

Investigation Into Sustainability Challenges Of The Youths Enterprises In Marsabit County, Kenya

Guyo S Huka

*Meru University of Science and Technology, Dean,
School of Business and Economics, Department of
Business Management, P.O.Box 972-60200, Kenya*

Professor Zachariah Kariuki Mbugua

*Karatina University, Director, Quality Assurance,
Department of Education, P.O. Box 1957-10101,
Kratina , Kenya*

Professor Benard Njehia

*Kenyatta University, Department of Economics,
P.O. Box 43844, Nairobi, Kenya*

ABSTRACT

The youths of Kenya forms a critical mass required by the nation to realize a middle level industrialized economy by the year 2030. For the youths to effectively contribute to this agenda they need to be economically empowered to harness their creativity and innovation to foster entrepreneurial development. Consequently, the government of Kenya established Youth Enterprise Development Fund (YEDF) with an objective of providing capital for the youths to start micro enterprises. Unfortunately, significant number of individual and youth group projects supported by YEDF among the pastoralists communities in Marsabit County have either wound up within few years of establishment or not actively performing. Following this preliminary observation, a research inquiry was designed to find out factors that hindered sustainability of the pastoralists` youths projects in Marsabit Central district, Marsabit County. The research employed *Ex Post Facto* design and census sampling framework to collect information through structured questionnaire from 50 sample respondents. Using 95% levels of confidence, the research established that there were significant relationships between ages of the entrepreneurs and capital growth (p-value, $\alpha = 0.001$), levels of formal education and capital growth (p-value, $\alpha = 0.026$) as well as business funding and capital growth (p-value, $\alpha = 0.006$). The study further concluded that insufficient funding, inadequate staff for monitoring and evaluation and lack of business training was found to be critical factors contributing to the youths` enterprise sustainability challenges in Marsabit County.

Keywords: Sustainability, youths enterprises, funding

1. INTRODUCTION

The Kenya Vision 2030 socio-economic pillars placed great importance on the youthful population segment of Kenya for national economic development. The youths (persons in age brackets of 15-35 years by Kenyan categorization) accounts for approximately 38% of the total population in Kenya. Under the Kenya Vision 2030, specific policies and interventions have been crafted and implemented in order to develop the youths` potential and engage them in the socio-economic development of the country. Among the interventions designed included building entrepreneurial capacity and economic empowerment of youths to engage in productive activities. The empowerment programmes so envisaged included creating self-employment opportunities and reducing youth dependency on parents through Youths Enterprise Development Fund (YEDF) (GoK, 2012).

YEDF was established in the year 2006 by government of Kenya as one of the strategies for addressing youth unemployment and creating wealth through youths. The fund is one of the flagship projects of the Kenya Vision 2030 under the social pillar. By the year 2011, the fund had loaned out Kenya shillings 545.3 million to organized youth groups and Kenya shillings 54.2 million to individual youth entrepreneurs at constituency

levels through Constituency Development Committees. Marsabit County (the study areas) received Kenya shillings. 8.65 million disbursed at constituency levels and Kenya shillings 4.5 million disbursed through financial intermediaries. This fund benefited 178 organized youth groups and 136 individual youths. The government also provided business support services while providing the funds for the youths (GoK, 2011).

The government has trained about 200,000 youths on basic business development and management all over the country. Records available showed that the youths in the study areas have also been trained in such business areas as business plan writing, sourcing for finances, records keeping, products/service marketing among others. However, the youths from pastoralists communities in the study areas faced many challenges including managerial, operational and limited resource challenges which are threatening youth enterprise sustainability (GoK, 2013).

As a result of these challenges, government and non-government development agencies initiated number of strategies aimed at economically empowering the youths in the study areas. These initiatives included training the youth in technical, vocational and entrepreneurial skills to increase their productivity and enable them to participate fully in productive activities (GoK, 2011). Nevertheless, there was no empirical evidence that such interventions significantly mitigated against the youth enterprise sustainability challenges in Marsabit Central District.

In the study areas (Marsabit County) the youths accounted for 37.8% of the County population. This critical human capital is expected to be main drivers of socio-economic development of the County. Therefore any challenges hindering growth and development of youths' enterprises would significantly affect economically situation of the County. Hence, there was need to find out the factors that hinder sustainability of youths enterprises in Marsabit County.

