

CHALLENGES TO THE SUCCESS OF YOUTH BUSINESSES

A CASE STUDY OF BUGOYE SUB-COUNTY KASESE DISTRICT

BY

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REG NO: 2011-B021-20053



A Dissertation submitted to the faculty of Business Administration and Management in partial fulfillment of the requirement for the award of the Bachelor's Degree of Business Administration and Management of Uganda Martyrs University.

April, 2014

ACKNOWLEDGEMENT

Working on this thesis really takes perseverance, determination, commitment, planning, and sacrifices and if I were to write, the list is endless with joys and tears. It was a self-fulfilling journey. I would like to thank all who have aided in one way or another in the writing of this dissertation.

To begin, firstly this is a great opportunity to express my respect to my lecturer Mr. Sempungu Godfrey, who has been an excellent supervisor. Undertaking work of this nature would have been impossible without his support, patience, time and energy. His unflagging belief in people, his generosity and his leadership are truly inspirational. The immense knowledge shared was uncountable.

Greatest thanks to my family for their love, unremitting encouragement and support especially to my lovely daddy Tibuhwa Matia Abooki and mother Kabughu Glades Adyeeri who are very strong, achieving and who were there for me always. But most of all to my sisters and brothers, all of you deserve countless gratitude for you helped in so many different ways during this journey. For my true best friend ever- Kihumulo Evans, Kasangaki Ritah, Nakamatte Dorothy, Nanozzi Angella, and Osewe Andrew, you mean so much to me; to take me through the challenge for all the emotion support and always cherished my soul. And not to forget also my deep and sincere thankfulness to the owner and founder of the firms who collaborated in this research.

Last but not least, my sincere appreciation is expressed to the administrative staff of the Department Bwanika Godfrey my lecturer and all my classmates of Business Administration and management.

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LIST OF ACRONYMS

Naads	: National Agricultural Advisory services
Sacco's	: Saving and credit co-operations organizations
SPSS	: Statistical Package for Social Sciences.
SMEs	: Small Medium Enterprises

ABSTRACT

The study sought to investigate the challenges to the success of youth businesses in Bugoye sub-county. The study was guided by the study objectives which are the effects of human relation skills on the success of youth businesses, impact of business management skills on the success of youth businesses and examining the relationship between technical skills and the success of youth businesses. The study indentified cross-section design with sample size of 55 out of the population.

The entrepreneurs that set up these youth businesses lacked business management skills, inadequate capital, technical skills, limited access to banks , high tax charges, high interest rates, low sales, poor quality products and many other, many of them faced a number of problems, most of which were of a startup nature. A study was carried out to investigate the challenges to the success of youth business in Uganda using businesses in Bugoye sub-county Kasese District as case studies.

In-depth interviews and questionnaire methods were mainly used to collect data from a few selected youth business enterprises people. It is concluded that the causes of youth businesses failure are multidimensional and diverse. They include poor management skills as well as political, economic, social, cultural and environmental factors. In practice, many of these are interrelated. The study showed that most businesses which are starting up face great challenges than those that are in existence.

As such, business men and women who successfully negotiate the initial startup problems have greater chances of future success in their businesses. Despite the measures to overcome such challenges were sought over the years, the business community in Uganda at this time in Bugoye sub-county Kasese District is still faced with many challenges. The study concluded by making a number of practical suggestions against youth business failure.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This research thesis is about the challenges to the success of youth businesses and this chapter constitutes the background of the study, problem statement, general and specific objectives, research questions, research hypothesis, scope of the study, significance, justification, conceptual framework and definition of the key concepts. This chapter therefore sets the scene for the research to uncover the underlying factors required to match the entrepreneurial skills with business success or failure.

1.1 The background to the study

There are several alternative definitions of entrepreneurial skills but for purposes of this thesis we will adopt the one according to Stanford Professor (Mark Zuckerberg, 1993), where he defined entrepreneurial skills as the basic skills necessary to enable you start, develop, finance and succeed in your home enterprise. In this light, many studies have established specific entrepreneurial skills essential for the success of the performance of youth businesses. According to (Botha, 2006), applying these skills like human relation skills, ability to gather resources, business management skills, marketing and technical skills may increase performance and success of youth business. (Botha, 2006). It is important to have all the core skills in place so as to get the desired performance and also the supportive skills to boost the business performance.

Furthermore, (Solomon, 2004), in his study on entrepreneurial training, also discovered the need for entrepreneurial skills and business skills for the upkeep of the business. (Kunene, 2008) argues that the entrepreneur's initiative and skill are significant determinants of success. Training

for small business is primarily internally focused and imparts generic management skills such as marketing, finance, record-keeping, human relations, as well as industrial relations (Solomon, 2004). In conclusion it is maintained that entrepreneurial training improves performance of youth businesses over time, showing that the business and the entrepreneurial skills are really of importance in the business world, especially for entrepreneurs. Business and entrepreneurial skills are important for the sustainability and profitability of businesses (Smith &Perks, 2006).

The privatization drive, which started in the early 1990s, made the Government of Uganda relinquish its position as the number one employer. The Civil and Public Service reforms downsized the public service, reducing staff employed by central government from 320,000 in 1990 to 191,324 in March 2001, a reduction of 40.9%. As a result, tens of thousands of retrenched civil servants joined the private sector as small scale business owners. This led to the mushrooming of small scale business enterprises, most of which employed fewer than five persons and as many as 90% of the non-farm private sector workers. Since then, the number of youth businesses in Uganda has grown from 800,000 in 1995 to about 2,000,000 in 2002. These serve about 6,000,000 people at business and household level of the 26.3 million populations.

Youth business is defined as one which is independently owned and operated, and not dominant in its field of operation. It can also be defined in terms of sales volume and by the number of employees in the business. In Uganda, these businesses are very small employing up to a maximum of 50 people, who in most cases are members of the same family. They have working capital of less than USD 26,882 and revenue value of USD 5,376 - 26,882 throughout each year of operation. In addition, they have an asset base of up to USD \$25,000.

Bugoye sub-county is located in Kasese District and its one of the fastest growing and developing areas in the region. According to Mr. DulaMawa Muhindo (chairman LC V), Because of its location, infrastructure and its rapid transformation into an urban area, many youth have been attracted to conduct business in this area and due to this, the area has transformed into a business hub with many businesses coming up steadily over the years but mainly The major activities of youth businesses in Uganda and most especially in Bugoye sub-county Kasese District include; farming, buying produce, market vending, catering and confectionery, health/herbal services, secretarial services, telephone services, handicraft, transport, internet café, boutiques, retail shops, saloons, mobile money, music recording, video libraries, poultry, washing bay and many other businesses are still coming up with time.

The majorities of these operates in shared premises and are set up before they get licenses. Ownership and management is on family basis by some businesses and as such has a small scale operation. It is labour intensive and skills are acquired on the job, often using adapted technology. According to John Keough, more than fifty percent (50) of them fight an uphill battle from the start and fail in the first five years. This is a common scenario for Ugandan youth businesses, as most of them ‘never celebrate their first anniversary.’

1.2 Statement of the Problem

It is widely believed that effective application of entrepreneurial skills such as motivation, business management, planning, innovation, time management, human relation and many others to business management leads to profitable outcomes. This has been further explained by (Terry and Mayer, 2005), that managerial implication of the study, is that for the entrepreneur to

successfully establish and run an enterprise, he/she must develop a set of entrepreneurial skills and use them in the enterprise in order to achieve his or her goals.

However, despite all the efforts that have been put in the recent reformed Education curriculum of both secondary schools and High Institutions of learning to study or have knowledge about entrepreneur skills, many youth initiated/established business enterprises have not been able to celebrate their first anniversary.

The government of Uganda has put support and development programs in youth business under its National Poverty eradication programs. However some of the Nation's youth's businesses have not performed as expected. The performance of youth businesses still reflects small sales growth, small business profit margins and poor stock performance in the businesses. (Finance Minister Maria Kiwanuka, 2013), speech at parliament on the 2013/2014 budget presentation further explains that, creating work opportunities for young people remains one of our most pressing development challenges.

Thus this study is aimed at finding out the challenges to the success of entrepreneurial activities on the performance of youth businesses in Bugoye Sub-County, Kasese District.

1.3 Objectives

1.3.1 General objective

To establish the challenges to the success of youth businesses in Bugoye sub county, Kasese District.

1.3.2 Specific objectives.

- To find out the effects of human relation skills on the success of youth businesses.

- To find out the impact of business management skills on the success of youth businesses.
- To examine the relationship between technical skills and the success of youth businesses.

1.4 Research questions.

- What is the effect of human relation skills on the success of youth businesses?
- Does business management skills have any impact on the success of youth businesses?
- What is the relationship between technical skills and the success of youth businesses?

1.5 Scope of the study

1.5.1 Content scope.

This research was carried out from Bugoye sub-county in Kasese District and it aims at establishing the effect of entrepreneurial on the success of the youth businesses and the study will focus on human relation skills, business management skills and technical skills to find out how they contribute to the performance and success of youth business.

1.5.2 Time scope

The study will cover a period from January 2014 to December 2014to and within this the researcher is interested to examine the period within which the government of Uganda introduced business development services and youth entrepreneurial scheme to enable the youth increase on the performances of their businesses.

1.5.3 Geographical scope.

The research was carried out in areas of Bugoye sub county Kasese District. The choice of this location is due to the rapid development of youth businesses in the area.

1.6 Significance.

The study was to provide a basis for the youth development through applying entrepreneurial skills to improve on the performance of their businesses. It will further identify the key entrepreneurial skills required to succeed in business

1.7 Justification.

Because the government has introduced new youth fund scheme therefore the researcher used qualitative technique methods to find out how they will affect entrepreneurial skill on the success of the youth business.

1.8 Conceptual Framework.

The conceptual framework presents a schematic representation of the dimensions under the independent variables (IV) and dependent variables (DV). The dimensions under entrepreneurial skills (IV) are human relation, business management and technical skills.

