# Entrepreneurial Factors Influencing the Performance of Government Funded Youth Group Enterprises in Turbo Sub-County Uasin Gishu County - Kenya

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people Abstract—Kenyan's experience young unemployment and scarcity of job opportunities due to increased influx of new graduates from Universities and other learning institutions. One of government's initiatives to boost youths economically was by funding youth group enterprises through the program called Youth Enterprise Development Funds (YEDF) and Uwezo fund. In Uasin Gishu it is reported that youth unemployment remains to be high with more than 600,000 youths unemployed compared to other counties. The study was guided by four objectives; establish the influence of group leadership on the performance of government funded youth determine enterprises; the contribution Entrepreneurship skills on the performance of government funded youth group enterprises; find out the role of entrepreneurial resources on the performance of government funded youth group enterprises and find out the role of entrepreneurial vision on the performance of government funded youth group enterprises Turbo Sub-County Uasin Gishu County. The study adopted a descriptive survey research design; used stratified random and random sampling to get respondents for the study. Simple and multiple linear regressions was used to show independent variables related to dependent (performance of group enterprises). From the study it was found out that though majority of youth group enterprises 77.7% are not doing well in terms of performance. It was found out that most of government fund beneficiaries do not have some of important skills such as entrepreneurial skills and entrepreneurial vision necessary for good business performance.

Keywords— Entrepreneurial skills, Entrepreneurial vision, Enterprises performance, Government fundsand Leadership skills.

#### I. INTRODUCTION

Youth economic empowerment in Kenya and other parts of the world continues to experience a lot of challenges despite a number of national and international initiatives creating employment opportunities for the young graduates in order to participate fully in economic development of the nation. High percentage of the unemployed youths consists of fresh graduates from secondary schools, colleges and high learning institutions. In Kenya the challenge of unemployment has been growing for some times now with youths being the most affected group with unemployment standing at 67% of unemployment rate in Kenya. The Youth Enterprise Development Fund was Government's initiative established in December 2006 with a mission to increase economic opportunities and engagement of youths in building the nation through different enterprises ranging from Matatu, Bodaboda businesses, farming, Mutumba business, Jua Kali among others. ILO has reported that the world unemployment has remained almost constant at an average of 6.0 % over the six-year period between 2009 and 2015.

It also reported that in 2015, the world unemployment reached 197million approaching 1 million more than in 2014 and 27 million higher than in pre-crisis level. The major increase in unemployment happened to occur in emerging and developing countries, (ILO Report 2015). According to World Bank group 2016 in Kenya youth unemployed stood at 17.4 % in 2014 from 17.1 in 2011. As world population increases unemployment increases to at

even a higher rate compared to population.

As a way of eliminating the issue of unemployment/underemployment in Africa, case study of South Africa, the Umsobomvu Youth Fund (UYF) was put in place and utilized by the South African government to ease and promote jobs creation, skills development and transforming young South African's youths between the ages of 18 and 35 years.

By use of the funds provided by the government, project implementers started a mandatory training programme to enhance sustainability of youth enterprises before financing youths. However, the funded projects still were faced with challenges which resulted to poor performances of these projects that over time rendered many youths unemployed again. As seen in South Africa, most of African countries face the same challenges of failed projects but causes for these challenges are not yet clear, nor is it possible to tell at application stage or when implementation is being done that projects will fail to meet the intended purpose.

The scenario is not different in Kenya where unemployment is everybody's concern ranging from children, youths and even the old not forgetting the government that bears a huge burden of youth unemployment. Unemployment has been growing over years with the youths being the main casualties with unemployment rate of 67% (Kane, 2014). Immediately Kenya attained independence in 1963, the Government identified poverty, healthy and unemployment as related challenges facing the country and therefore promised to fight the challenge best way they could through provision of higher learning institutions and making technical institutions also available to all Kenyan. All these efforts were geared towards ensuring that thousands of youth complete education and secure white collar jobs

while others opting for self-employment-entrepreneurship. More than 50 years since independence most of young people are still unable to secure employment. Learning institutions have greatly increased in numbers, each year so many graduates are released from these learning institutions to already flooded job market. Though some of youths opt for self-employment after their O-level, A-level and some higher learning institutions, many who have entrepreneurial ideas face a number of challenges such as; lack of starting capitals, lack of work sites and market for their finished products and services.

