods and standard deviations. These were then displayed in tables, diagrams and graphs as fitting with clarifications being given in composition.

4.2 Response rate

The exploration was directed on test size of 72 respondents out of which 70 respondents finished and restored the surveys appropriately filled in influencing a reaction to rate of 97.2%. Mugenda and Mugenda (1999) expressed that a reaction rate of half or more is a useful for measurable detailing

4.3 General information about respondents

The examination at first tried to ask data on different parts of respondents' experience, i.e. the respondent's gender, age, academic background, and whether they had ever applied for the devolved funds. This data went for testing the suitability of the respondent in noting the inquiries with respect to the take-up of Youth Enterprise Development Funds [YEDF] and Women Enterprise Development Fund [WEDF] in Kaloleni Constituency-Kilifi County-Kenya.

4.3.1 Youth distribution by gender

The investigation looked to set up the respondent's sexual orientation circulation. The discoveries are as stipulated in table 4.3.1.

Table 4.1 Youth distribution by gender

	Youth		women	
	Frequency	Percent	Frequency	Percent
Male	25	71.4%	0	0
Female	10	28.6%	35	100
Total	35	100.0	35	100

From the findings, 71.4% of the youths in the youth groups under YEDF were male while 28.6% were females. This depicts that there was gender disparity in the recruitment of member in the youth groups. On the women group, all the respondents were female as the groups were purely women based.

4.3.2 Respondents' distribution by Age

The think about additionally tried to build up the age appropriation of the respondents as appeared in Table 4.3.2.

Table 4.1 Respondents' distribution by Age

	Youth		women	
	Frequency	Percent	Frequency	Percent
20-35 years	35	100.0	20	57.1%
36-45 years	0	0	12	34.3%
Above 45 years	0	0	3	8.6%
Total	0	0	35	100.0

According to the findings, all the youths (100%) were aged 20-35 years. This depicts that the groups operated within the guidelines of the ministry of the youth while enrolling its members. On the other hand, the majority of the members of the women groups were aged 20-35 years while 34.3% were around the age of 36-45 years while 8.6% were around the age above 45 years. This depicts that the respondents from the women group were youthful and energetic and that they had a great potential to work and earn a living.

4.3.4 Highest level of education

The study also sought to establish level education that was high and attained by the respondents.

Table 4.3 Highest level of education

	Youth		women	
	Freq	Per	Freq	Per
Secondary School certificate	31	88.6%	28	80.0%
Diploma	3	8.6%	7	20.0%
Graduate	1	2.9%	0	0
Total	35	100	35	100.0

Table 4.3.3 indicates that majority of the youths (88.6%) had attained secondary school level of education while 8.6% were diploma holders. In addition, the majority of the women from the women groups had secondary school level of education while 20.0% were diploma holders. This illustrates that majority of the respondents from both set of respondents had attained secondary level of education and thus they had good academic background to run their businesses and other projects with the cash from YEDF AND WEDF.

4.3.4 Applying for/benefited from the YEDF/WEDF

The research sought to establish whether the respondents had ever applied for and benefited from the YEDF/WEDF.

Table 4.2 Applying for/benefited from the YEDF/WEDF

	Youth		women	
	Frequency	Percent	Frequency	Percent
Yes	33	94.3%	32	91.4%
No	2	5.7%	3	8.6%
Total	35	100.0	35	100.0

Table 4.3.4 shows that majority of the respondents from the youth groups (94.3%) had applied for and benefited from the YEDF. In addition majority of the respondents from the women groups (91.4%) attested that they had applied for and benefited from the WEDF. This illustrates that majority of the respondents from women and youth groups had benefited from the devolved funds and thus gave credible information on the uptake of YEDF and WEDF.

4.4 Influence of Lack of Entrepreneurship Skills on Poor Uptake of YEDF/WEDF

The primary goal of the examination was to set up the impact of absence of business abilities on poor uptake of YEDF/WEDF.

4.4.1 Engaging in a business activity

The respondents were supposed to indicate whether they engaged in a business activity.

Table 4.5 Engaging in a business activity

	Youth		women	
	Frequency	Percent	Frequency	Percent
Yes	33	94.3%	34	97.1%
No	2	5.7%	1	2.9%
Total	35	100.0	35	100.0

From the findings, 94.3% of the respondents from the youth group posited that they engaged in a business activity. On the other hand 97.1% of the women in the women groups attested that they engaged in a business activity. This depicts that the majority of the youth groups and women groups utilized the cash grants they received from YEDF and WEDF respectively activities that generate income. This further point to the critical value of the entrepreneurship skills to them in running their businesses. Thus without adequate entrepreneurship skills, their businesses were likely to suffer from mismanagement and result to failure of the businesses.

4.4.2 Training on entrepreneurship

The contemplate tried to build up whether the respondent had gone to any preparation on the most proficient method to run any form of business (entrepreneurship). The findings are as stipulated in table 4.6.

Table 4.6 Training on entrepreneurship

	Youth		women	
	Freq	Per	Freq	Pert
Yes	28	80.0%	26	74.3%
No	7	20.0%	9	25.7%
Tot	35	100	35	100

According to the findings, the majority of the members of the youth groups (80%) indicated that they had attended training on how to run a business (entrepreneurship). On the other hand, the

majority of the women (74.3%) also indicated that they had attended training on how to run a business (entrepreneurship). The findings shows that the members of the women groups ad youth groups had acquired entrepreneurship skills to facilitate the running of their businesses and also manage their financial resources to accrue full benefits from the devolved funds through YEDF and WEDF.

4.4.3 Assistance from Youth and women Affairs field based officers on entrepreneurship

The research sought to establish whether the respondents had received assistance from youth and women affairs field based officers on entrepreneurship.

Table 4.3 Assistance from Youth and women Affairs field based officers on entrepreneurship

	Youth		women	
	Frequency	Percent	Frequency	Percent
Yes	29	82.9%	26	74.3%
No	6	17.1%	9	25.7%
Total	35	100.0	35	100.0

The above Table shows t the majority of members of the youth groups (82.9%) attested that they had received assistance from youth and women affairs field based officers on entrepreneurship. The majority of the members in women groups (74.3%) also indicated that they had received assistance from youth and women affairs field based officers on entrepreneurship. This depicts that the youths and women could gain further assistance on running of their enterprises from the field officers employed by the government. Even though the respondents received assistance from the field officers, the fact that most of the businesses initiated through the devolved funds were not successful, depicts that the field based officers were not fully effective in training the youths and women on utilization of the financial resources from YEDF and WEDF.

