ENTREPRENEURIAL ORIENTATION AND THE GROWTH OF YOUTH OWNED ENTERPRISES IN KENYA

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Entrepreneurial Orientation and the Growth of Youth Owned Enterprises in Kenya

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

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This thesis has been submitted for examination with our approval as the university supervisors:

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DEDICATION

This thesis is dedicated to my family and parents who has been a role model of hard work and total trust in God, which bear lasting fruits for the benefit of humankind.

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I acknowledge the great and Almighty God, who constantly supplied good health, provided money and kept my family and job stable that I could concentrate on my studies. Also, my two sons and daughter who graced the period I sacrificed the time for the family in studying. I also acknowledge with humility sacrificial moments that Prof. Patrick K. Ngugi and Dr. Ephantus Kihonge spared to guide me during this study as my supervisors.

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LIST OF ABREVIATION AND ACRONYMS

AFDB	African Development Bank
BIS	Busiess Innovation Skills
CFYE	Challenge Fund for Youth Employment
DOI	Diffusion of Innovation
EO	Entrepreneurial Orientation
ES	Entrepreneurial Skills
EU	European Commission
GEM	Global Entrepreneurship Monitor
GDP	Gross Domestic Product
GOK	Government of Kenya
ICAN	Institute of Chattered Accounts of Nigeria
ICS	International Customer Satisfaction
ILO	International Labour Organization
KAM	Kenya Association of Manufacturers
KBA	Kenya Bankers Association
KEBS	Kenya Bureau of standards
KNBS	Kenya National Bureau of Statistics
KNHA	Kenya National Highway Authority

KNYP	Kenya National Youth Policy
KSG	Kenya School of Government
MSEA	Micro and Small Enterprise Authority
MSMEs	Micro, Small and Medium enterprises
MSEs	Micro and Small Enterprises
OECD	Organisation for Economic Cooperation and Development
RBV	Resource-Based View
ROK	Republic of Kenya
SME	Small and Medium Enterprise
SPC	Statistical Process Control
UNIDO	United Nations Industrial Development Organisation
WEF	Women Enterprise Fund
YEDF	Youth Enterprise Development Fund
YEDF	Youth Employment Development fund
YRE	Youth-Run Enterprises

DEFINITION OF TERMS

Competitive Aggressiveness It refers to a firm's propensity to intensively challenge competitors to improve its market position and outperform industry rivals in a market place (Sonja, 2017).

Enterprise Growth Is the process that enterprise keeps the tendencies of balanced and stable growth of a total growth level including output, sales volume, profit and asset gross (Adebayo, Nwaobia & Olumuyiwa, 2016).

Entrepreneurial Orientation Entrepreneurial orientation can be defined as the firm's procedures, practices and decision-making activities used to improve the value of products and services in response to customer needs that may lead to enhanced performance (Nasution, Rafiki, Lubis & Rossanty, 2021).

Innovativeness Innovativeness is a firm's penchant for active support for the creation and implementation of innovative insights, experimenting with alternative strategies, and improving current products or services (Al-Mamary & Alshallaqi, 2022).

Networking Skills Networking is defined as the extent of entrepreneur's relationships cultivation with external entities that affects a firm's competitive advantage and performance (Su, Xie, & Wang, 2015).

Proactiveness	It is taking initiative, anticipating and carrying out new opportunities, and creating out new markets or participating in emerging ones, is also associated with entrepreneurship, and is an important dimension of entrepreneurial characteristics (Brownhilder, Neneh, & Van-zyl, 2017).
Risk-taking	Risk-taking is another element of EO, which means a tendency and readiness to engage in risky ventures with uncertain outcomes (Al-Hakimi, Borade, & Saleh, 2022).
Youth	t is the collectively of individuals who have attained the age of 18 and have not exceeded the age of 35. It is the stage in life between childhood and adulthood (Koech, 2020).

ABSTRACT

Youth businesses play a key role in poverty alleviation when run on the basis of entrepreneurial orientation. However, these micro and small enterprises face a mix of achievement and frustration, with previous findings showing that three out of five companies fail within the first few long periods of activity, despite government efforts to improve the sector. This study aims to examine the entrepreneurial orientation and business growth of young people in Kenya. The purpose of this research is to examine how innovativeness, proactiveness, competitive aggressiveness and risk-taking are related to growth in terms of number of employees, profit margins and revenue generation. Theories supporting the research were diffusion of innovation theory, Push pull motivation theory, Neoclassical conceptions of competition, expected utility theory and networking theory-Resource Based View. Stratified sampling technique was employed to obtain 397 SMEs from 55,300 SMEs registered by the seven selected counties in Kenya namely; Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Kisii and Isiolo counties. A cross-sectional survey methodology was utilized in the research design, which incorporated qualitative and quantitative research methods. Pilot study was carried out on a sample of 40 persons with SMEs of different categories as those in the final study. A total of 289 filled questionnaires were obtained from the research participants and were used to carry out data analysis. A structured questionnaire was administered to collect the primary data from the target population who were youth owned-SMEs. The questionnaires were tested for reliability and validity. Data was analysed using descriptive and inferential statistics. A questionnaire with closed and open-ended questions was used to gather quantitative data. Respondents received questionnaires from the scientific personnel. The key respondents of the study were limited to owner-managers of small and microenterprises and top management employees. The statistical package for social sciences (SPSS) version 23 program was used to analyse the data. Linear regression and correlation analysis were used to address the study issues and reach the research goals. Similarly, multiple regression was performed to test the possibility that more than one explanatory variable affects the dependent variable. The study's findings demonstrate that individual innovativeness, proactiveness, competitive aggressiveness, and risk-taking had a positive association with the growth of youth owned enterprises in Kenya. In addition, the findings demonstrate that all entrepreneurial orientation, with the exception of originality and invention, have a favourable and significant impact on the expansion of youth-owned enterprises in Kenya. Additionally, the association between entrepreneurial orientation and the expansion of youth-owned businesses in Kenya was positively moderated by networking skills. The model ranks competitive aggressiveness (0.339X3) as the best determinant of growth, followed closely by proactiveness (0.327X2), and lastly risk-taking (0.127X4). Innovativeness (0.02X1) was observed to be weak especially when operating without moderating variable (networking skills), thus, has no much impact on growth of youth businesses. The study came to the conclusion that entrepreneurial orientation help youth-owned businesses in Kenya to expand. The study suggested that owners of youth businesses should improve their innovativeness, which includes introducing new products, implementing improved processes, and offering high-quality, distinctive services; they should also improve their proactiveness, which includes determining the

market's needs and demands, looking for new market opportunities, and introducing novel marketing strategies like digital marketing; they should also focus on giving their competitor a competitive edge by introducing business strategies such as price reduction, forcefulness in market positioning and manufacturing of quality products; they should further focus on how to carry out thorough risk assessment and oppose any risk related to financial, social and psychological risk respectively.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Research on the association between entrepreneurial orientation and the growth of youth-owned enterprises in Kenya is presented in the paper. Micro and small enterprises (MSEs) are critical to the production of jobs, economic growth, and sustainable development in every nation. This chapter examines the context of research that includes corporate governance, service delivery, and youth-owned businesses. The study's background illuminates the viewpoints of youth businesses at the global, regional, and local levels. The formulation of the problem, the research objectives, the research hypotheses, the research justifications, and the research scope are also included in this chapter.

1.1.1 Entrepreneurial Orientation

Entrepreneurial orientation can be defined as the firm’s procedures, practices and decision-making activities used to improve the value of products and services in response to customer needs that may lead to enhanced performance (Nasution, Rafiki, Lubis & Rossanty, 2021). Further, Jebna and Baharudin (2015) expanded five scopes that differentiate the entrepreneurial orientation of a firm, and these are innovation, proactive steps, risk-taking, and competitive aggressiveness and autonomy. They also emphasized that entrepreneurial orientation is seen as a decision-making with regards to the firm’s strategy to embark these dimensions. Entrepreneurial orientation (EO) is a firm-level strategic orientation which captures on organization’s strategy-making practices, managerial philosophies, and firm’s behaviors that are entrepreneurial in nature (Anne, 2021). Entrepreneurial orientation has been considered a crucial element of firm’s competitive advantage, growth and performance (Isichei, Agbeze, & Odiba, 2020; Lee, Zhussupova, & Khalid, 2019). In current competitive context, where product life-cycles are constantly shortened, entrepreneurial orientation (EO) has been depicted as a key ingredient to enhance

relevant firm-level outcomes such as business performance and global competitiveness or corporate entrepreneurship (Lechner & Gudmudisson, 2014).

An important argument behind the performance consequences of entrepreneurial orientation is that it does not only reflect a top-management orientation, but also a strategic posture of multiple layers of management which promotes individual initiative and dispersed entrepreneurship within the firm (Bouncken, Cesinger, & Tiberius, 2020; Civin, Rigtering, Hughes, Kraus, & Cheng, 2020; Hughes, Rigtering, Covin, Bouncken, & Kraus, 2018). Although there have been different definitions of entrepreneurial orientation, much of the existing research has conceptualized entrepreneurial orientation at the firm-level as an aggregate of three core sub-dimensions: innovativeness, risk-taking and proactiveness. Further still, they suggest that firms with high level of entrepreneurial orientation will be able to build on their dynamic capabilities and have a more proficient product innovation development (Bouncken, Lehmann, &Felluhofer, 2016; Patel, Kohtamaki, Parida, & Wincent, 2015). Commonly, for SMEs in the commerce and service sector, the EO is not applied in its entirety, due to internal and external barriers that prevent the adoption of innovative actions, it is also common for these firms to have inadequate financial resources, little commitment from all stakeholders employees for the development of creativity, taking high risks in projects is not the priority and sustainable actions aimed at offering socially responsible goods and services have been a difficult task to adopt (Eggers, 2020).

However, it has been shown that to be more competitive and face global economic crises it is prudent and important to focus on entrepreneurial-oriented strategies (Eggers, 2020). In short, it is clear that companies that accept ethical and legal practices lead them to reduce risks and errors in decision-making, however the level of proactivity and innovation can be seriously affected (Tuan, 2015).

1.1.2 Growth of Enterprises

Sakari (2015) vied growth as an increase in amount, number or size. Growth is often measured in terms of turnover and profit, but can also occur in knowledge, in human experience, and in efficiency and quality. Thus, successful routines which have been

producing growth in the past would likely to continue in producing growth in the future. The interrelation of profitability and growth is illustrated by the fact that a basic operating principle is that growth can best be evaluated by examining profit and total sales. It is important that all firms must remember the need to maintain a balance between profitability and growth and it is crucial for any business to grow as well as be profitable in order to sustain and stay in the market place (Chowdhry, 2016).

A company enterprise expanding is an indication of success. There are numerous interpretations of growth. It can be explained in terms of earnings, value creation, and increased company volume. Additionally, it can be measured in terms of qualitative characteristics like competitive advantage, superiority of the product, and customer happiness. As was already established, business expansion is a crucial sign of success. There are numerous elements that affect a business's growth and set it apart from one that isn't expanding, including the traits of the entrepreneur and availability to resources like capital and people. It is underlined those decisions made by entrepreneurs regarding how to grow internally versus externally and where to grow domestically versus worldwide determine how an organization will flourish (Lorunka, 2016).

Growth is evidence of an entrepreneur's sense of fulfillment and of a profitable venture for them. Young and small businesses must grow in order to survive, as growing companies have been shown to be less likely to fail than non-growers. The new stream of growth refers to the motivations for and methods for implementing growth through proactive entrepreneurial actions and decision-making procedures (Gancarczyk, & Zabala-Iturriagagoitia, 2015). Business expansion is the stage when a firm reaches a certain size and starts looking for new ways to increase revenues. Business life cycles, market growth patterns, and owners' desires to create equity value all influence how quickly an organization grows. The majority of small businesses have ambitions to expand and boost revenues and sales. However, there are specific techniques that businesses must employ when putting growth strategies into practice. An organization's strategy is greatly influenced by its financial situation, the competition, and even governmental rules. Market penetration, market

expansion, product expansion, diversification, and acquisition are a few common firm growth tactics (Bushe, 2019).

1.1.3 Youth Owned Enterprises

Young people are reshaping society, influencing our present and future, and advancing the 2030 Agenda for Sustainable Development. Youth's invention, creativity, and drive are transforming business concepts into solutions for inclusive and economic growth, but their successes depend on the chances given to young people around the world to engage in good work (Regnier, 2017; Co, Nguyen, Nguyen, & Tran, 2017). Youth unemployment in Europe has been prevalent issue for some years, with numbers increasing starkly since the start of the covid-19 pandemic as young people, particularly those who are from disadvantaged backgrounds, being the hardest hit. In 2015, when the programme began, youth unemployment averaged 20% across Europe's 28 countries. As of November 2020, unemployment among those under 25 in the Europe averages 17.7%, an increase of 2.8% on the previous year and more than double the unemployment rate of the general population, which stands at 7.5%.

The highest youth unemployment rate has been recorded in Spain (40.9% in November 2020), Italy (29.5%), Lithuania 28.4%) and Sweden (24.4%). Young people often find themselves in an experience trap worker, which places young people at the back of the queue. This then means that young people can't gain the experience they need, and the longer this continues the less attractive they become to employers and the harder it gets for them to find a job. To compound this issue, young people are more likely to be affected by in-work poverty. According to Eurostat, in 2017 the proportion of young people aged 18-24 in work and at risk of poverty in the European Union (EU) was estimated to be 11% compared to 9.4% for the overall population. Addressing youth unemployment in Europe is imperative, not only for the wellbeing of young people but also to ensure sustainable, inclusive growth and global social cohesion. The rate of youth unemployment is shockingly high in many African nations. According to the World Bank, each year about 25 million Africans are prepared to enter the labour force. The bulk of jobs are found in

and can be produced in MSMEs. However, the Bank claims that the environment in which they operate in many African nations is not one that is favourable to the development of micro, small, and medium-sized businesses and the generation of jobs (Igwe, Onjewu, & Nwibo, 2018).

However, despite their important and positive role, many small and micro enterprises in Africa face many challenges ranging from lack of electricity, lack of capital, lack of managerial skills and competence to inadequate information and corruption (Muriithi, 2017). In South Africa, for example, there is a shortage of jobs, where unemployment is widespread, the need to encourage entrepreneurship, especially among youth, is a major concern, although a number of governments have intervened to increase youth rates. Entrepreneurship to improve urban areas is still not satisfactory (Sapheta, Chuks & Cux, 2014). A study conducted by Mamoloko (2014) in Limpopo province of South Africa indicated that the challenges youth face includes a combination of lack of skills, finance, business policies offered by government and its parastatals. Furthermore, those who were aware still did not utilise the government support programmes. There was very little growth in their businesses over time, implying that these youth-owned small businesses contributed little towards creating employment opportunities and developing and/or boosting the economy in their area. According to his study, other challenges identified were lack of confidence to approach potential clients, potential creditors as well as people that can potentially mentor them.

In South Africa, a study by Krieger (2018) shows that entrepreneurship development is indispensable to economic development and is the engine of growth in developing economies. Entrepreneurship in Africa has been adopted as a strategy to develop, enable and enhance youth economic involvement. It creates employment and provides role models to other young people. Entrepreneurship can tap into the growing pool of Africa’s youth who are increasingly skilled and competitive (African Economic Outlook, 2017). Youth entrepreneurship in East Africa is fast growing albeit in its formulation stage. Uganda has the best entrepreneurial economy in East Africa, according to the Global Entrepreneurship Monitor (GEM) 2015, with 35.5 percent of total early-stage entrepreneurial activity (TEA), up from 31.3 percent

in 2010. This shows that Uganda is doing well in overall entrepreneurship ventures compared to Ethiopia, Tanzania, Kenya, Rwanda, Burundi, and South Sudan (GEM, 2015).

Youth in Kenya face vital challenges in safeguarding formal employment. A large population of the young people is without decent work and many more are involved either in informal sectors or with temporal low paying jobs. Youth make up 22% of Kenya's population. In 2019, the rate of unemployment in Kenya was at 19% (KNBS, 2019). In 2015, World Bank data indicated that Kenya had the highest rate of unemployment in East Africa where 17% of young people eligible for work lacked jobs. Curbing unemployment continues to be one of the key policy challenges facing governments across the globe. Many scholars have acknowledged entrepreneurship as one of the possible resolutions to unemployment. Department for International Development (DFID) Generation Kenya Qualitative Report 2018, indicated that youth view entrepreneurship as a legitimate pathway to sustainable livelihood but have limited access to credit. This is despite the formation of the Youth Enterprise Development Fund and development agencies that seek to breach the capital gap amongst young entrepreneurs in Kenya.

Negative perception towards entrepreneurship and self-employment is one of the weaknesses to youth empowerment in Kenya (KNYP, 2018). Nairobi County is at the core of the capital city of Kenya, Nairobi with a population of 4,397,073 and contributes close to 21.7% of Kenya's Gross Domestic Product. The youth comprise of 45% of Nairobi population. Of this, 20.5% are not actively pursuing education, neither working nor being trained for work (KNBS, 2019). Nairobi Central Business District (CBD) is the economic Centre of Nairobi County contributing close to 35% of the County's Gross Domestic Product. Nairobi CBD is a home for many businesses of which 40% fall under the category of Micro, Small and Medium Enterprises (MSME). In terms of age demographics, youth-owned enterprises are estimated at 45% of the MSMEs at Nairobi CBD (MSEA, 2019). Youth entrepreneurs in Nairobi CBD specialize in hospitality, transport, general retail trading, hairdressing and fashion design sectors among others (Nairobi County Council [NCC], 2020). The population movement in and out of Nairobi CBD is

approximately one million per day (KNHA, 2019) making the area attractive for entrepreneurship growth.

According to the Marshall Plan for Youth Employment (2012), Kenya currently has one of the highest rates of youth unemployment in the world, at 67%. Their primary occupation is agriculture, which leaves little to no land for the youth to farm and make a living for their daily vacations due to the small plots distributed among the population. As a result, there is a growing recognition among the government, the development community, and civil society that youth involvement and active participation in SMEs is a crucial component of holistic and inclusive development (Marshall Plan for Youth Employment, 2012). The youth distinguish as Kenyans first, confidence and clan. They esteem family, confidence and diligent work. They give proof of being enterprising. Besides, Kenyan youth are to a great extent positive and idealistic about the future and are sure that it will be progressively prosperous, extending to greater employment opportunities and better access to wellbeing and instruction (Awiti and Scott, 2016).

1.2 Statement of the Problem

The Kenya Youth Development Policy (2018) reports that a "youth" is someone who is 18 years old or younger and has not yet turned 35 (Muthee, & Scholar, 2010). A person between the ages of 18 and 34 is considered a youngster, whether they are male or female. In order to shift from dependency to independence, take charge of their life, and assume societal duties, people must negotiate a complex interplay of personal and socioeconomic changes during their youth, which is seen as a stage between childhood and maturity (RoK, 2018). Despite their importance, records show that in Kenya, three out of five small businesses run by young people fail within the first three years of operation, and 80% of small businesses operated by young people fail before their fifth year in business (Mutuma, 2015).

The Kenyan government established the Young Enterprise Growth Fund to encourage job creation, particularly through youth enterprise development (YEDF). But in order to succeed, a number of obstacles had to be overcome, including a lack of finance, a lack of entrepreneurial culture among young people, and a high default

rate, particularly from financial intermediaries (GoK, 2016). The lack of innovative strategies especially in long-term product planning, operations and inability to transform new ideas and creative processes, lack of proactive action, such as intention to leave a comfortable position for new ideas, low competitive aggressiveness due to inability to face a competitive advantage over competitors, low risk-taking propensity and low growth, are all issues that hinder entrepreneurs from having as much of an impact on the growth of SMEs. Only 20% of the youth-owned businesses have been in operation for the past five years, despite the government's attempts to encourage young engagement in company growth (Ayeni-Agbaje & Osho, 2015). This category of companies was selected for the research considering the facts that young people continue to suffer from high unemployment, even though the government has invested heavily to encourage the development of youth-owned enterprises to solve socio-economic problems. According to Franklin (2017), of Kenya's 24 million people of working age, 1 in 6 young Kenyans are unemployed at the moment.

Moreover, as a way of promoting youth entrepreneurship, the government has heavily invested in technical skills among the youth through colleges and higher institutions of learning across the country. This is in a bid to promote entrepreneurial knowledge and technical skills thus encouraging to invest in the manufacturing sector which is among the Big 4 Agenda by the Kenyan government. Nevertheless, despite all these efforts, the youth led SMEs continue to underperform and face high mortality rate. This therefore creates a gap that raises a question whether entrepreneurial orientation could be the missing point in the growth of Youth led SMEs. This study included networking skills as a moderating variable which impacts the relationship between entrepreneurial orientation and the growth of youth owned enterprises in Kenya. This demonstrates that entrepreneurship is still a viable option to traditional employment for a large number of young people. Therefore, given the importance of SMEs in Kenya, this study examines the entrepreneurial orientation and business growth of young people in Kenya.

1.3 Objectives of the Study

General and the specific objectives guided the study.

1.3.1 General Objective

The general objective of the study was to establish the relationship between entrepreneurial orientation and the growth of youth owned enterprises in Kenya.

1.3.2 Specific Objectives

1. To establish the relationship between innovativeness and the growth of youth owned enterprises in Kenya.
2. To assess the relationship between proactiveness and the growth of youth owned enterprises in Kenya.
3. To analyse relationship between competitive aggressiveness and the growth of youth owned enterprises in Kenya.
4. To establish the relationship between risk-taking and the growth of youth owned enterprises in Kenya.
5. To assess the moderating effect of business networking skills of communication, coordination and relationship skills between entrepreneurial orientation and the growth of youth owned enterprises in Kenya.

1.4 The Study Hypotheses

To examine the effect of Entrepreneurial Orientation on the growth of Youth owned enterprises; the following null hypotheses were tested;

H_{01}: There is no significant relationship between innovativeness and the growth of youth owned enterprises in Kenya.

H_{02}: There is no significant relationship between proactiveness and the growth of youth owned enterprises in Kenya.

H_{03}: There is no significant relationship between competitive aggressiveness and the growth of youth owned enterprises in Kenya.

H_{04}: There is no significant relationship between risk-taking and the growth of youth owned enterprises in Kenya.

H_{05}: There is no significant moderating effect of business networking skills of communication, coordination and relationship skills on the relationship between entrepreneurial orientation and the growth of youth owned enterprises in Kenya.

1.5 Significance of the Study

Micro and small enterprises are gaining recognition for their roles in fostering economic expansion, creating jobs, battling poverty, and enhancing housing standards (Kiveu & Ofafa, 2013). This industry is a producer that is favored by the environment and a strong dynamic force in the economy because of its low startup costs. Kenyan youth are projected to be the dominant actors in the region since they are passionate, eager to work, skilled, but unemployed due to the high unemployment rate in the country. But studies reveal that 80% of these businesses fail within the first three years of operation for a variety of reasons, including some difficulties with marketing, resources, associations, and entrepreneurship. Similarly, several studies on Kenyan youth micro and small organizations have been completed with respect to the factors influencing their growth, especially when moderated by the entrepreneurial nature.

It is intended that by learning the value of expanding their firm, the younger generation who owns small and micro businesses will gain from this study. Similar to that, this study poses pertinent topics and suggestions in the hopes that diverse parties with an interest in youth enterprise development in Kenya will further the conversation. In particular, the results of the study can benefit various stakeholders, as explained below: Firstly, the government of Kenya may be able to allocate the necessary resources the youth owned enterprises such as finances, materials and coming up with mentorship programs for the youth entrepreneurs. Similarly, the

government may take time to revisit the policy that affects SMEs to enhance the business environmental conditions, which have a direct impact on youth owned enterprises. Secondly, Kenya as a community may have its members of society benefiting from employment creation and good services that will add value to them. Thirdly, the management of County governments may enjoy that opportunity of revenue creation by improving their revenue collections and creation of an enabling environment.

1.6 Scope of the Study

The goal of this research was to investigate how entrepreneurial orientation and the expansion of young people-owned enterprises in Kenya relate to one another. The study focused on youth below 35 years owner managers of the SMEs. The study was conducted in seven counties namely: Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo, and Kisii because these were some of the counties with a higher Gross Domestic Product (GDP) of 2% and above as indicated in KEBS data of 2013-2017 economic survey. The study's objectives were innovativeness, proactiveness, competitive aggressiveness, and decision-making.

1.7 Limitations of the Study

Major hindrances experienced during the data collection period ranged from participants getting reluctant to respond to the questionnaire, others felt that the researcher was a government agent; this led to wanting to be tipped in order to fill the questionnaires. A few felt the researcher had hidden motives different from academic purpose. Research assistant helped so much in making the participants understand the sole reason for the research. The researcher made sure that he cleared these doubts by introducing himself and clearly stating the purpose of the research before embarking on questionnaire issuance or interview. Therefore, respondents were not paid for participating in the study. The study had to be completed in three to four months while traveling through the seven counties, so time was also a constraint. This was countered by recruiting the services of five research assistants to help in the study who were adequately trained before embarking on the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

A literature review is a search and evaluation of the body of information on the topic or problem that you have chosen. It offers the latest data about the problem or subject you are writing about. This chapter analyzes the research on business growth and entrepreneurial orientation for young people in Kenya. The aims of the research have guided the organization of this chapter. This chapter investigates the concept's meaning from the viewpoints of many academics on a regional and international scale. This chapter also identifies the gaps in the body of previous research, which is what this study is looking at. This chapter covers the following topics: the theoretical underpinnings, the conceptual underpinnings, the overview of the variables, the review of the empirical and critical literature, the research gaps, and the findings summary.

2.2 The Theoretical Framework

A theoretical framework is a framework that upholds or has the potential to uphold research theory. The theoretical framework presents and describes the theory that explains why the research challenge arises (Abend, 2008). This study is supported by theories that are; diffusion of innovation theory, push/pull motivation theory, neoclassical conceptions of competition, expected utility theory and networking theory-resource based view.

2.2.1 Diffusion of Innovation Theory

The Diffusion of Innovation Theory was first discussed historically in 1903 by the French sociologist Gabriel Tarde (Toews, 2003) who plotted the original S-shaped diffusion curve, followed by Ryan and Gross (1943) who introduced the adopter categories that were later used in the current theory popularized by Everett Rogers. Katz (1957) is also credited for first introducing the notion of opinion leaders, opinion followers and how the media interacts to influence these two groups. The

Diffusion of Innovation theory is often regarded as a valuable change model for guiding technological innovation where the innovation itself is modified and presented in ways that meet the needs across all levels of adopters. It also stresses the importance of communication and peer networking within the adoption process. Diffusion of Innovation (DOI) Theory, developed by Rogers in 1962, is one of the oldest social science theories. It originated in communication to explain how, over time, an idea or product gains momentum and diffuses (or spreads) through a specific population or social system. The end result of this diffusion is that people, as part of a social system, adopt a new idea, behavior, or product. Adoption means that a person does something differently than what they had previously (purchase or use a new product, acquire and perform a new behavior). The key to adoption is that the person must perceive the idea, behavior, or product as new or innovative. It is through this that diffusion is possible. Adoption of a new idea, behavior, or product (innovation) does not happen simultaneously in a social system; rather it is a process whereby some people are more apt to adopt the innovation than others. Researchers have found that people who adopt an innovation early have different characteristics than people who adopt an innovation later. When promoting an innovation to a target population, it is important to understand the characteristics of the target population that will help or hinder adoption of the innovation. There are five established adopter categories, and while the majority of the general population tends to fall in the middle categories, it is still necessary to understand the characteristics of the target population. When promoting an innovation, there are different strategies used to appeal to the different adopter categories.

