Factors influencing performance of projects funded by the youth enterprise development fund among beneficiary youth groups in Nakuru Central District

Abstract:
Young people aged 15-30 who form the bulk of the world population and 61% of the total workforce ironically remain worst affected by unemployment. To this end the government has committed resources in an attempt to alleviate this. Among the efforts by the Kenyan government is the Youth Enterprise Development Fund established in the year 2006. The fund which has over the period disbursed 1.75 billion to over 600 youth groups has elicited much attention and mixed results in terms of performance of the projects initiated. This study therefore sought to investigate this by studying the role of three factors, project planning, and project control and project team management in influencing the performance of the enterprise development projects initiated by the groups that received the funding during the financial period 2008-2009. The study limited itself to groups funded through the Constituency Youth Enterprise Scheme in Nakuru Central district. This descriptive survey study sampled 20 beneficiary youth groups to whom a questionnaire was administered. The questionnaire had been piloted in the neighboring Rongai district among similar groups. The data collected was summarized using the Statistical Package for Social Sciences and analysis done using the same package to produce frequencies and calculate correlations used to present the findings. The results from the study indicate that the project planning factors such as work plan development, market/competitor analysis and project role identification influence the performance of projects favorably. Record keeping and reporting were also correlated strongly with project performance while the skills level of project team, setting targets and involvement in decision making are strongly related to improved project performance. The study also revealed that a lot of the funded groups did not develop work plans and those that did failed to stick to them choosing to instead divert the funds to other businesses. The study thus recommends the setting up of oversight structures to improve on funds management, monitoring and control and the building of capacity of the beneficiary groups.