INDEPENDENT VARIABLE

Challenges (Entrepreneurial Skills)

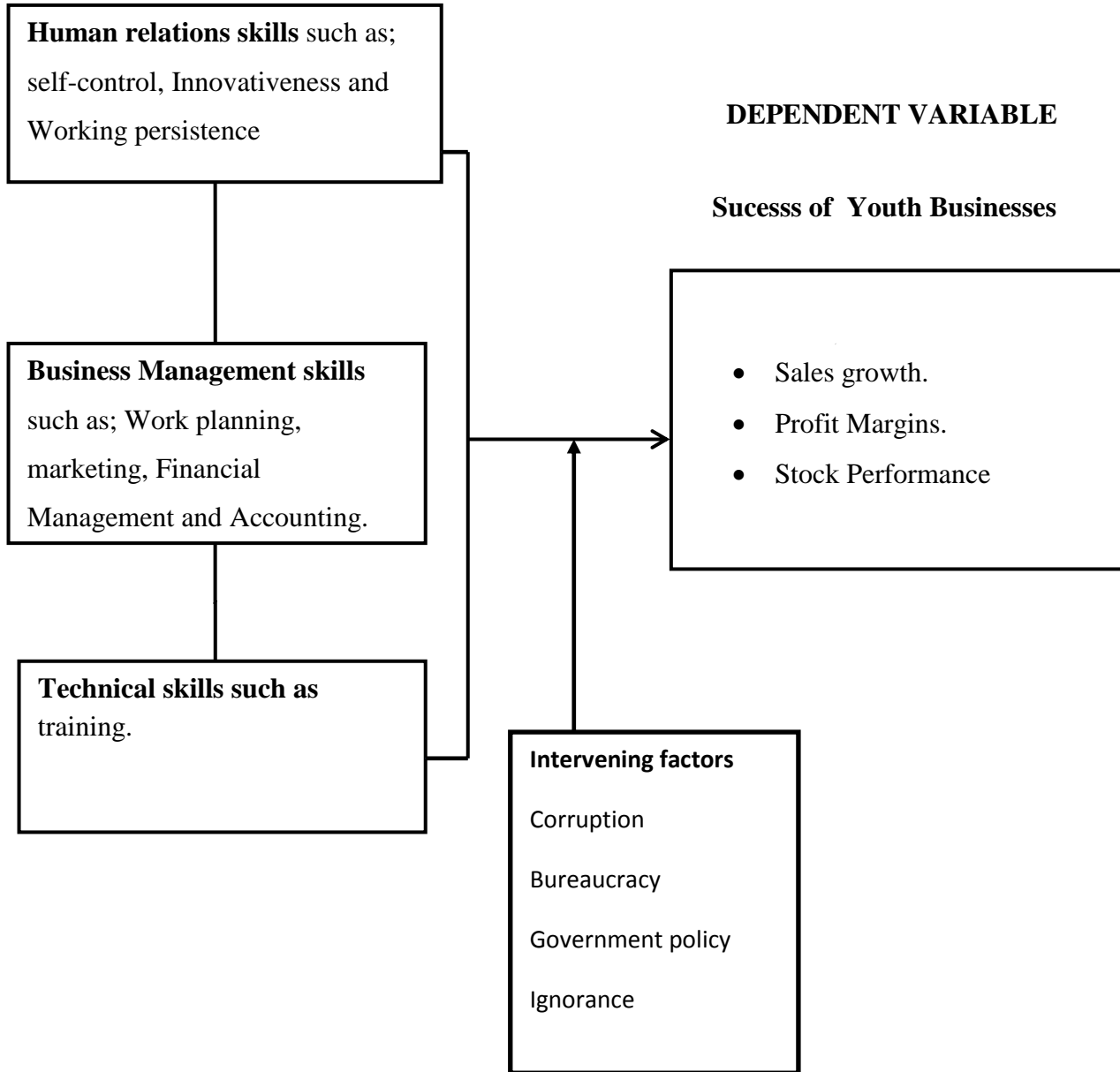


Figure 1 showing the challenges to the success of youth businesses

From the above figure, the independent variable is challenges and under challenges, were identified one to be entrepreneurial skills like are human relation skills, business management skills and Technical skills and the dependent variable was success of youth business and under this, there are sales growth, profit margins and stock performance.

1.9 Definitions of the key terms (dimensions) and concepts.

I. Human relation skills,

According to Prof Katz, human relation skills are skills that involve communication and motivation. They enable managers to work through and with people to understand, communicate, and work with others. It also helps the managers to lead, motivate and develop team spirit. Human relation skills are required by all managers at all levels of management.

II. Business management skills,

Professor Katz defined business management skills as the ability to visualize (see) the organization as a whole. It includes analytical, creative and initiative skills. It helps the manager to identify the cause of performance and not the symptoms. It helps him to solve the problems for the benefits of the entire organization. It helps the manager to fix for the whole organization and to plan for every situation. These skills are mostly required by the top level managers because they spend more time in planning, organizing, and solving the problems.

III. Technical skills,

According to (Barron, 2007) technical skills is the knowledge and abilities needed to accomplish mathematical, engineering, scientific or computer-related duties, as well as other specific tasks. Those with technical skills are often referred to as "technicians" in their chosen field, for example, audio technicians, electronics technicians, engineering technicians and others. Microsoft Corporation even offers accreditation as a Microsoft Certified Desktop Support Technician (MCDST).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter comprises of the conceptual review which was to explain the independent variable and dependent variable according to different scholars and actual review and summary.

2.2 Conceptual reviews

2.2.1 Entrepreneurial skills

According to Stanford professor Mark Zuckerberg entrepreneurial skills are the basic skills necessary to enable you start, develop, finance and succeed in your home enterprise.

Entrepreneurial skills according to (Hisrich and Peter, 2002) its defined as the ability to create something new with value by devoting the necessary time and effort, assuming the accompanying finance, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence.(Olagunju, 2004) says entrepreneurial skills is the ability of an individual to exploit on idea and create an enterprise (small and big) not only for personal gain but also for social and developmental gain.

According to professor (Mudifkatyani ,1998) , entrepreneurial skills are certain qualities one should have to be a successful and ideal entrepreneur among which include organizing, professional approach, risk bearing, innovative and decision making.

According to (Gaurav Akrani 1993), entrepreneurial skills is simply the necessary set of skills required to be an entrepreneur like human relation skills, business management skills and technical skills.

2.2.2 Success

According to Macmillan Dictionary success is the accomplishment of a given task measure against preset known standards of accuracy, completeness, cost and speed.

Success is also the act of execution o accomplishment of an action or goals. It can also be the level of success of an individual in an organization, the gap between the initial standards and the current standards of an individual.

Franklin D. Roosevelt says success is the act of performing, the carrying into execution or action, achievement, accomplishment, representation by action as the performance of an undertaking of a duty.

According to Peter Drucker success is that which is performed or accomplished, a thing done or carried through an achievement, a deed, an act, a feat especially an action of an elaborate or public character.

2.3 The actual literature review

This section was looking at the views of the different sources and authors with regard to the different objectives and the dependent variable (success).

2.3.1 Effects of entrepreneurial skills on the success of youth businesses

According to (Dean, j.w. and snell, s.a. 1991), Effective organizational skills will affect a youth entrepreneur in business personally and professionally, and these organization skills will be reflected in the productivity and performance of the business as discussed below;

i. Business efficiency,

According to (Pritchard, R.D. 1990), efficiency is perhaps the greatest advantage of organizational skills. An organized professional will spend less time correcting mistakes, searching for information and fixing any clutter. More time saved means more time for doing productive things. Aside from a positive impact on time management, organizational skills will make it more convenient for employees to share any information with each other, thus working better as a team hence improved business productivity and performance.

ii. Tracking progress,

In business according to (Quinn, R.E. and Rohrbaugh, J. 1981), organizational skills will help you keep track of your company's progress. If you devote sufficient time to compiling and recording your finances, you can easily tell whether your business is progressing. You might think that seeing the money come in is enough indication of success; however, if you spend a lot of money for advertising and promotions without having any record of it, you could be losing a

lot of money due to lack of organization. Always have a master list to show all activities, incomes and expenditures. Recorded data in a word or spreadsheet document will help you instantly eliminate any unprofitable expenses. This way you can devote your efforts to those elements, which are profitable; through this a business' performance will be boosted.

iii. Better business management,

The ability to manage a business depends on great organizational skills. To be able to manage other people, you must know how to set priorities and allocate them according to each individual's skills and abilities. A well-organized manager can perform this easily while exuding confidence and control in the organization, creating a productive environment for all workers. The organizational skills of a manager are also geared toward specific tasks, such as setting project deadlines and conducting performance evaluations, all of which contributes to a more efficient work system which will lead to better business performance. [Dean, J.W. and Snell, S.A. (1991)]

iv. Instilling trust,

According to Iaffaldano, M.T. and Muchinsky, P.M. (1985), Organizational skills establish a sense of trust and professionalism in the workplace. A well organized and managed business projects an image of reliability and control. This helps the youth entrepreneur to win the trust of clients and associates more easily thus boasting the business' productivity and performance.

v. Reduced stress,

Reduced stress is also another effect of entrepreneur skills on performance of youth business. According to Pritchard, R.D. (1990), Good organizational skills can help reduce stress as well. A well-organized business creates a more relaxed working environment, as opposed to a cluttered or disorganized business where you are constantly searching for items or sidestepping around piles of papers.

2.3.2 Effects of human relation skills on the success of youth businesses

I. Employee productivity,

According to the Hawthorne Theory, the most important factor that influences worker productivity is relationships. Productivity and performance is shown to increase when relationships between managers and employees is positive and supportive. Relationships between employees who are dependent upon each other also directly influence performance of the business. Individuals are more likely to produce quality results when they are treated with respect and are made to feel as though they are being recognized for making a positive contribution to the company's success. (Youndt, M M.A., Snell, S. A., Dean, J.W. and Lepak, D.P. (1996).

II. Positive perception,

According to Truss, C. and Gratton, L.(1994), Good communication and interpersonal skills promote feelings of goodwill between individuals and the business. It creates a perception of the individual as either being a superior, adequate, or a poor performer. Even if an individual's

technical skills are adopted, if he is unable to foster solid relationships with superiors and co-workers, he may be viewed as someone who is not a positive contributor. Achieving success in a position and opening up opportunities for future advancement is directly linked to making a good impression. This boasts employee performance and the business at large.

III. Business loyalty,

When employees and customers are treated with respect, they are more likely to feel good about maintaining an existing business relationship. Turnover is often linked to poor relationships between employees and managers. Likewise, when a company seeks to terminate a relationship with a vendor or supplier, one of the reasons is that the vendor was not able to understand and address the company's business needs. Establishing a sense of mutual value and trust creates an environment where employees and customers feel as though they matter which enhances business performance.(Huselid, M.A. (1995).

IV. Employee motivation,

Motivation is directly tied to the idea of increased productivity and performance. According to Maslow's hierarchy of needs, motivational theory ascertains that positive human relations affect whether an employee's esteem, self-actualization, safety, and physiological needs are being met. If an employee feels that his needs will be met by performing his job tasks, he is more likely to be motivated to do them. For example, when a manager recognizes an employee's work performance by congratulating him for an outstanding job, the employee feels appreciated and valued. By having his esteem needs met, his productivity is more likely to be increased which will boast the business' performance. (Guest, D.E. (1997).

2.3.3 Impact of business management skills on the success of youth businesses

i. Effective planning,

Business management skills involve effective Planning for the business which facilitates identification of business goal and the way to reach it. It involves the estimation of the costs that will be incurred and evaluation of the time required to attain the business goal. A business plan has to be documented and reviewed on a regular basis. A plan is worth it if the attainment of the business goal is feasible with the planned resources. You need to communicate your plan to your employees and accept their feedback. Planning also facilitates forecasting and predicting the consequences of a particular step or action. The activity of planning also involves the process of analysis of data / information. Analyzing the information helps in taking decisions. The problems if any, and which may affect the smooth running of a business, need to be given due consideration in the planning process itself. Appropriate solutions for these problems should be devised beforehand in the process of planning. This will minimize on wastage and losses hence boosting business' performance (Huselid, M.A. (1995).

ii. Business organization,

According to Anderson, D.W. (1997), through business management skills, the workforce needs is organized in a manner that optimum use of their skills is made. Organizing and co-ordinating the workforce is one of the most important business skills needed. It keeps the employees focused on their goals and enables them to work and proceed in a harmonious

manner. Management also involves the assignment of tasks and allocation of resources throughout the business organization and also determining the primary goals of the business and strategies to reach them. Divide the activities into tasks and assign the tasks to suitable and deserving employee. Through this a business' performance is enhanced.

iii. Proper financial Management,

Managing the finance is important from the point of earning profits. Having a good knowledge of the financial statements helps manage the business in a proper manner, After all, finance / money are the fuel that keeps a business running. This Buzzle article on basic management principles regarding finance and other aspects should provide an overview of the skills needed to manage efficiently. Good managing skills help in proper financial management which boosts the performance of the business. (Dean, J.W. and Snell, S.A. (1991)).

iv. Proper business leadership,

According to Anderson, D.W. (1997), Leadership is a management skill in itself. A true leader inculcates feelings of confidence, admiration in the followers and a sense of commitment towards their business. A leader, through his efficiency and effectiveness, influences the others to act efficiently and effectively. Transformation is the need of the day and such leaders ought to foster flexibility. Being innovative is important for a leader and it is again a skill. Delegation is an activity of leading. It is allocation and entrustment of responsibility. A leader not only dreams but also provides the employees with a framework for the fulfillment of his dreams with enhances business performance.

v. Ethical Business Practices,

Ethical business practices help a business organization to survive on a long-term basis in the market. The environmental issues need to be taken into account and optimum use of natural resources made in the process of running the business. This particular point may not fit into today's business 'ethics' that are largely profit oriented. However, a person who is looking to continue business on a long term should find the environmental issues to be important. The study of these management skills for new managers should especially be useful in improving business performance. (Norton, W. I & Moore, W. T.2006)

vi. Business coordination and control,

Management skills of business coordination and control are important for the success of a business. (O'Gorman, C. (2001)), Coordination is the process of communication to track the activities towards the goal and make decisions about the next line of action. Control is better implemented in the form of prudent guidance given to the employees by their manager. Evaluations are necessary to evaluate business performance.

