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EFFECTS OF FINANCIAL AND HUMAN CAPITALS ON ENTREPRENEURIAL PROPENSITY: CASE OF THE UWEZO FUND PROGRAM IN NORTH HORR, KENYA

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfillment of the requirements for the degree of Master of Management with specialisation in Entrepreneurship and New Venture Creation.

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ABSTRACT

This paper explores how the provision and access to financial and human capitals creates a conducive environment and enhances entry into entrepreneurship by individuals earmarked as potential beneficiaries of the Uwezo Enterprise Development Fund in North Horr Constituency in Kenya. Financial capital is discussed from the point of how improved accessibility influences entrepreneurial inclinations and motivation. The study also explores whether boosting human capitals resources through training (skill development), market linkage (improve networking), and mentorship (improve self–efficacy) among the Uwezo Enterprise Development recipients encouraged them towards considering entrepreneurship as a career option.

The purpose of the study was to assess whether provision of financial resources and enhancement of human capabilities through Uwezo Enterprise Development has influenced the individuals to consider entrepreneurship as an alternative form of employment.

The study employed a quantitative design, where a survey questionnaire was used to gather the data and the data collected analysed using the Statistical Package for Statistical Analysis System (SAS)

KEYWORDS; Entrepreneurial propensity, Entrepreneur, enterprise development, Mentorship

DECLARATION

I declare that this work contains no material which has been presented and accepted for award of any degree or diploma in any university or college and to the best of my knowledge and belief, contains no material previously published or written by another person except where due reference has been made**.**

Yattane Tiziana Duba

Signature…….

……. Day of……20……

DEDICATION

I dedicate this research to my husband, Adele Tura, for encouraging me to challenge myself and made me believe that ‘WHATEVER THE MIND CAN CONCEIVE AND BELIEVE, THE MIND CAN ACHIEVE”. To my children, Sori, Adano, Isacko and Abudo, I hope this achievement will continue to inspire you as you create your educational path and achieve your own greatness in lif**e.**

ACKNOWLEDGEMENTS

Above all, I give thanks to The Almighty God for His abundant grace and mercy upon me throughout this journey.

I would like to express my sincere gratitude;

To my supervisor, Dr. McEdward Murimbika, for his time and guidance throughout this exciting process.

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A special acknowledgement to my friends; Chawe, Godi, Tshidi and Tinashe for their encouragement, comradeship and support during the tough times.

Last, but not lest my heartfelt appreciation goes to my Hubby Adele, for journeying with me throughout this exciting trip - your unwavering support, love, encouragement and sacrifice kept me energised. To my children Sori, Adano, Isacko, and Abudo - I love you guys so much and appreciate your love, support and patience to bear with my absence during this journey.

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CHAPTER 1. INTRODUCTION

1.1 PURPOSE

Studies have confirmed that provision of relevant entrepreneurial capital can create an entrepreneur (Lokhande, 2015; Bosma, Wennekers & Amorós. 2012). Currently, most economies in the world are struggling with multiple problem and entrepreneurship is being introduced at local and national levels in order to encourage self-employment, reduce unemployment, boost economic growth, and enhance people's living standard (Urban, 2015; Kemunto, 2014; Klyver, & Schenkel, 2013). Besides these deliberate moves by government and other stakeholders, there is the element of push and pull that is at play, where some individuals spot entrepreneurial opportunities and exploit them while others, due to the unavailability of formal jobs or better alternatives, are being pushed into entrepreneurship. The challenge is whether these individuals who are unable to get formal jobs can be turned into entrepreneurs through provision of entrepreneurship training coupled by financial support. In other words, can provision of conducive entrepreneurial environment create entrepreneurial mind set in a person who may have no prior desire for business?

The study seeks to assess the effect of the available funding and development of human capital on entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency, Kenya.

SPECIFIC PURPOSE

- To establish the number of new businesses created due to access to finance through the Uwezo fund in North Horr Constituency.
- To establish the relevance of entrepreneurial skills training and creation of new businesses amongst the beneficiaries of Uwezo Fund in North Horr Constituency.
- To establish the significance of market linkage to the creation of new businesses amongst the beneficiaries of Uwezo Fund in North Horr Constituency.
- To establish the significance of mentorship to the creation of new businesses amongst the beneficiaries of Uwezo Fund in North Horr Constituency.

1.2 NORTH HORR CONSTITUENCY

The research was conducted in North Horr Constituency, Kenya. North Horr is one of the four constituencies in Marsabit County. It lies in the north of Kenya, a region bordering Ethiopia to the North and South Sudan to the West. The area has a population of 75,196 as per the Kenya Population and Housing Census of 2009 (Kenya National Bureau of Statistics 2010) which is projected to reach 96,312 by 2017.

The choice is ideal for the study due to the past and current social-cultural, economic and political environment in the region. This region is a habitat for a nomadic pastoralist community. Wellard-Dyer (2012) defines Pastoralists as "people who depend primarily on livestock or livestock products for income and food – typically graze their animals on communally-managed or open-access pastures, and move with them seasonally". This area is isolated, remote and underdeveloped arid and semi-arid land (ASAL). During the colonial era, due to the low agricultural potential, the area was considered as of low value and was designated only for livestock keeping, while the people occupying the area were considered hostile by the colonial regime, and these perceptions and misunderstandings about this group of people's economy and mobility tended to be carried on by every successive government after independence (Wellard-Dyer, 2012). For many years, until the present, violent intercommunity conflict, drought, and severe famines have been the defining features of the area (Wellard-Dyer, 2012).

In the 1960s, with the arrival of missionaries in the area, formal education was introduced as a way of encouraging a sedentary life and also to diversify the community's livelihood through trade and formal employment. Over the years, a good number of families have managed to educate their children and these children are now working all over the world. As the population continues to grow, and formal jobs become scarce, North Horr struggles with its share of youth unemployment, high levels of poverty and inequality, with all three parameters scoring high on the scale. Youth unemployment rate is at 65%, poverty at 68% with more than half population living on less than a dollar a day and inequality estimated to be way above the national GII of .651, according to the Marsabit County (2016) revised

strategic plan 2013-2017. Wealth here, is measured by the size of the herd a person has, and the marginalised groups have no access to this resource since ownership of livestock belongs to men. It is for this reason that the promotion of entrepreneurship is of utmost importance in the region to empower this segment of the population.

The pastoralist communities are mostly regarded as non-trading tribes compared to other communities in other parts of the country, but growth in commercial trade and markets, the initiation of programmes by the government and non-governmental organisations are creating additional employment opportunities to individuals in the area. "[Pastoralists are taking advantage of greater incorporation into national and regional economies to move livestock and goods across geopolitical and land-use boundaries" (Wellard-Dyer, 2012). Pastoralists are now adapting to an integrated strategy of keeping livestock in satellite camps and establishing trade, business and services in the trading centres.

This study focuses on the Uwezo Fund loan and grant's effect on the creation of new ventures in the area among the beneficiaries of the Uwezo Fund in North Horr constituency.

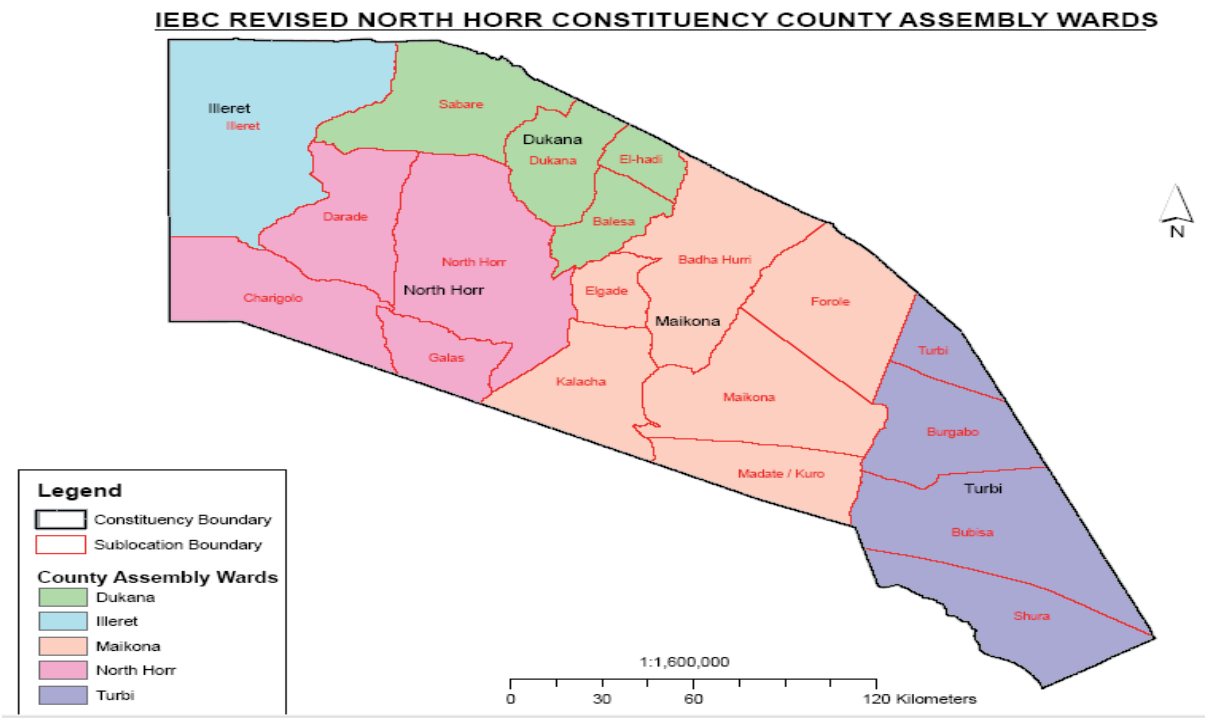


FIGURE 1: MAP OF NORTH HORR CONSTITUENCY

Source: Kenya National Bureau of Statistics

North Horr Constituency has five electoral wards namely; Illeret, Dukana, North Horr, Maikona, and Turbi as indicated on the above Kenya Independent Electoral and Boundaries Commission (IEBC) Map.

1.2.1 UWEZO ENTERPRISE DEVELOPMENT FUND

Uwezo Fund is a flagship project by the Kenya government with the main objective of enhancing access to finances, entrepreneurship training, and developing economic literacy of marginalised groups, in order to boost start-ups and existing businesses. This allows marginalised groups to either start or expand their businesses at the grassroots level for economic empowerment, as well as attainment of the Vision 2030 goals; “to generate gainful self-employment for the marginalized group, and to model an alternative framework in funding community driven development” (www.uwezo.go.ke) and also to provide them with mentorship opportunities in order to enhance the necessary knowledge, skills and create avenues for networking to take advantage of the 30% procurement preference (www.uwezo.go.ke).

Unlike the previous programmes (Maisiba & George, 2013; Oloo, 2014), Uwezo Fund is perceived to be easily accessible to the people since it is constituency based and run by an independent committee (Alfayo, 2015). The fund is accessible to individual entrepreneurs through welfare groups. Eligibility criteria are handled through a group or institution that is registered with the Department of Social Services, a cooperative or the Registrar of Societies and the groups and institutions must have members aged between 18 - 35 years old, whereas the women’s groups comprise women aged 18 and above. Uwezo Fund was started not to compete but to complement other already existing programmes with the aim of broadening avenues to financial access for micro and small enterprises. Uwezo has so far loaned enterprises owned by marginalised groups an amount of Kshs.5.6 billion of which North Horr has received Kshs.18.4 million (www.uwezo.go.ke).

1.3 PROBLEM STATEMENT

1.3.1 Main Problem

For the last two decades, Kenya government have deliberately implemented various initiatives aimed at promoting enterprise development at grassroots level by improving financial resource availability (Maisiba, & George, 2013; Oloo, 2014) and the enhancement of entrepreneurial capabilities through support programmes. Several policy adjustments have been made in the search for the best fit to steer the development of entrepreneurship among rural populations (Lokhande, 2015) as a way of addressing unemployment, economic development and poverty reduction (Jahan, Jespersen, Mukherjee, Kovacevic, Bonini, Calderon, & Lucic, 2015). Many studies conducted globally point to the lack of financial access and appropriate entrepreneurial skills as a major impediment to the creation of start-ups, especially in developing countries (Mrkajic & Scalera, 2015; Jahan, et al. 2015; Singer, Amorós, & Arreola, 2015). While the government has tried to reduce these obstacles through improved access to finance and the provision of institutional support programmes through target oriented development initiatives, the desirable results remain elusive, and the targeted people still remain vulnerable, poor and marginalised (Aberra & Abdulahi, 2015).

Scholars identify that context in entrepreneurship matters (Oloo, G. O. 2014; Calá, 2014). This suggests that research should focus more on the context and Langowitz and Minniti (2007) confirm that indeed, context matters. While there is empirical research in other parts of the world, there is no known study investigating the particular context and specificity of North Horr Constituency regarding the effect of enhanced availability of capital resources on new venture creation. The Global Entrepreneurship Monitor (GEM), a first ranking study of entrepreneurship around the world is one of the highly trusted resources on entrepreneurship internationally. Though this study covers many countries, it does not cover Kenya as yet. Cetindamar, Gupta, Karadeniz, & Egrican, (2012) Suggests a need for research that measures multiple dimensions of each form of capital through collection of primary day instead of depending on existing database such as GEM. Hence, the need to

investigate the extent to which the current financial, and institutional support at the grassroots level has affected entrepreneurial propensity amongst beneficiaries of the Uwezo Fund in North Horr Constituency.

1.3.2 Sub-problems

1. When asked what most hinders their desire to become entrepreneurs, most individuals blame lack of financial resources as the major barrier between them and their dreams.

2. The second sub-problem is that being nomadic pastoralists by nature, the residents of North Horr lack enough entrepreneurial skills to enable them to start and grow successful business ventures.

3. Thirdly, the area being arid and far from most cities in the country, and with a poor road network, this makes it difficult for business people to interact with their counterparts from other parts of the country in order to boost their experience.

4.. Lastly, the area lacks mentors who can offer guidance and entrepreneurial support to upcoming entrepreneurs.

1.4 SIGNIFICANCE OF THE STUDY

The contribution of this research is threefold; the study's findings will be of great help to the marginalised group by providing them with better knowledge of basic requirements for succeeding in new venture creation (Mao, 2015). Rozell, Scroggins, Amorós, Arteaga., & Schlemm, (2010) In their study on culture-fit in three of the South American countries, established that there exist several differences between entrepreneurial models in different cultures and consequently, the ways of training also vary with culture.

To the policy makers, this study should enable them to improve their decision making strategies when implementing such a programme. In the book *"Intricate road to development",* Aberra and Abdulahi (2015) argue that regions like northern Kenya have remained poor and marginalised due to several factors; conflict, climate change, inappropriate government policies and government large scale projects. GEM (2012) adds weight to this claim that with regard to entrepreneurial framework

conditions, regions have unique strengths and weaknesses and that policies that work in one place do not necessarily work as well in another place, hence the need for evaluating what works or does not work within and across regions.
Thus the study will help to discover if the policies adopted by the Kenyan government are effective in promoting the intended objective among the target group and help plan for appropriate future strategies to address the existing disparities.

And finally, this adds to teaching materials and theory by the fact that factor accessibility effects would differ from context to context**.** Effects of strategic policies may have different effects on entrepreneurs in different economic, social and political settings. Thus, this finding will enrich the scope of entrepreneurship study.

1.5 DELIMITATIONS

Delimitations are the scope and boundary by which a researcher chooses to limit a study (Mitchell & Jolley, 2010). North Horr is one of the four constituencies in Marsabit County, Kenya. There are five electoral wards under North Horr namely; North Horr, Dukana, Maikona, Turbi, and Illeret. The total population of North Horr is projected to be 96,312 by 2017 and this research will focus on 390 individuals who are beneficiaries of the enterprise development fund.

1.6 DEFINITION OF TERMS

Enterprise – is defined in "the Schumpeterian view as the introduction of new products, services, processes, materials that results in market disruption" (O'Connor, 2013).

Enterprise development – Koven and Lyons (2003) define enterprise development as "assistance given to entrepreneurs in support of the creation, growth, and survival of their business"

Entrepreneur – "is an innovator who carries out new combinations of economic development, which are goods, new methods of production, new market, new sources of raw materials and new organizational firm. An Entrepreneur is an agent of creative destruction" (Schumpeter, 1934).

Entrepreneurial Propensity - refers to the total number of new businesses (businesses that are older than 3 months, but younger than 3.5 years) initiated by adult population, according to the GEM Global report (Kelley, Singer, & Herrington, 2012).

Entrepreneurship refers to the complex issue of why, when and how people identify, and exploit opportunities (Shane, & Venkataraman, 2001).

Entrepreneurship Training – "is the training that is more focused on processes and practicalities of how to start a business" (Jones and Iredale, 2014).

Marginalised group - The constitution of Kenya, revised in 2010, under the Bill of Rights article 27(4), defines a marginalised group as "a group of people who because of laws and practices before, on or after effective date were or are disadvantaged by discrimination on one or more of the following ground; race, sex, pregnancy, marital status, health status, ethnic, or social origin, colour, age, disability, religion, conscience, belief, culture, dress, language of birth"

Mentorship - Cole, (2012) defines Mentorship as "The voluntary developmental relationship that exists between more experienced person and a less experience person that is characterized by mutual trust and respect.

1.7 ASSUMPTIONS

The following assumptions were made in the study;

- That all respondents have a running business of their own within North Horr Constituency.
- That all respondents are beneficiaries of Uwezo Enterprise Development Fund.
- That the study sample was picked from four out of five electoral wards of North Horr constituency, and hence the results can be generalised to the constituency.

In the next chapter, a full literature is provided to support the study.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

Here, literature relating to the research constructs and problem is discussed to create a clear theoretical lens through which this study is conducted. The literature review starts by defining the meaning of the entrepreneurship role in economic development as per the existing entrepreneurial theories. Enterprise development is also defined and discussed; this is followed by the in-depth discussion of all the constructs as a basis for generating hypotheses. In conclusion of the section, a summary and conclusion of the section and theoretical framework are presented.

2.2 BACKGROUND DISCUSSION

2.2.1 DEFINING ENTREPRENEURSHIP

The importance of Entrepreneurship cannot be over-emphasised, with the kind of attention the field is receiving throughout the world from leaders and individuals alike. Entrepreneurship is revolutionising the world through technological innovation.

Entrepreneurship has evolved over the years and so has its definition. To date, there is no one unifying definition in this field. Definitions of entrepreneurship take different perspectives like; Entrepreneurship is a complex phenomenon that involve diverse aspect and most existing definitions has been based on either one or few combinations of these aspects. Its behaviour, process and new venture creation. Bosma, et al. (2012) defines Entrepreneurship as "any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business". Sikalieh., Mokaya., & Namusonge, (2012) defined entrepreneurship as "The process of constantly scanning the environment, identifying business opportunities, marshalling resources, and launching a profit making enterprise". The level of entrepreneurship is measured by the rate of national entrepreneurial propensity (Ho & Wong, 2007). The entrepreneurial propensity (inclination) is the total number of new businesses (businesses which are

older than 3 months but younger than 3.5 years) created by the adult population (Kelley, Singer, & Herrington, 2012).

For better understanding, a short summary of Entrepreneurship history is necessary. According to StartupGuide.com, Entrepreneurship is an old phenomenon that started as early as 17000BCE when entrepreneurs first traded obsidian for other needed goods in New Guinea. During this time, the form of trade was barter (exchange of one good for another) which had its own shortcomings, including difficulty in the co-incidence of wants. Around this time, everything was pretty simple and all production was subsistence. Around 10,000 BCE, the first domestication of plants started and with it, a sedentary life emerged, the population grew and specialisation in the production of goods and services started. As trade expanded, the need for a formal medium of exchange replaced the barter trade, people started producing more than they wanted for their own consumption. Cities emerged and trading became more complex. Despite its existence as an activity for a long time, entrepreneurship as a major force of economic development grew in the west between the 1700s to 1900s (Urban, et al. 2015).

As a field of study, Meyer, Libaers, Thijs, Grant, Glänzel and Debackere (2014) argue that entrepreneurship has always been linked to another discipline like Economics and Sociology in the academic arena. It was only in the 1990's that scholars, mostly from Anglo-Saxon countries, started recognizing Entrepreneurship as a field of study. Since then, the field has steadily grown although its acceptance as an independent academic discipline was only achieved during the 2000s. According to Meyer et al. (2014), at the beginning of the 1990's, fewer than 100 papers were published in this field, but this activity doubled during the same period reaching 1000 papers by the end of that period. Most growth in research work took place between 2000 and 2010 where the amount of research in the entrepreneurship field was at its highest at 5000 papers - a growth of 12.1% compared to the previous period. The field has since grown tremendously to the point that currently according to the Global Consortium of Entrepreneurship Education, current "membership totals 225+ university-based entrepreneurship centres ranging in age from well-established and nationally ranked to new and emerging centres".

Entrepreneurs solve problems for the local communities through innovation hence improving the standard of living and increased the wealth of nations (Nyaura, Sutter, & Rono, 2017; Sequeira, et al. 2016). Entrepreneurship is seen as the arena of promise in accelerating job creation, poverty reduction and a catalyst to growth in both developed and developing countries (Marwa, 2014). As the global economic downtrends persists, there is growing recognition among governments and other stakeholders, that promotion of enterprises at grassroots is seen to be a relevant strategic tool to address unemployment and poverty, as well as a means to achieve economic growth (Naudé, 2013) by various governments. Many economists and politicians now believe in the positive effect of entrepreneurship for the increase in the GDP and employment creation (Charles, Loice, & Samwel, 2012). In Kenya, the informal sector employs more people than its counterpart, the big corporates that are retrenching more individuals than they hire and this has captured the attention of the government and non-governmental organisations.

Most of the developing countries face an enormous number of challenges emanating from increasing unemployment, extreme poverty and inequitable distribution of wealth (Okoth, et al., 2013). The fact that most of these economies are factor driven and characterised by low productivity, results in failure to provide meaningful stable employment, and a reliable income to individuals, especially the rural cadres. Despite significant improvements in the growth of entrepreneurship, poverty in developing countries remains chronic and unresponsive to economic development. According to the OECD (2003)'s study of economic growth (*Building joys and prosperity in developing countries*), the extent to which economic growth affects poverty depends on the level at which the poor participate in the development process and share in the proceeds. Gini coefficients of most developing countries are high, an indication of the poor lacking capacity to adequately participate in development activities (World Development Indicators, 2004).

