DETERMINANTS OF YOUTH ENTERPRISE DEVELOPMENT FUNDED PROJECTS PERFORMANCE IN ISIOLO COUNTY

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International Academic Journal of Information Sciences and Project Management (IAJISPM) | ISSN 2519-7711

Received: 30th July 2018
Accepted: 6th August 2018

Full Length Research

Available Online at:
http://www.iajournals.org/articles/iajispm_v3_i2_186_207.pdf

Citation: Kiyana, M. D. & Gitonga, A. K. (2018). Determinants of youth enterprise development funded projects performance in Isiolo County. International Academic Journal of Information Sciences and Project Management, 3(2), 186-207
ABSTRACT

Youth unemployment is one of the biggest development challenges in the Third World today. In Kenya over 15 million people live below the poverty line, with over three million classified as unemployed. Youth account for about 55% of the unemployed in Kenya, implying that unemployment is a predominantly youth issue. The rapidly increasing youth unemployment levels have been aggravated by changes in economic policies. Subsequently, over the past decade, there has been a steady shift from formal to informal sector employment, popularly known as ‘Jua Kali’. Secondary negative effects such as the systematic erosion of the social value of education, crime, prostitution and drug abuse have increased as a direct consequence. The study aimed at establishing the determinants of youth enterprise development funded projects performance in Isiolo County. The study was guided by the following objectives: to establish the effect of monitoring and evaluation on youth enterprise development funded projects performance in Isiolo County; to assess the effect of entrepreneurial skills on youth enterprise development funded projects performance in Isiolo County; to evaluate the effect of training and development on youth enterprise development funded projects performance in Isiolo County; to determine the effect of access to market on youth enterprise development funded projects performance in Isiolo County; to assess the influence of access to loans on youth enterprise development funded projects performance in Isiolo County. The study was grounded on the Joseph Schumpeter’s Entrepreneurship Theory, Agency theory, Human Capital Theory and Rational Choice Theory. Descriptive survey design was selected since the researcher did not have direct control over the independent variables as their manifestation had already occurred and these variables did not render themselves to manipulation. The target population of the study was 621 individuals from Isiolo county who had in one way or the other been involved in youth enterprise development funded projects. Two hundred and eighty-six respondents were then sampled in the study, with each of the three strataums having sample sizes. Data was collected from the identified respondents using questionnaires that were distributed by the research assistants. The questionnaire utilized two sections. Section A of the questionnaire had questions on the demographic characteristics of respondents and Section B consisted the questions on the variables under study. After the questionnaires were returned, the raw data collected was cleaned, edited, coded and tabulated in line with the study objectives. The quantitative data was collected using the closed ended questions. Multiple regression analysis was used to establish the relations between the independent and dependent variables. Descriptive statistics such as frequencies, percentages, mean score and standard deviation were estimated for all the quantitative variables and information presented inform of tables. The qualitative data from the open-ended questions were analyzed using conceptual content analysis and presented in prose form. The study found that entrepreneurial courses, record keeping training, business management
training influence the performance of youth enterprise development funded projects in Isiolo County to a great extent. The study concluded that Monitoring and evaluation had the greatest effect on the performance of youth enterprise development funded projects in Isiolo County followed by entrepreneurial skills then training and development then access to market while youth group dynamics had the least effect on performance of youth enterprise development funded projects in Isiolo County. The study recommends that that to enhance youth groups’ performance including productivity, the government (county and national) to release adequate resources and equipment preceded with formal training to youth groups and that the Youth groups should be assisted to increase uptake of available resources through project management skills building in line with government regulations which they most preferred to cease dependency on members’ monetary contributions in running groups since most youth have low income.

**Key Words:** youth enterprise, development funded projects, performance, Isiolo County

**INTRODUCTION**

Youth unemployment is one of the biggest development challenges in the Third World today. In Kenya over 15 million people live below the poverty line, with over three million classified as unemployed. Youth account for about 55% of the unemployed in Kenya, implying that unemployment is a predominantly youth issue (ILO, 2013). The rapidly increasing youth unemployment levels have been aggravated by changes in economic policies. Subsequently, over the past decade, there has been a steady shift from formal to informal sector employment, popularly known as ‘Jua Kali’. Secondary negative effects such as the systematic erosion of the social value of education, crime, prostitution and drug abuse have increased as a direct consequence (Babu, 2017).

Widespread poverty remains a critical development challenge in Kenya. Young people are particularly affected by unemployment, lack of proper housing (particularly in the urban areas) and health challenges. Poverty affects educational levels and children from poor backgrounds have been known to be much less likely to attend school than those of rich families. Poorer educational levels imply poorer chances of gainful employment (Were, 2017). Additional negative factors affecting the youth include marginalization; lack of voice in the family, the community and the national arena; poor representation in decision making; and limited recreational facilities. Areas that require specific attention are: geographic transitions (including youth migration); integrating the youth in urban areas; transition from school to work; youth unemployment; youth groups at risk and implementation of youth policies and programs (Ansell, 2016).