In Kenya the government has continued to place the concerns of its youths at the heart of the development agenda and has initiated a number of initiatives towards addressing their needs. The Youth Enterprise Development Fund was one the Government's initiative started in the year

December 2006 with a mission to increase economic opportunities for young people by funding young entrepreneurs either as individuals or as groups. The youth Enterprise Development Fund (YEDF) was a one of the major component of the marshal plan of the Ministry of Youth Affairs and Sports geared towards creating employment opportunities for the Kenyan youth as well as one of the flagship projects of the social pillar of Vision 2030. The YEDF and latest Uwezo fund in 2013 was established in order to have youths engaged in the nation building since most of them were unemployed (YEDF guide, 2009). Currently the fund is not increasing access to capital by young entrepreneurs only but also it is providing business development services, facilitates linkages in supply chains, create market from within and outside the country for products and services of youth enterprises and facilitates creation of infrastructures in support of youth enterprises.

By September 2011 the Programme had disbursed loans worth kshs.5.9billion to 158,000 youth enterprises. Out of which Kshs.615million had been advanced to 13,341 group projects while kshs.66 million had been disbursed to 2645 individual enterprises at the constituency level, (YEDF Status Report 30th September 2011).

The Programme has further trained over 200,000 youth in entrepreneurship, assisted 1,800 to market their products and services, supported 1,800 youth enterprises to market their products through trade fairs both locally and internationally and 32 youth enterprises have been assisted to exhibit their products in other countries such as Tanzania, Egypt and Rwanda. In return their exhibition and marketing strategies had helped them to record a booming business and made useful business contacts for further growth, (YEDF Status Report 30th September 2011).

Through the financial intermediaries the Fund has financed 141,552 groups and individual enterprises to the tune of Kshs.5.2 billion (status report, 2007-2012). According to YEDF website (June 2014), it was reported that funds had financed over 157,000 youth enterprises with funds amounting to KES 5.9 billion, trained over 200,000 young entrepreneurs and helped create over 300,000 jobs in the five years (YEDF report June 2014)

#### 1.2 Statement of the Problem

Entrepreneurship and the small business start-ups have become more vital in predicting the economic changes in every nation. Youth Enterprise Development Fund was established in December, 2006 in order to create economic engagements for the youths most of whom are unemployed. The aim of YEDF was to make loan facilities available to young entrepreneurs with operational business enterprises

or entrepreneurial ideas but they didn't have start up capitals. Enterprise development was a key strategy that could increase economic opportunities for many youths that are unemployed in order to participate in nation building. The idea for the government to fund youth group enterprises was well received when it was first officially launched in Feb, 2007 and in Sept 2013 for Uwezo Fund. It was perceived that funds will boost many youth group enterprises in terms of start-up capital, operating capital and even for expansion thus creating more job opportunities for other unemployed youths. However, plan by Government to reduce youth unemployment through Youth Enterprise Development Fund and Uwezo fund seems to show insignificant impact on youth unemployment status due to poor performance of the government funded youth group enterprises. Kenyan youth accounts for 35% of total population surprisingly out of 40% general unemployment population, youths account for67%. In Uasin Gishu it's reported that youth unemployment remains to be high compared to other counties with more than 600,000 youths unemployed.

Therefore, the study focused on factors that were contributing to failure and poor performance of government funded youth group enterprises. Since the fund mandate was not only to increase capital access to young entrepreneurs but also to provide business development services, facilitate linkages in supply chains, create market opportunities locally and abroad for products and services belonging to youth enterprises.

Studies carried out in Kenya show that government microcredit programmes perform poorly in terms of loan repayment and that there's high default rates (Chemwa2015). National loan through YEDF for the youths by the Government to curb unemployment seems to have failed to bear fruits due to poor performance of already established and funded youth group enterprises. Majority of the youths are yet to see the benefits of the programme due its short life span-projects.

