

**INFLUENCE OF ENTREPRENEURIAL TRAINING ON BUSINESS GROWTH
OF SMALL AND MEDIUM ENTERPRISES AMONG YOUTH DRIVEN
INITIATIVES IN NAIROBI COUNTY, KENYA**

BY

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**A Research Project Report Submitted in Partial Fulfilment of the Requirements for
the Award of the Degree of Master of Arts in Project Planning and Management of
the University of Nairobi**

2016

DECLARATION

This research project report is my original work and has not been presented for a degree in any other university.

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

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DEDICATION

This research project is dedicated to my husband, Anthony Ng'ang'a for his moral and financial support throughout my study period. To my parents Mr. George Gitau and Mrs. Alice Mumbi for their love, support and encouragement throughout all these years of my academic life. Lastly I dedicate it to my siblings Mercy and David Gaspar for their moral support.

ACKNOWLEDGEMENT

I wish to thank God for his gift of life, health and energy that enabled me to pursue this activity to the end. Special thanks to my supervisor Dr. Lilian Otieno Omutoko for the guidance, encouragement, valuable advice and guidance in undertaking this research project since its inception. I would also like to appreciate my lecturers who have taught me at the University of Nairobi, Department of Extramural since the commencement of my Masters Degree Programme. My deepest appreciation goes to the University of Nairobi for giving me a chance to study in the great institution and for creating a conducive environment for my studies. I acknowledge with gratitude my friends, classmates and all those who in one way or the other contributed to the success of this research project.

To my beloved family especially my husband Anthony, you have been a pillar and have stood by me throughout my studies by offering patience, moral, financial and spiritual support throughout the journey. To you all, I say “Your contribution is highly appreciated. This research project could not have been completed without you. Thank you very much”.

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ABBREVIATIONS AND ACRONYMS

GDP	Gross Domestic Product
GOK	Government of Kenya
ICT	Information Communication Technology
KNBS	Kenya National Bureau of Statistics
MFI	Micro Finance Institutions
MOYA	Ministry of Youth Affairs
NCC	Nairobi County Council
NGO	Non-Governmental Organization
SME	Small and Medium-sized Enterprises
UK	United Kingdom
USA	United States of America
YEDF	Youth Enterprise Development Fund

ABSTRACT

The economy of a nation depends on Small and Medium enterprises. However, SMES have been said to report high rates of failures with many of the enterprises dying at an infant stage. Among other reasons for the SMES' failure is the lack of entrepreneurial training. Therefore, this study was aimed at investigating the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi County. The study was guided by the following objectives: to analyze how creativity influences business growth of SMES among youth driven initiatives in Nairobi County, to establish how training programs influences business growth of SMES among youth driven initiatives in Nairobi County and lastly to assess how mode of delivery influences business growth of SMES among youth driven initiatives in Nairobi County. This research employs descriptive research design whereby data collected was presented without the researcher influencing the findings in any way. The research targeted youth owned SMES in Nairobi County. The research targeted owners, managers and employees of the SMES. Target population was 7494 and a sample size of 364 was taken by using the Morgan and Krejcie sampling Table. The research applied multi-stage sampling technique to sample its respondents. Questionnaires were used for data collection. The research utilized descriptive analysis for each of the questions asked in the questionnaires presenting their reliability, mean and standard deviation. Inferential statistics was also applied to establish the correlations of the dependent and independent variables. Data obtained was analyzed using SPSS software and MS Excel. Research findings will enable the stakeholders involve in the SMES industry to identify the challenges facing the industry so that they can develop mechanisms of tackling the said challenges. The study concludes that creativity influences business growth of SMES among youth driven initiatives; that training programs influences business growth of SMES among youth driven initiatives; that mode of delivery influences business growth of SMES among youth driven initiatives. The study recommended that The Ministry of Youth Affairs and sports in collaboration with the Ministry of Education should develop and implement a comprehensive curriculum on entrepreneurship education and training which should be integrated at all levels from nursery to university, so as to build a strong entrepreneurial culture early enough in our youths. The researcher suggested that since the study was conducted in Nairobi County, a similar research should be carried out in other areas.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

The economy of a nation depends on the Small and Medium Enterprises (Kirby, 2003). A large number of people are employed by the SME sector which also contributes to the national income as pointed out in Sessional Paper (GOK, 2005). In addition, the sector promotes competition and innovation necessary for the employment besides being the provider for goods and services (GOK, 2005).

The importance of entrepreneurial training as one of the ingredients of SMES growth has globally been recognized. There is a significant impact on participant's characteristics and final participation outcomes after training (Edgomb, 2002). Entrepreneurs are able to acquire better management techniques, expand their enterprises adopt new technology and build more business linkages. According to Welsch (2004), entrepreneurial training programs are increasing around the world. He argues that there is an opportunity to improve the quality as well. Quality has been said to be in the eyes of the beholder. Beholders will comprise of relatively homogenous groups or market segments of entrepreneur learners. Therefore, the quality of entrepreneurship will depend on improved knowledge to a better customized and delivery of training programs which results to increased growth of enterprises (Kiruja, 2013).

Entrepreneurship is a conceptual understanding that stimulates economic development (Voslee, 1994). Richard (1734) who is referred to as the father of entrepreneurship, described an entrepreneur as an individual who undertakes risks of developing an enterprise by securing and utilizing resources for a product and resetting it at unpredictable price.

For their contributions in political, social and economic development in the world all over, SMES are highly recognized. This is due to their ability to provide fairly priced goods, services, income and employment to the nations' populations (Mullei &Bokea, 1999). In Kenya, an enterprise with between 1 to 50 employees is regarded to as an

SMES (GOK, 2005). The World Bank defines an SMES as one that meets the following criteria: with an annual turnover of 8 to 100 million, employing between 5 and 150 people, a formally registered business and at least Ksh 4 Million asset base. The role of SMES has been registered in key policy documents (GoK, 2012).

The youth are regarded as the foundation of a society. In the dreams and hopes of the youth, the nation finds her motivation; on their energies, the nation builds its vitality and purpose hence the future of a nation is assured (National Youth Policy, 2007). High levels of unemployment prevail around the world. Kenya is no exception. Statistically, there are more than 1 Billion youths globally with a standing 14.4 % unemployment. In Africa, the youth constitute about 37% of the labour force with a projection to increasingly expand (ILO, 2011). The Kenya national Bureau of standards (2011) reported that the unemployment rate increased from 12.70 % in 2006 to 40% in 2011.

Countries like the USA, Latin America, Poland, India and Iran have created several forms of Entrepreneurial education and training programs (Ripsas, 1998). In addition, the increase in entrepreneurial education has occurred through Entrepreneurial Education Programmes in Canada, Phillipines and other European Countries. According to Taylor et al (2002) government sponsored management education programs for owners of SMES have been a policy in the UK.

In South Africa, entrepreneurial training is relatively new. Entrepreneurial awareness and training has been a major emphasis placed by the government Reconstruction Development Programme (RDP). In the 1990's colleges for vocation and national senior certificates were seen to have started recognizing the need for rigorous entrepreneurial training (Bowler and Dawood, 1996). In Rwanda, the main intervening institutions of SMES sector supervision and entrepreneurship programs are Rwanda Development Board where as Human Capital Institution specifically focuses on education and skills development in instilling an entrepreneurial mindset in the population and also training on setting up and growing of enterprises (Rwanda Development Board, 2011).

In Kenya, entrepreneurial training has been acknowledged in a number of economic strategies and instruments. According to Riley and Steel (2000) one strategy where entrepreneurship was taught was the Juakali Voucher Support Programme of 1995-2001. The realization of the potential on job creation and economic growth requirement by the small enterprises led to the government of Kenya's establishment of an interministerial unit on Small Enterprise development (SED) which was under the Ministry of Planning and National Development (King, 1997).

1.2 Statement of the problem

Chang and Li (2006) argues that entrepreneurship continues to gain an importance with the increased spread of capitalization and globalization. To provide abroad basis for rapid economic growth, statistics indicate that there is no better way to than to dramatically increase in the number of entrepreneurs in the society. SME sector is highly linked to entrepreneurship (Pretorius, Van Vuuren, 2005). Henning (2003) widely acknowledges the importance of a dynamic SME sector to economic growth. As a result, most bilateral and multi-bilateral agencies, governments and nongovernmental organizations have entrepreneurial training policies in place in order to assist entrepreneurship development (Nyagah, 2013).

A major concern in developing countries and in particular Kenya is the population growth and unemployment. It is estimated that 64% of unemployed Kenyans are the youth. Bwisa (2011) argued that growth in wage employment decreased from 2.1 % in 1988 to negative 2% in 2008 in a span of one decade. Enterprise growth contributes to employment creation as evidenced by an estimated 936,000 jobs created in the SME sector in 2001-2002 (KIPPRA, 2009).

According to Mead (2010) the mortality of SMES in African countries remains very high. Most enterprises started with 1-5 employees but never grew further according to a study in 5 African countries. Less than 1% indicated growth in size of about 10 employees. In his study of over 200 small and medium enterprises in the Northern Nigeria, Friedman (2009) argued that only 4 qualified to be medium sized firms which were a clear indication of minimal business growth.

In Kenya, the Ministry of Youth Affairs (MoYA) launched the Youth Enterprise Development Fund in the year 2007 (MoYA,2008) as a source of capital for the youth in order for them to start or boost their SMES and training programs in the Ministry of Industrialization (GoK, 2012). Most commercial banks have also been able to develop tailor made strategies to enable the young people to access loans and business development services (GOK, 2012).

Despite the support to the youth SMES, studies have revealed low survival rates with 60% of the enterprises leading to failure in business growth in the first 3 years of operation. The lack of business growth has resulted to the inability of SMES to contributing to Kenya's GDP growth as expected. This also leads to failure in competing with larger corporations or access to global market by taking full advantage of the economy for profitability and sustainability (Haku &Wario, 2013). Therefore, this study aimed at establishing the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi County.

1.3 Purpose of the study

The study investigated the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi County.

1.4 Objectives of the study

The research was guided by the following objectives:

- i. To analyze how creativity influences business growth of SMES among youth driven initiatives in Nairobi County.
- ii. To establish how training programs influences business growth of SMES among youth driven initiatives in Nairobi County.
- iii. To assess how mode of delivery influences business growth of SMES among youth driven initiatives in Nairobi County.

1.5 Research questions

- i. How does creativity influence business growth of SMES among youth driven initiatives in Nairobi County?
- ii. What is the influence of training programs on business growth of SMES among youth driven initiatives in Nairobi County?
- iii. How does the mode of delivery of entrepreneurial training influence business growth of SMES among the youth driven initiatives in Nairobi?

1.6 Significance of the study

The study sought to explore the entrepreneurial training among the youth in order to generate knowledge gap that exists between entrepreneurship and utilization of trainings offered in order to increase business growth.

The study would be helpful to scholars as it would contribute into the debate of how to boost the knowledge of entrepreneurship in order to provide a solution to the problem of unemployment.

To the stakeholders, the study would provide information that can be used to formulate policies.

1.7 Delimitation of the study

The study sought to get an in-depth information on the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi county. Entrepreneurial ventures within the county were classified into categories like, fashion, beauty shops, ICT, hotels. Nairobi is the capital and Kenya's largest city. According to the 2009 census, around 3,138,295 inhabitants live in Nairobi.

1.8 Limitations of the study

The study faced a number of limitations: Most business owners, managers and employees were busy since they were always serving their customers. This was a big challenge during data collection since it was difficult to engage them on one on one to fill the

questionnaires. This was however overcome through a drop and pick later method of the questionnaires.