2.3.4 Relationship between technical skills and the success of youth businesses

I. Swift running of the business,

According to Gaurav Akrani (1993), there is a significant relationship between technical skills and performance of youth business. As a matter of fact, technical skills these day and age are what determine the swift running of a business. It is the speed in which you retrieve information,

the manner in which you organize your client's data and system of record keeping in your business. The tool of technical skills acts as a leverage for your business. It has changed the manner in which we do things within our income generating zones. The ability of a business owner to be equipped with technical skills is equivalent to the business' ability to rise into a high performing business. Those who understand this relationship especially when running a small business have an extra advantage. They are milestones ahead of competitors who are not aware of this.

II. Money savings,

Dean, J.W. and Lepak, D.P. (1996). Noted that, through technical skills a business is able to save money which may later be reinvested to improve the performance of the business. A business owner will save money every time he can solve a technical problem on his own instead of having to hire someone at a high hourly rate. This can add up to substantial savings over time. A business can also save money by taking advantage of low-cost, high-tech solutions. For example, using VOIP Internet phone service will save you a bundle over traditional phone service, and it only takes a minor amount of technical skill to install.

III. Improving business performance online,

(Peter Ducker, 2004), stated that, Technical skills enable businesses to Earn money online which money can be used to improve business performance. This is one of the coolest benefits of technical know-how. With the right technical skills, one can build his own income-generating web site. A computer (or some online server) will work tirelessly to make you money 24/7. Even if it just pays for your coffee, that's still better than buying your own coffee, isn't it? If it

fails, at least you learned something, and you can certainly try again. But what if it really works? You might not need a job for the rest of your life. That seems like a pretty good reason to go for it. Given how disgustingly cheap technology is, I think it's silly not to devote at least one of the millions of machines on this planet to the task of paying your bills. Most computers are just sitting there idle waiting for something to do, so put some of those resources to good use. I'm not talking about getting VC money and trying to make the next Google. My suggestion is to start a simple web business you can run by yourself in your spare time with no expenses except web hosting.

IV. Efficient information access,

According to (Solomon, 2004), Technical skills will enable a business owner to access information efficiently which information will assist in improving business performance. Whenever one wants to know something now, can just go online and get the information in seconds. Sites like, Google, Wikipedia and wiki how truly place information at your fingertips, but it still takes a bit of technical skill to craft intelligent queries when you're searching for something obscure. If someone has figured it out, it's probably online with an internet connection at hand.

V. Intelligent technology purchases online.

According to (Hisrich and Peter, 2002), Technical skills help a business owner to make intelligent technology purchases online for the business to boast its performance. Since technology depreciates so rapidly, and since component quality can vary widely, knowing how to buy great value at a great price is a very practical skill. With most rapidly advancing

components like CPUs, hard drives, and video cards, there's a fairly narrow price-performance sweet spot. Spend too little, and you're throwing money away on obsolescent goods. Spend too much, and you're overpaying for imperceptible performance gains. Decent technical knowledge can help a business owner target those sweet spots with all your technology purchases, so you get the best bang per buck.

Summary.

Despite the many various ways in which entrepreneurial skills influence the success of youth business as discussed above, performance of youth business does not only depend on entrepreneurial skills but also other factors like capital invested, location, goodwill, among other factors are also to be considered.(Mark Zucker berg 1993).

CHAPTER THREE

METHODOLOGY

3.1 Introduction

In this chapter it covers the research methodology, research design, study population, sample size and sample techniques, data collection methods and instruments, validity and reliability, data collection procedures, data analysis , Ethical issues in research , Anonymity and the limitations of the study.

3.2 Research design

The researcher is using a cross sectional survey design basing on the use of qualitative and quantitative approaches that will be adopted to establish the challenges to the success of youth businesses. This design is used to guide the researcher in collecting data for defining, estimating, predicting, and examining the associative relationships of the study. Cross-Sectional studies easily provide a quick study of what's going on with the variables for the research problem.

3.3 Study population

The study is targeted the youth, senior entrepreneurs and the already existing business people or entrepreneurs in Bugoye sub county Kasese District and potential uses of entrepreneurial schemes like buyers.

3.4 Sample size

The researcher used a sample size of 48 respondents from a population size of 55 people due to time limits and economic problems that are involved in the study. It's determined through (R.V. Krejcie and D.W, Morgan, 1970).

3.5 Sampling techniques

The people are selected using simple random sampling. This method of technique is preferred because according to (Amin, 2004) it eases the selection of a simple from a large population whereby each member of the population is given an equal opportunity to participate in the study. Purposive sampling technique will also be used to select the employees of youth businesses and this method is preferred because according to (Amin, 2004) with this method only key formats are targeted to be used whom the researcher believes are more knowledgeable and will provide in-depth information about the phenomenon the researcher is studying.

3.6 Data collection methods

The researcher uses primary method of collecting data and the methods which include

3.6.1 Interviews

The researcher used interviews. The researcher is to organize conversation aimed at gathering data on asked questions and interview guides help the researcher gather the required data. Also, open discussions with respondents will be adopted. Interviews with individual respondents will save time.

3.6.2 Questionnaire

Questionnaires are administered to a large number of respondents. The reason for choosing this type of research method is that it gives the actual information from the respondents. The questionnaire used to collect data where structured questionnaires were distributed to the respondents. The questionnaire was equally used because the information had to be collected from a large sample of 55 people in a short period of time yet the respondents could read and write. The questionnaires consisted of both open and close ended questions administered to respondents of Bugoye sub county Kasese District.

3.7 Data collection instruments

Interview schedules because it saves time for the researcher and the respondents since asking questions and filling information is at the same time when interviewing the respondent.

Questionnaires were distributed to respondents and they were open ended questions to invite free response from respondents.

The researcher also used secondary data collection instruments which include Newspapers, other research materials, the internet and publications among others.

3.8 Data validity and reliability

The researcher randomly selects a few respondents as a pilot to enable the testing of research instruments. These help in identify the gaps that may exist in the formulated questions so that they are addressed during the actual study.

For validity of the collected data the researcher apply triangulation that is the application of several research methodologies in the study of the same phenomenon or social issues collecting data from different sources and at different times on the same subject for the same study.

3.9 Data collection procedures

The researcher obtained a letter or approval from the university to clarify her as a student who needs assistance during the research study.

The researcher obtained a letter from the chairman of Bugoye sub-county to allow her proceed with her research study. The researcher also obtained permission from the respondents before proceeding with getting information from them and the researcher was to go ahead and submit in research questionnaires and interviewing the respondents about the performance or success of youth businesses in Bugoye sub county Kasese District and the causes to the failures.

3.10 Data analysis

The data collected from the field was sorted, organized; analyzed automatically using SPSS (Statistical Package for Social Sciences) software was used in finding the relationship between variables. The SPSS package was opted for, because it handles a large number of variables. Tables and charts which help in presentation of collected data. Both qualitative and quantitative data was collected.

3.10.1 Ethical issues in research

During the research process, the researcher maintains a high level of moral conduct which included obtaining permission or consent from each respondent before proceeding with getting data from them.

Things such as keeping respondents' identities' anonymous at their request was upheld by the researcher.

Permission of the people who to be studied was sought to conduct research involving them. Written or verbal informed consent from all the respondents was sought before interviews were conducted. The purpose of the study was carefully explained to the respondents.

Objectivity during research was emphasized so as to eliminate personal biases from the respondents.

Permission from different businesses was sought to be collected before collecting data

3.11.1 Anonymity

The researcher ensure confidentiality and honest to all the respondents when collecting data. Questionnaires were destroyed after collecting data, there was no any person to analyze the collected data apart from the person who is gathering the information herself.

3.12 limitations of the study

Time dimension;

The duration of the study was short to collect the data and make conclusions however; the researcher minimized the weakness by using both qualitative and quantitative techniques.

Measurement tool;

This was adopted by few and the researcher used the tools that other people used to get more data thereby minimizing the weaknesses.

Sample size;

The researcher was aware of the limitation of sample size because there is high level of error easily caused by this and minimized by using Double data entry and checking were used to minimize errors.

CHAPTER FOUR

ANALYSIS, PRESENTATION AND DISCUSSION OF RESEARCH

FINDINGS

4.0 Introduction

This chapter presents the findings on the challenges to the success of youth businesses in Bugoye sub county, Kasese District. The findings were from both primary and secondary sources. The findings are presented in the considering the three objectives that the study was set to achieve;

- To find out the effects of human relation skills on the success of youth businesses.
- To find out the impact of business management skills on the success of youth businesses.
- To examine the relationship between technical skills and the success of youth businesses.

The analysis is based on the objectives of the study and the presentation and the interpretation done with the help of quantitative data analysis using SPSS statistical package (version 16)and results are presented in tables, pie charts and qualitative data analysis using micro soft excel software (spread sheet) and micro soft word as follows;

4.1 Response rate

The total of forty eight (48) questionnaires were distributed to youth businesses in Kasese District Bugoye sub-county of the forty eight questionnaires, only forty (40) were returned and the eight (8) were not returned due to lack of enough collection time . The researcher believed it was a great response since most respondents managed to return them and the questionnaires had captured all the required information that was required for data analysis and they were fully filled those respondents.

4.2 Background characteristics of the respondents

These include gender, age, sex, education level, if they have ever applied for the loan and stock levels on profitability of their businesses and these were revealed as follows.

4.2.1 Findings on the gender of respondents

Here respondents were asked their gender whether male or female and the following results were obtained.

Table 1 : Showing gender of the respondents.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	22	55.0	55.0	55.0
	FEMALE	18	45.0	45.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the above table 1, 55.0% respondents were male and 45.0% were female. This shows that most of respondents were male.

The study further revealed that male respondents were the most active participants since they play a great role in ensuring the activities are correctly and perfectly performed in their business more as compared to females. However, the few female respondents were also active and were able to provide information for the researcher to base on for the study. This image therefore, calls for collective participation of all gender in order to have development in the region based on all youth irrespective of their gender.