1.2 STATEMENT OF PROBLEM

The government of Kenya's youth empowerment intervention through YEDF was meant to provide capital for the youth to engage in small enterprise businesses that would create self-employment and generate income for the youths. It was expected that the income so generated will improve individual household incomes, reduces youth dependencies on parents and hence improve quality of their lives. Unfortunately, the reality on the ground show that most of the YEDF supported small businesses among the pastoralists communities in Marsabit County hardly go beyond a year or two in existence. Those that go beyond 2 years only existed on records but do not actually generate any significant income. This preliminary observation formed basis for concern and hence need for inquiry into youths business enterprises sustainability challenges among pastoralists youths who were financially supported by YEDF in Marsabit Central District, Marsabit County.

1.3 OBJECTIVES OF THE STUDY

- Assess sustainability levels of pastoralists youth enterprise projects supported by YEDF in Marsabit Central District, Marsabit County
- Establish factor(s) that hindered sustainability of pastoralist youth enterprise projects supported by YEDF in Marsabit Central District, Marsabit County

2. LITERATURE REVIEW

The study areas of Marsabit County have been predominantly lived by pastoralist communities with little engagement in business enterprises until recent years. The areas have not experienced vibrant research explorations given its geographical orientation and also less economic development activities to entice potential investors. Owing to this fact, there is quite scanty literature on business enterprises more specifically on youth enterprises. Thus much of the youth enterprises sustainability challenges were inferred from global and regional scenarios coupled with primary research findings in the study areas.

2.1 GLOBAL AND REGIONAL SCENARIOS

Research have been conducted in several parts of the world to establish reasons why new business start-up fail and noted that some factors arise from the commencement stage while others crop up when the businesses are in progress (Henry, Hill & Leitch, 2005). Poor choice of businesses is also a common problem that lead to business start-up failures. This is when an entrepreneur decides to venture into a business which he/she can hardly understand. In relation to this global concern, the youths in the study areas have mainly invested in local transport (*Boda Boda*), sell of cereals, retail shops among other businesses. It is not empirically deducible that the youths in the study areas have been sufficiently prepared in form of business specific training to manage these types of businesses. Saleemi (2009) have also cited reasons for business start-up failures as poor business location. This relates to availability of raw materials and customers. Availability and underestimating capital requirements is critical as it will hamper the business growth and development.

Globally, the youths also face stiff competition from exiting business enterprises. If returns from the business are high, potential mature competitors will be encouraged to enter the market thus reducing survival rates of the start-ups, which might eventually lead to business failure. Poor management of the businesses as a cause of start-up failure is also common scenario in business around the world. Kirbi (2003) adds that such challenges of poor business management do arise when entrepreneurs invest too much on fixed capital. If too much money is invested in purchase of assets, there is usually the danger of shortage of working capital. Moreover, some of the assets purchased may be underutilized or not utilized at all. This may lead to disproportionate operation costs compared to returns on investment (Dickson, Solomon & Weaver, 2008).

Research have also shown that lack of self-discipline, rigidity in decision making, poor customer relations and lack of creativity in addressing customer needs and wants have caused business failures (Carter, S. Dylan, E. 2006, & Wickman, P.A. 2006). Due to lack of experience in managing businesses star-up investors tend to have poor control over expenditure, engage too many debtors, use business money for other purposes, and operate many non-complementing businesses. These practices have negative repercussion on enterprise cash flow and hence lead to business failure (Odhiambo, 2013).

Over and above operational factors causing business failures, there is fear of failure issue that concerns many ranges of individuals safe for distinct differences in terms of human capital attributes. However, Greene (2005) asserts that young people recognise that they have less knowledge and fewer skills to set up a business than other age groups. The young people believe that they suffer disproportionately from information imperfections. They are perhaps a little more ignorant of the entrepreneurial option and do not seem to have the requisite networks of support to access expert advice and seem to find it difficult to access appropriate and affordable finances (Burns, 2001).

In addition, sustainability of a project is viewed as post implementation continuity of a programme after the phase-out of the initial support. It is also seen as an organizations ability to continue performing in support reduced environment. There are number of factors that encourage sustainability of projects such as host government policies, integration of the enterprise with the social and cultural setting and effective project implementation (Zoomers, 2005).

2.2 KENYAN EXPERIENCE

In Kenya YEDF had faced number of structural and logistic challenges that may have had some bearing on youth enterprise sustainability issues. These challenges included insufficient policy and legislative frame work to support growth of youth enterprises and sustainability coupled with the scale and complexity of youth unemployment problems. There are also concerns relating to substantial capital for investment required besides the initial fund for start-ups. In addition, youth entrepreneurs needed non-credit supports such as business development services, marketing of the products and beneficiary sensitization from government department concerned.