Also, some respondents in this study were reluctant in providing the required information. The researcher explained to the respondents the significance of the study and confidentiality was also assured to the respondents.

1.9 Assumptions of the study

The first assumption by researcher was that the respondents would be available so as to help answer the questions that would guide this study.

The researcher also assumed that all the targeted respondents would be honest and would answer the question correctly and truthfully and return the filled up questionnaires within the agreed time.

1.10 Definition of key terms

Business growth: In the study mean a youth business progressing from its original state to expansion, more profit and employs more youth thus achieving SMES goals and objectives.

Creativity: Refers to the ability to surpass long-established ideas, patterns, rules or relationships the like, and to generate significant innovative ideas, methods, interpretations and forms.

Entrepreneurial training: Can be defined as a more planned and orderly endeavor to widen or transform skills and knowledge through learning experiences in order to attain effective performance in an activity.

Innovation: Refers to an engagement in creativity that results in introduction of new products, services and technologies.

Mode of delivery: Refers to all forms of training conducted within an institution.

Program: Means a set of activities or content, topics that are prepared and planned systematically.

SMES: Refers to the size of enterprise that is basically denoted by the number of employees as between 1-20 and the operational level in management.

Training: Refers to the intentional set of programs aimed at in calculating skills, knowledge and attitudes for enhanced productivity.

Youth: A youth refers as any person (male or female) aged between 18-35 years.

1.11 Organization of the study

The study was structured in five chapters. Chapter one included the background of the study, problem statement, purpose of the study, objectives of the study, research questions, significance of the study, limitations and delimitations of the study, assumptions and finally the definition of significant terms. Chapter two consisted of the introduction, overview of the concept of entrepreneurial training on business growth of SMES among youth driven initiatives and available literature done by other authors on the influence of entrepreneurial training and business growth of SMES and other contexts. It also provided a conceptual framework on the relationship between the independent and dependent variables of the study. Chapter three was the research methodology and consisted of the research design, target population, sample size and sampling design, piloting, validity and reliability of the research instruments, data collection procedures, data analysis techniques and the operationalization of variables. Chapter four consisted of data analysis, presentation and interpretation while chapter five was the summary of findings, discussion, conclusions, recommendations and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter, the researcher reviewed literature related to entrepreneurial training and business growth of SMES among youth driven initiatives. The review was conceptualized under the objectives of the study and focuses mainly on creativity, training programs and mode of delivery and the relationship with business growth of SMES among youth driven initiatives. These were the main issues of the study.

2.2 SMES in Kenya

SMES create about 85% of Kenya's Employment (African Economic Outlook Report, 2011). However, they only contribute about 20% of the total GDP which implies a dismal performance of the sub sector. The current constitutional framework and the new MSMES Act 2012 provide an opportunity through which SMES revolution can be realized through the devolution framework (MSME Act, 2012). An increase in the sector's contribution to GDP from 13.8% in 1993 to 40% in 2008 is a clear indication that the sector will continue growing. The 2012 Economic survey indicated that the informal sector comprised of 80.8% of the total employment.

SMES improvement as the major strategy to moving the nation to a middle income economy by 2030 through poverty eradication and equity have been identified as the economic pillar for the vision 2030 in Kenya. SMES in Kenya suffer from constraints like lack of training and management capacity that leads to lower risk resilience and affects business growth (Mutegi et al, 2015). In the year 2006 a blue print was unveiled by the Government of Kenya where SMES were identified as the key drivers to the development for middle income status by 2030 initiative. Ntakobajira (2013) argues that many small businesses are increasingly facing competition from large companies participating in niche once regarded as a preserve for SMES.

2.3 Business growth of SMES

Business growth is defined as a relative change in sales, assets, employment, profits and productivity (Allinson et al., 2006). According to Penrose (1959), depending on business age, size and industry business growth varies extensively. Barkham et al (1992) argues, in order measure business, sales growth is an achievable way compared with some other methods and is much more likely to be recorded. Sales are oftenly viewed as a key motivator by entrepreneurs and an indicator of performance rather than for example, job generation. Sales are a good indicator of size and, therefore, growth. Sales may also be considered a precise indicator of how a firm is competing relative to their market.

Growth can be vertical or horizontal. Vertical growth is the graduation and transformation into more modern small and medium businesses while horizontal growth refers to the formation of more businesses at the same level and employs the same number of staff per business set up (Carter, Ennis and Webb, 2002).

2.4 Creativity and business growth of SMES among youth driven initiatives

In making things better, the goals of an entrepreneur are mainly to increase productivity, efficiency and effectiveness, enhance comfort and convenience and influence returns positively on SMES. Creativity is the process by which a symbolic speciality in culture is altered. The ability to make or bring something new into existence, new ideas, a new method or device, artistic or form is what creativity is all about (Okpara, 2007). Stewart et al (2003) argued that thriving entrepreneurs are greatly innovative than non-entrepreneurs.

As effective and efficient vehicles to job creation, economic development and poverty reduction in the world all over, SMES are increasingly gaining prominence. In their dealings that result to enhanced performance and competitiveness in local, regional and international markets, SMES are undoubtedly creative and innovative. Acts of creativity and innovativeness can be manifested in new production process, new product design, new way of doing business and new marketing strategy that has led to the achievement of competitive markets (Gakure and Kirima, 2011).

On frequent basis, new phenomenon come and goes. Something with ability to change the business atmosphere comes to the fore front, every now and then. The business world is not invulnerable to any impact that may occur. Such a trend is the social media that is at times referred to as social networks. Social media gives users the ability to share their encounters and views. This contributes to creativity and innovation, open communication and sharing of information among the users. Among the examples of social media that can lead to business growth are Twitter, Facebook and Instagram (Tapscott and Williams, 2008). Through social networking, businesses gain access to resources that otherwise might not be available to them (Zontanos and Anderson, 2014).

According to Zerenler (2008), demand placed on business by customer's or client's close scrutiny of competitor products and close working relationships are mainly the most important innovation drivers in SMES covered in UK, Portugal and France. A research was undertaken at the Turkish Automobile Supplier industry so as to explore the influence of innovativeness on SMES growth. The study concluded that innovation performance had significantly positive relationship with SMES growth.

The level of entrepreneurial skills needs more training in Malaysia as it is moderate especially in the areas of creativity and innovation enhancement, creating promotions and advertising skills, the skills to make business accounts, selling skills and the skills to set the appropriate price. Entrepreneurial training and education contributes to increase of knowledge, skills and experience required to make businesses more robust and competitive. Providing appropriate entrepreneurial training to fulfill entrepreneurship needs is a responsibility for the government (Rosnani et al., 2011).

A research was carried out in Taiwanese non-manufacture and manufacture industries in 2008 by attempting to explore the mediating impact of innovation on SMES growth. It was found out that impacts of innovation exist at high levels which suggested a perfect mediating impact of growth and innovation (Wu et al, 2008). In Pakistan, there are numerous entrepreneurs who create innovative products. The support for the mobile innovation by the Institute of information technology is evident. High business growth among SMES was experienced in Pakistan (BMIP) during The Best Mobile Innovation

contest 2010 which was open for any “Pakistan made” innovation related to mobile industries and technologies (Aydalot and Mailat, 2011).

Innovations have been viewed as one way of enhancing business growth of SMES in Kenya. Growth of SMES on the creation of more or better products or services, processes and technology has made enterprises not realize the expected business growth as a result of lack of information. For a country that is determined to industrialize by 2030, the competitiveness of the SMES sector is critical (GOK, 2011). According to Njeru, Namusonge and Kihoto (2012), innovation provided a means to achieving growth objectives of an enterprise. Employees, turnover, net assets and size have been described as the measures of growth of enterprises. For example, degree of satisfaction on levels of turnover, annual employee increases and degree of satisfaction on innovation types.

2.5 Training programs and business growth of SMES among youth driven initiatives

Ida (2010) argues that entrepreneurial training puts great emphasis on opportunity recognition, improving cognitive abilities on the entrepreneur’s creativity, and critical thinking hence an increased business growth. Hubler et al (2012) argued that in order to create successful business such as resourcefulness, creativity, flexibility, determination, critical thinking, leadership and focused decision making are the kind of non-cognitive skills that young people need. Lois and Onge (2005) argued that most training programs focus on the start-up process with very limited effort on the part of the trainers providing post training follow up.

Entrepreneurial training and education plays a key role in stimulating entrepreneurship and business growth (Namusonge, 2006). Mano et al found out that 9%-point increase in the likelihood of 12 months’ survival of enterprises after training and 6% survival likelihood of 18-22 months after training is undertaken.

Global Entrepreneurship Monitor (GEM, 2007) indicated that there is limited access to entrepreneurial education and training as well as its irrelevance. Training, consultancy, marketing, information, business linkage promotion and technological development are an array of business services that can lead to business growth according to Committee of

Donor Agencies (2001). A survey conducted by Geopoll (2015) revealed that only 3 out of 10 Kenyans participated in activities aimed at improving their business in the past 1 year. The survey also revealed that the youth in Kenya believe that the government should lay more emphasis on educating entrepreneurs than partnering with private business (Ochieng, 2015).

A study by Wasihum and Paul (2010) concluded that entrepreneurs with higher entrepreneurial training in Ethiopia were able to make wise and rational decision on management of enterprises hence business growth of SMES. According to Renny (2011), World Bank, European Union and UNDP in collaboration with Ministry of planning on the ongoing government and donor supported programs supported the MSE technology and training programs in business growth and some progress have notably been made. 43% of the SMES benefited from business advisory according study by Moronge and Muiro (2013) partner's initiated programs' contribution on development and growth of enterprises in Kenya. The study also showed that training respondents rated programs as 15% excellent, 41% very good and 42% as good. The study therefore concluded that the through the entrepreneurial training programs, development partners greatly contributed to the SMES growth in Kenya.

A study carried out in Muranga County, concluded that entrepreneurs benefited from the business support provided by Development Agencies mainly inform of business advisory services which contributed to capacity building that increases the growth of enterprises when integrated into their existing resources (Muiro & Muronge, 2013). The study also indicated that entrepreneurial training contributes to the growth of SMES in Kenya. Entrepreneurs acquire skills such as planning which improves on their creativity, opportunity recognition and strategic thinking. Kenya Management Assistance Program (K-MAP) and other NGOS targeted entrepreneurs who required entrepreneurial skills and were trained through workshops, seminars, focus groups discussions, business counseling and visits to the premises of the entrepreneurs. This has led to business growth among the entrepreneurs who were trained (Maina, 2011).

Entrepreneurial education and training has a lot to do with developing positive attitudes, creativity and flexibility among the young people in tertiary institutions that will help them to cope with dynamic market changes. Therefore, it's not just about imparting skills and knowledge. Tertiary institutions include; polytechnics, colleges and universities (Kilasi, 2011). In their study on entrepreneurial training in Sub-Saharan Universities, Kabongo and Okapara (2009) found out that entrepreneurship was the most frequently offered course in business curricula, followed by creativity and innovation, courses in entrepreneurial growth, entrepreneurial finance and feasibility analysis. Introduction to business skills to students help in recognizing business opportunities better than those not exposed to such skills (Mason, 2011). Kenya Institute of Management offers various training programs such as business management, business startup and business plan competition branded "Jitihada" that began in 2009 through the Centre for Entrepreneurship Development (Mungai, 2012).