In simple terms, the diffusion of innovation refers to the process that occurs as people adopt a new idea, product, practice, philosophy, and so on. Rogers (2003) mapped out this process, stressing that in most cases, an initial few are open to the new idea and adopt its use. As these early innovators 'spread the word' more and more people become open to it which leads to the development of a critical mass. Over time, the innovative idea or product becomes diffused amongst the population until a saturation point is achieved. He distinguished five categories of adopters of an innovation: innovators, early adopters, early majority, late majority, and laggards. Sometimes, a sixth group is added: non-adopters. 1) Innovators; These are people

who want to be the first to try the innovation. They are venturesome and interested in new ideas. These people are very willing to take risks, and are often the first to develop new ideas. Very little, if anything, needs to be done to appeal to this population. 2) Early Adopters; These are people who represent opinion leaders. They enjoy leadership roles, and embrace change opportunities. They are already aware of the need to change and so are very comfortable adopting new ideas. Strategies to appeal to this population include how-to manuals and information sheets on implementation. They do not need information to convince them to change. 3) Early Majority; These people are rarely leaders, but they do adopt new ideas before the average person. That said, they typically need to see evidence that the innovation works before they are willing to adopt it. Strategies to appeal to this population include success stories and evidence of the innovation's effectiveness. 4) Late Majority; These people are skeptical of change, and will only adopt an innovation after it has been tried by the majority. Strategies to appeal to this population include information on how many other people have tried the innovation and have adopted it successfully. 5) Laggards; These people are bound by tradition and very conservative. They are very skeptical of change and are the hardest group to bring on board. Strategies to appeal to this population include statistics, fear appeals, and pressure from people in the other adopter groups.

2.2.2 Push/Pull Motivation Theory

According to the push/pull theory of motivation, proactive and reactive entrepreneurs are distinguished from one another (Ratten, 2016). Regardless of its source, motivation is commonly believed to play a significant impact in entrepreneurial engagement and growth (Stephan, Hart, Mickiewicz & Drews, 2015), and theoretical models should take this into account (Herron & Sapienza, 1992). According to the push-pull theory of motivation, acting entrepreneurially is a response to the environment that is either favorably motivated, enthusiastic, or reluctant (Welter, Barker, Audretsch, & Gartner, 2016). Someone may be drawn to entrepreneurship by a compelling and possibly lucrative company opportunity, a curiosity about novel business concepts, or a desire to launch a sole proprietorship. On the other hand, a person could be motivated to start a business by unfavorable circumstances such as

pressure to take over the family business, loss of job opportunities, discontent with existing working conditions, or other undesired circumstances (Hopp & Martin, 2016). This hypothesis is connected to the independent variable of proactiveness, which encourages people to act proactively and shape their own surroundings, future, and destiny.

Proactive Business Model- Key Role of Emotions and Talents in Management Strategy

Divergent decision-making plays a crucial role in times of stable economic conditions when a set of cognitive and behavioral managerial competencies are required (Matuska, 2011). It is advised that managers employ the portfolio-of-initiatives technique to make sure the business takes full advantage of its best chances without incurring needless risks (Bawley, 1999). The strategy is based on continuously developing (visions, ideas, projects), selecting (decisions, initiatives) the best business option at the time, and assessing or altering them while maintaining a flexible approach. The method of the approach depends, on the one hand, on rich creativity that provides the basis for selecting possibilities and, on the other, on correct decision-making with the capacity to quickly switch to a different course of action. The connections between the psychological processes involved at each step of the business strategy for a portfolio of initiatives and their interactions are simultaneously regarded as a crucial component of the theoretical business model.

The whole process can be explained by two levels of conduct and at least two stages. The second level is demonstrated by observable activity, while the first level (as a symbolic behavior) occurs in the mind (as a real behaviour). 2) The second stage: decision-making is made up of two steps that are likely to be strongly influenced by emotions, which are a part of emotional intelligence and include insight, intuition, empathy, etc. The first stage: creativity deals with individual or group creativity and is purely cognitive in nature: creation of novel images, ideas, and divergent ways of thinking. Additionally, because it needs to be performed frequently in order to control the actual possibilities and hazards embedded in the complexity and ambiguity of today's business environment, decision-making is not a single, finished

activity but rather a type of flexible decision-making. During the entire aforementioned commercial activity, the following psychological processes are activated in the minds of individuals or teams: attention, perception, imagination, logic, and divergent analysis, as well as subconscious insight, intuition, and temporal reactivity. Additionally, the previously mentioned flexible decision-making gives feedback to the creative stage with instructions to come up with useful new ideas that can raise the possibility that the chosen activity option will be successful or to recognize the issues that need to be fixed. In this manner, the proactive business model promotes self-reinforcement and creates opportunities for personal growth (Matuska (2011).

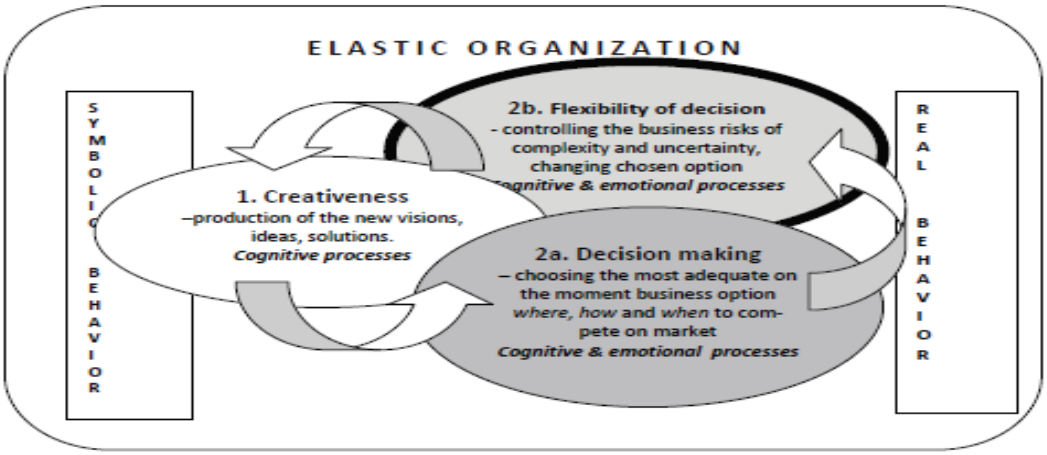

Figure 2.1: Proactive Managing Process in Frame of Elastic Organization

Source (Vitalari & Shaugnessy, 2012).

2.2.3 Neoclassical Conceptions of Competition Theory

According to Eatwell (1987) and Blaug (1999), the perfect competition model which specifies the ideal market conditions that must exist for perfect competitive behavior to persist through the typical firm and, more broadly, to categorize an industry as competitive or not is the only one that can be used to analyze competition in neoclassical theory. According to the ideal competition concept, a market consists of a big number of small businesses selling the same type of items to a large number of consumers. The prices and expenses of each raw material are perfectly known to all

market participants. Consumer preferences are also known, and nothing finally prevents the movement of production elements. The result of the above conditions is that because of the large number and small size, producers and consumers cannot be sure of the price of the product, which is the date for every company or consumer in the market.

When it comes to product prices, the company adopts an entirely passive conduct (also known as "price-taking behavior") and merely chooses the level of output that corresponds to the profit maximization attained at the price point is the product's marginal cost. The welfare of society as a whole is likewise maximized by the same price for the consumer. Therefore, in order for the neoclassical theory to make static equilibrium definite, the concept of perfect competition is necessary. According to this theory, price cuts and increased spending on marketing, quality, and manufacturing capacity are examples of aggressive movements that are related to the independent variable of competitive aggression.

Perfect Competition Model

According to Haggins (2001), ideal competition is a market model where a large number of enterprises produce sufficient goods that are consumed by a large number of consumers. The ideal competition model also assumes that for new enterprises, entering a market and exiting an existing market are both straightforward procedures. Finally, it is believed that both buyers and sellers are fully informed on the state of the market. In a completely competitive market, individual buyers and sellers accept the market price as given, according to the assumptions of the model of perfect competition. The model also assumes that if the firm suffers economic losses, exit will be easy. Neither buyer nor seller has influence on this price. A price taker is a person or business that must accept the market price as it is. A customer or company that accepts market prices as given has little power to change such prices. Similar to people who purchase or sell stocks are companies or consumers who accept the price. In order to buy or sell, he searches for the market price.

Prices are not set by particular buyers or sellers, but rather by supply and demand in the market. Each company and each customer set their own prices in a market that is

completely competitive. A buyer who is a price taker believes that he can purchase any amount at the going rate without changing it. Assuming he can sell the appropriate number of units at the going rate without changing the price is what the price taker does as well. You are the prize as soon as you walk inside the business. You pay close attention to the prices displayed and make a purchasing decision. The pricing is unaffected by your decision. You are given the asking price and given the option to sell or not. This pricing is unaffected by your choice.

2.2.4 Expected Utility Theory

Expected utility theory is a theory of decision under conditions of risk, where each option leads to one of a set of possible outcomes and where the probability of each outcome is known (Risk differs from uncertainty where the probabilities of outcomes are not completely known, and from certainty, where probabilities are known and equivalent to zero or one). The expected utility in their choices between risky options, they weight the utilities of individual outcomes by their probabilities and choose the option with the highest weighted sum (Luce & Raiffa, 1957). Since Bernoulli (1954) proposal of the expected-utility principle in 1738, it has usually been assumed that the psychological value of money and most other goods do not increase proportionally with objective amount, but instead that there is diminishing marginal utility for money. Individuals can also have increasing or constant marginal utility for a particular good, which can be represented by a convex or linear utility function, respectively. An actor's attitude towards risk is conventionally defined in terms of marginal utility or the shape of the utility function. An actor is a risk-averse if the utility function is concave, risk-neutral if the utility function is linear, a risk-acceptant if the utility function is convex.

Most people are risk-averse with respect to monetary outcomes and prefer a certain payoff of $50 (or even $40) to a 50/50 chance of either nothing or $100 (Kahneman & Tversky, 1979). They generalized their findings as follows; 1) people tend to think in terms of gains and losses rather than in terms of their net assets, and therefore encode choices in terms of deviations from a reference point, 2) people treat gains differently than losses in two respects first, individuals tend to be risk-averse with

respect to gains and risk-acceptant with respect to losses, 3) Gains are also treated differently than losses in that losses loom larger than gains. This theory is well anchored on the fourth independent variable of risk-taking in the study.

2.2.5 Networking theory- Resource-Based View (RBV)

According to resource-based view theory, when a firm acquires some immobile and non-duplicable resources and capabilities, this will add value to the firm's performance (Wernerfelt, 1984). The firm capitalizes these resources only when it uses them in a strategic manner to gain the upper hand against competition, when the latter does not have the ability to copy these resources and capabilities. SMEs are able to tap into SME network members' resources only if they join a network. These resources extract sustainable competitive advantage for the network members, if they possess the potential values that are transferable between the strategic alliance members, and only when these values are used to execute invaluable strategies with a lower chance of imitation by others outside the network. The resource-based view states that a firm's sustainable competitive advantage stems from resources that are valuable, rare, inimitable and non-substitutable. Therefore, managers should seek to develop and exploit firms' resources that possess these characteristics, such as capital, human or organizational resources. (Barney, 1991; Dhanaraj & Beamish, 2003). The resource-based view has been inclined to focus on the heterogeneity of resources (Welbourne & Pardo-del-Val, 2009) and a firm's ability to provide competitive advantages to the organization and its strategic business decision-making process.

Dyer and Singh (1998) relational model view proposed that the potential a firm has to create competitive advantage depends not just on its resources, but also on its relational assets that is to say, its relationships with other key firms. Following the resource-based view, inter-firm linkages can also be idiosyncratic and thus a source of relational rents and competitive advantage (Sepulveda & Gabrielsson, 2013). In addition, relational capital is path dependent and firms are limited by the boundaries of their network, in the sense that they may be unable to take advantage of some opportunities because their relationships do not provide access to the appropriate

resources to do so (Meiseberg & Ehrmann, 2013; Park, Mezias, & Song, 2004). Therefore, the boundaries of social capital also create opportunity costs (Cowan & Jonard, 2009; Dyer & Singh, 1998; Welbourne & Pardo-del-Val, 2009). A few researchers (Barney & Mackey, 2005; Peteraf, 1993) have strongly argued that measuring the resource-based view theory is problematic. Their argument is that resource-based empirical work has to gauge the implications of a firm's resource capabilities, rather than simply examining the resources directly. According to Barney and Mackey (2005), resources have the potential to create economic value for the firms, if and only when firms realize and use the resources to create and implement strategic decisions. These resources have the ability to generate sustainable competitive advantage that is costly for competitors or potential entrants to the industry to imitate. The availability of resources can create some competitive advantage within the organization, which is transferable to its core competencies. Networks bring resources to their members so that the members can benefit and translate their success to the organization's own performance (Zahra & Das, 1993). However, the available resources are advantageous to the SME and its network members only when the resources have the potential to execute incomparable strategies.

This brings the discussion to the resource-based view theory and its application to validate the arguments that evaluate networking. Resource-based view concedes that an organization seeks to form a strategic alliance when there is a possibility of gaining valuable resources and knowledge in order to be competitive in the industry, and where those resources are imperfectly imitable (Zaheer & Bell, 2005; Zahra & Das, 1993). The resource-based view of the firm lies in its emphasis on the transferability of the resources and capabilities to implement some strategic plan of action and have a sustainable competitive advantage over the competitor (Barney, 1991). This approach suggests that competition leads to competencies where firms learn how to overcome specific competitive challenges and develop potentially valuable resources and capabilities. It is possible to measure a firm's resources and capabilities, and thus test empirically the effect of these competencies on a firm's strategic options. SMEs in this kind of situation can align themselves with a network to tap into these resources. These resources and capabilities, in turn, can give firms

important competitive advantages in subsequent competitive settings advantages that are not available to firms that did not have to respond to the original competitive threats, and thus did not develop the relevant competencies (Barney & Zajac, 1994). This theory underpins the moderating variable of networking skills in the study.

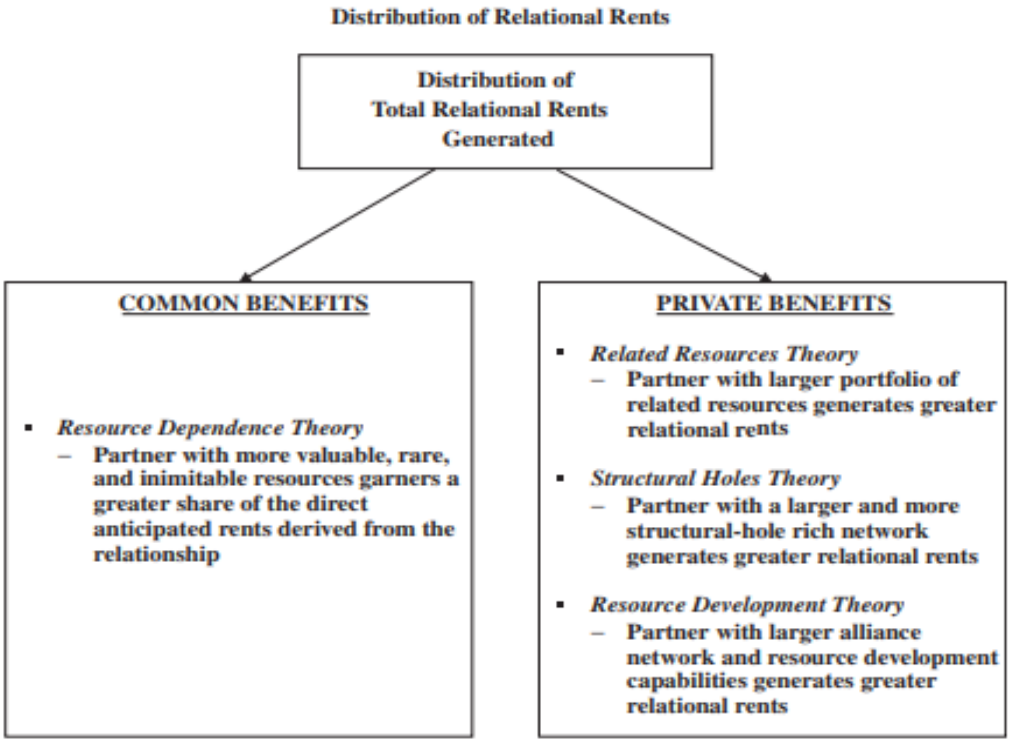

Figure 2.2: Distribution of Relational Rents

Source: (Dyer & Singh, 1998)

2.2.6 Growth Theory

Greiner (1998) perceives that growth of firms goes through phases accompanied by crisis and states that movement to next phase is anchored on dissolution of crisis in the current phase. Burt (2016) supports Greiner growth theory by identifying growth elements as increase in sales, profitability, return on capital invested, market coverage number of employees and innovations. Greiner theory observes that there are five phases of growth. In phase one, the Growth of firm is through creativity and innovations. Small firms or entrepreneurs are creatively coming up with new and innovative ideas to grow enterprises. However, organization of new business ideas or

innovations may pose leadership crisis as many small enterprises are informally managed. In phase two, growth through directional leadership. Greiner theory anticipates that entrepreneurs or small enterprises resolution of leadership crisis by introduction of formal management to realize growth. However, introduction of formal leadership creates autonomy crisis as firms. In phases three, growth is through (delegation) decentralization of enterprises functions into departments or units for better performance. The decentralization of functions may create control crisis in monitoring performance of decentralized units. In Phases four, growths through harmonization of decentralized functions. This phase anticipates that for firms to realize growth through decentralization firm's units ends in red tape crisis. In Phases five, Greiner growth theory anticipates that growth is through cooperation/ collaborations/ alliance. The theory hypothesized that mature or highly growing firms may run out of business ideas or resources. It ends with internal crisis of growth. Greiner growth anticipates that entrepreneurs or firms may collaborate with other firms or a team of entrepreneurs to enhance growth. However, Greiner growth perceives that bureaucracy in decisions may hinder decisions to form networking/ collaboration decisions. Mustafa, Hassan and Mete (2009) acknowledge that phases of enterprise's growth perceived in Greiner theory are similar to businesses cycles of boom, depression, recession and recovery. They note at each cycle the business management must devise strategies to steer enterprises functions effectively and efficiently to realize growth. Nelima, Namusonge, and Sakwa, (2016) perceive that enterprise in rapidly growing phase required more resources and information to handle growth challenges. Brand, Croonen, and Leenders, (2018) accepted Greiner growth to examine growth of small and medium enterprises in Dutch. Similar to current study Greiner theory is adopted to determined growth of small and medium enterprises. Thus, Greiner theory is appropriate and efficient model to explain growth of SMEs through entrepreneurial networking arrangements.

2.3 Conceptual Framework

According to Maxwell (2005), conceptual frameworks present the most crucial concepts or variables, together with the presumptive relationships between them, in either a graphical or narrative format. A conceptual framework is essentially a

conception or model of the world you intend to examine, of what is going on with these things, and of why it is important for you to support your research (Maxwell, 2005). Therefore, proactiveness, competitive aggressiveness, and risk-taking were the independent factors in this study, whereas the dependent variable was the growth of youth entrepreneurs in Kenya. Networking skills, which measure the relevant variables found in theoretical literature and construct in the model, served as the moderating variable.

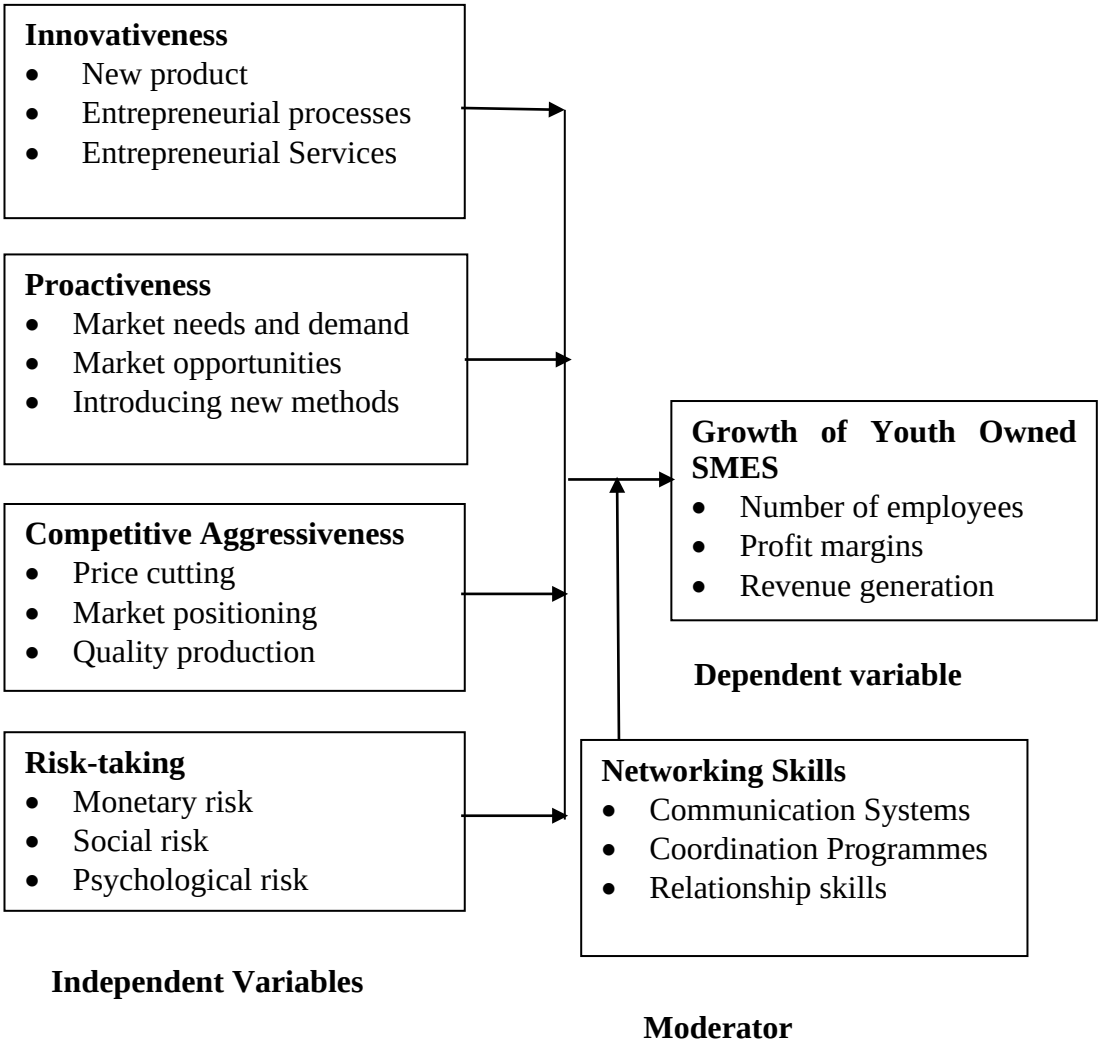

Figure 2.3: Conceptual Framework

2.3.1 Innovativeness

Innovation in business refers to new or improved ways of doing things, as well as innovation, to boost an organization's performance in terms of sales, profitability, and market share. In order to improve their performance in terms of sales, profitability, and market shares, new techniques, markets, products, institutions, and organizations must be applied. It also applies to technical, institutional, human, and product process discoveries that result in these new practices, markets, institutions, and organizations. SMEs may roll out new goods, procedures, or marketing tactics to increase the effectiveness of the company in terms of sales volume or in other ways. Small and medium-sized businesses are viewed as agents of economic expansion that stimulate and promote the nation's equitable development, which is accomplished through putting the principles of innovation to use. The contribution of small and medium-sized businesses to the economic and social development of a nation is established when the innovation concept is applied to the same SMEs and their output increases significantly as a result. The industry is a breeding ground for entrepreneurship, frequently driven by innovation (Twaliwi & Isaac, 2017).

The success factor in becoming an innovative organization is the vision of an entrepreneur who is open to change and focuses on evaluating their personnel’s performance. To encourage SMEs to become more innovative, it should focus on developing innovative entrepreneurial characteristics and creating a suitable and conducive organizational atmosphere for new idea creation in building innovation to improve products, services, and processes to better and meet customer needs to create a competitive advantage and profitability (Wang, 2015). The new innovation opportunities boosted by communication and information technologies and the economic growth potential of service innovation in developing economies in spite of resource scarcity emphasized the service sector over the past years (Barrett, Davidson, Prabhu, & Vargo, 2015). As result, the importance of research in the field of services and the need to develop new understandings of services have never been so evident (Ostrom, Parasuraman, Bowen, Patrıcio, & Voss, 2015). Accordingly, they further state that there is need to have a better understanding of innovation in the

service, manufacturing, and digital domains and how various types of innovation in these areas interact to inform value creation and address new markets.

Innovation is the application of cutting-edge ideas to problems that benefit society, the government, and corporate organizations. The ability to think of something unanticipated, original, and distinctive that is also communicative falls under this category as well. It is a reflection of how attractive a person feels in any particular situation. Additionally, creativity is the ability to generate fresh ideas in a distinctive and novel way, including new notions, alternatives, solutions, and potentials. Innovation is the discovery of new, better ways to accomplish things. It might be the adoption of cutting-edge technology, a novel production method, or even an enhancement to the current product. It may also be described as a change that could give the company growth and productivity a new edge. It comes in two flavours: revolutionary and organic process (Surbhi, 2018).

The term service innovation is also used to describe the process of developing a product or service. These descriptions muddle the separation of the innovation and the process and have resulted in terms like service innovation, new service development (NSD), and service design to be used interchangeably (Biemans, Griffin, & Moenaert, 2016). While this definition of new is relatively strict, recent developments within service research suggest that service innovation often is interpreted simply as “a new service” (Witell, Hannah, Anders, Fombelle, & Kristensson, 2016). Most discussions of what is meant by new tend to focus on the firm’s perspective. That is, what is new for the firm rather than for the customer (Snyder, Hannah, Witell, Gustafsson, Fombelle, & Kristensson, 2016). This implies that service innovations tend to be incremental rather than radical, and that alignment with existing markets, sectors, or offerings is more important than uniqueness. Again, this is problematic, as it implies that all new services, no matter how small, can be regarded as service innovations.

According to Naiman (2017), power is the capacity to materialize unique, great ideas. Creativity is characterized by the capacity to see things from new perspectives, recognize subtle patterns, connect seemingly unrelated occurrences, and develop

solutions. Being creative involves two processes: thinking and then producing. Creativity is the act of making something new. To be creative, you must be devoted and passionate. It unveils to us what was previously concealed and indicates a new beginning. On the other hand, innovation is the introduction of a brand-new or vastly enhanced good, service, or procedure that benefits a company, the state, or society.

According to Covin and Miller (2014), innovation ability is the capacity of corporate organizations to introduce novel processes, procedures, or products to the market. Innovation capability, as defined by Lomberg, Urbig, Stockmann, Marino, and Dickson (2017), is the propensity of business organizations to transmit the spirit of developing thoughts or creative techniques to provide new goods or services through trials or feasibility studies. Innovation, as previously said, is the propensity of commercial organizations to communicate the spirit of developing concepts or imaginative procedures to offer new goods or services through testing the waters or doing feasibility studies. Additionally, according to Choi and Williams (2016), organizations with creative attitudes foster the growth of skills and technical knowledge needed to successfully navigate uncertain market conditions.

Innovation and creativity go hand in hand. Furthermore, without ability, innovation is impossible. While ability refers to the capacity to generate original and distinctive ideas, innovation refers to the use of that capacity that is, the introduction of a novel strategy, approach, procedure, or product. Ability is the driving force behind creativity, the possibility of taking an alternative approach to problems, and freedom from limits imposed by laws and unwritten or written standards. The method of solving difficulties is improved through creativity. Creating a fresh plan or finding a creative technique to beat the competition are both equally important. Solving problems creatively provides the competitive edge that every organization seeks to obtain (Sokolova, 2015).

The introduction, execution, or continued development of an idea, product, or service for the benefit of society is always referred to as innovation. The Organization for Economic Co-operation and Development (OECD) has identified different categories of innovation based on their scope as follows: The usage of an idea or service that

has undergone substantial development and whose viability can be connected to its functionality or other techniques that enable new uses of the concept or this service is known as product innovation; Process innovation is the creation of new ways to accomplish goals; marketing innovation is the application of fresh approaches to product development and its associated packaging, spending patterns, and promotional advertising; and organizational innovation is the creation of new types of organizations or approaches to managing organizations (Tatiana & Mugila, 2018).

Innovation is the propensity of businesses to adopt and sustain creative processes that might result in new goods, services, technologies, innovations, tests, and so forth. Businesses engage more in technical innovation activities including new product creation and acquisition, among others, as a result of becoming more innovative. It can therefore promote enterprise reform and innovation, quicken the flow and transformation of new knowledge, and aid in the production of new knowledge and new technology, all of which can promote the growth of enterprise innovation (Kim, 2015).