Consequently, how to reduce these problems remains the most pressing issue in the international development discussions (Jahan, et al., 2015). Over the years, these debates have led to the adoption of various employment creation and poverty alleviation policies like structural adjustment programmes, poverty reduction strategies, and Millennium Development Goals; initiatives that are yet to yield

meaningful outcomes in terms of addressing the challenges faced by targeted populations.

Previously, Entrepreneurship was seen as an occupation of a lower social status compared to the white-collar job, which was preferred by most educated people (Maisiba & George, 2013), but this perception is gradually fading, especially among the younger generation who prefer this field to the formal employment for its promising rewards. Governments around the world have also started embracing it as a noble career choice for their citizens. Scholars recognise it as a powerful engine for economic growth and progress (Bosma, et al. 2011).

Jahan, et al. (2015) suggest that stimulating entrepreneurial initiatives is a strategic process that requires calculated strategic choices; choices that can be viewed as regarding a combination of factors to encourage interest in would-be entrepreneurs. Singer, et al. (2015) recommend that policymakers offer targeted programmes for more entrepreneurial business models. According to this report, many of these entrepreneurs have the potential of becoming employers and growing their businesses with trickle down benefits to their communities.

Amid these calls, several initiatives have been started by different public and private institutions to lure more unemployed people into entrepreneurship by improving terms and conditions to access resources. Kenya has implemented numerous poverty alleviation policies since independence, mostly aimed at employment creation and poverty eradication, but with minimal success. The medium term plan (2013-2017) with clear objectives, is one of the strategies in place to achieve Vision 2030, and Millennium Development Goals (Ministry of Planning and Devolution, (25/09/2013). While these goals are clear, the means of attaining them are not as distinct. The reality is that creating enough professional/white collar jobs for all qualified citizens is proving to be a tough hurdle for most economies around the world, and this is putting more pressure on governments to try whatever means possible to find solutions to these pressing problems. Besides this acceptance, there still remains a bigger challenge of advancing and inculcating entrepreneurship behaviour in a population.

"Entrepreneurship is not merely the process of founding a new venture" (Mishra & Zachary, 2015). Considering some factors (environmental, social-cultural, economic and also political) influencing entrepreneurship, there is no one-size-fits-all prescription available to induce would-be entrepreneurs into becoming entrepreneurs, in other words, factors used to improve the entrepreneurship environment depend on the conditions surrounding the beneficiaries. The intended beneficiaries are not necessarily born entrepreneurs and have the means (e.g. financial, network) critical for running a business (St-Jean & Audet, 2012) are often lacking. Further, acquisition of entrepreneurial skills is a point of argument amongst scholars; some arguing entrepreneurial skills are innate (Shaparo, 1995). James Koch (2013) a proponent of this school of thought and co-author of the book *"Born not Made,"* had this to say when asked what he thought about entrepreneurship education "I'm not sure somebody can be taught to love to take risks." while others firmly believe that entrepreneurship can be learnt (Chell & Allmen, 2003). Julian Lange, Associate Professor of Entrepreneurship at Babson College, argues that people can develop their love for entrepreneurship through formal education. This study adopts the latter view that entrepreneurial education can motivate individuals and enhance the uptake of business activity.

Taking up of entrepreneurial activity is subject to the availability of various resources as explained by scholars in entrepreneurship literature through different theories. Mishra and Zachary (2015) emphasise that "the entrepreneurial intention out rightly belong to the entrepreneurial process, regulates the entrepreneurial resources that sense and leverage the entrepreneurial opportunity". Theories include Resource Based Theory (RBT), financial capital theory, Human capital theory, social Capital and Networking theory.

2.2.2 ENTREPRENEURSHIP THEORY

Entrepreneurship scholars have applied a multitude of theories to explain the development and relationship between the individual and the enterprise. Such theories include, Resource Based Theory, Social Capital Theory Social and Network Theory Network, Human Capital theory (Sefalafala, 2013).

Resource Based Theory

This theory emphasises the importance of the availability of resources in the process of new business creation. This theory assumes that availability or lack of resources can accelerate or hinder the creation of new ventures. Resource-based essentially explains why firms are different and how they succeed and sustain their competitive advantage by using resources available to them (Vargas-Hernández, 2013). Firms are heterogeneous regarding the strategic resources they own and control, and heterogeneity is a result of the market imperfection due to the firms' inability to alter their accumulated resources over time. These resources consist of tangible (financial) and intangible (employee's knowledge, experience and skills).

Social Capital Theory

Social capital is the benefit that is generated from social relations, and that can be mobilised to facilitate action (Venter, Urban, Beder, Oosthuizen, & Reddy, 2015). The social capital theory explains the ability of individuals within that relationship who can derive benefit from their social structure network (Venter, et al. 2015). Social network supplements the effects of human capital elements including; education, experience, and financial capital (Venter, et al. 2015). Social networks are useful especially for small and medium enterprises to lessen and overcome challenges of searching and acquiring valuable resources (Ozdemir, Moran, Zhong, & Bliemel, 2014).

Uwezo Enterprise Development Fund provides elaborate mentorship and training programmes for the beneficiaries before they operationalise their business. Part of the programme is to introduce budding entrepreneurs to other experienced colleagues for them to network and gain more insights. Through this social capital, an individual is able to access financial capital too.

Network Theory

Network theory is another theory on which this study draws; this theory analyses the social connection and ties between parties with the emphasis on the structure of the connection, contrary to the attributes on the participants in that connection (Ozdemir, et al. 2014). This theory aims to conceptualise, among other things, the channels

through which information flows from one individual to another and through which one person could influence another, for instance Ozdemir, et al. (2014) suggest that individuals extract valuable resources either through relational or structural embeddedness. This theory views social relationships as consisting of knots and ties, where knots are individuals and ties the interactions between those individuals. Networking is acknowledged to be a powerful tool for entrepreneurs to encompass both actual and potential resource flow (Venter & Urban, 2015).

Financial capital

For an entrepreneur to successfully create a new venture, the generation of financial capital in sufficient amounts and in the right form is essential. A successful enterprise development normally requires substantial tangible or intangible resources (Mpanza, 2016). Most research points out that one of the toughest constraints facing current and potential entrepreneurs is identified as lacking access to sufficient capital to start or expand a new and existing business respectively (Mrkajic and Scalera, 2015).

Human capital Theory

Bae, Qian, Miao, & Fiet (2014) expressed that human capital is mainly involved with the role played by knowledge in improving the individual's cognitive abilities. The human capital theory confirms that, by improving efficiency and the cognitive ability of individual entrepreneurs, there can be an achievement of improved productivity and efficient entrepreneurial activity (Cetindamar, et al. 2012). Entrepreneurship has drawn too much attention in the world today, so much so that some researcher like Todorov (1999) predicted that it would be the business discipline of the 21st century. Entrepreneurship development involves various capital resources, of all the above types of resources discussed, this study only focuses on the latter two, which are financial capital and human capital as the independent variables.

2.2.2. ENTERPRISE DEVELOPMENT

Enterprise development is recognised as an important development initiative, mostly in the developing countries where it is seen as the crucial tool for achieving national development goals like wealth creation, economic growth, poverty alleviation, employment creation, especially for the rural population (O'Connor, 2013; Mrkajic, &

Scalera, 2015). Enterprise is defined in “the Schumpeterian view as the introduction of new products, services, processes, materials that results in market disruption” (O’Connor, 2013). Enterprise development therefore, according to Koven and Lyons (2003), is the “assistance given to entrepreneurs in support of the creation, growth, and survival of their business”. This is the act of investing resources in terms of time and capital in helping would-be entrepreneurs to start, expand or improve businesses. Enterprise development is a means to help improve living standards, it leads to long-term economic growth.

Enterprise zones began in Great Britain in the 1970s with fundamental thought by Peter Hall; he was astonished by the fast economic development in the "freeports" of Asia, for example, Hong Kong, Singapore, and Taiwan. He credited this development to the low duties and the relative absence of administrative impedance in the economies of these city/states. By similarity, he felt that allowing "genuinely improper free undertaking" in poor neighbourhoods could revive those areas. It was after that, countries started adopting it. American Individual states started enacting zone programmes in the mid-1980s, followed by the federal government in 1993.

In recent time, studies have emphasised the need for enterprise development initiatives by the government and other stakeholders (Kelley, et al., 2012; Isenberg, 2011). Kelley, et al. (2012) for instance, recommends the identification and successful implementation of policies that can encourage young people into starting business especially in sub-Saharan Africa where there is a high level of unemployment and a growing youth population.

Enterprise development is a process that follows systematic stages just like development of human beings; these stages are known as “The Enterprise Life cycle”. This cycle starts from the Survival stage – Growth stage – Maturity stage - Ageing stage (Yue, & Hanxiong, 2011). The relevant stage to this paper is that of the survival because at this stage the firm faces problems like lagging of information, fuzzy deformation of markets, backward techniques, shortage of talent and internal resources. At this stage, most entrepreneurs find it difficult to access formal credit due to their lack of collateral.

Since formal institutions are reluctant to provide loans to start-up entrepreneurs due to the nature of these businesses, entrepreneurship development interventions from the government, entrepreneurs and other stakeholders have emerged as alternative financing and support mechanisms (Marwa, 2014). These types of entrepreneurship promoting initiatives differ in their goals, plans for implementation, and they regularly combine various interventions, based on the obstacles a particular programme aims to tackle.

For instance, in Europe, The European Commission's business enterprise policies are firmly rooted in their backing for small and medium-sized businesses (SMEs). The European Charter for Small Enterprises, supported by the Heads of State or Government, in June 2000, was followed by the creation of the European organisation statute in 2001. More recently, the Commission has focused on access to the fund, on advancing enterprise among ethnic minorities and women (Widmer, 2012).

Venture advancement commitments comprise money related, non-monetary, recoverable or non-recoverable commitments initiated for targeted beneficiaries to achieve specific objectives. In recent years, the contribution of micro and small business to the success of market economies has become a central focus of economic policies, thus, leading to the implementation of many enterprise development initiatives with a view to obtaining economic growth and substantial employment creation and poverty alleviation through the initiatives. These initiatives especially target the marginalised groups in the community who make up the population sample of this study. For example, Mrkajic, & Scalera, (2015) suggests that facilitation of entrepreneurship witnesses a corresponding economic and formal sector growth.

Apart from the systematic stages described above, entrepreneurship development success is subject to a conducive environment, an entrepreneurial environment (entrepreneurial ecosystem) that nurtures and sustains entrepreneurial activity. These environmental factors are critical to the process of making start-up decisions by the would-be entrepreneurs (Suresh & Ramraj, 2012). This ecosystem consists of various sets of individual elements that work together in a sophisticated manner and

professor Isenberg of Babson College expresses that the most difficult task is how this environment can be fostered to suit the current inhabitant and help them make entrepreneurial choice and succeed at it (Isenberg, 2011). Below is the domain of the entrepreneurial ecosystem as suggested by him.

BABSON ENTREPRENESHIP ECOSYSTEM

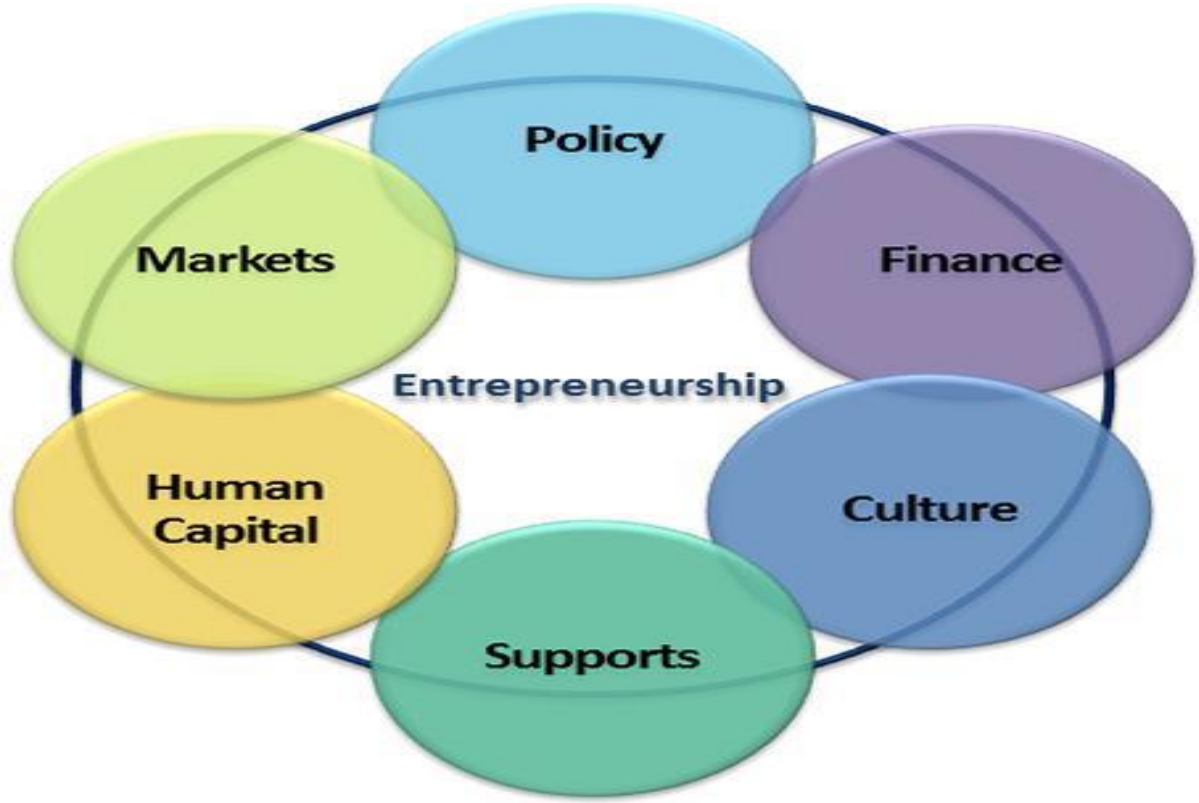


FIGURE 2: THE ENTREPRENEURIAL ECO-SYSTEM

Source: http//entrepreneurial.revolution.com/page/28

This study looks at three of these elements which include; finance, human capital, and support, and how their provision through government programmes promote entrepreneurship among specific populations.

2.2.3 MARGINALISATION

“Marginalization is a process that leads to loss of control over a resource, service or commodity on the part of certain actors based on both social and ecological criteria” Marginalization may encompass gender, racial, political, cultural, or economic oppression (Nayak., Oliveira, & Berkes, 2014).

The fact that the study takes place in an area that has struggled with marginalisation for decades regarding resource allocations, will be interesting to find out the role played by access to finance and human capital on this segment of the marginalised group within a marginalised population.

Different scholars have diverging thoughts regarding possibilities of one becoming an entrepreneur, and they have different theories they use to support their line of thoughts. Some believe that entrepreneurs are born, meaning entrepreneurial skills are inherent rather than acquired. Others differ from the above belief and suggest that entrepreneurs can be made. The latter is the thought with which this study will align itself, that entrepreneurial skills can be acquired through learning. Here, theories relevant to the acquisition of entrepreneurial skills are discussed and some success stories highlighted.

2.3 ENTREPRENEURIAL PROPENSITY

The entrepreneurial propensity (inclination to act towards venture creation and development) is defined as an individual's favourable predisposition towards new venture creation (Chelariu, Brashear, Osmonbekov, & Zait, 2008), highlighted by the total number of businesses created by the adult population and which are aged between 3 months and 3.5 years old (Kelley, et al., 2012). This involves any individual who runs newly created firms and anyone who is attempting to create a new business. Kelley et al. (2012) define new business owners as those nascent entrepreneurs who have been in business for more than three months, but less than three and half years.

Studies have shown that propensity for individuals to be involved in business activity is determined by their attitude towards it. Kelley et al. (2012) indicate that favourable perceptions about entrepreneurship in an economy affects people's inclinations to entrepreneurial activity and also goes on to affirm that attitude can indicate the extent to which a society may provide cultural and tangible support toward the effort of entrepreneurs. In developed economies like the USA, entrepreneurship is considered in high esteem and believed to be a great career choice and this has encouraged many young people to consider the uptake of entrepreneurship which has led to many new innovations.

Entrepreneurship starts when individuals who may have or have not considered becoming an entrepreneur earlier believe there are favourable business opportunities in their environment. Mao (2015) argues that when environmental conditions can motive entrepreneurs to take advantage of opportunities, and enhance entrepreneurs' capabilities to create and manage a business, entrepreneurship can thrive.

Studies have established that high entry barriers hinder new and expanding firms from engaging in entrepreneurship, although the new firms are more affected than the expanding ones. A study by Osano and Languitone (2016) in Mozambique, found evidence that micro, small and medium enterprises are denied and discriminated against by the lenders in the provision of finance, due to the high risk involved in funding new and expanding businesses.

Entrepreneurial propensity being the dependent variable, this paper aims at finding out how people's perception has been influenced by the conditions of government programmes promoting entrepreneurship and if this has led them to the creation of new businesses (businesses that are up to three and a half years in age).

2.3.1 ANTECEDENTS FOR ENTREPRENEURIAL PROPENSITY

Entrepreneurship plays an important role in the developing and developed economies, (Marwa, 2014). Taking into account this role, it is imperative to understand what factors actually predict entrepreneurial propensity at the individual level. Entrepreneurship literature points out some of the antecedent factors that affect favourably the likelihood of an individual to engage in entrepreneurship and these antecedents are self-efficacy, the perception of opportunity, fear of failure, and prior knowledge of other entrepreneurs.

Self-efficacy

Self-efficacy is individual's belief in his or her own ability to execute a task (Baum, Frese, & Baron, 2014). Baum, et al. (2014) alludes that there are two types of self-efficacy; general and task specific self-confidence. He defines general self-efficacy as the strength of a person's belief that he or she is capable of successfully dealing with the world, when confronted by life's challenges. Similarly, Drnovšek, et al.

(2010) confirm the existence of these two approaches in entrepreneurship literature, where one stream refers to self-efficacy as entrepreneurs' task-specific self-confidence and the other defined self-efficacy as the capacities to master the necessary cognitive, memory processing, and behavioural facilities to deal effectively with the environment.

The determinant of self-efficacy according to Lee, Wong, and Chua (2005) includes dimensions such as marketing, innovation, management, risk-taking, and financial control. These form part of the things that would-be entrepreneurs lack and policy makers are trying to include in this dimension in their initiatives as a way of promoting entrepreneurship. Kelley et al. (2012*)* assert that self-efficacy has a positive association to the individual's likelihood of engagement in entrepreneurial activity. An individual with high self-efficacy is thought to be more likely to engage in entrepreneurship than one with low self-confidence in his or her ability.

The idea of business enterprise self-efficacy is cemented in the socio-cognitive approach that concurrently analyses the dynamic interaction between the individual and environment by clarifying what cognitive, motivational and emotional procedures are embroiled in an individual's choice to take part in business activities and how these processes are shaped by environmental and market factors (Drnovšek, Wincent, & Cardon, 2010). Belief in one's own ability, skills and knowledge to start new business increases individuals' alertness to the environment and leads to a creation of more new businesses.

Perception of Opportunities

Perception of entrepreneurial opportunities is defined as the identification of business opportunities for the creation of new ventures. These opportunities include opportunities to produce new raw materials, opportunities for the production of new goods, and services that can be exchanged at a profit (Baum, Frese, & Baron, 2014).

The initial step of the entrepreneurship process occurs when individuals who may or may not have a desire to become entrepreneurs prior to spotting the opportunity, perceive favourable business opportunities around them (Kelley, et al., 2012). This

study investigates whether the creation of a conducive entrepreneurial environment by the government has changed peoples' perception and encouraged them to engage in entrepreneurial activity.

Entrepreneurial opportunity perception various in different regions, in that generally perceived opportunity declines with greater levels of development. For instance, opportunity perceptions of the individual in the UK are much lower than that of people in Africa. Kelley, et al. (2012), confirms that individuals in Sub-Saharan African countries are more aware of the presence of good opportunities for starting businesses in the near future, although the nature of the business in which they intend to engage differs. The developing countries mostly engage in necessity entrepreneurship while developed countries engage in opportunity entrepreneurship. Potential entrepreneurs mostly perceive opportunities in the beginning stage of the business lifecycle, before the creation of a new venture, which is dependent on their environment.

Langowitz and Minniti (2007), while investigating what elements influence the entrepreneurial propensity of women, found that perception variables were the most significant factors for both men and women entrepreneurial decision making.

Fear of failure

Naturally, unfamiliar territories insert fear in any people, fear of the unknown envelopes oneself. In the same breath, the continuously changing entrepreneurial environment which consists of both internal and external factors creates some uncertainty which would instill fear of failure in a potential entrepreneur. Lee, et al. (2005) suggest that considering the high level of risk and uncertainty present in the entrepreneurship field, people who desire to engage in entrepreneurial activity may not know beforehand what the outcome will be.

Fear of failure is defined as the “feeling that leaves a person discouraged in attempting an act” (Applebaum, et al. 1998). According to Kelley, et al. (2012), of all the African economies those of the Sub-Saharan region displayed the lowest level of fear of failure, where 24% of all respondents indicated fear of failure as a factor that would prevent them from starting a business.

Knowledge of other entrepreneurs

Interacting with other entrepreneurs acts as a form of personal connection, a point of reference (Ozdemir, et al., 2014) and a source of role models for the new entrepreneurs. The personal connection has been witnessed to facilitate exploitation of business opportunities, the development of new ventures, and the acquisition of initial funding for the new ventures (Ozdemir, et al., 2014).

As these potential entrepreneurs interact with other entrepreneurs, they acquire the necessary entrepreneurial skills that will help in identifying the opportunities and challenges and seek appropriate cushioning strategies earlier. "Knowing other entrepreneurs also afford potential entrepreneurs an opportunity for role model/mentorship. An entrepreneurial role model is not only seen as an important motivator, but also as an intangible structural feature for entrepreneurship" (Lee et al 2005).

In the section that follows, Financial capital and Human capital are discussed as the independent constructs of the study and hypotheses are formulated.

2.4 FINANCIAL CAPITAL

2.4.1 INTRODUCTION

Financial capital is necessary for the establishment, growth and sustainability of any entrepreneurial endeavour (Venter & Urban, 2015). The innovating entrepreneurs need tangible resources for engaging in entrepreneurial activity which is given to them in the form of credit by the banking system (Hageman, 2013) as well as by other private and public organisations, but access to this formal financing has been proven to be out of reach for people who are eyeing a venture into the entrepreneurial world. Terms and conditions set by these formal finance providers are discouraging and discriminating for any budding entrepreneur. Against this brief introduction, the effect of access to finance is discussed in relations to the formation of a new business.

