

**AN ASSESSMENT OF FACTORS AFFECTING SUCCESS OF YOUTH
ENTREPRENEURAL DEVELOPMENT IN KENYA: A CASE OF SELECTED YOUTH
ENTERPRISES IN GITHURAI**

BY AMOS GICHINE KIHORO

**Research Project Report Submitted in Partial Fulfillment of the Requirements for the
Award of CYP Diploma in Youth Development Work of the University of Nairobi**

JULY 2014

DECLARATION

This research study is my original work and has not been presented to any other examination body. No part of this research should be produced without my consent or that of The University of Nairobi.

Name: AMOS GICHINE KIHORO

Admin No: L146/23181/2013

Sign: _____

Date: _____

Declaration by the Supervisor

This research proposal has been submitted and it is with my approval having satisfied the University's guideline for Research Project.

Name: MR. AUGUSTINE MWANGI

Sign: _____

Date: _____

DEDICATION

I dedicate this work to my wife, Flo, my pillar of strength. To my son; Wesley, my source of inspiration, for their undivided and unwavering support during my study period.

ACKNOWLEDGEMENT

I wish to acknowledge the University of Nairobi for giving me the opportunity to pursue the course. To my supervisor Mr. Augustine Mwangi. I will forever be grateful. You went out of your way to read and re-read my work and to offer the much needed advice and support.

I also wish to appreciate the support given to me by Unbound Kenya- Nairobi Coordinating Office Administration and staff, all the Lecturers who taught me throughout the entire course, all support staff and fellow CYP students.

Finally yet importantly, I wish to extend special thanks to all respondents in Githurai.

I sincerely thank you.

TABLE OF CONTENTS

Declaration	ii
Dedication	iii
Acknowledgement	iv
List of Figures	ix
Abbreviation and Acronyms	x
Abstract	xi
CHAPTER ONE:INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.2 Statement of the Problem.	3
1.3 Purpose of the Study	3
1.4 Objectives of the Study	3
1.5 Research Questions.	4
1.6 Significance of the Study	4
1.7 Limitations of the Study.....	5
1.8 Delimitation of the Study.	5
1.9 Assumptions of the Study	5
1.10 Definitions of Significant Terms.....	5
1.11 Organization of the Study.	7
CHAPTER TWO:LITERATURE REVIEW.....	8
2.1 Introduction.	8
2.2 Factors Influencing the growth and development of youth entrepreneurship.....	8
2.21 The impact of Credit Accessibility and Availability	8
2.22 The impact of Entrepreneurial Education, Training and Mentorship.....	10
2.2.3 The Impact of Entrepreneurial Management and Planning strategies.....	11
2.3 Conceptual Framework.	14
2.4 Summary	14

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY	15
3.1 Introduction	15
3.2 Research Design	15
3.3 Population.....	15
3.4 Sampling Design	15
3.5 Piloting	15
3.6 Data Collection Instruments.....	16
3.7 Methods of Data analysis	16
3.8 Summary	16
CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION ..	17
4.1 Introduction	17
4.2 Response Rate	17
4.3 Personal Details of the Respondents in terms of gender and age.....	18
4.4 Personal Details of the Respondents in terms of Marital Status.	19
4.5 Personal Details of the Respondents in terms of Level of Education.	20
4.6 Personal Details of the Respondents in terms of Type of Business.	20
4.7 Credit Accessibility	21
4.7.1 Credit Accessibility in Banks and Youth Fund.	22
4.7.2 Possible Challenges in Credit Accessibility	22
4.8 Entrepreneurship Training and Education.....	23
4.8.2 Introduction of Entrepreneurial training in School Curriculums.....	24
4.9 Entrepreneurial Management and Planning strategies	24
4.9.1 Need for continual management programs by stakeholders.....	26
CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.....	27
5.1 Introductions.....	27
5.2 Summary of Findings	27
5.3 Discussion of Findings Based on Research Variables	28
5.3.1 Credit accessibility and availability.....	28

5.3.2 Entrepreneurial Training and Education.....	28
5.3.3 Management and Planning Skills and Strategies.....	29
5.4 Conclusions	30
5.5 Recommendations of the Study	31
5.6 Suggestions for further research.....	33
REFERENCES.....	34
APPENDICES	36

LIST OF TABLES

Table 4.1 Response Rate.....	17
Table 4.2 Response Rate in relation to Sample Size.....	18
Table 4.3 Research Tool preference.....	18
Table 4.4 Gender and Age.....	19
Table 4.5 Age and Marital Status.....	19
Table 4.6 Level of Education.....	20
Table 4.7 Type of business.....	21
Table 4.8 Sources of credit.....	22
Table 4.9 Credit Accessibility in banks and Youth Fund.....	22
Table 4.10 Possible Challenges in Accessing Credit.....	23
Table 4.11 Entrepreneurial Training and Education.....	23
Table 4.12 Introduction of Entrepreneurial education in School Curriculums	24
Table 4.13 Business Plans.....	24
Table 4.14 Business failures.....	25
Table 4.15 Management Challenges.....	25

LIST OF FIGURES

Figure 1 Conceptual figure.....14

ABBREVIATION AND ACRONYMS

CYP	Commonwealth Youth Program
YEDF	Youth Enterprise Development Fund
MFI s	Micro Finance Institutions
NGO s	Non-Governmental Organization
SME	Small and Micro Enterprise
MDG	Millennium Development Goals

ABSTRACT

The development of youth enterprises is of great importance in Kenya. Vision 2030 embodies the development of youth in entrepreneurial sector. In the recent past, there has been report of an increment of registration of youth enterprises. It is notable that youth are embracing entrepreneurship as a way of earning a living as opposed to the past where society regarded white-collar jobs than SMEs.

The importance placed on youth enterprises by the Kenyan Central government and the County governments is evidenced through the availability of youth loans and the ease of registration of businesses. This is essentially because youth enterprises and their engagement in the entrepreneurial sector is seen as a major boost to Kenya's economic growth and to the achievement of vision 2030.

The study is aimed at assessing the factors hindering the success of youth enterprises by evaluating the impact of credit accessibility, entrepreneurial education and management strategies among the young entrepreneurs. The results and findings of this study will help unravel the factors hindering success of youth enterprises, entrepreneurial potential and will hence help in solving the ever-increasing youth unemployment crisis.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to UNESCO, 2004, youth-hood is a specific stage between childhood and adulthood when people have to negotiate a complex interplay of both personal and socio-economic changes in order to maneuver the “transition” from dependence to independence, take effective control of their own lives and assume social commitments. The complex interplay experienced the youth is made worse by lack of financial independence due to lack of employment opportunities or lack of successful engagements in income generating projects.

Over 50 percent of the Kenyan population is made up of youthful citizens and, though this youthful population constitutes about 60 percent of the Kenyan labour force, approximately 65 percent of this available labour force is languishing in unemployment regardless of their qualifications and skills. However, the same age-bracket is said to be poorly prepared for labour market having had poor systems that emphasize on skills acquisition. Unemployment is not just lack of jobs, but also lack of job skills due to inadequacy of the training infrastructure as well as the means to acquire skills, due to poverty (Gok, 2007).

Most of Kenyan youth may have academic qualifications that are devoid of any practical use in skill-oriented world. As a result, our society is populated with youths who have academic qualifications but with inability to translate theoretical knowledge into practical idea of any economic gain. This can be blamed on the wrong perceptions about personal initiatives as opposed to white-collar jobs.