4.2.2 Age of the respondents

Table 2 showing the age group of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25 YEARS	20	50.0	50.0	50.0
	25-35 YEARS	8	20.0	20.0	70.0
	35-40 YEARS	12	30.0	30.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the table above, 50% of the respondents range between 18-25 years, 20% were between 25-35 years, 30% were between 35-40 years. This meant that most of the youth businesses were operated by people who were between 18-25 years.

According to these findings, it revealed that the youth employees are still able to work and are strong in their ability of thinking more and this may help to improve on its strategies to enhance development of the businesses in Bugoye sub-county Kasese District. Secondly it pointed out that the age group between 18-25, which is comprised of 50% is the most active compared to other groups despite of their age.

4.2.3 Response on the level of education of the respondents

Here respondents were asked about their highest level of education that is those with Certificates, Diploma, Degree and others. The results were as follows;

Table 3 showing the level of education attained.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CERTIFICATE	7	17.5	17.5	17.5
	DIPLOMA	10	25.0	25.0	42.5
	DEGREE	18	45.0	45.0	87.5
	OTHERS	5	12.5	12.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the table, 17.5% had certificates, 25.0% had diplomas, and 45.0% had acquired degrees while 5.0% had completed other levels of education like primary leaving education. Since the table showed that majority of respondents were literate and able to understand and internalize the contents of the questionnaires distributed to them, the possibility of employing well educated group in businesses helps to influence effective performance hence achieving the objectives and goals of the organization. This therefore, indicated that education play an important role in operation and management of the Youth businesses.

4.3 Findings on the performance of the business

4.3.1 Response on respondents 'who have ever applied for a loan.

Table 4 Showing respondents if they have ever applied for loan.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	24	60.0	60.0	60.0
	NO	16	40.0	40.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the above table, 60.0% of respondents had applied for the loan, 40.0% have never applied for the loan. Therefore this shows that most of the youth in Kasese District operate their businesses with the help of loans from Sacco's, banks and other financial institutions. This table showed that most of the youth business have received financial boost from financial institutions that have been influential in the successful development and sustainability of their businesses. This hence entirely calls for application of Loans to support businesses.

4.3.2 Stock levels affecting profitability

Here respondents were asked about stock levels held in their businesses, if they have ever experienced any shortages to affect the level of profitability, this helped in determining the performance of the business. The table below illustrates the results.

Table 5 Showing if the stock levels affect profitability.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	34	85.0	85.0	85.0
	NO	6	15.0	15.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From table 5, above, 85.0% said that the stock level has an effect on the profitability of the business and 15.0% said that stock level don't have any effect on profitability. From the table, it is showed that the higher you stock, the higher economics of scale you enjoy and the less if little is stocked. Therefore, it is true that those you businesses that stocked their businesses well were able to enjoy a large profit margin compared to those who never stocked to capacity as their profit margins were less.

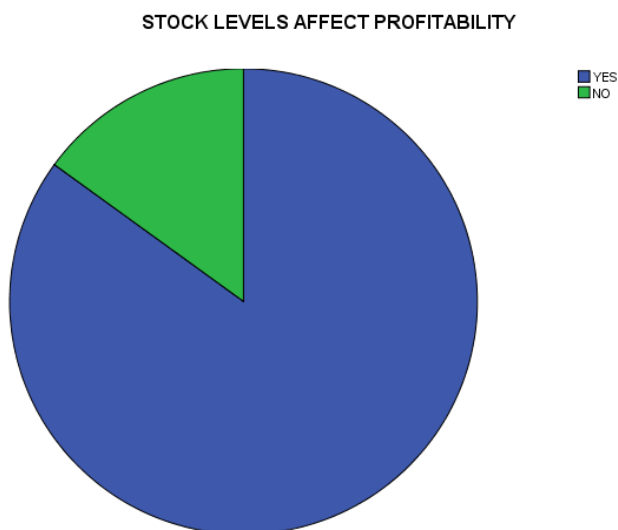


Figure 2: showing stock levels on profitability

The figure shows the stock levels how they affect profitability in the businesses by the respondents.

4.4. HUMAN RELATION SKILLS ON THE SUCCESS OF YOUTH BUSINESSES

4.4.1 Response on requirements of staffing and human

Respondents were asked how familiar employees they are with requirements of staffing and human resource. The table below illustrates the results;

Table 6: Showing how familiar employees are with requirements of staffing and human resource.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	32	80.0	80.0	80.0
	NO	8	20.0	20.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the above table 6, 80.0% of the respondents said they are familiar with the requirements and 20.0% said they not familiar with the requirements therefore this shows most of the respondents have the requirements of staffing and human resource by ensuring all the requirements the business will run its activities accordingly in order to sustain itself on the market in areas of Kasese District especially Bugoye sub-county.

ARE YOU FAMILIAR WITH THE REQUIREMENTS OF STAFFING AND HUMAN RESOURCE

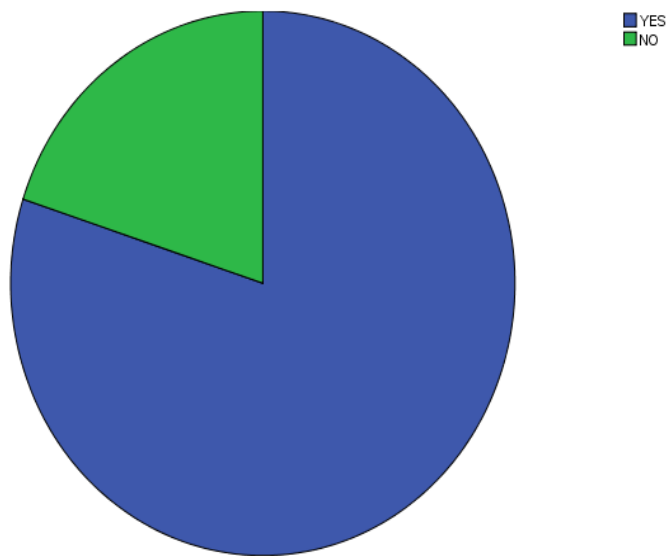


Figure 3: Showing requirements of staffing and human resource

The figure above, show the responses on the requirements of staffing and human resources skills

4.4.2 Response on plan for work in advance, in detail

The respondents were required to show whether they can plan their work in advance or in details and this is shown below.

Table 7: Showing if respondents planned their work in advance, in detail.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	25	62.5	62.5	62.5
	NO	15	37.5	37.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the above table 7, respondents 62.5% said they can plan work in advance or in detail while the 37.5% said they do not plan in advance their work. This shows that most youth know how to plan their work in advance in order to conduct their businesses smoothly and this helps them to be within the budgets since all uncertainties are catered for during the planning process, secondly effective Planning for the business facilitates identification of business goal and the way to reach it. It involves the estimation of the costs that will be incurred and evaluation of the time required to attain the business goal. A business plan has to be documented and reviewed on a regular basis by doing this, the business will boast.

4.4.3 Response on good atmosphere of mutual trust and respect

Respondents were required to show if they do help to create a good atmosphere of mutual trust and respect to managers and customers and this is illustrated below;

Table 8: showing how respondents help to create a good atmosphere of mutual trust.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	22	55.0	55.0	55.0
NO	18	45.0	45.0	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

In the above table 8, 55.0% of the respondents they create good atmosphere of mutual trust and respect and 45.0% said they do not usual create the mutual trust. This therefore shows that businesses that are being carried out in kasese District for the youth they always create good atmosphere of mutual trust and respect to their fellow employees and their customers to have the best set goals. When people most especially customers develop so trust in your business, it brings a lot of growth and development of the youth businesses.

4.4.4 Response on coordinating and controlling tasks

The respondents were required to show if they have experience in coordinating and controlling tasks of their businesses and it's illustrated below;

Table 9: Showing if respondents have experience in coordinating and controlling tasks.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	31	77.5	77.5	77.5
	NO	9	22.5	22.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

In the table 9 above, 77.5% of the respondents said they have experience in coordinating and planning for their tasks effectively and 22.5% they do not have coordination and planning tasks experiences and this shows that most youth businesses in Kasese District Bugoye sub-county people have good experience in coordinating and controlling tasks for their activities. Coordinating is the process of communication to track the activities towards the goal and make decisions about the next line of action and Control is better implemented in the form of prudent guidance given to the employees by their manager to do the right things at the right time by doing this; the businesses will grow to their expectations.

4.4.5 Response on delegation

Respondents were asked if they can delegate effectively and this is showed below;

Table 10: Showing if respondents can delegate effectively.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	35	87.5	87.5	87.5
NO	5	12.5	12.5	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

Table 10 above, show that 87.5% said they can delegate effectively to their subordinates and 12.5% said they do not make delegations to their employees and this improves that most youth businesses people in Bugoye sub-county they do delegate to their follow employees effectively in order to ensure corporation and effective participation at work place since delegation is one of the important aspect in motivating employees at workplace. Delegation is an activity of leading. It is allocation and entrustment of responsibility. A leader not only dreams but also provides the employees with a framework for the fulfillment of his dreams which enhances business performance.

4.4.6 Response on good decision making experiences at work place

Respondents were asked if they have good decision making experiences at their work places and this is shown below;

Table 11: showing if respondents have good decision making experiences.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	34	85.0	85.0	85.0
	NO	6	15.0	15.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

According to the above table 11, 85.0% respondents said they have good experience in making rite decision and 15.0% said they do not have therefore, this shows that the youth in Kasese District know how to carry on their businesses with best ways in taking good decision at work place. This helps the employees and their employers not to decide anyhow when deciding on which action to take.

4.4.7 Response on listening to others and understand their problems

The respondents were asked if they can listen to others and understand their problems and they went as follow;

Table 12: Showing if respondents can listen to others and understand their problems.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	40	100.0	100.0	100.0

Sources: Primary Data, 2014

From the table 12 above, 100% of all respondents said they can listen to others and understand their problems and therefore this shows that the youth in Bugoye sub-county are able to solve the problems of others and trying to understand them if possible in the business perceptive and by doing so this helps them to maintain business reputation and customer base.

4.4.8 Response on communication

Respondents were asked if they know how to communicate with other people and customers it's showed below;

Table 13: Showing if respondents know how to communicate to other people below you.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	38	95.0	95.0	95.0
	NO	2	5.0	5.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the table 13 above, 95.0% of the respondents said that they know how to communicate and negotiate with the customers and other people who may need help from them and 5.0% said they don't know how to communicate and negotiate to different customers. in other ward business men and women in Bugoye sub-county they do communicate effectively to their customers, explaining what is the positive and negative side effects of the product needed to be bought, this will impact trust in a customer who is going to buy the product again and again do to proper communication skills.

4.5 BUSINESS MANAGEMENT SKILLS ON THE SUCCESS OF YOUTH BUSINESSES.

4.5.1 Response on which type of people are difficult to persuade

Respondents were asked which types of people are difficult to persuade and the results were as follows;

Table 14: showing the type of people who are difficult to persuade.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid OLD	16	40.0	40.0	40.0
ILLITERATE	13	32.5	32.5	72.5
EDUCATED	8	20.0	20.0	92.5
YOUTH	3	7.5	7.5	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

From the table 14 above, 40.0% of respondents showed old, 32.5% showed illiterate, 20.0% showed educated and 7.5% showed the youth. Therefore this gave a picture that it's the old people are difficult to persuade in order to buy the products of the youth businesses they tend to be hard in all situations, they need cheap things which are not favorable to the business people in kasese District.