2.4.2 ACCESS TO FINANCES

Much research acknowledges that entrepreneurship offers a legitimate and empirically proven pathway to economic growth and personal fulfillment (Baum, et al. 2014; Lokhande, 2015; Langowitz & Minniti, 2007). Thus the availability of capital resources is crucial to the formation of new businesses formation (Klyver & Schenkel, 2013).

Research on the influence of access to these capital resources on new venture formation outcome variables like the start-up decision, has shown an independent influence of each (Klyver, & Schenkel, 2013), meaning when these resources are availed to the individuals who may or may not have made the decision to engage in entrepreneurial activity, there will be an influence on the entrepreneurial activity outcome. Klyver and Schenkel (2013) are for the idea that these influences could vary with context, thus for the purpose of enriching and better understanding of entrepreneurial literature more studies are needed on the contextual resource influences on new venture creation. The bridge that connects an individuals' access to various capital resources and their decision to create new businesses provides a solid ground for research in this area of entrepreneurship.

Entrepreneurship development success is dependent upon a favourable internal and external environment within which the enterprise can thrive (Lokhande, 2015). The Internal environment is the potential entrepreneurs' ability to spot, select, mobilise the required resource, and exploit the opportunity within the business, the external are the factors that are outside the control of the potential entrepreneur. An entrepreneur is someone who is supposed to be alert and sensitive to these factors and be able to put in place suitable strategies for exploiting opportunities or cushioning himself/herself against any alteration in these factors (Urban, 2015). The question here is, how do individual who have been pushed into entrepreneurship for lack of better options, acquire these qualities? Under the next independent variable, training and skill development is discussed to find answers to this question.

Enterprise development follows life cycle stages as discussed under section 2.2.2 and these stages require one to carefully maneuver through various obstacles in order to be successful. Spotting and deciding on the right entrepreneurial

opportunities are among the most important abilities of a successful entrepreneur. This task becomes even more difficult for those whose only reason for being in the entrepreneurial field is due to lack of better options. In new venture creation, entrepreneurs' experience, personality, perception, and resources are formative. New venture creation is a daunting task considering this, the founder or founding group are normally individuals who are able to overcome the challenges of searching and acquiring the necessary capital, labour, raw material, in the upcoming and existing market (Baum, et al. 2014). It is assumed that incubated start-ups enjoy advantages through privileged access to resources.

Where globalisation continues to widen the gap between the haves and have-nots and the biggest bearers of the social-economic burden are marginalised groups in society, access to financial capital to grow or start a business becomes the greatest barrier to participating in any meaningful development activities for this group (Mrkajic & Scalera, 2015). Prominent in most research on start-up business is the issues of unavailable financial capital to new business owners, which is a major challenge (Garnsey, 1998), especially to the marginalised segment of any population and more so to the new entrant. These nascent entrepreneurs are faced with a myriad challenge on how to begin and run a successful business. These hurdles originate from regulation to the social sphere in life indicated above and supported by GEM's successive reports that repeatedly indicate that the number of people with entrepreneurial intentions in developing countries is higher than the number of individuals that actually launch a successful start-up, and this is partly due to lack of access to financial capital and the necessary skills required by a new entrepreneur.

Most SMEs start at a very low level of operation due to the inaccessibility of bank loans. Factors like lack of credit history, access to collateral, lack of entrepreneurial and business management skills hinder their access to the formal source of credit and increase the rate of failure. This discrepancy between entrepreneurial intent and action has necessitated the need for deliberate programmes by governments to foster the development of entrepreneurship at national and grassroots levels.

The existing literature strongly suggests that easy access and favourable terms and conditions of resource acquisition enhances entrepreneurial propensity (Ho, & Wong,

2007; Langowitz & Minniti, 2007; Osano, & Languitone, 2016). For instance, Chotigeat, Balsmeier, and Stanley (1991) attribute a large number of immigrants' small entrepreneurial enterprises in the US to the informal ethnic support network which provided entrepreneurs with business contacts, provided advice and training, and financial resources. There are two forms by which entrepreneurs access finance from funders; debt financing and equity financing.

Debt financing is the funds that an entrepreneur acquires through a third party by entering into an agreement on the repayment period, and interest rate. This is argued to be the most common form of financing because the entrepreneur does not forfeit any ownership in his business (Venter et al. 2015). There are a number of ways in which entrepreneurs can access debt financing and these include; the three Fs (Family, friends, and Fools), banks, alternatives to banking (micro–financing, government initiatives. With the exclusion of government initiatives, this form of loan has its own shortcomings where the interest rate would be so high for start-up business due to the risk involved e.g. the entrepreneurs' lack of credit history.

Equity financing is another form of loan that entrepreneurs seek in case of non-availability of debt financing to fund their new business. This is the form in which the entrepreneur issues a certain portion of shares of the business' ownership to other investors.

The literature on the importance of financial capital to the formation of a new venture is limited, though the few that exist indicate the crucial role it plays by allowing start-up entrepreneurs to implement more strategies that help strengthen the business for future success. The entrepreneurs here approach the share capitalist or angel investors in order to acquire the start-up capital (Venter et al, 2015).

Some research suggests that government intervention policies should be friendlier towards new entrepreneurs to enable them to access finance (Osano, & Languitone, 2016). Thus government's support for this sector through the provision of funds is key in developing the sector for sound social and economic growth. One way in which governments have made these funds accessible to marginalised groups is through initiation of various enterprise development fund programmes at the constituency level.

2.3.3 FINANCIAL CAPITAL AND ENTREPRENEURIAL PROPENSITY

Access to financial capital is the most versatile of resources and more searched for by entrepreneurs for start-ups. It is postulated that with the availability of this resource in sufficient quantity, the potential entrepreneurs are able to start a business (Klyver, & Schenkel, 2013). Thus this research proposes the first hypothesis as;

H1. Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

2.5 HUMAN CAPITAL

Human capital, otherwise known as entrepreneurial capabilities, “refers to the knowledge and skills acquired by individuals from investment in education, on-the-job training, and other experiential exposure” (Venter, et al. 2015, P. 55). Human capital refers to the factors that enable people to utilise their potential to the fullest. These factors encompass education, experience, ability and motivation.

The human capital theory has its origin back in ancient days, where Plato and Aristotle, defined knowledge as, "the mental faculty of man", while Adam Smith (1776) states the elements of capital as the skills and knowledge that are "useful" for a human being." Theodore Schultz defined human capital as "all attributes that are valuable and can develop through proper investment". Machlup, (2014) claim that return on human capital is equivalent to the investment performed to acquire the amount of human capital. According Cetindamar, et al. (2012) not only tangible assets are storable but also human capital can be accumulated and formed into capital stock. He further asserts that due to this storable nature of human capital and persistent returns on it, sustainable growth can be achieved. Based on the above line of thought, the possibility of becoming an entrepreneur is greatly influenced by the resources that are accessible to the people (Cetindamar, et al. 2012). Thus, this study tests the human capital theory notion by finding out the effect of access to human capital on entrepreneurial propensity amongst the marginalised group in North Horr consistency.

Challenges for emerging entrepreneurs include the ability to demonstrate the intangible resources embedded in the venture, such as the entrepreneurial capital, to venture capitalists and other stakeholders. Bae, et al. (2014) identify that human capital theory concentrates more on the roles that learning plays in expanding people's subjective capacities. Existing writing clarifies that three types of human capital may systematically impact the improvement of future desires and, thus, influence conduct that at last shapes the venture outcome. In particular, extant research recommends that future expectations are affected by human capital in the form of express knowledge and people's inspiration to process new information over time.

Explicit Knowledge

Market-oriented knowledge might be recognised as being of either an unequivocal or tacit (unsaid) nature. Explicit Knowledge alludes to the readily systematised part of information which can be explained or transmitted in a formal, symbolic language. This could be considered language that reflects content, or "know what" kind of information. Explicit information, being easily coded, is passed on by means of formal instruction and training, procedures and documentation. Baum, et al. (2014) emphasise that codification is essential since it allows repeatability, thus enabling entrepreneurs to conceptualise the role played by their unique entrepreneurial knowledge. Explicit types of knowledge such as, formal training, gives skills and have an accretive quality that has been postulated and empirically connected with the likelihood of becoming an entrepreneur (Baum, et al. 2014). It is widely supported that having greater human capital would induce a person to become an entrepreneur and/or help the entrepreneur to be more successful.

Tacit Knowledge

Tacit knowledge refers to know-how, the often non-codified component, knowledge which cannot be articulated in any form since this type of knowledge is developed and remains embodied in the human mind only (Kabir, & Carayannis, 2013). Tacit knowledge is inaccessible by the imitators, thus entrepreneurs have the opportunity to act on their ideas (Baum, et al. 2014).

2.5.2 ENTREPRENEURSHIP TRAINING

Human capital refers to “the knowledge and skills acquired by individuals from investment in education, on-the-job training, and other experiential exposure” (Venter, et al. 2015, p. 55). Knowledge may be defined as either tacit or explicit. Tacit knowledge refers to know-how, the often non-codified component of activity, while the explicit refers to the information usually transferred through procedures, processes and formal written documents. Lokhande (2015) indicates that an individual can be encouraged and motivated to engage in entrepreneurship as a career through entrepreneurial education and training. “Particularly as exposure to entrepreneurship skills, knowledge, and support increase the likelihood of entrepreneurship becoming a viable career option also increase (Venter, et al. 2015, p. 7).

A growing body of academic research has investigated the effectiveness of entrepreneurial training and support initiatives as a means of providing entrepreneurs with the crucial business skills and acumen to organise, develop and grow their entrepreneurial ideas (Cetindamar, et al. 2012; Langowitz, & Minniti, 2007). Taking into account various changes at global, societal, organisational, and individual levels, there is a need for development of entrepreneurship skills and abilities to enable individuals to cope with life’s challenges and an uncertain future. Colette, et al. (2005) further acknowledge that irrespective of an individuals’ career choice or personal situation, learning innovative approaches to problem solving, adapting readily to changes, enhancing self-reliance and increasing creativity through entrepreneurship education is beneficial to individuals.

As the benefit of entrepreneurial education is emphasised, some scholars also assert the training needs of individuals do differ according to particular stages of development such as awareness, pre-startup, start-up, growth and maturity. Considering the fact that the stages of development of an individual, his /her business can have an effect upon the nature of entrepreneurial education that might be received, offers an opportunity for trainers and educators to make the enhancement of the entrepreneurial learning process possible.

Different researchers have different frameworks by which they propose entrepreneurship education should be organised; Jamieson (1984) as cited in Colette et al. (2005) suggests a three-category framework which is (1) Education about enterprise – deals with awareness creation and has the specific objective of educating on numerous aspects of setting up and managing a venture. (2) Education for enterprise – dealing with preparation of the would-be entrepreneur for a career in self-employment with the specific objective of encouraging participants to set up and manage their own venture. (3) Education in enterprise is about management training for already established entrepreneurs who are focused on improvement and growth of their business. According to a survey of entrepreneurship education in the USA, there are two important objectives identified of an entrepreneurship education; 1) is to increase the awareness and understanding of the process involved in starting and running a new business. 2) To increase the recipients' awareness of the SMEs ownership as a serious career option. Oyugi (2016) believes that three objectives of entrepreneurship training interventions exist, the desired outcome of this training is to enable students; to successfully initiate new business, to excel in the corporate world through application of entrepreneurship principles and to create new entrepreneurs through awareness creation.

Surprisingly, some researchers differ from the above argument and ascertain that there is a limit to what can be taught in entrepreneurship training programmes and that the only way to learn is through one's own personal experience.

In entrepreneurship training and skills development, approach to teaching entrepreneurship matters. For instance, a survey among MBA student at the University of Calgary, discovered that a case study method of teaching was effective in developing analytical skills and the ability to analyse information while a project based method was seen to grow and enrich knowledge and comprehension of the subject area, as well as the ability to assess (Colette et al 2005). Duration of entrepreneurship training is also an important element in enhancing the programme objective (St-Jean & Audet, 2012). Though there is no uniformity in the duration, in general vocation training programmes are said to have a long duration span since they cover skills training for certain occupations, while business training shows a shorter duration. According to Cho and Honorati (2014), the relationship between

likelihood of success and duration of training is a flat U-shape meaning that either intensive, short training or substantially extended training would be appropriate, although the optimal length of training may vary by the outcomes of interest and goal of the programmes.

2.5 3 MARKET LINKAGES

Nyaura et al. (2017) confirms that the provision of linkages and support enables and encourage individuals to successfully develop their entrepreneurial ideas. One of the major challenges facing upcoming entrepreneurs in North Horr is a poor infrastructural network that has hampered interaction between the area and the rest of the country (Pingua, 2014). These groups of entrepreneurs lack access to information on products and input markets. Thus, promotion of this accessibility by a government organ will enhance the knowledge and encourage more individuals into the entrepreneurship field.

Studies suggest that heavy reliance on the local market, especially in developing countries is a major constraint on earning and most of the businesses in this area are small and dependent on the local market for survival, thus the more reason why facilitation of market linkages should be encouraged to open up the area and made it possible for the people to exploit available opportunities. Market linkages will create valuable network ties between the local entrepreneurs and the rest of their counterparts in other areas. Market linkages are important in determining success of enterprise development (Kemunto, 2014).

2.5.4 ACCESS TO MENTORSHIP

A Mentor is someone who helps another person to become what that person aspires to be (Young, 2015), meaning a mentor is a person who an individual mirrors in order to acquire the aspired level of individual achievements *(*McKimm, Jollie, & Hatter, 2007).

A Mentor guides and holds the Mentee's hand through the process of transition (new venture creation), thus mentoring is off-line help by one person to another in making significant transitions in knowledge (entrepreneurial skills), work (new venture

creation), and thinking (decision making), hence, entrepreneurial mentoring encompasses a support interaction between an experienced entrepreneur (the Mentor), and a new entrepreneur (the mentee) with an aim of nurturing the latter to reach his/her personal development goal. Mentorship on the other hand, is the development oriented interpersonal interactions that exist between a more experienced individual and a less experienced one (Eby, Butts, Durley, & Ragins, 2010.

Mentoring can be offered through formal or informal ways; formal mentoring is a deliberate pairing of a more experienced person with a less experienced person, although currently, it is noted that some initiatives even pair new entrepreneurs among themselves, under this form an agreement is made between the two persons where St-Jean and Audet, (2012) suggest the end goal of the relationship is the growth and development of inexperienced person's specific competencies (Young, 2015). Informal mentoring refers to spontaneous development interaction between more experienced and less experienced persons and this kind of relationship last longer.

Mentorship is used to enable novice entrepreneurs to address significant issues that may inhibit progress. St-Jean and Audet (2012) observe that mentoring indeed develops cognitive and affective learning of a nascent entrepreneur. A sample of a group of women entrepreneurs in Russia reveals that mentoring is an essential developmental interaction for entrepreneurial individuals not only by building confidence and self-efficacy, but also in the achievement and sustainability of firm performance (Gundry & Kickul, 2006).

According to specialists in mentoring, done in the right way and with dedication and persistence, mentorship programmes can be great tools for achieving personal success (Young, 2015). Mentoring is increasingly used in educational, social, and occupational settings and is associated with career development and career support. Lewellen and Johnson (2006) express that a good mentorship programme promotes socialisation, learning, career advancement, psychological adjustment and preparation for leadership. A good mentorship programme helps individuals develop high self-efficacy. Concerning the area under study, most businesses are of

necessity nature and majority never actually grow or expand behold one-man show. The area lucks mentors who can nurture and help the upcoming entrepreneurs think beyond necessity entrepreneurship and there are no mentorship programs in the area.

2.5.5 HUMAN CAPITAL AND ENTREPRENEURIAL PROPENSITY

Studies have shown relationships between various capital and a likelihood of an individual emerging an entrepreneur. One such study was done in Turkey by Cetindamar, et al. (2012) to establish a relationship between three forms of capital; namely, human capital, family social capital, and financial capital and men and women's engagement in entrepreneurship in Turkey. According to the study's findings, these three forms of capital influence possibility of becoming an entrepreneur significantly. The effect of Human capital (education, skills, and experiences) on a possibility of becoming an entrepreneur was found to be greater for women than men and that lack of access to these capital limit potential of becoming an entrepreneur in developing countries.

2.5.6 HUMAN CAPITAL AND FORMULATION OF HYPOTHESES 2 TO 4

The study further suggests that individuals' likelihood of becoming entrepreneurs will be enhanced if they are allowed increased access to education (Cetindamar, et al., 2012).

Logically, a well-educated and better-trained individual is perceived to be more likely to secure more productivity and benefit for an organisation (Mahmood & Azhar, 2015)

Thus, the study proposes the following hypothesis:

H2. *Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.*

H2a*: Entrepreneurship training content organisation is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2b: *Entrepreneurship training Frequency is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2c *Entrepreneurship training content Relevance is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund.*

H3 Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

H4 Access to mentorship is positively associated to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency

2.6 SUMMARY AND CONCLUSION OF THE LITERATURE REVIEW

Studies have established that accessibility of capital resources can lead to the creation of new ventures. One such study was done in Turkey by Cetindamar, et al. (2012) to establish a relationship between three forms of capital; namely, human capital, family social capital, and financial capital and men and women's engagement in entrepreneurship in Turkey. According to the study's findings, these three forms of capital influence the possibility of becoming an entrepreneur significantly.

The study suggests that individuals' likelihood of becoming an entrepreneur will be enhanced if they are allowed increased access to education, this will be a relevant point to enable analysis of findings from the research on mentorship and training (Cetindamar, et al. 2012).

The Importance of financial capital in new business start-ups cannot be over-emphasised, and the literature argues that the probability of becoming an entrepreneur is higher for those with wealth than those without means. Availability of sufficient financial resources enhances the ability of start-ups survival (Ho, & Wong, 2007).

Knowledge provides individuals with the power to solve complex problems and provides them with the ability to make entrepreneurial decisions Mao (2015) argues that training has the responsibility to prepare individuals for new ventures.

According to the latest literature in the field of entrepreneurship, indications are that access to financial capital and human capital plays a pivotal role in the start-up phase of a business venture, and this study strives to find out if financial availability and capacity building programmes have had the same effect on the start-ups in North Horr Constituency.

The next chapter explains how the important data were collected, and analysed to achieve the objective of the study.

After discussion of the above literature on the financial and human resources and their effects on entrepreneurial propensity, the Hypotheses are restated, as follows.

H1. Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

H2. *Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.*

H2a*: Entrepreneurship training content organization is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2b: *Entrepreneurship training Frequency is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2c *Entrepreneurship training content Relevance is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund.*

H3 Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

H4 Access to mentorship is positively associated to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

Having discussed in detail the literature, the perceived effect of available financial and human capital resources is illustrated in the diagram that follows.

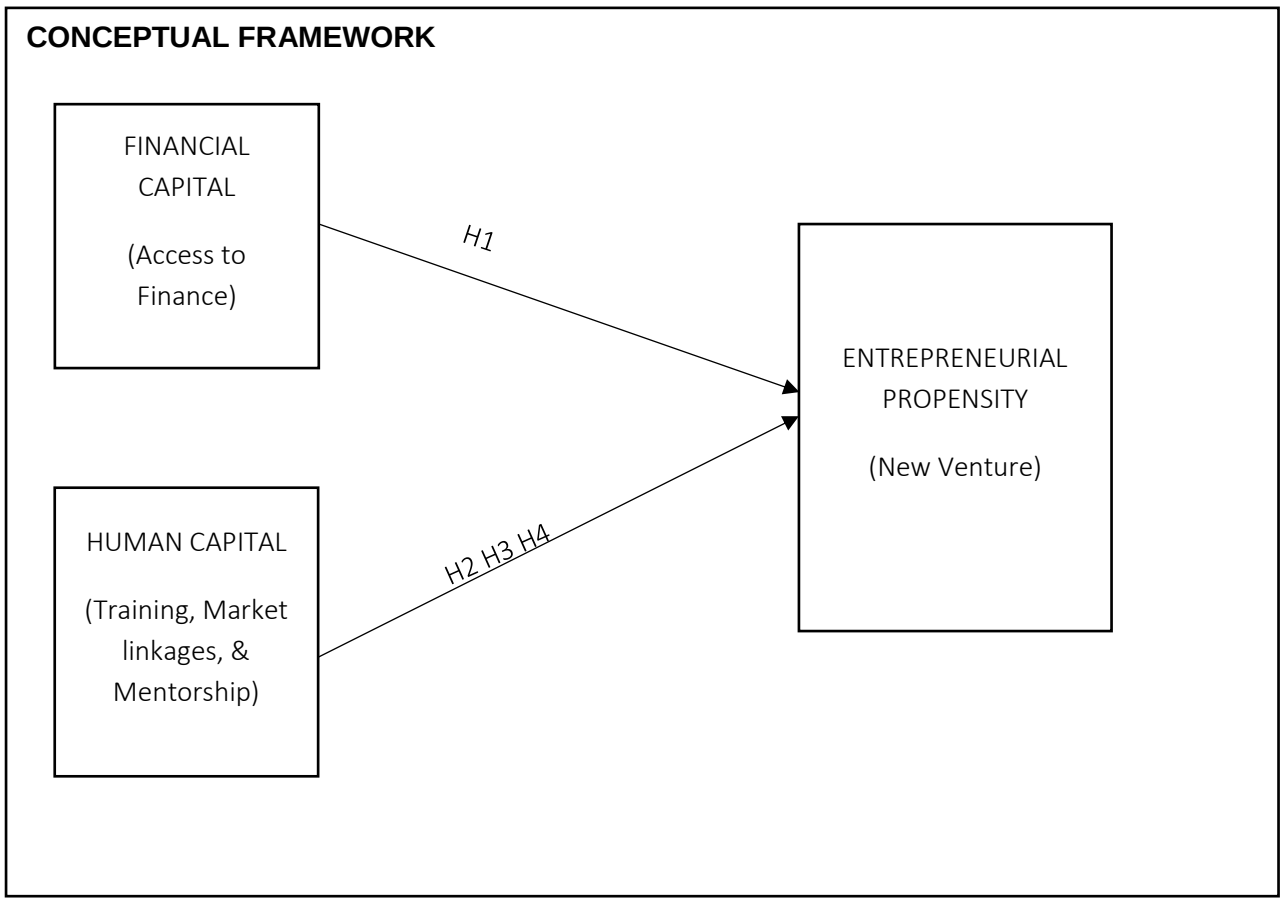


FIGURE 3: CONCEPTUAL FRAMEWORK MODEL SHOWING HOW AVAILABILITY OF CAPITAL RESOURCES AFFECT ENPTREPRENEURIAL PROPENSITY.