The problem of youth unemployment is mainly a youth issue. Regardless of whether one is educated or uneducated, youth are increasingly becoming frustrated and disillusioned because of lack of employment opportunities and the increased pressures of transition that demand them to be independent financially. Such frustrations and disillusionment of youth has been blamed for increased youth crime, involvement in high-risk activities, drug addictions and more recently radicalization in the major cities in Kenya. According to the Organisation for Economic Co-operation and Development (OECD), (2010) youth unemployment has been rising dramatically

and the trend is set to continue in 2011, resulting in disillusionment and despair among the youth that renders them vulnerable to criminal activities and violence. However, it is worth noting that there are many factors leading to high levels of unemployment amongst the youth. Such factors may include general lack of opportunities, lack of academic qualifications, corruption, nepotism, economic declines, lack of start-up capital among others. Since Kenya's labour market is not able to absorb all the youth, hence high levels of unemployment across all ages, it is therefore mandatory for the society to change its perspective and preparedness to engage entrepreneurship as a form of equal employment opportunity.

Government efforts in addressing youth unemployment is illustrated by the creation of youth fund and Uwezo fund that targets to empower the youth and offer credit facilities to youth and women in order to enable them to start their own small enterprises hence job creation. The ever-increasing demand to the county governments to improve conditions that are conducive for small businesses is an indication that this is a major way of solving this unemployment problem that greatly affects the youth. The government's campaign promise to creation of jobs for the youth is therefore based on the ability to emphasize and to support self-employment opportunities. Enterprises are the places where the jobs are (Haftendorn & Salzano, 2003). Nevertheless, there is need to investigate the factors affecting the growth and the development of enterprises initiated by the youth in order to address issues that may affect the sustainability of this great idea of development of enterprises as an avenue towards the achievement of Vision 2030.

It is good to appreciate the fact that our society regards lowly the entrepreneurship culture in its pursuit for the elusive white-collar jobs. Entrepreneurial development is therefore paramount in changing perceptions, preparing the potential entrepreneurs for the challenging business world and in maximizing this sector towards economic growth of our nation. This is because the potential of the youth in the entrepreneurial sector is under-utilized and under-exploited for the purpose of youth and economic development in most of the developing nations. The specific needs of the youth and particularly their entrepreneurial potential as well as their critical contribution to economic and social progress are underestimated (Irene, 2009). Youths must therefore be motivated and empowered to use their creativity and strength in providing opportunities for themselves. The best way therefore the youth can create opportunities is through entrepreneurship (Sagwe J. Gicharu., S.Mahea.T, 2011).

The study aimed at broadening understanding about the factors that influence performance of various youth enterprises in Githurai. It also aimed at giving remedial measures to the problems faced by youth enterprises in order to improve their performance and realize their goals.

1.2 Statement of the Problem.

Youth unemployment is regarded as one of the biggest impediment to the progress, stability of our great nation as well as in the achievement of millennium goals. The problem of unemployment becomes the root cause of all other vices affecting the youth in our society that includes drug and substance abuse, radicalization, Sexually Transmitted Illnesses, poverty, crime and violence. All these problems present youth as a marginalized group that need feasible options in resolving their issues.

Development of youth enterprises in Kenya is viewed to be one of the feasible options that the nation has in terms of addressing youth unemployment. However, despite the increased support from government agencies, donors and NGO's, the success and the performance of youth enterprises is questionable and disappointing. A few success stories of youth enterprises notwithstanding, there have been a general stagnation and fall of youth enterprises in Kenya. Various explanations as to the factors contributing to this less than satisfactory state of affairs have been given out.

This study therefore, sought to investigate and add further insights on these factors that contribute to such unsatisfactory performance of youth enterprises.

1.3 Purpose of the Study

The purpose of the study was to identify the factors hindering the success of youth enterprises and entrepreneurship in Githurai.

1.4 Objectives of the Study

The study sought to assess Factors affecting performance of youth enterprises in Kenya by using selected youth enterprises in Githurai. The study was guided by the following specific objectives;

1. To examine the impact of credit availability and accessibility influence the development of entrepreneurship among the youth in Githurai.
2. To examine the impact of entrepreneurship education, training and mentorship influence the development of entrepreneurship among the youth in Githurai.
3. To determine the impact of management and planning strategies on youth enterprises in Githurai.

1.5 Research Questions.

The study sought information to address the following questions:

1. How did credit accessibility and availability influence the development of entrepreneurship among the youth in Githurai?
2. To what extent did access to or lack of entrepreneurship education, training and mentorship influence the development of entrepreneurship among the youth in Githurai?
3. What was the effect of poor or lack of managerial and planning strategies on youth enterprises in Githurai?

1.6 Significance of the Study

Any notable success of youth enterprises is very critical in stimulating economic growth and in providing the job creation strategies for the ever-increasing youth population in our society.

This study sought to unravel the factors that hinder the success of youth enterprises and the youth entrepreneurial potential with an intention of providing useful insights towards sustainable solutions for the ever-increasing youth unemployment crisis. The recommendations thereof will provide useful insights that can be used by the government and non-governmental organization to promote youth entrepreneurship as a viable alternative source of employment and by other stakeholders concerned who have interest in youth development and participation of youth in the accomplishment of Vision 2030 and Millennium Development Goals (MDG).

1.7 Limitations of the Study

Some of the challenges experienced in the due course of conducting the research included low response rate, resistance and indifference. To overcome such challenges, the researcher had to first create a rapport with the target group in order to build confidence and trust. This took a lot of time that was necessary to cover a larger scope. This study only sought to investigate the youth enterprises in Githurai though it recognized other enterprises run by older citizens. It was therefore impossible to scrutinize and to assess whether other enterprises other than youth enterprises in this area were being affected by the same factors.

1.8 Delimitation of the Study.

This study restricted itself into the examination of youth enterprises within Githurai area.

1.9 Assumptions of the Study

It was assumed that the respondents were to be co-operative, correct and truthful when responding to the research questions. It was also assumed that the sample represented the population and was able to draw valid conclusion about the study.

1.10 Definitions of Significant Terms

Entrepreneur	One who organizes, manages and assumes the risk of business or enterprise.
Youth Entrepreneur	Young people who are engaged in any type of enterprise.
Self-employment	Practice of owning and operating a small enterprise as a means of livelihood; working for one's own account, often in the informal sector.
Unemployment	Situation where people who are willing and capable of working are unable to find suitable paid employment.

Jua kali	Jua Kali is the Kiswahili colloquial for the Kenyan Cottage Industry and spans wood and wood products, fabrication, car repairs, curio products etc
Bodaboda	Motorbike taxis
Performance	Is the ability of a youth enterprises to develop a strategy of growth and development that continues to function and serve their intended target population now and in the future.
Youth	is understood as a period of transition from the dependence of childhood to adulthood's independence and awareness of our interdependence as members of a community.
Youth Enterprise Development Fund	A Fund created by the Government of Kenya to assist the Youth access small credit on easy terms to set up enterprises.
Vision 2030	A developmental Agenda being implemented by the Government of Kenya to achieve middle Income status by the year 2030

1.11 Organization of the Study.

Chapter one provides background information, statement of the problem, research objectives and research questions, purpose of the study, and significance of the study, limitations, delimitations of study, assumptions of the study and definitions of terms.

Chapter Two outlines the various studies on what constitutes youth entrepreneurship and various challenges facing its development and success among the youth. It also contains the conceptual framework.

Chapter Three contains the research design and methodology, which includes among others, sample size and sampling procedures, data collection instruments and data collection procedures. Chapter Four outlines data analysis, presentation and interpretation with the use of tables and figures.

Chapter Five provides the summary of findings, discussion of findings, conclusions and recommendations thereof.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section will look at the literature related to factors influencing the growth and development of youth entrepreneurship such as access to; credit accessibility and availability, entrepreneurship education, training, and business development services and market linkages.

