Research Article

The Efficiency with which Kenya's Entrepreneurship Training Programs Operate

Abba Salem Kabue
Egerton University, Njoro, Kenya
Correspondence should be addressed to kabues.abba@yahoo.com

Abstract: While entrepreneurial education is critical for company performance, there has been a trend toward overemphasizing financial, legal, and regulatory aspects, as well as environmental variables. The purpose of this study was to determine the influence of entrepreneurship training on the performance of businesses in Bungoma County. It was justified on the grounds that Bungoma County was designated as a Millennium District in 2006 due to its high levels of poverty and unemployment. The twin challenges of extreme poverty and unemployment have been ascribed to a lack of entrepreneurial culture and entrepreneurial skills among the indigenous people, despite attempts by stakeholders to increase entrepreneurs’ ability through a variety of training programs. The purpose of this study was to determine whether or not these trainings had an effect on enterprise performance. The study used Kirkpatrick's Improved Model of Training Planning and Evaluation as its foundation. Correlation analysis was used to analyze the study's data. As a result of the study's findings, it is apparent that the trainings resulted in a negligible increase in MSE performance. There was no evidence of graduation from micro to small to medium to big firm sizes throughout the enterprise continuum, indicating the need for improvement in order to satisfy the unique demands of entrepreneurs and small business operators. The government and enterprise development agents require a standardized approach for evaluating the impact of training and subsequently improving it in order to aid the sector's growth.

Keyword: Entrepreneurship Training, Entrepreneurial Culture, MSE Growth, Bungoma County

A. INTRODUCTION

Entrepreneurship training is critical for developing entrepreneurial skills, attitudes and behaviors that are the basis for economic growth. Access and exposure to entrepreneurship within educational systems at different levels are important as they are the outreach to target audiences outside of traditional educational systems (World Bank 2014 & World Economic Forum 2009). Entrepreneurial competence development is a product of training provided to entrepreneurs to enhance their ability in managing their firms for growth. Entrepreneurs skilled in both technical and customer related areas are able to obtain and recombine resources into a bundle that is valuable, rare, and inimitable (Hisrich et al., 2009 in Sangurah, 2013).

The enterprises whose owner-managers and their employees have gained these skills therefore respond through enhanced performance, since they anticipate problems and solve them with certainty to steer their enterprises to grow. Improved performance/growth is reflected in the key indicators of; increase in sales, the number of customers served, market size covered geographically, increase in capital investment, increase in branches opened and increase in the number of employees, among other indicators.

Although entrepreneurship education and training (EET) programs continue to mushroom, touting their promise and potential to promote entrepreneurial skills and attitudes (World Bank 2014), successive government development plans and sessional papers have revealed high MSE start-up mortality rates, low entrepreneurial index and poor credit repayment (KIPPRGA 2009). On skills development, a high percentage of the Kenyan labor
force has not attained basic education and skills or requisite technical skills and knowledge for improved productivity, competitiveness and innovation. The highest level of education acquired by the majority of Kenyans is primary (over 86 percent), followed by secondary (25 percent) (KIPPRA 2009).

This structure of educational attainment led to policy changes in the 1980s with the introduction of the 8-4-4 system for a more technical approach to cater for the small enterprises and informal sectors’ development (Tairus & Lager 2004). Similarly, the Government recommended that entrepreneurship training be introduced in technical institutions and university level as per Sessional Paper No 2 1992 and Sessional Paper No 1 1998 (GOK, 1992 and 1998). According to Obura (1996), the objectives of the 8-4-4 system of education failed to achieve its objectives due to under-funding hence it’s theoretical instead of the intended practical approach.

The informal sector/ MSEs remain the major employer in Kenya however, the level of management training accorded to the sector is still very low as pointed out in the Baseline Survey (1999) where the majority (85 percent) of entrepreneurs have not received business management training (GOK, 1999). The low levels of training by the firms were attributed mainly to lack of awareness of available training programs and lack of government support (World Bank, 2000). This lack of entrepreneurial skills has hoed back adjustment to and greater participation of Bungoma SMEs and entrepreneurs in the “new world of work” brought about by increased digitalization and fragmentation of production processes (OECD 2017). The scenario has resulted in high mortalities of MSEs and poverty levels.