Hence, the overall research problem to be addressed in this study was; to understand the reason behind increased non-performance of government funded youth group enterprises which in the process have failed to create purported job opportunities. Though several studies have been done on YEDF since its introduction in 2007, very little has been covered to understand what has been contributing towards poor performance of funded youth group enterprises. Majority of studies such as: Makau (2010); Maina (2013); Kanyari and Namusonge (2013); Oyare (2012); Kemboi (2015); Mugira (2012) just but a few have been on Funds

disbursement, loan repayment, impact of YEDF on youth enterprises and so forth. It was therefore for this reason that this study intended to find out some of entrepreneurial factors influencing the performance of government funded youth group enterprises in Turbo Sub County Uasin Gishu County. As an effort towards improving performance of government funded youth group enterprises, and keeping youths economically sustainable.

#### II. LITERATURE REVIEW

### 2.1 Government youth funded Enterprises

In Britain, just like here in Kenya they had a government funded youth group enterprise called the Prince's Trust Enterprise Programme which was for people who had a business ideas and they want help to explore those ideas. The programme targeted young people aged 18-30 years, unemployed or working less than 16 hours per week. Services provided by the programme included; Advice on employment options, business skills training, business planning support, start-up loan funding, support from business mentors who volunteered themselves in supporting young people, access to specialist support, including free legal services and, if one wanted to start a business could access to a wide range of free and discounted products and services, (Mburu, 2012).

In South Africa, the National Youth Development Agency (NYDA) established in 2011 was to empower young people. It outlined its mandate which included; advancing youth development through guidance and support of initiatives across sectors of society and of government, embarking on initiatives that seek to advance the economic development of young people; empowering and working closely with others for implementation of the Integrated Youth Development Plan and Strategy for the country. Through NYDA activities many young people of South Africa were propelled to reach their personal goals and develop their full capacity. Through this government initiative numerous young people have been assisted since the NYDA came into existence. Major responsibility of NYDA was disbursing loans to microfinance enterprises, disbursing Small and Medium Enterprise loans, disbursing Business Services such as consultancy and engaging youth under the National Youth Service Programme (Government of S.A, 2012).

In Kenya, the YEDF loan targets all forms of youth owned enterprises whether as an individual, companies, groups or cooperatives. Loans are accessible to any youth owned enterprise operating within the district Government of Kenya (2011). A second component of YEDF is the

Constituency Youth Enterprise Scheme (C-YES) that funds business Enterprises for youth groups in all constituencies. The Divisional Youth Enterprise Development Fund Committees (DYEDFC) has been formed to identify and effectively recommend viable youth group enterprises for loans

According to YEDF policies; the group can only be legible for loan if members of the group are aged 18 to 35 years. However, in case of mixed group it is expected that at least 70% of the members should be aged 18 to 35 years and 100% of group leaders within the preferred age bracket. The group should be registered with the Department of Social Services or the registrar of societies and be at least three (3) months old before applying for the loan; the group must be physically operating within the Constituency, the group must be undertaking or proposing to carry out business oriented activity and operating an active bank account. Through this government initiated programme, youths have managed to start and sustain viable projects/businesses, and achieve financial independence and stability to some areas. However, Kenya needs long term strategies for Government funded youth group enterprises in order to achieve economic stability among youth through good performing and sustainable projects.

## 2.2. Group Leadership

Peter Drucker argues that the essence of leadership is influence; Peter says leadership could broadly be defined as "the art of mobilizing others who are struggling for shared aspirations/goal/objective. But, it can also be argued that influence, mobilization and strive is of little importance in an organizational/business setting unless it ultimately produces an outcome in line with the shared aspiration for leadership to be said it's successful (Drucker, 1985).

Leadership is a very crucial element in any entrepreneurial venture since it determines the end result for each project. We all have seen this in many organizations that have strong leadership have been able to achieve so much within a certain time frame. Creating results in a current, unpredictable and increasingly competitive world need a very distinctive kind of leadership that is different from traditional way of doing things. While leaders in the past managed complex organizations, then it was in a world of relative stability and predictability.