2.2 Factors Influencing the growth and development of youth entrepreneurship

2.21 The impact of Credit Accessibility and Availability

Many youth in developing countries rely on their merge personal savings, or family or friends assistance to raise start-up capital or for expansion of their small enterprises. Lack of such merge funds jeopardizes any chance for the said youth to start their own enterprises or even to add stock or to do any form of business expansion.

The issue of startup capital or funds in general highlights one of the biggest challenges facing youth entrepreneurs today. This is because of the general poverty amongst the families and the rate of unemployment among the youth is so high that the probability of enough personal savings is so low due to the level of dependence on parents and guardians who are likewise, poor and with insufficient sources of income for their daily needs. According to Chigunta (2001) credit programmes specifically targeting the youth present are an important alternative motivation for those seeking small affordable loans for starting up their own small businesses. In addition, most of the youth cannot be able to access loans from the banks and other financial institutions since most of them do not have accounts with those banks. Such personal bank accounts are necessary for one to successfully apply for a loan. Other youths are also locked from accessibility to credit facilities due to lack of necessary government documents, particularly, national identification cards for all citizens who have attained the age of majority.

The problem of unemployment is not only a problem to the unemployed youth but also to the employed youth. Most of the African cultures have it that the employed have to look after the unemployed extended family members, thereby reducing their ability to save and opportunities for wealth creation that is needed to spur economic growth. To this end, microfinance, the

provision of a wide range of financial services, has proved immensely valuable to poor people, especially the youth and women on a sustainable basis.

The provision of credit has increasingly been regarded as an important tool for raising the incomes of youths, mainly by mobilizing resources to more productive uses. As development takes place, one question that arises is the extent to which credit can be offered to the youths to facilitate their taking advantage of the developing entrepreneurial activities. It is worth noting that even with the existence of credit facilities that are affordable to the youth, their impact among the youth population is still too small given their numbers and the magnitude of unemployment. It is therefore important to establish the reasons as to why youth are not taking advantage of the credit facilities available to them.

It is evident that most of the youth would not be able to access credit facilities from banks and micro finance institutions due to their demand for collaterals that the youth lack. In addition, the demand for business plan is also a hindrance though a necessity to the youth entrepreneurs owing to the fact that many youth lack the basic business training hence lack of knowledge in coming up with business plans. Essayed (2005) suggested that financial institutions in the formal sector generally regard youth as high-risk creditors and are reluctant to extend credit on favorable or concessional terms.

The fear of taking risks is also an impediment to the youth access to the credit facilities because many of them fear the complications of defaulting payments, making business losses and eventual collapse of their businesses.

Nevertheless, even with the government initiative of provision of funds through some programs like Youth Enterprise Development Fund (YEDF), youth are still hesitant in taking advantage of such. This has been blamed on lack of business training and mentoring among the youth, cultural disparities especially against the young women, negative attitudes towards entrepreneurship in favor of white-collar jobs and lack of entrepreneurial spirit in the society. In addition, government run youth fund programs has also been blamed for among other things politicization of such programs, poor implementation, poor monitoring and evaluation processes, poor and

biased loan disbursement among others hence limiting the actual benefit among the youth. Curtain (2000) suggested that the success or failure of any micro-credit schemes in terms of financial viability and servicing the poor young people largely depends on the design of the programme.

It is therefore mandatory among all stakeholders to create awareness, to improve the program designs and systems that limit youth access to the available funds and to initiate quality partnerships that would enhance the entrepreneurial spirit and sustainability of youth business ventures.

2.22 The impact of Entrepreneurial Education, Training and Mentorship

According to Schoof (2006), entrepreneurship education is crucial in assisting young people to develop entrepreneurial attributes, behaviors and develop enterprise awareness to understand and realize entrepreneurship as a career option. Entrepreneurship education, training and mentorship is not a short term program. The success of such a move would be in the successful integration and inculcation of entrepreneurial education and training in the existing education system. The Kenyan education system, 8-4-4 system has greatly been blamed for its lack of emphasis in acquisition of skills. Instead, it is seen to prepare a Kenyan population that only care for academic grades regardless of the knowledge and skills attained. Most of the Kenyan youth seem ignorant of the potential held by entrepreneurship hence their preference for white-collar jobs that are not only evasive but also poor paying. While the Jua kali sector in Kenya is a hub of potential and better paying opportunities, most of the Kenyan youth do not like to be identified with this sector, since the education system has portrayed it as a sector for academic dwarfs and failures in life.

Unlike in the past where youth acquired many skills through informal education and mentorship, the education system emphasizes on formal education and awards of certificates that may be devoid of any practical ability. Research and technical education are not popular among the youth.

Such practical oriented education and training not only would prepare youth for entrepreneurship but also would sharpen innovation, risk taking, creativity, and management among the youth. Evidently, most of the case works have proved that entrepreneurship education, training and mentorship focuses less on teaching individuals in a classroom setting and more on learning-by-

doing activities in a group setting and network context. This is because it focuses on job task. Such kind of teaching is rare in Kenya and in most of the developing nations hence poor preparedness of youth for the harsh market realities and for self-employment. Most of the youth acquaint themselves with entrepreneurship through other means than from the experiences in education. This has led to an ever-increasing population of graduates who lack the necessary skills for self-employment.

Our education system should therefore be reviewed to inculcate a culture of skill acquisition in its curriculum at all levels of education. This is a necessity to any developing nation that seeks to bring up a generation of youth and citizens who are not only ready for white-collar jobs, but also ready to earn a living or to engage in economic diversification through the utilization of various skills acquired. While skill acquisition is understood to be the ability to successfully accomplish a task, usually acquired or gained through training or experience, skill acquisition on the other hand is seen as the development of new skills and practices acquired and gained through training and/or experience.

Skill acquisition therefore is pivotal in self-employment and entrepreneurship strategies. Skill acquisition program would emphasize effectiveness of training and application of knowledge and techniques acquired in creation of entrepreneurial business opportunities either in sale of goods or services. Peterson and Gonzalez (2005) argue that entrepreneurial skill is critical for people who want to start their own business and for employees who want to maintain their jobs.

It is good to recognize that young entrepreneurs need not only the basic education, a very focused training in entrepreneurship, skill acquisition through practice but also they need mentors who act as role models and who play a very big significant role in skill acquisition and in development of entrepreneurial attitude and behaviors. According to Baum, Frese, Baron, & Katz (2007), entrepreneurs' competencies are the most important factors for business success even more important than the business idea or industry setting.

2.2.3 The Impact of Entrepreneurial Management and Planning strategies

Management constitutes of five functions namely planning, organizing, leading, co-ordination and control. It has been said that it takes more than a brilliant business idea for an enterprise to

flourish. Most of the small enterprises fail not necessarily because of the external factors but also due to lack of the necessary managerial skills. Many small businesses struggle and fail because of poor management and planning (Ondeng, 2007).

This is because most of the operations of an enterprise revolve round management. The ability to manage effectively all issues regarding finances, public relations, customer care services, marketing and flexibility of management to change is paramount to not only the success of the enterprise but also to its survival.

For instance, many business enterprises stall because of poor customer service even after getting all the other things right. Traditionally, it has been said that customer's satisfaction is the heartbeat of every business. Failure to come up with effective customer service plans and strategies is in itself a bad omen to every great business enterprise. Customer care service is a provision of service to customers before, during and after a purchase that is intended to deal with customers by ensuring that they are highly satisfied by the service rendered hence assuring of their trust, loyalty and consistent visits to the enterprise. However, in the recent times, young entrepreneurs prioritize the daily returns at the expense of the effective customer service. Such anomaly leads to the exodus of potential customers to the more concerned competitors.