In the absence of opportunities in the formal labor market, many young people are engaged in the informal sector which is largely unregulated and are subjected to hazardous conditions for
low earnings and long working hours, without any formal contract. To address the youth challenges, the Youth Enterprise Development Fund (YEDF) was introduced on 8th December, 2006 and later formed into a State Corporation on 11th May, 2007. The Fund has engaged in partnership with 32 Financial Intermediaries (FIs) to enable the youth access funds directly either as individuals or as organized entities (Golub, Mbaye & Chwe, 2015). According to Moraa (2014), apart from the on-lending component of the fund through financial intermediaries, there is the Constituency Youth Enterprise Scheme (C-YES) which funds enterprises of youth groups in all constituencies. YEDF focuses on enterprise development as a key strategy for increasing economic opportunities for, and participation of Kenyan youth in nation building.

YEDF seeks to increase access to capital by young entrepreneurs in order to reduce the level of youth unemployment in the country. An estimated Kshs 5.96 billion has been disbursed to 315,076 group and individual enterprises all over the country. Out of this amount Kshs 614.8 million has been advanced to 13,341 group projects while Kshs 66.1 million has been disbursed to 2,645 individual enterprises at the constituency level. Through FIs, the fund has financed 141,552 group and individual enterprises by Kshs 5.3 billion. The fund disbursed is expected to be repaid back to the lending institutions so as to be accessed by other youth enterprises that were unable to access the fund due to limited allocation by treasury (GoK, 2013). Through YEDF, the Government has released Kshs. 11,917,198 to 328 youth groups, no funding to individual members of the groups and Kshs. 83,702,926 disbursed to 2891 youths in Siaya County. This amount is evidently inadequate to cater for the high expectations and demand of the youth. Proper management of the fund to ensure that the loans disbursed are repaid and therefore accessed by others is of critical importance. There is a need to continuously highlight the main issues, priorities and potentials of the youth to further enlist and strengthen interventions of actors dealing with this group. The study seeks to determine the extent to which the YEDF has achieved increased access to funding by the youth (Opiyo, 2015).

The governments worldwide have a responsibility to ensure that youth unemployment is tackled through various interventions as fast as possible. This can be done through by ensuring youth employment is a cross-cutting issue in the national agenda or through various sectorial policies. Enabling young people to become entrepreneurs can play a critical role in tackling youth unemployment, empowering youth to become the job creators and economic drivers of the future. Although there is an increasing recognition of its social multiplier effect and economic potential, young people continue to face significant barriers to entrepreneurship, in particular lack of access to finance, weak enterprise culture and inadequate education (Sakyiamah, 2015).

The world has 1.2 billion youth between the ages of 15-24. 87% live in Asia, Africa, Latin America, and Eastern Europe. About 30% of the world’s youth, or 357 million, are not in school or employed. Of those employed in “developing” countries, 536 million are underemployed, compared with 1.5 million in the 27 countries in the European Union. The highest rates of youth unemployment are found in Northern Africa and the Middle East, according to the World
Economic Forum, an international non-profit based in Switzerland (Global Employment Trends, 2013).

Nearly half of the world's population is under 25 years. The International Labor Organization (ILO, 2013) estimates that 351 million children under the age of 18 are economically active. The ILO has warned of a disenfranchised generation of young people facing a dangerous mix of high unemployment, increased inactivity and precarious work in developed countries, as well as persistently high working poverty in the developing world (ILO, 2013). In June 2012, the ILO adopted a resolution calling for immediate, targeted and renewed action to tackle the youth unemployment crisis. The resolution provides a portfolio of tested measures in five areas: macro-economic policies, employability, labor market policies, youth entrepreneurship and rights. Most governments and world leaders have realized that the youth hold the key to growth of a country or a region (IIAS, 2012).

In the advanced nations, they have realized that education is the key to development. As such they put great emphasis on education and knowledge skills. In USA, a programme called „Put Our Children First” aims at providing children with an enabling environment where all stakeholders participate in monitoring the curriculum, mentoring students and even donating resources such as writing materials. This ensures that students who would otherwise drop out of school due to economic challenges get to stay on and complete their studies (World Vision US programmes, 2014). Across Europe, countries are coming together to form forums where the youth get training in skills that can help them get employment. Empowering Youth in a European Society (EYES) is such a programme that is organized by the youth themselves because they have realized that youth development, collective social action, solidarity are the tools by which their society will be transformed (EYES, 2013).