With world globalization most organizations are trying to adjust to rapidly changing environments and leaders face new and unique challenges. According to Reger working in flexible contexts and connected by real-time communication, increasingly employees' free movement has become the critical resource of their organizations

(Reger, 2001).

Therefore, what we need are leaders who simultaneously be agents of change and centers of gravity. i.e keep internal focus and influence others and organization to adapt to change and be successful, while at the same time never giving up of the customer focus and external perspective (Alimo,1998). According to Furnham, he asserts that the suitable measurement results from quality leadership is effectiveness; reflecting the leader's ability to produce desired results in achieving organizational objectives, goals and subordinates needs in their job (Furnham, 2002). Thus, to measure performance of government funded youth group enterprises in the current study was to establish how leadership influences the performance of government funded youth group enterprises. A project is a shorter time-limited activity with a specific objective, planned and agreed budget that should lead to measurable beneficial impacts. This assumes that the organization can control all the components. Projects are most suitable when considering physical infrastructure, least suitable when seeking complex changes involving human beings (Mburu, 2012).

Development projects and programs usually include several actors: development agencies, non-governmental organizations (NGOs) and governments (including government agencies at national and local levels and individuals they intend to serve. The effectiveness of any development project or program depends on the cooperation of these actors led by project leadership.

Government agencies obtain resources (development assistance or aid) through fundraising, from the state, and multilateral or bilateral donor agencies and provide services in exchange. As such they are involved in explicit or implicit contracts in which their output must measure up in some way to what they have received. Proper planning on roles and responsibilities of the individuals in an organization to agreed standards; taking action for which an organization is responsible, and evaluating that action is key to the success of and business enterprise.

According to Boella as cited in Mburu (2012) term organization in some occasion refers to as broad coordinative entity with various models existence, from bureaucratic system based on norms to competitive system based on market (Mburu, 2012). Chester Barnard says an organization get established when certain conditions are obtained: when people are able and willing to communicate with one another, do what they can and contribute to action and willing to accomplish a common purpose (Chester, 1938).

Leadership is a part of planning, because it clarifies on what to be put in a good business plan and how to execute it. It's part of organizing, because it takes the first lead, staffing, it specifies who will be a staff and the rational placement; directing, because it gives it a clear focus; reporting, because it makes it realistic and finally coordination is part of budgeting, because it gives it a good appraisal (Gulick &Urwirck 1957).

H<sub>O1</sub>:stated that there is no statistical significant effect of leadership skills on the performance of government

### 2.3 Entrepreneurship Skills

The Government of Kenya appreciate and recognize that one having entrepreneurial skills is key to the growth and progress of any business enterprise, (Republic of Kenya, 2005). Skilled entrepreneurs have all it takes to go after their dreams and reach their main goals. They have a way of surviving the tough situations unlike those who have totally no experience or lack important skills such as managerial, accounting, negotiation and customer relationship skills. Most successful entrepreneurs exhibit the following entrepreneur skills; are passionate, obsessive and ready to sacrifice their time in order to make their business opportunity work with a strong vision, (Rasmussen & Sorheim, 2006). Their determination to succeed is due to their strong will, therefore things like setbacks and risks do not discourage them and they are relentless in their pursuit of goals.

According to Rasmussen being a risk taker is a natural trait. He continues to argue that successful entrepreneurs are attracted to challenges and approach risks cautiously. Their common sense works more for them and this makes them cautious around the tough moments in their business. Their willingness to persevere helps them against the odds since they're passionate about their venture and their sheer belief or even a conviction about an action is an entrepreneurial skill that helps most entrepreneurs to survive (Rasmussen & Sorheim, 2006).

According to Hisrich, there is valid evidence that entrepreneurs tend to have entrepreneurial parents or mentors. Having a parent who is self-employed provides a strong aspiration for the entrepreneur. The independence and flexibility of self-employment is cultivated among future entrepreneurs at an early age. Entrepreneurial parent often enforces the feeling of independence, achievement, responsibility and personal accountability for success. This helpful relationship of the parent appears to be the most important for entrepreneurs (Hisrich, et.al, 2005). Education is looked upon as a major instrument of socio-economic transformation. However, the influence of training on

entrepreneurial skills, especially in Kenya has not been adequately addressed in the literature. There's also a missing link on whether youth owned small scale businesses have the necessary education to run business. For micro and small enterprises to be successful; owner or manager must have appropriate skills and abilities to manage them (Okpara and Wynn, 2007).