In 2007, Equity Bank through its vision of being the Champion of Socio-economic Prosperity of the people of Africa began providing specific financial and non-financial services in Kenya. Market Research provided that most youths are associates of a form of group, club including church, community or students. Equity Bank uses such platforms to deliver group lending as well as accompanying non-financial services. The Bank established the Equity Group Foundation to provide financial and operational infrastructure for social programs targeting women and youth. In 2011 EGF in partnership with Master Card Foundation, Financial Knowledge in For Africa (FIKA) was launched to help participants gain an understanding of how to use a range of financial services- such as savings, insurance and credit products and expose them to basic economic concepts. The project costed more than 1 Billion Ksh (Equity Newsletter, 2011).

By laying more emphasis on women and youth affairs, the government of Kenya introduced two major funds namely Women Enterprise Development Fund and the Youth Enterprise Development Fund The YEDF was established in 2006 with the sole goal of minimizing unemployment rates among the youth who comprise of over 61% of the unemployed in the country. The people within 18-35 years of age were the target of

this fund. On 8th Dec 2006, the fund was gazetted and then transformed into a state corporation on 11th May 2007. The strategic focus for enterprise development was planned as a major strategy that would increase economic opportunities, for and participation by Kenyan youth in national building.

By 2014, the government had realized Ksh. 3.8 billion to the fund. 3-year strategic plan was to deal varied aspirations and needs of the youth was developed. In line with the Medium Plan of the Vision 2030, the fund is currently working on a 5-year strategic plan. The funds intention is mainly to evolve and be able to meet the changing needs of the youth in Kenya. In order to make it responsive to needs and expectations of the larger clients, the fund constantly reviews its operational mechanisms from time to time. Through the fund, thousands of youth have been helped to grow their enterprises through market support and entrepreneurial training. Through Youth Employment Scheme Abroad program, over 200,000 young entrepreneurs have been trained and supported to take up jobs overseas (GOK, 2007)

A study by Kigera (2011) found out those women who had accessed YEDF entrepreneurial training had experienced business growth while those who didn't access entrepreneurial, marketing and technology training lacked business growth in their enterprises. The number one reason for failure of SMES is lack of proper management. Business owners require relevant management and business expertise in areas such as finance, purchasing, selling, production, hiring and managing employees (Reardon, 2010).

According to Mungai (2012), training is a key factor in enhancing growth and competitiveness of SMES in Kenya. The importance of entrepreneurial training was put in place to deal with key issues of unemployment. The entrepreneurial programs were introduced by NGO'S, private training and consultancy firms and academic institutions as it was provided in Sessional Paper no.1 of 1988. Those who were in self-employment lacked managerial skills and this led to introduction of entrepreneurship education in various technical and vocational institutions (Maina, 2011). In Kedogo (2013), the study showed that majority of the youth involved in SMES in Kenya were not well equipped in

terms of skills and training. The study concluded that those with more education and training were more successful in SMES sector.

A study by Momanyi and Munene (2013) found out that in order for the youth owned SMES to succeed, special attention must be taken in training the youth on business planning, budgeting and managerial processes. It was also revealed that most youth enterprises failed due to lack of knowledge and information to enable them to effectively plan, manage and make sound decisions to enhance the growth and survival of enterprises.

2.6 Mode of delivery and business growth of SMES among youth driven initiatives

According to Nasrudin & Othman (2012), the objectives of entrepreneurial training are: to enhance skills, to promote better understanding of entrepreneurship and create more entrepreneurs. According to Kalamwati (2012), the appropriate methods to facilitate entrepreneurial training should include real-life activities. Fredrick (2007) argued that entrepreneurs require experiential pedagogical interventions.

In conveying entrepreneurial knowledge, skills and attitudes to learners, trainers use different methods. Research has shown that entrepreneurs learn differently from other professions (Fredrick, 2007; Gatchalian, 2010). Through deepening learning in theory, practice and process of entrepreneurship, learners require active and pedagogical interventions (Fredrick, 2007). Vast methods of delivering entrepreneurship training have been recommended by studies which lectures, team teaching, group assignments, field tours or visits, business plan, case study, problem based learning, presentations seminars or workshops, decision making exercises, attachments, internship, consulting assignments, actual running of a business, research etc (Mansor & Othaman, 2011).

Mkala and Wanjau (2013) argued that using traditional methods such as lectures to train entrepreneurs merely results in a knowledgeable person as the methods lack initiative for application. Teacher learner knowledge transfer fails to respond to the naturally dynamic business environment (Sherman et al, 2008). Many institutions in Kenya offer entrepreneurial training with an aim of increasing business growth. Entrepreneurship is about starting a growth oriented small business (Bwisa, 2012). According to Kithure

(2013) methodologies to foster training are not only a means to support youth entrepreneurship rather to also provide young people with entrepreneurial attitudes and skills.

Compared to other business courses, the study and teaching of entrepreneurship is also unique. Seet and Seet (2006) use words like: untidy, non-linear, highly dynamic, fluid, inconsistent, unpredictable and chaotic, to describe the character of entrepreneurship as a field of study and instruction. This in itself means that entrepreneurship cannot be taught in the same way that other business courses are taught. Seet and Seet (2006) in investigating the efficacy of entrepreneurship education in Singapore recognized the use of experiential learning models in developing entrepreneurial competencies. Experiential learning techniques can range from field based models such as internships to less intensive methods such as classroom based role-play and simulation. These may involve altering the traditional lecture format for learners to for example: work on small experiential projects in groups, conduct actual market research or apprentice with practicing entrepreneurs.

In South Africa, mass media remains the most effective tool for creating widespread awareness of entrepreneurship in the societies and increasing its legitimacy according to a research conducted by Umsobomvu Youth Fund (2002). Through the coverage of the roles of the entrepreneurs and the profiles of an entrepreneurial activity, media stimulates discussion and demystify and raise awareness of the entrepreneurial process. A study on the assessment of the impact of entrepreneurship training in concluded that the Mini-Enterprise Programme of Junior Achievement South Africa(JASA) lacked any visible or practical significant impact on the entrepreneurial intentions subjective personal well-being, adaptive cognition and innovation of learners. Although entrepreneurship can be taught effectively, it is dependent on long term strategies by ensuring adequate support to learners with the attitude to become competent entrepreneurs as well as suitable methods for continuous assessment and improvement (Steenkamp, 2013).

In a study by Ongwae (2013), many institutions in Kenya seems to have assumed that entrepreneurs are born not made hence providing training assuming that the youth have preexisting entrepreneurship characteristics and attitudes. Institutions also seem to have

confused small business management and entrepreneurship. Institutions use non-entrepreneurial instructors, non-entrepreneurship settings to teach entrepreneurship.

Instructors should also encourage practical program or mini business projects during training in order to improve training quality not only practice appropriate methods (Ismail, 2010). Mungai (2012) estimated that 40% of all trainees acquire skills through apprenticeship or through on-the-job training. Carter et al (2002) found out that in firms where turnover had increased considerably in the past years, the highest uptake of training was reported.

2.7 Theoretical framework

The theoretical framework of this research was based on the knowledge-based theories.

2.7.1 The knowledge-based theory of the firm

This theory was first promoted by Penrose (1959). Barney (1991) and Conner (1991) later expanded it. KBT underline the significance of knowledge in increasing productivity of the SMES and that of the economy (Romer, 2001). Therefore, SMEs and economies, with highly educated and trained manpower, are more likely to be of high performance compared to those that lack these key resources. The reason behind this notion is that well-educated and trained employees quick at learning and applying new skills and proactive to develop efficiency, productivity, risk taking and innovativeness of the SME (Timmons, 1999).

The knowledge-based theory also distinguishes between two types of learning on the basis of the context within which it occurs. First, we have explorative learning, which obtains from inside the SME and thus can occur only through internal experiments (Zahra, Nielsen, and Bogner, 1999) and hence is experiential in nature and secondly the exploitative learning, which is external to the SME and therefore must be acquired.

Learning by doing is a fundamental process of knowledge development for entrepreneurs. Education can be used to integrate the learning of entrepreneurial skills and attitudes with behavior (Middleton, 2010). From a strategic point of view, an entrepreneur who has been trained could easily make the right decisions in regards to which markets to enter,

what product to produce and the selling prices (Hart, 1992). These decisions consistently differentiate between a high performing and low performing SME (Hart, 1992). Education and training therefore impinges upon analysis, planning, and control processes of the SME (Njoroge & Gathungu, 2013).

The entrepreneur's experience in acquiring, assimilating and utilizing knowledge within and without the SME also influences entrepreneurial behavior. The ability of the entrepreneur to innovate depends upon past experience. Entrepreneurs ordinarily abandon those ventures they have come to learn that they bear little returns and focus on those that promise the highest returns for a given level of risk. The SMEs ability to learn is determined by its knowledge acquired through education and training. The level of innovation of the SME also influences the experience of the SME. The experience of the SME determines its strategic posture and how it rejuvenates itself with time (Kisaka, 2014)

2.8 Conceptual framework

The ability of SMES among youth driven initiative in Nairobi County to achieve business growth rely entirely on certain market and external parameters as set out in categories as independent variables which invariably include: Creativity, training programs and mode of delivery. If the above market environment favors the youths, business growth would be enhanced as many youths would motivated by market conditions which promise better returns on their investments. Contrary to this understanding, the presence and prevalence of the same environment does not necessarily mean that youth's SMES would succeed in the business growth among their SMES. Another factor may come in to play and hinder the successful business growth. This factor is categorized as the moderating variable, which are the policies that the youth may not have control over in the business they are engaged in.

The intensity of these variables would have a great bearing on the youths being successful in the business growth which would be indicated by the business's number of increased branches, percentage increase in profit margins, percentage increase in

customer base, percentage increase in number of employees, and percentage increase in turn over. The relationship of the variables is displayed in Figure 1.