Poor financial management has been cited as one of the greatest hindrances to the success of enterprises all over the world. Poor financial management skills often leads to collapse of business enterprises because most of the business activities as well as business lifeline depend entirely on money management.

Lack of effective business plans is also a great impediment to the success enterprises. Most of the enterprises lack business plans. Other enterprises do not comply with the initial business plans hence veering off the initial path to success. This leads to businesses that fail to meet to meet their targets and goals either because of the lack of resources or lack of clear direction.

It is worth noting that success in business revolves round the essence of management. The manager must be an all rounded person in management to ensure balance and efficiency in all aspects of business enterprise. For example, an entrepreneur may be a good financial manager

with great public relations skills, but, all that may go into drain if he lacks quality product management.

According to Ondeng, (2007), bad management, lack of planning, poor product quality, bad public relations, inadequate financing and weak marketing are among the leading causes of business failure.

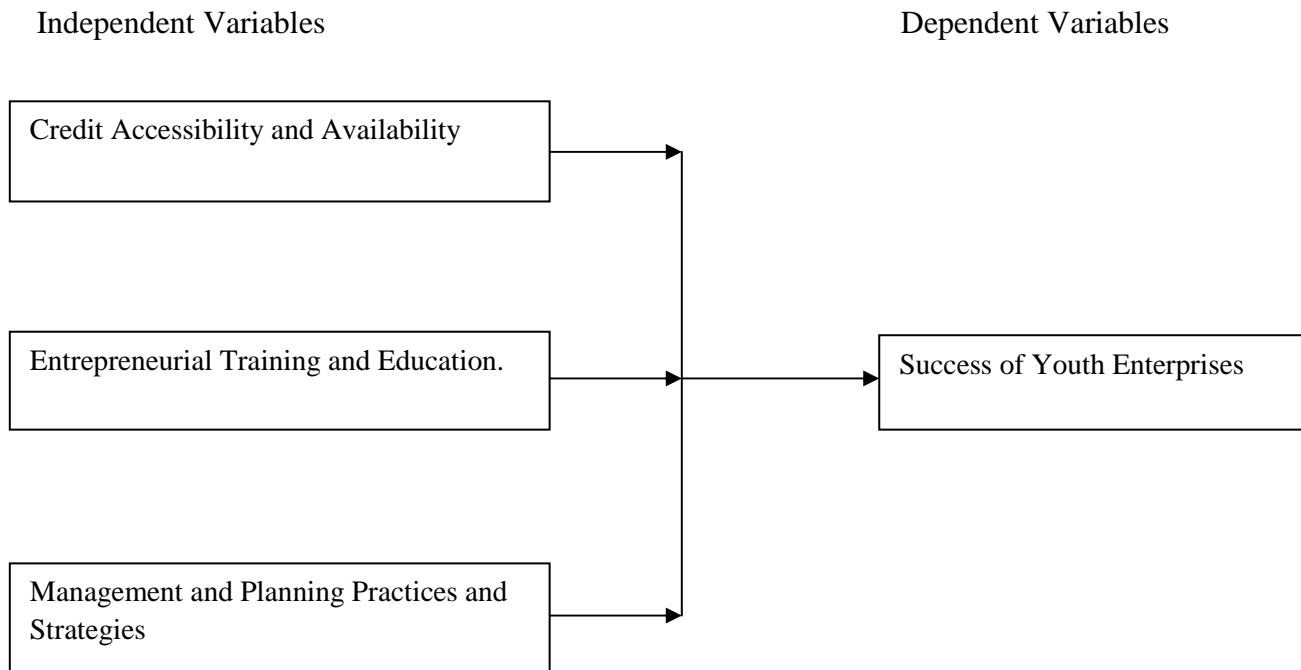
Most of the youth entrepreneurs are first time starters in small enterprises hence their notable lack of sufficient managerial skills. Such lack of managerial skills is blamed for either the stagnation or the break of their enterprises. In addition, it is worth noting that lack of managerial and planning strategies can also be blamed to the poor upbringing in the entrepreneurial world. Lack of sufficient education, training and mentorship is a deficiency that is costly to small enterprises run by youths. This is because they only run their businesses with no or with insufficient managerial skills hence ruining the chance for survival for their young businesses without knowing.

It is worth noting that most of the SMEs lack the necessary structures and instruments for effective management. Lack of business plan and financial management skills consequently ruins any chance to plan strategically. This is fatal to any business. It even poses a bigger risk to small enterprises.

It is therefore mandatory for all stakeholders to come to the rescue of youth enterprises by ensuring that necessary managerial skills are elaborately imparted and mentorship is consistently offered in order to safeguard the brilliant entrepreneurial ideas that the youth have and eventually enable them to become self reliant, independent and successful in their business endeavors.

2.3 Conceptual Framework.

Figure 1 Conceptual Framework



According to the conceptual framework shown above, the three independent variables, credit accessibility, entrepreneurial training and management practices and strategies affect the success of youth enterprises. Any improvement on either or all of them would in turn enhance the success of youth enterprises.

2.4 Summary

Evidently, there is need to enhance youth enterprises as a viable option for job creation in our society today since the levels of unemployment among the youths are alarming hence the need for sustainable solutions. Nevertheless, development of successful entrepreneurship strategies amongst the youth must align with the readiness to improve credit accessibility, entrepreneurial training and management practices and strategies without which youth enterprises are doomed to fail. Our society is in need of a paradigm shift in their perceptions of youth and entrepreneurship. In addition, the need to adequately prepare and continually equip our youth for successful entrepreneurship cannot be overstated.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1: Introduction

This chapter describes the procedures that were used in conducting this research. The following topics are discussed; research design, the population, sampling procedures, measurement and instrumentation, methods of data collection and methods of data analysis.

3.2 Research Design

The descriptive survey design was used for the purpose of this study. Due to the large population, it was hard for the researcher to observe individual characteristics hence the use of the survey method.

3.3 Population

The target population size was 100 youth with self-owned enterprises.

3.4 Sampling Design

Stratified sampling method was used where the target population was divided according to the type of the enterprises. For example: Service oriented enterprises and goods oriented enterprises. The researcher used a sample size of 30% of the total population. In order to ensure that 30% of the total population was maintained, the researcher reached out to 32 young entrepreneurs.

3.5 Piloting

In order to test the reliability of questionnaires and interview questions, 4 questionnaires were randomly issued to other young entrepreneurs in the same township. In addition, 2 interviews were randomly conducted. This was done 10 days before the actual survey. The responses thereof helped in rephrasing of some questions and in making the necessary improvements for the need of effectiveness and reliability.

3.6 Data Collection Instruments

Questionnaires and interviews were used for collecting information from youth entrepreneurs. The questionnaires had structured open and closed ended questions. The open-ended questionnaires were used to collect qualitative data while the close-ended ones were used to get quantitative data.

3.7 Methods of Data analysis

Data analysis is the whole process which starts immediately after data collection and ends at the point of interpretation of the processed results. The process included data sorting, data editing, data coding, data entry, data cleaning, data processing and interpretation of results both qualitatively and quantitatively. The data was summarized using tables. Tables were used in order to enhance understanding of the explanations and information. In addition, they will help people have a visual representation of statistical situation better than when put in writing.

Descriptive statistics was used to analyze data collected with the core aim of generalizing to the whole population.