In addition, the fund experienced inadequate disbursement and repayment infrastructure in some parts of the country particularly in remote areas. Lack of financial intermediaries and loan repayment avenues disadvantaged youths in remote districts including the study areas. The Ministry of youths affairs have also expressed concern that there were insufficient fund to cater for growing high demand and expectations of the youth about the fund. Besides, there were also structural and operation constraints owing to loan products management at the constituency levels (GoK, 2011).

During the field visit to the study areas, the researcher interacted with the Marsabit County YEDF staff, held Focus Group Discussion (FGD) with sampled youth group officials and consulted County annual reports for the year 2013. The youths` enterprise sustainability challenges include lack of comprehensive training to enable the youths acquire adequate skills to manage their businesses. Significant number of the entrepreneurs lacked business exposure given their pastoralist backgrounds, inadequate funds, lack of prior business plans and lack of business transaction records exposing the businesses to dangers of non-accountability. There were also challenging regarding absence of alternative creditors with cheap cost of capital and lack of surety for small local contracts. The office handing youth enterprise activities also had inadequate staff and loans disbursement take long time to reach the beneficiaries during which time some business opportunities were lost (Gok, 2013)

2.3 YOUTHS ENTERPRISES LOAN PRODUCTS

YEDF had elaborate loan products for the potential youth beneficiaries ranging from start-up loans to expansion loans taking into account individual and group's needs. The loan products are summarized in table 1.

Table 1: Loan Products

Loan Products	Amount (Kenya shillings.)	Management Fees (%)	Repayment Period (months)	Grace period (months)	Remarks
Rausha	50,000	5	12	3	For start-up groups only
Inua	100,000	5	12	-	Security required
	200,000	5	18	-	
	400,000	5	24	-	
Special	100,000	5	12	Longer grace period, periodical repayment	Targets special business
	200,000	5	18		
	400,000	5	24		
Smart	25,000	8	-	Loan for individuals whose group have paid their loan. Guarantor – group members	
	50,000	8	-		
	100,000	8	-		
Swift	25,000	8	-	Close knit new group whose 70% members have existing business and 30% are planning to start new businesses	
	50,000	8	-		
	100,000	8	-		

Source: (GoK, 2013)

Eligibility for various loan products as illustrated in table 1 calls for certain requirement as indicated in the loan disbursement scheme. The scheme was meant to cushion the fund against non-repayment and stimulate growth through incentives such as group support and existing business guarantees. However, structural and logistical barriers may arise within groups or individual capabilities. Preliminary research findings points such constraints to business competencies of group appraisers, authenticated business records that can be funded,

comprehensive business plans and constituency based mentorship. These constraints may directly or indirectly affect the sustainability of the youth enterprises.