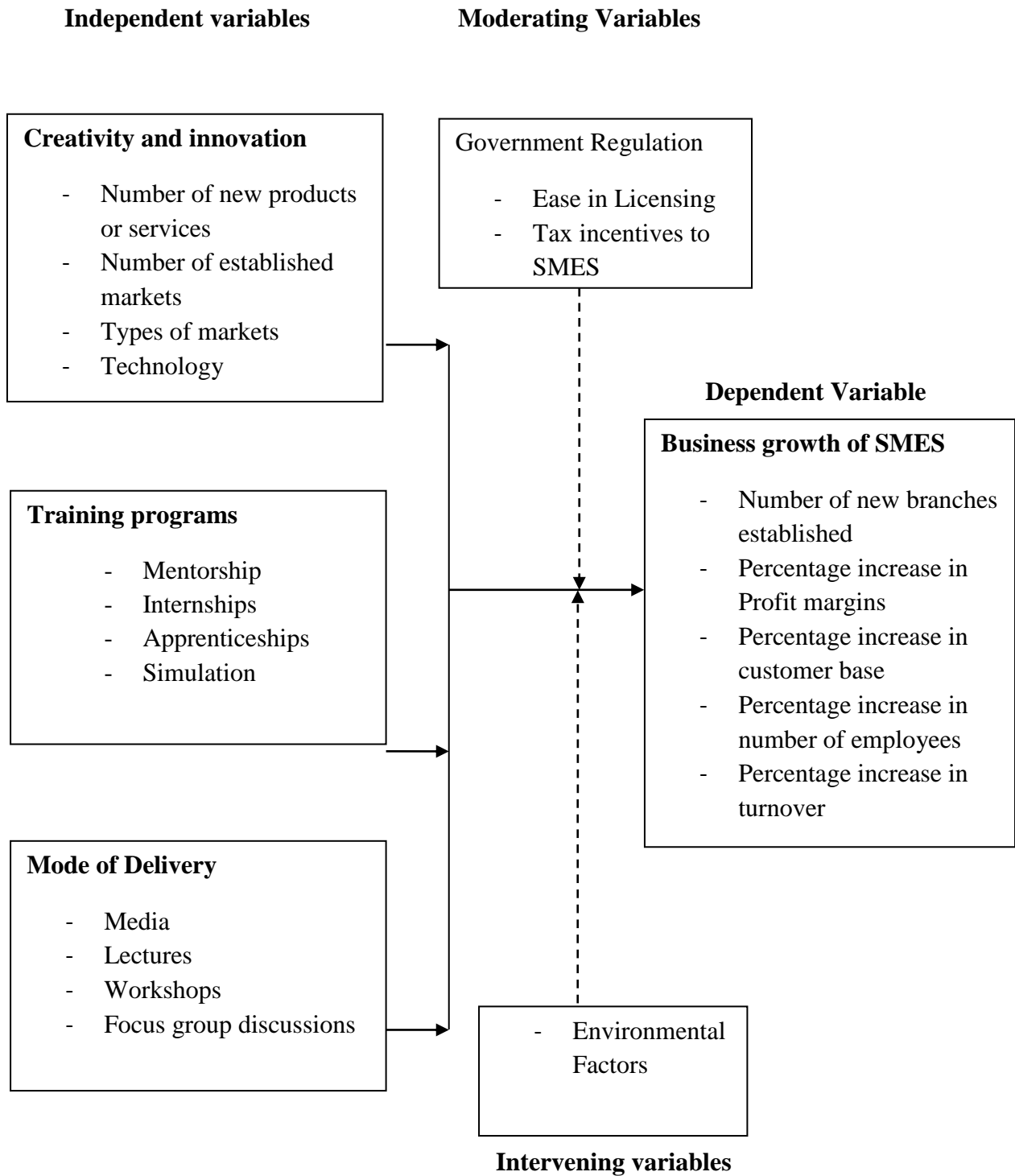


Figure 1: Conceptual framework

When exposed to training, it has been shown that the youths become more aware of their surroundings. They are also capable of being more creative in the sense that they try to stay ahead of their competitors by taking on newer technology and other such undertakings that will boost them further.

Without proper or even basic training it is difficult for one to start and grow an enterprise. Not much attention has been given to entrepreneurial training on business growth of SMES among youth driven initiatives. This has meant that there is a high mortality rate within the sector as many of the enterprises started this way never get to see their second year.

2.9 Research gap

Various studies have been conducted on business growth of the SMES in Kenya. Many analysts studying business growth among the youth driven initiatives tend to focus on various conditions that existed in particular times in their study. A study conducted in Kisii Town focused on the factors affecting financial performance of youth owned SMES which has different characteristics with Nairobi. Another study was carried out in Kilungu District which focused on the factors influencing the youth to start Small Scale businesses. The study was carried out in a rural set up and more so the study was different from influence of entrepreneurial training on business growth of SMES among youth driven initiatives. Further, a study to determine the influence of entrepreneurship training, access to credit facilities, access to market and business completion was carried out. The dependent variable was performance which is different from business growth among SMES.

It is important for entrepreneurs, training providers, governments, researchers and other stakeholders to understand how entrepreneurial training influences business growth of SMES among youth driven initiatives. This study therefore intended to fill these pertinent gaps in literature by studying the selected independent variables on the influence of entrepreneurial training on the business growth of SMEs among youth driven initiatives in Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The methodology of the study will be provided in this chapter. Chapter three shows specific procedure that was followed in undertaking the study. It presents the research design, target population, sampling design, research instrument and data collection procedure that was used in the study as well as the ethical issues.

3.2 Research design

A research design is the plan and structure that was used to conduct the study in order to achieve the objectives and answer the research questions and of the study. This study used descriptive survey research design. The descriptive survey design optimizes on the strengths of both qualitative and quantitative research methodologies (Mugenda and Mugenda, 2003).

Descriptive survey design was also considered to be ideal since it sought to describe the characteristics of certain groups, estimate the proportion with certain characteristics and make predictions. This specific design was chosen because of its ability to ensure minimization of bias and maximization of the reliability of evidence so collected. The approach of this study involved collection of quantitative data for objective hypothesis testing and modeling while qualitative data was useful to explaining themes of behavior discerned about business growth.

3.3 Location of the study

This study was carried out in Nairobi County. Nairobi comprises the administrative region of the capital city of Kenya. The 2009 population census showed that Nairobi is largest urban centre in Kenya with a 3.1 million population (Kilele, 2010). The choice of Nairobi County was influenced by various factors which include the fact Nairobi is the administrative and commercial capital of Kenya.

3.4 Target population

A target population is that population to which the researcher wants to generalize the results of a study (Mugenda and Mugenda, 2003). This study targeted the owners, managers and employees of all the registered SMES among youth driven initiatives in Nairobi County. This is because the research would measure the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi County. There are 7,494 SMES among youth driven initiatives spread in seventeen sub-counties in Nairobi County as shown in Table 3.1.

Table 3.1: Number of SMES among youth driven in initiatives in each Sub-county

Name of the Sub-County	No. of SMES among youth driven initiatives	Percentage
Dagoretti North	702	9.4
Dagoretti South	206	2.7
Embakasi Central	312	4.2
Embakasi East	307	4.1
Embakasi North	283	3.8
Embakasi South	154	2.1
Embakasi West	366	4.9
Kamukunji	362	4.8
Kasarani	188	2.5
Kibra	392	5.2
Langata	145	1.9
Makadara	867	11.6
Mathare	409	5.5
Roysambu	836	11.2
Ruaraka	451	6
Starehe	1,012	13.5
Westlands	502	6.7
Total	7494	100

Source: Nairobi County Council, ICT Department, Oct 2015.

3.5 Sampling size

The research covered SMES randomly selected from different types of businesses in the County. All factors influencing business growth of SMES among youth driven initiatives other than entrepreneurial training were held constant. Although the county has many Small and Medium Enterprises, only the youth owned SMES were included in the study. This study had a sample of 364 respondents drawn from a target population of 7494 based on Krejcie and Morgan (1970). As indicated in the Table, a population of 7494 individuals corresponded to a sample size of 364. Therefore 364 respondents were sampled for this study.

3.6 Sampling procedure

The sample indicates the total number of respondents to be selected from the target population. The target population constitutes 7494 individuals. Determination of sample size was important to the researcher since it would be useful to bringing out credible representation of the population. This research used the Krejcie and Morgan original Table for determining sample size. Accordingly, from this Table the sample size for 7494 SMES was 364.

Multi stage sampling procedure was used to sample the 364 from the selected SMES among youth driven initiatives. The first stage was to use cluster sampling to divide the entire population of interest. Nairobi County is made up of seventeen sub-counties which made the clusters.

SMES in the population would be selected based on their respective Sub-counties from the trade, industrialization, cooperative developments, tourism sector of the county council of Nairobi- Licensing Department Register. The Sub-Counties include Starehe, Kasarani, Dagoretti North, Dagoretti south, Langa'ta, Kamukunji, Makadara, , Kibra, Mathare, Roysambu, Ruaraka, Westlands, Embakasi central, Embakasi East, Embakasi North, Embakasi South and Embakasi West. Each Sub-county will be considered as a cluster.

In the second stage, from the cluster, simple random sampling technique was used to get a sample of nine Sub-counties. The use of simple random sampling to select one ward from each the 9 selected Sub-counties was applied in the third stage. This sampling methodology was deemed appropriate to represent the target population and to provide the same results at the lowest possible cost and time. As noted by many researchers such as Sekaran (1992) and Kothari (2004), time and cost implications should be given invariable consideration when deciding the sample size. This process was held to ensure that each member in cluster had an equal opportunity of being selected. In addition, the simple random sampling technique would be employed because it provides all entities in the population a non-zero chance of being part of the study. Also, due to its probabilistic nature, simple random sampling reduces bias making results reliable and generalizable.

Table 3.2: Sampling Frame

The sampling frame was determined using Krejcie and Morgan (1970) sampling frame as depicted in the table below.

Name of Sub-County	Name of the Ward	SMES in the Ward	Sample Size
Starehe	Nairobi Central Ward	93	73
Makadara	Viwandani	66	56
Embakasi Central	Komarock	49	40
Westlands	Parklands	32	28
Roysambu	Zimmerman	24	19
Kibra	Laini- Saba	55	48
Dagoretti South	Uthiru	27	24
Kamukunji	Eastleigh North	51	48
Ruaraka	Utalii Ward	31	28
Total		428	364

3.7 Data collection method

The use of questionnaire was adapted as the main data collection tool. The developed questionnaires were administered to the sampled respondents. A drop and pick method was used to administer the questionnaire since most respondents were too busy to fill the questionnaires on the spot. The questionnaire set a statement on age, number of years in business and the type of business. The type of data to be collected was informed by the objectives of the study as supported by Teddlie (2010). The second part of the questionnaire contained questions related to the study variables which included the influence of creativity, training programs and mode of delivery on business growth of SMES among youth driven initiatives in Nairobi County.

The researcher used primary data. Primary data refers to that which will originally be collected for the first time for the purposes of this study. Saunders et al, (2007) supports the use of primary data.

3.7.1 Pilot study

Pilot study is defined as a small scale version of the study used to establish procedures, materials and parameters to be used in the full study (Bordens and Abbott, 2011). A pilot study was conducted at Kilimani Ward, to determine appropriate levels of independent variables, determine the reliability and clarify instruction of the observational methods in order to use pilot results to make adjustments in the study questionnaire. Ten percent of the accessible population is enough (Gay, 1981).

3.7.2 Validity of the instrument

Validity indicates the extent to which the instruments measure the variables under investigation (Mugenda and Mugenda, 2003). This study used content validity, criterion validity and construct validity. In ensuring content validity, the questionnaire was reviewed by research experts to confirm that the data collected would represent the content that the test is designed to measure. Construct validity was measured by administering a few questionnaires to some respondents and analyze the results to

evaluate whether the questionnaire would measure what it was projected to measure. Criterion validity was measured by analyzing outcome provided using the questionnaire.

3.7.3 Reliability of the instrument

The researcher would apply Split-half Reliability in this study. This involved randomly dividing all the items that measure the business growth into two sets. The researcher would administer the entire instrument to a sample of the SMEs among youth driven initiatives and calculate the total score for each randomly divided half. The correlation between the two scores would determine the reliability. Split-half reliability is a form of internal consistency reliability. The researcher chose to use Split half reliability as it is only required one testing session. Subject score from one part would be correlated to the scores from the second part.

3.8 Methods of data analysis

Both qualitative and quantitative data would be collected by the questionnaire which was analyzed to answer the following research questions; How does creativity influence business growth of SMES among youth driven initiatives in Nairobi County; What is the influence of training programs on business growth of SMES among youth driven initiatives in Nairobi County; How does mode of delivery influence the business growth of SMES among youth driven initiatives in Nairobi County.

Questions in the questionnaire with options were assigned ordinal scales where the respondents would choose among options like strongly agree, agree, neutral, disagree and strongly disagree. The data collected was edited, coded and analyzed using descriptive statistics. The data collected from both the open ended questions and the quantitative data from the open ended questions was analyzed using descriptive statistics to meaningfully describe the distribution of the measurements of the phenomena under the study. This involved use of measure of distributions i.e. frequency and percentages, correlation of variables and presentation of the information in tables. Also, researcher used Statistical Package for Social Sciences (SPSS) Version 20 and Ms Excel software tools to aid in carrying out descriptive analysis from the quantitative data collected using questionnaires.