3.8 Summary

This research sought to establish ways and means of countering the hindrances to success of youth enterprises.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the Data analysis, presentation and interpretation of findings on the data collected from young entrepreneurs based in Githurai area. Githurai area is situated at the border of Kiambu and Nairobi Counties in Kenya. The findings are based on factors affecting the success of youth entrepreneurial development in this particular area.

The purpose of the study was to identify the factors hindering the success of youth enterprises and entrepreneurship in Githurai.

The young entrepreneurs were involved in the collection of the data through answering questionnaires and interview questions.

4.2 Response Rate

In the attempt to ensure that the sample size was not compromised, the researcher complemented the questionnaires response rate by conducting a few interviews that were very helpful in achieving the sample size. Out of the 32 young entrepreneurs sampled, 29 responded positively. In addition, four of the sampled group preferred interview rather than questionnaires.

The response rate was presented in the tables 4.1, 4.2 and 4.3 below.

Table 4.1 Response Rate

Respondents	Frequency	Percentage
Successful respondents	29	90.6%
Unsuccessful	3	9.4%
Total	32	100%

As shown in table 4.1 above a response rate of 90.6% in relation to the total participants was experienced. This was sufficient in terms of representativeness of the target population. However, the response rate in relation to the actual sample size is shown in the table 4.2 below.

Table 4. 2 Response Rate in Relation to the sample size

Respondents	Frequency	Percentage
Successful	29	97%
Unsuccessful	1	3%
Total	30	100%

Table 4.2 above shows that the response rate was a sufficient representative of the target population having attained 97% response rate. It also shows that the response rate was successful.

Table 4.3 Research Tool preference

Research Tool	Frequency	Successful	Unsuccessful
Questionnaires	28	25	3
Interviews	4	4	0
Total	32	29	3

Table 4.3 above shows that most of the respondents preferred questionnaires to interviews. However, out of the 28 who preferred questionnaires, 3 failed to submit their filled questionnaires.

4.3 Personal Details of the Respondents in terms of gender and age.

The researcher intended to establish whether difference in gender and age led to differences in the effect by the factors.

Table 4.4 Gender and Age

AGE	MALES	FEMALES	Percentage- Males	Percentage- Females
18 years-Below	0	0	0%	%
18-21 years	3	1	10%	4%
22-25 years	5	2	17%	7%
26-29 years	5	5	17%	17%
30-35 years	4	4	14%	14%
TOTAL	17	12	58%	42%

Table 4.4 reveals that younger males than females are likely to engage in entrepreneurship, at the age bracket of 18-21 years, 10% of male youths engage in enterprise than their counterparts at 4%. At the age bracket of 26 and above, both genders shares equal percentages of 17% and 14% respectively hence were showing a likelihood of having equal participation in entrepreneurship between males and females as youth age advances.

The general overview as depicted in Table 4.4 indicates that more males at 58% are likely to engage in enterprises than their female counterparts at 42% .

4.4 Personal Details of the Respondents in terms of Marital Status.

Table 4.5 Age and Marital Status

AGE	Single	Married	%-Single	%- Married
18 years-Below	0	0	0%	%
18-21 years	3	1	10%	3%
22-25 years	5	2	17%	7%
26-29 years	6	4	21%	14%
30-35 years	4	4	14%	14%
TOTAL	7	5	62%	38%

The data presented in table 4.5 depicts that 62% of the total sample were not married while 38% were married. More single youths seemed to increasingly opt for entrepreneurship as the age advanced.

4.5 Personal Details of the Respondents in terms of Level of Education.

The researcher sought to establish the level of education for the respondents in order to ascertain how level of education impacts the engagement and the success of entrepreneurship amongst the youth.

Table 4.6 illustrates the varying proportions on the level of education.

LEVEL OF EDUCATION	FREQUENCY	CONTINUING	ATTAINED	FREQUENCY PERCENTAGE
Primary School	2	0	2	7%
Secondary School	15	0	15	52%
Tertiary/Vocational Colleges	8	3	5	27%
University	4	2	2	14%
TOTAL	29	5	24	100%

The data from the table above reveals that most of the young entrepreneurs engage in business either after attaining secondary school education or after college education. However, there was a notable drop in entrepreneurship engagement amongst those who had attained university education. In addition, it reveals that there was an equal participation amongst the continuing university students and those who had attained university education.

4.6 Personal Details of the Respondents in terms of Type of Business.

The researcher sought to establish which types of business the young entrepreneurs engaged in after attaining a certain level of education.

Table 4.7 Type of business

TYPE OF BUSINESS	FREQUENCY	PRIMARY EDUCATION	SECONDARY EDUCATION	COLLEGE EDUCATION	UNIVERSITY EDUCATION	%	TOTAL %
Service Oriented Businesses							
Transport-Bodaboda taxis	4		4			14%	69%
Money Transfer	6		3	1	2	21%	
Cyber cafes	3			1	2	10%	
Beauty Outlets	4		2	2		14%	
Repairs and Maintenance	3		1	2		10%	
Goods Oriented businesses							
Food Kiosks	2		1	1		7%	31%
Green Grocers	2	1	1			7%	
Open Market Traders-Secondhand clothes	3	1	2			10%	
Retail Shops	2		1	1		7%	
TOTAL	29	2	15	8	4		

The data presented above reveals that most of the youths preferred service oriented enterprises (69%) to goods oriented ones (31%). Motorcycle taxis otherwise known as bodabodas seemed to be a major choice for those who had attained Secondary Education (14%). Out of the service-oriented enterprises, money transfer business was the most preferred at 21% while Second hand clothes business was the most preferred in the goods oriented enterprises standing at 10%.

4.7 Credit Accessibility

Credit availability and accessibility is a major factor towards the starting, expansion and growth as well as the general success of business ventures amongst the youth. The researcher sought to establish its effect on entrepreneurship development.

Table 4.8 Sources of Credit

SOURCE OF CAPITAL	FREQUENCY	SUFFICIENT	INSUFFICIENT	TOTAL PERCENTAGE
Personal Savings	3	NO	YES	10%
Family	13	NO	YES	45%
Bank Loan	4	NO	YES	14%
Youth Fund	8	NO	YES	28%
Others	1	NO	YES	3%

Table 4.8 reveals that the major source of credit for young entrepreneurs is from family at 45%, followed by Youth fund at 28%. However, it was also clear that not all the sources of credit cited above were sufficient to the young entrepreneurs.

4.7.1 Credit Accessibility in Banks and Youth Fund.

The researcher sought to establish whether it was easy to access for credit in banks or for youth fund as a group or as individuals.

Table 4.9 Credit accessibility in banks and Youth Fund.

SOURCE OF CREDIT	FREQUENCY	INDIVIDUALS	GROUP	PERCENTAGES
BANK LOAN	4	4	0	33%
YOUTH FUND	8	0	8	67%

The data presented above revealed that it was easy to access for credit as individuals in banks than in youth fund and the vice versa.

4.7.2 Possible Challenges in Credit Accessibility

The researcher sought to establish some of the greatest challenges the young entrepreneurs continue to face in their pursuit to access credit either for start-up capital or for expansion of their businesses whether in banks or in youth fund.

Table 4.10 Ranking of Possible Challenges towards Accessing Credit

CHALLENGE	FREQUENCY	PERCENTAGE
Insufficient Credits	5	17%
Lack of collaterals/guarantors	4	14%
Long procedures	5	17%
High Interest Rates	7	24%
Lack of Sufficient business plans	6	21%
Lack of Focused and Reliable Youth Groups	2	7%
TOTAL	29	100%

The data presented above revealed that High interest rates (24%) was the greatest challenge that youth were facing followed by lack of effective and sufficient business plans (21%). The least challenge among the youths was lack of reliable youth group at 7%.