4.4.4 Statements on influence of entrepreneurship skills on poor uptake of YEDF and WEDF

The investigation tried to set up the impact of absence of enterprise aptitudes on poor take-up of YEDF and WEDF. The reactions were appraised on a five point Likert scale showing to what degree respondents consent to the announcements, where: 1-To a low degree, 2-To a low degree, 3-To a direct degree, 4, as it were, and 5-To an extremely awesome degree. Both The mean and the standard deviations were created from the software SPSS and are as depicted in table 4.8.

Table 4.4 Statements on influence of entrepreneurship skills on poor uptake of YEDF and WEDF

	Youth		women	
	Mean	Std. Dev	Mean	Std. Dev
The training of Entrepreneurship and appropriate business development services provision are keys to the YEDF and WEDF mandate achievement	2.3714	1.45695	2.6857	1.45059
Entrepreneurship skills enable youths and women in distinguishing and taking advantage of business openings that are readily available in the market, while grasping present day business administration systems	4.4571	0.81684	4.6000	0.65079
The government have employed Youth and women Affairs field based officers who assist us on entrepreneurship	3.2571	1.80429	3.0000	1.71499

From the discoveries, most of the respondents from the young gatherings bore witness to that they agreed to a great extent that entrepreneurship skills enable youths and women in noticing and utilizing of business opportunities that are readily available in the market, while accepting

techniques that are modern in business management (M=4.4571). They also agreed to a moderate extent that the government have employed Youth and women Affairs field based officers who assist us on entrepreneurship (M=3.2571). However they agreed to a low extent that enterprise preparing and arrangement of proper business improvement administrations are keys to the YEDF and WEDF accomplishment of its order (M=2.3714).

On their part, the majority of the participants from the women groups agreed to a great extent that entrepreneurship skills enable youths and women in identifying and venturing into business chances that are readily available in the market, while accepting techniques that are modern in business management (M=4.600). They also agreed to a moderate extent that the government have employed Youth and women Affairs field based officers who assist us on entrepreneurship (M=3.0000). However, most of the ladies consented to a low degree that enterprise preparing and arrangement of fitting business advancement administrations are keys to the YEDF and WEDF accomplishment of its command (M=2.6857).

4.5 Influence of Fear of Taking Loans on Poor Uptake YEDF/WEDF

The second target of the examination was to build up the impact of fear of taking loans on poor uptake of YEDF/WEDF.

4.5.1 Presence of conditions that prevent respondents from applying for YEDF/WEDF

The study sought to establish whether there were conditions that prevented respondents from applying for YEDF/WEDF

Table 4.5 Presence of conditions that prevent respondents from applying for YEDF/WEDF

	Youth		women	
	Frequency	Percent	Frequency	Percent
Yes	18	51.4%	17	48.6%
No	17	48.6%	18	51.4%
Total	35	100.0	35	100.0

In the findings, Majority of the respondents from the youth group (51.4%) attested that they faced conditions that prevented respondents from applying for YEDF while 48.6% attested that there were no conditions that prevented respondents from applying for YEDF. This further depicts that the YEDF was not fully accessible to the youths owing to some of the set conditions that hindered some of the youths from applying for the funds. The majority (51.4%) of the respondents from the women groups posited that there were no conditions that prevented respondents from applying for WEDF while 48.5% attested that they faced conditions that prevented respondents from applying for WEDF. This depicts that more women than youth could access funds as the majority of women cited that there were no condition that hindered them from applying for the devolved funds.

4.5.2 Perception by financial institutions on youth/women as a risk

The study sought to establish whether the perception by financial institutions that views youth/women as a risk discourage uptake of YEDF/WEDF by youths and women.

Table 4.6 Perception by financial institutions on youth/women as a risk

	Youth		women	
	Freq	Per	Freq	Per
Yes	13	37.10%	16	45.7%
No	22	62.90%	19	54.3%
Total	35	100.0	35	100.0

According to the results, the majority of the respondents from youth groups (62.9%) posited that the perception by financial institutions that views youth as a risk never discouraged their uptake of YEDF while 37.1% posited that the perception by financial institutions that views youth as a risk discouraged their uptake of YEDF. This depicts that the financial institutions through which the YEDF and WEDF was channeled viewed the youths as high risk persons to lend money to and this further limited youth access to the YEDF. On the other hand, the majority of the respondents from the women groups (54.3%) attested that the perception by financial institutions

that views youth as a risk never discouraged their uptake of WEDF. The findings are contrary to those of the youths as majority of the women were never prohibited from accessing WEDF despite being viewed by the banks as high risk persons to lend money to.

4.5.3 YEDF/WEDF loan as not being enough to help respondents start/run the business

The study sought to establish whether the loan amount given through YEDF/WEDF enough to help respondents start/run the business.

Table 4.7 YEDF/WEDF being enough to help respondents start/run the business

	Youth		women	
	Freq	Per	Freq	Per
Yes	11	31.40%	13	37.10%
No	24	68.60%	22	62.90%
Total	35	100.0	35	100.0

In the findings, the majority of the respondents from the youth group (68.6%) indicated that the loan amount given through YEDF was not enough to help them start and run the business. The majority of the respondents from the women groups (62.9%) also indicated that loan amount given through WEDF was not enough to help them start and run the business. Both the youth groups and women groups unanimously pointed out that they cash grant given to them was inadequate to run a viable entrepreneurship thus the government needed to review the amount of cash given through YEDF and WEDF and increase it to enhance the success of the businesses initiated through YEDF and WEDF.