In the chapter that follows, ways in which this study is made a reality are discussed.

CHAPTER 3. METHODOLOGY

3.0 INTRODUCTION

Research methodology is a way of systematically solving the research problem through an adoption of various steps in order to find solutions (Kothari, 2004). This section spells out the research design, target population, sample and sampling technique, data collection procedures, and data analyses techniques that have been used for the study.

3.1 RESEARCH PARADIGM/APPROACH

Research paradigm is a worldview or a set of assumptions about how things work (Kothari, 2004). The research paradigm is positivist in nature, as the belief exists that theory is developed through reasoning and empirical testing of ideas in order to build them. Empirical research was conducted to assess the effect of access to financial and human capital on entrepreneurial propensity. A positivist researcher has a thought or idea that the universe or world complies with perpetual and constant laws and standards of causation and happenings; that there exist an unpredictability and multifaceted nature that could be overcome by reductionism; and with the goal of asserting significance and accentuation on unprejudiced nature, estimation, objectivity and repeatability (Aliyu, Bello, Kasim, & Martin, 2014). The positivist paradigm accentuates that genuine, real and factual happenings could be examined and watched experimentally and observationally and could as well be clarified by a method for clear and discerning examination and investigation. (Aliyu, et al., 2014).

The research adapted the quantitative methods, which is based on a positivist philosophy that assumes that there are social facts with an objective reality apart from the beliefs of individuals. The quantitative research aims at explaining the cause of alterations in social facts, mainly through objective measurement. Quantitative research makes use of experimental or correlational designs to reduce error, and bias to remove blame from individual researchers (Cronbach, 1975). Quantitative research allows for examination of variables and findings to the research problem be presented in a form that can be quantified and summarized Creswell, (2013). Quantitative research involves deductive reasoning approach

which according to Creswell, (2013) is a process that involves the formulation of problem, development of a hypothesis, testing the hypothesis, interpreting and drawing of conclusions.

The study is based on the reasoning that relationships do exist between variables: financial capital (FC), human capital (HC) and entrepreneurial propensity. The main objective of this study was to assess the effect of the availability of funding and development of human capital on entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

H1. Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

H2. *Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.*

H2a*: Entrepreneurship training content organization is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2b: *Entrepreneurship training Frequency is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2c *Entrepreneurship training content Relevance is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund.*

H3 *Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.*

H4 *A*ccess *to mentorship is positively associated with a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*

3.2 RESEARCH DESIGN

This study adopted the cross-sectional survey design. Cross-sectional Survey allows for collection of primary data on more variables through direct survey questionnaires. Through this method, more data on more variables can be collected. Here the researcher has no control over the variables but only reports the observation from the result of the data analysis. This is appropriate for this study because it allows for first hand data collection. The survey design also provides for the collection of useful insights through direct interactions with the respondents and leads to more understanding of the problem at hand.

Survey design is not without challenges, one of the problems of the method is that, the data collection phase is expensive and time consuming, especially when dealing with a geographically scattered target population.

3.3 POPULATION AND SAMPLING

3.3.1 TARGET POPULATION

The study population comprised members of 39 welfare groups who are beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency. Each group, comprising an average number of 15 people, make a sampling frame of 390 individual members. Initially. An assumption was made of each group, comprising 20 individuals on average and 30% of this target population was considered for the sample size, but while in the field, the researcher discovered that the majority of groups had between 10 and 20 members, and that not all these individuals benefitted from the fund under study. The researcher found out that as the groups were given money, most groups were only able to on-lend the same money to an average of 10 individuals in their groups. This necessitated an adjustment of the target population and consequently, the sample size. In consideration of the new development, the target population reduced from 760 to 390 individuals.

TABLE 1. TARGET POPULATION

GROUP	POPULATION
39 groups 10 Uwezo Fund beneficiaries per Group	390

Source: Uwezo Fund Constituency office 30/06/2016.

3.3.2 SAMPLE AND SAMPLING TECHNIQUE

According to Israel (1992), there are three criteria normally used in determining the appropriate sample size in a research. These are levels of precision, levels of confidence, and the degree of variability in the characteristics being measured. He also suggests that there are various ways of determining a sample size in a quest to achieve the acceptable levels of precision, confidence, and variability. The methods include; census if the population being studied is small, a researcher can imitate a sample size of a similar research, use of published tables, and use of formulae.

This study adopts the latter approach; Yamane (1996, p.886) provides a simplified formula to calculate a sample size. Here an assumption of 95% level of confidence, and precision of .5 is made.

$$n = \frac{N}{1 + N(e)^2}$$

Where;

n = the sample size

N = Sampling frame

e = the level of precision

$$n = \frac{390}{1 + 390(0.05)^2} = 197\ entrepreneurs \approx 200$$

A convenience sampling technique was used to pick respondents because it was not possible to get the representative sample from four out of the five electoral wards in North Horr, due to lack of required numbers in some of the centres and a concentration of more beneficiaries in other centres e.g. in Turbi there were only two groups that we managed to get, whereas in North Horr town, we were able to get many people. Convenience sampling is suitable for this study because it allows the research to collect responses from beneficiaries who are available at the time of data collection.

TABLE 2. SAMPLE SIZE

POP. N	SAMPLE
390	**200**

3.4 THE RESEARCH INSTRUMENT

The survey questionnaire was used to gather the data (refer to Appendix A). This instrument is suitable for this research because it allowed for first-hand data to be collected within a short period of time. The instrument was adopted from different sources, the demographic section was constructed from GEM, 2011 (2010 Women's World report), the finances accessed by the researcher, training and market linkage part was from Kemunto (2014), and the mentorship section from the National Center for Women and Information Technology (2011). This was to allow an assessment of the effect of access to financial and human capital to the beneficiaries of an enterprise development fund.

An introductory letter was used to introduce the researcher, the topic and purpose of the research to the respondent and provide assurance of confidentiality.

The instrument consists of six (6) sections A – F as indicated in table 3 below. Section A deals with the demography questions, section B deals with access to finance where, four items suitable for assessment of access to finance were constructed. Section C deals with the dependent variable Entrepreneurial propensity with two items to test the variable, sections D, E & F pertain to Human Capital

development items, taking into consideration the sub-sections on training, market linkage, and mentorship, respectively.

The respondents were asked the effect of the programme in term of value addition of the available finance, training, market linkage, and mentorship received. Apart from the demographic section, each item in the other sections (B-F) was measured using the 7-point Likert scale where; 1 being strongly disagree and 7 being strongly agree.

TABLE 3. RESEARCH INSTRUMENT

Sections	Subsection	No. of items	source
(A)Demography	Mixed demographic questions	8	GEM, (2011) 2010 women's world report
(B)Financial capital (IV)	Likert (1-7)	4	Kemunto (2014)
(C)Entrepreneurial propensity (DV)	Likert (1-7)	2	Researcher's own
(D) Training (IV)	1 close ended 1 Likert (1-7)	6	Kemunto (2014)
(E)Market Linkages (IV)	3 close ended questions 4 Likert (1-7)	5	Kemunto (2014)
(F) Mentorship (IV)	Likert (1-7)	4	www.ncwit.org
Total	6 sub-sections	29 items	

3.5 DATA COLLECTION PROCEDURE

A survey questionnaire with closed questions was used to gather the information from the respondents. Three enumerators were identified and a final copy of questionnaire was sent to them to check for any challenges that may be faced in translating the questions and if there were any unclear questions to them. This was followed by telephone calls and emails to explain and ensure all was clear and ready for the data collection. Data collection was conducted between 20th Nov 2016 and 30th December 2016. The researcher and the enumerators administered the questionnaires face-to-face to the respondents to fill in their responses and where necessary (which was true in most cases) the researcher and the enumerators assisted with explaining of questions and filling in of the responses. In some instances, respondents were left with the questionnaire and this was collected the following day.

Participants were assured of confidentiality, as stated in the cover letter (APPENDIX B) which also indicated the topic, and purpose the study. The participants were verbally asked for their participation in the survey.

3.6 DATA ANALYSIS

TABLE 4. DATA ANALYSIS

Analytical technique	Implementation
Descriptive analysis	Analyse the demographic data
Validity &Reliability	Testing for validity using, correlation and exploratory factor analysis Testing of the reliability of the scales using Cronbach alpha.
Multiple regression	To establish the relationship between independent and dependent variables.

3.7.1 DESCRIPTIVE STATISTICS

Data collected was organised, coded, and put through the statistical package for Statistical Analysis System (SAS). The descriptive analysis was used to express the summary statistics for the demographic characteristics of the respondents, entrepreneurial propensity, access to financial capital, and access to entrepreneurship training, access to market linkages, and access to mentorship. Mean, frequency, standard deviation, scree plot is used to measure centrality and spread of the data collected. Validity of the constructs was tested using correlation, exploratory factor analysis and factor loading for each item within the same factor. Multiple regressions - analysis was conducted to establish the relationship between the constructs.

3.7.2 CORRELATION

A Pearson's correlation matrix was derived from the data to determine the strength of the relationships between the independent variables themselves and between each of the independent variables and the dependent variable (Beavers, Lounsbury, Richards, Huck, Skolits, & Esquivel, 2013). Correlation is an important step that provides reasonable evidence that there exists enough commonality between the variables to warrant the process of factorisation (Beavers, et al. 2013). The result of the correlation is shown in Table 8 in Chapter 4.

3.7.3 EXPLORATORY FACTOR ANALYSIS

Factor analysis refers to "the set of statistical procedures designed to determine the number of distinct constructs needed to account for the pattern of correlation among a set of measures" (Fabrigar & Wegener, 2011). Exploratory factor analysis was used to analyse the factor loading of all the independent variables (Access to finance, Entrepreneurship training, Market linkages and Mentorship) to check for the pattern of correlation among the set of scale items.

3.7.4 MULTIPLE REGRESSION

This is an analytical technique where multivariate statistics are used to analyse the relationship between dependent and independent variables. Here a multivariate technique was used to analyse the relationship between access to finance, human

capital (in terms of training, market linkage and mentorship) and entrepreneurial tendency.

The data collected was edited, coded and put into the Statistical Package for Statistical Analysis System (SAS)

Quantitative data collected was analysed using the general regression model as shown below: $y = \beta 0X0 + \beta iXi + e$

Where;

y= dependent variable

Xi =independent variable

i= 1,2,3,4

βi=Rate of change (the gradient)

β0=constant value (intercept)

Therefore, the study's regression model is;

EP = β0 X0+ β1 X1 + β2 X2+ β 3 X3 +β 4 X4+e

Where

EP= Entrepreneurial Propensity

Xi =Independent variable

i= 1,2,3,4

β0 =Constant

β0, β1, β2, β3, β4 =Variable Constants

X1= Access to finance; X2 =Entrepreneurship Training; X3=Market linkages; and X4 Mentorship

3.8 VALIDITY AND RELIABILITY

3.8.1 EXTERNAL VALIDITY

External validity is the validity of the generality of scientific findings. Inter-correlation and factor analysis was used to measure the variables' validity and ensure concepts that should be related theoretically, were significantly inter-correlated and vice versa (Venter & Urban. 2012).

3.8.2 INTERNAL VALIDITY

Internal validity ensures that the instrument used in the study actually measures the intended variables. The instrument used in this study has 31 items that are measuring different variables of the research.

Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of Sphericity were done to test for the strength of the relationship and factorability of the variables (Beavers, et al. 2013).

3.8.3 RELIABILITY

Reliability measures the degree to which a particular measuring procedure gives similar results over some repeated trials (Orodho, 2004). For reliability, this research adopted different instrument from different people; for access to finance, training and market linkage the instrument used by Kemunto, (2014) and for access to mentorship, instrument used by the National Centre for Women & Technology, (2011) was used. Both instruments have been tested for reliability before and also through the pilot study. There is reliability of Cronbach alpha coefficient 0.5.

3.9 LIMITATION OF THE STUDY

The majority of the study sample belong to groups of individuals with less than high school level of education which posed challenges for them to fill in the questionnaire. This not considered to be a major concern to this study because the researcher and the research assistants are all conversant with the local language and culture and thus could handle these problems.

Since most of the literature is based in the developed economies, the study is prone to western bias.

3.9.1 CONCLUSION

The Chapter lays out methods that were used to make the study a reality. The study is positivist in nature employing quantitative method. And a Cross-sectional survey design.

30% of the target population formed the sample size and convenience sampling was used to identify the respondent. A survey questionnaire was administered face-to-face to collect the data.

The collected data was subject to the SAS statistical package and in the next Chapter the findings on the descriptive statistics and multi-regression of the study are presented.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 INTRODUCTION

The outcome of the study is presented and described in this chapter, with an analysis and interpretation of the results of the responses from the primary survey questionnaire. The chapter begins by presenting the descriptive analysis of the eight items on the demographic profile of the respondents and the study variables, followed by the measurement of the scales of the model in terms of their validity and reliability, followed by presentation of the results pertaining to correlation and exploratory factor analysis, then testing of the hypotheses and finally, a summary of the results and conclusion.

4.2 CHARACTERISTIC OF RESPONDENTS

Primary data was collected from the field through a survey questionnaire. These data were used to generate the empirical results presented in this chapter. The questionnaires were distributed directly to the respondents who were available at the time the survey was conducted. The estimated sample size was 200 respondents and the response achieved was 169, translating to 84.5% response rate.

4.2.1 GENDER OF THE RESPONDENTS

The sample was made up of 169 entrepreneurs who benefited from the Uwezo Enterprise Development Fund. Of the 169 respondents, 59% were female and the other 41% were male. The results are presented in Figure 4.

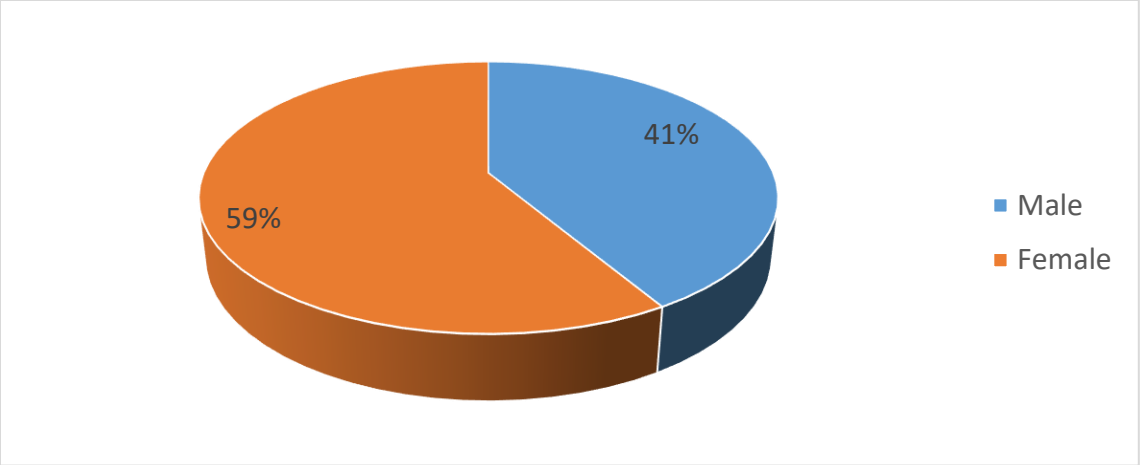


FIGURE 4: RESPONDENT GENDER

The age distribution for the entrepreneurs in the sample is summarised in Figure 5.

4.2.2 AGE OF THE RESPONDENTS

More than half of the entrepreneurs in the sample (52%) were between 26 and 35 years old, 23% were 36 – 45 years old and 10% were between 18 – 25 years old.

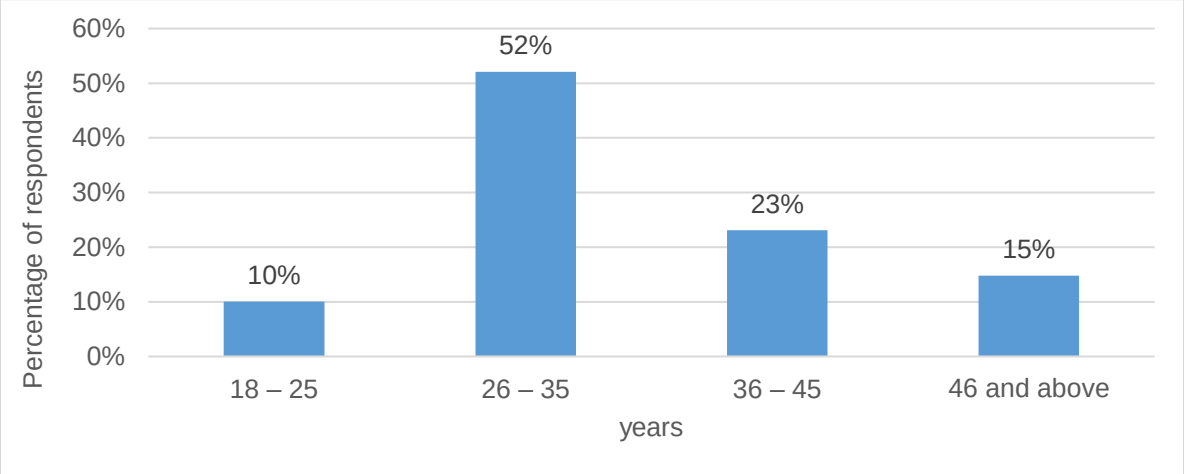


FIGURE 5: RESPONDENT AGE

4.2.3 EDUCATION LEVEL OF THE RESPONDENTS

Figure 6 shows the highest level of education attained by the respondents.

Most of the respondents (62%) had primary education and below, 32% had secondary education, 3% tertiary, while only 1% had university degrees. There was another 2% that did not indicate their level of education.

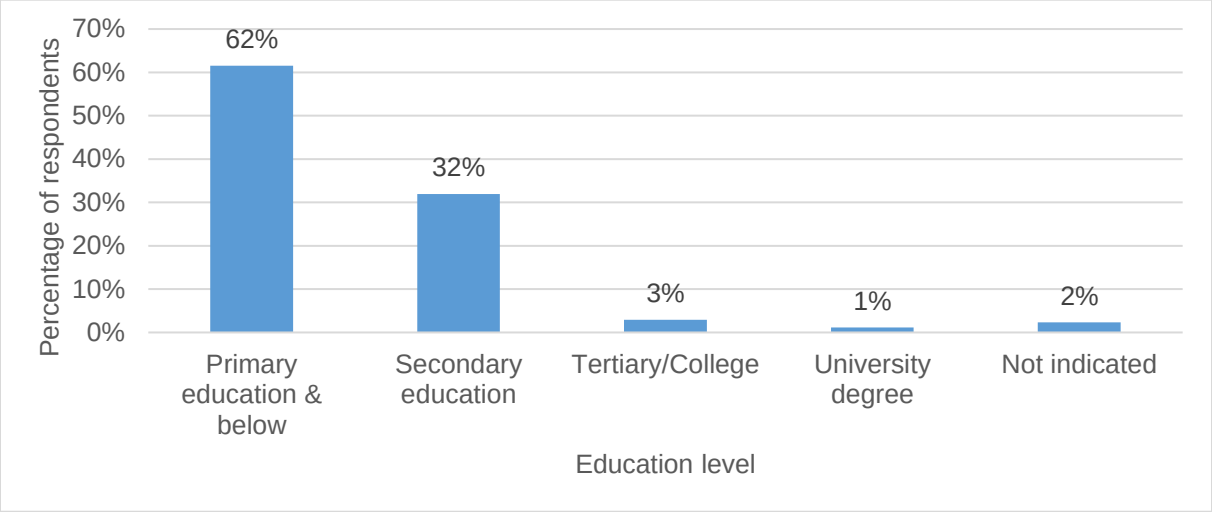


FIGURE 6: HIGHEST EDUCATION LEVEL

TABLE 5: CROSS-TABULATION OF GENDER AND HIGHEST LEVEL OF EDUCATION

	Highest level of education			Total
Gender of respondent	Primary education & below	Secondary education	Tertiary/College/ University degree	
n=	104	54	7	165
Male	29.8%	63.0%	71.4%	42.4%
Female	70.2%	37.0%	28.6%	57.6%
Total	100.0%	100.0%	100.0%	100.0%
Chi-Square	18.514; p = 0.000			

The Chi-Square analysis presented in Table 5 ($\chi^2 = 18.514; p = 0.000$) indicates that there is a significant relationship between gender and highest level of education at 5% significance level since the p-value was less than 005. The results show a high representative of female respondents (70.2%) with only primary education and below, while there were more male respondents with secondary education (male = 63%) and also with tertiary/college/ or university degrees (male = 71.4%).

4.2.4 TYPE OF BUSINESS OPERATED

The types of business that were covered are summarised in Figure 7

A proportion of 54% of the entrepreneurs were operating businesses in retail, 24% in livestock, 8% wholesale and 14% other.

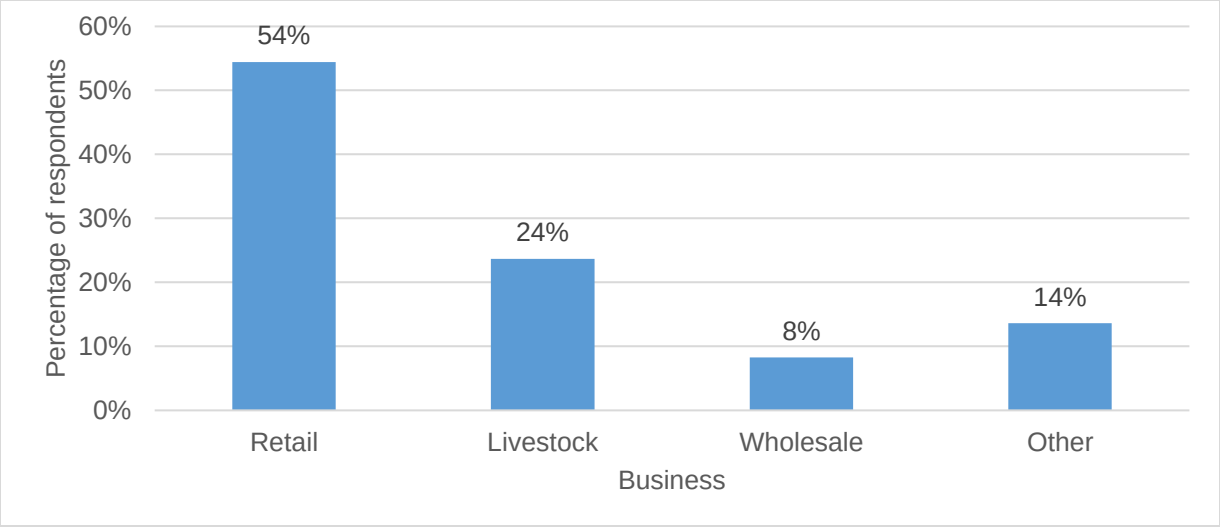


FIGURE 7: KIND OF BUSINESS BEING OPERATED

TABLE 6: CROSS-TABULATION OF GENDER AND LOCATION OF ENTERPRISE

	Type of Business				Total
Gender of respondent	**Wholesale**	**Retail**	**Livestock**	**Other**	
n=	14	92	40	23	169
Male	71.4%	30.4%	57.5%	39.1%	41.4%
Female	28.6%	69.6%	42.5%	60.9%	58.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Chi-Square	14.084; p = 0.003				

The Chi-Square analysis presented in Table 6 ($\chi^2 = 14.084; p = 0.003$) indicate that there is a significant relationship between gender and type of business at 5% significance level since the p-value was less than 005. The results show a high representative of male respondents in Wholesale (71.4%) and in Livestock (57.5%) compared to 30.4% male in retail and 39.1% male in other businesses.