2.4 CONCEPTUAL FRAMEWORK

This study is based on the following conceptual framework,

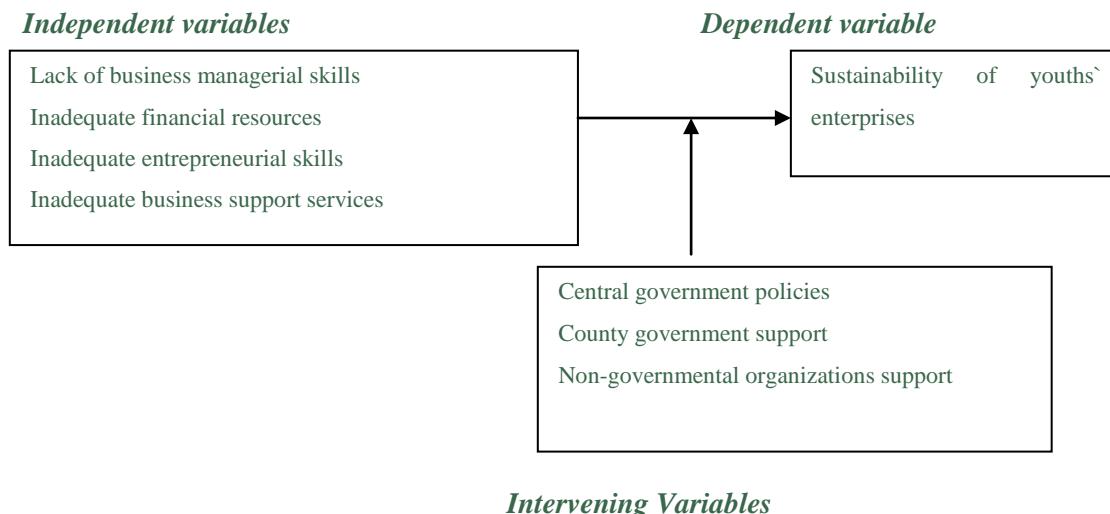


Figure 1: A Research Conceptual Framework

Preliminary observation shows that sustainability of YEDF supported youth projects in the study areas are affected by lack of business managerial skills, inadequate financial resources and inadequate entrepreneurial skills. The extent to which these issues contribute to the projects non-sustainability vary. The roles of central government policies and logistical support from county government and non-governmental organizations are of significant importance in influencing the level of youths` enterprise sustainability.

3. RESEARCH METHODOLOGY

This study falls under *Ex Post Facto* research design using descriptive survey strategies. In this design data on variables of interest was collected at a particular point in time after the event has occurred hence the treatment was not required (Bryman, 2008 & Saunders, 2009). In this particular study, the issue of pastoralists youths` enterprise sustainability was studied in retrospect after the enterprises have already been established. Surveys data on youth enterprises in Marsabit County was gathered and analysed describing the nature of existing conditions and compared with standards to determine relationships and effects that exist between different interacting events (Cohen & Manion, 1989)

Target population of the study was youth groups who have received YEDF loans and have operational businesses. There were thirteen (13) registered and operational youth groups in the Marsabit Central District with total population of 155 members at the time of the research (GoK, 2013). Census sampling procedure

was used to identify and interview youth group members who were beneficiaries of YEDF loan. Identification of the individual borrowers for survey was guided by the following factors. The individual to be interviewed must come from a group with operational businesses older than six (6) months. The group must have borrowed at least twice from the constituency based loan products. The group must also have been making quarterly report to the YEDF office regularly. Based on these criteria ten (10) youth groups qualified to form the survey sample population. Using simple random sampling techniques five (5) respondents were identified as respondents to answer structured questionnaire designed for the survey from each group.

4. RESULT AND DISCUSSION

The sample respondents in the study included 68% and 32% male and female youths respectively. The ages of the sample respondents ranged mainly between 20-36 years of ages. Significant majority of the respondents aged between 21 to 30 years constituting 86%. The study shows that only 14% of the youths had tertiary education (beyond form six levels). The bulk of the youths (76%) had just formal education between standard eight and form six. A small proportion (8%) of the youth also did not have any formal education.

The youths in the study areas who benefited from YEDF loans engaged in series of business activities on daily basis. Most of the youths (40%) stated retail shops and sold various household wares. Some small proportions of 16% involved in general services such as car washes, local transport (*Boda Boda*) and electronic accessories shops. It is interesting to note that only 16% of the youths were engaged in livestock and agriculture related businesses.

Given the strong pastoralists background of the youth, their familiarity with livestock issues and significant livestock markets in the study areas, it was expected that more youths would engage in these trading activities. The less percentage of the youths practising in the livestock trade could be further studied to establish if there were issues of interest or other resource based factor for this observation. The youth enterprises surveyed in the study were of different years in existence ranging from less than one year to more than four (4) years. Majority (60%) of the businesses were in existence between one (1) and three (3) years. Conventionally, it is expected that at this ages small start-ups have fairly grown out of establishment turbulence. More than four (4) years old businesses constituted 20%.

In this study capital growth was used as a key indicator for the youths` businesses sustainability. This indicator was assessed in relation to other variables such as levels of formal education, types of businesses, and ages of the businesses. Table 2 shows percentages of capital growth of the youths` enterprises in the study areas.

Table 2: Capital Growth

Capital Growth	Percent
Between 10% and 20%	32
Between 5% and 10%	10
Less than 5%	4
More than 20%	12
No growth at all	42

Close to a half (42%) of the youth enterprises showed no capital growth. A modest proportion of 32% experienced capital growth between 10% and 20%. Only 12% of the business realized capital growth of 20% and above.

There are numerous factors that may affect sustainability of an enterprise. These factors could be internal to the firm's operations, leadership and financing models. It could also be internal to the entrepreneurs arising from their business management competencies. Obstacles to start-up enterprise could also be external to the firm, groups and individuals operating an enterprise. These factors may include adequacy of funding, business management skills, levels of formal education of an entrepreneur, business environment, policies and regulations governing trade in the host markets among others. It is not clear what caused youths enterprises to be less sustainable in the study areas.