4.5.4 Reasons have led many youths/women fear of taking YEDF/WEDF

The study sought to establish the three main reasons have led many youths/women fear of taking YEDF/WEDF

Table 4.8 Reasons have led many youths/women fear of taking YEDF/WEDF

	Youth		women	
	Frequency	Percent	Frequency	Percent
High interest rates	2	5.7%	35	100%
Collateral requirement	2	5.7%	2	5.7%
Delays in processing	17	48.6%	19	54.3%
Lenders demanding group borrowing rather than individual borrowing	17	48.6%	15	42.9%
Absence of straightforwardness where conditions and prerequisites are not appeared ahead of time	21	60.0%	24	68.6%
Corruption	24	68.6%	26	74.3%

From the findings, the main reasons that led many youths fear of taking YEDF were corruption 68.60%, absence of straightforwardness where conditions and prerequisites are not appeared ahead of time (60%), lenders demanding group borrowing rather than individual borrowing (48.6%) and delays in processing (48.6%) respectively. On the other hand, the main reasons that led many women fear of taking WEDF were corruption (74.3%), absence of straightforwardness where conditions and prerequisites are not appeared ahead of time (68.6%), delays in processing (54.3%) and lenders demanding group borrowing rather than individual borrowing (42.9%) respectively. This illustrates that corruption absence of straightforwardness where conditions and prerequisites are not appeared ahead of time were the most significant reason that prevented the respondents from accessing the devolved funds.

4.5.5 Statements on influence of fear of taking loans on poor uptake YEDF and WEDF

The examination tried to build up the impact of dread of taking credits on poor take-up YEDF and WEDF. The reactions were appraised on a five point Likert scale demonstrating to what degree respondents consent to the announcements, where: 1-To a low degree, 2-To a low degree, 3-To a direct degree, 4, all things considered, and 5-To an exceptionally incredible degree. The mean and standard deviations were created from SPSS and are as represented in table.

Table 4.9 Statements on influence of fear of taking loans on poor uptake YEDF and WEDF

	Youth		women	
	Std.		Std.	
	Mean	Dev	Mean	Dev
YEDF and WEDF is difficult to access since they had stringent measures that most of the youths and women do not meet	1.885	.7960	1.8571	.84515
Most of youths/women rarely meet the conditions set by institutions of finance, which see youths/women as a risk because of poor assurances and absence of data about their capacity to reimburse credits.	3.371	1.352	3.4857	1.42192
discriminatory treatment by bank officials to women who prefer dealing with husbands and do not take women seriously	2.457	1.578	2.3714	1.39507
YEDF/WEDF is easier to access than credit from conventional banks	2.942	1.282	2.4571	1.09391
The formal financial system has traditionally viewed the poor youths and women as “un-bankable”, due to their perceived lack of collateral, small loan sizes, and low potential for repayment	3.514	1.067	3.2286	.91026
Women and youth are less likely to possess assets that they are able to present as collateral	3.657	1.109	3.1143	1.30094
The restrictive products from the devolved funds restrict the loan uptake by the women and youth; which includes the short repayment period	3.228	1.285	2.9143	1.29186

According to the results, most of the adolescents consented to a direct degree that ladies and youth are less inclined to have resources that they can present as security (M=3.6571), the formal monetary framework has generally seen the poor young people and ladies as "un-bankable", because of their apparent absence of insurance, little advance sizes, and low potential for

reimbursement (M=3.5143), the vast majority of adolescents/ladies seldom meet the conditions set by money related establishments, which see young people/ladies as a hazard on account of poor assurances and absence of data about their capacity to reimburse credits (M=3.3714), and that the prohibitive items from the decayed assets restrict the loan uptake by the women and youth; which includes the short repayment period (M=3.2286) respectively.

4.6 Effects of Inadequate Information on Investment Opportunities on Low Uptake of YEDF/WEDF

The third objective of the study was to examine the effects of inadequate information on investment opportunities on poor uptake of YEDF/WEDF.

4.6.1 Updating self with business related information

The research also inquired from the respondents on whether they update themselves with business related information to help you in running their business

Table 4.10 Updating self with business related information

	Youth		Women	
	Freq	Per	Freq	Per
Yes	17	48.60%	19	54.30%
No	18	51.40%	16	45.70%
Tot	35	100	35	100

majority of the youths as per the findings, (51.4%) , indicated that they never update themselves with business related data to enable you in maintaining their business while 48.6% bore witness to that they to refresh themselves with business related data to help you in maintaining their business. The findings depicts that despite the youths acquiring skills at the initial stages of starting their businesses, they did not sought to enhance their business skills which contributed to the stagnation of their IGAs and eventual failure as business environment is highly dynamic and competitive and requires regular training on business related information. furthermore,

accomplishment. Most market examiners concur that it is HR of country, not its capital nor its material assets that at last pick the character and pace of its cash related and social change.

Psacharopoulos and Wood hall (1997) report that: Human assets constitute an authoritative present of plenitude of countries. Capital and normal assets are uninvolved parts of creation, people are the dynamic work environments who gather capital, manhandle essential assets, collect social, cash related and political affiliation, and pass on forward national change This findings are contrary to those of the youths and thus women were better placed to benefit from devolved funds as they always update themselves with business related information to help you in running their business.

4.6.2 Frequency at which respondents seek business counseling/mentorship to help you recognize markets, and to oversee everyday business

The study inquired on how frequent the respondents sought business counseling/mentorship to help them recognize markets, and also to oversee everyday business.

Table 4.11 Frequency of seeking business counseling/mentorship

	Youth		women	
	Frequency	Percent	Frequency	Percent
Not at all	13	37.1%	11	31.4%
Weekly	9	25.7%	7	20.0%
Monthly	11	31.4%	13	37.1%
Others	2	5.7%	4	11.4%
Total	35	100.0	35	100.0

Table 4.15 shows that 37.1% of the youths never sought business counseling/mentorship to help them recognize markets, and in addition to oversee everyday business, 31.4% sought it on monthly basis while 25.7% sought business counseling/mentorship on weekly basis. This depicts that majority of the youths’ businesses lacked good business practices as majority of the youths rarely sought business counseling/mentorship services to help them run their businesses more proficiently. On their part, most of the women 37.1% posited that they sought business

counseling/mentorship on monthly basis, 31.4% never sought for business counseling/mentorship while 20% sought for business counseling/mentorship on weekly basis. A significant number of women groups sought business counseling/mentorship thus increasing the success rate of their businesses.