WHAT TYPE OF PEOPLE ARE DIFFICULT TO PERSUADE

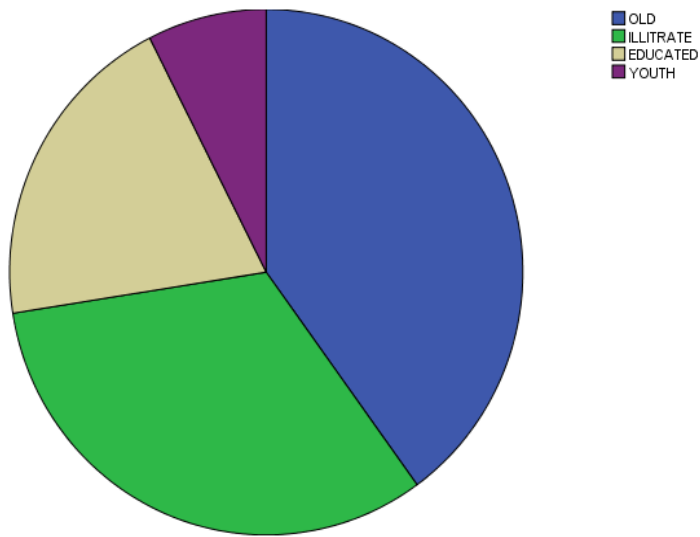


Figure 4: showing the people who are difficult to persuade

The above figure 4, it reveals what the respondents said about people who are difficult to persuade.

4.5.2 Response on good time management skills.

Respondents were requested to show if they have good time management skills and the results were as follow;

Table 15: Showing if respondents have good time management skills.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	35	87.5	87.5	87.5
	NO	5	12.5	12.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

The table 15 above, the respondents 87.5% showed that they have the good management skills while the 12.5% said they don't have the skills. This indicates that most youth businesses men and women know how to calculate time in conducting their businesses which those skills used may help in achieving the set goals by doing what is required at a particular time by the both the employees and the employers in the business.

4.5.3 Response on maintaining and control stock levels

Respondents were required to show if they know how to maintain and control stock levels in their businesses. The table below illustrates the results.

Table 16: Showing if respondents know how to maintain and control stock levels.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	34	85.0	85.0	85.0
NO	6	15.0	15.0	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

According to the above table 16, 85.0% respondents said they know how to maintain and control the stock levels of the business whereas 15.0% said they don't know how to maintain and control the stock levels therefore this show that most youth businesses men and women know how to

maintain and control their stock levels in order to combat losses which may result from stock storages and hence leading to proper functioning of the business in areas of Kasese District.

4.5.4 Response on negotiation

The respondents were asked if they know how to negotiate successfully and they illustrated it as below;

Table 17: Showing if respondents know how to negotiate successfully.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	39	97.5	97.5	97.5
NO	1	2.5	2.5	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

From the table 17 above, 97.5% said they know how to negotiate successfully with their customers and 2.5% they totally don't know therefore this indicates that most youth businesses in Bugoye sub-county Kasese District they know how to negotiate successfully in carrying out their business activities in order to achieve their set goals. By negotiating with suppliers they end up buying products for resale on a cheap price which will help to obtain profits to enable them improve their standards of living. Having understood the power of negotiation to their businesses, this has cleared them the way to growth and development of their businesses (youth).

4.5.5 Response on recognized personality in business groups

Respondents were asked if they are being recognized personality in their groups and it's as follow;

Table 18: Showing if respondents are recognized personality in their groups.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	35	87.5	87.5	87.5
	NO	5	12.5	12.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

In table 18 above, 87.7% said they are being recognized as personalities in their groups and 12.5% said they are not recognized. Under this, it's said to be that in Bugoye sub-county most respondents are being recognized personalities in their groups when carrying out their business activities and given respect according to the hierarchy in running their businesses. This has assured management hierarchy and influenced delegation of work to different individuals for execution. This in turn therefore, has brought about effective and efficient execution of work hence growth and development of the youth business.

4.5.6 Response on record keeping

Respondents were asked if they always keep their records in running their businesses and this is illustrated as follow;

Table 19: Showing if respondent always keeps their records.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	34	85.0	85.0	85.0
	NO	6	15.0	15.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

According to table 19 above, 85.0% said they always keep records of their businesses and 15.0% do not keep record. This shows that most of the youth always keep their record of businesses activities to have proper accountabilities and to know where they make more sales and losses and which products need to be concentrated, on by doing this, it will help them sustain their presence on the market. With good book keeping strategy, a business will always grow since operators are able to know which products and services are most consumed by their customers and therefore, this enables them to stock their businesses with the best desired products which attract demand from their customers and ensure business sustainability.

4.6 TECHNICAL SKILLS AND THE SUCCESS OF YOUTH BUSINESSES.

4.6.1 Response on solving technical problems or breakdown

Respondents were asked if they are good at solving technical problems or breakdowns and this is included below;

Table 20: Showing if respondents were good at solving technical problems or breakdowns.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	23	57.5	57.5	57.5
	NO	17	42.5	42.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

According to the above table 20, 57.5% said they are good at solving those problems and 42.5% said they are not good at that. Therefore, most youth in Kasese District know how to solve technical problems or breakdowns in their businesses by doing this it saves time and money whereby they need not to wait for technician who is to charge big sums of money and taking long to come. Therefore, this helps them to keep running their businesses at all times.

ARE YOU GOOD AT SOLVING TECHNICAL PROBLEMS OR BREAKDOWN

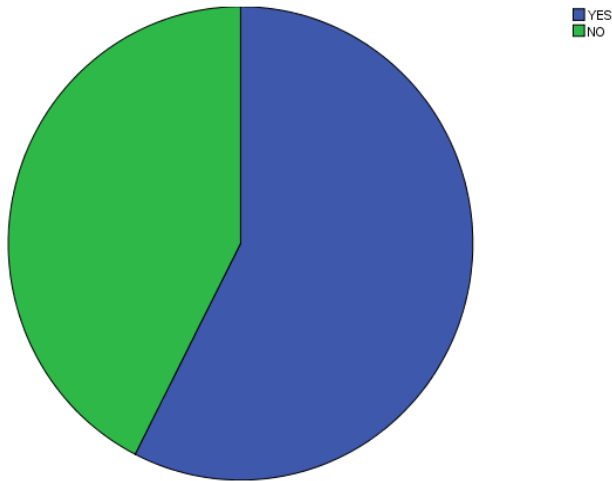


Figure 5: showing technical problems or breakdowns.

From the above figure 5, shows if the respondents solve technical problems or breakdowns in their businesses.

4.6.2 Response on website for interacting with customers

Respondents were asked if they have website where they interact with their customers and this was shown below;

Table 21: Showing respondent's website for interacting with customers.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	13	32.5	32.5	32.5
	NO	27	67.5	67.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

From the above table 21, show that 32.5% of the respondents have website where they interact with their customers and 67.5% they do not have website. This shows that most youth businesses in Bugoye sub-county kasese District they do not have websites where they interact with their customers on daily basis this sometimes it's not a good practice, customers need to be updated on what's new on the market, the employees also need to know the tests and preferences of the customers and if the products given are of the good quality by knowing this, the business will improve on its weaknesses and this will lead to better standards of the business. there are only few with the website in the areas this show that theses respondents do interact with their customers to know what is best for them and their requirement or changes in the quality work.

4.6.3 Response on database for customers

Respondents were asked to show whether they have database of their customers and it's listed below;

Table 22: Showing database for customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	25	62.5	62.5	62.5
NO	15	37.5	37.5	100.0
Total	40	100.0	100.0	

Source: Primary Data, 2014

Under table 22 above, 62.5% of the respondents said that, they keep database for their customers and 37.5% confirmed they do not have database. Therefore, this shows that in Bugoye sub-county the youth prepare and keep the database for their customers hence helps them to understand the nature of customers, their tastes and preferences. This in the long run helps in ascertaining the quality and quantity of products and services to be stocked and restocked, which encourages customers to keep on buying and bringing other customers to support sales hence improving on the incomes of the business.

4.6.4 Response on clever with your respondents hands

Respondents were asked if they are clever with their hands and it's illustrated below;

Table 23: Showing if respondents are clever with their hands

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	26	65.0	65.0	65.0
	NO	14	35.0	35.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

According to table 23 above, it shows that, although 65.0% of the respondents said they are clever with their hands, 35.0% were the opposite. This indicated that a large number of the youth in Bugoye Sub-County initiate businesses based on the use of their human abilities, such as establishment of saloon both Men and Women, Chapatti making, meat roasting, brick making,

collection of firewood from the mountains, among others, that have enabled them survival. However, not all do so, since there are a small percentage that is not able to use their human abilities in setting up businesses, an issue that needs to be addressed by the local authorities and government agencies in order to empower the youth and ensure that their growth and development is equal which will create harmony in the community.

4.6.5 Response on handling heavy manual work without problems

Respondents were asked if they can handle heavy manual work without problems and this is shown below;

Table 24: Showing if respondents can handle heavy manual work without problems

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	26	65.0	65.0	65.0
	NO	14	35.0	35.0	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

The table 24 above shows 65.0% of respondents said that they can handle heavy manual work even without any problems however, 35.0% said they do not handle that. Among the 40 respondents, it showed that a large percentage of them have no queries doing the heavy manual work and that they feel comfortable working the hard way as long as they can secure a livelihood. However, though the others say so, others expressed that, that is not possible to them

even when there are no clean jobs to do in Bugoye Sub-County. This therefore, calls for guidance and counseling of the Youth so that they could be mentored and empowered.

4.6.6 Response on work in a systematic rather than chaotic way

Respondents were asked whether they do work in a systematic rather than chaotic way and this is shown below;

Table 25: Showing if respondents do work in a systematic rather than chaotic way

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	25	62.5	62.5	62.5
	NO	15	37.5	37.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

According to the above table 25, 62.5% respondents said that they do work in a systematic way rather than a chaotic way in running their businesses and the 37.5% claimed not to do or conduct their businesses that way. This showed that 62.5% of the youth conduct their businesses in organized places and they follow the hierarchy in the manner that, they have permanent stations where their customers can easily locate them at any given time as desired for example; the mobile money, internet café and stationeries, restaurants among others. However, this was not the case with 37.5% which did not express organization and stability in their work because they acted and worked in mobile forms that are not easily located by their customers. This showed an

impression that with this image, youth businesses will be able to grow and develop given ample time since the percentage of those who are organized is greater than that of the un organized.

4.6.7 Response on a clear and coherent manner

Respondents were asked if they express what they think in a clear and coherent manner and they are presented below;

Table 26: Showing if respondents express what they think in a clear and coherent manner.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	31	77.5	77.5	77.5
	NO	9	22.5	22.5	100.0
	Total	40	100.0	100.0	

Source: Primary Data, 2014

The table 26 above, it showed that 77.5% of the respondents said they do express what they think in a clear and coherent manner. This indicated that they do understand the nature of the businesses they undertake and therefore, willing to dedicate their efforts towards the growth and development of the mentioned business entities. 22.5% said they do not express that. This instead showed a clear view that although a large percentage of the youth do businesses they desire and understand, there is need for empowering the youth through mentorship and material support so that youth initiated businesses can maintain their customers, which will help them

successfully withstand the challenges of business operation and management in order to attain growth and development in Kasese District.