Hence, it's very important for entrepreneurs to develop all necessary skills required for setting up businesses and running them effectively so that the key objective of having young youth empowered is realized in our Country. To succeed in a more competitive market like the one we have today, as an entrepreneur one need to possess a number of entrepreneurial skills. An entrepreneur is expected to have basic skills necessary to start, grow, finance and market his/her own business. Entrepreneurial skills compare favorably with the basic skills required for starting, developing, financing and selling business enterprise as opinioned by (Lyve, 2005).

Akintoye (2008) argues that accounting skill is vital for successful entrepreneurial and small business development. This is because the inability manage accounting system would interfere with business monitoring, reporting, and performance evaluation systems that are essential to the business survival. In most cases small businesses have failed for ignoring these vital skills. Accounting skills range from record keeping, giving financial advices financial management and reporting that are needed for effective decision making, performance evaluation and business reporting of any business enterprise (Akande, 2010).

According to Tsvetanka (2010); Customer care skills are important in the performance of enterprises. As an entrepreneur, there's need to treat the clients respectively irrespective of how they look like. Clients whether they consciously or not, they always know the value of their money and will always want to know that they are being treated with the dignity and respect they deserve. She says clients always expect to have undivided attention. Therefore, delivering full attention and also on top of that showing the clients that you are attentively listening to customers help one to have repeated business and possibly referrals from satisfied customers. Listening carefully and giving customers all your attention absolutely flatters them. The clients will want to go back where they are treated with respect, (Tsvetanka, 2010).

Being customer oriented is an entrepreneurial skill that helps entrepreneurs to satisfy the needs of their customers. An entrepreneur must be customer focused in order to grow his/her business and therefore it is they who decide if the

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business will boom or go bust. It's always easy to keep your regular customers happy rather than trying to win new customers. Thus there's a need to clearly state what your clients should expect from you as service provider. If your clients have the wrong perception of what you can and are offering them, it might be a challenge to turn them into repetitive business. Communication skills on the other hand help entrepreneurs to master the efforts and abilities contributed by their team members. Mediating and handling customer complains for the company requires immense skills and diplomacy (Gakure, 2001).

Another important skill needed in business if it has to be learned according to Meager is how to delegate. It is known that small entrepreneurs in most cases do not know how to delegate since they believe that nobody can do better than themselves. Delegation is the hardest thing for most of the small enterprises owners. A times it doesn't matter how the business grows, how many new qualified employees are hired, if the owner does not like to trust and delegate to others with time the business will come down crumbling since he/ she will be overwhelmed and therefore unable to handle everything to get business running as expected. Delegation is a skill that is very important for business success and for a healthy work life balance for any business person. One person cannot do everything that needs to be done as he/she will get so busy and work will take over his/her personal life which causes personal unhappiness, stress and other problems (Meager, 2011).

Some products or services require specialist skills to produce i.e. Hand-made jewelry or greeting cards may require someone with particular skills to make them. And in a case where finished products are purchased from manufacturers, people within your business who deal directly with customers still need to have adequate product knowledge in order to serve customers competently and according to their varied needs depending on the complexity of what the firm is delivering (Shaw, 2012).

Marketing skills is another very important skill which can lead to success or failure of a business. Marketing consists of all profitable human activities undertaken by the firm in order

to create goods and services needed by customers. Sales and marketing skills will keep the entrepreneur informed, knowledgeable and confident enough to determine the most efficient method of physical distribution of goods and services (Msoka, 2013).

Ezeani says, some of the important sales and marketing skills which the entrepreneur should possess include: knowledge of goods fluctuation on the market; ability to know progression in products sales, ability to know progression in products sales, ability to determine customer's need and shortage of such goods; advertising firms; ability to understand and interpret factors which show the extent of and strength of competition; ability to determine availability of raw materials for product and shortage of finished goods (Ezeani, 2012).

