

**ENTREPRENEURIAL TRAINING AND PERFORMANCE OF
MICRO AND SMALL ENTERPRISES UNDER YOUTH
EMPLOYMENT OPPORTUNITIES PROJECT IN KISUMU
COUNTY, KENYA**

BY

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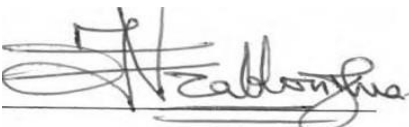
DECLARATION

I, Polycarp Menya, declare that this project is my original work and has not been presented for a degree in any other university.

Signature  Date: **26.11.2020**

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

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DEDICATION

I dedicate this project to my daughter, Taj and son Mich, and Sheila Omweno “Mama Rihanah”.

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ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
GoK	Government of Kenya
ICT	Information Communication Technology
KEPSA	Kenya Private Sector Alliance
KYEOP	Kenya Youth Employment and Opportunities Project
MSE	Micro and Small Enterprises
MSEA	Micro and Small Enterprises Authority
SCT	Social Cognitive Theory
SME	Small and Medium Enterprise
SPSS	Statistical Package for the Social Sciences

ABSTRACT

Entrepreneurship training has been cited to promote innovativeness, risk taking, opportunity identification, business management, and technical skills development. This in turn leads to improvement in business performance. The study will be based in Kisumu County. Kisumu County is one of the counties that has benefited from KYEOP with more than 500 MSEs benefiting from entrepreneurship training. This study sought to determine the effect of entrepreneurial training on performance of MSEs under KYEOP in Kisumu County. The study was based on descriptive research design. Stratified random sampling was used to select the businesses based on size. The study used both primary and secondary data. Primary data was collected using questionnaire while data collection schedule was used to collect secondary data. Descriptive and multiple regression were used for data analysis. The study found that content of training positively influenced the sales and number of customers of beneficiary MSEs significantly. The content of training related to business management, marketing and entrepreneurship skills. The study further found that nature of training positively and significantly influenced sales and number of customers among beneficiary MSEs. The nature of training was shown by in-house training, lecture method, field trips or discussions. The business performance grew tremendously as from august 2019 up to Dec 2019. The study concludes that entrepreneurship training influences business performance positively through increased sales and number of customers. The study also concludes that MSEs in Kisumu County experienced increased sales and number of customers after training. The study recommends that KYEOP set out clear and appropriate policy objectives for policies and programmes that seek to develop entrepreneurship skills among entrepreneurs. KYEOP should identify existing tailored entrepreneurship training programmes for youth entrepreneurs. The study recommends a research on other variables influencing performance of beneficiary MSEs other than entrepreneurial training. The study further recommends a similar study on non-beneficiary MSEs in Kenya. Research with a wider scope would be imperative in assessing the influence of entrepreneurial training on business performance

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Entrepreneurship training has been cited to promote innovativeness, risk taking, opportunity identification, business management, and technical skills development (Lewrick, 2011). According to Alarape (2017), small businesses, whose owner/managers who have the experience of participating in Entrepreneurship programs, exhibited superior managerial practice; hence, a higher gross-margin and rate of growth than small businesses whose owner/managers did not have such experiential learning.

Yahya (2012) found that manager's, enterprise's and external characteristics affect the demand for training, and training has a positive impact on performance including profit, revenue and size. According to research done by Kithae (2013), entrepreneurship training was found to have had a substantial impact on performance of businesses. However, Mayuran (2016) found that entrepreneurship training had no relationship with business performance. This shows that the relationship between entrepreneurship training and business performance is inconclusive.

The study was based on the experiential learning theory of entrepreneurship by Corbett (2005) and social cognitive by Bandura (1982). The two theories show how entrepreneurship training and business can relate in theory. Experiential learning theory of entrepreneurship underline the significance of experiential knowledge in increasing employee productivity and that of business. According to this theory, experiential learning leads to acquisition of knowledge by the entrepreneur which is transferred to the employees and business. This in turn leads to improved employee productivity and

business performance. The social cognitive theory establishes that the environment causes behaviour and vice versa. When the entrepreneur interacts with trainers and other entrepreneurs, they learn new things during which can reinforce entrepreneurial behaviour reflected through improved business performance.

The Government of Kenya, in partnership with the World Bank, sought to implement the Kenya Youth Employment and Opportunities Project (KYEOP) between 2016 and 2021. Beneficiaries of Cycles 1, 2 and 3 have benefited from grant only without entrepreneurial training while the fourth cohort received both entrepreneurial training and grant. This then makes the 4th cohort to perfectly suit our study as they would have experienced the effects of the entrepreneurial training on their business performance and at the same time got the grant like is the case in the previous cohorts. According to KEPSA-KYEOP report (2017), a total of 1464 youth has successfully graduated from the KYEOP program in Kisumu. However, little is known about the extent to which this training related with youth enterprises under the project in Kisumu County. The question is whether entrepreneurship training has a relationship with the performance of Micro and Small Enterprises?

1.1.1 Entrepreneurship Training

Entrepreneurship training is defined as an investment decision by an entrepreneur who compares future net benefits and current costs of education, including forgone income (Kilby, 1971). The optimal investment decision is where the marginal return of investment in education is equal to marginal costs and generally one assumes a concave return function. Timmons and Spinneli (2007) define entrepreneurship training as a more planned and systematic effort to modify or develop knowledge and skills through

learning experiences to achieve effective performance in an activity or range of activities. The definitions have given different approach to training where Kilby focus on the investment while Timmons and Spinneli focus on the input and expected output. I believed entrepreneurship training related to the knowledge and skills that relates to business with an expected improvement in business performance in terms of profits and sales.

Entrepreneurship training is designed to develop skills, knowledge and attitude which enable entrepreneurs to start a new business or expand an existing one (Forsman & Rantanen, 2011). According to Gartner and Shane (2015), entrepreneurial training in MSEs takes the form of capacity building programs like seminars, symposiums and forums together with syllabus-oriented programs. On the other hand, Riverin et al. (2013) measured entrepreneurial training in MSEs in terms of apprenticeship, business incubation and on-job training. Audretsch (2012) showed the main indicators of entrepreneurship training as increase of knowledge, skill and experience required to make businesses more robust and competitive. On the other hand, Mwangi (2011) measured MSE entrepreneurship training in terms of training methods, nature of training and training needs assessment. This study adopted measures relating to content and nature of training. Content of training relates to the key elements of training. It involved what is contained in the entrepreneurship training. The content in this study involved training on business management, marketing and entrepreneurial skills. Nature of training related to how the training was structured. In this study, it related to inhouse training, workshops and discussions.

Entrepreneurship training has been found to be a major determinant in performance of enterprises. Entrepreneurship training as one of the key ingredients for MSEs performance has been recognized worldwide (GOK, 2019). Recent entrepreneurship scholars emphasize the critical role of entrepreneurship training in advocating entrepreneurship, enhancing capacities for sustainable growth, economic activity and stakeholders' involvement among MSEs (O'Connor, 2012; Lewrick, 2010). Namusonge (2016) noted that entrepreneurial education and training play a key role in stimulating entrepreneurship and self-employment. It is posited by Alarape (2017) that participating in training program induce entrepreneurs to get better managerial skills of recordkeeping and accounting of financial transactions, inventory management, marketing of products, competitive aggressiveness and recognizing marketing opportunities. This shows that small and micro businesses, whose entrepreneurs participate in entrepreneurship programs, exhibit superior managerial practice; hence, a higher gross-margin and rate of growth than small businesses whose owner-managers did not have such experiential learning.

1.1.2 Business Performance

From a study by Ogutu (2010), business performance is defined in terms of output terms such as quantified objectives or profitability. Herrington et al (2014) defined performance in relation to positive outcome as a result of equitable use of resources. On the other hand, Franco-Santos *et al* (2007) defined business performance as a wide range of indicators that focus on profitability, growth, or social performance of businesses. I define business performance as the measurement of firm's output in terms of profits, sales and employee base.