4.8 Entrepreneurship Training and Education.

As a factor that affects the success of entrepreneurship amongst the youth, the researcher wanted to establish whether young entrepreneurs had received any form of training and whether the youth appreciate the need for training.

Table 4.11 Entrepreneurial training and Education

LEVEL OF EDUCATION	STATUS		PERCENTAGE-YES	PERCENTAGE-NO
	YES	NO		
PRIMARY	0	2	0%	7%
SECONDARY	0	15	0%	52%
TERTIARY	3	5	10%	17%
UNIVERSITY	2	2	7%	7%
TOTAL	5	24	17%	83%

It was evident from the data above that most of the young entrepreneurs had not accessed any form of entrepreneurial training or education at 83% as compared to only 17% who had accessed

some training. The 17% who had attained entrepreneurial training were from Tertiary and University levels of education.

4.8.2 Introduction of Entrepreneurial training in School Curriculums

Since most of the respondents were of the view that the Kenyan Education system does not effectively prepare students for entrepreneurship, the researcher sought to establish the most preferred level of education at which to introduce entrepreneurial education.

Table 4.12 Introduction of Entrepreneurial education in school Curriculums

LEVEL OF EDUCATION	FREQUENCY	PERCENTAGE
PRIMARY	25	86%
SECONDARY	4	14%
TERTIARY/UNIVERSITY	0	0%
TOTAL	29	100%

The table above revealed that majority of the youth would like to see entrepreneurial education being introduced in Primary Education level (86%), and in Secondary Education (14%). There was none who was for the introduction of this education in College or University level.

4.9 Entrepreneurial Management and Planning strategies

Management and planning strategies has been cited as one of the greatest factors influencing the fall or the rise of any business venture. The researcher therefore sought to establish the view that most of the youth enterprises fail particularly because of poor or lack of management and planning skills and strategies amongst the entrepreneurs.

Table 4.13 Business Plans Composition

The researcher sought to know whether the respondents had business plans that they were operating with.

STATUS	FREQUENCY	PERCENTAGE
YES	5	17%
NO	24	83%

The data above revealed that only 17% had operational business plans in the running of their businesses. Consequently, it emerged that only those who had entrepreneurial training had effective business plans. A total of 83% did not have operational or effective business plans in the due course of operating their businesses.

Table 4.14 Composition of business failures due to poor management practices and skills.

STATUS	FREQUENCY	PERCENTAGE
YES	23	79%
NO	6	21%
TOTAL	29	100%

According to the table above, 79% of the responded attributed many challenges that lead to failure in entrepreneurship to lack or poor managerial or planning practices and skills while 21% did the contrary.

Table 4.15 Ranking of management challenges faced by the young entrepreneurs.

CHALLENGE	FREQUENCY	PERCENTAGE
Financial Management	22	76%
Public Relations Management	21	72%
Customer Relations	21	72%
Marketing	25	86%
Time management	19	65%
Stock Taking	15	52%
Poor Quality Products	15	52%

The data presented above in the table 4.9.3, reveals that more than 50% of the respondents had experienced challenges in every type of the Management and planning practices and skills mentioned above. It was also visible that Marketing was the greatest challenge that youths faced at 86%.

4.9.1 Need for continual management programs by stakeholders

All the respondents affirmed the need for all stakeholders in youth development particularly in entrepreneurial development, to consider initiating continual programs in management and planning skills among all the young entrepreneurs in order to avoid evident consequences that have led to business failures.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introductions

With the level of unemployment rising amongst the youth, it is of paramount importance to consider entrepreneurship as a major option and hence investigate on ways and means of making it a viable option for the youth.

This chapter represents the summary of major findings of the study, conclusions and recommendations. Suggestions for further studies are also highlighted.

5.2 Summary of Findings

From the responses given by the respondents the researcher came up with findings that were used to make conclusions and give recommendations. These findings were the result of the data analysis in chapter four.

As per the objective of credit accessibility and availability, it was observed that most of the young entrepreneurs depend on family support for start-up capital and credit as opposed to banks and Youth Funds particularly because of high interest rates, lack of appealing business plans and insufficiency of funds qualified for among others.

In terms of entrepreneurial training, majority of the young entrepreneurs had no form of entrepreneurial training at all. It was evident that young entrepreneurs could not recollect receiving any such training while in Primary or Secondary School education. It is no wonder that they preferred the introduction of such training in primary and secondary level of education.

In addition, a great percentage of young entrepreneurs attributed lack or poor management and planning skills to business failure amongst them hence their firm position on the need for stakeholders to initiate continual programs on management skills and strategies for them.

5.3 Discussion of Findings Based on Research Variables

5.3.1 Credit accessibility and availability

This study found credit accessibility and availability for business startup capital or business growth as one of the greatest impediment for entrepreneurial development among the youth. While it was easy to assume that the greatest source for credit to young entrepreneurs would have been Youth Fund or Bank loans, the two sources trailed family support. Family support emerged as the greatest source of funds to young entrepreneurs at 45% while Youth Fund and Bank loans were at 28% and 14% respectively. The findings also revealed some challenges that hindered the initiative or the success thereof in their search for business funding. Those challenges ranged from lack of business plans 21%, high interest rates 24%, Insufficient credits 17%, long procedures, 17%, lack of collaterals 14% and lack of reliable youth groups 7%. Lack of business plans revealed the unpreparedness of the young entrepreneurs for the business world. The findings raised the need for all stakeholders to get involved in determining ways and means of reducing interest rates for the loans applied for by the youth as well as in coming up with incentives and information that will motivate the youth to apply for loans. However, there was the view that failure to seek for credit facilities for the reasons of high interest rates was only an indicator of the unpreparedness of our young entrepreneurs in taking business risks, which is part of any successful business venture.

5.3.2 Entrepreneurial Training and Education

The question whether the Kenyan Education System and structure do prepare the students for entrepreneurship or for economic diversity emerged in the findings. The findings revealed that 83% of the respondents had not received any entrepreneurial training. Only a mere 17% had some entrepreneurial training. In addition, none of the respondents who had received some entrepreneurial training was from Primary or Secondary levels of education. It is from that background that 86% of the respondents proposed the introduction of entrepreneurial training in Primary School level while 14% were for Secondary School level, in the pursuit of preparing students for entrepreneurship.

The findings therefore imply that lack of entrepreneurial training can hinder the success of entrepreneurship amongst the youth. All the stakeholders should therefore get concerned with the 8-4-4 Education System and its failure not only to develop a culture that accord entrepreneurship or blue collar jobs the credit that it deserves particularly, in regard to job creation for the youth but also in its failure to prepare students for entrepreneurship throughout all the levels of education. It is therefore evident that there is need to give a more practical than theoretical approach to entrepreneurial training and education in pursuit for creating preparedness among the youth.

5.3.3 Management and Planning Skills and Strategies

The findings found that 83% of all the respondents did not operate using a business plan while only 17% had operational business plans. Lack of business plans did not only pose challenges to the youth in times of credit accessibility but it also remained a thorny issue in the management of enterprises.

In addition, 79% of the respondents attributed business failure amongst the youth to poor management practices and skills as opposed to 21%. Marketing skill and strategies emerged as the greatest managerial challenges facing the young entrepreneurs at 86%. This indicated the likelihood of the young entrepreneurs having commodities and services that are not well known by the target group hence business stagnation due to lack of customers or clients. Poor marketing strategies could be a big factor towards failure of enterprises since lack of clients translates to losses hence business closure. Poor Financial management emerged second in line at 76% indicating a likelihood of a combination of problems ranging from bookkeeping, lack of basic accounting practices and non-separation of personal money from business money among others. Poor financial management may also lead to businesses running in losses without the knowledge of the owner hence failing to pay off employees, debtors, suppliers or even to re-stock their business. This indicates failure to manage business incomes and expenses, or to appropriate profits and losses in any designated way hence leading to collapse of businesses.