3.9 Ethical issues

This research upheld all ethical issues related with planning, data collection, data analysis and reporting. The following ethical principles were observed; Beneficence by maximizing good outcomes for science, humanity and individual research participants and avoided unnecessary risks, harm and wrongs. Respect and courtesy for all that were involved in this research and lastly justice by ensuring that those who bore the risk in this research were the ones who would benefit from it. The study also ensured that the confidentiality of the respondents was maintained especially on the information obtained from the questionnaires. The purpose of this study was examined before administering the questionnaire.

Table 3.3: Operationalization of variables

Measurement is defined as a process of assigning numbers to objects or observations with the level of measurement being a function of the rules under which the numbers are assigned (Kothari, 2004). The rules of measurement depend on the scale to be used, that is whether nominal, ordinal, interval or ratio scale. The table below provides an operationalized relationship between the various variables of the study. The table illustrates the study objectives, variables applied, indicators, measurement measuring scale and data analysis tools. The relationship of variables is illustrated in Table 3.3 which shows their respective indicators.

Objectives	Variable	Indicators	Measurement scale	Statistics
To analyze how creativity and innovation influences business growth of SMES among the youth Nairobi County	Independent Variable Creativity	<ul style="list-style-type: none"> • Number of new products or services • Number of established markets • Types of markets 	<ul style="list-style-type: none"> • Ordinal • Ordinal • Nominal 	Descriptive statistical analysis by computing the percentages and frequencies and correlation
To investigate how training programs influences business growth of SMES among the youth in Nairobi county	Independent Variable Entrepreneurial training	<ul style="list-style-type: none"> • Mentorship • Apprenticeship • Internships 	<ul style="list-style-type: none"> • Nominal • Nominal • Nominal 	Descriptive statistical analysis by computing the percentages and frequencies and correlation
To assess how mode of delivery influences business growth of SMES among youth in Nairobi County	Independent Variable Mode of delivery	<ul style="list-style-type: none"> • Lectures • Workshops • Media • Seminars 	<ul style="list-style-type: none"> • Nominal • Nominal • Nominal • Nominal 	Descriptive statistical analysis by computing the percentages and frequencies and correlation
	Dependent variable Business growth	<ul style="list-style-type: none"> • Number of new branches • Percentage increase in profit margins • Percentage increase in customer base • Percentage increase in the number of employees • Percentage increase in turnover 	<ul style="list-style-type: none"> • Ordinal • Ordinal • Ordinal • Ordinal • Ordinal 	Descriptive statistical analysis by computing the percentages and frequencies and correlation.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION OFFINDINGS

4.1 Introduction

The chapter presents the data analysis, presentation and interpretation of the findings on the influence of Entrepreneurial training on business growth among SMES in Nairobi County, Kenya.

4.2 Questionnaire return rate

Out of the three hundred and sixty-four (364) questionnaires administered, three hundred and two (302) constituting of 83% response rate were filled and returned.

Table 4.1: Response rate

Response Rate	Frequency	Percentage
Response	302	83
Non Response	62	17
Total	364	100

The 83% which is a high response rate from a random sample of 364 is considered good and representative as it conforms to Mugenda and Mugenda (2003) stipulation that a response rate of 50% is good and a response rate above 70% is excellent.

4.3 Demographic Characterization of the respondents

This section gives and analysis, presentation and interpretation of respondents' gender, year when the business began its operations, location of the business, year when the respondent attended an entrepreneurial training program, level of education, position held in the business and number of employees.

4.3.1 Gender demographics

The study sought to find out the gender of the respondents. The findings are presented in Table 4.2.

Table 4.2: Gender distribution

	Frequency	Percentage
Male	178	58.9
Female	124	41.1
Total	302	100

From the findings, the study revealed that majority (58.9%) of the respondents, were male and 41.1% of the respondents were female. This is an indication that there are more males in youth owned enterprises compared to women. This confirms the findings of Farah (2014) which was conducted in Mandera Central division, Kenya and found out that gender limit women's ability to accrue social, cultural, human, and financial capital and place limitations upon their ability to be engaged in entrepreneurial activity. In addition, most women who venture into businesses needed to be financed.

4.3.2 Years of operation

This section sought to determine when the business began its operations. From the data findings, the study found out that 33.4% of the respondents had been in their business for a period less than five (5) years and constituted the majority, 20.9% of the respondents had been in their business for a period of 11 to 15 years and 18.5% of the respondents had been in their businesses for over 16 years. This indicates that majority of the businesses had been in operation for less than 5 years.

4.3.3 Location of the business

The study sought to establish the location of the business. From the findings, majority of the respondents, 48 constituting 15.89% were collected from Mwiki Ward, 42 constituting of 13.9% were collected from Huruma Ward, 38 constituting of 12.6% were collected from Hamza Ward, 37 constituting of 12.3% were collected from Pumwani Ward, 36 constituting of 11.9% were collected from Kariokor Ward, 33 constituting of 10.9 % were collected from Utawala Ward, 26 constituting of 8.6% were collected from Mt. View Ward, 24 constituting 7.9% were collected from Kilimani Ward and 18 constituting of 6% were collected from Highrise Ward. This indicates that majority of the youth owned enterprises are located at the slum areas.

4.3.4 Period when the respondents attended the entrepreneurial training

This section sought to find out the year when the respondents attended the entrepreneurial training. The findings are presented in Table 4.3.

Table 4.3: Year when the respondents attended the entrepreneurial training

	Frequency	Percentage
2013 and Beyond	87	28.8
2008-2012	124	41.1
2003-2007	42	13.9
1998-2002	28	9.3
1993-1997	16	5.3
Before 1992	5	1.7
Total	302	100

From the findings, the study revealed that majority of the respondents 41.1% attended the entrepreneurial training during the period of 2008 to 2012, 13.9% attended an entrepreneurial training in the period of 2003 to 2007 and 1.7% attended the entrepreneurial training during the period of 1992 and before. This can be explained by the fact that majority of the respondents took advantage of the YEDF that was established

in 2007 under the ministry of Public service, Youth and Gender Affairs. The findings concur with Ryan (2003) who argued that entrepreneurship is increasingly accepted as an important means and a useful alternative for income generation among young people.

4.3.5 Level of education

The respondents were also required to state their highest level of educational qualification. Table 4.4 shows the level of education of the respondents.

Table 4:4 Education level

	Frequency	Percentage
Degree	17	5.6
Diploma	23	7.6
Certificate	69	22.8
Secondary	168	55.6
Other	25	8.2
Total	302	100

From the findings, the study revealed that 55.6% of the respondents had achieved secondary education as their highest level of education, 22.8% of the respondents had acquired a college Certificate as their highest level of education and 5.6% had acquired a Degree as their highest level of education. Therefore, majority of the respondents lack a sound academic background and as such do not run their businesses professionally. The findings are in congruent with a study done by Tripp (2009) who established low level of education provides low level self confidence in business growth.

4.3.6 Position held in the SME

Through this study, the researcher sought to establish the position held by the respondents in the business. The findings are presented in table 4.5.

Table 4.5: Position held in the SME

	Frequency	Percentage
Owner	204	67.5
Manager	6	1.99
Employee	53	17.5
Family Member	39	12.9
Total	302	100

Table 4.5 indicates that most of the respondents (67.5%) were the owners of the SME, 12.9% of the respondents constituted of family members and 2% of the respondents were managers of the SMES. This indicates that majority of the respondents were owners.

4.3.7 Number of employees at the SMES

The study sought to establish the number of employees at the SMES. Table 4.6 shows the number of employees at the SMES.

Table 4.6: Number of employees at the SMES

	Frequency	Percentage
Above 100	1	0.33
80-99	4	1.3
60-79	9	3
40-59	29	9.6
20-39	26	8.6
0-19	233	77.1
Total	302	100

From the findings, the study revealed that majority (77.1%) of the respondents had employed 0 to 19 employees, and only 0.3% had employed more than a hundred (100) employees.

4.4 Creativity and business growth among youth-owned SMES

Through this research, the researcher sought to find the influence of creativity on business growth of SMES among Youth owned initiatives in Nairobi County, Kenya.

4.4.1 Embracing new ways of doing business

The study sought to establish whether respondents had embraced new ways of doing business after the entrepreneurial training program as shown in Table 4.7 below.

Table 4.7: Embracing new ways of doing business

	Frequency	Percentage
Yes	302	100
No	0	0
Total	302	100

The results indicate that majority of the respondents 302 (100%) embraced new ways of doing business after the training. None of the respondents indicated not to have embraced new ways of doing business.

4.4.2 Indicators on the influence of creativity on business growth of SMES among driven initiatives

There are several indicators on the influence of creativity on business growth among the youth driven SMES. Respondents were asked to indicate their level of agreement that the indicators led to business growth of their SMES using a Likert scale of 5- Strongly Agree, 4- Agree, 3-Neutral, 2- Disagree,1- Strongly Disagree. Table 4.8 shows the distribution of respondents on introduction of new products and services.

Table 4.8: Influence of creativity on business growth of SMES among youth driven initiatives

	Strongly Agree %	Agree %	Neutral %	Disagree %	Strongly Disagree %	Mean	Standard Deviation
Introduction of new products and services has led to business growth	26.5	38.4	18.9	9.3	6.9	3.68	1.164
Introduction of quality inputs and raw materials has led to increase in sales and profits	15.2	32.1	43.7	4.96	3.97	3.5	0.946
Introduction of new payment methods like Mpesa has led to business growth	74.5	20.5	4.64	0.33	0	4.692	0.571
Improvement on existing goods and services has led to business growth	41.7	32.5	17.5	4.3	3.97	4.036	1.061
New and improved methods of production have led to improved quality of products	27.2	35.1	30.5	2.98	4.3	3.778	1.018
Introduction of new channels of distribution for goods and services have led increased productivity	16.9	22.5	52.6	7.3	0.67	3.476	0.880
Introduction of improved modes of communication has led business growth	21.5	52.3	13.9	9.9	2.3	3.807	0.963
Improvement on service delivery to customers has led business growth	28.5	54.3	10.3	1.98	4.97	3.993	0.957
Introduction of new marketing strategies e.g social media advertisement has led to business growth	42.7	19.2	37.1	0.67	0.33	4.033	0.925
Introduction of new technologies inform of machines and equipments has led to increased profits	14.9	17.2	32.5	21.5	13.9	2.997	1.242

The results in Table 4.8 indicated that majority of the respondents 116 (38.4%) agreed that introduction of new products and services led to business growth of their SMES. The mean distribution was 3.68 and a standard deviation 1.164.

The interpretation of the mean is that respondents agreed that introduction of new products and services led to business growth among Youth owned SMES. Since a 5 Likert Scale rating ranged from 1-5 was used as the theoretical mean of 3.0; $(1+2+3+4+5) / 5 = 15/5 = 3$ was used to provide a measurement for judging the study results. Therefore, a mean equal or higher than 3.0 indicated to agree, while a mean less than 3.0 but between 2.5 and 2.99 indicated neutral. However, a mean less than 2.5 indicated to disagree with the study variable.

From the Table, majority of the respondents 132 (43.7%) were neutral on introduction of quality inputs and raw materials leading to increased profits and sales meaning that they were not sure whether it affected sales and profits. The mean was 3.5 while the standard deviation was 0.946.

The study also revealed that 225 (74.5%) of the respondents strongly agreed that introduction of new payment methods e.g Mpesa Paybill/Buy goods had led to increase in business growth while only 1(0.33%) disagreed. These findings agree with a study carried out by Oloko and Simiyu (2015) that found that convenience and financial accessibility have been shown to affect business growth among SMES.

Data showed that majority of the respondents 126 (41.7%) strongly agreed that improvement on existing goods and services led to business growth. Only 13 (4.3%) disagreed that improvements on existing goods and services led to business growth of SMES. These findings concurred with Watt et al., (2008), the most suitable growth strategies for a firm are those concerning product development.