Selling ideas and knowledge of their products is an entrepreneurial skill that cannot be under estimated; appealing presentations, selling strategies whenever there is a need and determining sales quotas correctly are tasks that entrepreneurs must be able to acquire.

Furthering this, Akande, (2011) states that entrepreneurial skills are qualities or attributes required for an entrepreneur to set up and successfully run a business in a competitive environment. This study will look at the entrepreneurial skills and knowledge that youth possess or need to have for the success of their businesses.

(Ho<sub>2</sub>) stated that There is no statistical significant effect on entrepreneurial skill on the performance of the government

#### 2.4 Entrepreneurial Resources

As in any system overall performance is limited by some elements especially with limited supply of resources. When we talk of Entrepreneurial resources we do not refer to financial resources only but here we have other vital resources that include; Human, intellectual and social capital. Human capital is the prerequisite for development, therefore raising its quality and productivity is a very important factor for increasing economic growth and reducing poverty levels. Ding and Li (2010) states human capital includes various skills, knowledge and employees' ability for the sustainable development of the business. Human capital is recognized as a main ingredient of intellectual capital (Choo and Bontis, 2002).

Human capital refers to source of creativeness and strategic renewal of employees, therefore human capital is the fundamental source of organization to create wealth (Bontis, 1998).Bontis who also discusses customer capital as part of human capital; defines customer capital as the knowledge embedded in the marketing channels and customer relations, it is based on marketing ability, customer loyalty, customer relationship and customer satisfactions, customer capital is also an essential component of intellectual capital (Amiri et al., 2010).

Ramezan (2011) states that intellectual capital is based on individual knowledge, therefore intellectual capital at the heart of organization capabilities. Organizations need to make use of all their resources; tangible as well as intangible assets to gains competitive advantage.

Intellectual capital is highly recognized as a success factor not only in knowledge intensive enterprises but also for other small organizations such as groups (Ramezan, 2011). Goshal, (1998) stated that organizations that possess high social capital can take more competitive advantage compared to those that do not. Social capital can be defined as sum of both current and potential resources incorporated in or derived from the connection of relations possessed by an individual or social unity (Ghoshal, 1998). Differently defined social capital is the glue that holds societies together, therefore it can be emphasized that social capital are benefits of human connections based on confidence and personal relations (Cohen and Prusak, 2001).

Though it is argued that without social capital innovation, sharing of knowledge and productivity can be dramatically reduced in organization. It's clear from the literature that social capital is very important and it include relationship, attitudes and value that manage interactions of people and contribute to economic and social development in a society. Ho3: There is no statistical significant effect of Entrepreneurial resourceon the performance of government

#### 2.5 Entrepreneurial Vision

Being strategy planners, entrepreneurs always hire the best people to help them in realization of their vision. Delegation helps entrepreneurs to concentrate on their main objective of growth and sustenance when they delegate. Serving as a member of the top management entrepreneurs must have the ability to coordinate all the sections of the business and become a generalist.

Vision is generally seen as a picture about the future. It is a picture of excellence that the person, group or organization wants to create in its best possible future. Vision is used to guide and sustain corporate existence. According to Joachim (2010) vision is viewed as a mental picture of a compelling future situation since it originates from creative imagination, it is an act of creating mental images or sort of foresightedness (Joachim, 2010).

Many times the entrepreneurs and initial brand are the same. Visionary entrepreneur sells everyone their vision about the future. They sell their employees, customers, prospects suppliers, alliances, partners, bankers and anyone else remotely that they feel will help them to achieve their visions, (Tyler, 2011).

In order for group vision to be fruitful, there's need for members to understand basic ideas about future, goals to be achieved, dominant factors and the impacts that will be created on an environment different from past environment. Clear vision is particularly important to reveal new factors and new connections in the environment. According to Lipton (2003), vision is an essential ingredient in the success of any company because it provides the driving force that can get a company through the growing pains it will have to encounter. It is a basic "shape" of the company future; it expresses optimism, and hope about possibilities regarding the desired future (Lipton, 2003).