DO YOU EXPRESS WHAT YOU THINK IN A CLEAR AND COHERENT MANNER

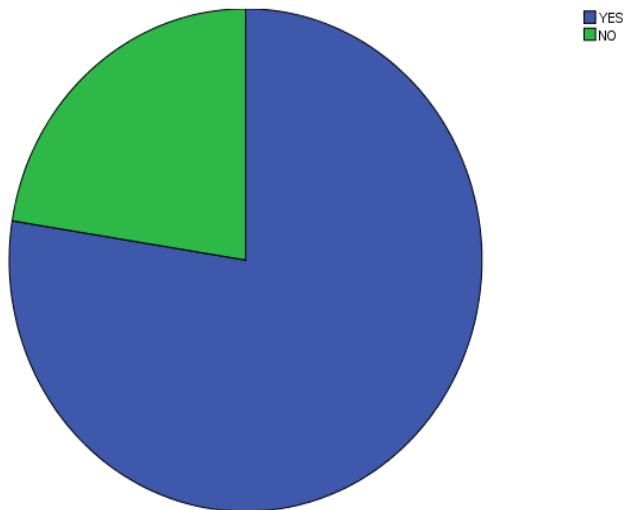


Figure 6: showing the expression of respondents if they are clear and in coherent manner.

The figure above 6, shows how respondents do express themselves in clear and coherent manner in running their businesses.

4.6.8 Businesses that the youth are engaged in around Kasese District

From the structured questions asked, the respondents were required to list the businesses that the youth are engaged in around Kasese District and the businesses that were listed are;

- Internet café, Stationeries, Mobile money, video libraries, music recording, pharmacy,
- Restaurants, Retail shops , Boda boda riding, Saloon, Decoration and video graph, bars
- Agriculture ,fishing, Music recording, Poultry ,Boutiques ,Brick laying ,Art and design

- Chapatti making, Vegetable selling, Mobile disco, Washing bay and Cotton selling all there being listed by the forty(40) respondents who managed to return the questionnaires.

From the above data obtained, a response of 27 Youth is engaged in internet café business which is by far the largest business venture amongst the listed businesses out of 236 total responses received this business is engaged in due to high demand of computer services which are largely required by most people around the areas of Kasese including students, government worker and the society at large. It's then followed by stationeries, mobile money and saloon for both men and women who gave out a total response of 24, 23 and 21 responses respectively out of total responses 236.

Retail shops, boutiques, boda boda riding and video libraries 18, 17 and 11 respectively out of 236 total responses from the respondents, most of the youth also involves themselves in such businesses to obtain a living.

Agriculture, fishing, pharmacy, bars, hotels, music recording, decoration and video graph, poultry, chapatti making, mobile disco, washing bay, cotton selling and art and design are the least performed business activities with less than 10nresponses from the respondents.

From the information realized above, this reveals that most youth earn their better standards of living, sustaining their businesses, managing and taking care for themselves thus paying school fee, medication bills and buying food and other basic needs, paying utility bills, paying taxes to the government to run its activities to sustain the welfare of the economy , buying the tangible and intangible assets and improve on their business management and technical skills among others through internet café, stationeries, mobile money, retail shops, boutiques, restaurants,

saloons and boda boda businesses which gave out the at least the highest total response from the respondents.

4.6.9 Benefits that are enjoyed by the youth from such businesses above

The respondents were also asked in the structured questions to show the benefits that are being enjoyed from such businesses they managed to list and there a quite numbers of benefits that were enjoyed by the youth from such businesses that are undertaken. Some of these benefits are tangible and while others are intangible for example buying assets, improved capital, enjoying fish products and fresh vegetables from the gardens , earning better standards of income, profits which help in taking care of themselves and their families, access to basic needs and no paying taxes which are being charged by government by other businesses are some of the tangible benefits where as improved management skills, improved technical skills, employment opportunities, easy access to loans, Naads programs, avoiding idleness, the markets are easily allocated and accessed by most customers and marketing their products for themselves are some of the intangible benefits that were mentioned by respondents.

The majority of respondents agreed that improved and earning better standards of living is the major benefit and the motivator for them to run their respective businesses. A total of 16 responses were received in this respect.

Increased incomes, profits, easy access to basic needs for example paying school fee, shelter, paying different utility bills and buying new assts, good management skills, improved technical skills, avoiding idleness, access to loans sometimes, self employment benefits, good quality products and services and employment opportunities are the benefits that were identified as

critical motivators to running of the youth businesses in Kasese District. The above had collected a total of 50 responses out of 94 total responses that were listed by the respondents. Location is easily accesses, no paying taxes to some other businesses, and paying fewer taxes, profits to start up a new business have been enjoyed among others by the youth business men and women.

However, as far as marketing their products and service for themselves is concerned, this benefit to the youth is the least considered advantageous in running youth businesses. This therefore, returned total response of three 2 responses out of 94 responses received from the respondents.

4.6.10 Challenges that are encountered by the youth in running such businesses

According to the structured questions that were asked, the respondents were required to air out the challenges that are encountered by the youth in running the mentioned businesses above.

All the respondents reported a number of problems they have faced. The study revealed a number of reasons why youth business enterprises fail that were categorized into internal and external factors. According to the respondents, taxation was the major problem. Among the respondents investigated, 70(53%) of them complained that taxation was contributing to the challenges of their businesses. The businesses are being charged with lots of taxes by local and urban authorities.

Inadequate of capital is also major problem to businesses in their early stages. Results of the study indicated a significant proportion of the respondents, 64(48%) raised this as a major problem. First, these businesses were started with limited capital. As observed by Snyder, “do

not think that you can get a million-shilling start-up loan for a business, even if you have 500,000 shillings you can start small business”.

Youth businesses lacked collaterals such as cars, houses or land titles that can be deposited to get loans from the commercial banks. On the other hand, the loans provided by microfinance institutions are small, with a short repayment period and of high interest rates. Some factors that limits the youth from accessing the loans from banks and they are;

Businesses dealing in food stuffs have been affected by lack of proper storage facilities. This has been a major limitation on youth business success because most agricultural products which require preservations.

Lack of sales has been serious businesses. This is because most of these businesses lack the competence of challenging already established businesses. They usually lack a public image and yet publicity is one of the major mechanisms for business to grow. The study also revealed that these business people start business without considering the location of the business thus fewer sales are made, less profits and this delays growth.

The problem of pricing was also identified among the startup reasons of youth business failure. Business men and women lack best skills to set up best prices and they tended to operate at high prices in relation to already existing businesses. This tends to take away most customers to their competitors who are already in the business and maneuver at lower costs.

Poor record keeping is also a problem for startup youth business failure. In most cases, people fail to keep records of their daily transaction and therefore, end up losing track of their daily

transactions and cannot account for their expenses and their profits at the end of the month hence ending up off track of their businesses for both the starting and the already existing businesses in Bugoye sub-county Kasese District.

Poor planning skills (17%) responses were mentioned that poor planning leads to businesses failure during their startup stage. Less than a third (30%) prepare a formal business plan prior to starting up and 37% do not plan at all. The survey found that most youth businesses just start up their businesses without planning. Youth by not planning in advance they end up not achieving their goals when they start up their businesses. This study revealed that preparing a business plan simple is also expensive and time costing.

Once businesses are established, they force challenges of competition from other businesses with related businesses. 112 of respondents agreed. As towns expand, the number of entrepreneurs also increases. Therefore, the success of one business often comes at the expense of another. This brings about advertising and price reductions so as to attract more customers into the businesses, which automatically leads to a potential reduction of profitability for the businesses in Bugoye sub-county.

High utility bills have affected the success of many youth businesses. The rooms rented are highly charged this was caused due to expansion of towns which has led to increased demand for business premises, which means that some youth businesses have been pushed away from the busy areas of the town to the rural areas thus minimizing the chances for most businesses to be successful.

High transport costs have become one of the problems faced by startup businesses. Lack of oil reserves in the country has made the cost of transport high and unpredictable for the business men and women. Since fuel has been a major factor that leads to an increase in costs of production across the board, which has caused a great failure in many businesses.

There is a problem of communication networks especially with internet café business and mobile money business have also been poor, leading to less costs because businesses will not be operating without network.

Lack of information on existing goods and poor access roads in rural areas have constrained business men and women to buy products that are in easy-to-reach areas where competition is relatively high.

During this research survey, faulty products were also identified as problem of youth businesses. Since most new businesspersons are not experienced in running the businesses, they are not normally familiar with the condition of the products they purchase they end up purchasing products which do not suit the preferences and tastes of the clients.

Lack of innovation, illiterate people, poor infrastructures, diseases that attack the crops, poor quality machines, difficulties in accessing an operating license, fake money into the business, changes in weather conditions, changing from one business to another, sex harassments, lack of enough markets for the products and services although they listed them as challenges, they were mentioned as the least challenges facing the youth in carrying out their business activities hence they also affect them to achieve the best set objectives in the short and long run of the business.

4.6.11 Measures that can be adopted to overcome the problems faced by the youth in running their businesses

The structured questionnaires were requiring the respondents to show what measures can be adopted to overcome the problems faced by the youth in carrying out their businesses in areas of Kasese District Bugoye sub-county. From the study, the researcher came up with a number of approaches towards improving youth businesses in the Bugoye sub-county Kasese District which include;

Out of the 40 questionnaires that were returned the respondents , a total of 47 responses from respondents believed that reducing the interest rates by financial institutions such as banks, Sacco's among other on the loans required by the youth, reduction in taxes levied by local councils, proper record keeping, conducting research before venturing in to a business, introducing youth loan scheme, training and sensitizing the youth on how to effectively manage their businesses and handle their finances as well as good infrastructure can go a long way to improve their businesses and increase their incomes effectively.

Solving the problem of inadequate capital, the youth should make a budget, source cheap loans from financial institutions, Borrow from friends; negotiate favorable credit purchases, Negotiate advance payments from your customers, Merge with others that have similar businesses, re-invest the profits made and spend the money where necessary. By doing this, the businesses will be able to achieve the set goals and hence development of businesses in Bugoye sub-county Kasese District.

Lack of technical skills can be improved through learning and training the employees from different institutions about the skills and employing people with skills to help those who are qualified in such departments by doing so, businesses will grow to their expectations.

Separate business activities and family issues, Look for alternative sources of income to cater for family basic needs than picking from the business capital, Set aside the time to spend with the family for social events and business time by doing the following the problem of family issues will be avoided.

Inadequate control of inventory, the business people should know and understand the existing skills to control stock not to overstock and under stock which may cause losses to the businesses. Maintain the stock by recording what has gone out and what is coming in at a time.

To avoid low sales into the businesses the youth location of their business premises is an important factor to consider, Improving customer care in the business, they should employ qualified personnel and be able to motivate them, Carrying out market research and advertising by doing this the business will be encouraging most people to buy their products and be able to use their services.

The youth businesses should be able to pay their tax charges in time to avoid the burden of tax authorities, knowing the rules involved.

To avoid management skills problems, the youth should emphasis on financial management; they should keep the records of their employees for easy evaluation, networking with different

people who deal in some businesses in different location to have the knowledge of how they do their businesses to achieve the set goals.

The youth should be able to prepare business plans before investing into the business, prepare forecast budgets to help in setting up businesses.

On the sure of load shedding, the youth owners or managers should be able to buy generators and solar panels to help them in situations when there is no power.

The youth should also emphasizes on the importance of proper record keeping in that it enables youth business to have accurate information on which to base decisions such as projecting sales and purchases and making a wide range of other financial analyses. Where by improper record keeping may cause the business to close its premises.