The findings showed that 35.1% of the respondents agreed that new and improved methods of production had led improved quality of products. 2.98% disagreed that new and improved methods of production led to improved quality of products. The results agreed with Nooteboom (2004) who argued that SMES should pursue product innovation strategies in emerging markets.

The study found out that 68 (22.5%) agreed that introduction of new channels for goods and services had led to increased productivity. The findings agreed with Smallbone et al., (2005) who argued that high growth can best be achieved by identifying new markets for existing products.

The findings also revealed that 52.3% of the respondents agreed that introduction of improved modes of communication had led to business growth. 9.9% disagreed that introduction of improved modes of communication had led to business growth. These findings agree with Mark Zuckerberg, co-founder of Facebook who says that advertising is fast changing and businesses need to understand the usage of Internet technologies in order to remain relevant in order to achieve success with the online marketing, the marketers need to have a presence in the environment that their customers inhabit (Maymann, 2008).

On whether the improvement of service delivery to customers had led to business growth, it is clear that majority of the respondents 54.3% agreed that improvement on service delivery to customers led to business growth among SMES. 1.98% disagreed that improvement on service delivery led to increased business growth. The findings were congruent with Zeithaml et al., (1990) whose study found that customer satisfaction and loyalty is secured through high quality products and services and that providing value for money is essential for long term success of businesses.

From the findings, majority of the respondents 42.7 % strongly agreed that introduction of new marketing strategies have led to increased business growth among SMES. Only 0.67% disagreed that introduction of new marketing strategies had led to business growth. The interpretation is that new marketing strategies had a positive influence on business growth of SMES. These findings agree with Goel (2008) who argued that businesses with online presence have access to international markets hence tend to increase their market share and this results to business growth.

4.4.3 Factors that hinder introduction of new ways of doing business

The researcher sought to establish the factors that hinder the introduction of new ways of doing business. The results are indicated in Table 4.9.

Table 4.9: Factors that hinder the introduction of new ways of doing business

	Frequency	Percentage	Cumulative Percentage
Lack of skilled personnel	11	3.6	3.6
Low business growth	62	20.5	24.1
Limited capital base	195	64.6	88.7
Adoption of new technology has not been fully utilized	34	11.3	100
Total	302	100	

Data shows that majority of the respondents 195 (64.6%) considered limited capital base as the prime hindrance to the new ways of doing business.

Further, asked to mention any new ways of doing business that they have introduced in their business, 36.1% of the respondents said that they had introduced free delivery services to their customers.

4.5 Training programs and business growth

The second objective was to establish the influence of training programs on business growth of SMES among youth owned initiatives.

4.5.1 Where the training program was undertaken

The researcher sought to establish where the respondents undertook their training program. Table 4.10 shows the respondents' distribution on where the training program was undertaken.

Table 4.10: Where program was undertaken

	Frequency	Percentage	Cumulative Percentage
Financial Institution	59	19.5	19.5
NGO	25	8.27	27.8
YEDF	121	40.1	67.9
Academic Institution	93	30.8	98.6
Other	4	1.32	100
Total	302	100	

According to the data collected and displayed in Table 4.20, majority of the respondents 40.1% underwent the YEDF training program, 19.5% were trained by a financial institution and 1.32% undertook their training from other training providers.

4.5.2 Performance of SMES before and after training in respect to the areas listed

The respondents were asked to indicate the rate of performance using a 4- Likert scale.

4- Excellent, 3-Good, 2-Fair, 1-Poor.

Table 4.11: Business Management Overview

The researcher sought to establish how the respondents performed on Business management overview before and after training.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Change in Percentage
Excellent	26	1.98	1.98	91	30.1	30.1	+28.12
Good	41	13.6	15.58	128	42.4	72.5	+28.8
Fair	234	77.5	93.08	69	22.8	95.3	-54.7
Poor	21	6.95	100	14	4.6	100	-2.35
Total	302	100		302	100		

The findings in Table 4.11 revealed that majority of the respondents 77.5% were fairly conversant with Business Management Overview before training and 1.98% had an excellent performance before training.

After training, 42.4% indicated that they were had a good performance in Business Management Overview management thus 28.8% increase compared to the performance before training.

Table 4.12: Financial Management

The researcher sought to establish how the respondents performed on financial management before and after training. Table 4.12 shows the respondents distribution on Financial Management.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	23	7.6	7.6	67	22.2	22.2	+14.6
Good	43	14.2	21.8	136	45	67.2	+30.8
Fair	119	39.4	61.2	82	27.2	94.4	-54.7
Poor	117	38.7	100	17	5.63	100	-2.35
Total	302	100		302	100		

According to Table 4.12, majority of the respondents, 39.4% had fair financial management skills before training and 7.6% had excellent financial management skills before training.

After the training, majority of the respondents, 45% indicated that they had good financial management skills and only 5.63% indicated to have performed poorly in financial management after the training.

Table 4.13: Costing and pricing of products and services

The researcher sought to establish how the respondents performed on costing and pricing of products and services before and after training. Table 4.13 shows the respondents distribution on performance in costing and pricing of products and services.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	50	15.6	15.6	65	21.5	21.5	+5.9
Good	112	37.1	52.7	213	70.5	92	+33.4
Fair	83	27.5	80.2	20	6.6	98.6	-20.9
Poor	57	18.9	100	4	1.32	100	-17.6
Total	302	100		302	100		

Upon being asked how they performed in costing and pricing of their goods and services before training, majority of the respondents 37.1% rated good and 15.6 % indicated that they performed excellently before training.

After the training, 70.5% of the respondents indicated that they had a good performance on costing and pricing of goods and services.

Table 4.14: Quality improvement and management

The researcher sought to establish how the respondents performed on quality improvement and management before and after training. Table 4.14 shows the respondents distribution on performance in quality improvement and management.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	62	20.5	20.5	65	21.5	21.5	+1
Good	86	28.5	49	156	51.7	73.2	+23.2
Fair	91	30.1	79.1	49	16.2	89.4	-13.9
Poor	63	20.9	100	32	10.6	100	-10.3
Total	302	100		302	100		

Table 4.14 shows that majority of the respondents 30.1% performed fairly on quality improvement and management before training, 20.9% indicated to perform poorly and 20.5% indicated that they performed excellently on quality improvement and management before training.

After the training, 51.7% which is an increase of 23.2% indicated that their performance on quality improvement and management was good.

Table 4.15: Marketing of products and services

The researcher sought to establish how the respondents performed on marketing of goods and services before and after training. Table 4.15 shows the respondents distribution on performance in marketing of products and services.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	51	16.9	16.9	54	17.9	17.9	+1
Good	52	17.2	34.1	201	66.6	84.5	+49.4
Fair	106	35.1	69.2	36	11.9	96.4	-23.2
Poor	93	30.8	100	11	3.6	100	-27.2
Total	302	100		302	100		

The findings revealed that 35.1% performed fairly on marketing of products and services before training, 30.8% had poor marketing skills for their products and services, 17.2% indicated to that their performance was good and 16.9% performed excellently on marketing of products and services.

After training, majority of the respondents 66.6% indicated to have a good performance on marketing of products and services which is a 49.4% increase.

Table 4.16: Human resource management

The researcher sought to establish how the respondents performed on Human Resource Management before and after training. Table 4.16 shows the respondents distribution on Human Resource Management.

Response	Frequency	Percentage	Cumulative	Frequency	Percentage	Cumulative	Percentage
	Before		Percentage	After		Percentage	Change
	Training			Training			
Excellent	31	10.3	10.3	68	22.5	22.5	+12.2
Good	28	9.3	19.6	146	48.3	70.8	+39
Fair	168	55.6	75.2	45	14.9	85.7	-40.7
Poor	75	24.5	100	43	14.2	100	-10.6
Total	302	100		302	100		

Results in Table 4.16 shows that majority of the respondents 75.6% were fairly conversant with Human Resource Management before training and 9.3% had a good performance before training.

After training, 48.3% indicated that they were had a good performance in Human Resource Management thus 39% increase compared to the performance before training.

Table 4.17: Business expansion and growth strategies

The researcher sought to establish how the respondents performed on Business Expansion and Growth Strategies before and after training. Table 4.17 shows the respondents' distribution on Business Expansion and Growth Strategies.

Response	Frequency	Percentage	Cumulative	Frequency	Percentage	Cumulative	Percentage
	Before		Percentage	After		Percentage	Change
	Training			Training			
Excellent	41	13.6	13.6	49	16.2	16.2	+2.6
Good	52	17.2	30.8	182	60.3	76.6	+43.1
Fair	94	31.1	61.9	54	17.9	94.4	-13.1
Poor	115	38.1	100	17	5.63	100	-32.5
Total	302	100		302	100		

Data in Table 4.17 shows that majority of the respondents 38.1% performed poorly on Business Expansion and Growth Strategies before training, 17.2% indicated that their performance was good and 13.6% had an excellent performance before training.

After training, 60.3% indicated that they were had a good performance in Business Expansion and Growth strategies thus 43.1% increase compared to the performance before training.

Table 4.18: Networking for business success

The researcher sought to establish how the respondents performed on Networking for Business Success before and after training. Table 4.18 shows the respondents' distribution on Networking for Business Success.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	26	8.6	8.6	43	14.2	14.2	+5.6
Good	61	20.2	28.8	175	57.9	72.1	+37.7
Fair	153	50.7	79.5	62	20.5	92.6	-30.2
Poor	62	20.5	100	22	7.3	100	-13.2
Total	302	100		302	100		

From the findings, the researcher found out that 50% of the respondents performed fairly on Networking for business success, 20.2% indicated a good performance and 8.6% had an excellent performance on Networking for Business Success.

After the training, 57.9% of the respondents indicated that their performance on Networking for business success was good.

Table 4.19: Record Keeping

The researcher sought to establish how the respondents performed on Record Keeping before and after training. Table 4.19 shows the respondents' distribution on Recording keeping before and after training.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	51	16.9	16.9	105	34.8	34.8	+17.9
Good	98	32.5	49.4	122	40.4	75.2	+7.9
Fair	93	30.8	80.2	46	15.2	90.4	-15.6
Poor	60	19.9	100	29	9.6	100	-10.3
Total	302	100		302	100		

From the results above, majority of the respondents 32.5% indicated that they had a good performance record keeping before training.

After the training, there was interestingly a high improvement on record keeping with 40.4% indicating that their performance was good.

Table 4.20: Management of cash, stock and credit

The researcher sought to establish how the respondents performed on management of cash, stock and credit before and after training. Table 4.20 shows the respondents' distribution on management of cash, stock and credit before and after training.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	61	20.2	20.2	181	59.9	59.9	+39.7
Good	64	21.2	41.4	76	25.2	85.1	+4
Fair	94	31.1	72.5	32	10.6	95.7	-20.5
Poor	83	27.5	100	13	4.3	100	-23.2
Total	302	100		302	100		

According to the results obtained, majority of the respondents 31.1% indicated that they were fairly conversant with management of cash, stock and credit before attending a training program while 20.2% performed excellently in management of cash, stock and credit before undergoing through training.

After the training, majority of the respondents 59.9% indicated that their performance on management of cash, stock and credit was excellent.

Table 4.21: Effective team management

The researcher sought to establish how the respondents performed on effective team management before and after training. Table 4.21 shows the respondents' distribution effective team management before and after training.