Vision tells the Company about the future and suggests how they should change, where they will get and how it will be in future. Vision acts as motivation; it offers the Company with new possibilities about how they can succeed. According to the research done by Zuzana (2014) in Slovak enterprises showed quite positive attitudes towards vision development with more than 90% of the companies embracing visions and only 4.5% of companies not considering to create one (Zuzana,2014).

Ho4: There is no statistical significant effect of Entrepreneurial vision on the performance of government

# III. RESEARCH METHODOLOGY

The study employed a descriptive survey research design. The study targeted 392 respondents with a sample size of 149 respondents. The study used 5-point Likert questionnaires as the method data collection instruments. The Cronbach's coefficient alpha was applied on the results obtained to determine how items correlate among them in the same instrument. Cronbach's coefficient Alpha of more than 0.7 was taken as the cut off value for being acceptable which enhanced the identification of the dispensable variables and deleted variables

## 3.1 Data Analysis

The study conducted initial data analysis using simple descriptive statistical measures such as, mean, standard deviation and frequencies to give glimpse of the general trend. However, linear relationship was used to determine the relationship between one independent and dependent variable which is accepted conventional significant level of P=0.05 (Sekaran, 2003). In addition, multiple regression analysis was employed to test the hypotheses. Multiple regression analysis is applied to analyze the relationship between a single dependent variable and several independent variables (Hair *et al.*, 2010). The beta ( $\beta$ ) coefficients for each independent variable generated from the model, was subjected to a t—test, in order to test each of the hypotheses under study. The regression model used to test is shown below:

$$Y = \beta_0 + \beta X_i + \beta X_{ii} + \beta X_{iii} + \beta X_{iv} + \varepsilon$$

Whereby;

Y = Enterprise performance

 $X_i =$ 

| Leadership  |            |   |
|---|------------|---|
| $X_{ii}$ = Entrepreneurial skills                             | $X_{iii}$  | = |
| Entrepreneurial resources                                     |            |   |
| $X_{iv}$ = Entrepreneurial Vision                             |            |   |
| $\beta_0$ =Co-efficient of the model                          |            |   |
| $\beta_i - \beta_{iv} = \text{Co-efficient of Determination}$ | $\epsilon$ | = |
| Error Term  |            |   |

All the above statistical tests were analyzed using the Statistical Package for Social Sciences (SPSS), version 20. All tests were two-tailed. Significant levels were measured at 95% confidence level with significant differences recorded at p < 0.05.

#### IV. RESULTS AND DISCUSSION

4.1 Model Summary Table 1.1 Model Summary<sup>b</sup>

| Model | R     | R Square | Adjusted R<br>Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------|----------|----------------------|----------------------------|---------------|
| 1     | .553ª | .306     | .285                 | .414                       | 2.384         |

a. Predictors: (Constant), D, C, A, B

## b. Dependent Variable: E

As revealed above with the model summary above variables A, B, C, D all had a significant relationship with dependent Variable E (Enterprise performance), and this could explain 55.3% (R=0.553) of variance in collected data.

| Model |            | Sum of df Mean |     | Mean   | F      | Sig.              |
|-------|------------|----------------|-----|--------|--------|-------------------|
|       |            | Squares        |     | Square |        |                   |
|       | Regression | 10.132         | 4   | 2.533  | 14.744 | .000 <sup>b</sup> |
| 1     | Residual   | 23.021         | 134 | .172   |        |                   |
|       | Total      | 33.153         | 138 |        |        |                   |

a. Dependent Variable: E

b. Predictors: (Constant), D, C, A, B

The F-test has revealed in above table, the significant level is .000 which is less than 0.05 and therefore we can assume that there was a linear relationship between the variables in our model.

#### 4.4 Hypothesis Testing

Hypothesis 1 (Ho1) $H_{O1}$ :stated that there is no statistical significant effect of leadershipskills on the performance of governmentfunded youth group Enterprises. Itrevealed the coefficients of estimate which was significant basing on  $\beta 1$ = -0.114 (p-value = 0.239 which is greater than  $\alpha$  = 0.05) implying that we accept the null hypothesis and conclude that leadership skill has no effect on the performance of governmentfunded youth group Enterprises.