Bidzakin (2009) posits that business performance is indicated by business survival, growth in employee volume and profitability. Maduekwe and Kamala (2016) related business performance to financial and non-financial performance measures. They indicated sales growth, income, cash flows, and return on investment as the financial measures. They indicated timely delivery, customer complaints, employee turnover and customer satisfaction as the most popular non-financial measures.

Business performance has been the subject of extensive and increasing empirical and conceptual investigation in the micro and small business literature (Smith & Reece, 1999). The unresolved issues are the goals against which performance should be assessed and from whose perspective the goals should be established. In literature related to entrepreneurship, performance in business is measured by growth in employees, sales or the increase in profits. Sajilan and Tehseen (2016) designed a conceptual framework for MSEs entrepreneurial competencies and business performance indicators. MSEs business performance indicators include increase in profit, sales growth, growth in employees, business's asset growth, increase in number of customer and new products introduced. Several indicators can be used to gauge performance including high productivity, high profits, production, costs and business growth (Muthalib, Harafa, Yani, & Rostin, 2014). In this study the business performance of the MSEs was measured in terms of sales revenue and number of customers.

Business performance relates to either internal or external factors. Entrepreneurship training has been classified as an internal factor that has influence on performance of small enterprises. Entrepreneurship training has been cited as one of the success factors and found to have had a substantial impact on business performance (Kithae, Maganjo &

Kavinda, 2013). Kithae et al (2013), entrepreneurship training was found to have had a significant effect on performance of entrepreneurs.

The realization of the critical role played by entrepreneurship training on the success of MSEs, has necessitated the Government of Kenya (GoK) to conduct numerous entrepreneurship trainings. Despite this, there lacks sufficient empirical evidence to show how these trainings have helped MSEs improve their performance. This research focused on establishing the influence of entrepreneurship training on performance of MSEs by establishing the extent to which content of training and nature of training influence performance of MSEs under KYEOP in Kisumu County.

1.1.3 Micro and Small Enterprises Under Kenya Youth Employment and Opportunities Project in Kisumu County

Kenya Youth Employment and Opportunities Project is a government project that aimed at empowering and uplifting youth welfare in Kenya through business grants, internship, employment opportunities and business training. Economically, KYEOP seeks to create opportunities both for employment and business among the youth across all counties in Kenya. The project was started with a target of more than two hundred and eighty youths between 2016 and 2021. The project aims to reach over 280,000 youth during the project period. KYEOP is implemented jointly by Ministry of ICT, Innovation and Youth Affairs and Micro and Small Enterprises Authority (MSEA), a state corporation established by an Act of Parliament for purposes of promotion, development and regulation of Micro and Small Enterprises in Kenya.

The KYEOP project focuses on the youth between 18 and 29 years of age. The projects extend its wings to involve youths above 29 years for the youths with extended spells of

unemployment or those under vulnerable careers within Kenya. The project targets the youth with secondary education and above. All the counties within Kenya are targeted by the project, both rural and urban counties. Support for job creation responds to the need for job creation with initiatives to help launch new businesses, improve the productivity and job creation potential of existing micro-enterprises and among the youths who are on self-employment, and support innovation for the improvement of employment and entrepreneurial prospects among the youths in the remote areas and hard to access. The project aims to reach over 280,000 youth during the project period. Kisumu County has witnessed 1464 beneficiaries in total. In cycle 4, where the beneficiaries were the first cohort to receive entrepreneurship training, a total of 1,438 youths benefited from entrepreneurship training. In Kisumu County, five fifty-eight (558) youths benefited from entrepreneurship training.

Based on the Micro and Small Enterprises Authority (2019), the mortality rate of MSEs in Kenya remains high within the first few months after establishment. Kisumu County has been experiencing a rise in number of MSEs which led to the government extending the KYEOP to Kisumu County (Kisumu County, 2019). KYEOP in Kisumu County offers entrepreneurship training to the youth in the urge to enhance development and sustainability of small and micro enterprises owned by the youth. The micro and small enterprises under the project were expected to display improved performance due to the entrepreneurship training offered to the youth (KYEOP, 2019).

However, beneficiary businesses have been experiencing performance challenges in the recent past despite the training by KYEOP (KEPSA-KYEOP, 2019). This is despite the government supporting them through the youth empowerment project. This creates the

need for this study to determine the relationship between entrepreneurial training and performance of beneficiary micro and small enterprises of Kenya Youth Employment Opportunities Project Beneficiaries in Kisumu County.

1.2 Research Problem

Research shows that majority of the lot operating MSEs in Kenya are not quite well equipped in terms of education and skills. Those with more education and training are more likely to be successful in their businesses with the businesses experiencing improved performance (King & McGrath, 2012). In the urge of saving the MSEs, numerous agencies in Kenya continue to mount entrepreneurial programs on micro and small enterprises. In this line, the government came up with KYEOP to offer entrepreneurship training to the MSE owners in Kenya. Kisumu County is one of the counties that has benefited from KYEOP with more than 500 MSEs benefiting from entrepreneurship training. The beneficiary enterprises were expected to show improved business performance through increased profits. However, the beneficiary enterprises have shown little or no improvement in performance (Kisumu County, 2019).

Global studies have been done on entrepreneurship and business performance. Mayuran (2016) studied the impact of entrepreneurship training on performance of small enterprises in Jaffna district of Sri Lanka. He found that entrepreneurship training had no relationship with business performance. Yahya and Othman (2012) studied the impact of training on small and medium enterprise performance in Malaysia and found that entrepreneurship training has a positive impact on business performance. Alarape (2017) studied entrepreneurship programs and growth of small businesses in Nigeria and found improved profits and sales due to entrepreneurship programs.

Local studies have been done on the topic of study. Kithae et al (2013) used the case of Embu municipality to study the impact of entrepreneurship training on performance of micro and small enterprises in Kenya and found entrepreneurship training to have no impact on business performance. The study was done in Embu County with the current study done in Kisumu County. All MSEs were involved with the beneficiary MSEs involved in the current study. Nganu (2018) entrepreneurship training and performance of small and micro enterprises in information communication technology sector. The study was done in Nairobi City County with the current study done in Kisumu County. This study focused on medium enterprises which are not included in this study.

Njoroge and Gathungu (2013) studied the effect of entrepreneurial education and training on development of small and medium size enterprises in Githunguri and found no relationship between the two variables. The study involved small and medium enterprises but excluded micro enterprises which are included by the current study. The paper was done in Githunguri in Kiambu County with the current study focusing on Kisumu County.

Majority of the studies that have focused on entrepreneurship training and business performance in the MSE sector have been done globally. The studies focused on other areas other than Kisumu County. The empirical studies have also focused on general MSEs other than beneficiary MSEs which is the focus of this study. The studies have also shown inconclusive findings on entrepreneurship training and business performance. This shows a research gap that this study sought to fill by answering the question: What is the influence of entrepreneurial training on the performance of beneficiary MSEs under KYEOP in Kisumu County?

1.3 Research Objective

The objective of the study was to determine the influence of entrepreneurial training on performance of micro and small enterprises under Kenya Youth Employment Opportunities Project in Kisumu County

1.4 Value of the Study

For the researchers and scholars, the findings will add to the literature on entrepreneurial training and performance. The study will create a basis for further research on entrepreneurial training and business performance. To scholars, the study provided the needed empirical evidence to ground entrepreneurship training and business performance. This will enable the scholars to get literature to handle their academic assignments on entrepreneurship and business performance.

The findings of the study will provide a basis for policy development. The findings will give direction on prioritizing the expenditure of KYEOP and policy makers in consideration to areas where the strategies should be focused so as to effectively promote MSE performance. The policy will focus on increased entrepreneurial training among the youth owning MSEs in Kenya. This will enable the youth to improve their entrepreneurial skills and expertise for improved business management which would enhance the performance of their MSEs.

