

# **Factors influencing performance of youth group micro and small enterprises in Kisumu West District, Kisumu County**

*Okungu, Kenneth Oywa*

Micro and Small Enterprises (MSEs) play an important economic role among the youth in Kenya. However, MSEs face a mixture of success and failure with past statistics indicating that three out five fail within the first few months of operation. This study sought to explore the factors influencing performance of Youth Group (YG) MSEs in Kisumu West district. The objectives of the study were: to assess the performance of MSEs undertaken by youth groups .in Kisumu West district; to determine the opportunities available to youth group MSEs Kisumu West District; and to determine challenges facing the YG MSEs in Kisumu West district. The study targeted 300 MSEs owned by youth groups in Kisumu West district and the youth group members as primary respondents. A descriptive survey design was adopted for the study in which both cluster and simple random sampling methods were used to identify 30 MSEs as units of analysis and 150 respondents who were included in the study. Data was collected through questionnaires and Focus Group Discussions (FGDs) guides while data analysis was done using Statistical Package for Social Sciences (SPSS) for common purposes and presented through graphs, pie-charts tables and percentages. The findings indicate that even though most of the YG MSEs had not operated for more than three years, majority of them were performing well. Further, even though opportunities such as customer/market availability, loan facilities from Micro Finance Institutions (MFIs) and Youth Enterprise Development Fund (YEDF)/Women Enterprise Fund (WEF) among others exist, only a smaller proportion of the YG MSEs had exploited them. Most critical challenges/ barriers faced by YG MSEs include competition, insecurity, lack of capital and managerial problems. The study recommends that the good performance of the YG MSEs should be sustained by capacity development through seminars, workshops to enhance the managers with managerial and mitigation strategies. This will go a long way in helping the MSEs to exploit the latent opportunities. Appropriate mitigation strategies to the identified challenges are also suggested as well as areas for further research.