Youth unemployment in Africa is part of a much bigger problem of unemployment and underdevelopment which most countries are yet to find a way out. Given that there is a high percentage of the population who are young, it implies that, there is a high dependency rate. Yet those who are depended on are scraping a living in the low productivity areas such as agriculture and the informal sector. In the wake of the structural adjustment policies of the 1980s” most state-owned enterprises that had been a major source of employment were either privatized or wound up. This led to massive retrenchment and lack of new opportunities for employment leading many to seek refuge in the sprawling informal sector whose performance depended very much upon the health of the economy (Marable, 2015).

Many African countries especially in the sub- Saharan evidence show that many young people are either underemployed or employed in the informal sector. In Uganda for example over 70% of the urban workers are informally employed. As Chigunta (2017), in his research puts it; the share of unemployment in sub-Saharan Africa to total unemployment has reached nearly 80% of the total unemployed in some countries (Chigunta, 2017). In the 1990s both sub-Saharan Africa and North Africa recorded the world’s highest youth unemployment. In Tanzania the magnitude
of unemployment is a fundamental problem. The economic growth that is currently taking place in the country has not been able to generate adequate employment and income generating opportunities to absorb net increases to the labor force and reduce the proportion of the labor force that is unemployed and underemployed (Leigh & Blakely, 2016). Christina (2013), points out that in Tanzania a youth development revolving fund was launched in 1994 with the aim of helping the youth in the informal sector to create formal employment and reduce youth unemployment. The government issued a directive that all local government authorities must allocate 5% of their revenue for youth development mainly in employment and income generating activities. The national youth revolving fund was established to support youth income generating activities in organized economic production brigades and small entrepreneurs.

In Malawi, according to the International Labor Organization (2002), the Youth Enterprise Development Fund in Malawi was conceived by his Excellency the state President Ngwazi, Professor. Binguwa Mutharika as a vehicle to address challenges facing youth in Malawi by providing them with knowledge, essential skills competencies and opportunities to engage in micro-small and medium enterprises as a self-employment mechanism. Funding is required for lending to the youth, for their working capital needs, procurement of tools and equipment, training of youths in artisans and business management skills and re-equipment of training institutions. The Business leaders forum report (2012) points out that Uganda has one of the highest youth unemployment figures in the world with job creation lagging significantly below the 300,000 who join the labor force, so the government of Uganda through the Ministry of finance, planning and economic development did launch a youth venture capital fund on 1st February 2012. The fund was meant to target startup businesses and small to medium size enterprises. It was meant to expand the existence of business ventures owned by youths who were defined as persons aged between 18 and 35 years.

While youth employment has been extensively studied, there is need to address the current global youth unemployment crisis, more so the Kenyan one. According to the Organization for Economic Co-operation and Development (OECD) (2010) youth unemployment has been rising dramatically and the trend is set to continue, resulting in disillusionment and despair among the youth which renders them vulnerable to criminal activities and violence.

Youth Enterprise Development Fund (YEDF) was initiated in 2006 to boost employment and entrepreneurship among youth of ages 18 to 35. Through YEDF, youth groups of up to 10 people can apply for funding in addition to other services such as training, mentorship and market access. The YEDF’s strategic focus is on small enterprise development as a key strategy that will increase economic opportunities for, and participation by Kenyan youth in nation building (Wamoto, 2016). According to Allen, Garst, Bowers and Onyiko (2016) MOYAS collaborates with YEDF to administer loans to youth enterprises and create a framework for development of youth SACCOs and provision of commercial infrastructure for youth businesses. YEDF focuses on enterprise development as a key strategy for increasing economic opportunities for, and
participation of Kenyan youth in nation building. YEDF seeks to increase access to capital by young entrepreneurs in order to reduce the level of youth unemployment in the country.

Were (2017) state that youth unemployment is one of the biggest development challenges in the Third World today. In Kenya, over 15 million people live below the poverty line, with over three million classified as unemployed. Youth account for about 55% of the unemployed in Kenya, implying that unemployment is a predominantly youth issue (GoK, 2012). The rapidly increasing youth unemployment levels have been aggravated by changes in economic policies. Subsequently, over the past decade, there has been a steady shift from formal to informal sector employment, popularly known as Jua Kali. The secondary negative effects such as the systematic erosion of the social value of education, crime, prostitution, and drug abuse have increased as a direct consequence.

The Youth Enterprise Development Fund (YEDF) is a state corporation under the Ministry of Public Service, Youth & Gender Affairs. The Fund was established on 1st February 2007 as one of the strategies to address the challenge of youth unemployment in Kenya. It is one of the flagship projects of Vision 2030, under the social pillar. The Youth Fund is mandated to create employment opportunities for young people through entrepreneurship. This is achieved by providing financial support and business development services to youth owned enterprises. The Fund seeks to turn youth into job creators and not job seekers (GoK, 2013).

However, despite their great strength, Kenyan youth have been marginalized at all levels of decision-making and access to economic and political opportunities. According to the Kenya National Youth Policy, the Kenyan youth face many challenges. The identifiable challenges include unemployment, restricted access to opportunities and services such as quality education, health care, training and recreation, and peer pressure that sometimes pushes them to engage in criminal behavior (Rakodi, 2016).