Managements and owners of KYEOP beneficiary MSEs in Kisumu County would find this study of value. The study would provide an understanding on how entrepreneurial training relate to the performance of their businesses. This would enable the management to come up with relevant strategies that would enhance performance through

entrepreneurial training. Managers of KYEOP would also find the study of value in that they would understand whether entrepreneurial training offered to the youth is impacting on the performance of their businesses. The management would in turn come up with relevant strategies and tactics to reduce negative factors and enhance growth and performance of MSEs owned by beneficiaries of the project through training.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter explores both the empirical and theoretical literature review based on the topic under study. The chapter starts with the theoretical framework discussing the theories on which the study is based. The empirical studies are reviewed after which the variables are conceptualized in form of a conceptual framework.

2.2 Theoretical Framework

This study was based on various theories that guided the research. These theories included social cognitive and the experiential learning theory of entrepreneurship. Social cognitive theory postulates that for entrepreneurs base their social cognition on prior knowledge to make assessments or decisions involving business recognition and growth (Mitchell et al., 2002). Basic features of social cognition theory include social schema and some concern with real world issues (Fiske & Taylor, 2008). Fiske and Taylor (2008) define social schema as a cognitive structure that embodies one's overall knowledge about a given topic. This knowledge is acquired through training or learning and empowers the entrepreneur and enables them to do better in business.

Experiential learning theory of entrepreneurship is based on acquired knowledge as a key factor in employee productivity. Audretsch et al. (2005) posits that knowledge-based enterprises are based on the premise that new knowledge is a critical source of innovation, economic dynamism, and growth. This supports the assertion by Fiske and Taylor (2008) who noted that social cognition involves knowledge over a certain topic. This shows that knowledge is key to social cognition of an entrepreneur which is the

main postulate of the experiential learning theory of entrepreneurship. These theories link through the recognition of learning as a key ingredient of business performance.

2.2.1 Social Cognitive Theory

The social cognitive theory was postulated by Bandura in 1982. The theory postulates that the environment causes behaviour, but behaviour also causes the environment. The theory calls this concept reciprocal determinism, where the world and the behaviour of persons is mutually caused. The theory proposes that human conduct must be explained in terms of the reciprocal interaction between cognitive behaviour and environmental determinants. The theory expresses that learning would be exceedingly relentless, also perilous, if individuals needed to depend exclusively on the impacts of their own behaviour to educate them what to do. The social cognitive theory of Bandura (SCT) centres on the concepts of reinforcement and observation, giving more importance to the mental internal processes as well as to the interaction of the subject with others.

According to the theory, performance can be influenced by actively engaging in behaviour, cognition, action, and experiential learning. This means that entrepreneurship training is key to entrepreneurial and business performance. We can infer that the entrepreneurs learn new things during training and interaction with various entrepreneurs or trainers that reinforce entrepreneurial behaviour which in turn influence the business performance. This is based on the nature of training where different training modes influence the trainee attitude (Bandura, 1982). This makes this theory relevant to our study in that it supports our objectives relating to entrepreneurship training and business performance.

2.2.2 Experiential Learning Theory of Entrepreneurship

The study will be based on experiential learning theory of entrepreneurship developed by Corbett (2005). The theory explains experiential learning as a continuous learning process where experience is transformed into knowledge. The theory postulates that entrepreneurship requires several different types of learning (convergent, assimilative, divergent, accommodative) at different stages of the entrepreneurial process and with the right content of training.

The theory postulates that experiential learning enable owners, managers and employees to learn skills and knowledge (Sørensen & Fassiotto, 2011). They can then use this knowledge to improve their productivity and enhance the productivity of their business. This shows the importance of knowledge acquired through training in the improvement of employee and business performance.

Micro and small enterprises managed by entrepreneurs with experiential training would find themselves performing better compared with the MSEs managed by managers with low level of training and knowledge (Hyrsky & Tuunanen, 2016). This shows that experiential learning through training improves business performance through acquired knowledge. This theory fits the study in that it shows the need for external learning which can be done through entrepreneurship training. The theory also relates to the study in that it recognizes the need for knowledge and training where it states that business with highly trained employees perform better.

2.3 Entrepreneurial Training and Performance

Yahya and Othman (2012) studied the influence of training on small and medium enterprise performance in Malaysia. The methods used are descriptive analysis, Pearson correlation, stepwise regression procedures and t-test. The data for the study were collected through mail questionnaires sent out to 500 SMEs. The empirical results showed that entrepreneurial training had a positive effect on business performance. The study also found that the nature of training contributed significantly to improved business performance.

Muthalib, Harafa, Yani and Rostin (2014) did an empirical study on entrepreneurship and its impact on business performance improvement based on a case of micro business industrial sector in Kendari, Indonesia. A hundred enterprises were sampled for the study. The data were analyzed through multistage regression analysis. Entrepreneurship has a positive impact on the business performance as shown by the findings.

In South Wales, Jones, Beynon, Pickernell and Packham (2013) evaluated the impact of different training methods on SME business performance. The study utilized a dataset of 3558 SMEs. Correlations and multivariate regression analysis were done. Training was measured in terms of training methods and related to performance of businesses in terms of sales. The study found that entrepreneurship training had a positive effect on business performance.

In Sri Lanka, Mayuran (2016) studied the impact of entrepreneurship training on performance of SMEs in Jaffna District. Data were collected through questionnaires obtained from sixty employees from SMEs from Jaffna District. The study used correlation and regression statistics to analyze the data. The study also used descriptive statistics in its analysis. An insignificant relationship between entrepreneurial training

and business performance. The study found that customer care, marketing, quality maintenance and financial management were taught as the content of entrepreneurship training. The content was basically business management skills and the effect of the other entrepreneurial skills on performance were not addressed. This study focused on the content of training to include managerial skills, technical skills and entrepreneurial skills.

In Uganda, Marus, Mwosi, Mutesigensi and Ebong (2019) studied the role of entrepreneurial skills in the performance of SMEs In Nebbi District, West Nile Region. Using both purposive and simple random sampling procedure, 106 participants were selected for the survey. A questionnaire was used in the study. Statistical package (SPSS) assisted in data analysis. The study concluded that there is a moderate relationship between entrepreneurial skills and performance of SMEs. However, entrepreneurial skills contributed only 32.5% of the level of performance in Nebbi district. The relationship was found to be positive and significant.

In Ethiopia, Tesfaye (2018) studied entrepreneurship training and its impact on business performance of SMEs in Oromia Regional State. The study covered MSMEs that had received entrepreneurship training in Ethiopia from 2014-2018 in Oromia Regional State. Systematic and stratified sampling method was employed to select sample. Primary and secondary data were collected through questionnaires and interview guides. It was analysed using paired sample t-test, ANOVA and linear regression analysis. The correlation and regression analysis revealed a positive significant relationship between entrepreneurship training and business performance.

A study by Tambwe (2015) on the impact of entrepreneurship training on MSE performance in Tanzania with reference to food vendors in Ilala district, Dar Es Salaam. A sample of sixty food vendors was used to test the effect. Statistically the data was analysed through percentages, frequencies and correlations. It was established that proper entrepreneurship training leads to successful performance of MSEs. The key skills perceived to be the most importance by MSEs included financial, marketing, sector-specific technical and communication skills. The hypothesis testing results showed that entrepreneurship training related with MSEs business performance positively.

Kithae, Maganjo and Kavinda (2013) used the case of Embu municipality to study the effect of entrepreneurial training on performance of micro and small enterprises in Kenya. The research method was mainly explanatory though elements of descriptive and exploratory strategies were incorporated. A survey targeting sixty-eight beneficiaries was done. Data was analyzed using descriptive statistical tools. Pearson's correlation matrix was used to show the relationship' between the dependent and the independent variables. Entrepreneurial training was found to have had no impact on the change of attitude and acquisition of entrepreneurial skills to target beneficiaries.