Challenges in Public and Customer Relations were at 72 % respectively would only translate to lack of public appeal and to the general dissatisfaction among the customers or clients either due to poor customer care skills or poor communication skills among others. Dissatisfied customers would often desert the business leading to poor customer turnover hence poor sales. The ability to appeal, attract, satisfy and maintain customers determines the success of every entrepreneur in the long run.

Time management, stock taking and quality products management were rated at 65%, 52% and 52% respectively. All the challenges in management cited in the findings were rated above 50% hence showing the desperation that young entrepreneurs face in their hunger for success in their enterprises. At 50%, challenges in management would therefore pose a great risk in the survival of enterprises.

5.4 Conclusions

The following conclusions were made based on the findings of this study as well as from the responses of all the respondents.

The success of youth entrepreneurship lies totally on the willingness of all the stakeholders of youth development and economic growth to consider the following factors: credit accessibility, entrepreneurial training and education and need for management and planning programs for interested entrepreneurs. This is solely because the evident failure of entrepreneurial development among the youth has been blamed on the three fundamental factors mentioned above. Due to the ever increasing levels of unemployment in Kenya, particularly amongst the youth, qualified and unqualified, there is great need for all stakeholders to pay the necessary attention to entrepreneurial development amongst the youth hence the need to address the factors that may inhibit its success thereof.

It is of great interest to note that youth have not been able to benefit totally from credit facilities in either the private sector or government sponsored. It calls for immediate address on issues ranging from unnecessary bureaucracies that encourage corruption and nepotism particularly in the Youth Enterprise Fund or any other government sponsored fund hence discouraging the

youth from even making attempts on application for financial help. Lack of necessary information and awareness on credit accessibility could also contribute to lack or poor utilization of credit facilities.

Concerning entrepreneurial training and education, the current educational structure in Kenya seems inadequately equipped towards the development entrepreneurial culture within the school structures. Evidently, the education structure in Kenya, particularly Primary and Secondary School Education should be in such a way that they encourage and nurture skills acquisition necessary for entrepreneurship.

Lack of necessary management and planning practices and skills amongst the young entrepreneurs is a great impediment towards any success in entrepreneurship. Their inability to employ the necessary management skills necessary for the survival and growth of any business may inhibit any possible success and growth. Stakeholders need to enhance management programs amongst the existing and the potential young entrepreneurs at local levels in order to counter this problem.

Finally, there may be many other internal and external factors inhibiting the success of youth enterprises. Such factors are not limited to the three factors addressed in this study.

5.5 Recommendations of the Study

1. It is crucial for the credit facilities either private or government sponsored funds to perform assessments for the entrepreneurs in order to ensure that those with entrepreneurial niche, readiness, dynamism and vision are easily identified and supported financially. The need to introduce friendly systems devoid of unnecessary bureaucracies and exorbitant interest rates on credits facilities that target young entrepreneurs is paramount to entrepreneurial development and success. In addition, there is need to integrate awareness of credit facilities and how they operate in the due course of education. This will counter the lack of information on credit facilities hindering their utilization by the youth.

2. Entrepreneurial education should be integrated in every level of education from the primary level, secondary level up to the University level of education. However, inasmuch as the entrepreneurial studies will be introduced, it is necessary to ensure that the studies focus more on skills acquisition rather than examination's performance. This is because, if the entrepreneurial studies will be examined like the rest of the subjects, students will be learning to pass examinations only without necessarily perfecting the skills and the knowledge required. There is also a great need to integrate entrepreneurial aspect in every career choice or course offered by colleges and Universities. This will ensure that every qualified career person or professional is well equipped for white-collar jobs as well as for blue-collar jobs.

In addition, adult education model of learning should be utilized to enhance and ensure lifetime learning and experiential learning among all young entrepreneurs. This will enhance continual informal learning processes and programs in every locality that are easy to maintain.

To ensure that entrepreneurial culture is nurtured, youths should be encouraged to form youth groups according to the areas of interest and location. This would be helpful in offering mutual accountability and support as well as in capacity building of members. Members would be required to share information learnt or experienced in the course of business with others.

Finally, every county ward should endeavor to integrate business centre within their ward representative's offices or any public servant's offices within the ward. With the rise of Social halls in every ward, I advocate for business information and support centres to be housed within such premises with the intention of reaching to as many young people as possible. County governments should endeavor to employ youth development workers who have the ability to mobilize the youth and who are able to offer effectively such training in all possible environments.

3. Due to the current problem of inadequate poor management and planning practices and skills among the young entrepreneurs leading to gross failures in their enterprises, there is great need to prioritize management programs for all the interested entrepreneurs.

Management training kits in hard copies and mainly in soft copies should be made available in all levels of county government. Such management kits with tips on management should be in all languages that are comprehensible within every county.

Since many young entrepreneurs blame their business failures to mismanagement, the introduction of business networks would be of great help particularly in mentorship and counseling. Such business networks would share tips on among other things effective business plans while using practical success stories among the successful young entrepreneurs.

With the emerging business trends due to globalization, technology and other global impacts, I would recommend networking young entrepreneurs with Centres of advanced learning like universities and research centres for information on changes affecting products, market, suppliers among other managerial aspects.

Exchange programs with all stakeholders like government, financial institutions, legal fraternity, auditors and tax authorities among others is of paramount importance in management of entrepreneurs today.

5.6 Suggestions for further research

The study proposes the following areas for further study:

- I. The assessment on the sustainability of motorbike taxis as an emerging option on youth self-employment in our rural and urban areas.
- II. The investigation on the effect of youth radicalization on entrepreneurial development amongst the youth in Kenya.

REFERENCES

- Baum, J.R., Frese, M., & Baron, R.A. (2007). *The Psychology of Entrepreneurship*. Mahwah, NJ: Lawrence Erlbaum.
- Chigunta Francis (2001). *Understanding exclusion and creating value: A look at Youth livelihoods in informal settlements in Zambia: Study Report II*, Oxford University press, Oxford.
- Curtain R. (2000). *Towards a Youth Employment Strategy, Report to the United Nations on Youth unemployment*, Washington D.C.
- Essayed Mohammed (2005). *African Youth Development and Empowerment: Sharing Experiences that Work*, African Union Commission, Addis Ababa.
- Gok, (2007), Kenya VISION 2030 .Nairobi: Government Printer GoK, 2007.Kenya integrated household budget survey-2005/2006.
- Haftendorn, K. & Salzano, C. (2003).*Facilitating Youth Entrepreneurship, Part I: An analysis of awareness and promotion programmes in formal and non-formal education*. SEED Working Paper No. 59 Series on Youth and Entrepreneurship. In Focus Programme on Boosting Employment through Small Enterprise Development, ILO, Geneva.
- Irene, N.K.(2009). *An Investigation into the factors influencing the success of youth enterprises in Nyeri municipality*. University of Nairobi.
- Sagwe J., Gicharu S., Mahea T. (2011). *A Study on Youth and Women Entrepreneurs' Preparedness in Kenya: A Case Study of the Kenya Youth Enterprise Development Fund and Kenya Women Enterprise Fund Beneficiaries using the TRISTART Business*. Kenya Institute Of Management Publication

Schoof Ulrich (2006). *Stimulating Youth Entrepreneurship: Barriers and incentives to enterprise start-ups by young people*, ILO, Geneva, Switzerland.