4.2.5 LOCATION OF RESPONDENTS' BUSINESS

Figure 8 shows the areas where the businesses in the sample are located.

The highest proportion of the businesses are from North Horr (62%), while 15% were from Maikona, 9% Kalacha, 7% Turbi, 6% Dukana, and 1% from Bubisa. In terms of wards, Kalacha falls under Maikona and Bubisa under Turbi.

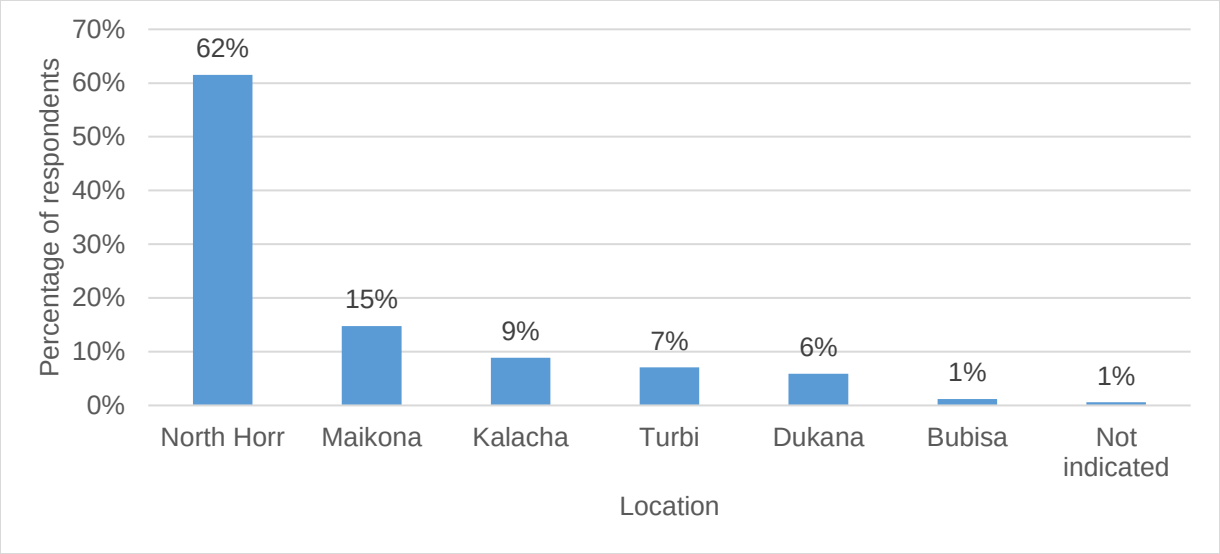


FIGURE 8: LOCATION OF ENTERPRISE

*T*ABLE 7: CROSS-TABULATION OF GENDER AND LOCATION OF ENTERPRISE

	Location of enterprise						Total
Gender of respondent	Bubisa	Dukana	Kalacha	Maikona	North Horr	Turbi	
n=	2	10	15	25	104	12	168
Male	0.0	0.0	0.0	20.0	56.7	50.0	41.7
Female	100.0	100.0	100.0	80.0	43.3	50.0	58.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square	34.167; p = 0.000						

The Chi-Square analysis presented in Table 7 ($\chi^2 = 34.167; p = 0.000$) indicates that there is a significant relationship between gender and location of enterprise at 5% significance level since the p-value was less than 005. The results show a high representative of female respondents in Bubisa (100%), Dukana (100%), Kalacha both (100%) and Maikona (80%), while North Horr had more male respondents (56.7%).

There was an equal representation of male (50%) and female (50%) respondents in Turbi.

4.2.6 AGENTS OF AWARENESS CREATION

It was also established how the entrepreneurs in the sample learnt about the Uwezo Enterprise Development Fund. The answers are summarised in Figure 9.

Slightly more than half of the entrepreneurs (53%) learnt about Uwezo Enterprise Development Fund from their friends, 28% from government agents and 17% from the media.

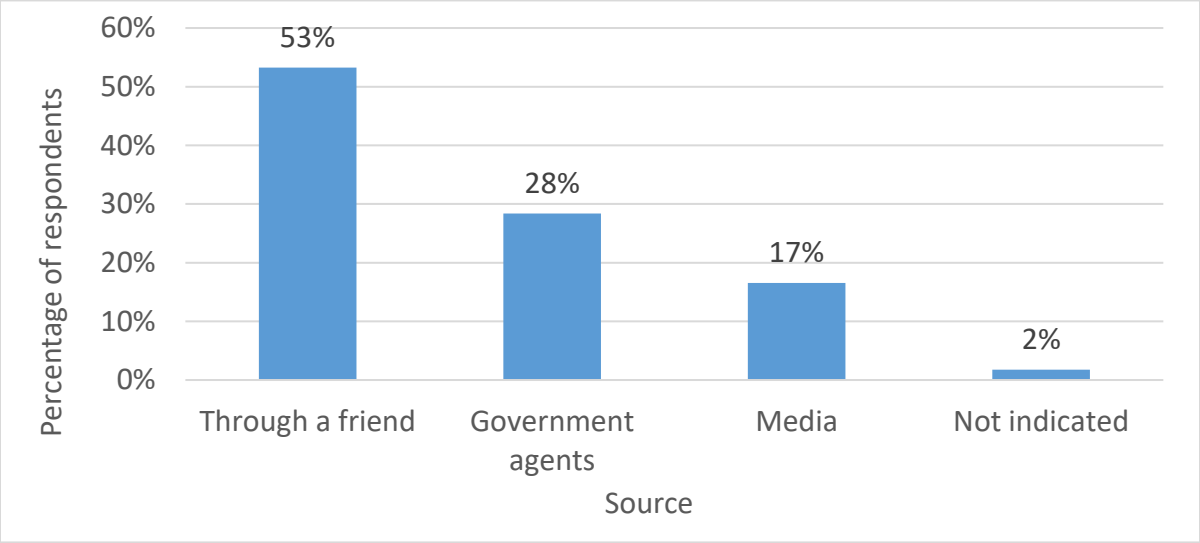


FIGURE 9: HOW RESPONDENT LEARNT OF UWEZO ENTERPRISE DEVELOPMENT FUND

4.2.7 RESPONDENTS' WORK EXPERIENCE AND AGE OF BUSINESSES

Results shown in Table 8 display the number of years of experience of the respondents, as well as the age of their businesses.

The respondents had on average 3.78 years' experience while the average business age was 2.5 years.

TABLE 8: RESPONDENT WORK EXPERIENCE AND BUSINESS AGE

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Business age	169	1	5	2.56	1.112
Respondent work experience	146	0	20	3.78	3.481

4.3 DESCRIPTIVE ANALYSIS OF THE SCALES

This section presents the results of the descriptive analysis of the Entrepreneurial propensity, Access to financial capital, Skills training, Access to market linkages and Access to mentorship scales.

4.3.1 ENTREPRENEURIAL PROPENSITY SCALE

Table 9 shows the distribution of responses to the entrepreneurial propensity scale item. The results indicate that 37.8% of the respondents either “somewhat agreed”, “agreed” or “strongly agreed” with the statement Q10a on Entrepreneurial propensity. A proportion of 57.4% of the respondents either “somewhat disagree”, “disagreed” or “strongly disagreed” with the statement Q10a.

TABLE 9: SCALE ITEM FREQUENCIES FOR ENTREPRENEURIAL PROPENSITY

	Scale items	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Missing
Q10a	Funding and institutional support provided by Uwezo fund program encouraged me to start a business.	9.5	46.7	1.2	4.1	4.1	32.5	1.2	0.6

Table 10 shows the descriptive statistics of the Entrepreneurial propensity scale item. The item had a mean value of 3.49 out of 7. The item was positively skewed as indicated by the positive Skewness value. The item also had a negative kurtosis.

TABLE 10: DESCRIPTIVE STATISTICS OF ENTREPRENEURIAL PROPENSITY SCALE ITEMS

		N	Mean	Std. Deviation	Skewness	Kurtosis
Q10a	Funding and institutional support provided by Uwezo fund program encouraged me to start a business.	168	3.49	1.994	.355	-1.672

4.3.2 ACCESS TO FINANCIAL CAPITAL SCALE

Table 11 presents results on the distribution of responses to the Access to financial capital scale items.

TABLE 11: SCALE ITEM FREQUENCIES FOR ACCESS TO FINANCIAL CAPITAL

	Scale items	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor	Somewhat agree	Agree	Strongly agree	Missing
Q9a	The fund I got from Uwezo fund was sufficient for my start-up business.	17.2	50.9	5.3	1.2	4.1	20.7	0.6	0.0
Q9b	Terms and conditions of Uwezo fund are friendly to start-up business.	3.0	22.5	8.9	2.4	18.3	43.8	0.6	0.6
Q9c	Uwezo fund application requirements and procedures are easy for any person who want to start a business.	9.5	29.0	15.4	12.4	18.9	13.6	0.6	0.6
Q9d	I am satisfied with the time Uwezo fund applications approvals take.	5.3	43.8	9.5	6.5	11.2	21.9	1.2	0.6

The results show that respondents agreed the most with item Q9b which had 62.7% either “somewhat agreed”, “agreed” or “strongly agreed” followed by Q9d (34.3%), Q9c (33.1%) and they agreed the least with Q9a indicating that only 25.4% either “somewhat agreed”, “agreed” or “strongly agreed”.

The descriptive statistics for the Access to financial capital scale items are summarized in table 12.

TABLE 12: DESCRIPTIVE STATISTICS OF ACCESS TO FINANCIAL CAPITAL SCALE ITEMS

		N	Mean	Std. Deviation	Skewness	Kurtosis
Q9a	The fund I got from Uwezo fund was sufficient for my start-up business.	169	2.89	1.827	.927	-.766
Q9b	Terms and conditions of Uwezo fund are friendly to start-up business.	168	4.45	1.754	-.580	-1.335
Q9c	Uwezo fund application requirements and procedures are easy for any person who want to start a business.	168	3.46	1.641	.206	-1.251
Q9d	I am satisfied with the time Uwezo fund applications approvals take.	168	3.45	1.777	.445	-1.412

The results show that all the items had a mean less than 4 and were positively skewed except Q9b which had a mean value of 4.45 and a negative skewness. All the scale items in the scale have negative.

4.3.3 ENTREPRENEURSHIP TRAINING SCALE

Table 13 presents the results on the distribution of responses to the Skills training scale items.

TABLE 13: SCALE ITEM FREQUENCIES FOR ENTREPRENEUSHIP TRAINING

	Scale items	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Missing
Q12a	I feel the Number of business training sessions attended are sufficient	21.3	47.3	1.2	1.8	2.4	18.9	0.0	7.1
Q12b	I feel the training content was relevant to my new business needs	0.6	13.0	1.2	7.7	18.9	50.9	0.0	7.7
Q12c	What I learnt in this business skills training enabled me start my new business	4.1	35.5	2.4	7.1	14.8	28.4	0.0	7.7
Q12d	I feel the frequency of the training was sufficient	16.6	50.9	5.3	3.0	1.8	14.2	0.6	7.7
Q12e	I feel the content was well organized and easy to comprehend	1.2	4.7	4.1	5.9	20.1	49.1	5.9	8.9
Q12f	I feel the training met my expectation	2.4	9.5	6.5	5.9	23.1	41.4	3.6	7.7

The results show that respondents agreed the most with item Q12eb which had 75.1% who either “somewhat agreed”, “agreed” or “strongly agreed” followed by Q12b (69.8%), Q12f (68.1%) and they agreed the least with Q12d indicating that only 16.6% either “somewhat agreed”, “agreed” or “strongly agreed” with the item.

The descriptive statistics for the Entrepreneurship training scale items are summarized in table 14.

TABLE 14: DESCRIPTIVE STATISTICS OF ENTREPRENEURSHIP TRAINING SCALE ITEMS

		N	Mean	Std. Deviation	Skewness	Kurtosis
Q12a	I feel the Number of business training sessions attended are sufficient	157	2.71	1.822	1.052	-.533
Q12b	I feel the training content was relevant to my new business needs	156	4.99	1.439	-1.304	.309
Q12c	What I learnt in this business skills training enabled me start my new business	156	3.85	1.832	-.025	-1.728
Q12d	I feel the frequency of the training was sufficient	156	2.65	1.661	1.270	.220
Q12e	I feel the content was well organized and easy to comprehend	154	5.31	1.280	-1.519	1.931
Q12f	I feel the training met my expectation	156	4.91	1.513	-1.080	.077

Table 14 indicates that the items Q12e (mean = 5.31), Q12b (mean = 4.99), and Q12f (mean = 4.91) had mean values greater than 4 (the mid-point of the scale while items Q12c (mean = 3.85), Q12a (mean = 2.71) and Q12d (mean = 2.65) had mean values less than 4. There was negative Skewness for items Q12b, Q12c, Q12e, Q12f and positive Skewness for Q12a and Q12d. There was positive kurtosis for all items except for Q12a and Q12c.

4.3.4. ACCESS TO MARKET LINKAGES SCALE

Table 15 presents results on the distribution of responses to the Access to market linkages scale items.

TABLE 15: SCALE ITEM FREQUENCIES FOR ACCESS TO MARKET LINKAGES

	Scale items	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor	Somewhat agree	Agree	Strongly agree	No access
Q14a	I feel the number of market fairs and exhibitions organized by enterprise development for new entrepreneurs are sufficient	4.1	16.6	0.6	0.0	0.0	8.9	0.0	69.8
Q14b	I feel participating in market fairs and exhibitions connected my new enterprise to new customers	0.0	3.0	0.0	0.6	10.1	16.0	0.0	70.4
Q14c	I feel the market fairs and exhibitions are very important to new business creation.	0.0	0.0	0.0	0.0	7.7	14.8	7.1	70.4
Q14d	I feel the frequency of the market fairs and exhibitions are sufficient for new business creation	3.0	8.3	0.6	0.6	8.9	6.5	1.2	71.0
Q14e	Through market exhibitions organized by Uwezo fund, I was able to expand my business to other locations	0.0	0.6	1.2	1.2	14.8	10.1	1.2	71.0

The results show that respondents mainly did not have access to market linkages. Of those that had access, they agreed the most with item Q14c where 29.6% either “somewhat agreed”, “agreed” or “strongly agreed” with the item. This is followed by Q14b (26%) and the least rated was Q14a with 8.9% only who either “somewhat agreed”, “agreed” or “strongly agreed” with the item.

The descriptive statistics for the Access to market scale items based on those who had access to market linkage are summarised in table 16. The mean values exclude those who did not have access to market linkage.

TABLE 16: DESCRIPTIVE STATISTICS OF ACCESS TO MARKET SCALE ITEMS

		N	Mean	Std. Deviation	Skewness	Kurtosis
Q14a	I feel the number of market fairs and exhibitions organized by enterprise development for new entrepreneurs are sufficient	51	3.10	1.972	.737	-1.321
Q14b	I feel participating in market fairs and exhibitions connected my new enterprise to new customers	50	5.22	1.200	-1.920	2.920
Q14c	I feel the market fairs and exhibitions are very important to new business creation.	50	5.98	.714	.029	-.976
Q14d	I feel the frequency of the market fairs and exhibitions are sufficient for new business creation	49	3.98	1.931	-.241	-1.540
Q14e	Through market exhibitions organized by Uwezo fund, I was able to expand my business to other locations	49	5.24	.925	-1.177	2.967

Results in Table 16 indicate that the items Q14c mean = 5.98), Q14e (mean = 5.24) and Q14b (mean=5.22) had mean values greater than 4 while items Q14d (mean=3.98) and Q14a (mean = 3.10) had mean values less than 4. There was negative skewness for items Q14b, Q1d and Q1e and positive skewness for Q14a and Q14c. There was positive kurtosis for items except for Q14b and Q14e and negative kurtosis for the rest of the items.

4.3.5 ACCESS TO MENTORSHIP SCALE

Table 17 presents results on the distribution of responses to the Access to mentorship scale items.

TABLE 17: SCALE ITEM FREQUENCIES FOR ACCESS TO MENTORSHIP

	Scale items	Strongly disagree	Disagree	Somewhat	Neither agree	Somewhat agree	Agree	Strongly agree	Missing
Q15a	I am more confident with my business skills than before	0.0	2.4	1.2	1.2	20.1	46.7	18.3	10.1
Q15b	I feel more socially connected than before	0.0	3.0	0.6	4.7	30.2	44.4	6.5	10.7
Q15c	Mentorship is very instrumental for creation of my new business	0.6	1.2	0.6	0.6	13.0	58.0	15.4	10.7
Q15d	The quality of mentorship program was good	0.6	0.0	4.1	4.7	11.2	64.5	4.7	10.1

The results show that respondents agreed the most with item Q15c which had 86.4% who either “somewhat agreed”, “agreed” or “strongly agreed” followed by Q15a (85.2%), Q15b (81.1%) and the agreed the least with Q15d indicating that 80.5% either “somewhat agreed”, “agreed” or “strongly agreed”.

The descriptive statistics for the Access to mentorship scale items are summarised in Table 18.

TABLE 18: DESCRIPTIVE STATISTICS OF ACCESS TO MENTORSHIP SCALE ITEMS

		N	Mean	Std. Deviation	Skewness	Kurtosis
Q15a	I am more confident with my business skills than before	152	5.81	.995	-1.652	4.431
Q15b	I feel more socially connected than before	151	5.48	.972	-1.524	3.736
Q15c	Mentorship is very instrumental for creation of my new business	151	5.91	.882	-2.475	10.497
Q15d	The quality of mentorship program was good	152	5.65	.923	-2.121	5.548

The results indicate that all items had mean values greater than 4 negative skewness and positive kurtosis. The highest rated was Q15c (mean = 5.91) and the lowest rated was Q15b (mean = 5.48).

4.4 TESTING OF SCALE VALIDITY AND RELIABILITY

The independent variables of the study are access to financial capital, and human capital which has three components that form hypotheses i.e. training, market linkage and mentorship.

4.4.1 SCALE VALIDITY

Validity of the constructs was tested using exploratory factor analysis.

The variable “I feel the market fairs and exhibitions are very important to new business creation” was removed from the Access to market linkages construct as it had an anti-imagery of 0.333 which is less than the minimum acceptable value of 0.4.

Table 19 shows the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) and Bartlett's Test of Sphericity. All the KMO values were greater than the minimum required value of 0.5. This implies that the sample was adequate to conduct factor analysis. The Bartlett's Test of Sphericity had p-values less than 0.05 as required. For all the constructs, the probability associated with the Bartlett test was < .001.

To further inform the factor selection, Eigenvalue was generated and results are as presented in the respective tables. The eigenvalue describes the amount of variance in the items that is explained by that factor (Beavers, et al. 2013).

Access to financial capital

The appropriateness of computing EFA was assessed before performing the factor analysis. The correlation matrix of the scale items is presented in Table 20. The results show that almost all the coefficients of the scale items are above 0.3 and are statistically significant. It can be noted that the items correlate with each other, an indication that they can be grouped together. The Bartlett's Test of Sphericity $(\chi^2 = .723, p = 0.000)$

indicated that the correlations between the scale items were large enough to run factor analysis.

TABLE 19: KMO AND BARTLETT'S TEST

Access to financial capital		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.723
Bartlett's Test of Sphericity	Approx. Chi-Square	150.743
	Df	6
	Sig.	.000
Entrepreneurship Training		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.546
Bartlett's Test of Sphericity	Approx. Chi-Square	174.177
	Df	15
	Sig.	.000
Access to market linkage		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.625
Bartlett's Test of Sphericity	Approx. Chi-Square	14.751
	Df	6
	Sig.	.022
Access to mentorship		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.699
Bartlett's Test of Sphericity	Approx. Chi-Square	111.534
	Df	6
	Sig.	.000

TABLE 20: DESCRIPTIVE STATISTICS AND CORRELATION OF THE ACCESS TO FINANCIAL CAPITAL SCALE ITEMS

DESCRIPTIVE STATISTICS & PEARSON CORRELATIONS						
	M	**SD**	**1.**	**2.**	**3.**	**4.**
1. Q9a	2.89	1.83	1.00			
2. Q9b	4.45	1.75	.36***	1.00		
3. Q9c	3.46	1.64	.19**	.48***	1.00	
4. Q9d	3.45	1.78	.30***	.60***	.45***	1.00

*Notes: M = Variable mean, SD = standard deviation, *** = p < .01, ** = p < .05, * = p < .10*

The Kaiser's MSA scores for Access to financial capital scale was 0.723 as shown in Table 21. All the individual items had values greater than the minimum requirement of 0.5.

TABLE 21: MSA SCORES FOR TESTING MODEL FIT AND INDIVIDUAL VARIABLES OF THE ACCESS TO FINANCIAL CAPITAL SCALE

Kaiser's Measure of Sampling Adequacy: Overall MSA = 0.723			
Q9a	**Q9b**	**Q9c**	**Q9d**
0.800	0.681	0.776	0.709

TABLE 22: EIGENVALUE TABLE OF THE ACCESS TO FINANCIAL CAPITAL SCALE

Eigenvalues of the Reduced Covariance Matrix: Total = 3.83811222 Average = 0.95952806				
	Eigenvalue	**Difference**	**Proportion**	**Cumulative**
1	4.813	4.790	1.254	1.254
2	0.024	0.430	0.006	1.260
3	-0.407	0.185	-0.106	1.154
4	-0.592		-0.154	1.000

The scree plot is shown in figure 10.