However, the researcher purposely selected the capital, levels of formal education, and types of business, funding, business management skills and support services for investigation under this study.

First, capital growth was juxtaposed against age, the education levels of the entrepreneurs and types of businesses operated by the youths in the study areas. The study revealed that there was positive relationship between entrepreneurs age and capital growth of their businesses ($p\text{-value}=0.001$, $\alpha = 0.05\%$). Age brackets 21-25 years showed highest capital growth of between 10-20% with 44% respondents in this category followed by age brackets 26-30 years with 22% respondents having realized capital growth of between 10-20%. One probable explanation for this observation could be influence of domestic support on business growth. Older youths marry and start supporting families possibly from the same business capital. This assumption could be further supported by the fact that only 14% of the youth entrepreneurs surveyed had formal education beyond secondary level.

Relationship between levels of education and capital growth was also analysed. It was established that there was positive relationship between levels of education and capital growth ($p\text{-value} = 0.026$, $\alpha = 0.05\%$). In this study there was no categorical explanation that the higher the levels of education, the higher the capital growth. However, there were evidence that the graduate category and the form four and for six categories had higher percentages (48%) of respondents in capital growth categories of between 10-20% as well as more than 20%. This skewness could be traced to the fact that youth entrepreneurs with basic education and some

tertiary formal education could keep business records, write some business proposals for funding and calculate their profit from the capital. The relationship between levels of education and business capital growth is illustrated in figure 1.

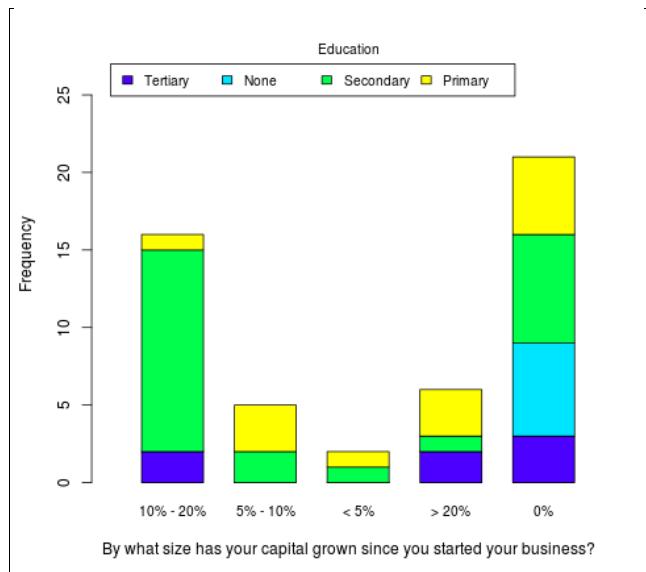


Figure 2: Relationships between Levels of Education and Capital Growth

Types of a business in relation to the market significantly contribute to sustainability of an enterprise. The researcher computed the longevity of different business types operated by the youths in the study areas. It was established that there was positive relationship ($p\text{-value} = 0.006$, $\alpha = 0.05\%$) between types of businesses owned by the youths and the years in existence before they wind up. Types of businesses that showed fairly longer period (between one and three years) before it wound up included hawking wares, retail shops and general services. There was also weak but positive relationship ($p\text{-value} = 0.069$, $\alpha = 0.05\%$) between types of business and capital growth in this study. The types of the businesses that showed higher longevity that is, hawking wares, retail shops and general services also posted higher capital growth mainly between 10-20%. Further, business longevity and capital growth could complement each other as capital growth is influenced by business lifecycle that matures with passage of time. However, this assumption is fairly hypothetical as firms may grow their capital at different rate over different period of time (Stoke & Wilson, 2010). Further research could be carried out to affirm this conventional thinking.

4.1 FUNDING RELATED CHALLENGES

Funding is one single major constraint that inhibits enterprise sustainability. Funds related challenges may occur in forms of availability, accessibility, adequacy and reliability (Nguta, & Guyo, 2013). The research findings from the study areas showed a mixture of these scenarios affecting youths' enterprises sustainability in varying degrees.

Figure 3 shows series of business aspects that posed sustainability challenges to youths` enterprises.