The Youth Enterprise Development Fund came legally into operation on 8th December 2006 and was transformed into a state corporation on 11th May 2007. The fund focuses on enterprise development as a key strategy that will increase economic opportunities for, and participation by Kenyan youth in nation building. The mandate of the Fund is not only increasing access to capital by young entrepreneurs but also provides business development services, facilitates linkages in supply chains, create market opportunities locally and abroad for products and services of youth enterprises, and facilitates creation of commercial infrastructure to support growth of youth enterprises (MOYA, 2013).

The principle objective of the Youth Enterprise Development is to uplift the living standards of the Kenyan youth. This can largely be achieved by putting in place efforts to improve the livelihood situation of the youth through initiatives such as availing credit facilities, building capacity to self-reliance, marketing local products and providing information on job opportunities both from within and without the country (Were, 2016).
Isiolo County is located in the northern part of the former Eastern Province, 285 kilometers north of Nairobi. It covers an area of 25,336.1 square kilometers with it is expansive when compared to other counties. The population tally in the county according to the Kenya National Bureau of Statistics report of 2009 is 143,294. 51% of the population is male while 49% is female. Isiolo County is inhabited by the Turkana, Borana, Somali and Meru communities, with the Boranas forming the largest portion of the population (KNBS, 2009).

Most of young people in Isiolo County are majorly engaged in farming, trade and boda boda for their livelihoods. The young people are facing challenges due to lack of employment opportunities, lack of capital, insecurity and boda boda accidents. For the young people to exploit their full economic potential there is need to improve security, provide soft loans for business, introduce value addition to farmers and improve infrastructure to curb road accidents (Finn et al., 2016). Majority of the youths in Isiolo county have limited access to youth enterprise development funds hence related projects are limited.

**STATEMENT OF THE PROBLEM**

Despite various government interventions to address youth problems and challenges, many young people continue to be unemployed even with the existence of a Youth Enterprise Development Fund eight years since its inception. In 2009, against a total global unemployment rate of 6.3%, the global youth unemployment rate peaked at 12.7%, representing 75.8 million unemployed youth, marking the largest annual increase over the 20 years of available global estimates (ILO, 2011). Youth unemployment is a major socio-economic problem that has to be addressed with speed. With more and more youth entering the job market from learning institutions, there is need to ensure that they can get decent jobs; whether in the formal or informal sector. The National government in its effort to alleviate youth unemployment initiated the Youth Enterprise Development Fund, in June 2006, to provide finance for youth projects so that they can be empowered economically (GoK, 2013). In Isiolo County Youth Enterprise Development Fund contribute significantly to the provision of employment opportunities, income generation and poverty reduction. For the youth to receive funding from YEDF, they are required to be in groups. The youth needs skills to succeed in business. Although, majority of the youth in Isiolo County know about the YEDF, they lack essential details about this facility and more so on how to apply for the funds and utilize it. The population of the youth continues to increase day in day out and although the County government has implemented various interventions of addressing the youth unemployment the situation has continued to get worse and this calls for the need to determine the extent to which the various interventions have succeeded. Despite so many projects having been initiated in Isiolo County so as to transform the living standards of the youth, little has been achieved. Many projects have been initiated but never completed. Other projects have been stopped due to various challenges such as repeated accusation of abuse of funds, patronage due to excessive powers, incomplete projects, a lack of technical capacity, poor planning and a litany of other weaknesses which threaten to undermine the very success of the Youth development funded projects in Isiolo County. Hence, a number of
studies had been done on the performance of youth enterprise development funded projects. In this regard Ashiku (2014) focused on determinants of effectiveness of youth enterprise development fund in Gilgil Sub-County, Nakuru County, Kenya and Wachilonga (2018) studied effect of finance determinants on loan repayment among youth enterprise development fund board beneficiaries in Trans Nzoia County, Kenya. On the same Kitavi (2015) looked at the influence of youth enterprise development fund on growth of youth business enterprises in Kenya based on the case of Kitui central sub-county Kitui county. However, none of these studies were based on Isiolo county. Therefore, this study seeks to bridge this gap by carrying out a study on determinants of youth enterprise development funded projects performance in Isiolo County.

**PURPOSE OF THE STUDY**

The study aimed at establishing the determinants of youth enterprise development funded projects performance in Isiolo County.

**OBJECTIVES OF THE STUDY**

1. To establish the influence of monitoring and evaluation on youth enterprise development funded projects performance in Isiolo County.
2. To assess the influence of entrepreneurial skills on youth enterprise development funded projects performance in Isiolo County.
3. To evaluate the influence of training and development on youth enterprise development funded projects performance in Isiolo County.
4. To determine the influence of access to market on youth enterprise development funded projects performance in Isiolo County.
5. To assess the influence of Youth group dynamics on youth enterprise development funded projects performance in Isiolo County.