Furthermore, a favourable business climate and a strong entrepreneurial eco-system for business, even at the local level, are important for encouraging the participation of SMEs in a globalized economy by nations and regions. This is even more crucial in the contemporary environment because of the heightened pressures of competition and the rapid pace of technological development, which call for adaptability, innovative behaviour in all spheres of public government, and simple access to strategic resources. While framework circumstances have an overall impact on business investment, innovation, and growth, some aspects have a disproportionately large impact on newly founded SMEs (OECD, 2017).

Entrepreneurial innovation is widely acknowledged as one of the key strategies for overcoming obstacles and as a crucial element in determining the success, survival, and expansion of businesses. This is intimately tied to the performance of SMEs and entrepreneurship. SMEs must adopt cutting-edge procedures in their operations. SMEs are thought to have a significant competitive advantage due to their ability to adjust to change and meet customer expectations. As a result, it is thought that

entrepreneurial innovation acts as a catalyst for strategic change, enabling companies to produce greater returns. Therefore, it is suggested to improve SMEs must innovate by adopting the right process, leading to competitive advantage (Kiveu, Namusonge & Muthee, 2019).

Boachie-Mensah and Acquah (2015) show that company efficiency increases with increased innovation. The relevance of innovation in SMEs is demonstrated by the opportunities they offer to reduce external risks and the ease with which they may be implemented. This is because SMEs have a horizontal management structure with fewer levels of administration and bureaucracy than large corporations. They continued by saying that Kenyan manufacturing companies must embrace process, marketing, and organizational innovation in order to stay competitive. This study indicates that product innovation is little. Maldonado-Guzman and Valdez-Gonzalez (2020) found that the most important way for companies to become competitive is to offer innovations in marketing, processes, products and management. Innovation and technology are relevant drivers for entrepreneurship and economic growth (Peng, Sun, Vlas, Minichilli & Corbetta, 2018).

Organizations around the world that are deemed successful in their innovation endeavours perform far better than those that do not. According to Amodu and Aka (2017), a company's capacity for innovation is determined by its commitment to aggressively promote the development and application of new information while experimenting with various business models and, consequently, current goods and services. According to Edward, Try, Ketchen, and Short (2014), innovation is a strong drive to uncover technical breakthroughs and thoroughly test new competencies and information, which may render conventional talents obsolete. Innovation's primary objective is the development of new consumer goods, core services, procedures, and systems.

2.3.2 Proactiveness

Creating new market opportunities and responding promptly to customer requirements or demands are both examples of proactive entrepreneurship. Companies that take a proactive approach to strategy are better able to predict

prospective changes in the business environment and even exert some control over it. On the other hand, organizational capabilities include a company's ability to explore, combine, and deploy various resources with the primary goal of ensuring good market performance (Ho, Ahmad, & Ramayah, 2016). Rua, Franca, and Fernadez (2018) contend that businesses with high responsiveness perceive proactivity as a significant contribution, despite the absence of empirical data on the relationship between proactivity and organizational abilities. Such firms continue to capitalize on first mover advantage by engaging in forward-thinking and opportunity-focused activities (Anderson, Kreiser, Kuratko, Hornsby, & Eshima, 2015). Proactiveness is taking initiative, anticipating and carrying out new opportunities and creating new markets or participating in emerging ones, is also associated with entrepreneurship, and is an important dimension of entrepreneurial characteristics. Proactivity is a state of mind and the will, largely driven by one's consciousness, to sustain a vision, to fulfil a mission, to attain challenging goal and to achieve a define objective, as envisioning a future towards which one device the strategic parameters for influencing, impacting and recreating the environment within which one operate in line with that vision, a determination to excel in one's own chosen field, and to pursue and attain one's own goal largely defined by one.

Proactive businesses also put a lot of effort into learning how to influence policymakers and impact markets in ways that will benefit their market position or share (Tang & Katz, 2014). Additionally, proactive actions help businesses keep up with technological advancements and consistently develop and integrate resources to support progress and technology (Hao & Song, 2016). Proactiveness is closely connected to entrepreneurship and is a crucial aspect of the entrepreneurial character. It entails taking the initiative, predicting and seizing new chances, and creating new markets or engaging in existing markets (Brownhilder, Nench & Van-Zyl, 2017). The proactive management style involves the leader operating the business in a proactive manner. Meaning, rather than being passive, they actively look for new business prospects and address any potential issues before they even arise (Wales, Shirokova, Sokolova & Stein, 2016). They contend that proactiveness shows a company acting in advance of market demands to get a competitive edge over its rivals, then scanning for opportunities. Proactiveness is a key component of the

entrepreneurial nature and is associated to taking the initiative, predicting and seizing new chances, and creating new markets or engaging in emerging markets. Proactivity is also related to entrepreneurship. Small and medium-sized businesses (SMEs) rather than giant corporations are frequently linked to proactivity (Zacca & Dayan, 2018). This is typically demonstrated by their drive to explore market prospects and utilize local raw materials to create distinctive goods and services that satisfy the demands of a wide market. However, due to technological advances, SMEs often face the challenge of rapidly changing market demands (Uchegbulan, Akinyele & Ibidumi, 2015).

Rua, Franca, and Fernandez (2018) argue that companies with high responsiveness see proactivity as an important contributor. Such businesses continue to be dedicated to taking advantage of first mover advantages through operations that are opportunity-focused and forward-thinking. As a result, they frequently produce thorough understanding of market trends and estimates of market preferences. In addition, proactive activities enable companies to keep up with changing technologies and make regular efforts to create and integrate resources to keep pace with technological advances. Aloulou and Fayolle (2014) contend that being proactive is useful in establishing a competitive advantage because it allows the initiating company to join the market first and forces its rivals to react to the initiator's activities rather than initiating on its own. An entrepreneurial attitude, in a proactive sense, has been widely cited as a key factor in driving business growth. Proactive companies tend to be forward-thinking, anticipatory, and ready to face the future (Dada & Fogg, 2016).

Proactiveness is managing a company in anticipation of difficulties, requirements, and changes in the future. It means taking the initiative, seeing new opportunities coming and acting on them, as well as developing or influencing emerging markets. Proactive companies are companies that offer innovations proactively first. Proactivity thus includes a willingness to be the first to bring a new product or service to market. Proactive businesses frequently start things that rivals must then respond to by leading with products and services (Eggers & Susan, 2013). Proactivity is the propensity to act before something happens or happens in a way

that will benefit future opportunities and needs rather than acting after the fact, once the incident has spread. When a company recognizes an opportunity and becomes a leader in taking advantage of it, it can generate unexpected income and profit from the recognition (Estanda, 2014). Being proactive therefore entails taking advantage of new opportunities, opening up new markets, or investing in developing markets. One of the most significant business indices is said to be this one.

Zhai's definition of proactiveness, as supported by Sun, Tsai, Wang, Zao, and Chen (2018), is "corporate tendencies, positive marketing strategies, proactive actions, and leading strategies for introducing new products, new processes, new technologies, and new services" in order to outperform the competition. Proactive businesses typically take advantage of market possibilities before the competition and take the lead in the introduction of new goods or services to obtain a competitive edge. Proactivity is crucial for establishing and preserving a company's competitive advantage in markets and industries with intense competition. As a result, proactive businesses often look for new market prospects before bringing inventive growth to the business.

2.3.3. Competitive Aggressiveness

Competitive aggressiveness is the tendency to intensively and directly challenge competitors rather than trying to avoid them. Aggressive moves can include price-cutting and increasing spending on marketing, quality and production capacity (open text books for Hong Kong, 2016). Competitive aggressiveness is vital to act timely in the market conditions by outperforming the competitors. Acting aggressively in the market may lead the firm to take initiative such as cutting prices, adopting aggressive marketing strategies or increasing the product capabilities (Rahman, Civelek & Kozubikova, 2016). According to Muhonen (2017), firms that take more actions and execute them quickly tend to achieve higher profitability and larger market share. Contractors need to be aggressive in competition to respond to their competitors' actions and gain competitive advantage against their business rivals for survival and growth (Setiawan & Ogunlana, 2015) simply put, competitive aggressiveness basically refers to the organizational combative posture to improve market position

(Prabin, 2016). In order to improve its position in the market and outperform sector rivals in a particular market, a corporation may be said to be competitively aggressive if it has a tendency to engage in aggressive competition. Profitability and market share increase as a company takes more actions at a faster pace (Sonja, 2017). In addition, competitive aggressiveness describes the tendency of a company to challenge its competitors directly and intensively when entering the market or strengthening its position by outperforming its competitors (Antonio, 2015).

Enterprise competitiveness is the cornerstone of a market economy. This is a situation where a large number of manufacturers operate on the market for goods and services, offering the same or similar products and services to customers. Increasing intensity of competition creates enormous pressure to increase the quality of products and services and at the same time to decrease prices of offered products, which creates strong pressure to manage performance and risks in SMEs. Enterprise competitiveness should be seen as a multidimensional and heterogeneous process (Ceptureanu, 2015), which is the result of the action of numerous external factors such as direct competitors, customers, suppliers and internal factors (management, financial and human resources). Highly dynamic nature at times and determine the competitive position of a company compared to its competitors (Ahmedova, 2015). Enterprise competitiveness can manifest itself in the following areas, such as product quality competitiveness, price competition, competition in management and production processes (Taçoğlu, Ceylan, & Kazancoglu, 2019).

LeRoux and Bengesi (2014) define competitive aggressiveness as a company's capacity to swiftly and vehemently confront its rivals and exceed them in the market in order to maintain or achieve a competitive position. Because it displays a desire to compete in an innovative way and to defend one's market positions by challenging competitors, competitive aggressiveness serves to sustain growth. In addition, they stressed that fierce competition is necessary to maintain a competitive market position given that SMEs compete in a fast changing and fiercely competitive global environment that is accompanied by changes in customer preferences. According to the data below, competitive aggression can be seen as a strategy for coping with intense competition and a sensible response to both present and future competitive

threats. According to Ejdys (2016), competitive aggression refers to how businesses approach rivals and react to market changes and customer demands relating to rivals.

In a manner similar to this, a company may behave aggressively when sharply lowering its price in an effort to increase market penetration or even to create a monopoly on a particular product. Small businesses also need to be more aggressive to outperform the competition because they are less susceptible to changes in the market in order to build a safety net for their survival. Moss, Neubaum, and Meyskens (2015) find that microenterprises are more likely to receive bank funding if they can show improved competitive aggression. This is because of a market signaling method. It follows that if banks learn that a company is competitive, they may be able to boost the level of corporate financing.

The more actions a firm takes with the greater speed execution, the netter is the profitability and bigger the market shares (Sonja, 2017). Market share represents the percentage of an industry, or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales of the industry over the same period. This metric is used to give a general idea of the size of a company in relation to its market and its competitors (Investopedia). Investors and analyst monitor increases and decreases in market share carefully, because this can be a sign of the relative competitiveness of the company's products or services (Investopedia). If our competitors are less and the market share belongs majorly to us, then we need defensive marketing strategies. Companies increase market share through innovation, strengthening customer relationships, smart hiring practices, and acquiring competitors (Kramer, 2019).

According to Harijanto, Bilge, and Ojunlana (2015), competitive aggressiveness is seen as a company's attempt to outperform its competitors directly and passionately. Competitive aggressiveness is characterized by reacting or reacting to competitors' actions, as well as exploiting the company's power over its competitors. A competitively aggressive company constantly assesses the health of its competitors; in this way, competitors' weaknesses can be identified and own strengths can be presented. More and more opportunities for business success can be obtained.

Competitive aggressiveness translates into practical aspects such as: Competing aggressively on price, introducing innovative products that outperform competitors' products, catching up with competitors in the market, and providing unique surprises in the market. Similar to avoidance, competitive aggression is the propensity to challenge rivals directly and aggressively rather than try to avoid them. Price reductions and more marketing, quality, and production budget expenditures are examples of aggressive actions. The likelihood that a company will be asked to take part in alliances and joint ventures might be negatively impacted by developing a reputation for being aggressively competitive. Therefore, executives need to be cautious about taking competitive moves that eliminate chances for future collaboration (Creative Commons, 2016).

2.3.4. Risk-Taking

People are generally risk-averse. However, when an individual is in a state of loss, risk-taking becomes a motivational necessity (Seymour, Maruyama & De Martino, 2015; Herman, Critchley, & Duka, 2018), meaning that the loss by taking more risks in the subsequent opportunities. In other words, people become more risk-taking following prior loss experience. Some indirect evidence from emotional research indicated that negative experiences (such as losses) promoted risk-taking (Schneider, Kauffman & Ranieri, 2016; Ferrel, Maclay, Zou, Lee, Wildschut & Sedikides, 2019).

The level of financial risk must be assessed in terms of the risk performance in a company towards a successful financial risk management decision because risk is considered an integral part of a company’s business (Olah, Kovacs, Virglerova, Lanker, Kavocova & Popp, 2019). Financial risk is one of the main threats to an SME business (Yang, 2017). Difficulties in business financing and lack of funds are most of the common symptoms of SME financial risk (Bosma, Content, Sander & Stam, 2018) because most of the operation of the company is financed by the capital of owners or managers themselves. This may result in the increase of operating cost and corporate debt, and debt repayment problems and consequently high financial risk. Access to finance is likely to improve the quality of a business environment by leading firms towards a more productive scope of business. Kort (2017) asserts that

successful leaders and entrepreneurs who are comfortable risk-takers have developed a mindset around risk taking and a process by which to manage their risk in order to manage their emotions about the unknown, reap the benefits and maximize their returns when they take on risks to progress and grow. One of the entrepreneur's personality traits is risk-taking. A risk situation occurs when you are required to make a choice between two or more alternatives whose potential outcomes are not known and must be subjectively evaluated. People are constantly involved in taking calculated business risk because they want to be successful. Entrepreneurs secure on risk-taking than do non-entrepreneurs. An average person remains average because he likes to remain average in a comfort zone with least amount of risks but risk-taker thinks differently. This is because risk-taking is essential for the success and growth of a business which is based on how entrepreneurs perceive and manage the risks in their environment (Asenge, Diaka, & Soom, 2018).

Wolf (2016) mentioned that the risks which fall in the category of accounting risk include the ability of the organization to make use of its cash flow to settle debt obligations. It makes it clear that organizations that have increased cash flow through debt financing are likely to face more accounting risk. It is integral to understand that insurable risks are those which can be identified within a policy framework such as the assets and the resources of the organization. Within the sphere of accounting, risk is deeply and logically assessed and interpreted to help organizations understand the possible losses and profits to be incurred (Ojeka, Adegboye, Alabi, Afolabi & Iyoha, 2019). Researchers including Wolf (2016) and Kerraous (2018) through their ground work on aspect of risk-taking and management continue to recommend organizations to feel confident in the aspect of risk-taking. Such a recommendation is made on the basis that organizations will find many options to opt when they are working within expansion. Eventually, firms have to expand and follow the global protocols of business in order to remain profitable. Risk-taking in accounting is considered as a step towards growth. In order to make it much understandable, risks are rather defined in various types to help firms. In that case, Idowu and Mara (2019) explain that internal risks can be directly associated with the business risk which is normally in the shape of human error or negligence. For that matter, organizations make use of

models and frameworks which include protocols or standard of procedures ensuring that such errors are not repeated.

Woodcraft (2015) asserts that social sustainability as a concept of risk-taking is a process for creating sustainably, successful places that promote wellbeing, understanding what people need from the places in which they live and work. Social sustainability encompasses the notion of equity, empowerment, accessibility, participation, sharing, cultural identity, and institutional stability (Sigh, Chakroborty & Roy, 2016). Wonamaker (2018) also states that it is a process of framework that promotes wellbeing within an organization's own members while also supporting the ability of future generations to maintain a healthy community. According to Mautura (2018) entrepreneurship and risk-taking mindset are not two different things. Every entrepreneur is a natural risk-taker, because playing secure is not the character of an entrepreneur. An entrepreneur takes these risks which an average person would simply refuse to take. This is because he operates between opportunities, and to exploit it.

A perceived psychological climate factor that fosters employee's willingness to take risk in the workplace, psychological safety has been argued to promote risky behavior such as innovation (Leung, Deng, Wang & Zhou, 2015; Agarwal & Farndale, 2017; Newman, Donohne & Eva, 2017). Innovative work behavior involves employees breaking the status quo, challenging traditional working methods, and creating novel ideas (Shanker, Bhanugopan, Van der Heijden & Farrell, 2017; Woods, Mustafa, Anderson & Sayer, 2017). Conceptualization of error risk-taking as a general attitude toward errors at work, we define error risk-taking as an employee attitude, and in particular, employee readiness and behavioral tendency to make decisions and take actions to accomplish task goals despite the possibility that they might commit errors during the process. Innovation inherently involves exploration in uncertainty, which can result in many mistakes and errors (Lei, Zaveh & Novikov, 2016). Moreover, we argue that organizational innovation climate perceptions, as a key contingency factor, are crucial to ensure that error risk-taking results in innovative workplace behavior. Perceived organizational innovation climate refers to perceptions of individual employee of the degree to which an

organization's policies and practices support and encourage employees' innovative initiative and effort (Newman, Round, Wang & Mount, 2020).

2.3.5 Networking Skills

Networking is defined as the extent of entrepreneur's relationships cultivation with external entities that affects a firm's competitive advantage and performance (Su, Xie, & Wang, 2015). Entrepreneurs rely on networking in order to generate connections to potential new clients or business partners through their social ties to the other members in their same group (Abraham, 2020). Networking provides access to financial and non-financial resources and helps entrepreneurs to leverage their resources in usable forms that provide sustainable competitive advantage (Anwar and Shah, 2020). Moreover, networking is considered a critical component of social capital within entrepreneurial ecosystems (Spigel, 2017). Social capital is created and maintained by networks. In addition, women entrepreneurs do not participate in networking with the same intensity that their male counterparts do (Manello, Cisi, Devicienti, & Vannoni, 2019; Ozkazanc-Pan & Muntean, 2018) due to limited self-confidence, discrimination issues, a perceived lack of competence relative to men and time and effort concerns regarding their progress within networking activities (Banihani, 2020). However, based on Friebel et al.'s (2017) argue that women's networking appears more stable, path-dependent, and exhibits strong and less opportunistic-oriented links, compared to that of men.

Effective communication skills for entrepreneurs may include active listening, using clear and concise language, and collaborative relationship building, (Dimitriadis & Konning, 2022). Entrepreneurs must be able to communicate their vision for a possible future in a way that is easily understood while also adapting their communication style to different audiences and situations (Manning & Bejarano, 2017). These findings underscore the influence that communication skills are likely to have on a broad range of entrepreneurial engagements such as pitching, collaborative problem-solving, networking, sales, among other engagements (Hassan, Khan & Nabi, 2017). There is agreement that entrepreneurs who lack effective communication skills are more susceptible to critical obstacles that have the

power to make or break a fledging venture and may never attain their true business potential (Ji, Chen & Men, 2022). Communication and its value to individuals in business has typically been predominantly examined within large and well-established organizations. This leaves a significant gap in the body of knowledge that examines the role of communication in the individuals' entrepreneurial journey, as well as what communication skills entrepreneurs need to overcome the unique obstacles start up face. Unlike traditional, reputed businesses which have already established a brand identity and distinct core competencies, entrepreneur face unique challenges due to the nature of the start up environment; an environment characterized by ambiguity, fierce competition, intense demands, and unanticipated challenges (Men, 2021; Men, Qin & Mitsong, 2021).

The firms' access to a potential market location is put forward by the network (Brekke, 2015). Hence, network capability is a development activity that allows firms to develop, manage, and harness opportunities via healthy connections and relationships (Vesalainen & Hakala, 2014). These networks, connections, and relationships correlated to the performance enhancement by helping firms mitigate the parochial barriers. Current literature uses different terms to describe it, such as entrepreneurial business networks, business networks, and entrepreneur network capability. The researcher argues that establishing network capability is beneficial for firms and correlates it with enhanced firm performance (Abbas, Raza, Nurunnabi, Minai, & Bano, 2019; Shu Ren, & Zheng, 2018). It is regarded as a firm's ability to induct, establish, and utilize internal and external organizational relationships (Zacca, Dayan, & Ahrens, 2015). The network capability is crucial for firms, especially for entrepreneurial SMEs, as it provides substantial assistance in establishing new and current business processes. Network capability bolsters SMEs' businesses at every stage to attain sustainable growth (Anser, Yousaf, Usman, Yousaf, Fatima, Hussain, & Waheed, 2020; Ferguson, Schattke, & Paulin, 2016).

These networks, connections, and relationships allow firms access to scarce opportunities, resources, and knowledge. Especially, networks are crucial in the context of SMEs to overcome the resource and size limitation (Acosta, Crespo, & Agudo, 2018; Cenamor, Parida, & Wincent, 2019). Network capability is referred to

as organization capacity to form and use the social relationship to get access to various resources. It is a dynamic capability that aligns organizations' internal competencies with the external market environment (Battistella, De Toni, De Zan, & Pessot, 2017). Prior research finds that network capability enables firms to identify opportunities, access resources, and enhance dynamism (Knight & Liesch, 2016). This is why building network capability is essential for entrepreneurial SMEs' success and survival (Parida & Örtqvist, 2015). It facilitates entrepreneurial SMEs' performance by enhancing knowledge management, cost control, innovativeness, reputation, and organization sensing (Abbas, Mahmood et al., 2019; Lin & Lin, 2016).

Small and micro enterprises technology-based businesses will gain many benefits through business networking. They will gain new knowledge and information related to the products and services that they provide through business networking with their customers and suppliers (Zane & Decolis, 2016). The acquisition for resources is more critical to small technology-based firms because the resources that they need might be more specialized and scarcer. Therefore, a close relationship with their networks such as the suppliers and financial providers will help them acquire financial, manpower and raw materials much easier (Lee & Donna, 2016). Networking can be an important source of information for a firm to gain competitive advantage (Naudé, Zaefarian, Najafi Tavani, Neghabi, & Zaefarian, 2014). Moreover, business networking benefits small businesses through resource acquisition which are needed for their sustainability (Grandy, 2015).

The firm's capacity to acquire and deploy knowledge is crucial for their success and competitiveness (Abbas, Zhang, Hussein, Akram, Afag & Shad 2020; Le & Lei, 2019). In this regard, organizations relationships, business networks, and connections with stakeholders (other organizations, financial institutions, and government institutions) play a significant role in acquiring source of knowledge and resources (Abbas, Raza, Nurunnabi, Minai & Bano, 2019; Zhang, Wang, Zhao & Pawar, 2019). Moreover, entrepreneurial SMEs struggle because of rapid technological development, continuous changing market environment, and shorter product life cycles (Zhang & Merchant, 2020). Accordingly, these links and connections are

crucial to create knowledge and exchange information to identify potential opportunities and threats and serve benefits (Ardito & Dangelico, 2018; Parker, 2018). Business networks, relationships and connections are multifarious in nature, enabling firms to work competitively to achieve common strategic goals (Helfat & Campo-Rembado, 2016). The firms' access to a potential market location is put forward by the network (Brekke, 2015).

2.3.6 Growth of Youth SMEs

Sakari (2015) viewed growth as an increase in amount, number or size. Growth is often measured in terms of turnover and profit, but can also occur in knowledge, in human experience, and in efficiency and quality (Elumeh, Shobayo, & Akinleye, 2016). Thus, successful routines which have been producing growth in the past would likely to continue in producing growth in the future. The interrelation of profitability and growth is illustrated by the fact that a basic operating principle is that growth can best be evaluated by examining profit and total sales. It is important that all firms must remember the need to maintain a balance between profitability and growth since it is crucial for any business to grow as well as be profitable in order to sustain and stay relevant in the marketplace (Chowdhry, 2016).

Small and medium enterprises in a country play a very key role in its economic development. They generate many more jobs in a country than the government and large firms. They however have numerous impediments to growth particularly at their initial stages (Kumar, 2016). Small and medium enterprises in Kenya and Africa as a whole rarely survive to beyond their third birthday. This is because factors such as limited or no access to finance cripples their growth (Woldie, Leighton & Adesua, 2018). These enterprises suffer certain setbacks to their growth occasioned by lack of finances. In many countries of the world, financial institutions charge SMEs higher interest rates on loans and demand high value collaterals for the loans because they are seen as high-risk borrowers. This acts as an impediment to their growth. The sales these SMEs make act as indicators of how well the company is doing (Bouazza, Ardjouman & Abada, 2015). Thus, increase in total sales volume, production volume, use of raw materials, power and more personnel are indicators of

growth (Yeboah, 2015). Profits too have an effect on growth of a company. According to a research conducted by Michalowicz (2017) for manufacturing concerns, the gross profit is the difference between the net sales and the cost of goods sold. This means, all the revenue from the sales minus the cost 40 of production, transport (if any to the market) and any other cost to the producer amounts to the profit made from the sales.

An organization's strategy is greatly influenced by its financial situation, the competition, and even governmental rules. Market entry, market growth, product diversification, market expansion, and acquisition are a few typical firm growth tactics. Growth demonstrates a company's willingness to enter a market, engage in head-to-head competition with competitors, or to strengthen its position by outperforming them. The incentives for and strategies for implementing growth through proactive entrepreneurial actions and decision-making processes are referred to as the new stream of growth (Marta & Richter, 2015). Growing businesses are successful ones. Growth carries a variety of meanings. It can be explained in terms of revenue, value creation, and business volume expansion. It can also be measured in terms of qualitative traits like competitive advantage, superiority of the offering, and consumer satisfaction. As was already established, business expansion is a crucial sign of success. There are numerous elements that affect a business's growth and set it apart from one that isn't expanding, including the traits of the entrepreneur and availability to resources like capital and people. It is important to note that decisions made by business owners about where to grow domestically or abroad and how to grow internally or outside impact how an organization will grow. Profitability is the main goal or any business venture without which a company cannot ultimately survive. It is measured by revenues and expenses, where revenue is the money generated by the company's activities. Growth from an organizational standpoint is correlated with how effectively an organization is managed and with the value that an organization or business offers to clients and other stakeholders (Lorunka, 2016).

2.4 Empirical Literature Review

Any study that draws its results solely from verifiable, concrete empirical evidence is said to be conducting empirical research. In order to address a particular research issue, an empirical literature review, sometimes referred to as a systematic literature review, examines prior empirical studies. In this study, the review of literature on entrepreneurial orientation (innovativeness, competitive aggressiveness, proactiveness, risk-taking, and networking skills) were discussed in this section.

2.4.1 Innovativeness

A study by Yaser and Mohammand (2022) examines the impact of entrepreneurial dimensions on students' intentions to start new businesses in Saudi universities. Results showed a strong relationship between entrepreneurial intention and greater autonomy, innovativeness, risk-taking and proactiveness. Their findings were found to be important because they shed new light on the factors that shape future entrepreneurs thereby making a significant theoretical contribution to the literature on entrepreneurial orientation particularly in the context of university business students. Innovation was found to be important in enhancing global competitiveness. A study by Ricardo, Ernesto and Jacobo (2016) was conducted on balanced scorecard (BSC) in SMEs effects on innovation and financial performance. They investigated the effects of SME's use of BSC in terms of financial performance and innovation outcomes. Their arguments were based on the efficiency gains and potential flexibility losses associated with formalizing managerial practices in SMEs. Based on a survey of 201 SMEs in Spain, they found that firms using balanced scorecard for feedforward control obtained better financial performance and presented higher levels of exploitative innovation. Dana, Viera, Anna and Monika (2018) also conducted a study based on innovation activities of gazelles business services as a factor of sustainable growth in the Slovak republic. They observed that gazelles of business services in the Slovak republic intensely use all types of innovation. Management ability to optimize innovative processes according to needs of the enterprise seem to be of importance. Human resources and performance were considered to be the most important area of innovation influence. They further found

that the human resource with its innovative activity acts as an accelerator of economy and changes in the thinking and culture of both enterprises, as well as the whole company toward sustainable growth.

A local study on the impact of this kind of innovation on the growth of SMEs in Kenya was conducted by Ndalira, Ngugi, and Chepkulei (2013). The study takes a thorough look at the various innovations used by SMEs in Kenya and how they have affected the growth of businesses engaged in clothing manufacturing in the Nairobi District. The survey found that the majority of respondents had made recent changes to their product, process or service technology. The majority of respondents, according to the results, thought that technological innovation increased sales by luring in new clients. The findings also revealed a positive correlation between technological innovation and other types of innovation used by garment SMEs in the Jericho Market, such as business expansion.