Hypothesis 2 (Ho<sub>2</sub>) stated that There is no statistical significant effect on entrepreneurial skill on the performance of the governmentfunded youth group Enterprises. Findings showed that Entrepreneurial skills had coefficients of estimate which was significant basing on  $\beta 2=0.051$  (p-value = 0.632 which is more than  $\alpha=0.05$ ) which implies that we accept the null hypothesis and argue that Entrepreneurial skills had no effect on the performance of governmentfunded youth group Enterprises.

Hypothesis 3 (Ho3) There is no statistical significant effect of the Entrepreneurial resourceon the performance of governmentfunded youth group Enterprises.Findings showed that Entrepreneurialresource had coefficients of estimate which was significant basing on  $\beta 3 = 0.501$  (p-value = 0.000 which is less than  $\alpha$  = 0.05) which indicates that we reject the null hypothesis and infer that: Entrepreneurial resource has positive and significant effect on the performance of governmentfunded youth group Enterprises. This implies that the higher the Entrepreneurial resource the higher the performance of governmentfunded youth group Enterprises. The presence of Entrepreneurial resource can contribute 11.6% on the performance of the governmentfunded youth group Enterprises.

Hypothesis 4 (Ho4) There is no statistical significant effect of Entrepreneurial visionon the performance of governmentfunded youth group Enterprises. Findings showed that Entrepreneurial vision had coefficients of estimate which was significant basing on  $\beta$ 4= 0.109(p-value = 0.200 which is more than  $\alpha$  = 0.05) which indicates that we accept the null hypothesis and infer that Entrepreneurial visionhas no effect on the performance of government.

Table 1.3: Multiple Regression Model

| Model |            | Unstandardized Coefficients |            | Standardized | t      | Sig. | 95.0% Confidence Interval for |             |
|-------|------------|-----------------------------|------------|--------------|--------|------|-------------------------------|-------------|
|       |            |                             |            | Coefficients |        |      | E                             | 3           |
|       |            | В                           | Std. Error | Beta         |        |      | Lower Bound                   | Upper Bound |
| 1     | (Constant) | 1.772                       | .155       |              | 11.422 | .000 | 1.465                         | 2.079       |

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| A | 065  | .055 | 114  | -1.182 | .239 | 175  | .044 |  |
|---|------|------|------|--------|------|------|------|--|
| В | .027 | .057 | .051 | .480   | .632 | 085  | .140 |  |
| C | .267 | .046 | .501 | 5.851  | .000 | .177 | .357 |  |
| D | .056 | .043 | .109 | 1.289  | .200 | 030  | .141 |  |

a. Dependent Variable: E

In above table beta is able to express the relative importance of each independent variable (A, B, C, D) in standardized terms. However, we find that only entrepreneurial resources (C) and Entrepreneurial vision (D) have relatively higher chances of predicting on Enterprise performance (E) with 50% and 11% respectively.

#### V. RECOMMENDATION OF THE STUDY

Based on the findings as discussed above, the researcher came up with the following recommendations for government, youth ministry, scholars, youths and youth group stakeholders;

- 1. Beside money, the funds stakeholders need to empower youth groups through regular trainings on leadership and vision as a way of preparing them for entrepreneurial adventure before real funding.
- 2. More researches to be done on entrepreneurial factors influencing the performance of youth enterprises in other parts of the Country either as critic to this study or expansion of knowledge.
- 3. Ministry of youth affairs to collaborate with other interested parties in empowering youths through trainings so that their efforts are well utilized and to avoid overlaps in training activities.
- **4.** Youths to utilize the skills and knowledge they acquired in schools by creating job opportunities for themselves and others instead of waiting on the government to create opportunities for them.

## 5.1Suggestion for Further Research

The analysis of the empirical study has indicated a number of relevant issues that the research project did not investigate, but which might be important for further research for example "The implication of Entrepreneurial factors on sustainable competitive advantage of ne enterprises".

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