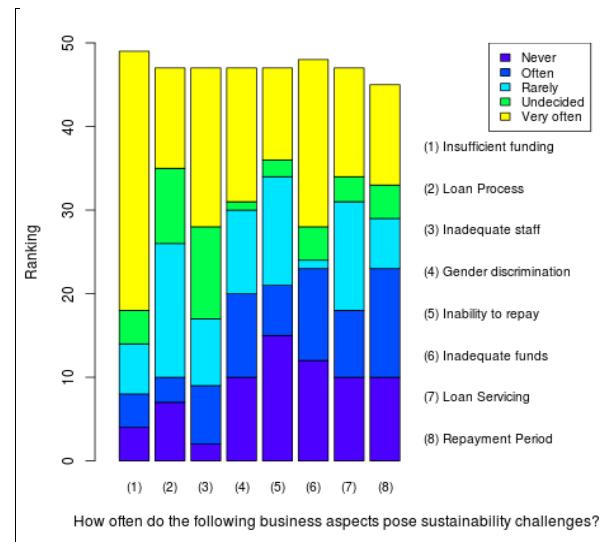


Figure 3: Funding Related Challenges

From Figure 3, it is evident that some business aspects are posing sustainability changes more than others. Key amongst them were insufficient funds, inadequate staffing especially from the Youths Enterprise Development Fund (YEDF) and repayment periods. Insufficient funding could be corroborated with economic status of the study areas with limited informal financiers. Most youths who managed to expand their businesses complemented YEDF inputs with family supports, “merry go rounds” and non-governmental organizations supports.

Inadequate staffing from YEDF limits monitoring and evaluation supports to the budding entrepreneurs. It also denies the entrepreneurs opportunities for business advising and technical supports which comes in forms of business plans development and proposal development for funding as well as providing legal guidance relating to business operations (GoK, 2013). In addition, inadequate staffing affects mentorship facilitation, which has been a success story in the study areas as practiced by BOMA Funds (BOMA Funds, 2010) and (Jamsa, Tahtinen, Ryan, & Pallari, 2011).

Repayment period has also been cited as a significant cause of non-sustainability of youth enterprises in the study areas.

4.2 MANAGEMENT RELATED CHALLENGES

Every business practitioner is expected to have certain levels of know how to manage their businesses. The art of managing an enterprise entails application of some elements of planning for the business, organizing for resources optimization, providing human capital, setting vision for the enterprise and instituting mechanism of control for efficiency. (Kandalkar, 2013). (Ivancevich, 2010) and (Hill & McShane, 2008).

Figure 4 shows various management related issues that affected youths` enterprise sustainability in the study areas.

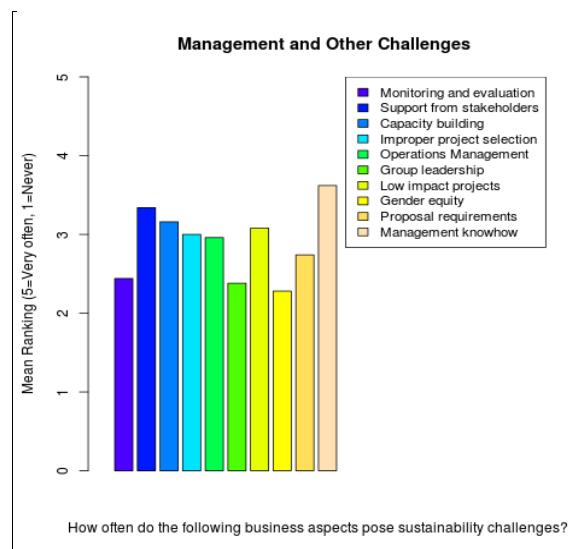


Figure 4: Management Related Challenges

Management know how, proposal requirement, low impact projects, group leadership, improper project selection, capacity building and support from stakeholders were the most significant factors that pose sustainability changes to youth enterprises in the study areas. In adequacy in the cited areas of business management would pose significant challenges to the youth enterprises in the study areas. Studies by Mano, Iddrisu, Yoshino and Sonobe, (2012) and McKenzie and Woodruff (2014) regarding mitigation against low business competencies suggested tailor-made business training for the start-up entrepreneurs. The key result areas (KRA) suggested for the inputs were business planning, financial resource mobilization and organization, records management and people management.

4.3 REGRESSION ANALYSIS

The used adopted Ordered Logistic Regression to explain relationship between capital growth as a measure of business suitability and other variables that influenced business sustainability.

$$\text{Prob}(y_i=j) = \text{function} (\text{age} + \text{gender} + \text{education} + \text{social} + \text{management} + \text{services} + \text{funding})$$

Where y_i is capital growth and j takes on five possible values ('0%', '< 5%', '5% - 10%', '10% - 20%', '> 20%').