The goal of this study is to identify a link between entrepreneurial management, service excellence in new businesses, and the abilities that young entrepreneurs develop via their ventures. Education level does not directly affect a company's capacity to introduce new goods and services into existing markets. According to a 2010 OECD study, convergent skills and knowledge-intensive advanced abilities are more crucial for innovation than core competences. In order to analyse the factors influencing the success of motor vehicle repair businesses, Mugambi and Karugu (2017) focused on businesses that are members of the Kenya motor vehicle repairer's organization (KEMRA). One of the main objectives of their study was to investigate how innovation affected the performance of Association of Kenya Motor Vehicle Repairs members in Nairobi's industrial sector. The study found that while entrepreneurial management and competencies, entrepreneurial marketing strategies, and business financing all had a substantial impact on the performance of motor vehicle repair enterprises, innovativeness had the least impact.

The main subject of Kiende, Mukulu, and Odhiambo's (2019) study is how the success of small- and medium-sized female-led businesses in Kenya is impacted by strategic innovation. The objective is to determine how organizational innovation

impacts the performance of small and medium-sized enterprises owned and operated by women in Kenya. The study's findings demonstrate that organizational innovation significantly and favourably impacts the success of women-owned businesses in Kenya. The funding further demonstrates how the company's strategic innovation has aided in the development of new, more profitable markets. This study concludes that a favourable external environment, such as appropriate legislation, business-friendly policy climate and others can improve the performance of SMEs. Last but not least, her research advises that these women-led businesses constantly search for more effective strategic innovations to conduct business that lower costs and enhance services.

In the Bungoma District of Kenya, Nyatochi (2018) performed study on entrepreneurship education and the effectiveness of micro and small companies run by young people. The goal of the study was to ascertain how the performance of young people's micro and small businesses in the Bungoma District was impacted by entrepreneurship education. Most young people in Bungoma District who received training in financial budgeting, accounting, costing, and commodity pricing saw a significant improvement in the performance of their small and micro businesses. Additionally, this research found that the performance of youth-owned micro and small businesses in Bungoma District was impacted by new strategic marketing innovations and manufacturing product advancements. The research recommended that innovations and mentorship programs that are adopted by mentor in social support groups should consider embracing frequent entrepreneurial training, implemented in periodic phases to help in monitoring the entrepreneurs who are participating and that formal education needs to be tailored towards learner acquiring skills that are related to entrepreneurial activities.

2.4.2 Proactiveness

A study by Hughes and Morgan (2007) in United Kingdom on automotive companies measures proactivity based on taking initiative, recognizing opportunities, and taking actions that are responded to by other companies. They discovered that being proactive benefited both the growth of their products and their consumer base.

Based on their findings, they go on to say that proactive conduct is crucial for assuring future success in emerging organizations, where it plays a significant impact. According to the report, being proactive enables businesses to foresee market developments and take appropriate action, giving them a substantial advantage in determining how the market will compete over time. Better growth results as a result of this.

Lumpkin and Dess (2001) examined the effect of proactiveness on business success in American single-product firms in a different study. The survey measures a company's propensity to lead rather than follow in the creation of new practices and technologies, the introduction of novel products and services, and the propensity to foresee changes and future demands. The growth was operationalized using sales growth, return on sales, and the company's performance during the past three years in contrast to its rivals. They found that being proactive has a favorable impact on every act of progress. Additionally, the authors found that the positive effect was more noticeable in the early stages of the product, demonstrating the need of being proactive, especially during the stages of product introduction and growth. Additionally, they discovered that growth proactivity had a favorable relationship in hostile environments as well as in dynamic business environments.

Atsu (2021) conducted research on the effects of entrepreneurial activities on competitive advantage and the success of small enterprises in Kenya's Molo District. This study aims to fill this information vacuum by looking at how entrepreneurial activity affects small enterprises' ability to compete and productivity in Molo District, Kenya. The findings indicated that the majority of small-scale potato farmers exhibited typical entrepreneurial behavior. The results show that risk taking, proactivity, innovation, information seeking, cosmopolitanism, and decision-making abilities are more likely to influence the exploitation of potatoes and small brokers.

Bosire, Namusonge, and Nyang'au (2021) did a study to try and ascertain the effect of entrepreneurship on the performance of young people-led micro and small businesses in the Nyanza area of Kenya. The findings indicate that young entrepreneurs' ideas have not been successfully supported, which may be a

contributing factor to the underwhelming performance of their businesses. Young people-run enterprises in the Nyanza region have performed significantly better when they are proactive. The results of the study show that being proactive is an essential element of entrepreneurial strategy that influences the success of youth-led businesses in Kenya's Nyanza region. Based on these conclusions, the study advises young business owners in Kenya's Nyanza region to take advantage of any possibilities that present themselves in order to increase the revenue from their operations.

2.4.3 Competitive Aggressiveness

Antonio (2015) studied how fierce competition affects the expansion of retailers. As one of their independent variables, this study focuses on motivation and strategic direction. According to the findings, both medium-sized and large-sized organizations experience the same positive and significant effects of intense rivalry on business growth. This study encourages managers to take a more aggressive stance in the competitive dynamics of the retail market and adds to the body of knowledge on the aggressive competitiveness of retail firms both conceptually and practically.

Additionally, research by Kljucnikov and Belas (2015) on the necessity of taking risks and being competitively combative in the management of SMEs attempts to characterize these concepts as aspects. This enables them to compare disparities in employers' entrepreneur age, company size, gender, and level of education. Therefore, since men and more highly educated managers are more likely to take initiative, implement riskier projects, and be aggressive towards competitors, entrepreneurial-oriented company management should involve these types of team members to formulate riskier and more competitive strategies. risky. Companies that have been in business for more than ten years have a risk-taking mindset, a need for danger, and aggressive behavior against rivals. Additionally, Oigboje (2018) studied the profitability and aggression of the hotel industry in Nigeria's Port Harcourt. The findings demonstrate a substantial positive association between competitive aggression and the profitability of hotel enterprises in Port Harcourt.

A study by Olila (2017) aims to identify the impact of entrepreneurship on the development of businesses belonging to young people registered in the Kibera slum area of Nairobi District, Kenya. The study's findings showed that taking risks has a significant impact on the growth of legally registered youth-led businesses. Other aspects of entrepreneurial orientation, like competitive aggressiveness and autonomy, also had a significant impact on the growth of registered youth-led businesses. Based on the findings, it is recommended that the government take certain initiatives to protect the upcoming youth led enterprises from unfair competition in the market place. In order to gain a sustainable competitive advantage in the various markets in which they operate, it was also advised that aspiring young entrepreneurs must actively engage in a variety of entrepreneurial orientations, including risk-taking, proactiveness, competitive aggressiveness, autonomy, and innovativeness.

In his research, Kimuru (2018) aims to look into the factors that contribute to the expansion of micro and small companies run by young people in Kenya. For the development of youth-owned MMEs in Kenya, this study focuses on the independent variables of startup capital, the legal and regulatory environment, market access, and technological adoption. The findings demonstrate that MSP faces fierce competition across all of its business verticals. According to the poll, competition is a problem for most MFIs. According to the study's findings, a significant difficulty for young people's MMPs is the transition in technology.

In his research, Akwalu (2017) studied variables determining the success of young people's small and medium-sized businesses in Kenya's Tharaka-niti County's Maara Sub-County. According to the study's findings, entrepreneurship training, financial availability, market accessibility, and business competition all have an impact on how well young people-owned enterprises operate. The study also found that because it has an impact on a company's capacity to pay its operating expenses, business competition influences the success of young firms.

A study by Musyoki (2016) attempted to examine the factors that influence the performance of youth-owned businesses in Mwingi Municipality, Kitui District. The research revolved around four objectives namely education and training, credit

access, business association and enterprise competition. On enterprise competition, the study found that young entrepreneurs were facing a lot of competition. According to his report, most respondents 45% said that business competition influenced to a great extent on business performance.

Additionally, a study conducted in 2016 by Wekesa and Wainaina aims to investigate how entrepreneurial traits affect the performance of non-timber SMEs in Kenya. The findings demonstrate that entrepreneurial traits including age, management aptitude, professional experience, and interpersonal skills have a significant impact on firm performance. As a result, it can be said that there is an empirical relationship between the entrepreneurial traits and performance of non-forestry-based SMEs. Businesses led by relatively inexperienced, skilled, and experienced entrepreneurs do better. To improve their competitiveness and performance, small and medium-sized businesses that produce non-timber goods must align their strategic decisions with the traits of the owner/manager.

Njuguna (2016) performed research on how strategic management decisions affect young enterprises' ability to compete in Kenya. This study intends to expand and consolidate the body of existing knowledge on the ideas of collaborative networking, innovation, product diversification, and business development services in order to promote the competitive advantage of developing enterprises. The findings demonstrate that youth businesses in Kenya frequently make strategic decisions to strengthen their competitive edge. The study's findings demonstrate a significant positive association between young entrepreneurs' competitive advantage in Kenya and the diversification and growth of service enterprises.

2.4.4 Risk-Taking

A study by Olawoye, Namusonge and Muturi (2016) examined the role of risk-taking on performance of firms on Nigerian stock exchange. The study took critical interest in the contents of a number of studies which concluded that among Nigerian managers, lack of innovation and proactiveness, aggressiveness, aversion to risk-taking, which are critical factors to growth of SMEs, were found to be high in 2007. The result of panel analysis of the relationship between entrepreneurial orientation

dimension risk-taking, and performance of firms listed on Nigerian stock exchange, with returns on asset and return on equity. Risk-taking was found to have negative relationships with both return on assets and return on equity. Chelimo (2019) conducted a research study on the influence of financial risk on performance of youth owned small and medium enterprises in Baringo North sub-county, Kenya. The findings revealed positive significance influence of financial risk, market risk and psychological risk. The study concluded that financial risk greatly affects performance of youth owned SMEs but effects of social risk and psychological risk were minimal. Wambugu, Gichira, Wanjau and Mung'atu (2015) conducted a study on the relationship between risk-taking and performance of small and medium agro processing enterprises in Kenya. They stated that the element of risk-taking in entrepreneurial orientation reflect calculated and manageable risks. They further specified that risk-taking is a dominant attribute of entrepreneurship as the higher the risk-taking orientation, the higher a firm's profitability and growth. Therefore, the study findings revealed that brisk-taking has a positive impact on firm performance of agro processing SMEs in Kenya. A study by Torois (2014) on the effect of entrepreneurs' risk preference on organization efficacy of small and medium enterprise in Kenya found that entrepreneurs' risk preference positively and significantly affect organization efficacy. Similarly, the study showed that entrepreneurs' risk preference is an important factor of organization efficacy and therefore concluded that entrepreneurs' risk preference is important in determining efficacy in management of small firms. Njiru (2018) further conducted a research study on organizational micro level determinants of survival of youth owned micro and small enterprises in Nyeri county, Kenya. The study sought to evaluate the micro level determinants of survival and success of youth owned MSEs. Risk-taking propensity of the entrepreneur was found to affect the survival of enterprise to a great extent. Another study by Mburu, Gichira and Kyalo (2017) seeks to establish the effect of risk-taking and performance of small and medium family-owned enterprises performance in Kenya. Results of the study revealed positive and significant relationship between risk-taking and family-owned enterprise performance.

2.4.5 Networking Skills

Obiero (2018) conducted a study on the role of social networks on the performance of women owned small and medium enterprises in Migori county, Kenya. The study findings came up with conclusions; that social network diversity is positively correlated with performance of women owned small and medium enterprises in Migori county; that woman uses social network strength mostly for strategy analysis, objective analysis, and problem analysis; and finally concluded that structure describes level of closeness or ties existing within a social group among the members, which could be assessed by the frequency of their meetings or interactions. A research study conducted by Kariuki (2020) wanted to find out the moderating effect of social media on relationship between entrepreneurial networking and performance of youth owned agro processing SMEs in Kenya. The study revealed that entrepreneurship networking has a significant effect on the performance of the agro processing SMEs owned by youths. Wanambisi (2022) conducted a research study on entrepreneur networking and growth of small and medium enterprises in Kenya. Entrepreneurial networking was found to have positive significant influence on growth of small and medium enterprises in Kenya.

2.4.6 Growth of Youth Enterprises

Miano and Bett (2018) conducted research to examine entrepreneurial skills for youth business growth in the Manyatta constituency, Embu District, Kenya. Their research examines factors like project orientation, marketing prowess, and financial orientation and how they affect the development of youth businesses in the Manyatta Constituency of the Embu District. The findings to the study show that these skills are of paramount importance since they help youth entrepreneurs to keep financial records, plan, draw strategies, monitor and evaluate projects.

An investigation into how entrepreneurial approach affects the development of particular small and medium-sized businesses in Ogun State, Nigeria, by Aroyeun, Adefulu, and Asikhia (2019). The study came to the conclusion that SMEs in Ogun State, Nigeria, grow as a result of their entrepreneurial attitude. In this sector, entrepreneurs must regard themselves as essential to the expansion of their

companies. Therefore, SMEs are recommended to adopt the dimensions of innovative capabilities, risk taking and entrepreneurial autonomy to enhance business growth.

2.5 Critique of Existing Literature Relevant to the Study

A lot of literature exists on the subject of youth entrepreneurship and enterprise growth. The literature suggests that it's important for the young people to engage in entrepreneurship activities in order to eradicate unemployment. The researcher also found on the multiple variables affecting youth owned enterprises development and growth. There have been several researches in this region. Research by Akwalu (2014) investigated factor affecting youth owned enterprises growth in Tharaka Nithi County. This on the multiple variables affecting youth-owned enterprises' development and growth. There have been several researches in this region. This study did not however look into factors like business process management and motivation.

Makubo (2015) examines the factors that influence the growth of small businesses owned by young people in the East District Kuria. However, he only investigated factors such as entrepreneurial skills, security and access to information and did not look into factors such as business associations, credit accessibility, business competition and education and training. The business environment, entrepreneur qualities, enterprise characteristics, and social networks were some of the things she examined. The factors influencing the success of micro and small companies run by young entrepreneurs are the subject of yet another study by Osogo (2011). This study also limited itself to the knowledge and skills, technology development, access to markets and access to capital.

A study by Naikuru (2017) looks at the aspects that contribute to the expansion of youth-run micro and small agribusinesses in the Kiambu District. The study is only concerned with marketing tactics, available resources, corporate traits, and entrepreneurial traits. Nyokabi (2019) looks at the factors that contribute to the expansion of young people starting businesses in the Kiambu District. As a result, elements including entrepreneurial skills, technology capital, structural capital, and

human capital are considered. She didn't employ things like motivation and creativity. Omondi and Jagongo's (2018) study focused on the microfinance industry and the financial development of young, SMEs in Kisumu County. They investigated factor such as credit facilities, savings mobilization, financial skills training and role modelling. In addition, a study by Kithae (2014) examined how the use of technology affected the expansion of young MSEs in Makueni County. He looked at things including the capacity to obtain a solid business site, adequate technology, quality improvement, and financial resource management.

2.6 Summary

Literature supports that many young entrepreneurs have to practice their talents and knowledge acquired from support agencies to add more value to their esteemed customers. The implementation of new ideas, the individual’s desire for significant accomplishment, mastering of skills so as to attain challenging goals, all these results to the level of service delivery among youth SMEs. Whether innovativeness, proactiveness, competitive aggressiveness, risk-taking and networking skills influence the growth of youth-owned businesses in Kenya is an open question. The lack of information about the benefits of these factors at the youth enterprise service level in Kenya is undesirable because young entrepreneurs, policy makers and other stakeholders need such evidence if they are to support youth entrepreneurship programmes. This study aims to contribute to the knowledge base by examining the impact of entrepreneurial orientation and business growth owned by young people in Kenya.

2.7 Research Gaps

Many analysts who study corporate growth in youth-driven initiatives tend to focus on the different conditions that existed at a particular point in their research. A study undertaken in Kisii Town focused on the variables influencing youth-owned SMEs ' economic growth that have distinct features with Nairobi. Another research was conducted in Kilungu District focusing on the variables affecting young people to begin small-scale companies. The research was conducted in a rural set up and more so the study was different from influence of entrepreneurial training on business

growth of SMES among youth driven initiatives. Similar to this, a study was conducted in Kikuyu, Kiambu County, with the aim of identifying the variables influencing the expansion of young microbusinesses.

This study was confined to seven counties namely Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo, Kisii and to the SME manufacturing, trade and service business segments. As a result, the results might not apply to other industries. Future research may incorporate other components for directional explanation since the study only looked at counties with GDP growth below 2%. Therefore, this study aims to close the relevant gaps in the literature by examining specific independent variables on the impact of entrepreneurial orientation and youth-led initiative SMEs growth in Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the techniques and strategies utilized to gather the information needed to address the study's research objectives and test the hypotheses that were developed for it. The purpose of the hypothesis test was to determine if entrepreneurial orientation have an effect on the growth of young-owned small businesses in Kenya. Further research was conducted on one of the hypotheses to determine whether networking skills, in addition to the other four, could influence the association between entrepreneurial orientation and growth of youth-owned enterprises. This chapter covers the target audience, sample size, sampling methodologies, research tools, data collection methods, and data analysis.

3.2 Research Design

Research design is described as a blueprint for the research process by Copper and Schindler (2014). It outlines the exact technical steps required to do research; among other specific responsibilities, it decides how the researcher will handle sample selection, the data collection tools to be used, and research methodologies. On the other hand, Cox and Hassard (2010) define research design as a distinct framework for conducting scientific research. This study chooses a descriptive research approach that involves direct examination, analysis, and description of specific occurrences with the least number of unsubstantiated assumptions as feasible in order to portray the findings as plainly as possible (Copper & Schindler, 2014). According to Saunders, Lewis, and Thornhill (2009), the goal of a descriptive design is to capture the phenomenon under study in its natural state, without the researcher's involvement. The researcher selected this method because it could assist him pinpoint the traits of the study population and their relationships. The study used a cross-sectional survey to collect primary data from the target population who were youth-owned SMEs. A descriptive research design is judged appropriate for this study since it seeks to understand how entrepreneurial orientation impact the growth

of youth-owned firms. The entrepreneurial orientation of young entrepreneurs at the time of data collection and their current status are described. The respondents' characteristics were documented and studied in the field without manipulation.

3.2.1 Research Philosophy

The formation of research assumptions, their knowledge, and their nature can all be referred to as research philosophy. The assumption, which is perceived as a provisional statement of reasoning, is actually based on the information and insights that the philosophizing person has acquired via intellectual activity. This suggests that varied assumptions about the nature of truth and knowledge, as well as their methods of acquisition, may be held by numerous scholars. To put it another way, fundamental research involves selecting research methodologies, formulating research problems, and acquiring, processing, and analyzing data. Techniques, ontology, and epistemological approach make form the scientific research paradigm (Pranas, Jolita & Regina, 2018). A research philosophy is a point of view on the most effective ways to obtain, examine, and use data pertaining to specific phenomena. The term "epistemology" denotes what is accepted as true, as opposed to the term "doxology," which refers to what is believed to be true (Gillers, 1991).

Ontology is the study of what is, of the sorts, and the structures of objects. It is a subfield of philosophy. Ontology, to put it simply, looks for ways to explain and clarify entities. The focus of ontology is the investigation's goal or focus (Grix, 2002). The study of knowledge, or epistemology, is the second subfield. The validity, scope, and techniques of knowledge acquisition are all topics covered by epistemology. One of these subjects is how to define a knowledge claim. Another is how to produce knowledge. A third is how to gauge the degree of transferability. Because it influences how researchers construct their studies in an effort to learn more, epistemology is important (Katie & Deborah, 2017).

By choosing positivism, researchers are able to gather factual evidence that is founded on values and knowledge gained via personal experience and direct observation. It has been empirically assessed using statistical analysis, quantitative techniques, and generalization to enable statistical justification of causal links

(Saunders, Lew Thornhill, 2007). Therefore, positivism allows hypothesis testing using quantitative techniques. The positivist philosophy that underpins this study advocates making hypotheses about fundamental laws and then making observations to confirm or disprove those ideas. Additionally, Beardwell and Claydon (2007) claim that positivism is the foundation of many organizational practices like competitive advantage models and psychometric selection exams. This study is appropriate for a positivist viewpoint since it attempts to investigate the data about the connection between training in entrepreneurial orientation and the growth of youth-owned businesses in Kenya.

3.3 Target Population

The target population was youth owned licensed establishments that were identified from seven county governments' business licensing registers in the counties Departments for Youth Affairs and The Arts, namely; Nairobi County, Murang'a county, Nakuru county, Machakos county, Mombasa County, Isiolo county and Kisii county registries. The youth data related to the age bracket between 18-35 years was obtained from the department for Youth Affairs and The Arts of each county government of the seven counties. The records retained by the trade licensing of the seven counties identified the following licensed small and micro enterprises from 2019 as follows: Nairobi County 23,000, Murang'a county 4,100, Nakuru county 7,200, Machakos county 5,500, Mombasa County 9,500, Isiolo county 2,000, and Kisii county 4,000 small and micro enterprises. Wholesale and retail trade; motor vehicles and motorbike repairs accounted for 50% of the youth working in SMEs, youth groups businesses accounted for 10% while manufacturing and hospitality industry accounted for 35 per cent and 5 per cent respectively.

Table 3.1: Target Population

County	Population
Nairobi	23,000
Murang'a	4,100
Nakuru	7,200
Machakos	5,500
Mombasa	9,500
Isiolo	2,000
Kisii	4,000
Total	**55,300**

Source: Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo and Kisii Counties Integrated Development Plan (2019).

3.4 Sampling Frame

According to Cooper and Schindler, the sampling frame is the list of all the items from which the sample is drawn (2014). The research adopted data for youths with some enterprises as a sampling frame to identify their entrepreneurial orientation and their growth. Kothari (2004) explains that sampling is the process of selecting as close as possible representatives of the general population to obtain a miniature (small) cross section. In the districts of Nairobi, Muranga, Nakuru, Machakos, Mombasa, Isiolo, and Kisii, samples were taken from each stratum made up of small and micro businesses and youth group businesses using the stratified random sampling technique. Simple random sampling was performed within each stratum until the sample size was arrived at as indicated on the sampling frame of each stratum.

The study on this foundation identified small and micro enterprises strata from the year 2019 of under county integrated development plan and the areas of concern were; Nairobi, Murang'a, Nakuru, Machakos Mombasa, Isiolo and Kisii licensing offices records in the counties Departments of Youth Affairs, and The Arts. Stratified sampling technique was then used to partition a larger population into subpopulations which enabled picking the samples from each of the establishments. Owner managers and the top management employees of the establishments were the units of observation or respondents for the study. The SMEs were the units of analysis for the study, and the sample size for each category of SMEs was proportional to the population category. The sample of the individual category of activities is presented in Table 3.2.

3.5 Sample Size and Sampling Technique

The target population's subset of respondents, who were carefully chosen to represent that demographic, makes up the sample size (Cooper and Schindler) (2014). According to Using stratified random sampling, Mugenda and Mugenda (2008)'s study was able to achieve the necessary representation of different population groupings. Researchers choose this method to fairly and randomly represent the subgroups present in the sample. Researchers have difficulty determining the required sample size for their research. The rule of thumb is as many as possible to take the Largest Sample. However, resources and time are the main limitation in determining the sample size to be used (Mugenda & Mugenda, 2008).

To determine the sample size, Yamane (1967) developed a formula for calculating the sample size of a given population, which is formulated as follows:

$$n = \frac{N}{1 + Ne^2}$$

Where:

n =the desired sample size (if the target population is greater than 10,000)

N = is the population size.

e = is the margin error (assumed to be 5% or 0.05).

1= is a constant number.

The factors of interest in the study are possession on entrepreneurial orientation by owner managers and top-level employees of small and micro enterprises. The desired accuracy in this study is 0.05 level. Therefore, the calculated sample size is n = 397, for the target group of micro and small enterprises in Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo and Kisii counties numbering 55,300. Just like the other counties, Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo and Kisii counties have small enterprises structured by economic activities. A large number of SMEs are engaged in the service sector, with the majority in wholesale and retail trade, the auto repair sector, followed by the hospitality and other service sectors. The manufacturing sector consisting of nut processing and packaging plants, cereals milling plants, fruit processing plants and mineral water processing having the lowest concentration of SMEs. Many enterprises in the hospitality industry are referred to as small hotels in the form of kiosks, bars and restaurant serving beverages. The stratum size is proportional to the population size. The data from the seven counties (Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo and Kisii) licensing offices have been summarized in table 3.2 where n_i = the desired sample size, N_i =stratum sample size, N = the estimate of the population size.

Table 3.2: Sample Size

County	Percent % Sample Size	Stratum	Population (N_i)	Sample Size (n_i)
Nairobi	42	Manufacturing	4,200	30
		Trade	9,500	68
		Service	9,300	67
Murang'a	7	Manufacturing	500	4
		Trade	2,050	15
		Service	1,550	11
Nakuru	13	Manufacturing	1,200	9
		Trade	2,000	39
		Service	4,000	30
Machakos	10	Manufacturing	1,650	12
		Trade	1,850	13
		Service	2,000	15
Mombasa	17	Manufacturing	2,000	14
		Trade	2,600	19
		Service	4,900	35
Isiolo	4	Manufacturing	400	3
		Trade	1,000	7
		Service	600	4
Kisii	7	Manufacturing	800	6
		Trade	2,200	16
		Service	1,000	7
Total	**100**		**55,300**	**397**

Source: Nairobi, Murang'a Nakuru, Machakos, Mombasa, Isiolo and Kisii Counties Integrated Development Plan (2019).

Using the formula, $n = \frac{55300}{1 + 55300(0.05 \times 0.05)} = 397$

Therefore, the sample size is = 397

3.6 Data Collection Methods

The primary and secondary data used in this study were gathered on-site. Primary data, according to Copper and Schindler (2014), is information gathered through original study that is intended to address specific research issues. Secondary data, on the other hand, is information that has been gathered from other sources and is readily available from those sources. These data can be acquired for less money and more quickly than primary data, and they might even be available if main data are completely unavailable (Prachi, 2015). The researcher and research assistants administered the questionnaire. According to Mugenda (2003), research instruments are used to collect the necessary information. Observation sheets, questionnaires, and standardized tests are the most often used tools in the social sciences. The questionnaire was created in different sections using a Likert scale and is available for young entrepreneurs. Data were analysed in interval measurement scale. Items on the Likert scale, according to the survey, have a combined score (sum or average) of the five Likert-type items. According to descriptive statistics, interval scale items should include the mean for central tendency and the standard deviation for variability. Regression, Pearson's t-test, ANOVA, and other data analysis processes are also suitable for interval scale items. A closed questionnaire containing all research variables with space for comments was also used for this study. The questionnaires comprised of the following sections: Part A- Background information; Part B- Innovativeness; Part C- Proactiveness; Part D- Competitive Aggressiveness; Part E- Risk-taking; Part F- Networking skills; Part G- Growth of Youth SMEs. The questionnaire also contained open ended questions, which the respondents were expected to give their opinion on various aspects of the study.

3.7 Data Collection Procedures

Both a structured and an unstructured interview guide may be used in a study, claim Mugenda and Mugenda (2008). Primary data were gathered via a structured questionnaire from micro and small businesses (analytic unit) to SME owner managers and top management employees (observation unit). After obtaining the research permit from the county government's youth, culture, and social services department to investigate youth venues in each of the seven counties of Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo, and Kisii, primary data was collected from respondents (owner managers/top management employees) of various SMEs in the field. Work plans were created as part of the project, and pilot studies were conducted in eight businesses in each of the three categories to pre-test the tools. In order to distribute the instrument (questionnaire), it was necessary to prepare enough copies of it.