Nganu (2018) studied entrepreneurship training and performance of small and micro enterprises in information communication technology sector in Nairobi City County. The study adopted a positivist research philosophy. Mixed method research design was used to collect qualitative and quantitative data. The target population was 273 small and micro enterprises in the ICT sector that successfully received entrepreneurial training prior to the year 2012 under the ICT Authority. Systematic random sampling technique was used to select 73 respondents. Semi-structured questionnaires were used to

collect primary data. Literature review was used to collect secondary data. Quantitative data from the structured questions and secondary data was analyzed using descriptive and inferential statistics. Content analysis was used in analyzing qualitative data collected from unstructured questions in the questionnaire. It was established that entrepreneurial training had an insignificant relationship with business performance.

Njoroge and Gathungu (2013) studied the effect of entrepreneurial education and training on development of small and medium size enterprises in Githunguri District. This was an exploratory research design. The target population was all the 1670 legally registered SMEs in Githunguri district. The study used simple random sampling in which 167 SMEs were selected. Data were collected using structured questionnaire. The study established that the entrepreneurs were able to market their products within the district. The results of the study revealed that the entrepreneurs were able to do simple daily book keeping of business transactions but were not able to do complex financial statements. Lack of training on financial, strategic management and marketing had no significant effect on SME performance.

2.4 Summary of Literature and Knowledge gaps

The empirical literature on entrepreneurship and financial performance has been reviewed in the study. Most studies on entrepreneurship training have been carried outside Kenya and in the distance past. The research on entrepreneurial training and its relationship with business performance in Kenya is limited and based on non-beneficiary MSEs and other business.

Research show conflicting results on the relationship between entrepreneurship training and performance of MSEs. Some researchers have shown that entrepreneurial training has a positive effect on business performance (Muthalib, Harafa, Yani & Rostin, 2014; Alarape, 2017; Jones et al, 2013). Njoroge and Gathungu (2013) found a negative relationship between entrepreneurship training and business performance. On the other hand, some researchers have shown that entrepreneurship training has no relationship with performance (Nganu, 2018; Mayuran, 2016; Kithae, Maganjo & Kavinda, 2013). This shows that the research on the relationship between entrepreneurship training and performance of MSEs is inconclusive with empirical studies showing conflicting results.

The effect of entrepreneurship on business performance in the literature is inconclusive with some studies finding a positive effect (Alarape, 2017; Jones et al, 2013) while others show negative or no effect (Nganu, 2018; Mayuran, 2016). This study sought to fill this research and knowledge gap by undertaking a research on determining the influence of entrepreneurial training on the performance of Beneficiary micro and small enterprises of Kenya Youth Employment Opportunities Project in Kisumu County.

2.4 Conceptual Framework

Conceptual framework is a network of relationships of variables considered important to a study on a given research problem (Robson,2011). The framework helps researchers to define concept, map the research conceptual scope, systematize relations among concepts and identifying gaps in literature (Creswell, 2013). In this research, business performance was used as the dependent variable. The study used entrepreneurship training as the independent variable. Entrepreneurship training was measured in terms of content of training methods and nature of training. The indicators of content of training

was entrepreneurial skills, business management skills and marketing skills. The nature of training as an independent variable was measured in terms of field trips, in house training, workshops attended and discussions. Business performance was measured by sales revenue growth and number of customers in the MSEs. The variables have been conceptualized in Figure 2.1.

Independent Variable

Dependent Variable

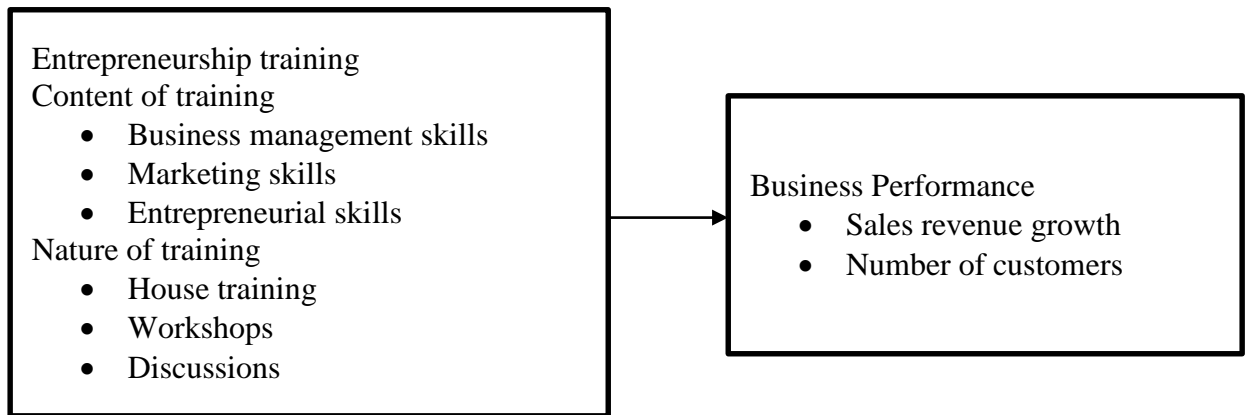


Figure 2.1: Conceptual Framework

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter looked at the research methods adopted in this research. It describes the research design, target population, sample design, data collection instruments and data analysis.

3.2 Research Design

The study was carried out using a cross-sectional descriptive research design. A descriptive research design describes the relationship between two or more variables. A descriptive design enables an investigation that utilizes numerical data to show the link between variables (Groves, 2014).

This design is preferred for the study as it allows for establishment and analysis of the study variables in order to show how they relate to each other. In this case, the design enabled the researcher establish the cause effect relationship between entrepreneurship training and business performance. The study sought to establish the relationship between variables which made the research design suitable for the study. This design was successfully used by Gakure et al (2013) and Kithae (2013) to establish the cause-effect relationship between variables.

3.3 Target Population

The study targeted the MSEs owned by the beneficiaries of Kenya Youth Employment Opportunities Project in Kisumu County. The study targeted 558 MSEs in Kisumu County. The respondents were the MSE owners who received entrepreneurship training

from KYEOP in cycle 4. Cycle 4 beneficiaries are preferred because they are the most recent beneficiaries from KYEOP and the only graduate team that has received both grant and entrepreneurship training from KYEOP. According to KYEOP (2019), there are 1,464 beneficiaries of KYEOP in Kisumu County with 558 beneficiaries in Cycle 4. The population size is shown by Table 3.1.

Table 3.1: Target Population

	Number	proportion
Small	246	44.1
Micro	312	55.9
Total	558	100.0

3.4 Sample and Sampling Design

A sample of 227 MSEs were selected for the study as shown by Table 3.2. For this study Krejcie and Morgan (1997) formula was used to determine the sample size of MSEs that were involved in this study.

$$s = \frac{X^2 NP(1 - p)}{d^2 (N - 1) + X^2 p(p - 1)}$$

Where;

s= Required sample size

X^2 = Chi Square Value for a degree of freedom at the desired degree of freedom (3.841)

N = Population Size

P = Population proportion with desired characteristics (assumed to be 0.5)

d = Degree of accuracy as a proportion (0.50)

$$\begin{aligned}
s &= 3.841 * 558 * .50(1-.50) / \{(.05^2 (558- 1) + 3.841 * .50(1- .50)\} \\
&= 535.8195/ 1.3925 + 0.96025 \\
&= 535.8195/2.35275 \\
&= 227
\end{aligned}$$

Table 3.2: Sample Population

	Number	Proportion (%)	Sample
Small	246	44.1	100
Micro	312	55.9	127
Total	558	100.0	227

Since the population has formed strata based on the size of the business, the sample was selected through stratified random sampling. The businesses were stratified based on the size of the enterprise, either small or micro. Bullard (2017) noted that with stratified random sampling, there would an equal chance that each beneficiary enterprise could be selected for inclusion in each stratum of the sample. The researcher selected the respondents randomly within the strata.

3.5 Data Collection

Both primary and secondary data was collected for the study. Primary data was collected using a structured questionnaire. The questionnaire had closed questions, the responses in the questionnaires helped in gaining an in-depth understanding of the relationship between entrepreneurship training and business performance. The questionnaire was used to collect data from the business owners who had received entrepreneurial training by KYEOP.