**THEORETICAL ORIENTATION**

**Joseph Schumpeter’s Entrepreneurship Theory**

Joseph Schumpeter’s theory of entrepreneurship was put forward on 1948. The theory states that entrepreneurship is based on purposeful and systematic innovation. The theory focuses on how the entrepreneur’s drive for innovation and improvement creates disorder and change. Schumpeter viewed entrepreneurship as a force of “creative destruction.” The entrepreneur carries out “new combinations,” thereby helping render old industries obsolete. Established ways of doing business are destroyed by the creation of new and better ways to do them. Schumpeter identified innovation as the critical dimension of economic change. He argued that economic change revolves around innovation and entrepreneurial activities. He theorized about "entrepreneur-spirit” and asserted " the doing of new things or the doing of things that are already being done in a new way”, (Pol & Carroll, 2009).
This theory is relevant to the study as it relates well with the objective of entrepreneurial skills of the youth as we know that interest of any developing nation today is surely to maximize entrepreneurship among its young people. Schumpeter recognizes that the entrepreneur identifies or discovers business opportunities through innovations, which move the economy away from equilibrium (Orwa, 2012). Kenya’s young entrepreneurs also exploit available opportunities, are risk takers and innovators of renowned products and services. He also gives great importance to individual innovations. Kenyans being individualistic people, Schumpeter’s theory fits well into the country’s economic context. Kenya’s youth can borrow a lot from this approach especially being a free market economy whose citizens are very individualistic. If Kenya’s young entrepreneurs can borrow from such theories, and development of entrepreneurship in the developed countries through improving on the various policy areas and their entrepreneurial culture, then Kenya can be an economic hub not only in the East African region but also in Africa.

**Human Capital Theory**

The study is based on the human capital theory advanced in the 1960s by Nobel Laureate economists, Theodore Schultz & Gary Becker. The theory suggests that, education or training raises the productivity of workers by imparting useful knowledge and skills, hence raising their future income. Becker (1964) provided a link between investment in training and income. Hundreds of studies have been conducted to estimate rates of return to education; most of such studies show that formal schooling is a crucial factor in explaining variations of salary and wages in well developed countries (Cohn et al, 1998). Comparative studies have been conducted in some less developed countries, focusing on investment in formal education (Psacharopoulos & Patrinos (1994).

This theory is relevant to the study as it relates well in this study with entrepreneurship training and development. Empirical studies show that human capital factors are positively related to becoming entrepreneurs. According to Becker (1975), the knowledge gained from education and experience represents a resource that is central to understanding of opportunity identification and exploitation. Human capital approach emphasizes behavioral aspects of skills, innovation and risk-taking for developing and managing new enterprises (Dejaeghere, 2014). Identification of specific youth needs and designing of youth-oriented learning programmes, including extracurricular training is critical in creating jobs through enterprise development (United Nations, 2014). Creating entrepreneurial societies starts with education that fosters creativity, problem solving skills, positive risk-taking and enterprising mindsets for young people. Young people often lack necessary skills to develop their business ideas, such as preparing market analysis, differentiating products from competition, preparing cash-flow statements and presenting a case for financial support.
**Rational Choice Theory**

Among the proponents of this theory are Talcott Parsons and James Cohen in 1998. According to Parsons, action is rational in so far as it pursues the ends possible within the conditions of the situation by the means which, among those available to the actor, are intrinsically best adapted to the ends. The starting point here is that the actor knows the facts of the situation in which he acts and the conditions necessary for the realization of his ends or goals. The idea of rational choice, where people compare the costs and benefits of certain actions, is easy to see in economic theory. In general, people will choose the object that provides the greatest reward at the lowest cost (Hashemi, 2006). The assumption is individual has full or perfect information about exactly what will occur due to any choice made. More complex models rely on probability to describe outcomes.

Rational Choice Theory is applicable to the study in relation to objective 5 about Youth group dynamics as a component of YEDF. Women and youths in groups will make the decision to apply and access the loans which is intended to boost their enterprises and also create opportunities for self-employment in the informal sector. Ideally, the women are expected to effectively utilize the credit to achieve improved business performance and profitable enterprises hence increased income, and improvement of living standards. The income thus obtained is used to finance socio-cultural activities like household consumption expenditures such as food and payment of health bills. The income is also used to pay school fees and buying school uniforms and some is saved (Were, 2014).

However, most of these youth and women are also faced with various challenges in utilizing the loans. Among these challenges is poverty which may cause them to make the decision to utilize the Youth Enterprise Development fund loan on basic requirements such as food, health, education and other socio-cultural activities instead of the intended income generating activities. As a result, none of the intended positive results such as profitable enterprises, increased income and improved of living standards will be achieved. This will return the individuals back to their previous status (Kate, 2007).