OECD (2001). *Putting the Young in Business: Policy Challenges for Youth Entrepreneurship*. The LEED Programme, Territorial Development Division, Paris.

Ondeng, P. (2007). *Starting a small successful business*. SET Publications. Nairobi.

Peterson, N., & Gonzalez, R.C. (2005). *The role of work in people's lives*. Belmont, CA: Thomson Brooks/Cole.

APPENDICES

APPENDIX 1: INTRODUCTION LETTER

Amos Gichine Kihoro,
P.O Box 1163-00100,
Nairobi,
Kenya.

Dear Respondent,

I am a student in the University of Nairobi pursuing a Commonwealth Youth Program Diploma in Youth in Development Work. I am conducting an academic research on factors affecting success of youth enterprises in Kenya.

You are hereby requested to provide correct and truthful information and daily experiences on youth enterprises to the best of your knowledge. The questionnaire provided to you will be helpful in guiding you.

Your willingness and commitment to offer the information requested is highly appreciated and will be treated with all confidentiality.

Receive my heartfelt gratitude for your sacrifice of time and effort.

Yours Sincerely,

Amos Gichine Kihoro.
REG NO.: L146/23181/2013
Email: akihoro25@gmail.com
Cell Phone: +254 723935360

APPENDIX 2: QUESTIONNAIRES FOR YOUNG ENTREPRENEURS

Questionnaire No..... Date Issued:.....

This is to humbly request you for assistance in providing me with the correct and truthful information that will be helpful towards my successful conduct of an academic research on factors affecting success of youth enterprises. This is towards my pursuit of a Diploma in Youth in Development Work in the University of Nairobi.

Instructions

Please tick in the appropriate answer. Where detailed answers are needed, fill in the blank spaces provided. Feel free to give your honest answers. Personal details like your name are not necessary. You may request for extra writing papers if you need to write your answers.

1. Profile of youth entrepreneur

i) Age:

- | | |
|----------------|--------------------------|
| Below 18 years | <input type="checkbox"/> |
| 18-21 years | <input type="checkbox"/> |
| 22-25 years | <input type="checkbox"/> |
| 26-29 years | <input type="checkbox"/> |
| 30-35 years | <input type="checkbox"/> |
| 35-40 years | <input type="checkbox"/> |

ii) What is your Gender? Male Female

iii) What is your marital status?

- | | |
|---------|--------------------------|
| Single | <input type="checkbox"/> |
| Married | <input type="checkbox"/> |

iv) Level of education attained

- | | |
|-----------------|------------------------------------|
| None: | <input type="checkbox"/> |
| Primary School: | Completed <input type="checkbox"/> |

Secondary: Completed

Technical and Vocational Completed Continuing

University Completed Continuing

v) Type of business activity engaged in. (Tick the most appropriate)

Service Oriented Businesses:

- i. Internet/Printing/Photocopying services- Cybercafe
- ii. Money transfer services like M-pesa shops
- iii. Beauty outlets: Hairdressers, barbershops,
- iv. Hospitality: Hotels, butcheries,
- v. Repairs and maintenance: Mechanics, electricians, plumbers
- vi. Transport businesses: Public Service Vehicles, motorbike taxis
- vii. Others: Specify.....

Goods Related Businesses:

- i. Green Groceries
- ii. Retail shops
- iii. Open air traders for all sorts of commodities: second hand clothes, fruits, kitchenware
- iv. Hardware shops for building materials and equipments
- v. Other Specify.....

2. Credit accessibility

a) How did you raise your startup capital for your business?

Personal savings

Family

Bank loan

Youth Fund

Others

If others, specify

b) Was it easy to access your startup capital as a young person?

Yes

No

c) Was your startup capital sufficient for your business idea?

Yes

No

If No, specify what other sources you accessed to boost your business plan?

.....
.....
.....

d) Have you ever had plans to expand your current business?

Yes

No

e) Did you access credit as an individual or as a group?

Individual

Group

When it is easier to access credit? As an individual
 As a group

Specify why?.....

f) What were your greatest challenges in your pursuit to access finances either for your business startup process or for business expansion? Tick the challenges you encountered.

- i. Insufficient amount of loans
- ii. Lack of guarantors/security/Collateral
- iii. Unfriendly and long procedures
- iv. High interest rates
- v. Lack of an acceptable business plan
- vi. Lack of focused and reliable youth group

g) On a scale of 1-5, where 5 is Very Difficult to 1, where 1 is Least Difficult; Rate the challenges mentioned above.

	1	2	3	4	5
Insufficient amounts of loans					
Lack of guarantors/security/Collateral					
Unfriendly and long procedures					
High interest rates					
Lack of acceptable business plan					
Lack of focused and reliable youth group					

h) Mention some of the factors and measures that you would propose to improve credit access and availability to young entrepreneurs in Kenya?

.....

.....
.....
.....
.....
.....
.....
.....
.....

3. Entrepreneurship training and Education

a) Did you have any form of entrepreneurship training or education before you started your business?

Yes No

If yes, specify whether it was sufficient
.....

b) Have you ever attended any management-training program or forum after beginning your business?

Yes No

c) Would you propose to have an ongoing program on management training for young entrepreneurs in this area?

Yes No

d) Would you propose to have entrepreneurial education in our school curriculums?

Yes No

e) Giving at least two reasons, what level of schooling would you advocate for as appropriate to introduce entrepreneurship education?

Primary School

Secondary School level

College/University

Reasons.....
.....
.....
.....

4. Entrepreneurial Management and Planning strategies

a) Did you have a business plan at the time of starting your business?

Yes No

b) Do you always operate your enterprise within your business plan?

Yes No

c) Do you have a mentor in business who introduced you to skillful managerial practices required for the success of business?

Yes No

d) Have you encountered business challenges that you can attribute to lack of good managerial practices?

Yes No

e) In which areas mentioned below do you find the biggest challenge? (Tick the ones that applies to your enterprise)

Financial management

Public relations management

- Customer relations
- Marketing
- Time management
- Stocktaking
- Poor quality products

f) Have you ever had your business idea fail because of poor management?

Yes No

g) Do you have a plan to enroll yourself in a management course?

Yes No

APPENDIX 3: IN-DEPTH INTERVIEW FOR YOUNG ENTREPRENEURS

Interviewee No:.....

Gender:.....

Credit accessibility

1. What are the major handles for youth seeking funding for start-up capital in microfinance institutions and banks?

2. a. What are some of the requirements for youth to access the funds and loans?

b. In which ways do those requirements facilitate or hinder access to credit by young entrepreneurs.

3. In your opinion, have all the stakeholders done sufficient awareness on credit facilities and requirements among the youth?

4. In your opinion, are the current government initiatives on youth loans sustainable?

5. What should be done to improve the procedures of credit accessibility and availability to young entrepreneurs?

Entrepreneurial education and training

1. In your opinion, does our education system prepare students for entrepreneurship?

2. Do youthful entrepreneurs learn most of their basic entrepreneurial in formal or informal settings?

3. In your opinion, what should our education system embrace in order to improve entrepreneurial training?

4. Have stakeholders ever initiated an entrepreneurial training program for young entrepreneurs in this area.

Entrepreneurial Management and Planning strategies

1. Are young entrepreneurs good managers of their enterprises?
2. Are most of the SMEs started by youths well managed and planned?
3. Which types of management skills are mostly lacking among the young entrepreneurs hence costing them their businesses.
4. How can you describe the business plans presented by young entrepreneurs?
5. To what percentage can you attribute the failure of SMEs started by youth to lack of management and planning strategies?
6. What can the economic stakeholders do to secure creative business ideas from failing due to mismanagement?