The questionnaire was divided into three sections. The first section contained questions related to general information. Section two contained questions relating to entrepreneurship training and business performance. Business performance questions formed the third section. The researcher trained research assistants who assisted in data collection. Questionnaire was administered in a way that the research assistant asked the respondent questions and write down the answers. This was done through telephone calls and physical visits where possible.

The telephone numbers were got from the list of trained MSE owners trained under KYEOP in Kisumu County from the MSE authority, Kisumu. Telephone interviews saved on time and was successfully used by Cudjoe and Ibiyemi (2015). Others were sent questionnaires on their emails which they send to the researcher after filling them. This was done due to the limitations and challenges of the Covid 19 pandemic which required adherence to social distancing and minimized physical contact.

Secondary data capture form was used to collect secondary data on sales revenue and customers. The data was collected from the financial statements of individual MSEs. The data was collected based on an 11 month from August 2019 to June 2020. This is because the cohort completed training in August 2019 and the effect of entrepreneurial training would be seen within the period after completion.

3.5 Data Analysis

The data collected was edited and cleaned for completion. The data was then be coded into SPSS version 25. The data was then analysed through descriptive and inferential statistics. The descriptive analysis was done by use of mean, standard deviation,

percentage and frequency. Inferential statistics involved the use of correlation and regression analysis. Multiple regression analysis used the following models:

$$Y_1 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \quad (1)$$

$$Y_2 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \quad (2)$$

Where:

Y_1 = business performance as measured by sales

Y_2 = business performance as measured by number of customers

X_1 = Content of training;

X_2 = Nature of training;

β_0 = Constant;

β_1 , and β_2 = Coefficients of determination

F-statistics was used to test the significance of the regression model.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter discusses the interpretation and presentation of the findings obtained from the field. The chapter presents the background information and findings of the analysis based on the objectives of the study. Descriptive statistics and inferential statistics were used to discuss the findings of the study.

4.1.1 Response Rate

The study targeted a sample size of 227 respondents in collecting data out of which 184 filled in and returned the questionnaires making a response rate of 81.1% as shown in Table 4.1. Mugenda and Mugenda (2012) assert that response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was considered to be excellent.

Table 4.3: Response Rate

Response	Frequency	Percentage
Responded	184	81.1
Not responded	43	18.9
Total	227	100

4.2 Background Information

This section presents, statistical findings related to respondent's background information. Specifically, the areas investigated include age, gender, period of operation, number of employees, and period of operation after business training.

4.2.1 Distribution of Respondents by Age

Respondents were asked to indicate their age group. This was sought in view of confirming whether the Kenya youth employment opportunities project actually benefited the target group as presented in Table 4.4.

Table 4.4: Distribution of Respondents by Age

	Frequency	Percentage
Less than 20 years	18	9.8
20-25 years	38	20.7
26-29 years	54	29.3
More than 29 years	74	40.2
Total	184	100.0

Results presented in Table 4.2 confirms that, most (74, 40.2%) of the participants were aged between more than 29 years. A further 29.3% were aged 26-29 years, 20.7% of the participants were aged between 20 and 25 years while 9.8% were aged below 20 years. This implies that implementation of Kenya youth employment opportunities project in Kisumu County actually benefited the target group.

4.2.2 Distribution of Respondents by Gender

Respondents were asked to indicate their gender category. This was sought in view of understanding the majority gender trained under KYEOP and the gender that owns MSEs in Kisumu County. This would influence the performance of the businesses.

Table 4.5: Distribution of Respondents by Gender

Gender	Frequency	Percentage
Male	111	60.3
Female	73	39.7
Total	184	100.0

Results show that majority (60.3%) of the respondents were aged males whereas 39.7% were female. This implies that both male and female participants were fairly involved in this study. However, the results also revealed low participation female gender.

4.2.3 Period Which the Respondents Had Been Doing Business

In order to ascertain the respondents experience in business practice, respondents were required to indicate the duration of time since they ventured into entrepreneurial practice.

Table 4.6: Period Which the Respondents Had Been Doing Business

Years	Frequency	Percentage
1-5	12	6.5
6-10	36	19.6
11-15	74	40.2
More than 15	62	33.7
Total	184	100.0

From the study findings, most (40.2%) of the respondents indicated that they had been in business for a period of 11-15 years. A further 33.7% indicated more than 15 years, 19.6% of the participants indicated 6-10 years whereas 6.5% of the participants indicated 1-5 years. This implies that majority of the MSE owners in Kisumu had been business for more than 10 years. Thus, they were in a position to provide insights concerning business performance before and after training by KYEOP.

4.2.4 Number of Employees Directly Employed

Participants were asked to indicate their size of work force. This was sought in view of ensuring that businesses of various sizes were fairly involved in this study.

Table 4.7: Employees Directly Employed By the Business

Employees	Frequency	Percentage
Less than 5	50	27.2
5-10	72	39.1
11-15	37	20.1
16-20	25	13.6
Total	184	100.0

Results presented in Table 4.5 confirms that, most of the (39.1%) of the SMEs had between 5-10 employees, 27.2% of the participants indicated that the SME had less than 5 employees, 20.1% of the participants indicated that the SME had between 11-15 employees while 13.6% of the participants indicated that the SME had between 16-20 employees. This implies that most of SME had between 5-10 employees who are employees directly employed by the firm.

4.2.5 Period of Operation after Business Training

Participants were asked to indicate the duration which the business had been operating after training the business.

Table 4.8: Period of Operation after Business Training

	Frequency	Percentage
Less than 3 months	31	16.8
3-5 months	73	39.7
More than 5 months	80	43.5
Total	184	100.0

Results presented in Table 4.8 confirm that, (43.5%) the SME had been in operation for More than 5 months after the training, 39.7% of the participants indicated 3-5 months, while 16.8% of the participants indicated less than 3 months. This implies that most of SME had been in operation for a considerable period of time after training by KYEOP,

which therefore implies that they were in a position to provide insights on how the project impacted business operational performance.

4.3 Manifestation of Variables

This section presents statistical evidence on how entrepreneurship training impacted on business performance of beneficiary MSEs. Entrepreneurial training was measured by the content and nature of training with business performance measured through sales revenue and number of customers.

4.3.1 Content of Training

The study sought to establish the effect of the content of training on business performance. This was based on business management, marketing and entrepreneurial skills.

Table 4.9: One-Sample T-Test Business Management Skills

	N	Mean	Test Value = 3			Sig. (2-tailed)
			Std. Dev.	t	df	
I have acquired book keeping skills through entrepreneurship trainings	184	3.9293	.77559	16.254	183	.000
I have acquired financial management skills through entrepreneurship trainings	184	4.0000	.82316	16.479	183	.000
I have acquired planning skills through entrepreneurship trainings	184	3.9022	.79010	15.489	183	.000
I can now better implement my business plans after attending entrepreneurship training	184	3.8696	.85209	13.843	183	.000
I have acquired time management skills through entrepreneurship trainings	184	3.9728	.79913	16.513	183	.000
I am able to effectively control the functions of my business after	184	3.8641	.80844	14.499	183	.000

attending entrepreneurship trainings							
I acquired staff recruitment skills through entrepreneurship training	184	4.0652	.77254	18.704	183	.000	
Entrepreneurship training empowered me with computer maintenance skills	184	3.8641	.80844	14.499	183	.000	
I can now better maintain my ICT systems after attending entrepreneurship training	184	4.0598	.85680	16.778	183	.000	

The study sought to determine the respondent's level agreement on statements relating to business management skills. Results are presented in Table 4.9. From the Table, the respondent's agreed that they acquired staff recruitment skills through entrepreneurship training (M= 4.07 SD =0.77). This implies that after attending entrepreneurship training the young entrepreneurs in Kisumu County were in a position to effectively source the right qualifies and competent employees. Results also showed that the entrepreneurs could better maintain their ICT systems after attending entrepreneurship training (M=4.06 SD =0.86) and that participants who attended the KYEOP entrepreneurial training acquired financial management (M= 4.00 SD =0.82).