This model is applicable in this study because the Youth Enterprise Development fund board is using this approach. Poor youth and women lack formal collateral requested by many financial lending institutions and the microloans and therefore from the Youth Enterprise Development fund it’s expected to open opportunities. But whether Youth Enterprise Development funded projects are performing well is the issue hence the aim of the study.

**Agency Theory**

Agency theory was developed by Bainbridge in 1993. He pointed out that key activity for boards is monitoring management on behalf of shareholders and that effective monitoring can improve firm performance by reducing agency costs. Boyd (1995) states that the monitoring function of boards is also referred to as the control role. According to Amy & Thomas (2003), the
monitoring function refers directly to the responsibility of directors to monitor managers on behalf of shareholders. The theoretical underpinning of the board's monitoring function is derived from agency theory, which describes the potential for conflicts of interest that arise from the separation of ownership and control in organizations. In agency theory terms, the owners are principals and the managers are agents and there is an agency loss which is the extent to which returns to the residual claimants, the owners, fall below what they would be if the principals, the owners, exercised direct control of the corporation (Jensen & Mackling, 1976).

Agency theorists see the primary function of boards is to act in the interest of shareholders (Bainbridge, 1993). Monitoring by the board is essential to ensure that it does not pursue its own interests at the expense of the shareholders and as such it should be held in high regard. Amy and Thomas (2003) contend that a director’s monitoring function is to monitor the CEO, monitor strategy implementation, planning CEO successor and evaluating and rewarding the top managers. Therefore, this theory plays several important roles in evaluation practice and links well to explain monitoring evaluation in the youth enterprise development funded projects performance.

**RESEARCH METHODOLOGY**

**Research Design**

The study was based on the quantitative paradigm. In this inquiry, data on observable behaviors of the respondents was collected from a representative sample of the population and subjected to statistical analysis to study the determinants of youth enterprise development funded projects performance in Isiolo County. Descriptive survey design was selected since the researcher did not have direct control over the independent variables as their manifestation already occurred and these variables did not render themselves to manipulation. The survey design selected described the phenomena under study and collected data and generalized the proportions of the population who possessed those characteristics (Yin, 2017). The study collected quantitative data for testing of the hypothesis.

**Target Population**

Target population is the total collection of elements about which we wish to make inferences. The target population of the study was 474 individuals from Isiolo county who benefited from the youth enterprise development fund. These comprised 67 officials, one hundred and 324 self-help groups officials as well as 83 Youth Enterprise Development Fund officials.

**Sampling Procedure**

Stratified random sampling was used in the study. The target population of 621 individuals was categorized into four homogenous strataums; community administrators, county officials, self-help groups officials and Youth Enterprise Development Fund officials. The sample size was
obtained from the simplified formula by Yamane (1967) below for 95% level of confidence and a degree of variability p of 50%.

\[ n = \frac{N}{1+N(e)^2}, \]

Where: n is the sample size, N is the population size and e are the sampling error.

Applying a sampling error of 5% the sample size was obtained thus:

\[ n = \frac{621}{1+621(0.05)^2} \]

\[ n = 286.32 \approx 286 \]

Simple random sampling was used to get the respondents who participated in the survey from each of the three stratums. The sample size that corresponded to 621 individuals from the formula by Yamane (1967) was extrapolated as 286 respondents. Two hundred and eighty-six respondents were then sampled in the study, with each of the four stratums having sample sizes.

**Research Instruments**

Primary data was collected from the identified respondents using questionnaires that were distributed by the research assistants. The questionnaire contained two sections. Section A of the questionnaire had questions on the demographic characteristics of respondents and Section B consisted the questions on the variables under study. The structured sections of the questionnaire had a five-point Likert scale rating indicated thus: (1) No extent at all (2) Low extent (3) Moderate extent (4) Great Extent (5) Very great extent. The questionnaire was made up of both open ended and closed ended questions. The open-ended questions were used so as to encourage the respondent to give an in-depth and felt response without feeling held back in illuminating of any information and the closed ended questions allowed respondent to respond from limited options that were stated.