3.8 Pilot Test

To pre-test the data gathering tool for validity and reliability, a pilot study was carried out. In order to find design and instrument problems and provide substitute data for probability sample selection, experiments were carried out, as described in Cooper and Schindler (2014). A pilot study is required, in accordance with (Orodho, 2003), to evaluate the dependability of data gathering methods. According to Cooper and Schindler (2014), a measure of research dependability is how accurate the study's conclusions are or whether it actually measures the variables it claims to. The methods utilized during the actual survey or data collection are the same as those employed in the pretest questionnaire. Just 1% to 10% of the target group should be represented among pre-test participants (Mugenda & Mugenda, 2003). Prior to the main study, the pilot study was conducted from October 2020 to December 2020. A pilot test was conducted on 42 respondents of the study selected from seven counties namely Nairobi, Murang’a, Nakuru, Machakos, Mombasa, Isiolo and Kisii which constituted 10 per cent of the calculated sample population size of 397 respondents. Their views were not eligible for the main study but to ensure that the research instruments were consistent and were not ambiguous. In order to identify design and

instrument problems and give precise data for sample selection, pilot research will be conducted (Young, 2009).

3.8.1 Validity and Reliability Test

The consistency of the results after repeated measurements is the measure of a scale's reliability. Utilizing reliability analysis, the researcher can look at the properties of measuring scales and scale-related objects. It is believed that reliability cannot be measured. But validity does not necessarily follow from reliability because a scale may measure something consistently without necessarily doing so in the way that it is intended to. The most often used indicator of internal consistency used in this study is Cronbach's alpha. It demonstrates how effectively a group of sample items can be treated as a single latent variable (Cronbach, 1951). The confidence limit is set at the suggested value of 0.7. A generalized version of the Kunder-Richardson (K-R) formula called Cronbach's alpha (α) is used to evaluate an instrument's internal consistency based on the accuracy of half the data from all potential instrument components. This cuts down on the time needed to compute the dependability coefficient using alternative techniques (Mugenda & Mugenda, 2008). Validity is defined as the accuracy and significance of inferences made from study results. how precisely the data analysis results portray the phenomenon under study (Mugenda, 2003). This suggests that the instrument is testing what it should (Cronbach, 1951). Pre-testing the instrument and a thorough literature analysis on scale items representing the research constructs were used to evaluate the content validity.

3.9 Data Analysis and Presentation

Zikmund et al. (2010) defined data analysis as the use of reasoning to comprehend the gathered data, identify recurrent patterns, and summarize the pertinent information discovered throughout the inquiry. To find the patterns that were found in the collected data in connection to the selected variables, data analysis is impacted by the goals and objectives of the research as well as the measurement of the received data. Data is sorted, coded, and entered into the Statistical Package for the Social Sciences (SPSS) to produce graphs, tables, descriptive statistics, and inferential statistics. The multiple regression model is used to assess the significance

of the independent factors' effects on the dependent variable. The multiple regression model is as follows.

$$Y = \beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4 + \varepsilon$$

Where:

$\beta_{1,2,3,4}$=The coefficients representing the various independent variables.

β_0= the Y intercept

Y= Growth of SMEs,

X1= Innovativeness

X2= Proactiveness

X3= Competitive aggressiveness

X4= Risk-taking

ε= error terms

Multicollinearity is used to detect whether there are two or more explanatory variables in a multiple regression model that are linearly highly connected. Perfect collinearity is only attainable when the correlation between the two independent variables in the aforementioned equation is equal to 1 or -1. The data's normality was evaluated using the Shapiro-Wilk test. As a general rule, if the P(Sig) value is more than 0.05, the normal distribution null hypothesis is not considered to be false. The Durbin-Watson test was used to perform the autocorrelation test. This was done to determine whether the model residuals are uncorrelated because residual independence is one of the main hypotheses of regression analysis. The Durbin-Watson test generates test statistics with values ranging from 0 to 4, where 2 denotes the absence of autocorrelation, 0 to 2 the presence of autocorrelation, and >2 to 4 the presence of autocorrelation. As a general rule, test statistic levels within the range of 1.5 to 2.5 are considered to be quite normal, however values outside of this range may be cause for concern. A scatter plot is used to conduct a linearity test. Before the

regression model is used, a linear relationship between the independent variables and the dependent variable is anticipated.

By using multiple regression analysis to test various hypotheses, it was possible to determine the relationship between the independent variable(s), entrepreneurial orientation, and the dependent growth of youth-owned small and micro enterprises in the counties of Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo, and Kisii. With the help of moderated multiple regression, the moderating impact of networking skills was examined. The F test was used to analyse the overall significance of the model with a 95% confidence interval. When assessing the model's power, the F-p-value statistic is employed. The findings show that the overall model is tiny when the null hypothesis beta is accepted and significant when it is rejected based on p-values. In other words, if the p-value is less than 0.05, the dependent variable has a strong predictor, and the outcomes are not the product of chance, the model is said to be significant. The model is not significant and cannot be used to account for changes in the dependent variable if the p-value is more than 0.05.

Similar to this, the significance of each predictor or independent variable as well as the hypothesis is examined using t-test statistics. The null hypothesis is accepted or rejected based on the p-value for each t-test. The 5% significance level was chosen as the standard for this investigation to ensure that the null hypothesis could not be accepted or rejected. Both the null hypothesis and the alternative hypothesis are accepted if the p-value is less than 5%. The null hypothesis is not disproved and the alternative hypothesis is not accepted if the p-value is greater than 5% Regressions with Multiple Modifications (3.9.1) (MMR).

To calculate the interaction effect and determine whether the anticipated moderating variable has a moderating influence on the independent and dependent variables, moderating multiple regression (MMR) is utilized (Njuguna, 2008). By evaluating the change in R2 in the model as seen in the model summary and the regression coefficient for the interaction term as shown in the coefficient tables, MMR was used to examine the moderating influence of the variable (interaction term). In this study,

a regression analysis was conducted to evaluate how networking skills influence the association between entrepreneurial orientation and the growth of youth-owned enterprises. According to hypothesis number 5, in the counties of Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo, and Kisii, there is no association between entrepreneurial orientation and the expansion of young people-owned SMEs. To test this hypothesis, the following model was fitted:

$$Y = \beta_0 + \beta_1 X_5 + \beta_2 Z + \beta_3 X_5 Z + \varepsilon$$

The above model is a regression model with independent variables (entrepreneurship orientation) and moderator (networking skills) as predictors and a combination of independent and moderator variables (interaction terms). In order to determine the model, fit and the F-statistics and p-value, t-statistics, and R squared, the analysis was conducted. A statement can then be made if the interaction of networking skills is significant or not.

3.10 Ethical Issues

Ethics are norms or standards of behaviour that guide moral choices about our behaviour and our relationship with others. As in other aspects of business, all parties in research should exhibit ethical behaviour. The goal of ethics in research is to ensure that no one is harmed or suffered adverse consequences from research activities (Abdulmarof, 2018). Up-to-date consent of the subjects was pursued. The researcher obeyed to the primary responsibility of treating the information given by the respondents as strictly confidential and protecting their privacy. The researcher also made sure that the purpose of the research was clearly enlightened to the respondents before embarking on the exercise. Respondent's self-confidence and dignity was not in any way dishonoured by the researcher.

During collection of primary data, the researcher declined to offer any manner of payments in order to get respondents fill the questionnaire or respond to interview. No one was coerced to answer to the survey and for those that did not wish to avail themselves as participants, the individual desire was appreciated. Respondents were fully made cognisant that the research was purely academic and they had the right

to agree or refuse to respond to the questionnaire or interview. This led to a total of 289 respondents out of the sampled 397 respondents.

The researcher tried as much as possible to stick to ethical issues regarding research citations and referencing so as to avoid plagiarism. The study was carried out in Nairobi, Murang'a, Nakuru, Machakos, Mombasa, Isiolo and Kisii counties. There was no misrepresentation or distortion in reporting the data collected during the study.

Table 3.3: Variables Operationalization

Variable	Type	Operationalization
Growth of SMEs	Dependent	- Number of employees
		- Profit margins
		- Revenue generation
Innovativeness	Independent	- New product
		- Entrepreneurial Processes
		- Entrepreneurial Services
Proactiveness	Independent	- Market needs and demand
		- Market opportunities
		- New methods
Competitive Aggressiveness	Independent	- Price cutting
		- Market positioning
		- Quality production
Risk-taking	Independent	- Monetary risk
		- Social risk
		- Psychological risk
Networking Skills	Moderating	- Communication Systems
		- Coordination Programmes
		- Relationship skills

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents research results and discussion. The reliability test and response rate data are presented at the beginning of this chapter. Also included is data on the demographics of the respondents. The results of the descriptive analysis are then shown, followed by those of the diagnostic test, those of the correlation, and finally those of the regression. The results are also discussed with reference to the empirical literature review.

4.2 Response Rate

Researcher distributed questionnaires to 397 young SME owners in the districts of Nairobi, Muranga, Nakuru, Machakos, Mombasa, Isiolo and Kisii. 73% of the 397 respondents submitted their questionnaires and were successfully completed and returned, or 289 of them. The remaining 108 respondents did not submit their questionnaires and others submitted with errors. According to Saunders et al., a response rate of more than 50% is considered evaluation-worthy (2009). A response rate of 50% is considered adequate, a response rate of 60% is considered good, and a response rate of 70% or higher is considered very good, according to Mugenda and Mugenda (2003). As a result, the 73% response rate obtained with this survey is thought to be a solid representation of the target group's opinions. Results are shown in Figure 4.1.

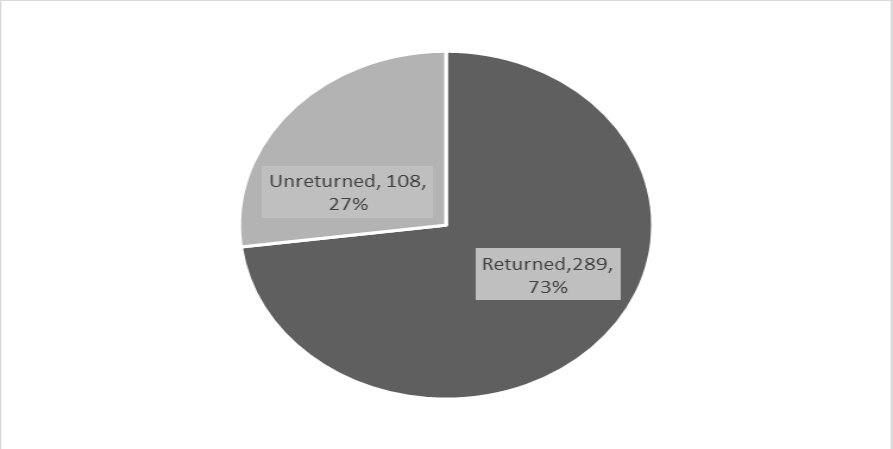

Figure 4.1: Response Rate

4.3 Pilot Study Results

A pilot study, also known as a feasibility study, is a small-scale preliminary study conducted before the main research to check the feasibility or improve the research design (Saul, 2023). The pilot study permits gathering preliminary knowledge about the studied phenomenon. The main purpose of such study is to assemble information (implicitly incomplete, because only core studies allow collecting all the necessary data to verify the theses adopted in the work) to verify the chosen direction, formulate assumptions for the work, or check the correctness of the developed questionnaire in the case of surveys (Kaur, Figueiredo, Bouchard, Moriello, & Mayo, 2017). Pilot studies also serve to check the practicality of the adopted research methods and tools to investigate a given problem (Thomas, 2017). By conducting preliminary research, the researcher gains confirmation or negation of the previously accepted influences between the studied phenomena. Furthermore, a pilot study also allows for the selection of the information collected (Morris & Rosenbloom, 2017). This results in the rejection of information that is irrelevant to the problem under investigation or that is not present in the environment or population. Apart from checking the correctness of the developed questionnaire, it is also possible to obtain knowledge about the duration of basic research or a reliable random sample size (Mutz & Müller, 2016).

4.3.1 Reliability Test

The Cronbach's alpha coefficient was used to assess the reliability of the questionnaire. The pilot group received 26 questionnaires in all. Reliability tests are carried out using the data from the pilot research. The variable coefficients are as follows: youth-led SME growth, 0.815; entrepreneurial innovation – 0.839; proactivity, 0.757; competitive aggressiveness 0.847; risk-taking, 0.818; and networking skills, 0.755. According to Shelby (2011), the reliability of the overall score is deemed to be sufficient for all other items with a value of 0.7 or above. All of the variables' coefficients are higher than 0.7, indicating their dependability. The reliability analysis's overall significance shows that the scale used to gather the data is dependable and that the instrument can evaluate reliability. The results are shown in Table 4.1

Table 4.1: Reliability Test

Variable (N=26)	**No of Items**	**α > 0.7**	**Comment**
Growth of Youth Owned SMEs	10	0.815	Reliable
Innovativeness	10	0.839	Reliable
Proactiveness	10	0.757	Reliable
Competitive Aggressiveness	10	0.847	Reliable
Risk-taking	10	0.818	Reliable
Networking Skills	10	0.755	Reliable

4.3.2 Validity Test

A method's validity refers to how precisely it measures the variables it was designed to. High validity research delivers findings that are consistent with actual traits, traits, and changes in the physical or social environment (Fiona, 2019). Validity reveals how well the data is representative of the subject under examination (Gauri & Gronhaug, 2005). In essence, validity refers to measuring what is intended to be measured (Field, 2005). To assess the questionnaire's validity, factor analysis was

used. The rule was that correct measurements were indicated by values larger than 0.4. Table 4.2 shows that all variables have values greater than 0.4, indicating that the questionnaire was valid.

Table 4.2: Validity Test

Variables	**Initial**	**Extraction**
Growth of Youth Owned SMEs	1	0.588
Innovativeness	1	0.631
Proactiveness	1	0.627
Competitive Aggressiveness	1	0.462
Risk-taking	1	0.458
Networking Skills	1	0.628

Extraction Method: Principal Component Analysis.

4.4 Biographic Information

Results for biographic data are presented in this section. This data was meant to acquire information that gives indication of how youth businesses are surviving. Youth enterprises were therefore grouped in various categories. Categories include the number of years the company was founded, the estimated value of the company, the type of company, and the company's estimated annual profit for the last three years.

4.4.1 Business Category

The question intended to capture various categories of businesses that were owned and operated by youth entrepreneurs. It categorized businesses into four major categories according to the number of employees. Micro enterprises consisted of 1-4 employees including where the manager run the business single-handedly. Small enterprise consisted of 5-9 employees while medium enterprise consisted of 10-49 employees and a large enterprise consisted of business with more than 50 employees. Table 4.3 indicates that micro enterprises that formed the smallest category of business reported 46.0 per cent showing that majority of youth had their businesses classified as micro. Small businesses followed closely with 36.0 per cent, while

medium category businesses registered 18.0 per cent. There were no forms of businesses categorized as large enterprises.

Table 4.3: Distribution of Business Category

	Frequency	Percent
Micro	133	46.0
Small	104	36.0
Medium	52	18.0
Total	289	100.0

4.4.2 Age Bracket

Table 4.4 shows the distribution of age among youth in business. The greatest number of respondents was in the range of 31-40 years of age with 53.3 per cent. The age bracket of 41-50 followed with 18.6 per cent respondents whereas, the respondents below thirty years of age occupied 17.0 per cent. This implied that the younger a person is, the more unlikely to initiative a successful business. This may be as a result of opting to pursue other preferred careers in life. The age bracket with the least number of respondents was fifty years and above with a response rate of 11.1 per cent. This group had established businesses that could be well described as "lifestyle businesses" that neither grew nor expanded. They preferred operating the businesses regardless of their profitability.

Table 4.4: Distribution of Age

	Frequency	**Percent**
Less than 30 years	49	17.0
31 – 40 years	154	53.3
41 – 50 years	54	18.6
51 years and above	32	11.1
Total	289	100.0

4.4.3 Number of Employees

Table 4.5 describe s the number of employees per business. The highest response rate was between 1-4 employees which were categorized as micro enterprise with 80.3 per cent. This meant that majority of the youth operated very small businesses that required the owner manager and one employee. This was followed by the bracket of 5-9 employees which was categorized as small enterprise and had 14.5 per cent response rate. The least number of respondents were in the bracket of 10-49 with 5.2 per cent which is categorized as a medium enterprise. There was no response drawn for the category of large enterprise.

Table 4.5: Distribution of Number of Employees in Business

	Frequency	Percent
1- 4	232	80.3
5 – 9	42	14.5
10 – 49	15	5.2
Total	289	100.0

4.4.4 Position Held in Business

Table 4.6 indicates distribution of positions in business. The research established that the majority of the respondents were owner managers with 51.6 per cent. This was evident in the micro enterprises where owner managers run their businesses single-handedly or with one or two employees. This was followed by the general manager with 41.5 per cent response rate. This category was for businesses categorized as small enterprises with five to nine employees. The general manager controlled all the resources of the business. The respondents who run their spouse's businesses occupied 6.9 per cent. These were businesses where by the owner was not directly involved in the daily running of the business thus delegated to the spouse.

Table 4.6: Distribution of Position Held in Business

	Frequency	Percent
Owner manager	149	51.6
General manager	120	41.5
Spouse	20	6.9
Total	289	100.0

4.4.5 Gender

From table 4.7, it is clear that male dominated with a response of 55.7 per cent. Female gender followed with a response rate of 44.3 per cent. This means that there are more youthful men than youthful women operating businesses in Kenya. This indicates that the number of women operating businesses in Kenya is also on the rise considering the scarcity of white color jobs in government sector.

Table 4.7: Distribution of Gender

	Frequency	Percent
Male	161	55.7
Female	128	44.3
Total	289	100.0

4.4.6 Business Ownership

Table 4.8 shows the type of ownership among youth enterprises. Sole proprietorship got the highest response rate with 71.3 per cent. This was followed by partnership form of business with 19.0 per cent response rate. The category known as “other” came third with 3.5 per cent response rate. It included the respondents running the family businesses. Limited company recorded the least number of respondents with 3.5 per cent response rate.

Table 4.8: Distribution of Business Ownership

	Frequency	Percent
Limited company	18	3.5
Partnership	55	19.0
Sole proprietor	206	71.3
Other	10	6.2
Total	289	100.0

4.4.7 Number of Years the Enterprise has been in Existence

The respondents were asked to specify the number of years their businesses had been in operation. That is, right from the time of inception of their enterprises to date. The participants (51.2%) indicated that their business had been in existence for between 2 to 5 years. This implies that most of the youth enterprises have not been operating for long. This could be because they are owned by young people who have not been in business for long. This is supported by Mutuma (2015) who asserted that despite the importance of youth enterprises, records show that in Kenya, three out of five small businesses run by young people fail within the first three years of operation, and 80% of small businesses operated by young people fail before their fifth year in business.

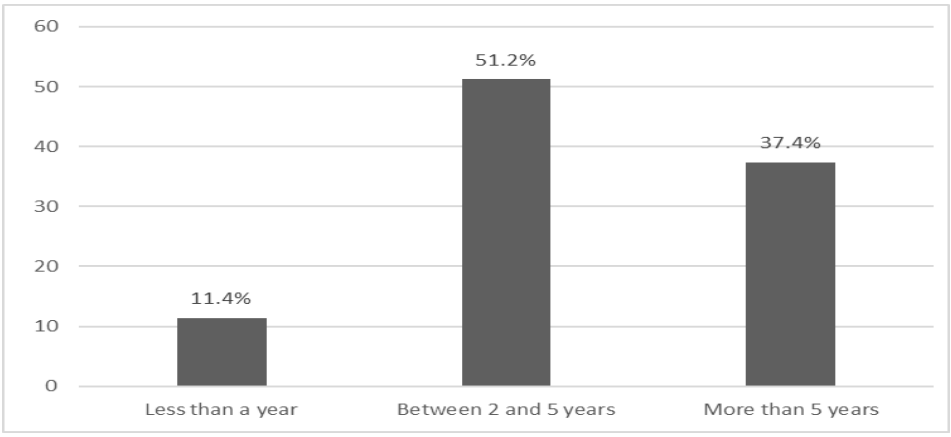

Figure 4.2: Number of Years the Enterprise has been in Existence

4.4.8 Estimate Value of the Business

The respondents were asked to show clearly the estimated value of their enterprises. They were to do the rating of their enterprises considering any assets that belongs to the specific business. They were provided with various estimates of which they were to select. Figure 4.3 indicates that (56.1%) of participants valued their businesses above 500,000 Kenya shillings.

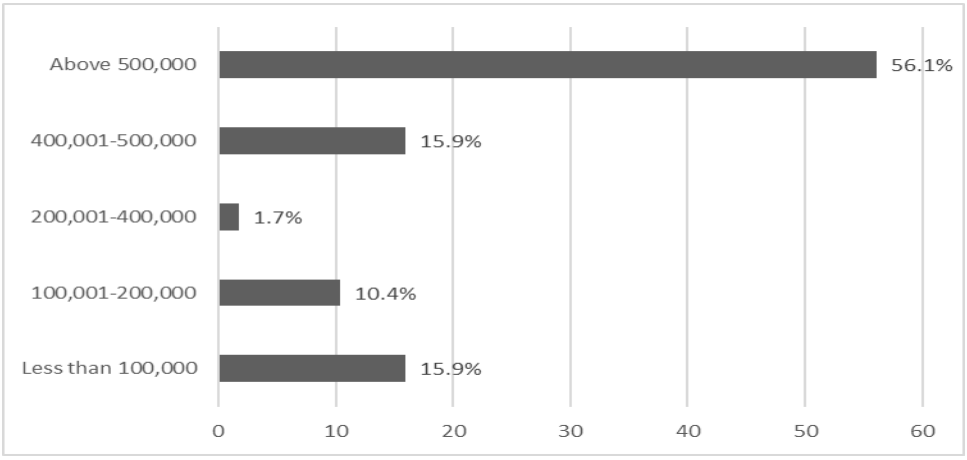

Figure 4.3: Estimate Value of the Business

4.4.9 Nature of Business

The respondents were asked to specify the nature of their enterprises. This was dependent on the type of business with respect to the industry that each enterprise fit in. The respondents were made to be ware those industries are of different categories. In terms of nature of business, 47% were in service industry, 38.8% were in retail and 14.2% were in manufacturing. This indicates that manufacturing is still lagging behind and that perhaps it is easier for the youth to venture in retail and service sectors as opposed to manufacturing sector. This is supported by the argument from Kiveu, Namusonge and Muthee (2019) who stated that entrepreneurial innovation is widely acknowledged as one of the key strategies for overcoming obstacles and as a crucial element in determining the success, survival and expansion of a business.

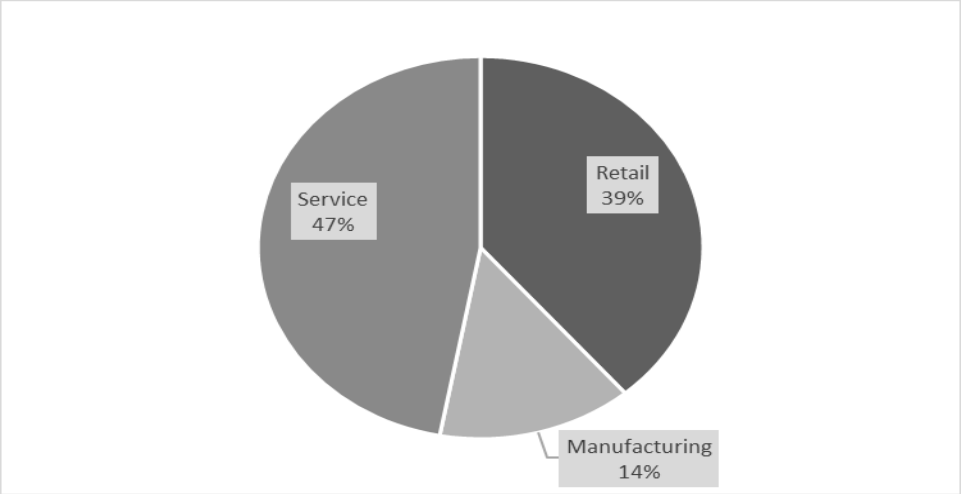

Figure 4.4: Nature of Business

4.4.10 Estimate Annual Earnings of the Business in the Last Three Years

The respondents were asked to provide information on the annual estimates of their businesses in the last three years. They were to take into consideration the cash flows for the last three years consecutively. The respondents were to consider their business records especially the money at the end of every year. Therefore, Lee and Donna (2016) suggest that a close relationship with their networks such as the suppliers and financial providers will help them acquire financial, manpower and raw materials much easier (Lee & Donna, 2016). Findings suggest that the business's annual earnings increased from 2015 to 2017 in the last three years (Table 4.3).

Table 4.9: Estimate Annual Earnings of the Business in the Last Three Years

	M	**S. D**
Annual earnings-2015	546,725.15	366,200
Annual earnings-2016	1,144,502.60	2,134,486
Annual earnings-2017	2,130,318.60	4,399,020

4.5 Descriptive Analysis

A sort of data analysis known as descriptive analysis aims to describe, portray, or summarize data points in a useful manner that can result in patterns that satisfy all data conditions. When conducting statistical data analysis, this is among the most crucial tasks. In order to prepare for additional statistical analysis, this provides you with conclusions about the distribution of the data, aids in the detection of errors and outliers, and enables you to spot patterns among the variables. The analysis's descriptive results, shown in percentages, means, and standard deviations, are included in this section. Results are presented by research variables.

4.5.1 Innovativeness

In response to claims innovativeness, the respondents were asked for their thoughts. Following is the Likert Scale that was used: (1- strongly disagree, 2-disagree, 3-neutral, 4- agree, and 5- strongly agree). According to the results, 88.6% of respondents agreed that they regularly improve their current products, 77.8% of respondents said they have created new product designs that are exclusive to their company, 80.2% of respondents said they have managed to introduce additional product lines, 93.1% of respondents said they have well laid strategies to improve product procedures, and 72.3% said that they are efficient in meeting customer needs.

The respondents also concurred that customers are taken through various steps to generate sales; 76.8%; that they are fully committed to satisfy customers by offering them quality services; 90%; that they guarantee their customers of responding promptly to any customer feedbacks; 74.7%; their efficiency in service delivery has increased referrals to their businesses; 57.1% and 55.1% always strive to offer after sales services to all their customers.

The majority of respondents, as indicated by the overall average score of 4.0, concur with the statement regarding the potency of innovation. A common standard deviation of 1.2 means the answers are close together. This shows that not everybody agreed with the statement concerning innovativeness. Consequently, any value of

standard deviation below 2 illustrates those who deviated from the mean were few since the deviation was low. This suggests that most respondents generally agreed with the statements relating to innovativeness. The results concur with Kim (2015) who declared that innovation is the propensity of businesses to adopt and sustain creative processes that might result in new goods, services, technologies, innovations, tests, and so forth. It can therefore promote enterprise reform and innovation, quicken the flow and transformation of new knowledge, and aid in the production of new knowledge and new technology, all of which can promote the growth of enterprise innovation. The descriptive results are illustrated in Table 4.10.

Table 4.10: Descriptive Statistics of Innovativeness

Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
I regularly introduce improvements on existing products.	0.3%	3.5%	7.6%	37.4%	51.2%	4.4	0.8
I develop new product designs which are unique to my business.	3.1%	2.8%	16.3%	27.3%	50.5%	4.2	1.0
I have managed to introduce additional product lines.	3.8%	1.4%	14.5%	27.3%	52.9%	4.2	1.0
I have well laid strategies on how to improve product procedures.	2.1%	1.4%	3.5%	30.8%	62.3%	4.5	0.8
The production in my business is always efficient to meet customers' needs.	16.6%	6.9%	4.2%	25.6%	46.7%	3.8	1.5
I do take customers through various steps to generate sales.	5.2%	6.9%	11.1%	29.4%	47.4%	4.1	1.2
I am fully committed to satisfy my customers through offering quality services.	2.1%	2.8%	5.2%	23.2%	66.8%	4.5	0.9
I always ensure my business respond promptly to the customers feedbacks.	7.3%	6.2%	11.8%	18.3%	56.4%	4.1	1.3
My efficiency in service delivery have led to increased referrals.	25.6%	5.9%	11.4%	20.8%	36.3%	3.4	1.6
I strive to offer after sales services to all my customers.	24.2%	9.7%	11.1%	21.5%	33.6%	3.3	1.6
Aggregate mean						**4.0**	**1.2**

4.5.2 Proactiveness

The respondents were asked to provide their thoughts on claims made about entrepreneurial proactivity. Here is how the Likert Scale was used: (1- strongly disagree, 2-disagree, 3-neutral, 4- agree, and 5- strongly agree). The results show that the majority of respondents (97.3%) agreed with the statement that they always work to meet the needs and demands of the market. They also consistently work to improve product quality (84.8%), regularly introduce new products for emerging markets (94.2%), and always try to expand into new markets (94.2%). Additionally, 77.8% of respondents said they often implement new production techniques to increase efficiency and 93.4% said they always introduce new business procedures to stay up with emerging technology like mobile money. The customer experience is continually being improved through 91% of product features, 91.7% of which are constantly being pursued, and by 90% of marketing methods, such as social media.