Further, the study established that the trainees acquired time management skills through entrepreneurship trainings (M= 3.97 SD =0.80). This implies that after KYEOP entrepreneurial training, majority of the participant perfected on time management for valuable business chores and thus better performance. The findings also showed that KYEOP trainees acquired book keeping skills such as purchases, payments, credit and cash sales, receipts, prepayments amongst others (M =3.93 SD =0.78) and had acquired planning skills through entrepreneurship trainings (M =3.90 SD =0.79).

The study also established that most of the trainees were in a position to implement their business plans perfectly after attending entrepreneurship training (M=3.87 SD =0.85). The KYEOP training attendees were in a position to effectively control all the functions of their business including purchases, sales management, cash flow management, compliance business marketing and demand analysis amongst others. Also, entrepreneurship training empowered participants with computer maintenance skills (M=3.86 SD =0.81). The variation from the mean was low as shown by the standard deviation below 1. From the one sample t test statistics shown by table 4.10, $p < .05$ for all the statements relating to business management skills ($p = .000$). Therefore, it can be concluded that the means achieved were statistically significant from the mean of the Likert scale (3) at 95% confidence level, $df=183$.

Table 4.10: One-Sample T-Test for Marketing Skills

	Test Value = 3					
	N	Mean	Std. Dev.	t	df	Sig. (2-tailed)
Entrepreneurship training has empowered me to identify customer needs better	184	3.8641	.80844	14.499	183	.000
Entrepreneurship training has enabled me to handle customer complaints more effectively	184	3.8261	.82460	13.589	183	.000
Entrepreneur training empowered me to price my products better	184	3.6413	.75504	11.521	183	.000
I am able to advertise my business after attending entrepreneurship training	184	3.7717	.76256	13.728	183	.000
My skill on product distribution have been enhanced by attending entrepreneurship training	184	3.9891	.81642	16.434	183	.000
I have been able to reduce my customer waiting time after I attended entrepreneurship training	184	3.6739	.74817	12.218	183	.000
I am able to effectively source for my business in put after attending entrepreneurship training	184	3.8043	.98889	11.033	183	.000

The study sought to determine the respondent's level agreement with statements relating to business marketing skills. Results are presented in Table 4.10. The table shows that the respondent's agreed that KYEOP entrepreneurial training enhanced participants skill on product distribution (M=3.99 SD=0.82). This implies that after training exercise, majority of the attendees were able to clearly identify the most effective distribution channels. They also indicated that entrepreneurship training empowered participants to identify customer needs better (M=3.86 SD=0.81) and that entrepreneurship training has enabled entrepreneurs to handle customer complaints more effectively (M=3.83 SD=0.82). This implies that entrepreneurship education equips entrepreneurs with additional knowledge, attributes and capabilities required to apply these abilities in the context of setting up a new venture or business.

Further the study established that after KYEOP entrepreneurial training majority of the trainees could effectively source for their business inputs (M=3.80 SD =0.99). Results also show that KYEOP trainees were able to advertise their business after attending entrepreneurship training (M=3.77 SD=0.76) this also implies that trainees could describe the drivers of change and future trends of procurement management. Further, the study established most of the respondents were able to reduce their customer waiting time after they attended entrepreneurship training (M=3.67 SD =0.75). This was attributed to know your customer strategy as well as sales management, and that entrepreneurship training empowered attendees to price their products better (M=3.64 SD=0.76). This implies that applying some strategic thinking entrepreneurs went ahead of their competitors. From the one sample t test statistics shown by table 4.12, $p < .05$ for all the statements relating to marketing skills ($p = .000$). Therefore, it can be concluded that the means achieved were

statistically significant and different from the mean of the Likert scale ($t=3$) at 95% confidence level, $df=183$.

Table 4.11: One-Sample T-Test for Entrepreneurship Skills

	Test Value = 3					
	N	Mean	Std. Dev.	t	df	Sig. (2-tailed)
Entrepreneurship training that I attended enhanced my creativity	184	3.7989	.87328	12.409	183	.000
Entrepreneurship trainings have enhanced my ability to identify business opportunities	184	3.7717	.85063	12.307	183	.000
I have managed to successfully introduce a new product/service after attending entrepreneurship training	184	3.8587	.81088	14.365	183	.000
I am able to diversify the way of doing things in my business after attending entrepreneurship training	184	4.0761	.81962	17.809	183	.000
My ability to take risks have been enhanced through entrepreneurship trainings	184	3.7391	.85404	11.740	183	.000
My ability to make responsible business decisions has been enhanced through entrepreneurship training	184	3.7717	.81117	12.905	183	.000

The study sought to determine the respondent's level agreement with statements relating to business entrepreneurial skills. Results are presented in Table 4.11. From the table, the respondent's agreed that after KYEOP entrepreneurial training and that they were able to diversify the way of doing things in their business after attending entrepreneurship

training (M= 4.08 SD =0.82). This implies that the training enables attendees from Kisumu County to identify and capitalise on potential opportunity, create new products and services by combining ideas from several domains.

The participants also agreed that they had managed to successfully introduce a new product/service after attending entrepreneurship training (M= 3.86 SD =0.81) and that the entrepreneurship training that they attended enhanced their creativity (M= 3.80 SD =0.87). Further, the study established that entrepreneurship trainings have enhanced entrepreneur's ability to identify business opportunities (M=3.77 SD =0.81). In other words, their abilities to make responsible business decisions was enhanced through entrepreneurship training.

They finally agreed that their ability to take risks was enhanced through entrepreneurship trainings (M=3.74 SD =0.85). From the one sample t test statistics shown by table 4.14, $p < .05$ for all the statements relating to entrepreneurial skills ($p = .000$). Therefore, it can be concluded that the mean of the statements relating to entrepreneurial skills are statistically significantly different from the mean of the Likert scale ($t=3$) at 95% confidence level, $df=183$.

4.3.4 Nature of Training

The study sought to establish the effect of the nature of training on business performance. The nature was represented in form of in-house training, field trips, lecture method and discussions.

Table 4.12: Trainings Received

	Opinion	Frequency	Percentage
In house training	Yes	120	65.2
	No	64	34.8
Field trips	Yes	120	65.2
	No	64	34.8
Lecture method	Yes	155	84.2
	No	29	15.8
Discussions	Yes	88	47.8
	No	96	52.2
	Total	184	100.0

Participants were asked to indicate some of the trainings they received from KEYOP. Results are presented in Table 4.12. From the table, 155(84.2%) of the respondents indicated through lecture method, 120(65%) indicated through field trips or in-house training while 88, (47.8%) of the respondent indicated through discussions. This implies that trainings sponsored by were KYEOP presented through in-house training, lecture method, field trips or discussions.

Table 4.13: Impact of Trainings on Business Performance

Opinion	Frequency	Percentage
Yes	153	83.2
No	31	16.8
Total	184	100.0

Respondents were asked to clarify on whether the nature of training they received from KYEOP influenced their business performance. From the study findings, majority of the respondents (83.2%) indicated that KYEOP trainings had huge impact on their business performance. However, 16.8% of the respondents were of the contrary opinion. This implies that those KYEOP trainings had a significant impact on performance on SMEs in Kisumu County.

4.4 Business Performance

The study sought to establish the performance of the enterprise after the training. This was based on the average sales and customers for the firms involved in the study.

Table 4.14: Number of Customers

Customers	Frequency	Percentage	Cumulative
Less than 10	33	17.9	17.9
10-20 customers	43	23.4	41.3
21-30	58	31.5	72.8
31-40	31	16.8	89.7
Above 40	19	10.3	100.0
Total	184	100	

From the findings on table 4.14, most of the MSEs (31.5%) showed an average customer of 21-30 between august 2019 and June 2020. From the cumulative percentage, the firms displayed an average of more than 30 customers within the period. This shows that the MSEs that benefited from the training experienced an addition of more than 30 customers after training.

