



RESEARCH ARTICLE

REVITALIZING YOUTH ENTREPRENEURSHIP IN KENYA:
A Deliberate Training Curriculum

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ABSTRACT

The youth in Kenya (15-35) are the cornerstone of society and must be nurtured to take up active leadership roles in the country. However, since independence, their role has been largely peripheral leading to their current marginalization manifested in form of unemployment, crime, drug abuse and passive involvement in constructive nation building. Part of the problem has been poverty which has denied them access to appropriate training and productive resources. As such, they only undergo rigid exam-based training with minimal practical application in the job market. The Government of Kenya has already recognized the long-term impact of the youth marginalization and initiated programmes to ensure they become active rather than passive partners in nation building such Youth Enterprise Development Fund (YEDF). This fund has the potential to transform the largely unproductive youth into endearing citizens. However, YEDF is bedevilled with challenges including the curriculum used to induct the youth into the world of work in general and entrepreneurship in particular. The result has been massive loan default, with many youth enterprises becoming shadows of their true potential. In addressing the foregoing, this paper reviews the current curricula on youth entrepreneurship development training and proposes its essential revision as the way forward.

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INTRODUCTION

Entrepreneurship Environment in Kenya

Entrepreneurship has been seen as a way of thinking, reasoning and acting that is opportunity-obsessed, holistic in approach and leadership balanced (Timmons and Spinelli, 2003). This implies that entrepreneurs inject imagination, motivation, passion, tenacity, integrity and other related behavioural attributes in their enterprises in a long-term commitment to make a positive difference in oneself and others. The foregoing therefore acknowledges entrepreneurship as not just a question of making money, but also satisfying oneself with what you do and at the same time accruing benefits to the wider society, corporate social responsibility (Kuratko and Hodgetts, 1995). For this reason, it is an end in itself and for entrepreneurs to succeed they have to be responsive to societal needs. Entrepreneurs in Kenya like anywhere else operate within a context of both internal and

external environments that are replete with both challenges and opportunities. Hence the Kenya business environment like any other has physical, historical, economic, politico-legal, socio-cultural and technological dimensions (Kibera, 1996). On the physical sphere, the varied climatic conditions offer an important opportunity for the thriving of business enterprises. For example, agriculturally potential land means that agro-based enterprises are constantly supplied with raw materials and this has important implications for national development given that this sector is the backbone of the Kenyan economy (Kibera, 1996; Republic of Kenya, 2002; 2007b; 2008). The historical environment has it that Kenya inherited her present commercial pattern from Britain, her colonial master, which has influenced the form, structure and the general operations of the enterprises in the country (Kanyinga, 2001; Kibera, 1996). This inheritance has seen the development of entrepreneurship support services including transport, insurance, banking, marketing and consultancy in human resource development among other areas. It is also responsible for commercial farming and the partial replacement of the

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traditional barter trade with the introduction of money as a standard medium of exchange. On the politico-legal sphere, the Kenyan enterprise is regulated by several administrative and legislative provisions. These are aimed at ensuring adherence to commercial ethics while at the same time enhancing fairness, equity and access to venture opportunities for all investors. They also aim to ensure efficient use of scarce resources, protect the economy from unfair competition and inflation. Moreover, they guarantee fair play to consumers and protect worker rights in line with International Labour Organization standards which Kenya has assented to. Most important, they protect the physical environment from degradation by business concerns (Kibera, 1996). Such laws include the Foreign Investments Act (Cap. 518), Public health Act, Central Bank Act and Trade Licensing Act among others.

The socio-cultural environment consist of stratification, social mobility, social organization, social institutions, customs and generally the people's way of life of all of which are a product of socialization (Kibera, 1996). It is widely believed that culture has implications for the satisfaction of people's needs and as such it has some bearing on the kind of enterprises that people come up with. In terms of stratification in Kenya more so by socio-economic class, we have the upper, middle and the lower classes, which have varied tastes and preferences. It is these tastes and preferences that are important for market segmentation. As such, enterprises do not come up spontaneously but are determined by the socio-cultural characteristic of the would-be market. The technological environment denotes the scope of the scientific knowledge available for efficient entrepreneurship and encompasses skills, technology and equipment among other related factors (Kibera, 1996). It is a fact that the performance and growth business ventures are a function of technology, which influences the quality of and the hastiness with which goods and services provided. For example, with the development of the modern communication and information technology, advertisement for goods and services is much faster and more efficient and effective. In recognition of the importance of technology in development, the government established the National Council for Science and Technology in 1977 and tasked it with research on and review of the country's technological needs. Indeed, in the Kenya Vision 2030 (Republic of Kenya, 2007a; 2008), it is acknowledged that technology will play an enormous role in achieving the development proposals envisaged in the blueprint.