Response	Frequency Before Training	Percentage	Cumulative Percentage	Frequency After Training	Percentage	Cumulative Percentage	Percentage Change
Excellent	80	26.5	26.5	87	28.8	28.8	+2.3
Good	87	28.8	55.3	196	64.9	93.7	+36.1
Fair	74	24.5	79.8	16	5.3	99	-19.2
Poor	61	20.2	100	3	0.9	100	-19.3
Total	302	100		302	100		

Results in Table 4.21 show that before training, 28.8% of the respondents were practiced effective team management. However, 64.9% confirmed that they had a good and 28.8% excellent effective team management skills after training. This was 36.1% improvement after undergoing through training.

4.5.3 Determinants of business growth

The researcher sought to establish what the respondents' view on determinants of business growth in their SMES.

Table 4.22: Determinants of business growth

	Frequency	Percentage	Cumulative Percentage
Experience	57	18.9	18.9
Hard work	56	18.5	37.4
Level of skills	189	62.6	100
Total	302	100	

Table 4.22 shows that respondents' attributed 62.6% of their business growth to levels of skills. 18.9% attributed business growth to experience and 18.5% indicated that business growth is as a result of hard work.

4.5.4 Trend of growth in sales and profits after training

The study sought to find the rate of growth in sales and profits, increase in the number of new branches, increase in customer base, increase in the number of employees and increase in turnover in their SMES after the period after training.

Table 4.23: Trend of growth

	Frequency	Percentage	Cumulative Percentage
Fast Growing	238	78.8	78.8
Moderate	64	21.2	100
Declining	0	0	100
Total	302	100	

From table 4.23, it is clearly seen that training led to 78.8% fast growing trend in sales and profits, increase in the number of new branches, increase in customer base, increase in the number of employees and increase in turnover. 21.2 % indicated that their SMES experienced a moderate growth in their SMES after the training. It is interesting to note that none of the respondents indicated a decline in growth of sales and profits after the training.

4.6 Mode of training and business growth

The last objective of the study was to establish the influence of mode of training and business growth of SMES among youth driven initiatives in Nairobi County. The respondents were told to indicate the form of training that they undertook.

Table 4.24: Forms of training

	Frequency	Percentage	Cumulative Percentage
Degree	3	0.99	0.99
Diploma	17	5.63	6.62
Certificate	18	5.96	12.58
Seminars	61	20.2	32.78
Workshops	92	30.5	63.3
Apprenticeships	29	9.6	72.9
On Job Training	44	14.6	87.5
Business Incubation	33	10.9	98.4
Other	5	1.7	100
Total	302	100	

A majority of the respondents 30.5% indicated that they gained their entrepreneurial training from workshops, 20.2% attended seminars, 14.6% had an on job training, and 10.9% had attended business incubation.

4.6.1 Duration of entrepreneurial training

The researcher sought to establish the length of time that entrepreneurial training programs took.

Table 4.25: Duration of entrepreneurial training

	Frequency	Percentage	Cumulative Percentage
1-10 days	139	46.02	46.02
10 days -1 month	85	28.1	74.1
1month-12 months	58	19.2	93.3
Over 1 year	20	6.6	100
Total	302	100	

The study established that majority of the respondents 46.02% attended the entrepreneurial training within a period of 1-10 days, 19.2% attended the training in a

period between 1 month to 12 months and 6.6% attended entrepreneurial training in duration of more than 1 year.

4.7 Deficiencies in training programs

The researcher wanted to find out respondents' view on deficiencies in the training programs.

4.7.1 Follow up activity

The researcher sought to establish whether the trainers conducted a follow up program after the training.

Table 4.26: Follow up activity

	Frequency	Percentage	Cumulative Percentage
Yes	75	24.8	24.8
No	227	75.1	100
Total	302	100	

The findings in Table 4.26 shows that majority of the respondents 75.1% indicated that that there was no follow up activity after the training. Only 24.8% indicated that there was a follow up activity after the training.

4.7.2 Content of the follow up training

The respondents were asked what the follow up activity involved.

Table 4.27: Follow up activity contents

	Frequency	Percentage	Cumulative Percentage
How the training concepts influence on your business growth	60	80	80
Problems associated with business operations	15	20	100
Total	75	100	

From the findings, 80% of the respondents were asked how training concepts influenced business growth of SMES and 20% were asked to share the problems associated with business operations after the training.

4.7.3 Areas that were missing and should be included in the future training programs

The researcher sought to establish the respondents' recommendations on areas that were missing should be included in the future training programs.

Table 4.28: Areas to be included in future training programs

	Frequency	Percentage	Cumulative Percentage
Taxation	37	12.3	12.3
Crisis management	89	29.5	41.8
Loan procedures	77	25.5	67.3
Project planning and management	36	11.9	79.2
General Business management	63	20.9	100
Total	302	100	

Data displayed in Table 4.28 shows that 29.5% recommended that a topic on crisis management in business was missing and should be included in future training program.

25.5% indicated that a topic on Loan procedures was important and should therefore be included in the future training programs.

4.7.4 Appropriateness of the training program period

The researcher sought to determine whether the training period was appropriate.

Table 4.29: Appropriateness of the training period

	Frequency	Percentage	Cumulative Percentage
Yes	296	98.2	98.2
No	6	1.98	100
Total	302	100	

Majority of the respondents 92.8% felt that the training period was appropriate. 1.98% of the respondents indicated that the period was either too long or too short.

4.7.5 Cost of acquiring training

The respondents were asked to rate the rate/cost of acquiring entrepreneurial training.

Table 4.30: Cost of acquiring entrepreneurial training

	Frequency	Percentage	Cumulative Percentage
Expensive	19	6.3	6.3
Fair	188	62.3	68.6
Cheap	95	31.5	100
Total	302	100	

From the Table 4.30, 62.3% of the respondents rated the cost of acquiring entrepreneurial training as fair, 31.5% indicated that the rates were cheap and 6.3% said that the cost of acquiring training was expensive.

4.8 Improvement of entrepreneurial training programs

The study sought to find out the respondents' recommendation on improvement of entrepreneurial programs.

4.8.1 Strategies to help increase participation and enrolment in entrepreneurial training programs

The respondents were asked to indicate strategies that help increase participation and enrolment of entrepreneurial training programs.

Table 4.31: Strategies to help increase participation and enrolment in entrepreneurial training programs

	Frequency	Percentage	Cumulative Percentage
Lowering the cost of training	6	1.98	1.98
Make training more accessible	251	83.1	85.08
Use of more familiar languages	45	14.9	100
Total	302	100	

4.9 Challenges experienced in running SMES

The researcher sought to establish the challenges that respondents experienced in running their SMES.

Table 4.32: Challenges experienced in running SMES

	Frequency	Percentage	Cumulative Percentage
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Insufficient funds	176	58.3	58.3
Employees turnover	23	7.6	65.9
Competition	42	13.9	79.8
Increased operational costs	49	16.2	96
Bureaucratic government procedures	12	3.97	100
Total	302	100	

The findings above indicate that there were numerous challenges faced by the youth in running their SMES. 58.3% ranked insufficient funds as the biggest challenge faced by their SMES, 13.8% said that competition remained a challenge in running their SMES and 3.97% said that bureaucratic government procedures was also a challenge in running their SMES.

4.10 Inferential statistics

To evaluate the relationship between dependent and independent variables, correlation was done and presented. The correlations sought to determine the degree of interdependent variables and also show the degree of their association with the dependent variables separately. The results are summarized in Table 4.33.

Table 4.33: Summary of Correlations

		Creativity	Training Programs	Mode of Delivery	Business Growth of SMES
Creativity	Pearson Correlation	1	0.754**	0.797**	0.693**
	Sig. (2-tailed)		0	0	0
	N	302	302	302	302
Training Programs	Pearson Correlation	0.754**	1	0.682**	0.766**
	Sig. (2-tailed)	0		0	0
	N	302	302	302	302
Mode of Delivery	Pearson Correlation	0.797**	0.682**	1	0.763**
	Sig. (2-tailed)	0	0		0
	N	302	302	302	302
Business Growth of SMES	Pearson Correlation	0.693**	0.766**	0.763**	1
	Sig. (2-tailed)	0	0	0	
	N	302	302	302	302

Correlation is significant at 0.01 level (2-tailed).

The correlation summary in Table 4.33 indicates associations between the independent variables were significant at 95%-degree confidence level but much smaller in comparison to their associations with the dependent variables.

A correlation analysis to determine whether creativity influences business growth of SMES among youth driven initiatives in Nairobi County shows that a relationship exists ($r=0.693$, $\alpha=0.05$). Pearson's Product Moment Coefficient of correlation $r=0.693$ suggesting that a strong positive correlation exists between the two variables. This means that creativity has significant influence on business growth among SMES.

The study also sought to establish whether there existed a significant relationship between training programs and business growth of SMES. The correlation analysis shows that a relationship exists ($r=0.766$, $\alpha=0.05$). Pearson's Product Moment Coefficient of correlation $r=0.766$ suggesting that a strong positive correlation exists between the two variables. This means that training programs are of great influence on business growth among SMES.

Lastly, the study also sought to establish whether there existed a significant relationship between mode of delivery and business growth of SMES. The correlation analysis shows that a relationship exists ($r=0.763$, $\alpha=0.05$). Pearson's Product Moment Coefficient of correlation $r=0.763$ suggesting that a strong positive correlation exists between the two variables. This implies that mode of delivery is greatly significant to business growth among SMES.

It can therefore be concluded that all variables were significant to the study problem although their degrees of influence varied.

As cited in Wong and Hiew (2005), the correlation coefficient value (r) range from 0.10 to 0.29 is considered weak, 0.30 to 0.49 is considered medium and from 0.50 to 1 is considered strong.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, DISCUSSIONS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary of the findings from chapter four, discussions and also gives the conclusions and recommendations of the study based on the objectives of the study. The purpose of the study was to investigate the influence of entrepreneurial training on business growth of SMES among youth driven initiatives in Nairobi County-Kenya.

5.2 Summary of the findings

The objectives of the study were; to analyze how creativity influences business growth of SMES among youth driven initiatives in Nairobi County, to establish how training programs influence business growth of SMES among youth driven initiatives in Nairobi County and to assess how mode of delivery influences business growth of SMES in Nairobi County.

5.2.1 Influence of creativity and business growth of SMES among youth driven initiatives

The study revealed that the youth have been creative in a number of ways in order to make profits in the highly competitive market hence business growth. All the respondents in this study had embraced new ways of doing business. According to John Schumpeter, entrepreneurs should be creative and introduce new ways of doing business, marketing, production and service delivery (Schumpeter, 1942).

The findings above provided an answer to the first question on influence of creativity on business growth of SMES among Youth driven initiatives. This means that creativity positively influences on business growth of SMES by helping them retain customers, increase in sales and profits, and attract new customers with minimal additional costs.

5.2.2 Influence of the training programs on business growth of SMES among youth driven initiatives

The study established that training programs are a key aspect to business growth. This is because it creates awareness on enterprise development. Trained youths had highly benefited from the skills they were trained on. According to the study, youths who had undergone through a training program were able to manage their business finances. The findings agreed with Macharia and Wanjiru (1998) who argued that lack of proper management for business finances could lead to slow business growth.

The study revealed that most respondents had a poor or fair rating before undertaking training in most of the skills needed to efficiently run a business. Interestingly, majority of the respondents indicated that their management skills had significantly improved. In addition, 62.6% of the respondents attributed levels of skills to business growth. The study agrees with Ida (2010) who argued that in order to achieve increased business growth, entrepreneurial training puts great emphasis on critical thinking, improving cognitive abilities on the entrepreneur's creativity and opportunity recognition. Business growth and development are critical in growth and development of SMES.