4.6.3 Statements on effects of inadequate information on investment opportunities on low uptake of YEDF and WEDF

The think about looked to build up the impacts of inadequate information on investment opportunities on low uptake of YEDF and WEDF. The reactions were appraised on a five point Likert scale demonstrating to what degree respondents consent to the announcements, where: 1-To a low degree, 2-To a low degree, 3-To a direct degree, 4, all things considered, and 5-To an exceptionally extraordinary degree. The mean and standard deviations were produced from SPSS and are as delineated in table.

Table 4.12 Statements on effects of inadequate information on investment opportunities on low uptake of YEDF and WEDF

	Youth		women	
	Std.		Std.	
	Mean	Dev	Mean	Dev
Few women and youth in the nation exploit the preparation and budgetary assets accessible for big business improvement	2.5429	1.26823	2.8286	1.12422
Youth/women lack information on market demands that would enable them start/run viable enterprises	3.5714	1.50070	3.5429	1.42133
Regular business counseling/mentoring help youth/women recognize markets, and in addition to oversee everyday business	4.1143	1.25491	4.1714	1.17538
Many youth/women are not aware of emerging business opportunities	3.9429	1.13611	3.7714	1.13981
Youth/women also lack access to information on product and input markets	4.3143	1.05081	4.3143	1.13167

Table 4.16 shows that larger part of the young people consented, all things considered, that adolescent/ladies additionally need access to data on item and info markets (M=4.3143), and that general business advising/tutoring help youth/ladies distinguish markets, and also to oversee everyday business (M=4.1143) individually. Moreover, lion's share of the young people consented to a direct degree that numerous adolescent/ladies don't know about developing business openings (M=3.9429) and that adolescent/ladies need data on showcase requests that would empower them begin/run reasonable endeavors, (M=3.5714) separately. Most of the young people consented to a low degree that couple of ladies and youth in the nation exploit the preparation and budgetary assets accessible for big business improvement (M=2.5429).The majority of the respondents from the women groups agreed to a great extent that youth/women

also lack access to information on product and input markets (M=4.3143) and that regular business counseling/mentoring help youth/women distinguish markets, and additionally to oversee everyday business (M=4.1714) respectively. The majority of the respondents from the women groups agreed to a moderate extent that many youth/women are not aware of emerging business opportunities (M=3.7714), youth/women lack information on market demands that would enable them start/run viable enterprises (M=3.5429) respectively. The majority of the respondents from the women groups agreed to a low extent that few women and youth in the nation exploit the preparation and money related assets accessible for big business development (M=2.8286).

4.7 Influence of Bureaucratic Legal Requirements for Business Registration on Low Uptake YEDF/WEDF

The fourth goal of the investigation was to look at the influence of bureaucratic legal requirements for business registration on poor uptake of YEDF/WEDF.

4.7.1 Main challenge that face youth/women while seeking loan from YEDF/WEDF

The study sought to establish the main challenges that face youth/women in their area while seeking loan from YEDF/WEDF for their enterprises

Table 4.13 Main challenge that face youth/women while seeking loan from YEDF/WEDF

	Youth		women	
	Frequency	Percent	Frequency	Percent
Government regulations	18	51.4%	23	65.7%
Inadequate skills, knowledge	28	80.0%	31	88.6%
Lack of recognition by the financial	14	40.0%	14	40%

From the study findings in Table 4.17 the youth pointed their main challenges while seeking loan from YEDF to include inadequate skills, knowledge (80.0%), government regulations (51.4%) and lack of recognition by the financial (40.0%) respectively. On the other hand, the women

respondents pointed their main challenges while seeking loan from WEDF to include inadequate skills, knowledge (88.6%), government regulations (65.7%) and lack of recognition by the financial (40%) respectively. This depicts that the government regulations and inadequate skills, and knowledge were the main challenges that hindered access to devolved funds which reveals some of the bureaucratic legal requirements that hindered accessibility of the YEDF and WEDF to the targeted beneficiaries.

4.7.2 Statements on Influence of bureaucratic legal requirements for business registration on low uptake YEDF and WEDF

The study sought to establish the influence of bureaucratic legal requirements for business registration on low uptake YEDF and WEDF. reactions were appraised on a five point Likert scale demonstrating to what degree respondents consent to the announcements, where: 1-To a low degree, 2-To a low degree, 3-To a direct degree, 4, all things considered, and 5-To an exceptionally extraordinary degree. The mean and standard deviations were produced from SPSS and are as delineated in table.

Table 4.14 Statements on Influence of bureaucratic legal requirements for business registration on low uptake YEDF and WEDF

	Youth		Women	
	Std.		Std.	
	Mean	Dev	Mean	Dev
Government regulations and lack of recognition by the financial due to lack of legal documents is a major challenge facing women/youth in accessing YEDF/WEDF	3.2286	1.39507	3.1143	1.60462
The many bureaucratic processes give a competitive edge to major investors at the expense of youth/women entrepreneurs.	3.5714	1.21959	2.7429	1.22097
The loan application process is long and tedious while loan takes very long before they are released	4.3429	.93755	3.5429	1.46213
There are specific legal, regulatory, and administrative barriers that women entrepreneurs face in access to WEDF	3.8571	1.64751	3.3714	1.53557

Table 4.18 indicates that many of the youths to a great extent agreed that the loan application process is long and tedious while loan takes very long before they are released (M=4.3429). The many of the youths also settled to a moderate extent that there are particular legitimate, administrative, and authoritative boundaries that ladies business people confront in access to YEDF (M=3.8571), the many bureaucratic processes give a competitive edge to major investors at the expense of youth/women entrepreneurs (M=3.5714) and that government regulations and lack of recognition by the financial due to lack of legal documents is a major challenge facing women/youth in accessing YEDF (M=3.2286) respectively.

On the other hand, the majority of the respondents from the women groups agreed to a moderate extent that the loan application process is long and tedious while loan takes very long before they are released (M=3.5429), there are particular legitimate, administrative, and authoritative

hindrances that ladies business people confront in access to WEDF (M=3.3714) and that government regulations and lack of recognition by the financial due to lack of legal documents is a major (M=3.1143) respectively.