According to the overall average score of 4.4, most respondents concur with the statement about being proactive. An all-around standard deviation of 0.9 denotes a close response. This shows that not everybody agreed with the statement concerning proactiveness. Consequently, any value of standard deviation below 2 illustrates those who deviated from the mean were few since the deviation was low. This suggests that most respondents generally agreed with the remarks regarding proactiveness. As Tang and Katz, (2014) suggest, proactive businesses put a lot of effort into learning how to influence policymakers and impact markets in ways that will benefit their market position or share. Additionally, proactive actions help businesses keep up with technological advancements and consistently develop and integrate resources to support progress and technology (Hao & Song, 2016). Proactiveness is closely connected to entrepreneurship and is a crucial aspect of the entrepreneurial character. It entails taking the initiative, predicting and seizing new chances, and creating new markets or engaging in existing markets (Brownhilder, Nench & Van-Zyl, 2017). The descriptive results are illustrated in Table 4.11.

Table 4.11: Descriptive Statistics of Proactiveness

Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
I always strive to meet the market needs and demands	0.0%	2.1%	0.7%	24.6%	72.7%	4.7	0.6
I frequently launch new goods for developing markets.	1.4%	4.5%	9.3%	29.8%	55.0%	4.3	0.9
I constantly work to raise the caliber of my output.	0.0%	1.0%	4.8%	25.3%	68.9%	4.6	0.6
I always strive to enter new markets.	1.7%	4.2%	5.9%	22.8%	65.4%	4.5	0.9
I always try to look for joint venture opportunities.	9.3%	14.5%	10.4%	27.7%	38.1%	3.7	1.4
I make a lot of effort to reduce prices in order to increase my market share.	5.5%	4.5%	12.1%	22.1%	55.7%	4.2	1.2
I frequently implement new production techniques to increase productivity.	0.0%	0.3%	6.2%	31.8%	61.6%	4.6	0.6
To keep up with new technology, like mobile money, I constantly implement new business processes.	3.5%	1.0%	4.5%	24.9%	66.1%	4.5	0.9
To increase the experience of clients, I constantly update the features of the products.	1.0%	0.3%	6.9%	20.8%	70.9%	4.6	0.7
I always try to use various marketing techniques, like social media.	0.7%	1.4%	8.0%	20.1%	69.9%	4.6	0.8
Aggregate mean						4.4	0.9

4.5.3 Competitive Aggressiveness

Responses from the respondents were sought about statements pertaining to competitive aggressiveness. Here is how the Likert Scale was used: (1- strongly disagree, 2-disagree, 3-neutral, 4- agree, and 5- strongly agree). The results reveal

that 78.9% of the participants agreed that their products attract more customers as compared to those of competitors, the business has been able to maintain its pricing power, 90.4%, business has been able to lower production and service delivery costs, 78.9%, the business has been serving its market segment adequately, 84.1% and to gain a competitive advantage, the business offers greater value to the chosen target markets, 88.5%.

The participants agreed that the products of the business offer more benefits to customers than competitors, 79.9%, the business effectively position itself through product differentiation than its competitors, 88.9%, the quality level has been supporting the products' position in the target market, 91.7%, the business has been consistent in maintaining its products quality, 90.3% and reducing product defects has been the ultimate goal of their businesses to improve customer satisfaction and value, 88.6%.

The majority of respondents agree with the statement concerning competitive aggressiveness, as evidenced by the overall average score of 4.3. An all-around standard deviation of 0.9 denotes a close response. This shows that not everybody agreed with the statement concerning competitive aggressiveness. Consequently, any value of standard deviation below 2 illustrates those who deviated from the mean were few since the deviation was low. This suggests that most respondents generally agreed with the remarks regarding competitive aggressiveness. According to Harijanto, Bilge, and Ojunlana (2015), competitive aggressiveness is seen as a company's attempt to outperform its competitors directly and passionately. A competitively aggressive company constantly assesses the health of its competitors; in this way, competitors' weaknesses can be identified and own strengths can be presented. More and more opportunities for business success can be obtained. Competitive aggressiveness translates into practical aspects such as: Competing aggressively on price, introducing innovative products that outperform competitors' products, catching up with competitors in the market, and providing unique surprises in the market. The descriptive results are illustrated in Table 4.12.

Table 4.12: Descriptive Statistics of Competitive Aggressiveness

Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
My prices attract more customers as compared to those of competitors'.	1.7%	1.4%	18.0%	37.0%	41.9%	4.2	0.9
The business has been able to maintain its pricing power.	1.7%	1.0%	6.9%	43.3%	47.1%	4.3	0.8
I have been able to lower production and service delivery costs.	1.0%	7.6%	12.5%	36.3%	42.6%	4.1	1.0
My business has been serving its market segment adequately.	1.4%	4.8%	9.7%	33.2%	50.9%	4.3	0.9
To gain a competitive advantage, my business offers greater value to the chosen target markets.	2.1%	2.4%	6.9%	30.4%	58.1%	4.4	0.9
The products of my business offer more benefits to customers than competitors'.	2.8%	1.4%	15.9%	26.3%	53.6%	4.3	1.0
The business effectively position itself through product differentiation than its competitors.	0.7%	2.8%	7.6%	30.4%	58.5%	4.4	0.8
The quality level has been supporting the products' position in the target market.	0.7%	2.1%	5.5%	31.8%	59.9%	4.5	0.8
My business has been consistent in maintaining its products quality.	1.7%	1.7%	6.2%	28.0%	62.3%	4.5	0.8
Reducing product defects has been the ultimate goal of my business to improve customer satisfaction and value.	0.7%	2.1%	8.7%	29.1%	59.5%	4.5	0.8
Aggregate mean						4.3	0.9

4.5.4 Risk-Taking

Responses from the respondents were sought about statements pertaining to risk-taking. Here is how the Likert Scale was used: (1- strongly disagree, 2-disagree, 3-

neutral, 4- agree, and 5- strongly agree). The results demonstrate that the majority of respondents agreed with the statement that taking some risks gives hope for better returns which keep pace with inflation, (90.4%), believe that the best long-term returns come from more aggressive strategies and I am willing to tolerate prolonged falls in value along the way, 92%, and also have bought collective investment schemes such as unit linked (insurance company) funds, 90.7%, and are able to maintain a system that deals with human rights violation within the workforce in my business, 91%, and have laid down strategies to deal with corruption by business officials.

The respondents also concurred that it is prudent to put in place mechanism that deals with public health issues to prevent absenteeism and improve workers morale (92.1%), that increased technology has enabled their businesses to lower the cost leading to cutting of wages and salaries, (89.3%), that business challenges have been so bad than they have thought but must persevere, (92.1%), that they always strive to ensure that there are no job stressors and workplace hazards in their businesses, (89.6%), and that by attending to business training workshops have enabled them to deal with emotional customers, (93.4%).

The majority of respondents agree with the statement on risk-taking, as seen by the overall average score of 4.5. An all-around standard deviation of 0.8 denotes a close response. This shows that not everybody agreed with the statement concerning risk-taking. Consequently, any value of standard deviation below 2 illustrates those who deviated from the mean were few since the deviation was low. This suggests that most respondents generally agreed with the statements about risk-taking. These statements were backed by Seymour, Maruyama and De Martino, (2015); Herman, Critchley, and Duka, (2018), who postulate that people are generally risk-averse. However, when an individual is in a state of loss, risk-taking becomes a motivational necessity meaning that the loss by taking more risks in the subsequent opportunities. In other words, people become more risk-taking following prior loss experience. The descriptive results are illustrated in Table 4.13.

Table 4.13: Descriptive Statistics of Risk-Taking

Statements	1	2	3	4	5	Mean	Std. Dev
It is better I take some risk and hope for better returns which keep pace with inflation.	1.4%	3.5%	4.8%	20.8%	69.6%	4.5	0.9
I believe that the best long-term returns come from more aggressive strategies and I am willing to tolerate prolonged falls in value along the way.	2.1%	4.2%	1.7%	26.3%	65.7%	4.5	0.9
I have bought collective investment schemes such as unit linked (insurance company) funds.	2.8%	3.5%	3.1%	29.8%	60.9%	4.4	0.9
I have been able to maintain a system that deals with human rights violation within the workforce in my business.	1.4%	4.2%	3.5%	33.2%	57.8%	4.4	0.9
I have laid down strategies to deal with corruption by business officials.	0.7%	3.8%	5.5%	29.4%	60.6%	4.5	0.8
I have put in place mechanism that deals with public health issues to prevent absenteeism and improve workers morale.	0.7%	1.7%	5.5%	28.4%	63.7%	4.5	0.7
Increased technology has enabled my business to lower the cost leading to cutting of wages and salaries.	2.8%	1.7%	6.2%	33.6%	55.7%	4.4	0.9
The business challenges have been so bad than I have thought but must persevere.	0.7%	2.1%	5.2%	25.3%	66.8%	4.6	0.7
I always strive to ensure that there are no job stressors and workplace hazards in my business.	0.7%	3.1%	6.6%	23.9%	65.7%	4.5	0.8
My regular attendance to business training workshops has enabled me to deal with emotional customers.	0.3%	3.5%	2.8%	32.5%	60.9%	4.5	0.7
Aggregate mean						**4.5**	**0.8**

4.5.5 Networking Skills

The respondents were asked for their thoughts on claims made about networking skills. Here is how the Likert Scale was used: (1- strongly disagree, 2-disagree, 3-neutral, 4- agree, and 5- strongly agree). The results show that the majority of respondents (82%) agreed that there is good communication between employees and customers in their businesses; 90% of respondents said that their businesses provide a communication channel that employees can use to convey their feedbacks; 91.7% said that the information they receive on daily basis only comes from their managers; 79.2% said their ideas are directly communicated to the top-level management; and 93.1% said they are able to stay organized in order to keep track of tasks and deadlines.

The respondents also concurred that bringing in strong problem-solving skills to which in turn help them anticipate potential issues before they arise, 94.1%, they do allow honest dialogue about their business expectations and goal to find a common ground, 92.6%, 93.4% of those who have good relationship with their customers, suppliers and business networks led to growth in their businesses; while 86.5% work closely with their team and stakeholders to build business success was always a priority; and finally, 88.3% strive to maintain strong connection with their suppliers to stay aligned and produce effective results.

The majority of respondents agree with the claims concerning networking skills, as evidenced by the total average score of 4.5. An all-around standard deviation of 0.8 denotes a close response. This shows that not everybody agreed with the statement concerning networking skills. Consequently, any value of standard deviation below 2 illustrates those who deviated from the mean were few since the deviation was low. This suggests that most respondents generally agreed with the claims made about networking skills. These statements correspond to the suggestion by Abraham, (2020) who claim that entrepreneurs rely on networking in order to generate connections to potential new clients or business partners through their social ties to the other members in their same group. Moreover, networking is considered a critical

component of social capital within entrepreneurial ecosystems (Spigel, 2017). The descriptive results are illustrated in Table 4.14.

Table 4.14: Descriptive Statistics of Networking Skills

Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
There is good communication between employees and customers in my business.	3.8%	2.4%	11.8%	31.8%	50.2%	4.2	1.0
My business provides a communication channel that employees can use to convey their feedbacks.	1.0%	2.4%	6.6%	30.1%	59.9%	4.5	0.8
The information I receive on daily basis only comes from my manager.	0.3%	4.8%	3.1%	19.4%	72.3%	4.6	0.8
My ideas are directly communicated to the top-level management.	8.3%	6.9%	5.5%	23.5%	55.7%	4.1	1.3
I am able to stay organized in order to keep track of tasks and deadlines.	0.7%	2.1%	4.2%	24.9%	68.2%	4.6	0.7
I do bring in strong problem-solving skills to which in turn help me anticipate potential issues before they arise.	0.7%	0.7%	4.5%	23.2%	70.9%	4.6	0.7
I do allow an honest dialogue about our expectations and goal to find a common ground.	0.4%	2.8%	4.2%	24.9%	67.7%	4.6	0.7
My good relationship with my customers, suppliers and business networks has led to growth in my business.	0.0%	1.0%	5.5%	33.9%	59.5%	4.5	0.7
Working closely with my team and stakeholders to build my business success is always a priority.	0.0%	3.1%	10.4%	34.9%	51.6%	4.4	0.8
I strive to maintain strong connection with my suppliers to stay aligned and produce effective results.	0.3%	2.1%	9.3%	23.9%	64.4%	4.5	0.8
Aggregate mean						4.5	0.8

4.5.6 Growth of Youth SMEs

The respondents were asked what they thought of assertions made on the growth of fledgling SMEs. The Likert Scale was applied in the following manner: (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, and (5) strongly agree. The findings show that the majority of respondents agreed that their businesses have managed to maintain the workforce for the last three years. (89.3%), always ensure that most of their workers are under the contract of 1-2 year, 83%, ensure that part time employees are the majority in their businesses, 78.2%, that their ability to take risk in new opportunity has led to increased market share thus raising profits, 79.9%, and their good relationship with customers and suppliers has led to increased sales of product/services, 89.3%.

The participants also concurred they do plan to open new branches in order to meet customers demand so as to improve on profit, 86.9%, that continued acceptance of the products and services has increased market size, 86.5%, that new product development has led to the increase of revenue, 87.9% that favorable and affordable price for my products have enabled the business to increase sales volume, 87.9%, and using market segment have increased sales in their businesses, 79.2%.

According to the total average score of 4.3, most respondents concur with the statement about growth. When the common standard deviation is 1.1, the solution is likely to be near. This demonstrates that not everyone agreed with the claim regarding the expansion of young SMEs. Therefore, any value of standard deviation below 2 indicates that the number of individuals who deviated from the mean was small because the deviation was small. This suggests that most respondents generally agreed with the remarks regarding growth. This is similar to the assumption by Bouazza, Ardjouman and Abada (2015) who declared that the sales these SMEs make act as indicators of how well the company is doing. Thus, increase in total sales volume, production volume, use of raw materials, power and more personnel are indicators of growth. Profits too have an effect on growth of a company (Yeboah, 2015). The descriptive results are illustrated in Table 4.15.

Table 4.15: Descriptive Statistics of Growth of Youth SMEs

Statements	1	2	3	4	5	Mean	Std. Dev
My business has managed to maintain its workforce for the last three years.	2.8%	6.9%	1.0%	29.1%	60.2%	4.4	1.0
Most of my workers are under the contract of 1-2 years.	3.5%	6.6%	6.9%	26.6%	56.4%	4.3	1.1
Part time employees are the majority in my business.	5.9%	6.6%	9.3%	29.4%	48.8%	4.1	1.2
My ability to take risk in new opportunity has led to increased market share thus raising my profits.	8.3%	6.9%	4.8%	29.4%	50.5%	4.1	1.3
My good relationship with my customers and suppliers has led to increased sales of my product/services.	2.4%	4.8%	3.5%	26.3%	63.0%	4.4	0.9
I do plan to open a new branch in order to meet customers demand so as to improve on profit.	3.5%	7.6%	2.1%	23.2%	63.7%	4.4	1.1
The continued acceptance of my products and services have increased the size of the market.	1.4%	7.3%	4.8%	29.4%	57.1%	4.3	1.0
New product development has led to the increase of revenue.	3.8%	8.0%	1.4%	32.9%	54.0%	4.3	1.1
Favorable and affordable prices for my products have enabled the business to increase sales volume.	3.1%	6.6%	2.4%	29.1%	58.8%	4.3	1.0
Using market segment have increased sales in my business.	3.5%	9.7%	7.6%	29.4%	49.8%	4.1	1.1
Aggregate mean						4.3	1.1

4.5.7 Business Growth in the Past Five Years

The respondents were questioned about how much their company's growth had improved during the previous five years. According to Table 4.16, the average growth in terms of annual profits for youth SMEs was 21-40% throughout the measurement period (2015-2019). The average growth in terms of number of customers for youth SMEs was less than 20% during the study period. Further, the average growth in terms of sales for youth SMEs was less than 20% during the study period. Finally, the average growth in terms of annual expenses for youth SMEs was less than 20% during the study period. The findings imply that most youth SMEs experienced slowed growth in the past five years.

Table 4.16: Improvement in Growth of Youth SMEs

Indicators	Average growth
Annual profits	21-40%
Number of customers	<20%
Sales	<20%
Annual expenses	<20%

4.6 Diagnostic Tests

Before running inferential statistics, a number of diagnostic tests are checked. This is to ensure that the survey data is not biased, which will result in inaccurate estimates. The tests included: multicollinearity, normality, and auto-correlation and linearity tests.

4.6.1 Multicollinearity Test

In a multiple regression model, multicollinearity is the occurrence of a significant correlation between two or more dependent variables. The test is used to determine whether there are any independent variables that correlate, which would lead to less accurate statistical inferences. In order to prevent the study from employing

independent variables that were not associated or repetitious while creating multiple regression models that involve two or more variables, the multicollinearity test was used.

VIF was used to examine the multicollinearity between the independent variables in this study. Field (2009) asserts that multicollinearity occurs when two or more independent variables in the model exhibit a significant correlation. The findings indicated that no multicollinearity existed amongst the independent variables because all variables had VIF values of less than 10 and tolerance values over 0.1.

Table 4.17: Multicollinearity Test Using VIF

Variables	Tolerance	VIF
Innovativeness	.667	1.498
Proactiveness	.505	1.980
Competitive Aggressiveness	.441	2.268
Risk-taking	.551	1.816

4.6.2 Normality Test

To ascertain whether the sample data are drawn from a regularly distributed population, one must perform the normality test (within a known tolerance). The normal distribution is crucial for data because it makes it simple to extrapolate sample and measurement results. To characterize quantitative data, measures of central tendency and variance are used (Anaesth, 2019). The Shapiro-Wilk test was used to assess the normality of the data. As a guideline, the null hypothesis of the normal distribution is not rejected if the P(Sig) value is higher than 0.05. All variables have p values (Sig) larger than 0.05, which implies that the data are normally distributed, according to the findings (Table 4.18).

Table 4.18: Normality Test using Shapiro-Wilk

Variables	Statistic	df	Sig.
Growth of the youth SMEs	0.966	285	.112
Innovativeness	0.967	285	.061
Proactiveness	0.949	285	.073
Competitive Aggressiveness	0.938	285	.057
Risk-taking	0.906	285	.077
Networking Skills	0.916	285	.108

4.6.3 Auto-Correlation Test

The degree of correlation between the same variables over two subsequent time intervals is referred to as auto-correlation. It gauges the relationship between a variable's initial value and its lagged or protected value in a time series (Scott, 2020). The Durbin-Watson test was used to perform the autocorrelation test. As residual independence is one of the major hypotheses of regression analysis, this was done to see if the model residuals are uncorrelated. The Durbin-Watson test generates test statistics with values ranging from 0 to 4, where 2 denotes the absence of autocorrelation, 0 to 2 the presence of autocorrelation, and >2 to 4 the presence of autocorrelation. As a general rule, test statistic levels within the range of 1.5 to 2.5 are considered to be quite normal, however values outside of this range may be cause for concern. With a Durbin-Watson score of 1.891, the findings (Table 4.19) indicate that the residuals are not autocorrelated.

Table 4.19: Durbin-Watson test of Autocorrelation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.652a	0.426	0.417	0.36774	1.891

a. Predictors: (Constant), X4, X1, X2, X3

b. Dependent Variable: Y

4.6.4 Linearity Test

When the graph of a function is a straight line and the slope and y intercept of that line can be used to describe it, the function is said to be linear. When data is graphed, linearity is most commonly conceived of as a straight line. It is distinguished by an unusually well-ordered and predictable framework for nature (Chegg, 2003). Using scatterplots, a linearity test was carried out. A linear relationship between the independent variables and the dependent variable is predicted prior to the deployment of the regression model. The results (Figures 4.5, 4.6, 4.7, and 4.8) show that the dependent variable and the independent variables (X1, X2, X3, and X4) have a linear relationship (Y). This is evident from the fit line.

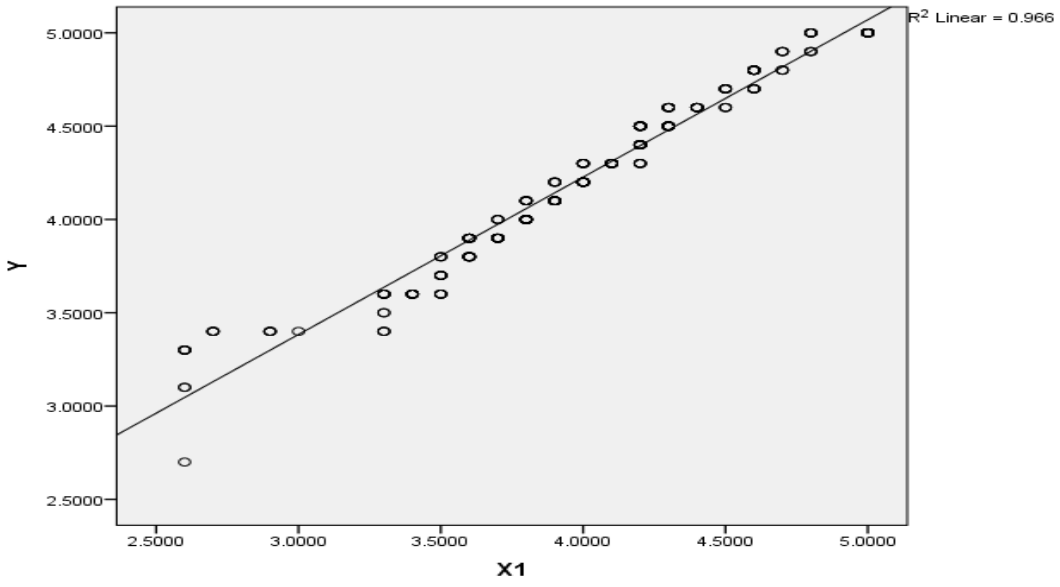

Figure 4.5: Linearity between innovativeness and Growth

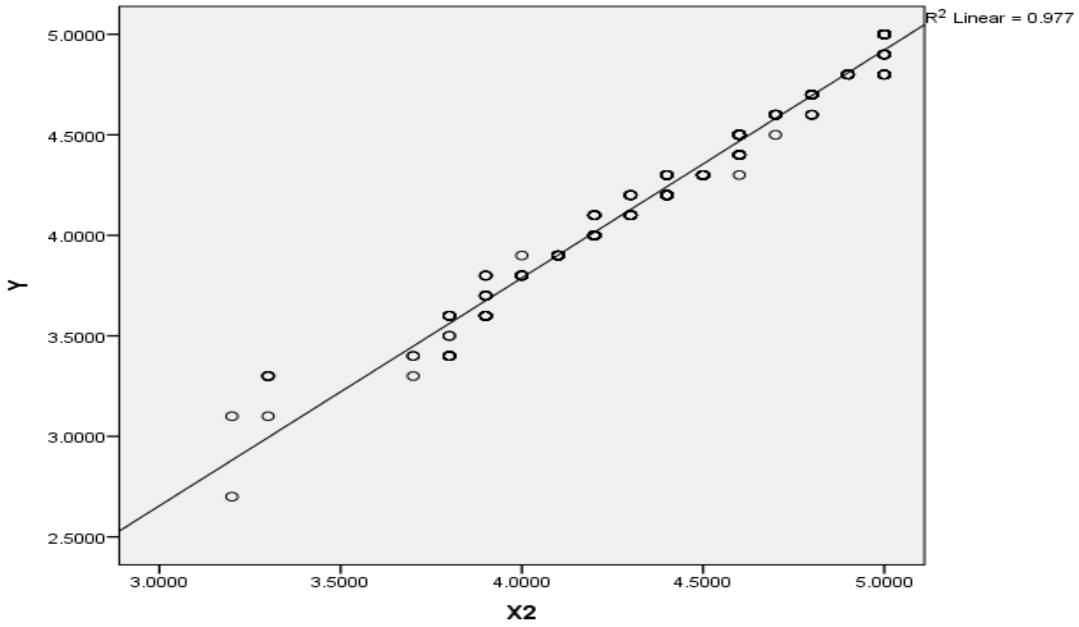

Figure 4.6: Linearity between Proactiveness and Growth

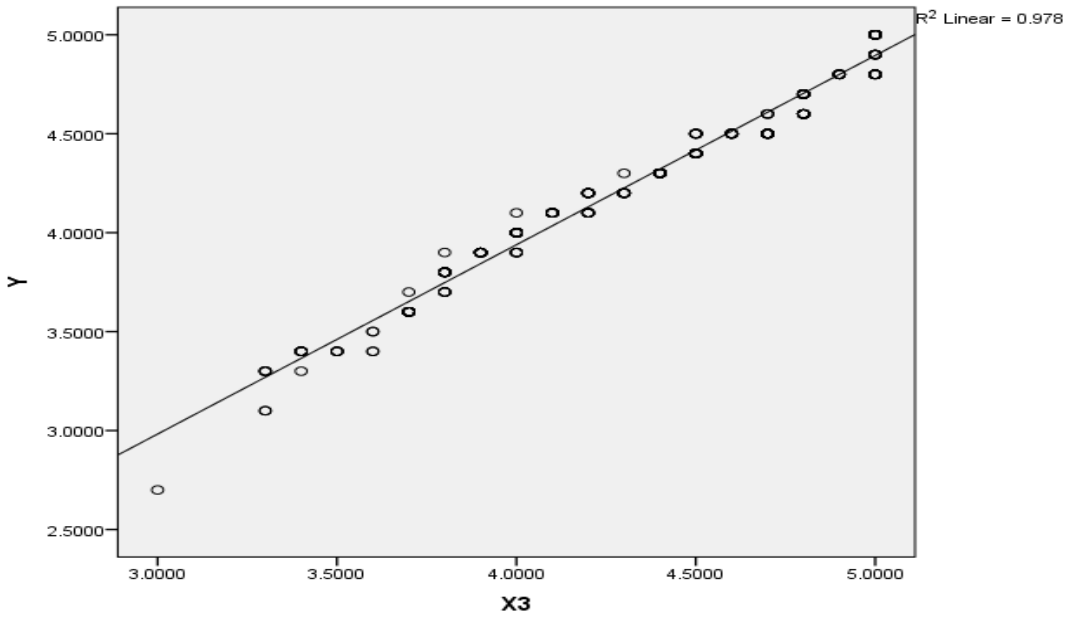

Figure 4.7: Linearity between Competitive Aggressiveness and Growth

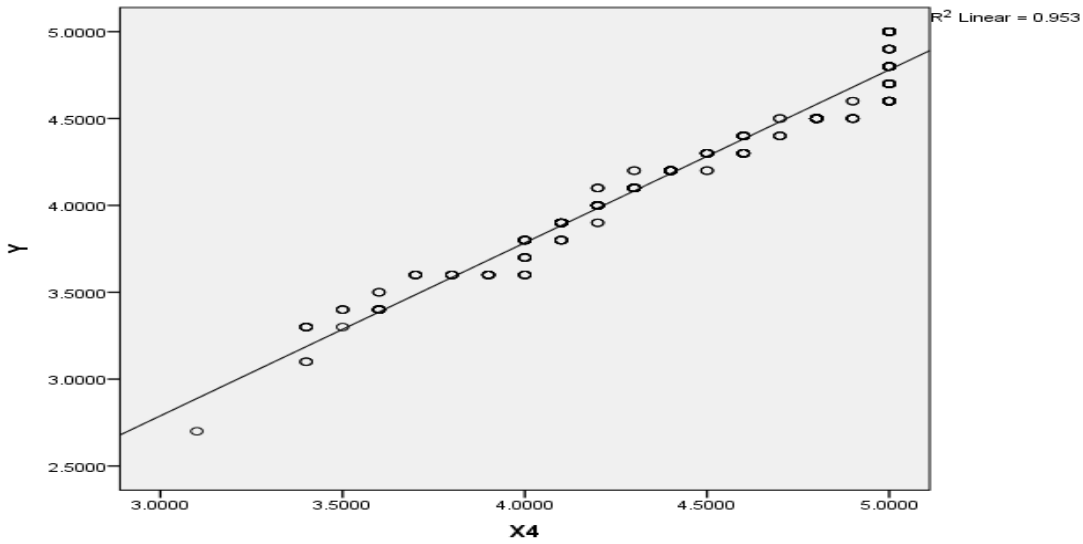

Figure 4.8: Linearity between Risk-Taking and Growth

4.6.5 Heteroscedasticity Test

Equal spread is what heteroscedasticity signifies. Heteroscedasticity in regression analysis is discussed in relation to the residuals or error term. Heteroscedasticity, in particular, refers to a systematic alteration in the distribution of residues over a measurement range (Jim, 2021). Once the predictors have been included in the regression model, the remaining residual variability is thought to alter as a function of something that is not included in the model, which is known as heteroscedasticity (Cohen, West & Aiken, 2007; Field, 2009; Kutner & Nater, 2004).