**Data Collection Procedures**

A permit to conduct the research was obtained from the National Commission for Science, Technology and Innovation (NACOSTI) before the data collection process commenced. After obtaining the license, travel to Isiolo County was organized where the researcher met with the research assistants and the targeted respondents informed them of the purpose of the visit. After consent to collect data was given, the research assistants were inducted on the questionnaire and thereafter proceeded to distribute the same to the respondents who could read in English. For those who could not, the research assistants made appointments with the respondents on the time they were available to answer the questions. The purpose of the survey was explained to each of the respondents and their consent obtained before data collection (Bryman, 2015).
Data Analysis Techniques

After the questionnaires are returned, the raw data collected was cleaned, edited, coded and tabulated in line with the study objectives. The quantitative data was collected using the closed ended questions. Inferential data analysis was done using multiple regression analysis. Multiple regression analysis was used to establish the relations between the independent and dependent variables. Multiple regression was used because it was the procedure that used two or more independent variables to predict a dependent variable. Since there were five independent variables in this study the multiple regression model generally assumed the following equation;

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon \]

Where: \( Y = \) Performance of Youth Enterprise Development Funded Projects; \( \beta_0 = \) constant; \( \beta_1, \beta_2, \beta_3, \beta_4 \) and \( \beta_5 = \) regression coefficients; \( X_1 = \) Monitoring and evaluation; \( X_2 = \) Entrepreneurial skills; \( X_3 = \) Training and development; \( X_4 = \) Access to market; \( X_5 = \) Youth group dynamics; \( \varepsilon = \) Error Term

RESEARCH RESULTS

In addition, the researcher conducted a multiple regression analysis so as to test relationship among variables (independent) on the performance of youth enterprise development funded projects. The researcher applied the statistical package for social sciences (SPSS Version 25) to code, enter and compute the measurements of the multiple regressions for the study. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (performance of youth enterprise development funded projects) that is explained by all the five independent variables (Monitoring and evaluation, entrepreneurial skills, training and development, access to market and youth group dynamics).

The model summary provides information about the regression line’s ability to account for the total variation in the dependent variable (performance of youth enterprise development funded projects). The Table 1 demonstrates how observed y-values are highly dispersed around the regression line.

Table 1: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.831</td>
<td>0.691</td>
<td>0.683</td>
<td>0.954</td>
</tr>
</tbody>
</table>

The findings show that the independent variables significantly influenced the dependent variable as shown by an Adjusted R Square = 0.683. The output indicates that the strength of association between the variables is very high (Adjusted R Square = 0.683). The five independent variables (Monitoring and evaluation, entrepreneurial skills, training and development, access to market
and youth group dynamics) collectively that were studied, explain only 68.3% of the performance of youth enterprise development funded projects as represented by the Adjusted R Square. This therefore means that other factors not studied in this research contribute 31.7% of the performance of youth enterprise development funded projects.

Analysis of Variance (ANOVA) consists of calculations that provide information about levels of variability within a regression model and form a basis for tests of significance.

**Table 2: Analysis of Variance (ANOVA)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>431.211</td>
<td>5</td>
<td>86.242</td>
<td>92.985</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>192.916</td>
<td>208</td>
<td>0.927</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>624.127</td>
<td>213</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In view of the results in table 4.18 the significance value is 0.000 (which is less than 0.05) indicates that the overall model is statistically significance in predicting how monitoring and evaluation, entrepreneurial skills, training and development, access to market and youth group dynamics affect performance of youth enterprise development funded projects. The F critical at 5% level of significance is 2.628 from the Standard F-tables. Since F calculated (value = 92.985) is greater than the F critical, this shows that the overall model was a good fit.

Another output from the multiple regression analysis was the table of regression coefficient which is a key output of regression analysis. It is interpreted as the proportion of the variance in the dependent variable that is predictable from the independent variable. The results are as shown in the Table 3.

**Table 3: Regression Coefficients**

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.783</td>
<td>0.129</td>
<td></td>
<td>13.822</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>0.978</td>
<td>0.149</td>
<td>0.831</td>
<td>6.564</td>
</tr>
<tr>
<td>Entrepreneurial skills</td>
<td>0.843</td>
<td>0.432</td>
<td>0.812</td>
<td>1.951</td>
</tr>
<tr>
<td>Training and development</td>
<td>0.773</td>
<td>0.253</td>
<td>0.747</td>
<td>3.055</td>
</tr>
<tr>
<td>Access to market</td>
<td>0.751</td>
<td>0.199</td>
<td>0.736</td>
<td>3.774</td>
</tr>
<tr>
<td>Youth group dynamics</td>
<td>0.659</td>
<td>0.321</td>
<td>0.601</td>
<td>2.053</td>
</tr>
</tbody>
</table>

Table 3 above presents results of the beta coefficients as well as the p-values for each independent variable. The regression function extracted using the unstandardized betas is as follows ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5$):
\[ Y = 1.783 + 0.978 X_1 + 0.843 X_2 + 0.773 X_3 + 0.751 X_4 + 0.659 X_5 \]

According to the regression function, holding all factors constant at zero (Monitoring and evaluation, entrepreneurial skills, training and development, access to market and youth group dynamics), the coefficient for performance of youth enterprise development funded projects will be 1.783. The findings further indicate that taking all other independent variables at zero, a unit increase in monitoring and evaluation leads to a 0.978 increase in performance of youth enterprise development funded projects; a unit increase in entrepreneurial skills leads to a 0.843 increase in performance of youth enterprise development funded projects all else held constant; a unit increase in training and development leads to a 0.773 increase in performance of youth enterprise development funded projects all else held constant; a unit increase in access to market will lead to a 0.751 increase in performance of youth enterprise development funded projects all else held constant whereas a unit increase in youth group dynamics will lead to a 0.659 increase in performance of youth enterprise development funded projects all else held constant. This infers that Monitoring and evaluation contribute the most to the Performance of Youth Enterprise Development Funded Projects.