In 2006, the joint UNDP/ROK research report on district poverty indices classified Bungoma as a millennium district owing to high poverty levels. Since the county is well endowed with human and natural resources, poverty was attributed to undeveloped entrepreneurial culture. The UNDP/ROK entrepreneurship development programs were launched on pilot basis in the county (UNDP/ ROK: 2006.). Massive trainings followed and we have not had information if professional training cycles are followed, nor reports on programs evaluation using standard models to ascertain if the intended goals are being achieved. This study therefore sought to answer the question; to which extent has entrepreneurship training influenced enterprise performance in Bungoma County?.

B. METHOD

The objective was to assess the extent to which training influenced enterprise performance. The study was based on the Kirkpatrick’s Improved Model of Training planning and evaluation (Clark, 2009). Training is planned backwards to ensure there is a circular causality, as shown in Figure1 below:

![Figure 1: Kirkpatrick’s Improved Model of Training Evaluation Showing a Causal Relationship](source: Clark, D. (2008:22), Flipping Kirkpatrick)
The model has four levels of evaluation: reaction, learning, behavior and results. The reaction level measures satisfaction; what the trainees thought and felt about the training. Evaluation here focuses on the reaction of individuals to the training (Kirkpatrick 1998, in UN 2008; 12). Learning level evaluation measures the learning that occurred; the resulting increase in knowledge or capabilities. It assesses what has been learned as measured with end of course tests. The behavior level assesses the behavior change that is, extent of behavior and capabilities improvement and application. Evaluation at this level measures the transfer of what has been learned back to the workplace. The results level measures the effects on the institutional environment resulting from the trainees’ performance; evaluation here measures the impact of the training on overall organizational results/growth (Kirkpatrick 1998, in UN 2008; 12). In the framework above, levels 1 and 2 form formative evaluation, whereas levels 3 and 4 are associated with summative evaluation (UN 2008; 13).

The model emphasizes the need for evaluating training for impact and future program improvement. A survey research design was adopted. It is a popular and common strategy in business research where it is used to answer who, what, where, how much and how many questions (Saunders et. al., 2009: 144). Participants were entrepreneurs who had operated for two or more years and participated in three or more trainings. The target population was 450 entrepreneurs obtained from the trainers’ and MSE facilitation officers’ data banks in Bungoma County. The sample size for the respondents from the entrepreneurs was determined using the coefficient of variation formula developed by Nassiuma (2000 in Sangurah 2013). The study used coefficient of variation strategy because it is objective in sample size determination. See the formula:

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

Where:
- \( n \) = sample size
- \( N \) = population
- \( e \) = tolerance level
- \( C \) = coefficient of variation

A coefficient of variation less than 30% is recommended in determining the sample size. A sample size of 41 respondents participated in this study and individual elements in the study were selected using a simple random sampling technique. Primary data was collected using questionnaires, which were administered by the researcher. A pilot test was carried out in Kitale and the findings were used to improve the data collection instruments. Data for the study was analyzed using descriptive statistics and correlation analysis.

C. RESULT AND DISCUSSION

To the research question on whether training resulted in improved enterprise performance/growth or not, the Pearson Correlation results at 0.01 significance level indicated insignificant relationship. The p-values on the growth of capital invested (\( r (41) = .093, p > .05 \)) and increase in the number of employees engaged in the MSE firms (\( r (41) = .165, p > .05 \)), as is with the number of branches opened (\( r (41) = -.080, p > .05 \)) show weak relationship, even negative in some cases (Appendix 2 Tables). The trend was the same on changes in sales volume, units produced, profits, employee salary, supplier relations, quality improvement and reduction in accidents and wastes at places of work. The p-values indicated very low levels of correlation among most indicators of performance / growth, they (p-values) ranged between -.005 and .086. Arising from the study findings therefore, it is indicative that the trainings led to insignificant improvement in the MSE performance, exhibited by MSEs’ failure to graduate from micro and small sizes to medium and large sizes along the enterprise continuum.
D. CONCLUSION

This study therefore concluded that in order to enhance enterprise performance, training programs should be improved to address the specific needs of entrepreneurs and small business operators. The government and enterprise development agents need to apply a standard model to evaluate the impacts of training and improve them subsequently to help the sector grow.

REFERENCES


16. ROK Ministry of Youth Affairs. Youth Enterprise Development Fund. Nairobi