The study established that majority of the respondents 98.1% indicated that the training period was enough. In addition, 62.3 % were comfortable with the training fee. The findings contradicted with the Global Entrepreneurship Monitor, GEM Report (2007) that found out that there is limited access to entrepreneurial education and training as well as its irrelevance.

5.2.3 Influence mode of delivery on business growth among youth driven initiatives

The study revealed that majority of the respondents 30.5% acquired their entrepreneurial training from workshops, 20.2% attended seminars, 14.5% learnt from on job training and 10.9% acquired their entrepreneurial training from business incubation. These findings are in have been supported by Fredrick (2007) who argued that through deepening learning in theory, practice and process of entrepreneurship, learners require active and pedagogical interventions. Mansor & Othaman (2011) also argued that vast methods of delivering entrepreneurship training have been recommended by studies

which lectures, team teaching, group assignments, field tours or visits, business plan, case study, problem based learning, presentations seminars or workshops, decision making exercises, attachments, internship, consulting assignments, actual running of a business, research etc. According to Kalamwati (2012), the appropriate methods to facilitate entrepreneurial training should include real-life activities.

The study established that majority of the respondents were trained for a period of 1 to 10 days. The study was in congruent with Mkala and Wanjau (2013) argued that using traditional methods such as lectures to train entrepreneurs merely results in a knowledgeable person as the methods lack initiative for application.

5.3 Discussion of the findings

The discussion about the findings of the study will be stated here to determine whether the objectives were met. The study will highlight on creativity, training programs and mode of delivery and whether they influence business growth of SMES among youth driven initiatives.

5.3.1 Influence of creativity on business growth of SMES among youth driven initiatives

Regarding the influence of creativity on business growth of SMES among youth owned enterprises, the study revealed that embracing new ways of doing business, introduction of quality inputs and raw materials and introduction of new payment methods influences business growth of SMES among youth driven initiatives.

These findings concurred with Drucker (1985) who argued that the entrepreneur does not need to show any particular trait of personality and entrepreneurship is not an economic end in itself rather he needs only a self-commitment on creativity and innovation in order to achieve business growth of their enterprises. The researcher therefore concludes that creativity influences business growth of SMEs among youth driven initiatives.

5.3.2 Influence of training programs on business growth of SMES among youth driven initiatives

Regarding the influence of training programs on business growth of SMES among youth driven initiatives, study revealed that the entrepreneurs performed poorly before the training but highly improved on their performances in different aspects which include, financial management, pricing and costing, record keeping etc after the training.

These results are in agreement with the conclusions made by Siekei, Wagoki & Kalio (2013) where they concluded that training programs led to significant improvement in financial performance of SMEs. The researcher therefore concludes that training programmes influences business growth of SMEs among youth driven initiatives.

5.3.3 Influence of mode of delivery on business growth of SMES among youth driven initiatives

The study revealed that workshops and seminars were highly effective forms of delivery during entrepreneurial training. The results agreed with Pretorius (2001) who developed a model which considers not only the content of entrepreneurial education programmes but also the context wherein such programmes are operated by the facilitators and the approaches that they use. The researcher therefore concludes that mode of delivery influences business growth of SMEs among youth driven initiatives.

5.4 Conclusion of the study

The study hypotheses sought by this study were validated by the findings. The null hypotheses were thus rejected. This meant that the independent variables influence business growth of SMES among youth driven initiatives in Nairobi County, Kenya. The findings were consistent with literature findings by World Economic Forum (2009) which stated that entrepreneurial training was essential for skills development, attitudes and behaviors necessary to create jobs, generate economic growth, advance human welfare and stimulate innovation to address youth related economic challenges of the 21st century as this would be a catalyst for economic development.

The researcher sought to find out how creativity influenced business growth of SMES among youth driven initiatives. The correlation summary analysis indicates that the relationship between independent variables were significant at 95% confidence level but smaller in comparison to their relationship with dependent variables. This indicated that the independent variables were strong enough to affect the relationship with the dependent variables.

The study sought to determine whether there existed a significant relationship between creativity and business growth of SMES among youth driven initiatives. The correlation analysis shows a very strong relationship exists between the two variables. This implies that creativity is of great importance to business growth of SMES among youth driven initiatives.

The correlation analysis to determine whether there was a significant relationship between training programs and business growth shows that a very strong relationship exists between the two variables. This implies that accessibility to training programs should be increases and any barriers to access training should be eradicated.

Finally, a correlation analysis to determine whether mode of delivery influences business growth of SMES among youth driven initiatives found out that a strong relationship between the two variables.

5.5 Recommendations

The recommendations made are confined to the influence of entrepreneurial training on business growth of SMES among youth driven initiatives. Based on the findings of this study and the conclusion made, the study makes the following recommendations:

1. There is need to provide intervention to improve the performance of young people's enterprises through provision of funds by widening access to credit to enhance the capacity of these enterprises to provide jobs for young people.
2. The Ministry of Youth Affairs and sports in collaboration with the Ministry of Education should develop and implement a comprehensive curriculum on entrepreneurship education and training which should be integrated at all levels

from nursery to university, so as to build a strong entrepreneurial culture early enough in our youths.

3. The researcher recommends that there should be a well laid procedure on follow up process after the training so as to ensure that the youth have maximum benefit from the training programs.

5.6 Suggestions for further study

1. This researcher takes exception to the fact that the study was conducted in Nairobi County. The researcher therefore suggests that the study be conducted in a rural area, or in the whole of the country to determine the influence of entrepreneurial training on business growth of SMES among youth owned initiatives.
2. The researcher suggests that a study should be conducted on the role of trainers in entrepreneurial training on business growth of SMES among youth driven initiatives.
3. The researcher further suggests that a study on the analysis of factors affecting business growth of SMES among youth driven initiatives under the devolved systems of government in Kenya.

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APPENDICIES

Appendix I:Letter of introduction

KAMAU MARY NDUTA

UNIVERSITY OF NAIROBI,

NAIROBI EXTRA-MURAL CENTER,

EMAIL: tmarian2013@gmail.com

Dear Sir/ Madam,

REF: REQUEST FOR DATA COLLECTION

I am Mary Nduta Kamau, an M.A (Project Planning and Management) student of the University of Nairobi registration number L50/71998/2014. I am conducting a study to investigate the influence of entrepreneurial training on business growth of SMES among youth driven Initiatives in Nairobi County.

To facilitate this exercise, you have been randomly selected as a participant in this study.

You are kindly requested to participate in answering the questionnaire. Please be assured that any information obtained will be treated with utmost confidentiality and will be used only for the purpose of this study. I therefore request that you may answer all the questions with utmost honesty.

Thank you.

Yours faithfully,

Kamau Mary Nduta.

Appendix II: Research questionnaire for youth entrepreneurs

This questionnaire is intended to gather general information on the influence of entrepreneurial training on business growth of SMES among youth driven Initiatives in Nairobi County. The questionnaire has two sections. Kindly respond to all question items honestly. Your response will be kept strictly confidential. Please tick (✓) in the appropriate box or write answers in the space provided. Your assistance and cooperation will be highly appropriate.

Appendix

Questionnaire for the study on Influence of Entrepreneurial Training on Business Growth of Small and Medium Enterprises among Youth Driven Initiatives in Nairobi County.

Note: Please tick where applicable

Section A: Demographic data

- (i) Gender Male () Female ()
- (ii) Name of the business (optional)
- (iii) Year when the business started it's operations
- (iv) Location of the business
- (v) Year when you attended an entrepreneurial training program
- (vi) Highest level of education attained
Degree () Diploma () Certificate () Secondary () Other ()
If others, kindly explain;
- (vii) Position held in business:
Owner () Manager () Employee () Family member ()

(viii) How many employees are there in your business

0-19 () 20- 39 () 40- 59 () 60-79 () 80-99 () Above 100 ()

Section B: Creativity and Business growth

1. Have you embraced new ways of doing business?

Yes () No ()

Please indicate the extent to which various creativeness and innovations have influenced growth of your business. Indicate the extent to which you agree with the forms of creativity and innovations provided by using the scale: 5-Strongly Agree 4- Agree 3- Neutral 2- Disagree 1- Strongly disagree.

	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
1. Introduction of new products and services has led to business growth.					
2. Introduction of quality inputs and raw materials has led to increase in sales and profits.					
3. Introduction of new methods of payment like Mpesa (Buy goods/ Pay bill) by customers has led to business growth.					
4. Improvements on existing goods and services have led to business growth.					
5. New and improved methods of production have led to improved quality of products.					

6. Introduction of new channels of distribution for goods and services has led to increased productivity.					
7. Introduction of improved modes of communication with customers has led to business growth.					
8. An improvement on service delivery to customers has led to business growth.					
9. Introduction of new marketing strategies e.g. social media advertisement has led to increased growth					
10. New technologies inform of machines and equipments have led to an increased sales and profits.					

11. What are the factors that hinder the introduction of new ways of doing business?

- a) Lack of skilled personnel ()
- b) Low business growth ()
- c) Limited capital base ()
- d) Adoption of new technology has not been fully realized ()

Any other reason? Specify

12. Mention any new ways of doing things that you have introduced in your business

.....

.....

.....

Section C: Entrepreneurial training and business growth

13. Where did you undertake entrepreneurial programs training?

- a) Financial Institution ()
- b) NGO ()
- c) YEDF ()
- d) Academic Institution ()
- e) Other ()

14. In reference to the table below, rate the performance of your business in respect to the areas listed, before and after the training program was undertaken.

Note: 4- Excellent 3-Good 2-Fair 1 -Poor

Area of training/topic	Before training				After training			
	1	2	3	4	1	2	3	4
Business management overview								
Financial Management								
Costing and pricing of products and services								
Quality Improvement and management								
Marketing of products and services								
Human Resources Management								
Business Expansion and growth strategies								
Networking for business success								
Record Keeping								
Management of cash, stock and credit								
Effective team management								

15. What do you think determines business growth of your business?

Experience () Hard work () Level of skill ()

16. How would you rate the trend of growth in sales and profits in your business in the period after the training?

Declining () Moderate () Fast growing ()

Section D: Mode of training and business growth

17. Please indicate the forms of training in entrepreneurship that you have attended.

- a) Degree ()
- b) Diploma ()
- c) Certificate ()
- d) Seminars ()
- e) Apprenticeship ()
- f) On job training ()
- g) Business incubation ()
- h) Other ()

If other, please specify

18. In reference to question 19 above, how long did the entrepreneurial training last?

- a) 1-10 days ()
- b) 10 days- 1 month ()
- c) 1 month- 12 months ()
- d) Over 1 year ()

Section E: Deficiencies in training programs

19. Did the training provider conduct a follow-up activity after training?

Yes () No ()

If yes, briefly explain what exactly the exercise involved

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

20. Which areas/ topics do you feel were missing and should be included in the future training?

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

21. Was the duration of the training program attended reasonable? Yes () No ()

22. In your opinion, how would you rate the cost of acquiring/pursuing entrepreneurial training?

Expensive () Fair () Cheap ()

Section F: improvement of entrepreneurial training programs

23. In your opinion, which among the strategies can help increase participation and enrolment of entrepreneurs into training programs?

Lowering the cost of training ()

Making training programs more accessible ()

Use of familiar language ()

24. In your opinion, what do you think can be done to improve entrepreneurial training programs you previously undertook?

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

25. What are the challenges do you experience while running your business?

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

THANK YOU FOR YOUR COOPERATION.

Appendix III: Table for determining sample size for a given population

Table for Determining Sample Size for a Given Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: "N" is population size
 "S" is sample size.

Source: Krejcie & Morgan, 1970