Offering good services to the customers it will enable him or her to buy again and again and bring in some other customers, having good equipments like computers with good internet services which is constant, printers and many other, provision of security, having stable markets for the products and services offered , offering high class food and of good quality, stabilizing to one business in one place and being innovative and creative in conducting business this can be of importance to the youth in sustaining and developing their set businesses and thus developing the community at large.

In specific industry like fishing, strict rules should be emphasized on the type and size of nets to be used in order to carry out their fishing activities smoothly.

In agriculture sector, pesticides should be bought and the crops and vegetables should be spread in order to void diseases which attack the geminating and growing plants.

4.6.12 Sources of finances to the youth businesses in Bugoye sub-county

Kasese District

The respondents were asked in the structured questions the sources of finance to the youth in Kasese District and they managed to list the following; loans, inheritance, personal saving, contribution from family members and relatives, contribution from friends, youth fund scheme, sell of property and donations.

Table 27: Showing sources of finances.

SOURCES OF FINANCE	FREQUENCY	YOUTH BUSINESS FIRST OPTION
Loans	31	32%
Inheritance	5	5%
Personal saving	22	22%
Contribution from family	14	14%
Contribution from friends	12	12%
Youth fund scheme	3	3%

Sell of property	6	6%
Donations	5	5%
Overall total	98	100%

Most of the respondents depend on the loans from financial institutions like banks, Sacco's, micro finance pride among other to start up and sustain their businesses. A total of 30 total responses was given out of 98 total responses received from respondents concurred to this finding .This shows that banks and other financial institutions are the first choice lenders for youth businesses operations in Bugoye areas of Kasese District.

The other significant source of funding is personal saving that contributed to 22 of the total response that were responded by the respondents , followed by the family members contribution giving total response of 14 ,with friends coming with total response of 12 from the total response of 98. Sell of property gave out 6 total responses from the respondents who managed to return the questionnaires, inheritance and donation revealed a total response of 5 this showed that few buy receive capital to start up businesses and sustain them from these two points mentioned.

Youth loan scheme was the least listed source of funding for the youth in running their businesses and achieving their particular objectives as already set by the youth this revealed that 3% or 3 total responses received from a total of 98 general total responses out of the 40 respondents who returned the questionnaires.

However, those who seek finance from these institutions face a number of challenges, with a significant number not succeeding in obtaining the funds they require, because they fail to meet the lending requirements of the banks and microfinance institutions.

4.6.13 Challenges are encountered by the youth in acquiring such finances

The respondents were asked in the structured questions to identify challenges they faced in acquiring the finances, and the following was revealed;

Banks insistence on collateral to secure the loans this was the biggest and first problem identified by the responses given of 27 out of 146 total responses from the 40 questionnaires that were returned from the respondents. Most of the youth have no collateral security to secure in banks and other financial institutes therefore they end up denying them loans hence causing risks to the business.

It was followed by high interest rates which had 26 responses out of 146 total responses, the youth are charged high when obtaining loans from financial institutions and banks, the charges are always high to be maintained by the youth and hence they fear to get loans into their businesses leading to low business operations.

Stringent documentation requirements, most respondents are faced with this problem where by the financial institutions need documents to verify the business owner, the type of business, where you come from, the capital invested and security papers among others and may be they up

end not accessing the loan hence hindering them from operating their businesses. This revealed a response of 16 out of total response of 146 from the respondents.

Lack of knowledge about available financial assistance schemes for youth to develop their businesses (this could be due to lack of publicity by the promoters) this also was considered as a challenge in acquiring the said finances in order to run and sustain youth businesses perfectly. This was revealed by 15 respondents out of 146 total responses that were given out by respondents of Kasese District Bugoye sub-county.

Out of 40 questionnaires that were returned by the respondents, 14 responses from 146 total responses was received that there are complicated procedures in applying for loans, including from government schemes (many entrepreneurs are not formally educated nor have the resources to help them with bank procedures)

Inability (knowledge and financial means) to prepare required business plan, most youth they do not know how to prepare business plans which most financial institutions require when accessing or in need of a loan. Therefore this was out listed by respondents who gave 13 responses out of 146 total responses.

Lengthy and tedious loan processing (in some banks, the process from approval to drawdown could take several months), this was also suggested by most respondents giving a response of 11 out of total response 146, this hinders the youth of Bugoye sub-county to achieve their goals of operations as required at a particular time since the loan takes months to be obtained.

Language barrier, low access to banks (Distance) and Poor loan management they gave out response of 9, 8 and 7 respectively showing 24 responses out of 146 total responses from the 40 questionnaires which were returned from the 48 respondents who were given the questionnaires. Most respondents face these challenges by not understanding the languages spoken by different people, the distance to where banks are, they are not easily accessing accessible due to transport costs and poor management of loans these occupy a big percentage in hindering the youth to acquire loans for proper managing and control of their businesses.

4.6.14 Reasons for choosing current location of the business operation

The structured question was requiring the respondent to give clear reasons why they decided to choose their current business locations and they went ahead to reveal the following;

Most respondents revealed that there are easy accessible markets for their products and services provided by them. 23 responses were received out of the 118 total responses. This meant that they do make sales in Bugoye sub-county areas which help them to sustain the growth and development of their business.

Strategic location, the area is strategically located where every person can be allocated to find what he or she wants at any time. A response of 21 was realized out of 118 total responses that were generally revealed by the respondents who managed to return their questionnaire.

Availability of customers, in areas of Bugoye sub-county there are more customers who need the products and services for example Asiimwe Harriet said there is need for internet services,

stationeries and video libraries since most schools and offices are located in the area. This revealed 17 responses out of 118 total responses that were received.

Adequate raw materials, 14 responses were realized out of 118 total responses saying there are enough raw materials to be used in most of the businesses that were listed by them. However, 13 responses were like there is less competition in Bugoye sub-county compared to other places around Kasese District hence leading to business owners to establish their businesses in such place.

High demand for products and services, high population and area of residence gave out response of 12, 9 and 8 respectively meaning its 29 responses out of a total of 118 responses from the respondents. This revealed that there is demand for most of the product and services since the area has a largest number of people who live in the areas of Bugoye sub-county Kasese District and since most business men and women live in that place they decided to carry out their businesses nearby home considering even other expenses and by doing so, this can help them to do other things which are also productive to them.

4.6.15 Electronic devices used by the youth

The respondents were interview on which electronic device do they know and mostly used in their businesses they were able to mention of computer and phones and they went ahead to say they are fordable to be bought and they are mostly used by businesses around Bugoye sub-county and most employees can be able to use them.

4.6.16 Importance's of entrepreneur skills in youth businesses

The respondents were even required to list the importance's of entrepreneur skills in their businesses and the responses were; It helps to seek and prepare people particularly youth to be responsible, enterprising individuals who become entrepreneur thinkers, it helps to facilitate decision making since staff are responsible, empowered and able to be creative with their solutions, it helps in managing employees in business , it helps in managing finances in the business, its important in marketing the products, helps the business to produce the right quality product and It helps the business people to know what to give to the customers and what they want to be offered by doing this, the youth are able to achieve their set goals.

4.6.17 Responsibility of the business owner

The respondents were required to show the responsibilities of the business owner and the following responses were as follow during the interview;

- Ensuring proper day to day running of the business activities.
- Making accountability for the business, to provide the right quality so as to satisfy the customers.
- Managing the general operation by controlling the employees to do the right things at the right time.
- Directing the employees to do what is best in order to maintain customers into the business.
- Provide necessary requirements into the business like assets, carrying out record keeping ensuring good records of the business.

-To ensure employees give enough customer care to the customers, to ensure the business is making profits and growing.

-Making proper decisions and guidelines in order to achieve the set goals. All these are made to ensure that businesses are carried out smoothly as required by the shareholders to ensure effective growth and development of their businesses in Bugoye sub-county at this particular time.

4.6.18 How to promote employees

The respondents were also interviewed on how they promote their employees in their businesses and the following was listed;

-They promote their employees annually by carrying out performance appraisal which helps them to know who is able to be promoted and who is not.

-Promoting those who work hard in accomplishing the task given, most employers consider the participation of a person at work. How long does a person take to accomplish an assignment given to him or her at work?

-Some employers consider the time employees have stayed in the business.

-Punctuality and performance at workplace, which person is always active considering time and work done or performed at workplace.

-They look at the speed of the employee in a day thus in case of saloon how long does a person take in pleating one person per day, Looking at the management skills and capabilities of an employee and considering the creativity and innovative skills of an employee at work place.

4.6.19 How to use personal computers skills

During the interview process, the respondents were asked if they know how to use personal computers? If yes what skills do you know? And they were able to give the following;

-They are able to read and write Adobe Acrobat (pdf) files, Able to create and edit word documents like micro soft word, they are able to create and edit presentation like micro soft power point.

-They are able to create and edit database like micro soft access and database.

-Able to create and edit resize image like Adobe Photoshop and fireworks freehand.

-They know how to zip and unzip different files and they are able to save files to universal serial bus sticks. All the six (6) respondents who were interviewed were able to mention all the above points which helps them in running their businesses most especially those dealing in stationary, video libraries, music recording, internet café businesses and businesses which required computer services.

4.6.20 Motivation skills

Respondents were interviewed on how they motivate other at their work places and this was illustrated as follow;

-They motivate their employees by involving them in decision making this makes them feel as if they are part of the organization, by paying the employees promptly, by speaking positively about what they have done, by offering them trips, vocations and leaves for some good time, By offering them with gifts by the end of the month and offering special Christmas offers, by considering them in some occasions and appreciating their efforts at workplace and by training

them on new and more technical and management skills which may be of importance to the organization.

In interviewing process, the respondents were also required to tell which information communication technology skills are they familiar with and they managed to mention the following out of the six (6) respondents who were interviewed;

- They are comfortable with using various browsers for example fire fox and internet explorer

- They use email frequently, they know what spam is and how to create filters to block it, they are able to obtain download software and install it.

- They understand what anti-virus software is and how it might be transmitted, they know how to publish on the web (wiki), and they know how to search for information on the web using search engine.

- They know how to create, edit images and save work in different files, they know how to question the source of information on the internet, they are experienced in using collaborative work space like yahoo group social text among others this showed that the youth in Bugoye sub-county they know something about technology skills therefore this helps them to run their businesses in proper and clear way in order to achieve the set objectives of their businesses.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.

5.0 Introduction

This chapter presents a summary of findings, conclusions and recommendations on the findings and recommendations of the study in accordance to the objectives.

5.1 Summary of findings

The study aimed at determining the challenges to the success of youth businesses in Bugoye sub-county Kasese District. This was carried out to identify the effects of entrepreneurial skills on the success of youth businesses, effects of human relation skills on the success of youth businesses, the impact of business management skills on the success of youth businesses and examine the relationship between technical skills and the success of youth businesses.

Data from Bugoye sub-county was collected in four days and six respondents were interviewed with a research assistant who was taking notes of the proceedings of the interview. The duration of these interviews varied between one to two hours. Data was also collected mainly using a field-tested questionnaire. Both structured and unstructured questions were administered to the proprietors. A special questionnaire was designed to collect information on the Challenges to the success of youth entrepreneur businesses. The entry and analysis of data were done using SPSS (version 16) statistical package. This generated frequency tables for demographic data and taking into account the relationship between independent and dependant variables of different

enterprises. The qualitative and quantitative data was collected, transcribed, and grouped. Double data entry and checking were used to minimize errors. Oral consent to participate in the study was obtained from all respondents. In addition, the researcher received approval from the town council leadership of Bugoye sub-county. Out of 40 questionnaires which were returned out of the 48 distributed, the high response rate was due to the fact that, the responses received from the survey, 165 (100%) gave suggestions on how they overcame common causes of business failure they encountered during startup or after they had established their businesses. These suggestions for business failure were proposed. They listed out their sources of finances, the challenges they go through to acquire such finances and how to overcome those challenges.