The Youth and National Development in Kenya

The youth (15-35) in Kenya comprise about 38% of the estimated 40 million Kenyans, make the bulk of the supposedly most economically active segment of the population and form a strong 80% of the total unemployed (Republic of Kenya, 2007a; 2008). They are engaged in various activities in national development including business, sports, theatre arts, herding and the white collar industry. However, despite their involvement in the foregoing activities, it is widely acknowledged that their potential is far from being fully tapped for national development. As such, they remain one of the most underutilized resources in Kenya and the country has all along been paying for this indiscretion through lower levels of development. The lower levels of development are manifested in the form of joblessness, crime, drug abuse,

violence, immorality and other social evils that to a greater extent have come to epitomize the youth of this country. Part of the problem has been poor planning on the part of stakeholders that has largely marginalized the youth in decision making and implementation of development projects and therefore given birth to the problems afore-mentioned. For example, until recently development administration in Kenya has been top-down to the exclusion of beneficiaries (Chitere, 1994; Tucker, 1999). The beneficiaries include the poor and youth and therefore failure to inculcate ownership among the masses. As such, development projects have tended to stall or collapse altogether when technical staff withdraw from the scene. In most cases, they have been seen to evolve into shadows of their true potential at the expense of people's welfare (Mwenzwa, 2007). In all this, seemingly nobody has been able to ask the million dollar question: where is the voice of the beneficiary in general and the youth in particular?

The Government of the Republic of Kenya has already recognized this anomaly and come up with sector-wide projects that recognize the youth as principal stakeholders and therefore the importance of their active involvement in decision-making. As a result, starting in the late 1990s, policy formulation in Kenya has been all-inclusive, involving a wide range of stakeholders in consultative fora. For example, the 1999 National Poverty Eradication Plan (Republic of Kenya, 1999) and the subsequent poverty reduction strategy papers have involved wide consultation among foreign experts, local scholars and ordinary citizenry including the youth. Perhaps the most consultative process in Kenya has been the GTZ-propelled Participatory Poverty Assessment in which four groups made of adult men, adult women, male youth and female youth have been actively engaged in poverty research more so among the poorest of the poor especially in rural areas. In addition, the formulation of the Economic Recovery Strategy for Wealth and Employment Creation 2003-2007 (Republic of Kenya, 2003), was also consultative in nature and so was its successor, the Kenya Vision 2030 (Republic of Kenya, 2007a). This has given the youth a chance to participate and helped to bring out their needs from their own perspective. Nevertheless, the youth are not a homogenous group and differences in terms of socio-economic status, disability, gender, race among others have yet to be given adequate attention in policy research, formulation and implementation.

The foregoing inclusivity notwithstanding, the top-down mentality and approach to development among public servants and development workers is yet to be completely done away with since they also control financial resources. This mentality is responsible for the development malaise in Kenya and therefore seen as part of the problem rather than the solution to progress in the developing world in general (Tucker, 1999). For this reason, it is important to enhance participatory governance through which the wishes, needs and perspectives of stakeholders are incorporated in planning. Indeed, it ensures equitable development through enabling citizens including the poor and the youth to gain a fair hearing and access to key decision-making and public services (UNDP, 2003). The youth in Kenya have remained largely a marginalized lot in development planning and many of them are poor and therefore can be described as double proletariats: first by virtue of being young and therefore largely dependants and

second by being poor. Due to this precarious socio-economic state of the youth, their vulnerability to violence, drug abuse, crime and negative ethnicity is heightened and their involvement in anti-social behaviour is thus explained. As such, their participation in development has been marginal and for the most part negative. The government has already recognised this trend and in the social pillar of the Kenya Vision 2030 (Republic of Kenya, 2007a; 2008), devised strategies for mainstreaming them and other marginalised groups in national development.

In particular, the need to develop the capacities of the youth for active engagement in socio-economic activities of the country is underlined. This would be achieved through providing financial support, giving them a voice to articulate their issues as well as participate in decision making and most important, training to develop and enhance their entrepreneurial potentials. This saw the birth of the Youth Enterprise Development Fund, which was conceived by the government in June 2006 as way of addressing youth unemployment in the country. It legally came into operation in December 2006 through Legal Notice No. 167 and was subsequently transformed into a state corporation in May 2007 through Legal Notice No. 63 (YEDFB, 2009). The fund is normally disbursed through the Constituency Youth Enterprise Scheme (C-YES) and financial intermediaries such as banks, Non-Governmental Organizations, Micro-Finance Institutions and Savings and Credit Cooperatives (SACCOs). The funds are accessed as either individuals or groups and are meant for enterprises purely owned by youth. As a requirement and to make sure that it is sustainable, the youth must be trained before accessing the funds. Indeed, entrepreneurial training is one of the proposed measures to alleviate the challenges facing the youth in the Kenya Vision 2030 (Republic of Kenya, 2007a; 2008). However, despite its noble intentions, the youth entrepreneurship development training has several short-comings largely related to the curricula used and the mode of delivery. This is the core of this paper to which we now turn to for a precise analysis in order to expose these weaknesses and thereafter suggest the way forward.