4.8 Hypothesis Testing

The examination used Chi-square test in testing the invalid speculation utilized as a part of the examination. Chi-square is a quantifiable test for the most part used to separate watched information and information we would need to get as exhibited by a particular speculation. The chi-square test is reliably endeavoring the invalid theory, which imparts that there is no quantifiably crucial contrast between the commonplace and watched result. Testing of the invalid theories in this examination depended on the way that if the figured Chi-square related p esteem is more prominent than $\alpha = 0.05$ certainty level ($p > 0.05$), at that point we acknowledged the theory.

4.7.1 Relationship between lack of entrepreneurship skills and poor uptake of YEDF and WEDF

Ho₁. no statistically significant relationship is found between lack of entrepreneurship and poor uptake on skills of YEDF and WEDF in Kaloleni Constituency.

Table 4.15 Relationship between lack of entrepreneurship skills and poor uptake of YEDF and WEDF

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	38.322	9	.001
N of Valid Cases	70		

Table 4.19 demonstrates that the chi-square esteem is 38.322 with a related p of 0.001. Since p is not exactly $\alpha = 0.05$ certainty level ($p < 0.05\alpha$), the invalid theory is rejected and along these lines need of entrepreneurship skills has significant relationship with poor uptake of YEDF and WEDF in Kaloleni Constituency.

4.7.2 Relationship between fear of taking loans and poor uptake of YEDF and WEDF

The analysis also explored the relationship between fear of taking loans and poor uptake of YEDF and WEDF.

Ho₂. There is no statistically important association or connection between fear of taking loans and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Table 4.16 Relationship between fear of taking loans and poor uptake of YEDF and WEDF

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.883	6	.001
N of Valid Cases	70		

Table 4.20, indicates that the chi-square value is 23.883 with an associated p of 0.001. Since p is less than $\alpha = 0.05$ confidence level ($p < 0.05\alpha$), the null hypothesis is rejected and therefore fear of taking loans has significant relationship with poor uptake of YEDF and WEDF in Kaloleni Constituency.

4.7.3 Relationship between inadequate information on investment opportunities and poor uptake of YEDF and WEDF in Kaloleni Constituency

The analysis further looked at the relationship between inadequate information on investment opportunities and poor uptake of YEDF and WEDF. The following illustrates the statistical relationship between them.

Ho₃. There is no factually huge connection between inadequate information on investment opportunities and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Table 4.17 Relationship between inadequate information on investment opportunities and poor uptake of YEDF and WEDF

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.883	6	.001
N of Valid Cases	70		

Table 4.21 shows that the chi-square value is 23.883 with an associated p of 0.01. Since p is less than $\alpha = 0.05$ confidence level ($p < 0.05\alpha$), the null hypothesis is rejected and therefore inadequate information on investment opportunities has significant relationship with poor uptake of YEDF and WEDF in Kaloleni Constituency.

4.7.4 Relationship between bureaucratic legal requirements for business registration and poor uptake of YEDF and WEDF

Ho₄. There is no statistically significant relationship between bureaucratic legal requirements for business registration and poor uptake of YEDF and WEDF in Kaloleni Constituency.

Table 4.18 Relationship between bureaucratic legal requirements for business registration and poor uptake of YEDF and WEDF

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	36.301	9	.003
N of Valid Cases	70		

Table 4.22 shows that the chi-square value is 36.301 with an associated p of 0.003. Since p is less than $\alpha = 0.05$ confidence level ($p < 0.05\alpha$), the null hypothesis is rejected and therefore

bureaucratic legal requirements for business registration has significant relationship with poor uptake of YEDF and WEDF in Kaloleni Constituency.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This part introduces synopsis, conclusion and proposals of the investigation in accordance with the near investigation of Youth Enterprise Development Funds [YEDF] and Women Enterprise Development Fund [WEDF] in Kaloleni Constituency-Kilifi County-Kenya.

5.2 Summary the findings.

The examination built up that most of the young gathering engaged in a business activity. On the other hand the majority of the women groups also engaged in a business activity. This depicts that the majority of the youth groups and women groups utilized the cash loans they received from YEDF and WEDF respectively in activities that generates income. This further point to the critical value of the entrepreneurship skills in running of businesses. Thus without adequate entrepreneurship skills, their businesses were likely to suffer from mismanagement and result to failure of the businesses.

The study established that the many members of the youth groups had attended training on how to run a business (entrepreneurship). On the other hand, the majority of the women had also attended training on how to run a business (entrepreneurship). The findings shows that the members of the women groups and youth groups had acquired entrepreneurship skills to facilitate the running of their businesses and also manage their financial resources to accrue full benefits from the devolved funds through YEDF and WEDF.

The majority of members of the youth groups and women groups received assistance from youth and women affairs field based officers on entrepreneurship. This depicts that the youths and women could gain further assistance on running of their enterprises from the field officers employed by the government. Even though the respondents received assistance from the field officers, the fact that most of the businesses initiated through the devolved funds were not

successful, depicts that the field based officers were not fully effective in training the youths and women on utilization of the financial resources from YEDF and WEDF.

The study further established that the majority of the respondents from the youth groups and women groups agreed to a great extent that entrepreneurship skills enable youths and women in distinguishing and taking advantage of business openings that are promptly accessible in the market, while grasping current business administration strategies. They also agreed to a moderate extent that the government have employed youth and women Affairs field based officers who assist us on entrepreneurship. However they agreed to a low extent that enterprise preparing and arrangement of proper business advancement administrations are keys to the YEDF and WEDF accomplishment of its command.

The study revealed that the majority of the youth group faced conditions that prevented them from applying for YEDF. This further depicts that the YEDF was not easily accessible to the youths owing to some of the set conditions that hindered some of the youths from applying for the funds. The majority the women groups however indicated that there were no conditions that prevented respondents from applying for WEDF. This depicts that more women than youth could access devolved funds as the majority of women cited that there were no condition that hindered them from applying for the devolved funds.

The majority of the youth groups and women groups posited that the perception by financial institutions that views youth as a risk never discouraged their uptake of YEDF. This depicts that the financial institutions through which the YEDF was channeled viewed the youths as high risk persons to lend money to and this further limited youth access to the YEDF.