Table 4.15: Sales Revenue

Sales (Kshs)	Frequency	Percentage	Cumulative percentage
10000 and below	40	21.7	21.7
11000-20000	45	24.5	46.2
21000-30000	53	28.8	75.0
31000-40000	26	14.1	89.1
Above 40000	20	10.9	100.0
Total	184	100.0	

From the findings on table 4.15, most of the MSEs (28.8%) showed an average sale of 21000-30000 shillings between august 2019 and June 2020. From the cumulative percentage, the firms displayed an average sales revenue of more than 20000 shillings within the period. This shows that the MSEs that benefited from the training experienced an average sales revenue of more than 20000 shillings in the period after training.

Table 4.16: Business Performance

	N	Minimum	Maximum	Mean	Std. Deviation
Sales	184	1000.00	44000.00	20869.5652	12754.69903
Customers	184	3.00	50.00	27.000	13.71700
Valid N (listwise)	184				

From the descriptive statistics, the firms that benefited from KYEOP training showed an average sale of 20869.56 Kenya shillings between august 2019 and June 2020. Within the same period, the firms showed an average number of 27 customers. The sales, however, showed a high level of variation with a standard deviation of 12754.69 shillings. The customers did not vary much across the firms as they showed a low standard deviation.

4.5 Entrepreneurial Training and Performance

In this study, multiple regression analysis was conducted to test the effect among predictor variables. The research used statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions. The regression was based on the independent variables (nature and content of training) and the two indicators of business performance (sales and number of customers).

4.5.1 Entrepreneurship Training and Sales Revenue

Table 4.17: Model Summary On Sales

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.622 ^a	.387	.380	9.79379

a. Predictors: (Constant), nature of training, content of training

From the model summary, R squared as the coefficient of determination which tells us the indicates the percentage of the variance in the dependent variable that the independent variables explain collectively was 0.387. This shows that there was variation of 38.7

percent on the sales in MSEs under KYEOP in Kisumu due to changes in content and nature of training at 95 percent confidence level. Correlation coefficient (R) shows the relationship between the study variables. From the results there existed strong positive relationship between the independent variables (content of training and nature of training) and sales performance as shown by 0.622.

Table 4.18: ANOVA On Sales

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1464.844	2	732.422	4.683	.010 ^a
	Residual	28306.025	181	156.387		
	Total	29770.870	183			

a. Predictors: (Constant), nature, content

b. Dependent Variable: Sales

The study further tested the significance of the model by use of ANOVA technique for the sales performance. The findings are tabulated in Table 4.21. From the ANOVA statistics, the study established the regression model had a significance level of 0.010. This is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value ($4.683 > 3.046$). This is an indication that the model fits the data and significant to measure the influence of entrepreneurship training on sales performance of MSEs under KYEOP.

Table 4.19: Regression Coefficients on Sales

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	13.035	6.460		2.018	.045
	content of training	.447	.196	.414	2.887	.004
	nature of training	.265	.109	.219	2.425	.016

a. Dependent Variable: Sales

As per the SPSS generated output as presented in Table 4.22, $(Y_1 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon)$

becomes: $Y_1 = 13.035 + 0.447X_1 + 0.265X_2$

where, where: Y_1 = business performance as measured by sales; X_1 = Content of training; X_2 = Nature of training; β_0 = Constant; β_1 , and β_2 = Coefficients of determination.

From the above regression equation, it was revealed that holding content of training and nature of training to a constant zero, the sales of MSEs under KYEOP in Kisumu would be at 13.035. The findings further indicated that a unit increase in content of training would lead to increased sales of MSEs under KYEOP in Kisumu by 0.447. This shows that improved nature of training enhances sales performance of MSEs in Kisumu County. The findings further showed that a unit increase (improvement) in nature of training would increase the sales of MSEs in Kisumu by a factor of 0.265. This means that where the nature of training improves, the sales of MSEs also improves. All the variables were found to have a significant effect on sales of MSEs as their p-values were less than ($p < 0.05$).

4.5.2 Entrepreneurial Training and Number of Customers

Table 4.20: Model Summary on Customers

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.543 ^a	.295	.284	11.61016

a. Predictors: (Constant), nature of training, content of training

From the model summary, R squared was 0.295. This is an indication that there was variation of 29.5 percent on the number of customers in MSEs under KYEOP in Kisumu due to changes in content and nature of training at 95 percent confidence level. Correlation coefficient (R) shows the relationship between the study variables. From the findings notable that there existed strong positive relationship between the independent variables (content of training and nature of training) and number of customers as shown by 0.543.

Table 4.21: ANOVA for Number of Customers

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	142.562	2	71.281	3.922	.022 ^a
	Residual	3289.998	181	18.177		
	Total	3432.560	183			

a. Predictors: (Constant), nature of training, content of training

b. Dependent Variable: Number of Customers

The study further tested the significance of the model by use of ANOVA technique for the sales performance. The findings are tabulated in Table 4.24. From the ANOVA statistics, the study established the regression model had a significance level of 0.022 which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value

was greater than the critical value (3.922>3.046) an indication that the model fits the data and significant to measure the influence of entrepreneurship training on the number of customers of MSEs under KYEOP.

Table 4.22: Regression Coefficients on Sales

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	24.178	7.110		3.401	.001
	content of training	.258	.075	.222	3.461	.001
	nature of training	.133	.054	.092	2.458	.015

a. Dependent Variable: Number of Customers

As per the output as presented in Table 4.23, $(Y_2 = \beta_0 + \beta_1X_1 + \beta_2X_2 + \epsilon)$ becomes:

$$Y_2 = 24.178 + 0.258X_1 + 0.133X_2$$

where, where: Y_2 = business performance as measured by number of customers; X_1 = Content of training; X_2 = Nature of training; β_0 = Constant; β_1 , and β_2 = Coefficients of determination.

From the regression equation, holding content of training and nature of training to a constant zero, the number of customers of MSEs under KYEOP in Kisumu would be 24.178. The findings further indicated that a percentage increase in content of training would lead to increase in the number of customers of MSEs under KYEOP in Kisumu by 25.8 percent as shown by the regression coefficient of 0.258. This shows that improved nature of training enhances business performance of MSEs in Kisumu County in terms of number of customers. The findings further showed that an increase (improvement) in nature of training by one percent would increase the sales of MSEs in Kisumu by a factor of 13.3%. This means that where the nature of training improves, the performance of

MSEs also improves through increased number of customers. All the variables were found to have a significant effect on number of customers in MSEs as their p-values were less than ($p < 0.05$).

4.6 Discussion

The study found that content of training positively and significantly influenced business performance of beneficiary MSEs as measured by sales and number of customers. This implies that where the content of training is improved and increased, businesses experience increased sales and customers. These findings support the theory of experiential learning that postulates that entrepreneurship requires different types of learning and with the right content of training. The theory postulates that experiential learning enable owners, managers and employees to learn skills and knowledge (Sørensen & Fassiotto, 2011) which they can use to improve their productivity and enhance the performance of their business. Empirically, the findings concur with those of Tambwe (2015) who found that entrepreneurship training related with business performance positively. However, they differ with those of Mayuran (2016) who found an insignificant relationship. This shows that there is an inconclusive relationship between content of training and business performance.

Content of training was measured through business management, entrepreneurship and marketing skills gained under KYEOP training that led to improved business performance among the MSEs owned by the beneficiaries of KYEOP. The theory postulates that entrepreneurship requires several different types of learning at different stages of the entrepreneurial process and with the right content of training. The findings concur with those of Mayuran (2016) who found that marketing, and financial

management were being taught as the content of entrepreneurship training. Marus et al (2019) found a positive and significant relationship between entrepreneurial skills and business performance similar to this study.

The study further found that nature of training significantly influenced business performance among beneficiary MSEs positively as measured by sales and customers. This shows that when KYEOP positively changes the nature of training, MSEs would experience an improved business performance through increased sales revenue and customers. The findings support the theory in that entrepreneurs learn new things during training that reinforce entrepreneurial behaviour which in turn influence the business performance. This is based on the nature of training where different training modes influence the trainee attitude (Bandura, 1982). The findings concur with the findings of Yahya and Othman (2012) who found that the nature of training contributed significantly to improved business performance.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECCOMENDATIONS

5.1 Introduction

This chapter presents the summary, conclusions and recommendations of the findings. The objective of this study was to determine the influence of entrepreneurial training on performance of MSEs under KEYEOP Beneficiaries in Kisumu County.