Scope of Youth Enterprise Development Training Curricula

Youth entrepreneurship training in Kenya is placed in the hands of several stakeholders including financial institutions, the Youth Enterprise Development Fund Board, Ministry of Youth Affairs and Sports and the Government Training and Management Institutions of Baringo, Embu, Matuga and Mombasa. Others include the Kenya Institute of Business Training (KIBT), National Youth Service and the Kenya Institute of Administration (KIA). While these institutions use different curricula, the most comprehensive of them is the 2007 Business Skills Entrepreneurship Development Training Manual developed by the Ministries of Youth Affairs and Sports and that of Trade with the support of the United Nations Development Programme (UNEP) (Republic of Kenya, 2007b). This has apparently been the benchmark for the development of other curricula including those meant for Trainers of Trainers (ToT), given that they largely draw from it. It is this particular curriculum that this paper gives more emphatic analysis.

What is the scope of this curriculum in preparing the youth for entrepreneurship in the country? The curriculum has five *modules* including Introduction to Micro and Small Enterprise and the Entrepreneurial Process, Motivation and Business Skills Development, Spotting Business Opportunities and Environmental Awareness. It starts by introducing the youth entrepreneur to micro and small enterprises and generally the entrepreneurial process. In particular, through the module, trainees are encouraged to select business opportunities relevant to their background and skills. This includes making presentations of their business ideas in a classroom situation to instil them with the necessary confidence. More emphasis is placed on the need for the prospective entrepreneur to make the bold decision to enter into business as a way of satisfying his/her wants. The second module on Motivation and Business Skills Development involves making the entrepreneur develop the required motivation in themselves to do business. They are therefore supposed to visit a market to accustom themselves to small business activities and familiarize themselves with the background of both the business owners and the tastes and preferences of customers. The foregoing is expected to give them an idea of what to expect when they eventually get into their own businesses. After this familiarization, the trainees are supposed to objectively score themselves against certain entrepreneur attributes such as risk-taking, hope for success, persistence, personal responsibility, innovativeness, tenacity, managerial and persuasive ability and use of feedback among others. The overall score is supposed to reflect whether they are up to the task of business, otherwise they would be required to know their shortcomings and get assistance from their facilitators regarding how to manoeuvre around them.

The third module on Spotting Business Opportunities involves the prospective entrepreneurs visiting small enterprises and then generating business ideas. The most important thing here is for the prospective entrepreneur to come up with a business idea based on the visit to the small enterprises visited, resources available including skills and needs of the prospective customers. It is important as the module emphasises that the needs of customers identified should be unmet or partly met so that one may cut a niche therein. The module as well gives possible small scale industrial ventures, their legal requirements including licensing and tax payment. Emphasis is placed on the need for the prospective entrepreneur being responsible to the government and the country through paying tax and adhering to other legal requirements. The fourth module on Business Planning involves the prospective entrepreneurs being counselled on the selection of business opportunities as well as being introduced to business planning and market-based research. They are also taken through business capital and costs estimation and how to source business funding from financial as well as non-financial institutions. After they are taken through the preparation of business plans, they are required to prepare their own business plans and to present them in a panel. This is important to determine whether they actually understand the kind of businesses they want to put up and the feasibility of their business ideas. In particular, the business plan is assessed on its contents, the product and market including competitors, available and required infrastructure, financial viability and the technical factors necessary to make the business run. It is after this exercise that the process of implementation of the business plan is initiated.

The fifth and final module on Environmental Awareness is meant to demonstrate to the trainees that their ventures cannot operate in isolation of other business support systems whose services may be required from time to time. Such include bank-related services, purchasing, sales and marketing, human resource requirements and business communication skills. Other include business information and networking, support system for export and import such as clearing and forwarding, information technology applications and the possible challenges to business growth and performance. These are supposed to prepare the entrepreneurs to know where to seek business support services and anticipate hitches in entrepreneurship-that entrepreneurship is not a walk in the park. From the foregoing exposition it is clear that the curriculum is comprehensive enough to produce a commercial-oriented individual, but not necessarily an entrepreneur able to run a business with a human face. For example, the social aspects of entrepreneurship are not given mention and it would seem that the *entrepreneurs* produced have no obligation to the society in which they operate except providing good and services. This is a significant omission on the part of the curriculum, which is the main concern of the paper. We now turn to undertake an evaluation of the curriculum, point out the shortcomings and thereafter suggest the way forward to make the curriculum more responsive not only to the entrepreneurial needs of the investor, but also that of the society at large.