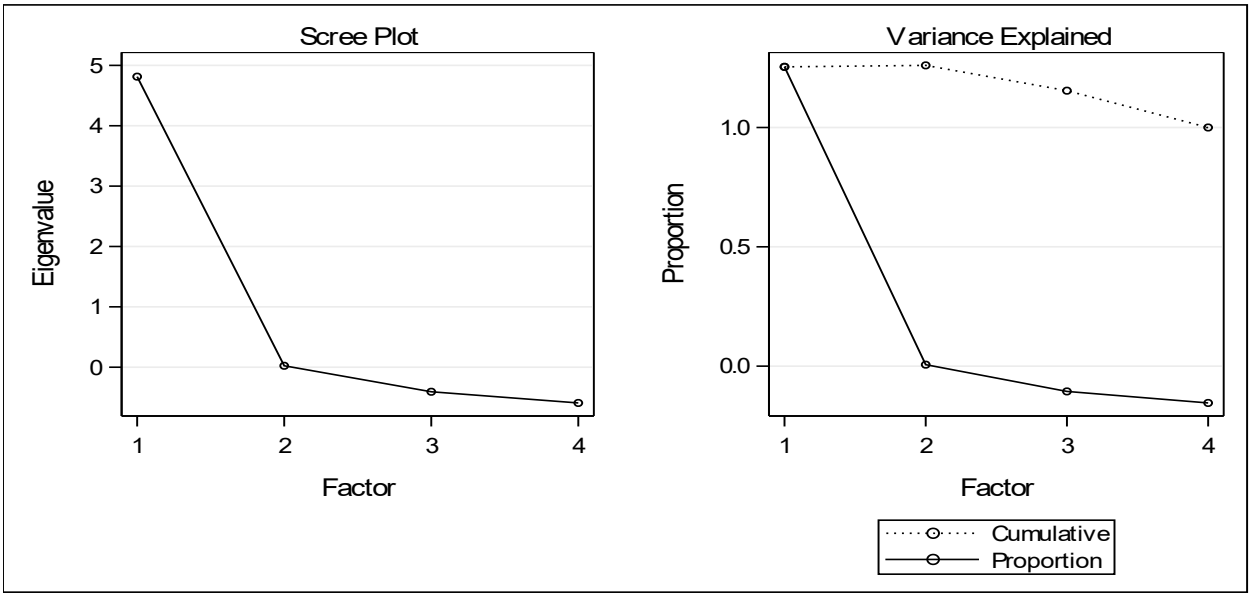


FIGURE 10: SCREE PLOT FROM EFA OF THE ACCESS TO FINANCIAL CAPITAL SCALE

The scree plot shown in Figure 10 indicates that the construct retained one factor only one. The factor loadings are summarised in Table 23.

TABLE 23: FACTOR LOADINGS OF FINAL MODEL FOR THE ACCESS TO FINANCIAL CAPITAL SCALE

Factor Pattern	
	Factor1
Q9b	0.753
Q9d	0.708
Q9c	0.584
Q9a	0.413

Table 23 indicates the factor pattern and shows that only one factor was retained.

Skills Development

The appropriateness of computing EFA was assessed before performing the factor analysis. The correlation matrix of the scale items is presented in Table 24. The Bartlett's Test of Sphericity $(\chi^2 = .546, p = 0.000)$ indicated that the correlations between the scale items were large enough to run factor analysis.

TABLE 24: DESCRIPTIVE STATISTICS AND CORRELATION OF THE SKILLS DEVELOPMENT SCALE ITEMS

DESCRIPTIVE STATISTICS & PEARSON CORRELATIONS								
	M	**SD**	**1.**	**2.**	**3.**	**4.**	**5.**	**6.**
1. Q12a	2.71	1.82	1.00					
2. Q12b	4.99	1.44	.07	1.00				
3. Q12c	3.85	1.83	.14*	.26***	1.00			
4. Q12d	2.65	1.66	.58***	-.10	-.01	1.00		
5. Q12e	5.31	1.28	.08	.30***	.03	.09	1.00	
6. Q12f	4.91	1.51	.14*	.33***	.15*	.19**	.59***	1.00

*Notes: M = Variable mean, SD = standard deviation, *** = p < .01, ** = p < .05, * = p < .10*

The Kaiser's MSA scores for the Skills Development scale was 0.546 as shown in Table 25. All the individual items had values greater than the minimum requirement of 0.5.

TABLE 25: MSA SCORES FOR TESTING MODEL FIT AND INDIVIDUAL VARIABLES OF THE SKILLS DEVELOPMENT SCALE

Kaiser's Measure of Sampling Adequacy: Overall MSA = 0.546					
Q12a	**Q12b**	**Q12c**	**Q12d**	**Q12e**	**Q12f**
0.502	0.641	0.512	0.505	0.579	0.583

TABLE 26: EIGENVALUE TABLE OF THE SKILLS DEVELOPMENT SCALE

Eigenvalues of the Reduced Covariance Matrix: Total = 4.53728579 Average = 0.7562143				
	Eigenvalue	**Difference**	**Proportion**	**Cumulative**
1	3.318	1.210	0.731	0.731
2	2.108	1.416	0.465	1.196
3	0.691	1.008	0.152	1.348
4	-0.317	0.153	-0.070	1.278
5	-0.470	0.323	-0.104	1.175
6	-0.793		-0.175	1.000

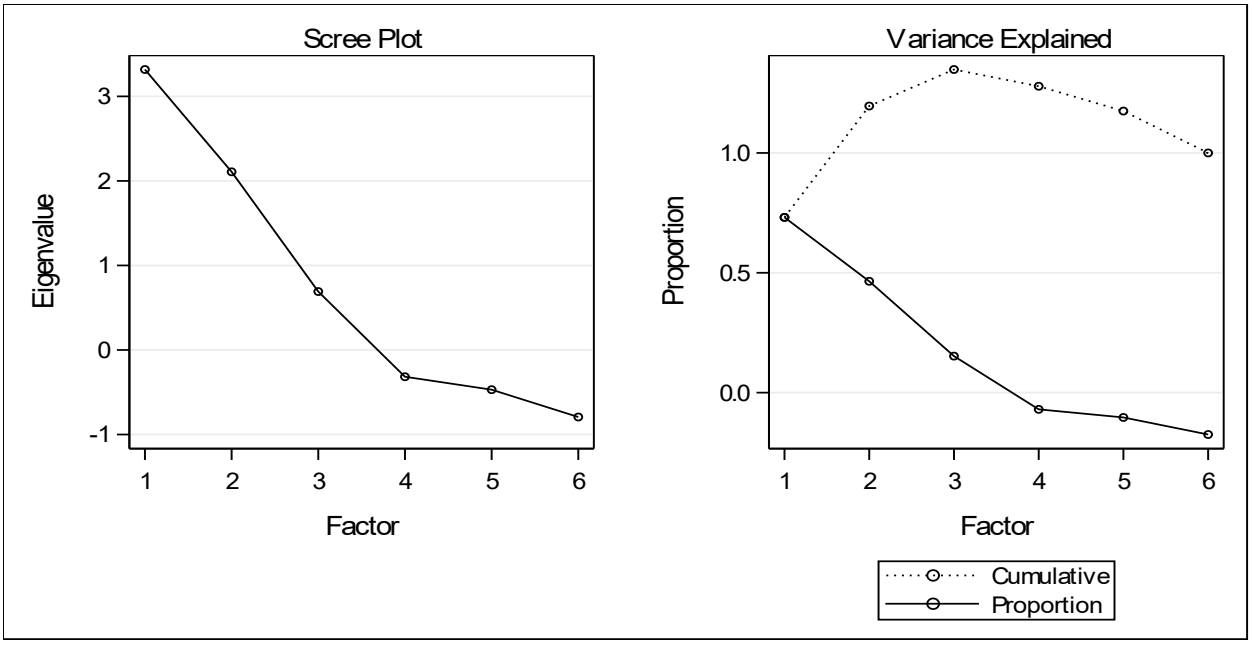


FIGURE 11: SCREE PLOT FROM EFA OF THE SKILLS DEVELOPMENT SCALE

The scree plot shown in Figure 11 indicates that the construct retained three factors. The factor loadings are summarised in Table 27.

TABLE 27: FACTOR LOADINGS OF FINAL MODEL FOR THE SKILLS DEVELOPMENT SCALE

Factor Pattern			
	Factor1 (Organisation)	Factor 2 (Frequency)	Factor 3 (Relevance)
Q12e	.885	.032	-.029
Q12f	.840	.162	.133
Q12d	.099	.885	-.152
Q12a	.041	.871	.173
Q12c	-.044	.092	.900
Q12b	.484	-.143	.592

The scree plot shown in Figure 11 indicates that the construct retained only one factor. The factor loadings are summarised in Table 27.

Access to market linkage

The appropriateness of computing EFA was assessed before performing the factor analysis. The correlation matrix of the scale items is presented in Table 28. The results show that Q14c is weakly related to the other variables. It was removed from the construct. The EFA was run after removing Q14c. The Bartlett's Test of Sphericity $(\chi^2 = .625, p = 0.022)$ indicated that the correlations between the scale items were large enough to run factor analysis.

TABLE 28: DESCRIPTIVE STATISTICS AND CORRELATION OF THE ACCESS TO MARKET LINKAGE SCALE ITEMS

DESCRIPTIVE STATISTICS & PEARSON CORRELATIONS							
	M	**SD**	**1.**	**2.**	**3.**	**4.**	**5.**
1. Q14a	3.10	1.97	1.00				
2. Q14b	5.22	1.20	.15	1.00			
3. Q14c	5.98	0.71	-.06	-.09	1.00		
4. Q14d	3.98	1.93	.24*	.36**	.09	1.00	
5. Q14e	5.24	0.92	.35**	.14	.01	.19	1.00

*Notes: M = Variable mean, SD = standard deviation, *** = p < .01, ** = p < .05, * = p < .10*

The Kaiser's MSA scores for Access to market linkage scale was 0.625 as shown in Table 29. All the individual items had values greater than the minimum requirement of 0.5.

TABLE 29: MSA SCORES FOR TESTING MODEL FIT AND INDIVIDUAL VARIABLES OF THE ACCESS TO MARKET LINKAGE SCALE

Kaiser's Measure of Sampling Adequacy: Overall MSA = 0.62544952			
Q14a	**Q14b**	**Q14d**	**Q14e**
0.634	0.616	0.616	0.640

TABLE 30: EIGENVALUE TABLE OF THE ACCESS TO MARKET LINKAGE SCALE

Eigenvalues of the Reduced Covariance Matrix: Total = 1.48188574 Average = 0.37047144				
	Eigenvalue	**Difference**	**Proportion**	**Cumulative**
1	2.188	2.030	1.477	1.477
2	0.158	0.434	0.107	1.583
3	-0.276	0.311	-0.187	1.397

4	-0.588		-0.397	1.000

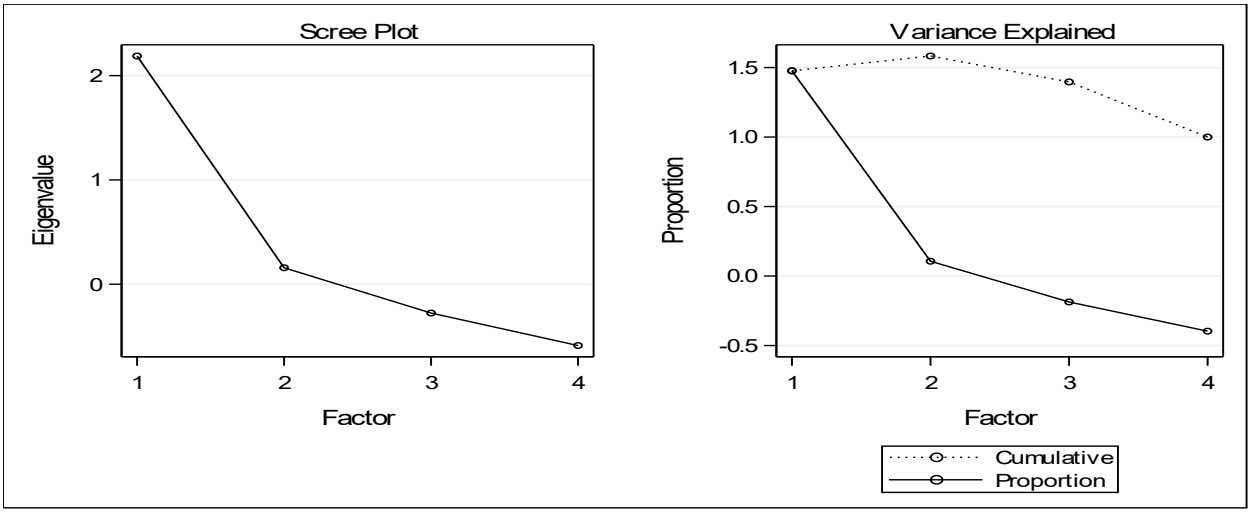


FIGURE 12: SCREE PLOT FROM EFA OF THE ACCESS TO MARKET LINKAGE SCALE

The scree plot shown in Figure 12 indicates that the construct retained only one factor.

The factor loadings are summarised in Table 31.

TABLE 31: FACTOR LOADINGS OF FINAL MODEL FOR THE ACCESS TO MARKET LINKAGE SCALE

Factor Pattern	
	Factor1
Q14b	0.503
Q14d	0.489
Q14e	0.473
Q14a	0.432

Table 31 indicates the factor pattern which shows that only one factor was retained.

Access to mentorship

The appropriateness of computing EFA was assessed before performing the factor analysis. The correlation matrix of the scale items is presented in Table 32. The results show that almost all the coefficients of the scale items are above 0.3 and are statistically significant. It can be noted that the items correlate with each other, an indication that they can be grouped together. The Bartlett's Test of Sphericity $(\chi^2 = .699, p = 0.000)$ indicated that the correlations between the scale items were large enough to run factor analysis.

TABLE 32: DESCRIPTIVE STATISTICS AND CORRELATION OF THE ACCESS TO MENTORSHIP SCALE ITEMS

DESCRIPTIVE STATISTICS & PEARSON CORRELATIONS						
	M	**SD**	**1.**	**2.**	**3.**	**4.**
1. Q15a	5.81	0.99	1.00			
2. Q15b	5.48	0.97	.55***	1.00		
3. Q15c	5.91	0.88	.40***	.35***	1.00	
4. Q15d	5.65	0.92	.32***	.25***	.38***	1.00

*Notes: M = Variable mean, SD = standard deviation, *** = p < .01, ** = p < .05, * = p < .10*

The Kaiser's MSA score for Access to mentorship scale was 0.699 as shown in Table 33. All the individual items had values greater than the minimum requirement of 0.5.

TABLE 33: MSA SCORES FOR TESTING MODEL FIT AND INDIVIDUAL VARIABLES OF THE ACCESS TO MENTORSHIP SCALE

Kaiser's Measure of Sampling Adequacy: Overall MSA = 0.69876345			
Q15a	**Q15b**	**Q15c**	**Q15d**
0.666	0.670	0.749	0.749

TABLE 34: EIGENVALUE TABLE OF THE ACCESS TO MENTORSHIP SCALE

Eigenvalues of the Reduced Covariance Matrix: Total = 1.02159667 Average = 0.25539917				
	Eigenvalue	**Difference**	**Proportion**	**Cumulative**
1	1.305	1.240	1.277	1.277
2	0.064	0.205	0.063	1.340
3	-0.140	0.067	-0.137	1.203
4	-0.207		-0.203	1.000

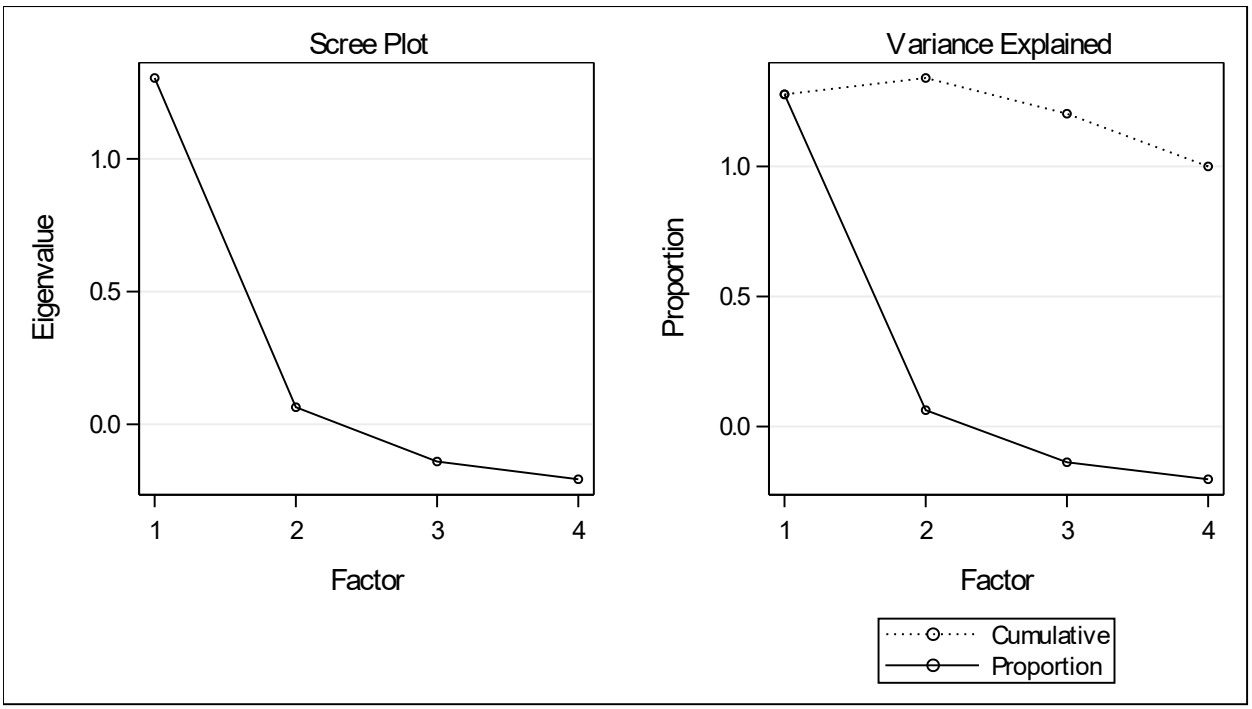


FIGURE 13: SCREE PLOT FROM EFA OF THE ACCESS TO MENTORSHIP SCALE

TABLE 35: FACTOR LOADINGS OF FINAL MODEL FOR THE ACCESS TO MENTORSHIP SCALE

Factor Pattern	
	Factor1
Q15a	0.688
Q15b	0.634
Q15c	0.575
Q15d	0.469

Table 35 indicates the factor pattern which shows that only one factor was retained as was shown on the scree plots

4.4.2 RELIABILTY

The final construct composition, factor loading for the items within each factor, the total variance explained and the Cronbach's alpha are summarised in Table 26. The results indicate that the items under the constructs loaded into different factors. Items under Access to financial capital, Entrepreneurship training and content organisation, Access to Market linkages, and Access to Mentorship all loaded into factor 1 and items under Entrepreneurship training frequency, and entrepreneurship training content relevance loaded into factor 2 and 3 respectively.

A Cronbach's Alpha was computed to assess the reliability (internal consistency) of the scale for each construct / sub-construct.

TABLE 36: ACCESS TO FINANCIAL CAPITAL CRONBACH

Cronbach Coefficient Alpha with Deleted Variable				
Deleted Variable	**Raw Variables**		**Standardized Variables**	
	Correlation with Total	**Alpha**	**Correlation with Total**	**Alpha**
Q9a	0.346	0.759	0.344	0.758
Q9b	0.651	0.574	0.652	0.577
Q9c	0.475	0.682	0.477	0.684
Q9d	0.597	0.608	0.600	0.610
Cronbach Coefficient Alpha		0.722		0.724

The results of the reliability test of Access to Financial Capital scale using the Cronbach's alpha test shows that the values are acceptable (raw value = 0.722) and the standardised value was 0.724. The items within the Access to Financial Capital scale should be combined to form a summated scale.

TABLE 37: ENTREPRENEURSHIP TRAINING - ORGANISATION CRONBACH

Cronbach Coefficient Alpha with Deleted Variable				
	Raw Variables		Standardized Variables	
Deleted Variable	Correlation with Total	Alpha	Correlation with Total	Alpha
Q12e	0.592	.	0.588	.
Q12f	0.592	.	0.588	.
Cronbach Coefficient Alpha		0.737		0.740

The results of the reliability test for Entrepreneurship Training - Organisation scale using the Cronbach's alpha test shows that the values are acceptable (raw value = 0.737) and the standardised value was 0.740. The items within the Skills Training - Organisation scale should be combined to form a summated scale.

TABLE 38: ENTREPRENEURSHIP TRAINING - FREQUENCY CRONBACH

Cronbach Coefficient Alpha				
Deleted Variable	Raw Variables		Standardized Variables	
	Correlation with Total	Alpha	Correlation with Total	Alpha
Q12a	0.585	.	0.583	.
Q12d	0.585	.	0.583	.
Cronbach Coefficient Alpha		0.736		0.737

The results of the reliability test for Entrepreneurship Training - Frequency scale using the Cronbach's alpha test shows that the values are acceptable (raw value = 0.736) and the standardised value was 0.737. The items within the Entrepreneurship Training - Frequency scale should be combined to form a summated scale.

TABLE 39: ENTREPRENEURSHIP TRAINING - RELEVANCE CRONBACH

Cronbach Coefficient Alpha with Deleted Variable				
Deleted Variable	**Raw Variables**		**Standardized Variables**	
	Correlation with Total	**Alpha**	**Correlation with Total**	**Alpha**
Q12b	0.257	.	0.257	.
Q12c	0.257	.	0.257	.
		0.399		0.408

The results of the reliability test for Entrepreneurship Training – Relevance was unacceptable since it was less than 0.05. Thus, items within the Entrepreneurship Training - Relevance scale could not be grouped together to form a summated scale since the alpha value was less than 0.5. Only one of the items was used to represent the “Entrepreneurship Training - Relevance Cronbach” construct.