5.2 Summary

The research showed that after the training, the businesses experienced an improved business performance with the sales and client base increasing up to December 2019. However, the performance started falling in 2020. In summary, business performance grew tremendously as from august 2019 up to Dec 2019. However, a fall in client base was witness by business starting from January up to May 2020.

The study found that the business owners were trained on business management skills by KYEOP. The skills related to staff recruitment skills, time management skills, book keeping skills (purchases, payments, credit and cash sales, receipts, prepayments) and business planning skills. They were also trained on computer maintenance skills.

The study also showed that the training contained marketing skills. The respondents were trained on how to handle their customer complaints and identify customer needs better. They were also trained on product distribution and marketing. The findings show that the KYEOP trainees were trained on business advertising and so were able to advertise their business and gain customers.

Further, the researcher established most of the respondents were able to reduce their customer waiting time after they attended entrepreneurship training, this was attributed to know your customer strategy as well as sales management, and that entrepreneurship training empowered attendees to price their products better this also implies that applying some strategic thinking entrepreneurs went ahead of their competitors.

The training by KYEOP also involved entrepreneurial skills. The study established that after KYEOP entrepreneurial training, the participants were able to diversify the way of doing things in their business. The business owners were trained on the innovative and creativity aspect of entrepreneurship. Further the study established that entrepreneurship trainings have enhanced entrepreneur's ability to identify business opportunities and take risks for business success. From the regression analysis, the study found that content of training positively affected the sales and number of customers as measures of business performance in MSEs. This was shown by significant and positive coefficients for both sales and number of customers. The content of training showed a greater effect on sales compared to the number of customers as shown by a higher regression coefficient for sales. However, content of training showed a more significant effect on number of customers. This shows that content of training is a key factor that influences business performance.

On the nature of training, majority of the respondents indicated that trainings were done through lectures, field trips, in-house training and discussions. This implies that trainings sponsored by were KYEOP presented through in-house training, lecture method, field trips or discussions. The study found that, KYEOP trainings had huge impact on their

business performance. This implies that the business owners that attended KYEOP trainings experienced change in business performance. The study findings from the regression analysis showed that nature of training positively influenced business performance as shown by a significantly positive coefficients for both sales and number of customers. The effect was greater on sales but more significant on number of customers. This shows that nature of training influence business performance positively among beneficiary MSEs in Kisumu.

5.3 Conclusion

From the findings on the regression analysis, the study concludes that nature of training has a positive and significant effect on both the sales and number of customers in beneficiary MSEs under KYEOP in Kisumu County. The study concludes that content of training has a positive significant influence on the performance of MSEs under KYEOP in Kisumu County.

From the findings, nature of training showed a positive and significant effect on both the sales and number of customers in beneficiary MSEs under KYEOP in Kisumu County. This leads to the conclusion that the nature of training has a positive significant effect on performance of MSEs under KYEOP in Kisumu County.

5.4 Recommendations for Policy and Practice

The study found that the content of training has a positive effect on sales and number of customers. Based on the findings the study recommends that KYEOP increases the content of the entrepreneurship training offered to owners of MSEs. This will in turn lead

to improved performance of the beneficiary MSEs through increased number of customers and sales revenue.

The study found that nature of training by KYEOP influences business performance positively through sales and customers. This study recommends that KYEOP check on the nature of training and improve on the gaps in the training in order to enhance performance among the beneficiary MSEs. The management KYEOP should map the strengths and weaknesses of existing youth entrepreneurship training programmes, coaching and mentoring initiatives, and business development services against the needs of youth entrepreneurs.

5.5 Limitations of the Study

Contextually, the research concentrated on beneficiary MSEs under KYEOP. The study was based in Kisumu county. This shows that the study was limited to beneficiary MSEs in Kisumu county. Hence, the findings may not be generalized to other businesses or localities.

The researcher based the research on entrepreneurial training as measured by content and nature of training and business performance as measured by sales and customers. Therefore, effects of the other variables were not analysed in this research with other measures of business performance not considered. Hence the study was limited to the variables considered in the study.

The cross-sectional data involved various MSEs that benefited from entrepreneurship training. This gave cross-sectional data that was used for analysis. The use of cross-sectional data limited the robustness of the analysis.

The data collection was limited by the Corona Pandemic which has led to strict measures especially social distancing. The researcher overcame this by following the strict measures on Corona and adopted an interview-based data collection procedure.

5.6 Recommendation for Further Research

The study recommends a similar study on non-beneficiary MSEs in Kenya. Research based on other localities or counties like Muranga is recommended for comparison of findings on entrepreneurial training and business performance.

Given that the study was limited by the variables, the study recommends a research based on other variables that influence business performance other than entrepreneurial training. This would enhance the generalizability of the study. The study recommends a research on other variables influencing performance of beneficiary MSEs other than entrepreneurial training.

The study was limited to cross sectional data. The study recommends the use of panel data for comparison of results. This study recommends a similar research based on panel data involving a longer period like 10 years. This will clearly show the effect of training and business performance. The study can use physical data collection methods.

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APPENDICES

Appendix I: Questionnaire

Section I: Background Information

1. What is your age?

less than 20 years 20-25 years 26-29 years More than 29 years

2. What is your gender?

Male Female

3. How long have you been in business?

Less than 1 year 1-5 years 6-10 years 11-15 years more than 15 years

4. How many employees does your business have?

Less than 5 5-10 11-15 16-20 More than 20

5. How long have you been operating the business after training?

Less than 3 months 3-5 months More than 5 months

Section II: Entrepreneurship training and business performance

Content of Marketing

6. Kindly indicate your level of agreement to the following statements where; 5 is Very great extent, 4-great extent, 3- moderate extent, 2-little extent, 1-very little extent

	1	2	3	4	5
Business management skills					
I have acquired book keeping skills through entrepreneurship trainings					
I have acquired financial management skills through entrepreneurship trainings					
I have acquired planning skills through entrepreneurship trainings					
I can now better implement my business plans after attending entrepreneurship training					
I have acquired time management skills through entrepreneurship trainings					
I am able to effectively control the functions of my business after attending entrepreneurship trainings					
I acquired staff recruitment skills through entrepreneurship training					
Entrepreneurship training empowered me with computer maintenance skills					
I can now better maintain my ICT systems after attending entrepreneurship training					
Marketing skills					
Entrepreneurship training has empowered me to identify customer needs better					

Entrepreneurship training has enabled me to handle customer complaints more effectively				
Entrepreneurship training empowered me to price my products better				
I am able to advertise my business after attending entrepreneurship training				
My skill on product distribution have been enhanced by attending entrepreneurship training				
I have been able to reduce my customer waiting time after I attended entrepreneurship training				
I am able to effectively source for my business in put after attending entrepreneurship training				
Entrepreneurial skills				
Entrepreneurship training that I attended enhanced my creativity				
Entrepreneurship trainings have enhanced my ability to identify business opportunities				
I have managed to successfully introduce a new product/service after attending entrepreneurship training				
I am able to diversify the way of doing things in my business after attending entrepreneurship training				
My ability to take risks have been enhanced through entrepreneurship				

trainings					
My ability to make responsible business decisions has been enhanced through entrepreneurship training					

Nature of training

8. Which of the following trainings did you receive from KYEOP?

	Yes	No
In house training		
Field trips		
Lecture method		
Discussions		

9. Has the nature of training you received from KYEOP influenced your business performance?

Yes () No ()

Appendix II: Data Collection Sheet

Month/Year	Number of Customers	Sales
	Kshs.	Kshs.
August 2019		
September 2019		
October 2019		
November 2019		
December 2019		
January 2020		
February 2020		
March 2020		
April 2020		
May 2020		
June 2020		