Evaluation and Way Forward

We have already reviewed different curricula from various institutions but put more emphasis on the one developed collaboratively by the ministries of Trade and that of Youth Affairs and Sports with support from UNDP. It is a fact that these curricula have made a major attempt to ensure that the youth acquire vital skills necessary to enable them take an active role in national development. However, despite their noble intentions, it should be emphasised that they have some shortcomings that we believe if rectified can go a long way in revitalising youth entrepreneurial skills. Here below we expose some of the shortcomings and recommend improvement to enhance youth entrepreneurial skills for national development. A review of different curricula shows that the different training institutions are not reading from the same script as far as training of potential youth entrepreneurs is concerned. From those meant for training the youth entrepreneurs to those meant for Youth Trainers, it would seem that each of the institutions have their own separate training curricula. For this reason it is our observation that the products of the training-youth entrepreneurs-is varied depending on the institution in which they trained. Our view is that there is need for the harmonization of the various curricula to ensure that the potential youth entrepreneurs are exposed to the same training. This would make it easy to evaluate the impact of the training when the trainees finally engage in business.

One other glaring shortcoming that emerges out of the foregoing evaluation of the different youth entrepreneurship training curricula is that they all fail to make the youth entrepreneurs discover who they are in society. For this reason we may ask: do the curricula help the youth know who they are in society and the important role they are or should play in

national development? The answer is not in the affirmative for the reason that the various curricula help the youth to make money in a process in which there is no human face. For example, it ignores the fact that as entrepreneurs, the youth have a corporate social responsibility to society. It is important that this shortcoming is rectified and the curricula revised to include corporate social responsibility on the part of the prospective youth entrepreneur. How practical are the curricula is yet another important questions that should be audibly put forward. It is already recognized that theory must be enjoined with practice to produce a well-rounded entrepreneur. However, the current youth entrepreneurship training curricula produce individuals who will hop from class to business, many of them without prior experience in such endeavours. It is our submission that the training should be elaborate enough to include internship and practical for a specified period of time. Indeed, the role of mentorship in the creation and sustaining of livelihood cannot be gainsaid. It is important that prospective youth entrepreneurs be placed under the pupillage of established entrepreneurs before moving on their own if they have to make an impact in nation building.

A closer look at the different curricula reviews that the youth are trained in preparation to make profits. However, the curricula fail to groom the youth in taking responsibility while appropriating the profits. Indeed, one may ask: when they get the profit, what should they do with it? Drink beer? Buy sex? Re-invest? Contribute to charity? What obligation do they have to the society concerning the profits they make? Our thesis is that some of the youth have not yet discovered themselves and their social environment. By this we mean that some of them not appreciate the dangers lurking in their social milieu and how vulnerable they are to them especially so when they have financial resources. It is our submission that training the youth on business skills alone leaves them with a lot of unfinished business and therefore are not well-rounded for entrepreneurship. For this reason, the curricula should include life skills such as those to do with HIV/AIDS among other important national issues. It is widely acknowledged that a good deal of business knowledge can be learned in a classroom situation. However, the ability to merge this with practice in actual enterprises is not a function of classroom, but the field. Our argument here is that the uncertainties of business are enormous and the classroom is unexpected to divulge all these to the would-be entrepreneurs. The current youth entrepreneurship training curricula do not give adequate business exposure. Like we have argued earlier, it is important that the would-be entrepreneurs be attached to existing ventures where they can not only learn the business environment from a practical standpoint, but most important in this case the uncertainties therein. The Youth Entrepreneurship Training Curricula should require that trainees undergo this field experience that we believe it is important to produce a well-rounded entrepreneur. While it is a fact that the principle aim of starting an enterprise is to make profit, this is not the ultimate because a business does not only serve the entrepreneur, but also the rest of the community. As such, it is expected that the youth training curricula make cognizance of this fact as part of the training. However, a review of the different youth training curricula including those to do with trainers of trainers excludes such a reality. It therefore fails to produce a well-rounded entrepreneur able to give back to the society the benefits that it has extended to

him/her. It is therefore our submission that the existing youth entrepreneurship training curricula be reviewed to include a component on corporate social responsibility on the part of the entrepreneur.

The youth entrepreneurs are advanced public funds to initiate business ventures in an attempt to alleviate unemployment and contribute to national development. It has been more the practice than the exception for those handling public funds and other resources to sign performance contracts to ensure transparency, accountability and prudent utilization of the resources. It would be important that as part of the youth entrepreneurship training, the youth are exposed to such procedures as has been the case in public service. Consequently, business performance benchmarks should be prescribed to the youth entrepreneurs against which periodic evaluation would be undertaken. This would be in addition to the fact that they also repay the money back with specified interest.

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