The majority of the respondents from the women groups attested that the perception by financial institutions that views youth as a risk never discouraged their uptake of WEDF. The findings are collaborated to those of the youths as majority of the women were never prohibited from accessing WEDF despite being viewed by the banks as high risk persons to lend money to.

The study established that the loan amount given through YEDF and WEDF was not enough to help them start and run the business. Both the youth groups and women groups unanimously pointed out that the cash grant given to them was inadequate to run a viable entrepreneurship thus the government needed to review the amount of cash loans given through YEDF and WEDF and increase it to enhance the success of the businesses initiated through YEDF and WEDF.

The main reasons that led many youths and women groups fear of taking YEDF and WEDF respectively were corruption, absence of straightforwardness where conditions and prerequisites are not and loan specialists requesting bunch acquiring instead of individual obtaining separately. This represents defilement and absence of straightforwardness where conditions and prerequisites are not appeared ahead of time were the most noteworthy reasons that kept the respondents from getting to the regressed reserves.

The investigation set up that most of the adolescents consented to a direct degree that ladies and youth are more averse to have resources that they can present as insurance, the formal budgetary framework has generally seen the poor young people and ladies as "un-bankable", because of their apparent absence of security, little advance sizes, and low potential for reimbursement, the vast majority of young people/ladies once in a while meet the conditions set by money related foundations, which see adolescents/ladies as a hazard due to poor assurances and absence of data about their capacity to reimburse credits, and that the restrictive products from the devolved funds restrict the loan uptake by the women and youth; which includes the short repayment period respectively.

The majority of the youths never update themselves with business related information to help them in running their business. The findings depicts that despite the youths acquiring skills at the initial stages of starting their businesses, they did not sought to enhance their business skills which contributed to the stagnation of their IGAs and eventual failure as business environment is highly dynamic and competitive and requires regular training on information that is business related. The majority of the women groups On the other hand, update themselves with business related information to help you in running their business. The findings are contrary to those of

the youths and thus women were better placed to benefit from devolved funds as they always update themselves with business related information to help you in running their business.

The study established that the majority of the youths' businesses lacked good business practices as majority of the youths rarely sought business counseling/mentorship services to help them run their businesses more proficiently. However a significant number of women groups sought business counseling/mentorship thus increasing the success rate of their businesses.

The dominant part of the young people consented, all things considered, that adolescent/ladies additionally need access to data on item and information markets, and that normal business guiding/coaching help youth/ladies recognize markets, and also to oversee everyday business separately. Moreover, lion's share of the young people consented to a direct degree that numerous adolescent/ladies are most certainly not aware of emerging business opportunities and that youth/women lack information on market demands that would enable them start/run viable enterprises respectively.

The majority of the respondents from the women groups agreed to a great extent that youth/women also lack access to information on product and input markets and that regular business counseling/mentoring help youth/women distinguish markets, and additionally to oversee everyday business respectively. The majority of the respondents from the women groups agreed to a moderate extent that many youth/women are not aware of emerging business opportunities, youth/women lack information on market demands that would enable them start/run viable enterprises respectively.

The youth pointed their main challenges while seeking loan from YEDF to include inadequate skills, knowledge, government regulations and lack of recognition by the financial respectively. On the other hand, the women respondents pointed their main challenges while seeking loan from WEDF to include inadequate skills, knowledge, government regulations and lack of recognition by the financial respectively. This depicts that the government regulations and inadequate skills, and knowledge were the main challenges that hindered access to devolved

funds which reveals some of the bureaucratic legal requirements that hindered accessibility of the YEDF and WEDF to the targeted beneficiaries.

The majority of the youths agreed to a great extent that the loan application process is long and tedious while loan takes very long before they are released. The majority of the youths also agreed to a moderate extent that there are particular lawful, administrative, and authoritative obstructions that ladies business people confront in access to YEDF, the many bureaucratic processes give a competitive edge to major investors at the expense of youth/women entrepreneurs and that government regulations and lack of recognition by the financial due to lack of legal documents is a major challenge facing women/youth in accessing YEDF respectively.

On the other hand, the majority of the women groups agreed to a moderate extent that the loan application process is long and tedious while loan takes very long before they are released, there are particular legitimate, administrative, and regulatory hindrances that ladies business visionaries confront in access to WEDF and that government regulations and lack of recognition by the financial due to lack of legal documents is a major respectively.

5.3 Conclusions

The study concluded that the majority of the youth group engaged in a business activity. On the other hand the majority of the women groups also engaged in a business activity. This depicts that the majority of the youth groups and women groups utilized the cash loans they received from YEDF and WEDF respectively in activities that generates income. This further point to the critical value of the entrepreneurship skills in running of businesses. Thus without adequate entrepreneurship skills, their businesses were likely to suffer from mismanagement and result to failure of the businesses.

The study concluded that many of the members of the youth groups had attended training on how to run a business (entrepreneurship). On the other hand, the majority of the women had also attended training on how to run a business (entrepreneurship). The findings shows that the

members of the women groups and youth groups had acquired entrepreneurship skills to facilitate the running of their businesses and also manage their financial resources to accrue full benefits from the devolved funds through YEDF and WEDF.

The study concluded the majority of members of the youth groups and women groups received assistance from youth and women affairs field based officers on entrepreneurship. This depicts that the youths and women could gain further assistance on running of their enterprises from the field officers employed by the government. Even though the respondents received assistance from the field officers, the fact that most of the businesses initiated through the devolved funds were not successful, depicts that the field based officers were not fully effective in training the youths and women on utilization of the financial resources from YEDF and WEDF.

The study further concluded that the majority of the respondents from the youth groups and women groups agreed to a great extent that entrepreneurship skills enable youths and women in tapping into business when they identify them and opportunities that are readily available in the market, while accepting modern business running techniques. They also agreed to a moderate extent that the government have employed youth and women Affairs field based officers who assist us on entrepreneurship. However they agreed to a low extent that enterprise preparing and arrangement of fitting business improvement administrations are keys to the YEDF and WEDF accomplishment of its order.

The study concluded that the majority of the youth group faced conditions that prevented them from applying for YEDF. This further depicts that the YEDF was not easily accessible to the youths owing to some of the set conditions that hindered some of the youths from applying for the funds. The majority the women groups however indicated that there were no conditions that prevented respondents from applying for WEDF. This depicts that more women than youth could access devolved funds as the majority of women cited that there were no condition that hindered them from applying for the devolved funds.