Over twenty different types of youth businesses were sampled and studied from the Bugoye sub-county Kasese District. Of these businesses, 22(18%) were involved in internet café, stationeries, agriculture, restaurants, mobile money, retail shops, washing bay fishing art and design and video libraries. The other businesses studied were, brick making, chapatti making, saloons, clinics and boutiques among others.

5.2 CONCLUSION

In regard to the findings the following conclusions were made on the challenges to the success of youth businesses in areas of Kasese District Bugoye sub-county in particular;

Youth businesses in Uganda are faced with a number of challenges that lead to business failure. The study established the challenges to the success of youth businesses, among which are: lack

of business plans, diseases for agriculture products, high taxes, load shedding, inadequate capital, poor market, limited technical skills, high utility charges and pricing fluctuation among others. It came up with measures on how to overcome such challenges. The aim is to help the youth business stakeholders to design business plans and work with one another. If followed, then businesses might move from where they are today to where their owners, investors and managers want their businesses to be.

The aim of the survey was to investigate the causes for youth business failures in Kasese District. Many entrepreneurs giving a total response of 14 (8%) reported that taxation is contributing to the failure of their businesses. With the introduction of Value Added Tax (VAT) in Uganda in 1997, many businesses have been suffering because of the taxes that are being collected in different categories. Given that the weight of this tax is borne by the consumer, this leads to an increase in price which can dampen sales. The study also revealed that the local and urban authorities impose other forms of taxation like ground rates, security fees, and trading licenses. Ground rate is a tax imposed on businesses according to the location and type of business facilities hence these have a great impact on the operations of businesses.

The problem of power shortages that lead to load shedding accounted for 50% of the respondents and high electricity bills were identified as major problems faced by youth businesses. The findings of the study revealed that on average, restaurants, stationeries, internet café, video libraries and music recording use lots of units of electricity on a monthly basis which costs a lot of money. To make the situation worse, it was found out that on average, hydropower goes off 3 times a week for a period of 3 hours. Generators were found to be a major alternative source of power and solar panels. Businesses that do not have generators and solar come to a standstill

during such times and even those that use generators find it much more expensive because of the high costs of fuel thus generators are expensive to use by most businesses, some other business find it difficult to install solar into their business premises, they find it also expensive . therefore, the situation becomes worse for businesses that deal in use of power.

Lack of sales has been a problem in running of such businesses. This is due to the fact that, most businesses lack the competence of challenging the already established businesses. They usually lack a public image and yet publicity is one of the major mechanisms for business to grow. The study also revealed that these business people start businesses without considering the location of the business; thus fewer sales causing less profits and this leads to low growth rates.

Marketing the products and services for themselves is not given enough attention and priority yet it's the most important driver to all the businesses and this ensures growth and development of the business

The impact of Youth loan scheme has not been effectively felt in youth businesses since it was identified as the least contribution to the youth business with only total response of 3% or 3 total responses.

The biggest challenge facing youth is inadequate capital, followed by lack of inputs. There is therefore a big demand for financial assistance. The involvement of government in ensuring that youth get adequate funds has been negligible and the business people feel more could be done to ensure the youth run their businesses smoothly.

The main source of finance for youth business is loans from financial institutions, followed by contribution from family members, and to lesser extent, contributions from friends. However, the youth businesses fail to secure these loans because of restrictive requirements of the financial institutions like banks and saaco's, top among them being collateral security and high interest rates as a result, the youth businesses are unable to sustain or expand their activities.

Most youth respondents were of the opinion that government was not playing an active role in ensuring that youth have access to financial assistance from financial and other institutions. Among the things that government could do, they mentioned, reduction of lending rates, tax exemptions, reducing collateral requirements, providing training in business and financial management.

5.3 Recommendations.

In light with the findings the following recommendations are made;

For youth businesses to succeed, it is essential to have a good business plan whether formal or informal. In addition, youth businesses should aim at fixing prices that will enable them to earn sufficient profits for survival and growth. Further, every youth business person needs effective and efficient management skills to go into business and new, effective, and efficient management skills to stay there.

Reducing taxes levied by the local council and urban authorities, reduction on the period of acquiring the operating license, learning the best ways to keep proper books of accounts, good

infrastructure, training the youth on how to manage the businesses, conducting research before venturing into a business, increase on the saving levels, search for proper markets, avoid using relatives in the business, sensitizing the youth to stick on one business in one place, provision of good security, strict rules on fishing industry, encouraging them to be innovative and creative, buying good and quality machines. The government should be able to help in some of these areas for proper functioning of youth businesses in Kasese District and Uganda as a nation to avoid unemployment cases in the country.

The government should introduce youth loan scheme to the youth who are starting up and those existing in the businesses to grow and sustain their businesses.

The business managers and owners they should make market survey on the quality of goods they produce and the services they offered if they're the ones their clients or customers want. They should try to overcome the negative attitudes towards delivery their services to different customers. And also understanding the market knowledge by attending to their businesses in person, observe how business is conducted and attending to customers questions that may require an answer.

The youth should be aware that marketing their products and services is important aspect in business activities and hence this should be given much emphasis and attention that deserves it through advertising via radios, giving out business cards, stickers to different people, websites, television and a many others means of marketing products.

The youth get together small organizations should be encouraged. These organizations assist in presenting the needs and requirements of the youth business as one lobbying group, as well as negotiating with financial institutions for favorable terms on interest rates charged. These groups can also help in lobbying the government and other parties to further the interests of the sector.

The youth businesses should be encouraged to keep accurate and up to date accounting records so that they are aware of the financial performance and financial position of their businesses, as well as their ability to generate cash. These records also assist when the businesses are applying for loans from financial institutions want to know the financial performance of the business over a period of time before they can advance a loan.

There is need for youth business to look at other forms of financing, besides loans and they should look at such facilities for example leasing.

The government should play its role of enabling the youth business to obtain funds at affordable interest rates, by for example reducing the rates charged by financial institutions or creating special funds which can be accessed by youth without too much charges.

The government should also provide training to youth business people in areas like financial and strategic management, to ensure proper management of these important entities.

The government should also look at the possibility of opening a bank to carter for the needs of youth operating business.

5.4 Areas for further research.

As the interest rates have been observed to be a serious problem, there is a need to conduct a study to determine rates that would cater for the operating youth businesses and at the same time facilitate the survival of these businesses by the financial institution in Kasese District. The government should help in setting fair interest rates on youth businesses by the central bank in order to let the commercial and other financial institutions to also low on the rates charged on businesses by doing this, the businesses will obtain their growth and development in areas of Bugoye sub-county.

The government should therefore emphasis and offers the youth businesses with youth loan schemes which will help them to effectively manage and run the said businesses to ensure proper functioning and development of Kasese District and the country at large. As it is said by the government of Uganda that it has put support and development programs in youth business under its National Poverty eradication programs (Finance Minister Maria Kiwanuka, 2013), speech at parliament on the 2013/2014 budget presentation. However some of the Nation's youth's businesses have not performed as expected therefore this shows that government should totally implement and go down to the District levels to offer youth scheme loans which will help them to develop their and carry on their businesses as desired.

Other research can be carried out to comprising of other variables of entrepreneurial skills on the success of youth businesses.

Youth businesses people should be able to keep their financial record in the books or accounts or enter data into the computer which will enable their businesses on track and helping to access loans from banks.

Youth men and women should merge together their businesses in order to obtain high profits and free from competition which will help in easy management of the businesses and easy access to loans.

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APPENDIX 1

QUESTIONNAIRE

Dear respondent,

I am student of Uganda Martyrs University undertaking a Bachelor's Degree in Business Administration and Management. Currently am carrying out a research study to establish the challenges to the success of youth businesses in Bugoye sub county, Kasese District as part of the requirements for award of Bachelor's Degree in Business Administration and Management, This questionnaire is therefore intended to seek information on the above subject matter. The information is purely for academic purposes and all the answers will be handled with utmost confidentiality. I therefore humbly request that you complete this questionnaire correctly in the spaces provided or options given. (Please, tick the appropriate answers where options are given where by 1 represents yes and 2 represents No).

A. What is your gender?

1. Male

2. Female

B. To which age group do you belong?

1. Between 18-25 years

2. Between 25-30 years

3. Between 30-40 years

C. What is your highest level of education attainment?

1. Certificate

2. Diploma

3. Degree

4. Others

5. Specify others.....

D. Does stock levels have an effect on the level of profitability?

1. Yes

2. No

E. Have you ever applied for a loan?

1. Yes

2. No

F. What types of people are difficult to persuade?

1. Old

2. Illiterate

3. Educated

4. Youth

G. Do you have good time-management skills? Can you lead, train, supervise, motivate and mentor employees?

1. Yes

2. No

H. Do you know how to communicate and negotiate with employees and customers?

1. Yes

2. No

I. Are you familiar with requirements for staffing and human resources?

1. Yes

2. No

J. Can you delegate tasks effectively?

1. Yes 2. No

K. Do you have problem-solving and decision-making experience?

1. Yes 2. No

L. Do you know how to maintain and control stock levels?

1. Yes 2. No

M. Do you have experience in coordinating and controlling tasks/projects?

1. Yes 2. No

N. Do you know how to negotiate successfully?

1. Yes 2. No

O. Are you able to express what you think in a clear and coherent manner?

1. Yes 2. No

P. Do you always keep records?

1. Yes 2. No

Q. Do you have database of your customers?

1. Yes 2. No

R. Are you a recognized personality in your group?

1. Yes 2. No

S. Can you listen to others, understand their problems?

1. Yes 2. No

T. Do you have web sites where you interact with your customer?

1. Yes 2. No

U. As a team member, do you help to create an atmosphere of mutual trust and respect?

1. Yes 2. No

V. Can you plan your work in advance, in detail?

1. Yes 2. No

W. Are you good at solving technical problems or breakdown?

1. Yes 2. No

X. Are you clever with your hands?

1. Yes 2. No

Y. Can you handle heavy manual work without problem?

1. Yes 2. No

Z. Do you work in a systematic rather than chaotic way?

1. Yes

2. No

1. In which businesses are the youth engaged in around Kasese district?

.....
.....

2. Which benefits are enjoyed by the youth from such businesses above?

.....
.....
.....

3. What challenges are encountered by the youth in running such businesses?

.....
.....
.....

4. What measures can be adopted to overcome the problems faced by the youth in their businesses?

.....
.....
.....

5. What are some of the sources of finances to the youth businesses in Bugoye sub-county Kasese District?

.....
.....
.....

6. What challenges are encountered by the youth in acquiring such finances?

.....
.....
.....

7. What measures can serve to solve the challenges you have identified above?

.....
.....
.....

8. What made you choose your current location?

.....
.....
.....

Thanks for your valuable responses.

APPENDIX 11

INTERVIEWS SCHEDULES

1. Which electronic device do you know?
2. How has entrepreneur skills helped you in running your business?
3. What are your recruitment procedures?
4. What are your responsibilities as the business owner?
5. Do you know how to use personal computers? If yes what skills do you know?
6. How do you motivate others?
7. Which information communication technology skills are you familiar with?