The researcher was interested in the probability that individual (i) experiences capital growth level j and further explain this observation based on factors such as age, education, and measures of their experience with the YEDF including business development services, funding and business management and social dependence on business proceeds.

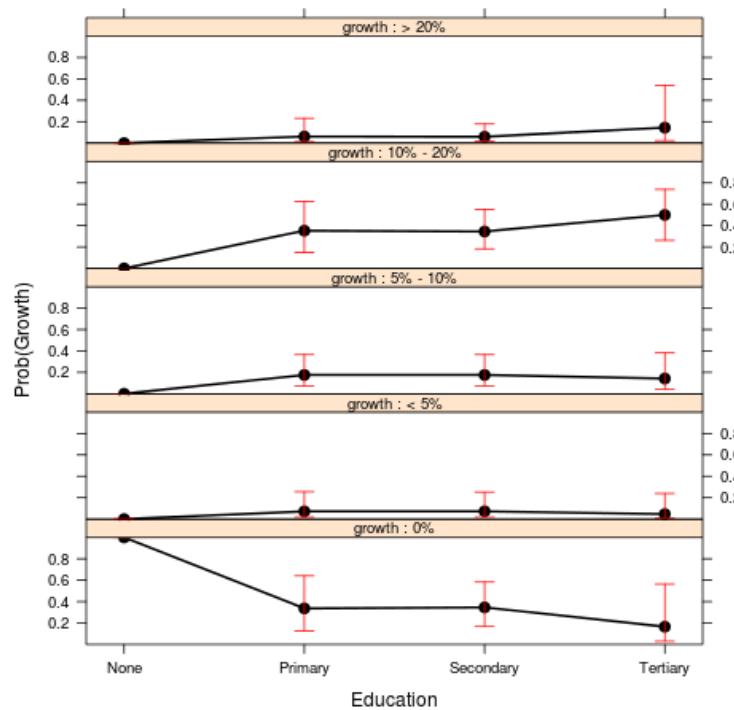
Table 3: Ordered Logit Regression Results

		Value	Std. Error	t-value	p-value
Coefficients	Age.1	0.630	1.563	0.403	0.687
	Age.2	-0.544	1.343	-0.405	0.685
	Age.3	-1.970	1.029	-1.915	0.055
	Age.4	-0.534	0.691	-0.773	0.440
	Gender- Male	0.155	0.691	0.225	0.822
	Education.1	12.400	0.680	18.228	0.000
	Education.2	-8.288	0.677	-12.238	0.000
	Education.3	4.164	0.571	7.290	0.000
	Social	0.065	0.311	0.211	0.833
	Management	0.161	0.564	0.285	0.775
Intercepts	Services	0.006	0.425	0.014	0.989
	Funding	-1.605	0.586	-2.737	0.006
	0% < 5%	-1.346	1.794	-0.750	0.453
	< 5% 5% - 10%	-1.037	1.772	-0.585	0.559
	5% - 10% 10% - 20%	-0.325	1.728	-0.188	0.851
	10% - 20% > 20%	2.049	1.682	1.218	0.223

Two variables were significant in explaining the observed size of capital growth namely, education and funding.

4.4 PROBABILITY OF CAPITAL GROWTH WITH LEVELS OF EDUCATION

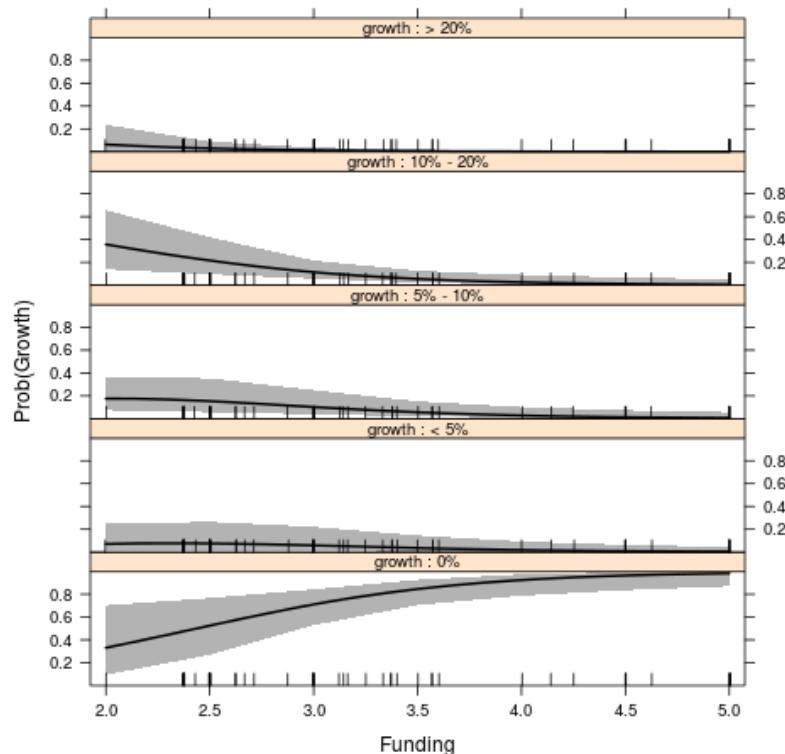
The probability of reporting a given level of capital growth given the level of education is illustrated in the figures 5.



