Social Cultural and Economic Challenges Facing Youth Entrepreneurs

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Background Context

<table>
<thead>
<tr>
<th>subsistence farmer</th>
<th>agricultural producer</th>
<th>MetroFood entrepreneur</th>
</tr>
</thead>
<tbody>
<tr>
<td>focus</td>
<td></td>
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<tr>
<td>household</td>
<td>next link in the chain</td>
<td>metropolitan market</td>
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<tr>
<td>crucial drivers</td>
<td></td>
<td>end consumer</td>
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<tr>
<td>survival</td>
<td>input/output optimization</td>
<td>value addition / 3P</td>
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<tr>
<td>mindset</td>
<td>commodity</td>
<td>product</td>
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<tr>
<td>own food</td>
<td></td>
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<tr>
<td>critical competences</td>
<td>farming skills</td>
<td>+ managerial skills</td>
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<tr>
<td></td>
<td>+ entrepreneurial skills</td>
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Statement of the Problem

- While transition from rural farmers to small scale agricultural producers gets a lot of attention,
  - Very limited support for agricultural and food producers that aspire to transform into Agri-food entrepreneurs.
- The Living Lab anticipated to transform them into Agri-food entrepreneurs by.
  - Engaging in action research.
  - Providing training towards these new skills.
  - Providing counselling support in the field.
- Specifically researching on; what challenges do they face?
The Metro-AgriFood Living Lab Model
Research Objectives

- **General Objective:** To analyze challenges the youth entrepreneurs experience in their quest to build an enterprise.

- **Specific Objectives:**
  - Assess entrepreneurial ascribed status challenges facing youth entrepreneurs;
  - Evaluate entrepreneurial achieved status challenges facing youth entrepreneurs;
  - Investigate other domicile economic related challenges facing youth entrepreneurs.

- **Ultimate Goal:** To derive an emerging pattern of social cultural and economic challenges the youth entrepreneurs experience in their quest to build an enterprise.
Research Methods

- **Research Design**: Research used a triangulated quantitative and qualitative descriptive research design.

- **Data Collection**: Data was collected from participating young entrepreneurs using a variety of tools including:
  - Parts of a larger *survey questionnaire* that was administered;
  - *Monthly reports* (plan of action from business counsellors);
  - *Diaries* recorded by counsellors and entrepreneurs;
    - *Training needs analysis* collected from the entrepreneurs;
    - *Gender perceived challenges* report;
    - *Communication and network related challenges* report.
Quantitative Descriptive Analysis (surveys)

Operational Barriers
Infrastructural Access
Technology, Markets and Capital.
## Findings: Operational Barriers

<table>
<thead>
<tr>
<th>#</th>
<th>Questions of Interest</th>
<th>Before</th>
<th>After</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Financial barriers</strong> when implementing the new idea</td>
<td>65.2</td>
<td>88.1</td>
<td>22.9</td>
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<tr>
<td>2</td>
<td><strong>Insurance barriers</strong> when implementing the new idea</td>
<td>7.2</td>
<td>7.5</td>
<td>0.3</td>
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<tr>
<td>3</td>
<td><strong>Legal barriers</strong> when implementing the new idea</td>
<td>5.8</td>
<td>19.4</td>
<td>13.6</td>
</tr>
<tr>
<td>4</td>
<td><strong>Managerial barriers</strong> when implementing the new idea</td>
<td>13.0</td>
<td>20.9</td>
<td>7.9</td>
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<tr>
<td>5</td>
<td><strong>Market barriers</strong> when implementing the new idea</td>
<td>21.7</td>
<td>34.3</td>
<td>12.6</td>
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<tr>
<td>6</td>
<td><strong>Tech skills barriers</strong> when implementing the new idea</td>
<td>27.5</td>
<td>47.8</td>
<td>20.3</td>
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</table>
## Findings: Infrastructural Access

On a scale of 1-5 where 1=strongly Agree; 2=Agree; 3=Disagree; 4=Strongly Disagree; & 5=Not Know

<table>
<thead>
<tr>
<th>#</th>
<th>Questions of Interest</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Good roads</strong> eases the transportation of my products</td>
<td>30.4</td>
<td>34.8</td>
<td>20.3</td>
<td>13.0</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td><strong>After</strong></td>
<td>32.8</td>
<td>35.8</td>
<td>16.4</td>
<td>14.9</td>
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<tr>
<td>2</td>
<td>I have access to <strong>electricity</strong></td>
<td>46.4</td>
<td>27.5</td>
<td>7.2</td>
<td>14.5</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td><strong>After</strong></td>
<td>47.8</td>
<td>16.4</td>
<td>20.9</td>
<td>14.9</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>I easily access <strong>water</strong> for farming</td>
<td>43.5</td>
<td>39.1</td>
<td>13.0</td>
<td>2.9</td>
<td>1.4</td>
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<tr>
<td></td>
<td><strong>After</strong></td>
<td>50.7</td>
<td>23.9</td>
<td>17.9</td>
<td>6.0</td>
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<tr>
<td>4</td>
<td><strong>The local environment has a sewage/sanitation system</strong></td>
<td>20.3</td>
<td>30.4</td>
<td>18.8</td>
<td>20.3</td>
<td>10.1</td>
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<tr>
<td></td>
<td><strong>After</strong></td>
<td>22.4</td>
<td>38.8</td>
<td>17.9</td>
<td>16.4</td>
<td>4.5</td>
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</table>
Findings: Technology, Markets and Capital

On a scale of 1-5 where 1=strongly Agree; 2=Agree; 3=Disagree; 4=Strongly Disagree; & 5=Not Know