The study concluded that the perception by financial institutions that views youth as a risk never discouraged their uptake of YEDF. This depicts that the financial institutions through which the

YEDF was channeled viewed the youths as high risk persons to lend money to and this further limited youth access to the YEDF. The majority of the women groups attested that the perception by financial institutions that views women as a risk never discouraged their uptake of WEDF. The findings are collaborated to those of the youths as majority of the women were never prohibited from accessing WEDF despite being viewed by the banks as high risk persons to lend money to.

The study concluded that the loan amount given through YEDF and WEDF was not enough to help them start and run the business. Both the youth groups and women groups unanimously pointed out that they cash loan given to them was inadequate to run a viable entrepreneurship thus the government needed to review the amount of cash grant given through YEDF and WEDF and increase it to enhance the success of the businesses initiated through YEDF and WEDF.

The main reasons that led many youths and women groups fear of taking YEDF and WEDF respectively were corruption, lack of transparency where conditions and requirements are not and lenders demanding group borrowing rather than individual borrowing respectively. This illustrates that corruption and lack of transparency where conditions and requirements are not shown in advance were the most significant reasons that prevented the respondents from accessing the devolved funds.

The study concluded that the women and youth are less likely to possess assets that they are able to present as collateral, the formal money related framework has customarily seen the poor young people and ladies as "un-bankable", because of their apparent absence of insurance, little credit sizes, and low potential for reimbursement, the majority of adolescents/ladies once in a while meet the conditions set by monetary organizations, which see adolescents/ladies as a hazard as a result of poor assurances and absence of data about their capacity to reimburse advances, and that the restrictive products from the devolved funds restrict the loan uptake by the women and youth; which includes the short repayment period respectively.

The study concluded that the majority of the youths never update themselves with business related information to help them in running their business. The findings depicts that despite the

youths acquiring skills at the initial stages of starting their businesses, they did not sought to enhance their business skills which contributed to the stagnation of their IGAs and eventual failure as business environment is highly dynamic and competitive and requires regular training on business related information. the majority of the women groups On the other hand, update themselves with business related information to help you in running their business. The findings are contrary to those of the youths and thus women were better placed to benefit from devolved funds as they always update themselves with business related information to help you in running their business.

The study concluded that the majority of the youths' businesses lacked good business practices as majority of the youths rarely sought business counseling/mentorship services to help them run their businesses more proficiently. However a significant number of women groups sought business counseling/mentorship thus increasing the success rate of their businesses.

Most of the adolescents consented, as it were, that young/ladies additionally need access to data on item and info markets, and that consistent business directing/tutoring help youth/ladies recognize markets, and additionally to oversee everyday business individually. Likewise, greater part of the young people consented to a direct degree that many youth/women are not aware of emerging business opportunities and that youth/women lack information on market demands that would enable them start/run viable enterprises respectively.

The majority of the respondents from the women groups agreed to a great extent that youth/women also lack access to information on product and input markets and that regular business counseling/mentoring help youth/women identify markets, so as to manage daily business respectively. The majority of the respondents from the women groups agreed to a moderate extent that many youth/women are not aware of emerging business opportunities, youth/women lack information on market demands that would enable them start/run viable enterprises respectively.

The youth pointed their main challenges while seeking loan from YEDF to include inadequate skills, knowledge, government regulations and lack of recognition by the financial respectively.

On the other hand, the women respondents pointed their main challenges while seeking loan from WEDF to include inadequate skills, knowledge, government regulations and lack of recognition by the financial respectively. This depicts that the government regulations and inadequate skills, and knowledge were the main challenges that hindered access to devolved funds which reveals some of the bureaucratic legal requirements that hindered accessibility of the YEDF and WEDF to the targeted beneficiaries.

Many youths agreed to a great extent that the loan application process is long and tedious while loan takes very long before they are released. The majority of the youths also agreed to a moderate extent that there are specific legal, regulatory, and administrative barriers that youth entrepreneurs face in access to YEDF, the many bureaucratic processes give a competitive edge to major investors at the expense of youth/women entrepreneurs and that government regulations and lack of recognition by the financial due to lack of legal documents is a major challenge facing women/youth in accessing YEDF/WEDF respectively.

On the other hand, the majority of the women groups agreed to a moderate extent that the loan application process is long and tedious while loan takes very long before they are released, there are specific legal, regulatory, and administrative barriers that women entrepreneurs face in access to WEDF and that government regulations and lack of recognition by the financial due to lack of legal documents is a major respectively.

5.4 Recommendations

The study recommends that the government of Kenya should review the amount of cash grant given to the targeted beneficiaries through YEDF and WEDF and increase the amount to enhance the viability of the projects initiated by the youths and women.

The study also the government and other stakeholders should address the bottlenecks hindering the uptake of the YEDF and WEDF by adopting friendlier policies to the targeted beneficiaries.

The examination likewise prescribes that the legislature and different partners should offer constant preparing to the young people and ladies on business enterprise to stay up with the latest with aptitudes that will help them to run their activities all the more adequately.

5.5 Suggestions for further studies

Since this investigation was a near investigation of Youth Enterprise Development Funds [YEDF] and Women Enterprise Development Fund [WEDF] in Kaloleni Constituency-Kilifi County-Kenya, the examination prescribes that;

- i. Similar study ought to be done in another voting demographic for correlation purposes and to take into consideration speculation of discoveries on the elements impacting poor take-up of YEDF WEDF in Kenya.

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APPENDICES

APPENDIX 1 QUESTIONNAIRE

Instructions: (*Please read the instructions given and answer the questions as appropriately as possible*). It is advisable that you read carefully and correctly fill in each section as provided.

Section A: Demographic Information

1. What is your gender?

a) Male []

b) Female []

2. Which is your age bracket?

a) 20-35 years []

b) 36-45 years []

c) Above 45 years []

3. What is your highest level of education?

a) Secondary School certificate []

b) Diploma []

c) Graduate []

d) Masters []

e) PhD []

4. Have you ever applied for/benefited from the YEDF/WEDF?

a) Yes []

b) No []

Section B: Influence of Lack of Entrepreneurship Skills on Poor Uptake of YEDF/WEDF

5. Have you ever engaged in a business activity?

a) Yes []

b) No []

5 b) If yes, kindly give a brief explanation of the kind of business you were involved in?