The p-value for each coefficient tests the significance of each variable. The coefficient of regression from the regression model of monitoring and evaluation has a p-value (0.000<0.05) that imply that it is a significant predictor of the performance of youth enterprise development funded projects. The coefficient of regression from the regression model of entrepreneurial skills has a p-value (0.022<0.05) meaning that it is a significant predictor of the performance of youth enterprise development funded projects. Moreover, the coefficient of regression from the regression model of Training and development has a p-value (0.002<0.05) which shows that it is a significant predictor of the performance of youth enterprise development funded projects. Further the coefficient of regression from the regression model of access to market has a p-value (0.000<0.05) which imply that it is a significant predictor of the performance of youth enterprise development funded projects. The coefficient of regression from the regression model of youth group dynamics has a p-value (0.041<0.05) which imply that it is a significant predictor of the performance of youth enterprise development funded projects.

**CONCLUSIONS**

The study concluded that monitoring and evaluation affects youth enterprise development funded projects performance in Isiolo County significantly. It was clear that regular consultations among the youth group members as well as the routine visits and dissemination of success stories greatly affected that performance of youth enterprise development funded projects in Isiolo County. It was also clear that advice and feedbacks moderately affect performance of youth enterprise development funded projects in Isiolo County.
The study further concluded that entrepreneurial skills affected youth enterprise development funded projects performance positively. The study revealed that youth enterprise development funded projects performance are greatly affected by time management, efficiency and flexibility, persistence and motivation and number of business ventures created while risk taking on opportunities have a moderate effect on performance of youth enterprise development funded projects in Isiolo County.

Further the study concluded that training and development had a positive and significant influence on youth enterprise development funded projects performance in Isiolo County. This was attributed to great effect by entrepreneurial courses, record keeping training and business management training. It was also accounted by the fact that seminars or workshops have a moderate effect on performance of youth enterprise development funded projects in Isiolo County and that investment training workshops lowly affects the performance of youth enterprise development funded projects in Isiolo County.

The study also concluded that access to market affects the youth enterprise development funded projects performance in Isiolo County. It was clear that proximity to markets, networking and identification of new markets had a great effect on performance of youth enterprise development funded projects in Isiolo County while number of business partnerships had a moderate effect on performance of youth enterprise development funded projects in Isiolo County.

The study finally concluded that youth group dynamics influences youth enterprise development funded projects performance in Isiolo County significantly. It was established that the size of the group, number of ventures done together and years of group co-existence affects the performance of youth enterprise development funded projects in Isiolo County and that frequency of group communication affect performance of youth enterprise development funded projects in Isiolo County lowly.

RECOMMENDATIONS

The study recommends that to enhance youth groups’ performance including productivity, the government (county and national) to release adequate resources and equipment preceded with formal training to youth groups. NGOs and development partners work together with the public sector in providing information and knowledge to enable youth groups to be able to carry out effective organizational strategic plans to enhance their growth and survival.

The study further recommends that the Youth groups should be assisted to increase uptake of available resources through project management skills building in line with government regulations which they most preferred to cease dependency on members’ monetary contributions in running groups since most youth have low income.

The study also suggests a need for the county government to provide training on good management practices. This will help to reduce multi practices within the group as the members
will act as a check to one another thus in overall enabling the group members conduct to be good preventing corrupt cases that may arise.

The YEDF program should be improved so that it can benefit more youths, by starting small scale businesses to provide self-employment. Such improvements of the YEDF program required include provision of better equipped workshops, adequate supplies of training materials and greater emphasis on practical business management for the youth.

The study further recommends that more trainings be given to youth implementers on monitoring and evaluation. Advice youth officials to have monitoring and evaluation. More county officers should be available to assist on training the youth. This was because they have trainings in monitoring and evaluation. Members need to be informed earlier on venue of the trainings to increase chances of the youth attending. Many of the trainings should be done within the divisional s near the youth group

Group cohesiveness is an important factor for the success of the group activities. One of the challenges facing the youths is establishing and sustaining the groups. Some groups disintegrate after receiving the funds due to differences in investment ideas. Therefore, the youths should vet group members that may cause group disintegration in the future. The youth groups should also seek for other available opportunities to solve their own problems such as unemployment and engagement in criminal activities. The youths have better coherence of the challenges facing them and can easily develop strategies to overcome the challenges. This will reduce overreliance on government and donor organization to help in solving the challenges facing the youths.

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