Levene's test for the same error variance is used to perform the heteroscedasticity test. The probability value in Table 4.20 is greater than 0.05, indicating that the null hypothesis of the constant variance of the error term is accepted. Consequently, the residual variance is homoscedastic.

Table 4.20: Levene' s Test of Equality of Error Variances

Dependent Variable: Y			
F	**df1**	**df2**	**Sig.**
6.040	110	178	.070

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

4.7 Correlation Analysis

This section presents the findings about the correlation between the independent and dependent variables. According to the findings (Table 4.21) innovativeness [X1] had a substantial and positive link with the expansion of youth businesses (r =.352, p = 0.000<0.05). This implies that the growth of start-up companies and the advancement of innovativeness are progressing in the same direction. As a result, innovativeness rises along with the growth of young enterprises. According to Sokolova (2015), solving issues creatively offers firms the competitive edge they desire.

Additionally, the findings demonstrate that proactivity [X2] is positively and significantly correlated with the expansion of youth businesses (r=0.563, p=0.000<0.05). Youth initiative and company expansion are therefore heading in the same direction. Therefore, the expansion of young enterprises is increasing along with the rise in entrepreneurship. Hao and Song (2016) discovered that proactiveness actions enable businesses to keep up with technological advancements and consistently work to create and integrate resources in order to do so.

According to other findings, competitive aggressiveness [X3] is positively and significantly correlated with the expansion of youth businesses (r = 0.604, p = 0.000<0.05). This indicates that the expansion of young companies and strong competition are heading in the same direction. Therefore, a rise in competitive aggression coincides with a rise in the expansion of young enterprises. Sonja (2017) asserts that a company's profitability and market share improve the more aggressively competitive activities it takes and the faster those actions are carried out.

Additionally, the study's findings demonstrate that risk-taking [X4] has a favourable and substantial link with the expansion of youth businesses (r=0.491, p=0.000<0.05). This indicates that the direction of adolescent decision-making and business expansion is the same. As a result, the expansion of young enterprises is correlated with increasing decision-making. Risk-taking, according to Moss, Sharpley, and Wilson (2014), is crucial for corporate expansion.

Table 4.21: Correlation Matrix; Entrepreneurial Orientation and Growth

		Y	X1	X2	X3	X4
Y	Pearson Correlation	1				
	Sig. (2-tailed)					
X1	Pearson Correlation	.352**	1			
	Sig. (2-tailed)	.000				
X2	Pearson Correlation	.563**	.544**	1		
	Sig. (2-tailed)	.000	.000			
X3	Pearson Correlation	.604**	.478**	.644**	1	
	Sig. (2-tailed)	.000	.000	.000		
X4	Pearson Correlation	.491**	.424**	.520**	.651**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	289	289	289	289	289

** Correlation is significant at the 0.01 level (2-tailed).

4.8 Univariate Regression Analysis

Finding the correlation between the independent variable (explanatory variable) and the dependent variable is the main goal of univariate linear regression. Regression is particularly helpful when it is impossible to see the connection between two features with the naked eye. Regression analysis is a sort of statistical evaluation that enables three things. First, it enables the statistical description of the relationship between the dependent variable and the independent variable. Second, based on the observed value of the independent variable, the estimated value of the dependent variable can be calculated. Third, individual predictions can be made by identifying predictors and predictors of risk factors that influence outcomes (Fahrmeir, 2009). This section provides regression results on the separate effects of innovativeness, proactiveness, competitive aggressiveness, and risk-taking on youth firm growth.

According to the regression analysis's findings (Table 4.22) inventiveness accounts for 12.4% (R2=.124) of all changes in the growth of young firms. A major predictor of the growth of youth businesses is innovativeness, according to a F statistic of 40.646 and estimated p value of 0.000<0.05. The results also demonstrate that innovativeness positively and significantly affects the growth of young enterprises (β

=.302, P=.000). This implies that for every unit rise in entrepreneurial ingenuity, the growth of youth businesses would increase by 0.302 units.

The study's findings are in line with those of Walobwa, Ngugi, and Chepkulei (2013), who discovered that technology innovation affects sales through drawing in new clients. The success of young entrepreneurs is directly positively correlated with innovation and creativity, according to Bodas and Tunzelmann's (2014) research.

The regression analysis's findings also show that entrepreneurship's proactivity accounts for 32% (R2=.317) of all changes in the growth of youth businesses. A major predictor of the growth of youth businesses is proactiveness, according to a F statistic of 133.341 and estimated p value of 0.000<0.05. The results also demonstrate that proactiveness has a positive and significant effect on the growth of young enterprises (β =.646, P=.000). This predicted that the growth of young enterprises would increase by 0.646 units for every one unit increase in proactiveness.

The study findings agreed with Aloulou and Fayolle (2014) assertion that proactiveness is effective in creating competitive advantage. Likewise, being proactive has been widely cited as a key factor in driving business growth (Brownhilder & Johan, 2017). In addition, Hughes and Morgan (2007) concluded that proactiveness helps companies to anticipate and act on market changes, enabling companies to take a strong position in shaping market competition from time to time. Additionally, Lumpkin and Dess (2001) discovered that initiative contributes to a company's expansion.

The regression analysis's findings further reveal that competitive aggressiveness accounts for 37% (R2=.365) of all changes in the growth of young firms. Competitive aggressiveness is a significant predictor of growth of young firms, according to a F statistic of 165.256 and estimated p value of 0.000<0.05. The results also show that intense competition has a positive and substantial effect on the growth of young enterprises (β=.585, P=.000). In other words, a one-unit rise in competitive aggression results in a 0.585-unit increase in the growth of youth businesses. The findings of this study concur with Antonio's (2015) research, which discovered a

favourable and considerable impact of aggressive competitiveness on business growth. The outcomes of Oyaregba (2018) also demonstrate a significant positive association between competitive aggressiveness and organizational profitability.

In addition, the regression analysis's findings indicate that risk-taking accounts for 24.1% (R2=.241) of all changes in the growth of young firms. A reported F statistic of 91.332 and a reported P value of 0.000<0.05 indicate that risk-taking is a significant predictor of the growth of youth businesses. The results also demonstrate that risk-taking had a positive and significant influence on the growth of young companies (P =.501). According to this, a one-unit increase in risk-taking would result in a 0.501-unit increase in the growth of youth businesses. The study's findings are consistent with those of Zita (2006), who determined that analytical skills were ranked primarily by their ability to solve problems, while intuitive skills were ranked most highly by their ability to take calculated business risk.

Table 4.22: Summary of Regression Results

Model Summary						
Model	**R Squared**	**Adjusted R Squared**				
Innovativeness	0.124	0.121				
Proactiveness	0.317	0.315				
Competitive Aggressiveness	0.365	0.363				
Risk-taking	0.241	0.239				
ANOVA						
Model	**F Statistics**	**Sig.**				
Innovativeness	40.646	0.000				
Proactiveness	133.341	0.000				
Competitive Aggressiveness	165.256	0.000				
Risk-taking	91.332	0.000				
Coefficients						
Model	**(Constant)**	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
Innovativeness	3.041	0.302	0.047	0.352	6.375	0.000
Proactiveness	1.408	0.646	0.056	0.563	11.547	0.000
Competitive Aggressiveness	1.727	0.585	0.045	0.604	12.855	0.000
Risk-taking	2.017	0.501	0.052	0.491	9.557	0.000
a Dependent Variable: Growth						

4.9 Multiple Regression Analysis without Moderation

It was crucial to discover the overall influence of all independent variables on the expansion of youth-owned enterprises after determining the specific effects of each independent variable on the dependent variable. In order to determine the impact of entrepreneurial orientation on the expansion of youth businesses in Kenya, a multiple regression model was utilized.

The results (Table 4.23) show that all the independent variables together explain 43% (R2 = 0.426) of the total variance of youth business growth. The F-statistic is 52.597 and the reported P value is 0.000 <0.05 indicating that the proposed model is significant (fit) in predicting the dependent variable. This means that entrepreneurial orientation is an important predictor of youth business growth.

The results also show that risk-taking (β4=.127, P =.041), competitive aggressiveness (β3=.339, P =.000), and proactiveness (β2=.327, P =.000) all had a favourable and significant impact on the success of youth businesses. The growth of youth enterprises, however, was found to be unaffected by innovativeness (P= 0.675 > 0.05). According to the coefficients, when all the independent factors are pooled, competitive aggressiveness, proactiveness, risk-taking and innovativeness in that order provide the best explanations for the growth of youth businesses.

Model without Moderation

$$Y = 0.858 + .339X3 + .327X2 + .127X4 + 0.02X1$$

Where; Y= Growth of youth enterprises

X_3 = Competitive aggressiveness

X_2 = Proactiveness

X_4 =Risk-taking

X_1= Innovativeness

Table 4.23: Multiple Regression Model Without Moderation

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.652a	0.426	0.417	0.36774

a Predictors: (Constant), X4, X1, X2, X3

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.452	4	7.113	52.597	.000b
	Residual	38.407	284	0.135		
	Total	66.859	288			

a Dependent Variable: Y

b Predictors: (Constant), X4, X1, X2, X3

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.858	0.251		3.416	0.001
	X1	0.02	0.047	0.023	0.42	0.030
	X2	0.327	0.073	0.285	4.503	0.000
	X3	0.339	0.065	0.351	5.182	0.000
	X4	0.127	0.062	0.124	2.05	0.041

a Dependent Variable: Y

4.10 Multiple Regression Analysis with Moderation

Results (Table 4.24) show that the interaction term (X5Z) had a significant and beneficial impact on the growth of youth businesses once the moderator (networking skills) was added to the model (β =.292, P =0.044<0.05). Additionally, the findings show that entrepreneurial orientation, when combined with networking skills, account for 39% (R2=.386) of all variations in the growth of youth businesses. A comparison between the R^2 without moderation and the R^2 with moderation shows that R^2 has decreased from 43% to 39%, implying that entrepreneurial traits slightly undermine the power of entrepreneurial orientation in explaining youth enterprise growth in Kenya.

The results were contrary to those of Sarwoko, Surachman and Djumilah (2013), who asserted that strong networking skills of SMEs owners have an impact on business growth. Ganyaupfu (2013) also established that networking skills have statistically significant positive effects on SMEs success.

Model with Moderation

Y=6.413+0.292 X5*Z-1.14Z-0.628X5

Y= Growth of youth enterprises

X5*Z= (Eentrepreneurial orientation * networking skills)

Z= Networking skills

X5=Entrepreneurship orientation

Table 4.24: Multiple Regression Model with Moderation

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.622a	0.386	0.38	0.38205		
a Predictors: (Constant), X5Z, X5, Z						
ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.838	3	8.613	59.008	.000b
	Residual	41.015	281	0.146		
	Total	66.853	284			
a Dependent Variable: Y						
b Predictors: (Constant), X5Z, X5, Z						
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.413	2.7		2.375	0.018
	X5	-0.628	0.665	-0.514	-0.944	0.346
	Z	-1.14	0.592	-1.136	-1.926	0.055
	X5Z	0.292	0.144	2.076	2.023	0.044
a Dependent Variable: Y						

4.11 Hypotheses Testing

The first null hypothesis (H01) asserted that there was no significant association between inventiveness and the expansion of youth-owned businesses in Kenya. The alternative is supported by the p value of 0.000 (Table 4.22) which is less than 0.05 and shows that the null hypothesis is rejected. Therefore, the expansion of youth-owned firms in Kenya is intimately related to creativity and innovation.

The second null hypothesis (H02) stated that there was no significant association between proactiveness and the expansion of youth-owned businesses in Kenya. The p value of 0.000 (Table 4.22), which is less than 0.05 and indicates that the null hypothesis is rejected, supports the alternative. Being proactive consequently has a direct impact on the growth of youth-owned businesses in Kenya.

According to the third null hypothesis (H03), there is no connection between aggressive competition and the growth of young people-owned firms in Kenya. The null hypothesis is rejected, and the alternative is supported by the p value of 0.000 (Table 4.22) which is less than 0.05 and indicates that the alternative is valid. As a result, there is a strong correlation between competitive aggression and the expansion of youth-owned firms in Kenya.

According to the fourth null hypothesis (H04), there was no evidence of a connection between risk-taking and the growth of young people's companies in Kenya. By having a p value of 0.000 (Table 4.22)—less than 0.05—the alternative hypothesis is accepted and the null hypothesis is disproved. Risk-taking is thus strongly related to the expansion of youth-owned firms in Kenya.

The fifth null hypothesis (H05) stated that the link between entrepreneurial orientation and the expansion of youth-owned businesses in Kenya would not be significantly moderated by networking skills. The p value of 0.044 (Table 4.24), which is less than 0.05 and denotes that the null hypothesis is rejected, supports the alternative hypothesis. Therefore, the link between entrepreneurial orientation and the expansion of youth-owned firms in Kenya is significantly moderated by networking skills.

Table 4.25: Hypothesis Testing Results

No	Hypothesis	P value	Decision
H_{01}	Innovativeness has no significant effect on the growth of youth-owned businesses in Kenya.	0.000<0.05	Reject
H_{02}	Proactiveness has no significant effect on the growth of youth-owned businesses in Kenya.	0.000<0.05	Reject
H_{03}	Competitive aggressiveness has no significant effect on the growth of youth-owned enterprises in Kenya.	0.000<0.05	Reject
H_{04}	Risk-taking has no significant effect on the growth of youth-owned businesses in Kenya.	0.000<0.05	Reject
H_{05}	Networking Skills did not have a significant moderating effect on the relationship between entrepreneurial orientation and youth-owned enterprise growth in Kenya.	0.000<0.05	Reject

4.12 Optimal Model

Below is the optimal model. The predictors were arranged according to their influence on growth of youth-owned enterprises. The model ranks competitive aggressiveness as the best determinant of growth of youth enterprises. This was followed by proactiveness which also had a considerable capacity to have an effect on the growth of youth-owned enterprises. Risk-taking came third in terms of their influence on growth of youth-owned enterprises and lastly innovativensess.

$$Y = 0.858 + .339X_3 + .327X_2 + .127X_4 + .02X_1$$

Where;

Y= Growth of youth enterprises; X_3= Competitive aggressiveness; X_2 = Proactiveness, X_4 = Risk-taking, and X_1 = Innovativeness

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter highlights the summary of the study findings as guided by specific objectives of the study, the conclusions, as well as recommendation derived from the study, contribution to new knowledge and suggestion for further studies. The overall objective of this study was to determine the relationship between entrepreneurial orientation and the growth of youth-owned enterprises in Kenya. Therefore, the study sought to determine the effect of innovativeness on the growth of youth-owned enterprises in Kenya, to determine the effect of proactiveness on the growth of youth-owned enterprises in Kenya, to evaluate the effect of competitive aggressiveness on the growth of youth-owned enterprises in Kenya, to assess the effect of risk-taking on the growth of youth-owned enterprises in Kenya, and to establish the moderating effect of business networking skills of communication, coordination and relationship skills between entrepreneurial orientation and the growth of youth-owned enterprises in Kenya.

5.2 Summary of the Key Findings

The goal of this study is to ascertain the relationship between entrepreneurial orientation and the growth of young people's businesses in Kenya. This study carries out a cross-sectional descriptive analysis of various entrepreneurial orientation and how they affect the expansion of young people's businesses. The specific goals of this study were to determine the effect of innovativeness on the growth of youth-owned enterprises, the effect of proactiveness on the growth of youth-owned businesses, the effect of competitive aggressiveness on the growth of youth-owned enterprises, the effect of risk-taking on the growth of businesses, and the moderating effect of networking skills. To enable the achievement of the study objectives, 289 young persons with SMEs operating in the seven counties namely; Murang’a, Nairobi, Nakuru, Machakos, Mombasa, Isiolo and Kisii were selected to participate in the study. They provided data through self-administered questionnaire. The study

was anchored on five theories namely; Diffusion of Innovation Theory, Push/Pull Motivation Theory, Neoclassical conceptions of Competition Theory, Expected Utility Theory and Networking Theory-Resource Based View (RBV) which were adopted to drive the conceptual framework of interaction of entrepreneurial orientation and growth of youth enterprises.

The biographic data of youthful persons operating businesses in the seven counties in Kenya revealed that most of the businesses could be categorized s micro enterprises which occupied 46 per cent with none in the category of large enterprise. Majority of the businesses surveyed were from service industry with 47 per cent. Retail industry followed closely with 38.8 per cent, very few businesses were from manufacturing industry. Most businesses were in existence for a period between 2-5 years as indicated by the participants with 51.2 per cent response rate. Similarly, the respondents were provided with various estimates of which they were to select. Majority of the participants with 56.1 per cent valued their businesses above 500,000 Kenyan shillings. The greatest number of youth operating businesses were in the range of 31-40 years of age with 53.3 per cent. Majority of the businesses had 1-4 employees but in most cases the owners run the businesses single handedly. It was also established that the majority of the respondents were owner managers with 51.6 per cent. The dominant gender was the male with 55.7 per cent and the dominant age bracket was 30-40 years. Respondent below thirty years were few and the researcher attributed this to the fact that in this age bracket, it is the period whereby one pursues higher education right from tertiary colleges up to universities. It is also during this age that the idea of running a business is at the incubation stage as one is beginning as a budding entrepreneur. Majority of the businesses could be categorized as sole proprietorship type of businesses.

Further, the inferential statistics (correlation and regression coefficient) were used to test the five hypotheses of the study in order to determine the fitness of the model. Cronbach's Alpha for all the items had 0.7 and above denoting that the measures were reliable. All the items had a factor loading of 4.0 and above. All the variables had positive relationship with significance levels of less than 0.05 implying that the relationship was significant.

5.2.1 To Establish the Effect of Innovativeness on the Growth of Youth-Owned Enterprises in Kenya

The study tested innovativeness on reliability using Cronbach alpha coefficients and the implication was that the variable was reliable since it had a coefficient of 0.839 greater than 0.7. Similarly, validity test was done on innovativeness using factor analysis to assess questionnaire's validity. The data demonstrated the validity of innovativeness because the variable's value was 0.631 larger than 0.4, indicating that it was reliable. Based on a Likert's scale, the findings show that most respondents concur with the statement about innovativeness, with an overall average of 4.0. A common standard deviation of 1.2 indicates that the results are reasonably similar. This suggests that most respondents generally agreed with the assertions regarding innovativeness.

There was no multicollinearity between the independent variables, as determined by the multicollinearity test, where all variables had a VIF value of less than 10 and a tolerance value of greater than 0.1. Therefore, the findings on innovativeness indicated there was no multicollinearity since it had a VIF value of 1.498 which was far less than 10 and a tolerance level of 0.667 which was far above 0.1. When the normality of the data is tested for innovativeness, the results show that the data is normally distributed, has a p-value (sig) of 0.061, which is greater than the p-value of 0.05. Therefore, the null hypothesis of normal distribution under innovativeness was not rejected. In addition, the linearity test was done using scatterplots and the line of fit demonstrated that when there is an increase in innovativeness(X1), there is also an increase in growth(Y). The results suggested a linear association between innovativeness and the expansion of youth firms. According to the results of the correlation study, innovativeness [X1] is positively and strongly correlated with the expansion of youth-owned businesses (r = 0.352), which accounts for 35% of the total. This indicates that the expansion of youth businesses and innovativeness were going in the same direction.

However, the findings of the study indicate that innovative entrepreneurship significantly and favourably affects the expansion of youth-owned enterprises in

Kenya. Regression analysis yielded a coefficient of determination (R2) of 0.124, meaning that 12.4% of the variation in growth was due to changes in the capacity for innovativeness in companies owned by young people in Kenya. However, when combined with other entrepreneurial orientation, the effect of innovativeness on the growth of youth-owned companies is insignificant. This study accepts the alternative hypothesis that the expansion of youth-owned businesses in Kenya is highly correlated with innovativeness based on univariate regression analysis.

5.2.2 To Assess the Effect of Proactiveness on the Growth of Youth-Owned Enterprises in Kenya

The study used a reliability test on the questionnaire for proactiveness using Cronbach alpha coefficients and the variable coefficient was 0.757 greater than 0.7 and this implied that the variable was reliable. When validity test was administered on proactiveness using factor analysis, this variable had a value of 0.627 greater than 0.4 which means that the items used to measure proactiveness as a variable were accurate. On the Likert's scale used, the overall average score is 4.4 indicating that the majority of respondents agree with the statement about being proactive. An all-around standard deviation of 0.9 denotes a close response. This suggests that the majority of respondents generally agreed with the comments regarding proactiveness. When the study tested multicollinearity on proactiveness, the findings indicated that there was no multicollinearity since proactiveness had a VIF value of 1.980 which was below 10 and a tolerance level of 0.505 that was more than 0.1.

The proactiveness data's normality test findings revealed that this variable's P-value was 0.073, greater than the P-value of 0.05, which denoted that the data was normally distributed. As a result, the normal distribution's null hypothesis is not rejected. Additionally, the relationship between entrepreneurial vigour and the expansion of young people-owned businesses was examined for linearity. According to the scatterplot in the graph, the results showed that an increase in proactiveness (X2) was accompanied by an increase in growth (Y), indicating that proactiveness predicted growth of youth businesses. An investigation of the correlation between entrepreneurship and the expansion of youth-owned firms revealed a significant and

positive association between the two (r = 0.563, or 56% estimated) between proactiveness (X2) and the growth of youth-owned businesses. This was a blatant sign that the expansion of young people-owned businesses and proactiveness were going in the same direction.

The study's findings demonstrate that entrepreneurial activities significantly and favourably affect the expansion of youth-owned firms in Kenya. Regression analysis yields a coefficient of determination (R2) of 0.317, meaning that 32% of the variation in growth is caused by changes in entrepreneurship in companies owned by young people in Kenya. Additionally, it was discovered that being proactive has a good, considerable impact on the expansion of young people-owned businesses when combined with other entrepreneurial orientation. This study accepts the alternative hypothesis that entrepreneurship is significantly correlated with the expansion of youth-owned businesses in Kenya based on univariate regression analysis.

5.2.3 To Analyze the Effect of Competitive Aggressiveness on the Growth of Youth-Owned Enterprises in Kenya

The study conducted a reliability test on competitive aggressiveness using Cronbach alpha coefficients and the coefficient of the variable was 0.847 greater than 0.7 which was used as a minimum. The competitive aggressiveness variable's reliability analysis results demonstrate that the scale used to collect data is reliable, and the instrument determines reliability. On the questionnaire’s validity, competitive aggressiveness had a value of 0. 462 greater than 0.4 meaning that the items measuring the variable were also accurate and the questionnaire was valid. The survey uses a Likert’s scale and the results, with an overall average score of 4.3, indicate that the majority of respondents agree with the statement about competitive aggressiveness. When the aggregate standard deviation is 0.9, the result is considered to be near. This implied that there was a general agreement by most respondents on statements relating to competitive aggressiveness.

The study further tested on multicollinearity over competitive aggressiveness and the results indicated that the VIF value was 2.268 which was less than 10 and a tolerance level of 0.441 which was more than 0.1. These results implied that there was no

multicollinearity in the variable. Normality test is also performed to verify that the data is normally distributed. The results of the study show that competitive aggressiveness has a P-value of 0.057 greater than 0.05, meaning that the data is normally distributed. Therefore, the null hypothesis about the normal distribution of the variables is not rejected.

The study went further testing on the linearity of data for competitive aggressiveness using scatterplot. The graph's line of best fit clearly showed a linear relationship between competitive aggressiveness (X3) and the expansion of youth businesses (Y), i.e., that when competitive aggressiveness increased, so did the expansion of youth businesses. Additionally, the results showed that competitive aggressiveness [X3] had a strong and substantial link with the expansion of youth-owned businesses (r =.604), which accounted for 60% of the variance. This implied that the expansion of youth businesses and competitive aggression go in the same direction. As a result, the growth of youth businesses increased along with an increase in competitive aggressiveness.

According to the study's findings, competitive aggressiveness significantly and favorably influences the expansion of young people's businesses in Kenya. Regression analysis yielded an R2 of 0.365, meaning that 37% of the variation in growth was caused by changes in competitive aggressiveness in companies owned by young people in Kenya. Additionally, when combined with other entrepreneurial orientation, the effect of competitive aggressiveness on the growth of youth-owned enterprises was found to be favorably significant. This study accepts the alternative hypothesis that competitive aggressiveness is significantly associated to the expansion of youth-owned enterprises in Kenya based on univariate regression analysis.

5.2.4 To Establish the effect of Risk-taking on the Growth of Youth-Owned Enterprises in Kenya

The reliability of the survey was assessed using Cronbach's alpha coefficients. The findings showed that Risk-taking as a variable had a coefficient of 0.818 greater than 0.7, indicating that the instrument used to collect the data was re risk-taking liable

and was able to confirm the dependability of the scale utilized. The validity of risk-taking as a variable was also investigated in the study. The findings showed that risk-taking had a value of 0.458 greater than 0.4, indicating that the questionnaire was valid and the items evaluating the variable were correct. The survey uses a Likert's scale and an average total score of 4.0 indicates that the majority of respondents agree with statements about risk-taking. When the aggregate standard deviation is 0.8, the result is considered to be near. This implied that there was a general agreement by most respondents on statements relating to risk-taking. The study further tested on multicollinearity on risk-taking and the variable had a VIF value of 1.816 less than 10 and a tolerance level of 0.551 greater than 0.1 implying that risk-taking had no multicollinearity.

The study also carried out a normality test on risk-taking to determine whether sample data was normally distributed. The results of the study show that decision making has a P-value of 0.077 greater than 0.05, which means that the data is normally distributed so that it does not reject the null hypothesis of normality. Th study conducted a linearity test on risk-taking using scatterplot. The study's findings demonstrate a linear association between risk-taking (X4) and the expansion of youth-owned businesses (Y), as shown by the right line. Additionally, the findings indicate that risk-taking (X4) has a significant and positive relationship with the expansion of youth-owned businesses (r=0.491), accounting for 49% of the variance. This indicates that both risk-taking and performance of youth-owned businesses move in the same direction. Therefore, the expansion of youth-owned businesses is correlated with increasing risk-taking.

The findings demonstrate that separate risk-taking significantly and favourably affects the expansion of youth-owned businesses in Kenya. Regression analysis yields an R2 of 0.241, meaning that 24% of the variation in growth is caused by changes in risk-taking in companies owned by young people in Kenya. Furthermore, it was discovered that the impact of risk-taking on the expansion of youth-owned businesses was favourably significant when combined with other entrepreneurial orientation. Based on univariate regression analysis, this study accepts the alternative

hypothesis that risk-taking has a significant association with the growth of youth-owned enterprises in Kenya.

5.2.5 To Assess the Moderating Effect of Business Networking Skills of Communication, Coordination and Relationship Skills Between Entrepreneurial Orientation and the Growth of Youth-Owned Enterprises in Kenya

The study used multiple regression analysis and found that, before including networking skills as moderator, the coefficient of determination (R2) was 0.426 and, after including entrepreneurial characteristics as a moderator, it was 0.386. When networking skills are used as a moderator, entrepreneurial orientation account for 38.6% of the growth variability of youth-owned businesses. The alternative hypothesis is accepted, and it is proven that entrepreneurial nature adversely moderates the link between entrepreneurial orientation and business growth owned by young people in Kenya. The coefficient value of the interaction term (X5Z) is significant.