.....
.....

6. Have you ever attended any training on how to run any form of business (entrepreneurship)?

a) Yes []

b) No []

6 b) If yes, what are the key areas on entrepreneurship were you trained in?

.....
.....

7. Have you ever received assistance from Youth and women Affairs field based officers on entrepreneurship?

a) Yes []

b) No []

7 b) If yes, kindly explain the kind of assistance that you received from Youth and women Affairs field based officers?

.....

8. The following statements relate to the influence of lack of entrepreneurship skills on poor uptake of YEDF and WEDF. To what extent do you agree with each of the statement? Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent

	1	2	3	4	5
Entrepreneurship training and provision of appropriate business development services are keys to the YEDF and WEDF achievement of its mandate					
Entrepreneurship skills enable youths and women in identifying and tapping into business opportunities that are readily available in the market, while embracing modern business management techniques.					
The government have employed Youth and women Affairs field based officers who assist us on entrepreneurship					

Section C: Influence of Fear of Taking Loans on Poor Uptake YEDF/WEDF

9. Are there conditions that prevent you from applying for YEDF/WEDF?

a) Yes []

b) No []

9 b) If yes, what conditions prevent you and/or your friends from applying for YEDF/WEDF?

.....

10. Do the perception by financial institutions that view youth/women as a risk discourage uptake of YEDF/WEDF by youths and women respectively?

a) Yes []

b) No []

11. Is the loan amount given through YEDF/WEDF enough to help you start/run the business?

a) Yes []

b) No []

12. Which three main reasons have led many youths/women fear of taking YEDF/WEDF?

a) High interest rates []

b) Collateral requirement []

c) Delays in processing []

d) Lenders demanding group borrowing rather than individual borrowing []

e) Lack of transparency where conditions and requirements are not shown in advance []

f) Corruption []

13. What other reasons make youths/ women fear taking loans channeled as YEDF/WEDF in your constituency?

.....

14. The following statements relate to the influence of fear of taking loans on poor uptake YEDF and WEDF. To what extent do you agree with each of the statement? Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent

	1	2	3	4	5
YEDF and WEDF is difficult to access since they had stringent measures that most of the youths and women do not meet					
Most of youths/women rarely meet the conditions set by financial institutions, which see youths/women as a risk because of poor guarantees and lack of information about their ability to repay loans.					
Women also face discriminatory treatment by bank officials who prefer dealing with husbands and do not take women seriously					
YEDF/WEDF is easier to access that credit from conventional banks					
The formal financial system has traditionally viewed the poor youths and women as “un-bankable”, due to their perceived lack of collateral, small loan sizes, and low potential for repayment					
Women and youth are less likely to possess assets that they are able to present as collateral					
The restrictive products from the devolved funds restrict the loan uptake by the women and youth; which includes the short					

repayment period					
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Section D: Effects of Inadequate Information on Investment Opportunities on Low Uptake of YEDF/WEDF

15. Do you always update yourself with business related information to help you in running your business?

a) Yes []

b) No []

15 b) What are the sources that give you investment related information to help you take advantage of available opportunities?

.....

15. How frequent do you seek business counseling/mentorship to help you identify markets, as well as to manage day-to-day business?

a) Not at all []

b) Weekly []

c) Monthly []

d) Quarterly []

e) Semi-annually []

f) Annually []

g) Others (specify)

16. The following statements relate to the effects of inadequate information on investment opportunities on low uptake of YEDF and WEDF. To what extent do you agree with each of the statement? Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent

	1	2	3	4	5
Few women and youth in the country take advantage of the training and financial resources available for enterprise development					
Youth/women lack information on market demands that would enable them start/run viable enterprises					
Regular business counseling/mentoring help youth/women identify markets, as well as to manage day-to-day business					
Many youth/women are not aware of emerging business opportunities					
Youth/women also lack access to information on product and input markets					

Section E: Influence of Bureaucratic Legal Requirements for Business Registration on Low Uptake YEDF/WEDF

17. Which is the main that face youth/women in your area while seeking loan from YEDF/WEDF for their enterprises?

- i. Government regulations []
- ii. Inadequate skills, knowledge []

iii. Lack of recognition by the financial []

iv. Others (specify)

18. The following statements relate to the influence of Bureaucratic Legal Requirements for Business Registration on Low Uptake YEDF and WEDF. Use a scale where 1- To a very low extent, 2- To a low extent, 3- To a moderate extent, 4- To a great extent and 5-To a very great extent

	1	2	3	4	5
Government regulations and lack of recognition by the financial due to lack of legal documents is a major challenge facing women/youth in accessing YEDF/WEDF					
The many bureaucratic processes give a competitive edge to major investors at the expense of youth/women entrepreneurs.					
The loan application process is long and tedious while loan takes very long before they are released					
There are specific legal, regulatory, and administrative barriers that women entrepreneurs face in access to WEDF					

19. What main area of concern would you like addressed in the factors influencing the uptake of devolved funds (YEDF/WEDF)?

.....

20. What recommendations would you make regarding the factors influencing the uptake of devolved funds (YEDF/WEDF)?

Thank You for your Time and Participation

APPENDIX II

Timeframe

	PROJECT TIMELINE				
MONTH	January- April,2012	April- June,2012	June- July,2012	July- August,2012	August- September,2012
ACTIVITY					
Project Proposal Preparation					
Data collection					
Data analysis					
Data Presentation					
Submission of Final Project Report					

Fig 3: Time frame

APPENDIX III

Project budget

Item	Unit Cost(Ksh)	Quantity(No)	Total Cost(Ksh)
Stationery			
• Photocopy papers	550	4(reams)	2200
• Ink Cartridges	2000	2	4000
• Pens	25	100	2500
Transport	5000	-	5000
Internet Charges	2000	-	2000
Telephone Charges	2000	-	2000
Research Assistants	1000	-6	6000
Focus group discussion	6000	6000	6000
miscellaneous Costs	5000	-	5000
TOTAL			34,700

Fig 4: Budget