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<tr>
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<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I have access to <strong>mobile network</strong></td>
<td>58.0</td>
<td>31.9</td>
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<td>2.9</td>
<td></td>
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<tr>
<td></td>
<td>After</td>
<td>67.2</td>
<td>26.9</td>
<td>3.0</td>
<td>3.0</td>
<td></td>
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<tr>
<td>2</td>
<td>I easily access <strong>internet</strong></td>
<td>40.6</td>
<td>34.8</td>
<td>14.5</td>
<td>8.7</td>
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<tr>
<td></td>
<td>After</td>
<td>50.7</td>
<td>37.3</td>
<td>7.5</td>
<td>3.0</td>
<td>1.5</td>
</tr>
<tr>
<td>3</td>
<td>I have a ready <strong>market</strong> for my</td>
<td>26.1</td>
<td>60.9</td>
<td>11.6</td>
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<tr>
<td></td>
<td>products</td>
<td></td>
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<tr>
<td></td>
<td>After</td>
<td>35.8</td>
<td>46.3</td>
<td>16.4</td>
<td>1.5</td>
<td></td>
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<tr>
<td>4</td>
<td>I easily access <strong>capital</strong> when I</td>
<td>5.8</td>
<td>21.7</td>
<td>39.1</td>
<td>29.0</td>
<td>2.9</td>
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<tr>
<td></td>
<td>require it</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>After</td>
<td>3.0</td>
<td>22.4</td>
<td>38.8</td>
<td>31.3</td>
<td>3.0</td>
</tr>
</tbody>
</table>
Overall Implications?

- Except for insurance, barriers become more evident with progression into the business.
- Significance of accessing infrastructure increases with progression into the business.
- Except for access to capital, significance of using internet and accessing markets become more evident with progression into the business.
Qualitative Descriptive Analysis (reports & Diaries)

- Financial Challenges
- Job Conflict Challenges
- Land Challenges
- Weather Challenges
- Other Challenges
Challenges: Financial

- **Moffin** deferred due to financial inability to raise the Ksh. 10,000 required of the entrepreneurs training.
  - However, he is currently keeping chicken on small scale with help of his grandmother. He needs training on skills for farm management.

- **Chelangat Joyce, Bomet**: She was selected but could not attend the training because of financial constrain.

- **Chepkemoi Caren, Bomet County**: She was selected but could not attend training because of financial constraints.

- **Joshua** finances has large piece of land but cannot utilize it for lack of capital to buy more chicken.

- **Israel K. Wafula, Ngong, Tretment**: He used to keep poultry in the past but due to unaffordable high prices of feeds his poultry died.
  - He only has one chicken in his farm. He is planning to start keep poultry later in the year.
Challenges: Job Conflict

- **ANN NYAMBURA KARANJA, Olkalou, TREATMENT, Poultry**: The time was limited because she could only be available for a certain time because she had to return back to work.

- **JOYCE NGIMA KARIUKI -TREATMENT**: Live of work away from the business. She lives far from her poultry farm hence monitoring the business is a challenge.

- **ANN NYAMBURA KARANJA, Olkalou, TREATMENT, Poultry**: Her farm is far from where she lives and she makes visits occasionally to her farm hence may not be well monitored.

- **Wilfred Wachira, Ruringu, Nyeri County**: He deferred the simulation and workshop due to employment demands.
Challenges: Land/Lack of Space

- **Monicah Ndung’u, Magumu, Control - Poultry**: Currently is a start-up poultry farmer with 3 chickens. Her major challenge is space for the chicken as she currently lives in a rented house. She purchased a piece of land after lessons from the simulation training although currently for potato farming.

- **Kelvin** requires more space to expand his business because he lives in a rental house together with his mother and sister.

- **Ann, Poultry Farmer, Olkalou, Nyandarua county**. Not able to see the farm because it was at her mother’s place and she had limited time.
Challenges: Adverse Weather

- **Keitany Jelagat, Nakuru County**: She complained that her birds were affected by adverse weather changes.
  - Upon scrutiny, it was discovered that she had used iron sheet as the wall materials in her chicken house. Was advised to used mud instead of iron sheet as the materials around the house.

- **Ngigi Faith Wairimu, Satellite-Magumu, Control - Poultry**: Her major challenges were the cold weather in the area.
  - Luckily she got permission from her landlord to use a piece of land for the home she rented
  - Faith runs a start up poultry farm and sells the eggs to the local community but looks into selling the chicken too.
Challenges: Others

- **GEORGE MACHARIA MAINA, Olkalau, control - Poultry**: The roads to the farm are in bad condition and are far from the main road.

- **Joyce and Family Consumption**: Main challenge is her mother who suffers from kidney failure hence mainly consumes chicken and the eggs from Joyce business.
Challenges Faced by Youth Entrepreneurs - Business Counselors' Diaries

- Financial Services
- Job Conflict Challenges
- Infrastuctural Challenges (Rods, Electricity, Water)
- Technical Challenges (machinery, feed formulation, farm management)
- Other Challenges (legal issues, quality control issues, diseases, communication issues)
Overall Implications?

- Financial and job conflict appear to be critical challenges for young entrepreneurial startups.
- Land and weather tend to be typical concerns for agricultural related enterprises.
- Infrastructure and family issues need to be considered for start up enterprises.
Conclusions and Recommendations

Conclusions

- Social cultural and economic challenges confronting youth entrepreneurs include:
  - Operational Barriers; Infrastructural Access; Technology, Markets and Capital.
  - Financial Challenges; Job Conflict Challenges; Land Challenges; Weather Challenges; and Other

Recommendations

- Need to apply the Living Lab Model towards:
  - Effective interventions to transform managers into entrepreneurs.
  - Learning the effects of interventions.