TABLE 40: ACCESS TO MARKET LINKAGE CRONBACH

Cronbach Coefficient Alpha with Deleted Variable				
Deleted Variable	**Raw Variables**		**Standardized Variables**	
	Correlation with Total	**Alpha**	**Correlation with Total**	**Alpha**
Q14a	0.332	0.458	0.357	0.471
Q14b	0.323	0.464	0.304	0.514
Q14d	0.370	0.412	0.380	0.451
Q14e	0.337	0.478	0.321	0.501
		0.528		0.556

The results of the reliability test for Access to Market Linkage Cronbach scale using the Cronbach’s alpha test shows that the values are acceptable (raw value = 0.528) and the standardised value was 0.556. Although the alpha value is poor as indicated by a value < 0.7, it was still acceptable as the value was greater than .5.

TABLE 41: ACCESS TO MENTORSHIP CRONBACH

Cronbach Coefficient Alpha				
Deleted	**Raw Variables**		**Standardized Variables**	
Variable	**Correlation with Total**	**Alpha**	**Correlation with Total**	**Alpha**
Q15a	0.579	0.588	0.574	0.589
Q15b	0.509	0.634	0.501	0.636
Q15c	0.493	0.645	0.493	0.641
Q15d	0.397	0.700	0.400	0.696
		0.707		0.705

The results of the reliability test for Access to Mentorship Cronbach scale using the Cronbach's alpha test shows that the values are acceptable (raw value = 0.707) and the standardised value was 0.705. The items within the Access to Mentorship Cronbach scale should be combined to form a summated scale.

A summated scale was computed for the rest of the constructs by calculating the average of the items within the respective construct.

The descriptive statistics and the Pearson's correlation for the constructs are summarised in Table 42.

TABLE 42: DESCRIPTIVE STATISTICS AND PEARSON'S CORRELATION

	Descriptive Statistics		Correlation coefficients						
	Mean	SD	1.	2.	3.	4.	5.	6.	7.
1.Access to financial capital	3.55	1.30	1						
2.Entrepreneurship training- Organisation	4.81	1.59	.273**	1					
3.Entrepreneurship training - Frequency	2.56	1.55	.289**	.300**	1				
4.Entrepreneurship training - Relevance	3.64	1.91	.370**	.329**	.176*	1			

5.Access to market linkages	2.02	1.65	-.050	.320**	.287**	-.201**	1		
6.Access to mentorship	5.24	1.56	.176*	.743**	.299**	.406**	.264**	1	
7.Entrepreneurial Propensity	3.49	1.99	.303**	-.003	.073	.460**	-.430**	.089	1
**. Correlation is significant at the 0.01 level (2-tailed).									
*. Correlation is significant at the 0.05 level (2-tailed).									

The results reveal that the entrepreneurs agreed the most with the Access to mentorship construct (mean = 5.24 ± 1.56) followed by the entrepreneurship training - Organisation construct (mean = 4.81 ± 1.30), entrepreneurship training - Relevance (mean = 3.64 ± 1.91) and Access to financial capital (mean = 3.55 ± 1.30). They however agreed the least with the Access to market linkages (mean = 2.02 ± 1.65).

The Pearson's correlation analysis shows that there is a significant positive correlation between Entrepreneurial Propensity and each of entrepreneurship training - Relevance (r = 0.460, p-value <0.01) and Access to financial capital (r = 0.303, p-value < 0.01) since the coefficients were positive and the p-values were less than 0.05.

On the other hand, access to market linkages (r = -0.430, p-value < 0.01) had a negative correlation to Entrepreneurial Propensity since the coefficient was negative and the p-value was less than 0.05.

There was no significant correlation between Entrepreneurial Propensity and each of entrepreneurship training Organisation (r =-0.003, p-value > 0.05), entrepreneurship training frequency (r =0.073, p-value > 0.05) and Access to mentorship (r =0.089, p-value > 0.05) since the p-values were greater than 0.05.

It can be noted that there are no extremely high correlations among independent variables (>0.9) and thus there is no danger of multicollinearity.

4.5 HYPOTHESIS TESTING

Multiple regression was conducted to assess all four hypotheses. The regression mode had Entrepreneurial Propensity as the dependent variable and Access to financial capital, Skills training - Organisation, Skills training - Frequency, Skills training - Relevance, Access to market linkages and Access to mentorship as independent variables. The results are shown below;

TABLE 43: MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.606[a]	.367	.344	1.61033
a. Predictors: (Constant), Access to mentorship, Access to financial capital, Access to market linkages, Skills training - Frequency, Skills training - Relevance, Skills training - Organisation				

A r-square value of 0.367 indicates that the variables Access to financial capital, Skills training Organisation, Skills training Frequency, Skills training Relevance, Access to market linkages and Access to mentorship explains 36.7% of variation in Entrepreneurial Propensity.

The ANOVA table (Table 29) shows results assessing the null hypothesis that here is no relationship between Entrepreneurial Propensity and all the independent variables.

TABLE 44**:** ANOVAA TABLE

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	243.899	6	40.650	15.676	.000[b]

	Residual	420.095	162	2.593		
	Total	663.994	168			
a. Dependent Variable: Entrepreneurial Propensity						
b. Predictors: (Constant), Access to mentorship, Access to financial capital, Access to market linkages, Skills training - Frequency, Skills training - Relevance, Skills training - Organisation						

The results show a p-value of 0.00 which indicates that the null hypothesis is rejected and it implies that at least one independent variable is significant in predicting the dependent variable. The coefficients table (Table 30) shows which specific independent variables were significant in predicting the Entrepreneurial Propensity which answers all four hypotheses for the research.

TABLE 45: COEFFICIENTS TABLE

Parameter Estimates						
Variable	**DF**	**Parameter Estimate**	**Standard Error**	**t Value**	**Pr > |t|**	**Standardized Estimate**
Intercept	1	2.150	0.517	4.16	<.0001	0.000
Access to financial capital	1	0.249	0.108	2.3	0.023	0.164
Skills training Organisation	1	-0.174	0.122	-1.42	0.157	-0.140
Skills training Frequency	1	0.109	0.090	1.22	0.226	0.085
Skills training Relevance	1	0.325	0.081	4.04	<.0001	0.312
Access to market linkages	1	-0.444	0.089	-5	<.0001	-0.368
Access to mentorship	1	0.139	0.126	1.11	0.270	0.109

THE DIAGNOSTICS FIT GRAPHS SHOWN THAT THE DATA APPROXIMATES A NORMAL DISTRIBUTION.

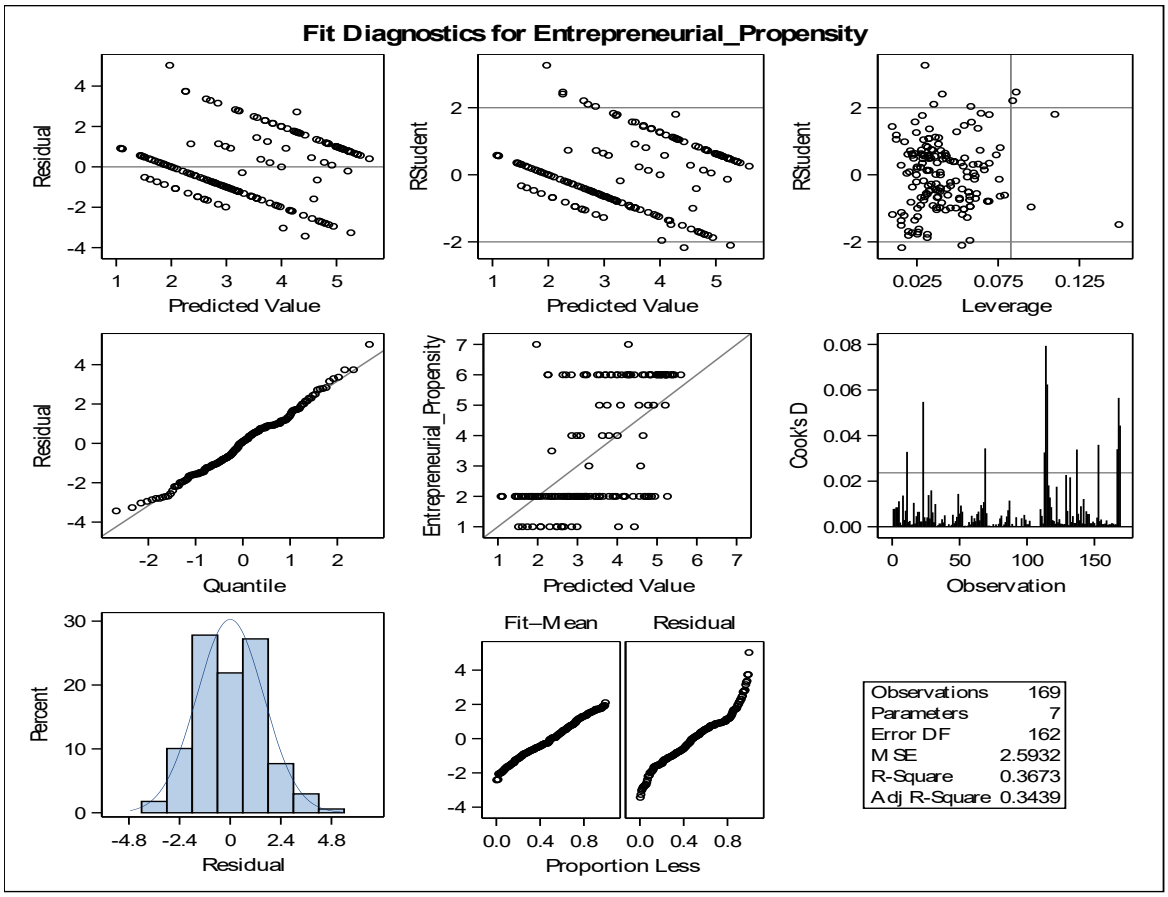


FIGURE 12: FIT DIAGNOSTICS FOR ENTREPRENEURIAL PROPENSITY

4.5.1 RESULTS PERTAINING TO ACCESS TO FINANCE

H0: *There is no relationship between access to financial capital and entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency*

H1: *Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency*.

The results shown in the Coefficients table (Table 30) show that the relationship between Entrepreneurial Propensity and Access to financial capital (Unstandardised coefficient (B) =0.249, Standardised coefficient (β) = 0.164, t-value = 2.303, p-value = 0.023) is positive since the standardised coefficient for Access to financial capital

is greater than zero and is also significant since the p-value is less than 0.05. This implies that H1 is supported. Thus, the null hypothesis is rejected in favour of the alternative hypothesis. It is concluded that access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

4.5.2 RESULTS PERTAINING TO ACCESS TO TRAINING

H0: *There is no relationship between Entrepreneurship training and entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H2. Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

Entrepreneurship training had three sub-constructs and thus three hypotheses were tested.

H2a*: Entrepreneurship training content organization is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

The results shown in the Coefficients table (Table 30) show that the there is no significant relationship between Entrepreneurial Propensity and entrepreneurship training - Organisation (B = -0.174, β = -0.140, t-value = -1.423, p-value = 0.157) since the p-value is greater than 0.05. This implies that H2a is not supported. Thus, the null hypothesis is not rejected and it is concluded that there is no significant relationship between entrepreneurship training - Organisation and entrepreneurial propensity among the beneficiaries of Uwezo enterprise development fund in North Horr constituency.

H2b: *Entrepreneurship training Frequency is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

The results shown in the Coefficients table (Table 30) show that there is no significant relationship between Entrepreneurial Propensity and entrepreneurship training - Frequency (B = 0.109, β = 0.085, t-value = 1.22, p-value = 0.226) since the p-value is greater than 0.05. This implies that H2b is not supported. Thus, the null hypothesis is not rejected and it is concluded that there is no significant relationship between entrepreneurship training - Frequency and entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

H2c: ***Entrepreneurship training content Relevance is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund***

The results shown in the Coefficients table (Table 30) show that the relationship between Entrepreneurial Propensity and entrepreneurship training - Relevance (B =0.325, β = 0.312, t-value = 4.036, p-value = 0.000) is positive since the standardised coefficient for entrepreneurship training - Relevance is greater than zero and is also significant since the p-value is less than 0.05. This implies that H2c is supported. Thus, the null hypothesis is rejected in favour of the alternative hypothesis. It is concluded that entrepreneurship training - Relevance has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

4.5.3 RESULTS PERTAINING TO ACCESS TO MARKET LINKAGE

H0: *There is no relationship between Access to market linkage and formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

H3: ***Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency****.*

The results shown in the Coefficients table (Table 30) show that there is a negative significant relationship between Entrepreneurial Propensity and Access to market

linkage (B = -0.444, β = -0.368, t-value = -5.004, p-value = 0.000) since the p-value is less than 0.05 and the coefficient for Access to market linkage is less than zero. This implies that H2a is not supported. Thus, Access to market linkage is not significant to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

4.5.4 RESULTS PERTAINING TO *ACCESS TO MENTORSHIP*

H0: *There is no relationship between Access to mentorship and formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.*

H4: *Access to mentorship is positively associated to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.

The results shown in the Coefficients table (Table 30) show that there is no significant relationship between Entrepreneurial Propensity and entrepreneurship training - Organisation (B = 0.139, β = 0.109, t-value = 1.107, p-value = 0.270) since the p-value is greater than 0.05. This implies that H4 is not supported. Thus, the null hypothesis is not rejected and it is concluded that there is no significant relationship between Access to mentorship and formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

4.6 SUMMARY OF THE RESULTS

The chapter presented the study findings that were derived from the primary data which were obtained from respondents. Presentation started with the descriptive analysis of the demographic profile of the respondents and also the variables.

Scale validity and reliability was tested using correlation and factor analysis for validity and Cronbach Alpha for reliability. Kaiser Meyer Olkin measure of sampling adequacy and Bartlett's test of Sphericity were also done. The result indicated that all KMO values were greater than the minimum required value of 0.5 and the Bartlett's value less than 0.05 obtained as required.

The chapter ends by presenting the results relating to the hypothesis and in the following chapter, these results are discussed.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 INTRODUCTION

This chapter discusses the outcome of the study with reference to the literature review. The chapter starts with discussion on the eight demographic items under (5.2), followed by discussion on the dependent variables, the hypotheses in relation to the dependent variables (5.3 – 5.6) and then, conclusion is made on the findings (5.7).

5.2 CHARACTERISTICS OF THE RESPONDENTS

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

This section aims to provide discussion pertaining to the findings on the demographic questions. The demographic characteristics of the respondents included gender, age, level of education, type of business, location of business, and knowledge of Uwezo Fund.

Gender

The study found that of the 169 respondents, 99 representing 59% of the total response, were female while the other 70 were male, representing 41%. A similar ratio was also displayed by the list of beneficiaries, which was obtained from the fund's committee office and indicates 24 out of 39 groups that benefited from this fund, are women groups and the rest comprised youth and people living with disability. This finding is in line with previous studies (Cetindamar, et al. 2012; Reeg, 2013) that suggest that micro and small enterprises in developing countries are run by women.

In term of self-confidence and desire to engage in business, Langowitz and Minniti (2007) conclude that if women feel and believe they have what it takes and the information to take part in a business enterprise, they will succeed; they are more likely to start new businesses. Cetindamar, et al. (2012) confirms that indeed, entrepreneurial perspective can be developed in individuals; a view Sequeira, Wang and Peyrefitte, (2016) acknowledge by mentioning acquisition of formal education can provide access to other necessary resources for start-ups. Cetindamar, et al.

(2012) confirms that likelihood of women becoming entrepreneurs is enhanced if they are allowed increased access to education.

Reeg (2013) points out that of all the resources required by entrepreneurs, access to finance was the main constraint women faced that prevent them from exploiting entrepreneurial opportunities. Sequeira et al. (2016) allude to women entrepreneurs facing more obstacles when searching for start-up financial capital due to less credit history compared to men and that gender and culture together can generate an unfavourable entrepreneurial environment for them in different contexts; a view confirmed by this research's outcome, suggesting that women were previously unable to access capital resources and with removal of these obstacles through such a programme, they were able to demonstrate their ability to engage in business. This finding could be a reflection of Bosma, et al. (2011)'s claim that women are most likely to engage in entrepreneurship out of necessity since this is one of the poorest region in the country. Secondly, (Tundui & Tundui, 2014; Kelley, et al 2012) argue the women in the developing economies are likely to engage in necessity driven businesses and that these type of entrepreneurs have lower level of education. This study shows that women in this area are more active in business start-ups and most of the 70% have only acquired primary and below level of education a confirmation of the previous studies.

Due to the nomadic type of live style in this area, majority of North Horr women are always left at home to fend for their families as their men travel long distance from home with the livestock in search of water and pasture, sometimes even for several months. Thus this harsh reality has pushed many women into necessity entrepreneurship.

Age

Venter, et al. (2015) have expressed that different age brackets exhibit different levels of interest and action towards entrepreneurship. This previous research indicates that while entrepreneurial activity is low among the age of 18 -24, individuals between the age of 25 – 35 are more active participants of entrepreneurial activity than any other category, and this behaviour tends to decline as the age category progresses. The result of the current study confirms these early

claims where 10% of the respondents belong to category 18-24 years, 52% of the respondents are aged between 25 – 35, actively seek entrepreneurial opportunities compared to other categories followed by the 35 – 45 years old and thereafter declining.

Level of education

GEM reports suggests that most individuals in the developing countries enter into entrepreneurship as a result of necessity as opposite to individuals in the developed countries who are innovation driven. The same report indicates that these necessity-driven entrepreneurs are also characterised by low levels of education which is the case in this study where the majority of the respondents (62%) have only attained basic level and below of formal education and very few graduates are involved in entrepreneurship in this area. A study by Nafziger and Terrell (1996) in India established that more educated people rush to abandon self-employment and seek alternative career options, whereas the less educated ones have few opportunities to abandon self-employment, which could be the case in this study where, due to the high unemployment rate, those with low levels of education have no better option than to engage in entrepreneurial activities. This result could also confirm the effect of decades of marginalisation of this area, where low rates of transition from primary level to secondary to university are still persistent and the few individuals who manage to further their education still prefer formal employment to entrepreneurship.

Business location

Location of business is an important element to be considered during the start-up stage since the survival of a business is largely dependent upon it's location. Locations differ in terms of terms of resource endowment which is a major determinant of populations' level of disposable income and availability of market for products and services offered by the new businesses (Tundui & Tundui, 2014).

North Horr Constituency is the largest constituency in Kenya in term of geographical area, and sparsely populated with the few trading centers that are scattered far apart. Rough terrain and poor infrastructural network characterize the area. These

challenges make it quite difficult for entrepreneurs to freely interact with others from other parts of the country or even county in order to gain experience or expand market for their products and services.

Awareness

Apart from the above demographic questions, respondents were also asked how they got to know about the Uwezo Fund and there were three options for them to choice from, of which 52% of the respondent learnt of the fund through friends, 28% from government agents and 17% from the media. This indicates a poor awareness creation level of the fund by the government in the area, either through its agents (fund's officials or public officers) or through the media. This would also support a remark by Klyver, et al. (2013) that social embeddedness facilitates acquisition of resources that would otherwise be unavailable.

Work experience

Prior experience has been seen to be of a great value during the early stage of business creation (Mahmood and Azhar, 2015). These experiences help individuals to learn from it and enables them to successfully mobilise required resources and eventually successful start-up. Ndururi, (2015) express that, lack of prior experience by new entrepreneurs poses more challenge and experience develops individuals' self-confidence to overcome these challenges.

The respondents were also asked the number of years in work experience they had, where a 3.78 years was found to be the average number of years for the respondents. This indicates that more of the entrepreneurs have enough experience to start and run a successful business venture.

Age of business

Age of an enterprise is seen as of significance in terms of their survival. Studies on enterprises argue that new businesses have lesser rates of survival within their first 3.5 years start due to number of obstacles they face along the way (Kelley, et al 2012). These obstacles range from unavailability of resources, lack of managerial skills & unreliable market for their products and services. The average age of the

businesses in this study is 2.56 year which is still under the new business category. These businesses will need proper support from the program to enable them reach maturity and stabilize, otherwise if left alone without any kind of monitoring and evaluation, and re-enforcement of the support offered, most of them would fail before they attain the 3.5 years.

5.3 DISCUSSION PERTAINING TO ACCESS TO FINANCIAL CAPITAL

Hypothesis (1) relates to access to financial capital variable which is stated below.

H0: *There is no relationship between access to financial capital and entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency*

H1. Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency.

The outcome of the study reveals a positive relationship of access to financial and entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency. In line with earlier studies (Suresh & Ramraj, 2012; Klyver, et al., 2013), availability of finance is a crucial ingredient for creating a conducive entrepreneurial environment for would-be entrepreneurs.

The study's outcomes confirm these previous findings and also validate the importance of capital resources to respondents in this context. Although many of the respondents rated the main question "Funding and institutional support provided by Uwezo Fund program encouraged me to start a business" very low, the majority of them however started their businesses after implementation of this particular programme. This outcome would mean that the people in this area are mainly necessity-driven entrepreneurs and are desperately in need of engaging in entrepreneurship in order to earn a living, even when the support they received was not enough to create a conducive environment to fully unlock their potential.

In terms of accessibility assessment, beneficiaries felt that terms and conditions, processes and procedures of application for obtaining Uwezo Fund is quite friendly to new business creation, since the loan they got was interest free and the repayment period long enough. Despite the friendly terms and conditions, on application process and procedure, they however felt the approvals and disbursements from the constituency office took long which they expressed was not encouraging for a speedy implementation of any entrepreneurial opportunities.

Finance still remains one of the key capital resources that is very important and in short supply to necessity entrepreneurs as demonstrated under the response from the comment question where call for funds increase was the second highest request after training from beneficiaries of Uwezo Fund.

5.4 DISCUSSION PERTAINING TO ACCESS TO ENTREPRENEURIAL ENTREPRENEURSHIP TRAINING

Studies by St-Jean and Audet (2012); Colette, et al. (2005); Kemunto (2014) recommend entrepreneurship training programmes as an essential ingredient for prospective entrepreneurs, especially those belonging to non-trading communities (Lokhande, 2015). In the world that is wrestling with heightened pressure from various challenges, the need for entrepreneurship training has never been greater (Colette, et al. 2005). Entrepreneurship training is seen as that magic which ignites entrepreneurial fire through an increase of self-efficacy which is in turn, strongly associated with the creation of new ventures. Liñán, et al. (2011) and Ismail (2017) add that as trainees increase their understanding of entrepreneurship through training, their entrepreneurial intention also increases. Based on this background, the question remains on the effectiveness of the entrepreneurship training offered by various programmes, especially those that are run by government agents. It is not clear whether these programmes are achieving their intended aims of changing individuals' mindset into thinking entrepreneurial and accepting self-employment as a viable option to formal employment. This research took into account a few elements that form part of a training programme and investigated individuals' perception regarding the role these elements played in the creation of their businesses.