5.3 Conclusions of the Study

To Establish the Effect of Innovativeness on the Growth of Youth-Owned Enterprises in Kenya

The aim of this study was to determine how entrepreneurial orientation and business growth belonging to young people in Kenya are related. Innovativeness, proactiveness, competitive aggressiveness, and risk-taking are the entrepreneurial orientation included in this study. This study found that the ability of innovativeness has a positive and significant impact on the growth of businesses owned by young people. This study also found that the effect of innovativeness on youth business growth was very small when multiple regression was carried out without moderation. Therefore, in this case, this study came to the conclusion that innovativeness cannot be significant without a moderating variable (networking skills). This study therefore concludes that innovativeness contributes positively to the growth of youth-owned businesses in Kenya. This study identifies key aspects of the power of innovativeness

that can be traced back to enhanced growth. This includes new products, processes and services.

To Assess the Effect of Proactiveness on the Growth of Youth-Owned Enterprises in Kenya

The study also found that proactiveness has a favorable and significant impact on the expansion of youth-owned businesses. The study came to the conclusion that proactiveness positively contributes to the expansion of youth-owned businesses in Kenya. The study identified crucial elements of proactiveness, including market needs and demand, market opportunities, and introducing new methods, that could be attributed to growth improvement.

To Analyse the Effect of Competitive Aggressiveness on the Growth of Youth-Owned Enterprises in Kenya

The study also found that intense competition has a favourable and significant impact on the expansion of youth-owned businesses. As a result, the study came to the conclusion that competitive aggressiveness helps youth-owned businesses in Kenya expand. The study emphasized crucial elements of competitive aggression, such as price reduction, market positioning, and quality manufacturing, that could be linked to growth enhancement.

To Establish the effect of Risk-taking on the Growth of Youth-Owned Enterprises in Kenya

Additionally, this study discovered that risk-taking has a favorable and significant effect on the expansion of young people's enterprises. Therefore, this study draws the conclusion that risk-taking aids in the expansion of youth-owned firms in Kenya. The study emphasized important risk-taking factors that could be linked to growth improvement, such as installing proper systems that reduces monetary risk, laying down strategies that deals with public social issues to manage social risk and finally trying to manage psychological risk that causes job stressors.

To Assess the Moderating Effect of Business Networking Skills of Communication, Coordination and Relationship Skills between Entrepreneurial Orientation and the Growth of Youth-Owned Enterprises in Kenya

The study's final finding was that networking skills negatively impacted the relationship between entrepreneurial orientation and the growth of youth-owned enterprises in Kenya. The study comes to the conclusion that networking skills, as measured by communication, coordination, and relationship skills lessen the overall influence of entrepreneurial orientation on the expansion of youth-owned businesses.

5.4 Recommendations

According to the study, innovativeness significantly and favourably affects the expansion of youth-owned businesses. To remain relevant in the cutthroat market of today, young entrepreneurs must constantly improve their capacity for innovativeness. According to the report, owners of youth businesses should focus on fostering innovativeness in the areas of introducing new products, implementing enhanced procedures, and offering distinctive and high-quality services. According to this study, proactiveness significantly and favorably affects the expansion of youth-owned firms. Young business owners must take initiative in their day-to-day operations. According to the study, owners of youth businesses should improve aspects of proactiveness, such as identifying market needs and demands, looking for new market opportunities, and implementing novel marketing strategies like digital marketing. According to the study, competitive aggressiveness has a favourable and significant impact on the expansion of youth-owned businesses. According to the report, owners of youth businesses should concentrate on boosting elements of competitive aggression, such as price lowering, market positioning, and high-quality production. The study showed that risk-taking had a favourable and significant impact on the expansion of youth-owned businesses. Young business owners should choose their investments wisely. The study suggests that owners of youth businesses should improve some areas of risk-taking, such as monetary risk, social risk and psychological risk.

The study also found that networking skills negatively impacted the relationship between entrepreneurial orientation and the growth of youth-owned enterprises in Kenya. This implies that business owners of youth companies should assess their networking skills. The study suggests that founders of youth businesses should continue to hone their networking skills. In particular, they should be clear in communication just like other players in the market to effectively convey the right message, and apply relationship skills respectively. In this sense, the literature on entrepreneurship orientation states that companies must act proactively, innovatively and with lenience to risk to respond to the demands of society and markets in a socially responsible way, with ethical behaviors that integrate the social, environmental and economic interests of stakeholders (Donbesuur Boso, & Hultman, 2020).

The study further recommends that the government as a policy setting organ to invent conducive regulatory policies that suit the necessities of existing SME youth entrepreneurs and budding SME entrepreneurs to participate in entrepreneurial orientation activities to spur growth of the SMEs. The growth of SMEs has potential of contributing toward GDP. The SMEs are important for economic development since they constitute a large proportion of enterprises that cut across all sectors of economy, thus, strategies that enhance their growth will bolster economic development and place each county and the entire country on the right path of achieving Vision 2030 and the millennium development objective. The investigation prescribes that entrepreneurial orientation provides alternative means for SME entrepreneurs to access valuable resources and information. Thus, the study recommends that government should formulate a policy to encourage SME youth entrepreneurs to participate in entrepreneurial orientation activities to address some challenges that inhibit their growth that government may be unable to address. The study also recommends that the government to put more emphasis on the youth entrepreneurship facility's youth to youth fund which is a competitive grant scheme that support small-scale youth entrepreneurship development projects implemented by youth-led organizations.

The fund offers local youth an opportunity to participate in the development of youth entrepreneurship in their counties. The youth constitute a huge pool of untapped talent potential which could be tapped and in turn transform SMEs growth in an upward trend. Besides their sports prowess, youth in Kenya are creative, innovative and easily adapt to technology changes (KYDP, 2019). Consequently, the study further recommends that the government enhance the Kenya youth development policy (KYDP) that encourages establishment of a network of talent development institutions in every county to support and incubate ideas and talents of the existing youth entrepreneurs in business and emerging generation of highly creative youth. Capacity relates to utilization of knowledge and skills that make SMEs more efficient, adaptive and responsive to changing market conditions. To enhance managerial skills, financial skills, technical skills, technology and innovation, and industry relevant skills (link between the sector and learning institutions) the government should employ interventions such as providing holistic demand-driven and well-structured capacity building programs in all areas of SMEs; provide skills and technology transfer, acquisition and adaptation for SMEs across the counties. Therefore, it is a necessity for Ministry for Industrialization and Enterprises to initiate policies that encourage SME youth entrepreneurs and other business people to engage in entrepreneurial orientation.

5.5 Areas for Further Research

This study was limited to determining the relationship between entrepreneurial orientation and business growth owned by young people in Kenya. The focus of this research is on youth-owned businesses in Kenya. The effect of innovativeness on the growth of youth firms is slightly lower as compared to the other three components when running multiple regression without moderation. It is therefore suggested that further research be done in other subsets of small firms to understand why this is the case. Additionally, the four components of entrepreneurial orientation only account for 43% of the variation in the growth of youth businesses, indicating that additional factors may be at play in the variation in this growth. Future scholars should consider investigating other entrepreneurial orientation that can explain changes in growth of youth owned enterprises.

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APPENDICES

Appendix I: Letter of Introduction

Robert Maina Mwangi

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Murang'a

Kenya

March 1st, 2021

REQUEST FOR RESEARCH ASSISTANCE

This questionnaire is for educational purposes only. It is intended to collect data for a student who is pursuing a Doctor of Philosophy Degree in Entrepreneurship from Jomo Kenyatta University of Agriculture and Technology (JKUAT).

I am kindly inviting you to participate in this research study by completing the attached questionnaire as accurately as possible. In order to ensure that all information will remain confidential, please do not include your name anywhere on the research questionnaire. The data collected will be used for academic purpose only.

A copy of a letter from the institution is attached upfront.

The Research is titled, **"Entrepreneurial orientation and the Growth of Youth Owned Enterprises''**

The Principal Researcher is **Robert Maina Mwangi.**

Yours Faithfully

Robert Maina Mwangi

Appendix II: Questionnaire

Part A: Biographic Information

This questionnaire is meant to acquire information on entrepreneurial orientation and the growth of youth enterprises.

1. What category does your business belong?

   Micro ☐ Small ☐ Medium ☐ Large ☐

2. Which category best describe your age bracket?

   Less than 30 years ☐ 31-40 years ☐ 41-50 years ☐

   51 ears and above ☐

3. What category best describe s the number of employees in your business?

   1-4 ☐ 5-9 ☐ 10-49 ☐ 50 and above ☐

4. What position do you hold in the business?

   Owner manager ☐ General manager ☐ Spouse ☐

5. Which category best describe your gender? Male ☐ Female ☐
6. Indicate the business ownership by ticking in the correct box.

   Limited company ☐ Partnership ☐ Sole proprietorship ☐ Other ☐

7. Number of years the enterprise has been in existence

   Less than a year ☐

   Between 2 and 5 years ☐

   More than 5 years ☐

8. Estimate the value of the business (ksh)

Less than 100,000 ☐

100,001-200,000 ☐

200,001-400,000 ☐

400,001-500,000 ☐

Above 500,000 ☐

9. Estimate the annual earnings of the business in the last three years.

☐ 2015..... ☐ 2016..... ☐ 2017.....

10. Nature of business

Retail ☐

Manufacturing ☐

Service ☐

Part B: Innovativeness

Kindly indicate to what extent you agree or disagree with the following statements as far as **INNOVATIVENESS** is concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N- Neutral DA–Disagree SDA – Strongly Disagree

		SA	**A**	**N**	**DA**	**SD**
		5	4	3	2	1
	New product					
1	I regularly introduce improvements on existing products.					

2	I develop new product designs which are unique to my business.					
3	I have managed to introduce additional product lines.					
	Entrepreneurial Processes					
4	I have well laid strategies on how to improve product procedures.					
5	The production in my business is always efficient to meet customers' needs.					
6	I do take customers through various steps to generate sales.					
	Entrepreneurial Services					
7	I am fully committed to satisfy my customers through offering quality services.					
8	I always ensure my business respond promptly to the customers feedbacks.					
9	My efficiency in service delivery have led to increased referrals.					
10	I strive to offer after sales services to all my customers.					

11. To what extent do you agree that innovativeness can greatly impact on your business?

Very low ☐ Low ☐ High ☐ Very high ☐

12. What considerations did you put when choosing the distribution channels for your business?

……

……

Part C: Proactiveness

Kindly indicate to what extent you agree or disagree with the following statements as far as **PROACTIVENESS** is concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N-Neutral DA–Disagree SDA – Strongly Disagree

		SA	**A**	**N**	**DA**	**SDA**
		5	4	3	2	1
	Market needs and demands					
1	I always strive to meet the market needs and demands.					
2	I regularly introduce new products for emerging markets.					
3	I constantly work to raise the caliber of my output.					
	Market opportunities					
4	I always strive to enter new markets					
5	I always try to look for joint venture opportunities.					
6	I always try hard to lower prices in order to expand my market share.					
	Introducing new methods					
7	I regularly introduce new production methods to improve efficiency.					
8	I always introduce new business processes to keep up with emerging technology such as mobile money.					
9	I always enhance the features of the products to improve on customers' experience.					
10	I always strive to pursue different marketing strategies such as social media					

11. If you were to enlarge your business, what resources would you use?

My savings ☐ Profit from my business ☐ Have no interest to enlarge ☐

Loan ☐ Sponsorship/donation ☐

12. What do you think would make your business more profitable?

……..…

……..

Part D: Competitive Aggressiveness

Kindly indicate to what extent you agree or disagree with the following statements as far as **COMPETITIVE AGGRESSIVENESS** is concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N-Neutral DA – Disagree SDA–Strongly Disagree

		SA	**A**	**N**	**DA**	**SDA**
		5	4	3	2	1
	Price cutting					
1	My prices attract more customers as compared to those of competitors.					
2	The business has been able to maintain its pricing power.					
3	I have been able to lower product and service delivery cost.					
	Market positioning					
4	My business has been serving its market segment adequately					
5	To gain a competitive advantage, my business offers greater value to the chosen target markets.					

6	The products of my business offer more benefits to customers than competitors'.					
7	The business effectively position itself through product differentiation than its competitors.					
	Quality production					
8	The quality level has been supporting the products' position in the target market.					
9	My business has been consistent in maintaining its products quality.					
10	Reducing product defects has been the ultimate goal of my business to improve customer satisfaction and value.					

11. What kind of customers do you target?

New customers ☐ Loyal customers ☐ Potential customers ☐

Discount customers ☐

12. What strategies have you put in place in order to react to your competitors' prices?

……

……

Part E: Risk-taking

Kindly indicate to what extent you agree or disagree with the following statements as far as **RISK-TAKING** are concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N-Neutral DA – Disagree SDA–Strongly Disagree

		SA	**A**	**N**	**DA**	**SDA**
		5	4	3	2	1
	Monetary risk					
1	It is better I take some risk and hope for better returns which keep pace with inflation.					
2	I believe that the best long-term returns come from more aggressive strategies and I am willing to tolerate prolonged falls in value along the way.					
3	I have bought collective investment schemes such as unit linked (insurance company) funds.					
	Social risk					
4	I have been able to maintain a system that deals with human rights violation within the workforce in my business.					
5	I have laid down strategies to deal with corruption by business officials.					
6	I have put in place mechanism that deals with public health issues to prevent absenteeism and improve workers morale.					
7	Increased technology has enabled my business to lower the cost leading to cutting of wages and salaries.					
	Psychological risk					
8	The business challenges have been so bad than I have thought but must persevere.					

9	I always strive to ensure that there are no job stressors and workplace hazards in my business.					
10	My regular attendance to business training workshops has enabled me to deal with emotional customers.					

11. In which risk categories do you evaluate risk in your business?

Market risks ☐ Strategic risks ☐ Legal risks ☐ FinancAial risks ☐

12. How would you manage risk in your business if new technology is introduced in the market?

…….

……

Part F: Networking Skills

Kindly indicate to what extent you agree or disagree with the following statements as far as **NETWORKING SKILLS** are concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N-Neutral DA – Disagree SDA–Strongly Disagree

		SA	**A**	**N**	**DA**	**SDA**
		5	4	3	2	1
	Communication Systems					
1	There is good communication between employees and customers in my business.					
2	My business provides a communication channel that employees can use to convey their feedbacks.					
3	The information I receive on daily basis only comes from my manager.					
4	My ideas are directly communicated to the top-level					

	management.					
	Coordination Programmes					
5	I am able to stay organized in order to keep track of tasks and deadlines.					
6	I do bring in strong problem-solving skills to which in turn help me anticipate potential issues before they arise.					
7	I do allow an honest dialogue about our expectations and goal to find a common ground.					
	Relationship skills					
8	My good relationship with my customers, suppliers and business networks has led to growth in my business.					
9	Working closely with my team and stakeholders to build my business success is always a priority.					
10	I strive to maintain strong connection with my suppliers to stay aligned and produce effective results.					

11. To what extent are your customers satisfied with your products and services?

To no extent ☐ To a little extent ☐ To moderate extent ☐

To a great extent ☐ To a very great extent ☐

12. What challenges would you want to put in place in order to succeed in this industry?

……..……

……

Part G: Growth of SMEs

Kindly indicate to what extent you agree or disagree with the following statements as far as **GROWTH** is concerned (Tick where appropriate)

SA – Strongly Agree A – Agree N-Neutral DA – Disagree SDA–Strongly Disagree

		SA	**A**	**N**	**DA**	**SDA**
		5	4	3	2	1
	Number of employees					
1	My business has managed to maintain its workforce for the last three years.					
2	Most of my workers are under the contract of 1-2 years.					
3	Part time employees are the majority in my business.					
	Profit margin					
4	My ability to take risk in new opportunity has led to increased market share thus raising my profits.					
5	My good relationship with my customers and suppliers has led to increased sales of my product/services.					
6	I do plan to open a new branch in order to meet customers demand so as to improve on profit.					
	Revenue generation					
7	The continued acceptance of my products and services have increased the size of the market.					
8	New product development has led to the increase of money coming into business.					
9	Favourable and affordable prices for my products have enabled the business to increase sales volume.					
10	Using market segment have increased sales in my business.					

11. How well do you replenish products that get out of stock?

Very rare ☐ Rare ☐ Moderate ☐ Often ☐ Very often ☐

12. What strategies have you put in place in order to sell more than your competitors?

……..

……..

Kindly indicate the improvement in **GROWTH** of your business based on the following indicators for the specified period.

	Indicators	**2015**	**2016**	**2017**	**2018**	**2019**
1	Specify your annual profits generated in your business.					
2	Enumerate the number of customers you have served annually.					
3	Indicate the value of annual sales volumes realized by your business.					
4	Indicate the annual expenses incurred by your business.					

Thank you for your time and participation!

Appendix III: Authorization Letter

JOMO KENYATTA UNIVERSITY
OF
AGRICULTURE AND TECHNOLOGY
P.O. BOX 62000, CITY SQUARE, NAIROBI, 00200, KENYA. TELEPHONE: (067) 52711, MOBILE NO. 0788-602-225
FAX: (067) 52164, THIKA
Office of the Director (BPS)
E-mail: director@bps.jkuat.ac.ke

REG. HDE413-C004-5475/2016 **Date: 14th December, 2016**

Mwangi Robert Maina
P.O. BOX 75-10200 MURANG'A
Dear Applicant,

RE: ADMISSION FOR POSTGRADUATE STUDIES:

Following your application I am pleased to inform you that you have been offered admission to a Doctoral (Ph.D) Programme in **Entrepreneurship** at JKUAT Nairobi CBD Campus. **Kindly note that this admission is valid for two (2) years after which the applicant will be required to re-apply.**

The offer of admission does not include any funding. You or your sponsor will meet all fees and other charges. The reporting date is on **05th January, 2017**. No registration will be accepted after the second week from this date.

Registration for the programme will only be possible on payment of the requisite fees and upon verification of your **Original Certificates** and **National ID Card/Passport**.

Fees should be paid through:

1. Barclays Bank,Juja Branch, Account Number **030721022145**

Please remember to get the Pay-In-Slips to be presented to the University during the registration. You will be required to report to the Director, Nairobi CBD Campus.

Enclosed please find copies of the following:

1. Fees Schedule 2. Acceptance/Registration Forms 3. Medical Examination Form

Please feel free to contact the Director, Board of Postgraduate Studies or the undersigned if you need further clarification on any matter regarding the above issue.

Yours faithfully

PROF. MATHEW KINYANJUI
DIRECTOR, BOARD OF POSTGRADUATE STUDIES
Copy to:
Registrar, AA
Director, Nairobi CBD Campus

Encl.

JKUAT is ISO 9001:2008 and 14001:2004 Certified
Setting Trends in Higher Education, Research and Innovation

Appendix IV: NACOSTI Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR
SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **627201**

Date of Issue: **09/September/2021**

RESEARCH LICENSE

This is to Certify that Mr.. Robert Maina Mwangi of Jomo Kenyatta University of Agriculture and Technology, has been licensed to conduct research in Nairobi on the topic: Entrepreneurial Management Techniques and the Performance of Youth Owned Enterprises in Kenya for the period ending: 09/September/2022.

License No: **NACOSTI/P/21/12865**

627201

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY &
INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document,
Scan the QR Code using QR scanner application.

Appendix V: Support Documents

REPUBLIC OF KENYA

THE PRESIDENCY
MINISTRY OF YOUTH AFFAIRS.THE ARTS AND SPORTS
STATE DEPARTMENT FOR YOUTH AND THE ARTS
MURANGA COUNTY

REGISTERED YOUTH GROUPS

S/NO	NAME	CONTACT PERSON	MOBILE NO	ACTIVITY
1.	MUGA BODA BODA	PAUL MUTURI	0722823617	BODABODA BUSINESS
2.	GIKOE BODA BODA	BENSON GICHERU	0726024574	BODABODA BUSINESS
3.	RWANGANGA YOUTH GROUP	BENSON MAMBO	0720263254	AGRICULTURE
4.	KAHARIRO FOOT BALLERS	HEZEKIEL CHEGE	0728820296	SPORTS, TABLE BANKING
5.	KAGIMA MOTORCYCLE	JULIUS NJOROGE	0724416677	BODABODA BUSINESS
6.	MWANGAZA BODA BODA	PETER KITAKA	0726062332	BODABODA BUSINESS
7.	G-UNITY YOUTH GROUP	JOSPHAT NGUGI	0724212778	AGRICULTURE
8.	KANDERENDU YOUTH FORUM	MARIAM KIMANI	0712398442	TABLE BANKING
9.	YAMBOGO YOUTH GROUP	STEPHEN MWANGI	0726572351	HORTICULTURE
10.	UPENDO KAHARIRO	DAVID WAINAINA	0722564262	TABLE BANKING
11.	KARURI JIINUE	JOHN NDUATI	0715340789	HORTICULTURE
12.	UPPER MARUMI BDEVELOPMENT	FRANCIS NJOROGE	0723517866	TREE NURSERY
13.	KAUMUL Y.G	JAMES MWANGI	0720509579	HORTICULTURE
14.	KIKAKA Y.G	PETER KAHUKI	0724601064	TABLE BANKING
15.	MWIHOKO MARUMI	ANN NYAMBURA	0792271594	TABLE BANKING
16.	MUGURU YOUTH GROUP	BENARD NJOROGE	0726933090	TREE NURSERY
17.	GITHANJA DIGITAL	GEORGE MAINA	0721395561	PIG REARING
18.	QUICK SERVICE ENTERPRISES	JOEL KANGETHE	0722256997	TABLE BANKING
19.	GATARE FOREST	HELLEN WAMBUI	0721801325	TREE NURSERY

20.	COMMUNITY SKYLITE Y.G	EMMACULATE NJERI	0720338548	TABLE BANKING
21.	MWARA YOUTH GROUP	PETER KAMAU	0721834768	HORTICULTURE
22.	KAMUGA AGEMATE	JOSEPH MAINA	0727936232	EVENTS MANAGEMENT
23.	GATUMBI PAMOJA	ISAAC KIMEMIA	0722423314	BODA BODA
24.	IRURA STAR	JOHN KIMANI	0728411653	HORTICULTURE
25.	KIGUMO SPORTIFF	NANCY WANJIRU	0725009994	FOOTBALL
26.	NJAUINI WELFARE	SIMON GACHAGO	0724532266	HORTICULTURE
27.	OPERATION YOUTH GROUP	DANIEL MBURU	0720020502	AGRIGULTURE
28.	KAREGA GENESIS	JOHN MAINA	0723876872	HORTICULTURE
29.	PCEA KANDANI	MARTIN NJOROGE	0727491481	PIG REARING
30.	SHINE FOUNDERS	JACKLINE WAMBUI	0728966354	TABLE BANKING
31.	47TH COUTY VISION	JANE WAIRIMU	0725405794	TABLE BANKING
32.	BEFRA YOUTH	FRANCIS NGUNYOKU	0726800861	AGRICULTURE
33.	TEEN REPUBLIK	JEDIDAH MUTHONI	0727970600	MERRY GO ROUND
34.	GKK YOUTH	ESTHER WANJIKU	0714188152	TABLE BANKING
35.	EXCO SPRING	PAUL WAINAINA	0716264499	MERRY GO ROUND
36.	KIANDA YOUTH	LINCOLN KINUTHIA	0787835239	HORTICULTURE
37.	MWIHOKO YOUTH	LUKA KAMAU	0725346222	HORTICULTURE
38.	KAHUHO HOPE	BENARD WAITATHU	0707389108	TREE NURSERY
39.	GIKOE BLESSED	EVANS KAGWI	0726284589	TABLE BANKING
40.	AMMI RUHAMA	SAMUEL KARANJA	0723140215	HORTICULTURE
41.	KAGURUMO MWIHOKO	SAMUEL KANYINGI	0726949450	HORTICULTURE
42.	GIKOE MOVEMENT	SAMUEL ICHAI	0727034957	TABLE BANKING
43.	12K YOUTH	PETER KIMEMIA	0728478512	POULTRY
44.	MUKAKA YOUTH	NAFTARY WAIHENYA	07139744493	HORTICULTURE

45.	MUITO UMOJA	MARY WAITHERERO	0707446723	TREE NURSERY
46.	MWETERERI FORUM	BEN NJOROGE	0713762855	TABLE BANKING
47.	NGUKU PACE MAKERS	RUTH WANJIKU	0712601325	HORTICULTURE
48.	YOUNG FATHERS	PETER IRUNGU	0727401579	TABLE BANKING
49.	GREEN HOUSE GIKARANGU	PAUL KIRICHA	0723212977	HORTICULTURE
50.	IKUMBI KAMEME	EUNICE NDUTA	0727098297	POULTRY
51.	GIKAKI VIJANA	DANIEL KANGETHE	0726901686	MERRY GO ROUND
52.	GIKOE STEWARDSHIP	SUSAN WANGARI	0718053797	HORTICULTURE
53.	SELF MUTIVATED	DANIEL KANGARA	0720178083	HORTICULTURE
54.	GACHOCHO UNITY	HENRY KAMAU	0727696486	TABLE BANKING
55.	HARRY KINGS YOUTH	RAHAB NYAMBURA	0726543629	TABLE BANKING
56.	KAMUKABI JITEGEMEE	FRANCIS KARANJA	0727869076	HORTICULTURE
57.	MUTUNGURU YOUTH	LILIAN WANJIRU	0704185683	TABLE BANKING
58.	MAKIRIMA YOUTH	JOSEPH KIHARA	0715534566	HORTICULTURE
59.	DESTINY YOUTH	JOHN GITONGA	0723540465	POULTRY
60.	KANGI YOUTH	SOLOMON KAMAU	0708613206	TABLE BANKING
61.	GAKUA INNOVATIVE	ANTHONY MURURU	0705352053	TABLE BANKING
62.	FAHARI AFRICAN ACTS	PAUL MBUTHIA	0711113581	PERFORMING ARTS
63.	OASIS YOUTH GROUP	SAMUEL IHUTHIA	0724445867	MERRY GO ROUND
64.	KIGUMO YOUNG GENERATION	PETER NJOROGE	0703131260	TABLE BANKING
65.	BIDII NA UMOJA	ERIC KIARIE	0738139536	MERRY GO ROUND
66.	NGOBE YOUTH	SIMON NJOROGE	0700189461	TABLE BANKING
67.	THE HARRIS YOUH	JAMES NDUNGU	0721861127	TABLE BANKING
68.	CALOPA YOUTH	HARRISON MAINA	0728517096	HOTRICULTURE
69.	KANYARURI	JOHN NGANGA	0727057067	HORTICULTURE

S/No.	NAME	No. Of Members	LPhone number
1.	Koch Hope (Verti Ravive) SHG	29	0723594867- Hussein
2.	Team Revolution	30	0706592820
3.	Paradise Unite CBO	23	0790741668
4.	Koch Vision CBO	55	0704661564- Paul
5.	Together We Prosper SHG	15	0719240888
6.	Komb Green CBO	74	0725397869
7.	Bidii Yetu Youth Group	15	0724025922
8.	Kairo Emptiers SHG	15	
9.	Brilliant youth group	16	0720541275
10.	Grown San Siro SHG	30	0792574535
11.	Umoja Ni Sisi SHG	20	0729861580- Peter
12.	Nairobi River Women Group	21	0722380593
13.	Tujijenge SHG	15	0700301731- Rose Wanjiru
14.	Heshima Ndogo Youth Bunge		
15.	Bridge Shakers SHG	23	0705341917- Joab Misula
16.	Waumini Dumpsite SHG	18	0700753689
17.	Ambitions Women Group	21	0722960920- Margaret Kinyua
18.	Ushikiano joy	25	
19.	Okoa Jamii SHG	25	07426288815- Benter Atieno
20.	Chanuka B SHG	32	07204508l2- Dolphine Atieno
21.	Koch Usafi CBO	35	0722960920- Margaret Kinyua
22.	Nyayo Visionary Youth Group		
23.	Nyayo Youth Development Association (NYODA)	16	0795935505/ 0759952053- Austine Ochieng
24.	Sinani Development Group		0725919607- George Otieno
25.	Kisumu Ndogo Young Achievers SHG		0717566141- Evans Otieno
26.	Brilliant Youth Group	30	0708150359- John
27.	440 group		0104211062- Richard