The black lines are probabilities and the red bars are Confidence Intervals. The lowest panel of the graph shows how the probability of reporting 0% capital growth falls as the level of education increases from none to tertiary. The coefficient for Education1 is significant and positive showing that as one moves from no schooling the probability of reporting a higher capital growth rate increases. This probability decreases as we move from no-schooling to secondary education but then increases again for those with tertiary education.

4.5 IMPORTANCE OF FUNDING TO THE OVERALL CAPITAL GROWTH

Figure 6 shows respondents ranking of the importance of funding related aspects to the overall capital growth.



The black lines are probabilities and the shaded (grey) areas are 95% confidence intervals for the estimated probabilities. It is deducible that the probability of reporting 0% capital growth increases as one indicates how important funding related aspects were. In fact, for those respondents who have an average ranking of 5 for importance of funding, the probability of reporting 0% capital growth equals one.

4.6 OVERALL SIGNIFICANCE OF EACH VARIABLE IN EXPLAINING OBSERVED LEVEL OF CAPITAL GROWTH

Overall significance of each variable in explaining observed levels of capital growth are illustrated in table 4.

Table 4: Overall significance to capital growth

	LR Chi-square	Df	P-values
Age	8.1278	4.0000	0.0870

Gender	0.0505	1.0000	0.8222
Education	11.8504	3.0000	0.0079
Social	0.0443	1.0000	0.8332
Management	0.0813	1.0000	0.7755
Services	0.0002	1.0000	0.9891
Funding	8.8572	1.0000	0.0029

The significant variables in explaining reported capital growth were Education and ranking on of importance of funding. Age is only marginally significant and all the other remaining factors are insignificant. The coefficient for Education1 is significant and positive showing that as one moves from no schooling the probability of reporting a higher capital growth rate increases.

5. CONCLUSIONS AND RECOMMENDATIONS

The study revealed that there was positive relationship between entrepreneurs age and capital growth of their businesses ($p\text{-value}=0.001, 0.05\%$). Age brackets 21-25 years showed highest capital growth of between 10-20%. There was also positive relationship between levels of education and capital growth ($p\text{-value} = 0.026, \alpha = 0.05\%$). The graduate category and the form four and for six categories had higher percentages (48%) of respondents in capital growth categories of between 10-20% as well as more than 20%. There is need for YEDF to give youths with low formal some business training in order to compensate for their low formal education.

The research also established that there was positive relationship ($p\text{-value} = 0.006, \alpha = 0.05\%$) between types of businesses owned by the youths and the years in existence before they wind up. Types of businesses that showed fairly longer period (between one and three years) before it wound up included hawking wares, retail shops and general services.

It was evident from the study (Figure 3) that insufficient funds, inadequate staffing especially from the Youths YEDF and repayment periods posed greatest sustainability challenges. Therefore, increased funding, availability of business mentors and increased repayment periods would reduce youths enterprise sustainability challenges in the study areas. In addition, management know how, proposal requirement, low impact projects, group leadership, improper project selection, capacity building and support from stakeholders were the most significant factors that posed sustainability challenges to youth enterprises in the study areas. Generally, levels of formal education and levels of funding significantly explained the observed size of capital growth among the youths` enterprises in the study areas.

5.1 RECOMMENDATION FOR FURTHER STUDIES

Given the strong pastoralists background of the youth, their familiarity with livestock issues and significant livestock markets in the study areas, it was expected that more youths would engage in livestock trading

activities. The less percentage of the youths practising in the livestock trade could be further studied to establish if there were issues of interest or other resource based factor for this observation.

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