In the literature, it was discovered that training comprises several elements that affect the individuals' capacity to understand and conceptualise the objective of training and hence yield the desired outcome. Aim, organisation and delivery mode, frequency/duration, and relevance of the contents of a training programme was found to be important aspects to be considered. These elements also formed part of the assessment criteria used by the fund under study (refer to Appendix D). Below are the main hypothesis and the sub-hypotheses as stated and discussed below.

H2. Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

Results pertaining to Entrepreneurial training hypotheses have showed mixed feelings, in that responses indicate that some of the elements under consideration are not significant to the target population as shown below.

***H2a Entrepreneurship training content organization is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.**

The result shows there is no significant relationship between entrepreneurship training - Organisation and entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

The outcome would be interpreted to mean that how materials and contents of the training is organised and delivered to the recipient does not matter much in entrepreneurship training to beneficiaries, as long as the content is relevant and beneficial to their business.

H2b: ***Entrepreneurship training Frequency is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency*.**

The result has shown no significant relationship between entrepreneurship training - Frequency and entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency.

Colette, et al. (2005) suggest that the optimal length of training may vary by the outcome of interest and goal of the programme, although this result would be interpreted to concur with Colette's argument, to justify the non-significance, at face value, there are other factors which might have contributed to this kind of outcome in this particular case. One of the factors would be, considering the Uwezo fund interest, the end goals and the proposed training programme, which are clearly stipulated in their Capacity building user manual (refer Appendix D), it is quite impossible to delivering a training content meant for five days in just one session which is what all respondents' indicated. This result could be what it is because the one session did not contribute to the beneficiaries' being in business. It is possible some important content was missed from the session offered.

H2c* H2c *Entrepreneurship training content Relevance is positively related to entrepreneurial propensity among the beneficiaries of Uwezo Enterprise Development Fund

It is concluded that entrepreneurship training - Relevance has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency. Relevant content of training programmes helps boost individuals' self-confidence which is highly associated with individuals' desire to start a new business (Klyver & Schenkel, 2013).

Earlier studies have established positive relationships between entrepreneurship training relevance and new venture creation, this outcome would mean that, yes the content was relevant but was not enough to cause the desired effect of convincing more people into the path of entrepreneurship as an employment option.

5.5 DISCUSSION PERTAINING TO HYPOTHESIS 3 ACCESS TO MARKET LINKAGE

H3: ***Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency****.*

Result on access to market linkage is not significant to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency. Nyaura, et al. (2017) argue that provision of market linkages supports successful development of entrepreneurial projects and ideas. Interacting with entrepreneurs from different regions or an exposure to trade fairs and exhibitions are found to have a positive impact on nascent entrepreneurs, in this case only a few individuals indicated having attended this kind of forum outside their location. This would have contributed to the current result since market linkage was not well provided to them under the programme.

5.6 DISCUSSION PERTAINING TO HYPOTHESIS 4 ACCESS TO MENTORSHIP

H4: ***Access to mentorship is positively associated to a formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr constituency***.

The result indicates that there is no significant relationship between access to mentorship and formation of new venture among the beneficiaries of Uwezo Enterprise Development Fund in North Horr Constituency. Studies have given evidence that entrepreneurship mentoring programmes do benefit new venture creation significantly (Onyango, 2014). Although respondents in this study rated Mentorship highly, the non-existence of a relationship between Mentorship and entrepreneurial propensity in North Horr amongst beneficiaries of Uwezo Fund could be attributed to a number of issues on the ground.

St-Jean and Audet (2012) suggest that some of the programmes promoting entrepreneurship even pair novice entrepreneurs, a point that is true in the Uwezo programme where individuals are encouraged to group up before applying for the fund. These individuals are expected to help each other through various challenges encountered during the start-up period and later. Note, despite the reasonable average year of prior experience shown by the result, these individuals hardly interact with other entrepreneurs outside their area of operation which means there is no much value addition in terms of learning new things from one another. These

new entrepreneurs need well experienced successful entrepreneurs to mentor them. The outcomes indicate that although individuals rated mentorship highly in their response, the form of mentorship programme employed in the programme did not lead them into choosing entrepreneurship as an alternative form of employment which is quite understandable because it is not possible for these inexperienced individuals to successfully guide each other through the turmoil of the start-up period. The study reveals that despite grouping of the beneficiaries, there is no other formally organized mentorship activity by Uwezo fund that aims at enhancing these new entrepreneurs' entrepreneurial capacity in North Constituency.

5.7 CONCLUSION

The chapter provided discussion on the result of the demographic section and the hypotheses that were tested to find out the relationship between access to financial capital and human capital resources. The research result has shown mixed reaction and that the independent variable in this research explained 36.7% of the dependent variables. Some results have shown support for the hypotheses, for others the null hypotheses were not rejected. Access to financial resource and entrepreneurship training and entrepreneurship relevance were found to have a positive relationship to entrepreneurship propensity. Entrepreneurship training organisation, entrepreneurship training frequency and access to mentorship were found to have no relationship to entrepreneurial propensity, while Market linkage had a negative relationship to entrepreneurial propensity. A number of factors were attributed to these findings, as already explained under various sections of the chapter. Finally, the next chapter marks the end of this study where the researcher gives the conclusion, implications and recommendation on the findings.

CHAPTER 6: CONCLUSION, IMPLICATIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

This chapter summarises the findings of the research as already discussed in chapter 5 above. This is followed by reflection on the possible contributions the study has provided to the stakeholders, then, recommendations are provided to each of the stakeholders based on the findings and observations made during the data collection exercise. Lastly, areas of further study are suggested and final conclusions drawn.

6.2 CONTRIBUTIONS OF THE STUDY

Entrepreneurship initiatives remain an integral part of government policies in the developing economies as long as the challenges of poor economic growth, unemployment, and poverty continue to haunt these countries. This study was envisaged to contribute at three levels; that of individual entrepreneurs', teaching, and the policy levels.

To Individual entrepreneurs - the outcome provides them with valuable information and awareness regarding the objectives of such programmes and allows them to demand quality service from implementers of such public programmes. Secondly, it provides them with basic requirements necessary for engaging in meaningful entrepreneurship activities and also how entrepreneurial skills can be enhanced.

To the academic community – First this confirms that the outcome of studies varies from context to context, even within the same country. This is evidenced by the results of this research and research done by Onyango (2014) on the enterprise development fund but in a different context. This research also contributes to the process of acquiring a study sample. Initially, since the area covered by the target population is geographically huge and, comprises five electoral wards, the researcher wanted to get a representative sample from each of the wards, this was found to be impossible since some wards had many of the beneficiary groups while others only had one or two. This indicates that it is possible for sampling techniques to change from those originally planned due to encounters in the field.

To the policy makers –This result will be of great valuable to the policy makers, that in the entrepreneurship field content and context matter and that through this finding they will be able to understand that blanket application of policies without considering various factors that would seriously impede a desired outcome, is planning to fail. It also provides them with crucial information pertaining to the real situation on the ground as regard the Uwezo Fund program in North Horr constituency. Thus, affording them opportunity to craft better implementation strategies geared towards attainment of program's objectives.

6.3 CONCLUSION AND RECOMMENDATIONS

First, the programme needs monitoring and evaluation conducted since this has not been done since inception. This is because it will provide important information on whether the programme is achieving set objectives, if objectives are being achieved then, implementers will have the opportunity to think of ways to further improve the programme, while unfavourable results will allow them to establish what might have gone wrong and how it can be rectified, without monitoring and evaluation, such programmes will just add to the number of white elephants in the country, sinking public funds without realising desirable results.

The programme lacks awareness amongst the target population, the mere 28% awareness through government agents and the majority only through the grapevine, shows clear need for more deliberate action by the officials to organise an awareness drive through "public barazas" (informal open air gathering) in all centres so as to reach more people, hence more beneficiaries.

Blanket application of policies, one respondent comment "*Uwezo to focus more on the pastoralist community who only have livestock and nothing else"* meaning, the policy makers need to identify what differentiate a particular population or region from the rest and try to establish suitable strategies to apply, depending on the areas' uniqueness in order to achieve the desired outcome.

There is a need for a deliberate push to implement the programme's capacity building training programme as stipulated in the manual. As it is, there are lots of gaps in the way this training is conducted, especially in delivering the training content to the recipients and it is felt to be a heavy contributor to the non-significant training

outcomes witnessed in this research.

Since most entrepreneurs in this area are necessity driven there is need for a well planned mentorship program that will help the novice entrepreneurs to think beyond necessity entrepreneurship and encourage innovation.

6.4 SUGGESTIONS FOR FURTHER RESEARCH

A study by Jansen, van Brinkkemper, Stam and Varma, (2015), based on incubation and stimulation support offered by three universities to their students, established how entrepreneur encouragement programmes contributed to the students considering entrepreneurship as an alternative form of employment. Elsewhere, Fernández, Blanco, & Cuadrado (2015)'s success stories on incubation by private organisations have been witnessed by the researcher. Thus, a similar study is recommended in the area, only this time on different enterprise development programmes, especially those that are run by non-governmental organisations to compare the result and learn from them.

According to the findings, the programme lacks monitoring and evaluation and that the beneficiaries are left alone once funds are availed to them, thus a study to assess performance and survival rates of new businesses (businesses between 3 months and 3.5 years old) in this area needs to be conducted.

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APPENDIX A: SURVEY QUESTIONNAIRE

Q1 What age bracket do you belong(Tick the appropriate category)			
18 – 25	1		CONTINUE
26 – 35	2		
36 – 45	3		
46 and above	4		
Q2 Gender			
Male	1		CONTINUE
Female	2		
Q3 Location of your enterprise …… ……			
Q4 Highest level of education			
Primary education & below	1		CONTINUE
Secondary education	2		
Tertiary/College	3		
University degree	4		
Postgraduate & above	5		
Q5 What kind of business do you operate?			
Wholesale	1		CONTINUE
Retail	2		
Livestock	3		
Hardware	4		
Other, Specify	5		
Q6 Work experience please indicate number of..... year			
Q7 How old is your business? Indicate number of.....years.			

Q8 How did you learn of Uwezo enterprise development fund? (Tick)

1. Through a friend 2. Media 3. Government agents

Q9 What is your opinion about the following statement about Uwezo enterprise development fund?

	strongly disagree	**disagree**	**Somewhat disagree**	**Neither agree nor disagree**	**Somewhat agree**	**Agree**	**Strongly agree**
The fund I got from Uwezo fund was sufficient for my start-up business.	1	2	3	4	5	6	7
Terms and conditions of Uwezo fund are friendly to start-up business.	1	2	3	4	5	6	7
Uwezo fund application requirements and procedures are easy for any person who want to start a business.	1	2	3	4	5	6	7
I am satisfied with the time Uwezo fund applications approvals take.	1	2	3	4	5	6	7

Q10 What is your opinion on the below statement?

	strongly disagree	**disagree**	**Somewhat disagree**	**Neither agree nor disagree**	**Somewhat agree**	**Agree**	**Strongly agree**
Funding and institutional support provided by Uwezo fund program encouraged me to start a business.	1	2	3	4	5	6	7
I own and run this business alone.	1	2	3	4	5	6	7

Q11 How many training sessions have you attended in business/entrepreneurship skills development were by Uwezo? Number of sessions.....

Q12 What is your opinion about the following statement about Uwezo enterprise development fund facilitated business development skills training, on new business creation?

	strongly disagree	disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I feel the Number of business training sessions attended are sufficient	1	2	3	4	5	6	7
I feel the training content was relevant to my new business needs	1	2	3	4	5	6	7
What I learnt in this business skills training enabled me start my new business	1	2	3	4	5	6	7
I feel the frequency of the training was sufficient	1	2	3	4	5	6	7
I feel the content was well organized and easy to comprehend	1	2	3	4	5	6	7
I feel the training met my expectation	1	2	3	4	5	6	7

Q13 Have you participated in any market fair/exhibition organized by Uwezo enterprise development fund?

Yes	1		CONTINUE
No	2		

Q14 If Q13 above is Yes, what is your opinion about the following statement on Uwezo enterprise development fund facilitated market linkages, in starting a new business?

	strongly disagree	disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I feel the number of market fairs and exhibitions organized by enterprise development for new entrepreneurs are sufficient	1	2	3	4	5	6	7
I feel participating in market fairs and exhibitions connected my new enterprise to new customers	1	2	3	4	5	6	7

I feel the market fairs and exhibitions are very important to new business creation.	1	2	3	4	5	6	7
I feel the frequency of the market fairs and exhibitions are sufficient for new business creation	1	2	3	4	5	6	7
Through market exhibitions organised by Uwezo fund, I was able to expand my business to other locations							

Q15 Please indicate how much you agree or disagree with the following statement. On mentorship program provided Uwezo enterprise development fund.

	strongly disagree	**disagree**	**Somewhat disagree**	**Neither agree nor disagree**	**Somewhat agree**	**Agree**	**Strongly agree**
I am more confident with my business skills than before	1	2	3	4	5	6	7
I feel more socially connected than before	1	2	3	4	5	6	7
Mentorship is very instrumental for creation of my new business	1	2	3	4	5	6	7
The quality of mentorship program was good	1	2	3	4	5	6	7

Q16 What is your comment or recommendation on/for Uwezo enterprise development fund?

……

……

……

……

THANK YOU!

APPENDIX B COVER LETTER

The Graduate School of Business Administration

2 St David's Place, Parktown,

Johannesburg, 2193, South Africa, PO Box 98, WITS, 2050

Website: www.wbs.ac.za

Researcher: Yattane Tiziana Duba

Organization: Graduate School of Business [Wits Business School], University of the Witwatersrand, Johannesburg, South Africa

Research Topic: Effects of financial and human capitals on entrepreneurial propensity: case of the Uwezo fund program in North Horr, Kenya

I am conducting a research for my Master of Management in Entrepreneurship and New Venture Creation at the Wits Business School with regards to the above topic. I would like to request your voluntary participation and assistance in collecting primary data through the attached research questionnaire. Your input will be anonymous and your details are protected and will remain confidential. The results will be published in a Master Research Report. Should you have any concerns regarding this request, you may contact the Wits Business School. Thank you in anticipation of participation.

Sincerely,

Yattane T Duba

APPENDIX C: TABLE 12. CONSISTENCY MATRIX

EFFECTS OF FINANCIAL AND HUMAN CAPITALS ON ENTREPRENEURIAL PROPENSITY: CASE OF THE UWEZO FUND PROGRAM IN NORTH HORR, KENYA					
Aims of research	**Literature review**	**Hypotheses**	**Source of data**	**Type of data**	**Analysis**
Entrepreneurial propensity(DV)	Osano, & Languitone, (2016) Kelley., Singer., & Herrington, (2012*).* Chelariu, et al. (2008) Ho, & Wong, (2007) Langowitz & Minniti , (2007)	Dependent variable	Survey data gathered using Question 10 (2 items)	Interval data	Multiple regression
First sub problem is examine the relationship between Access to finance and EP.	Mrkajic, & Scalera, (2015) Venter, et al. (2015) pg. 44 Singer, et al (2015) Lokhande, (2015) Economic Survey (2015), (KNBS) Marwa, (2014); Klyver, & Schenkel, (2013) Hageman, (2013)), May. (www.uwezo.go.ke)	*H1. Access to financial capital has a positive relationship to entrepreneurial propensity amongst beneficiaries of Uwezo enterprise development fund in North*	Survey Questions 9 (4 items)	Interval data	Correlation, factor analysis, & Multiple regression

		Horr Constituency			
The second sub-problem is to examine relationship between training and EP.	Oyugi, (2016) Mahmood, & Azhar, (2015) Urban, (2015) pg87; Venter, et al. (2015). Pg. 55 Lokhande, (2015) Bae, et al, (2014) Cho, & Honorati, (2014) Cetindamar, et al. (2012) St-Jean, & Audet, (2012) Gundry & Kickul, (2006)	*H2. Entrepreneurship training is positively related to entrepreneurial propensity among the beneficiaries of Uwezo enterprise development fund in North Horr constituency.*	Survey Questions 12 (6 items)	Interval data	Correlation, factor analysis, & Multiple regression
Examine relationship between market linkage and EP	Kemunto, (2014); Nyaura., et al. (2017)	H3: *Access to market linkage is positively related to a formation of new venture among the beneficiaries of Uwezo enterprise* ***development fund in North Horr constituency****.*	Survey questions 16 (4 items)	Interval data	Correlation, factor analysis, & Multiple regression

Examine relationship between mentorship and EP	Young, (2015) Eesley, & Wang, (2014) St-Jean, & Audet, (2012) Eby., Butts., Durley., & Ragins, (2010). Gundry & Kickul, 2006; Lewellen & Johnson, 2006)	H4: *Access to mentorship is positively associated to a formation of new venture among the beneficiaries of Uwezo enterprise development fund in North Horr constituency*.	Survey questions 17 (4 items)	Interval data	Correlation, factor analysis, & Multiple regression

APPENDIX D. UWEZO TRAINING EVALUATION FORM

UWEZO FUND CAPACITY BUILDING TRAINING MANUAL

Appendix I: Course Evaluation form

Instructions: To be filled anonymously by each participant

1. Was the venue of the training appropriate to you?

Yes

No

If no, please specify

why……

……..

……

……

2 Training Duration

(i) Long

(ii) Adequate

(iii) Short

3 Scope of the training

Completely satisfied my expectation

Satisfactorily satisfied my expectation

Partially satisfied my expectation

Irrelevant to my expectation

Remarks to explain your

evaluation……

……

……

4 Facilitation of the training Excellent

Good

Fair

Poor

5 Has the training benefited your business?

Yes

No

In what
way?.....
6 Which of the training topics did you find most
useful?.....
7 Which of the training topics did you find least
useful?..... …..
Explain……...
……
8 List the topics that NOT well
covered……
9 How would the training have been
improved?.....

Please comment generally about the
training……
……
……
……
……

Thank you for completing this form. Your comments are very important to us and will help to maintain and improve the quality of service we provide.

APPENDIX E UWEZO FUND CAPACITY BUILDING TRAINING PREVIEW

1.0 PREAMBLE

Uwezo Fund, an initiative of the Government of Kenya was launched by H.E The President of the Republic of Kenya in September 2013. The Fund is run under the Ministry of Devolution and Planning and channeled along the Constituency Development Fund model. It aims at economically empowering persons with disability, women, and youth and in Kenya with the overall objective of availing affordable credit for business start-ups and growth and expansion while providing an opportunity for enhancing capacity of the target beneficiaries through provision of business development services including mentorship. It is expected that the Fund will facilitate persons with disability, women and youth and to start and grow individual and group enterprises and also take advantage of 30% Public Procurement Preferences and Reservations.

The Uwezo Fund will employ the principles of table banking and revolving funds to create a unique blend of financing for groups and will be disbursed at the constituency level modelled along the Constituency Development Fund framework. This will enable persons with disabilities, women and youth to access the Fund at the local level thereby reducing the transaction costs that they would have incurred. Constituency Uwezo Fund Committees shall be established, and be responsible for receiving and evaluating proposals and eventually making decisions on funding based on set guidelines. These committees will comprise of representatives from each ward (representing persons with disabilities women, youth), Government and the CDF Fund Account Manager.

A Training Needs Assessment (TNA) conducted by the consultants in February 2014 in sampled counties in Kenya showed that persons with disability, women and youth lack the skills and competencies necessary to ensure identification, growth, expansion and sustainability of their enterprises. This training manual aims at bridging the identified gaps. Therefore, in order to mitigate the mortality rates of enterprises. In effect, the training will impart skills and competencies to spur entrepreneurial and savings culture for economic empowerment.

The manual covers four focus areas namely: General Introduction about Uwezo

Fund, providing Business Development Services (BDS) and mentoring to persons with disability, youth and women groups, Table banking Concept, and promotes access to Government Procurement Opportunities in a devolved context.

The process of preparing this manual was participatory involving the Ministry of Devolution and Planning, Kenya Industrial Estates Ltd (the consultant) and various stakeholders in provision of Business Development Services.

2.0 GENERAL OBJECTIVES OF THE TRAINING

By the end of the training, the trainee should be able to:

a) Understand the UWEZO Fund operations.

b) Acquire skills to start, operate and grow their businesses efficiently and effectively.

c) Understand and operate a group table banking effectively.

d) Access business finances through table banking.

e) Understand public procurement procedures and successfully bid for goods, works and services in the public sector.

f) Acquire skills to deal and cope with cross-cutting issues that affect businesses and livelihoods.

2.1 Target beneficiaries

A. Group

i) Is registered with the department of social services, cooperatives or the registrar of societies;

ii) Has members aged between 18 and 35 years whereas the women's groups shall be made up of women aged eighteen years and above;

iii) Is based and operational at the constituency it seeks to make an application for consideration;

iv) Operates a table banking structure or any other group fund structure where members make monthly contributions according to the groups' internal guidelines (evidence of monthly contributions shall be a requirement);

v) Hold a bank account in the name of the group.

B. Institution

i) Is a registered entity;

ii) Has listed youth, women and persons with disability groups within it.

2.2 Duration of the training

This training is to be covered within thirty (30) hours or five (5) days.

2.3 Focus Areas

1. General Information about Uwezo Fund
2. Business Development Services and Mentoring to People with disability, Youth and Women
3. Table Banking Concept
4. Access to Government Procurement Opportunities

2.4 Suggested Learning Methods

These module units will be delivered through theory and practice using the following suggested adult training methodologies amongst others:

1. Lectures
2. Group discussions
3. Plenary discussions
4. Brainstorming
5. Role play/ Simulation
6. Mentorship
7. Expert interviews
8. Video shows
9. Case studies
10. Games
11. Field visits and excursions
12. Demonstrations
13. Peer critique

2.5 Suggested Instructions/Learning Resources

These module units will be delivered through theory and practice using the following suggested teaching/learning resources amongst others.

1. Training Manuals
2. Chalk board

3. White board

4. Flip charts

5. Projectors and Laptops

6. Videos

7. Hand-outs

2.6 Suggested Evaluation Methods

The module units will be evaluated by using the following suggested methods amongst others:

1. Questions and Answers

2. Project - The trainee will be required to develop a Business Plan for funding and peer critiquing.

3. Case studies