

**ASSESSMENT OF YOUTH READINESS IN STARTING UP
BUSINESS VENTURES IN TANZANIA:
A CASE OF CHUNYA DISTRICT**

**By
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**A Dissertation submitted in Partial Fulfilment of the Requirements for Award
of the Master degree in Business Administration-Corporate Management
(MBA-CM) of Mzumbe University**

2019

CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for the acceptance by Mzumbe University a dissertation entitled ***Assessment of youth readiness in starting up business ventures, a case of Chunya district, Mbeya Region - Tanzania***, in partial fulfillment of the requirements for the award of degree of Master of Business Administration- Corporate Management (MBA-CM) of Mzumbe University.

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I, Ezra Ambokile Mwampote, declare that this thesis is my own original work and that it has not been presented and will not be presented to any other University for a similar or any other degree award.

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DEDICATION

This work is dedicated to my parents, Mr. and Mrs. Mwampote who made a good foundation for my education to this achievement.

May God bless you abundantly.

LIST OF ABBREVIATIONS

CIPD	-	Chartered Institute of Personnel and Development
GDP	-	Gross Domestic Product
ILO	-	International Labor Organization
NGO	-	Non-Governmental Organization
ROI	-	Return On Investment
SME's	-	Small and Medium Enterprises
SPSS	-	Statistical Package of Social Sciences
UNCTAD	-	United Nations Conference on Trade and Development
VIF	-	Variance Inflation Factor

ABSTRACT

Youth in a society represents the driving force for economic development. But due to the serious problem of unemployment in most of the developing countries specifically Tanzania, youth have a strong feeling that entrepreneurship can play a great role in unlocking growth by creating jobs and supporting small and informal sector business. This study assesses the readiness of youth in starting business ventures in Tanzania in terms of motivation, entrepreneurial ability, perceived behavioral control and family background.

The respondents were selected through simple random and purposive sampling with a sample of 150. Data were collected through self-administered and were analyzed with the facilitation of Statistical package of Social Sciences (SPSS). Multiple regression analysis was used to investigate the relationship between variables. The findings of the study revealed that, motivations, entrepreneurial ability and perceived behavioral control were statistically significant related to entrepreneurial readiness among youths. In the contrary, family background was found to be statistically insignificant relating to entrepreneurial readiness among youth.

Furthermore, it was found that youth are faced by different challenges as they intend to engage in entrepreneurship. The challenges revealed were the lack of enough start-up capital, lack of entrepreneurial education among youth, lack of markets to sell the products and low confidence among youths. Given those challenges, the researcher recommended some measures or strategies that can be used to boost and support youth entrepreneurship in Tanzania. The strategies proposed were, to provide entrepreneurial education to youth to increase their business skills, assisting youth with funds to finance their startups, assisting youth in finding markets and reducing or removing unnecessary taxes and registration procedures.

Lastly, the researcher recommended that youth should change their mindsets from waiting for employments from the government to self-employment. Also the government should help to provide youth with special entrepreneurial training and programmes that will involve ways to start and sustain businesses in the time of difficulties.

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CHAPTER ONE

1.0 Introduction

This chapter covers background information, problem statement, objectives, research questions and significance of the study.

1.1. Background information

Recently, people's perception regarding professional careers have changed because individuals and especially youth no longer base their future on permanent association with a oneemployer even when they proceed to follow the same career path (Staniewski and Szopinski, 2015). Most of them choose self-employment due to the three major reasons which are earning, independence and unemployment. According to Chandia(2017), when unemployment is at the highest stage or at peak and companies fail to pay; people prefer self-employment instead of wasting their time and energy in searching for work.

The importance of youth entrepreneurship to economic development is very widely acknowledged. This has led to the increase in interests among business and entrepreneurship scholars regarding how new ventures emerge and what drives youth to become entrepreneurs (Malebana and Swanepoel, 2015). The interests and entrepreneurial intentions are determined by the attitude towards behavior, society norms and perceived behavioral control. The ambition to start new entrepreneurial ventures is derived from both favorable and unfavorable evaluation of doing so, perceived personal capability and perceived social pressure felt by an individual to perform or not to perform such behavior (UNCTAD, 2015).

Youths in Africa own business concepts but only few have the capability and ability to turn them into practical businesses. The successful nature of business startup depends on youth's readiness to turn their ideas into business, in other words, the discovery or creation of new opportunity and ability to utilize it depends mainly on readiness of youth to engage in such entrepreneurial activities (Farrell, 2018).

Nevertheless, when faced with career decision after reaching the age of maturity or completing their studies, youth seem to prefer careers in established companies over startups. As a result, startup businesses find it more difficult to find and hire the right employees although they are available in the market (Caputo and Lombard, 2015).

Youth coming from less advantageous environments especially African countries may not possess the basic educational and training competencies, entrepreneurial intelligence and technological ability to prove themselves competitive in a dynamic market place for micro and small scale business enterprises. With no objective or feeling of what is required to accomplish those objectives, many young people end up with no jobs or with jobs of low wages and with little progressive opportunities. It is very significant for young people to be able to recognize, create opportunities and be prepared for them when they are introduced. Different policy makers have recognized the requirement for young people to achieve employment willingness skills, trainings that cover essential skills and prepare youths for work (Izedonmi and Okafor, 2010).

In Tanzania, youth cover a large percent of the entire population of more than 45 million people and they constitute a great share of the country's labor force. Large number of youth in Tanzania is entering the market every year and their access to formal employment is very minimal. This has resulted in limited infrastructures available to support those who are interested and willing to start different entrepreneurial ventures. This makes the majority of youth to be left poor by the existing few formal jobs and be absorbed by informal business sector where they are not well recognized and supported (Kimaro, 2012). The growing involvement of youth in business activities can be accredited to the existing 7-4-2-3 Tanzanian educational structure system. This means seven years of primary education, four years of secondary education, two years of advanced secondary education and three more years of tertiary level of education (Kushoka, 2008).

Most youth complete their ordinary secondary education and tertiary or higher education at the ages of 20 and 25 respectively but fail to get opportunities to be employed in either public or private sectors. As a consequence most of the young people start looking for employment or operating minor businesses in the informal sector. Most young people enter into small businesses and entrepreneurial activities due to lack of appropriate education obtained from schools, colleges and universities and the difficulties in looking for official employment. This indicates that many of the operators including youth engage in entrepreneurship especially small businesses as their last resorts to earn livelihoods (Mnenwa and Maliti, 2010).

The current state of improving economic growth, resolving economic problems and shifting to industrial economy in Tanzania has created the need to develop legitimate entrepreneurial skills among young people for the appropriate opportunity utilization so as to turn economic capacity towards more progressive and gainful youths. (Mwasalwiba et al, 2012). Different questions have been posed among stakeholders in many places of the world whether young people are ready to assume the liability of business openings in Tanzania and around the globe. By utilizing the willingness of youth for new business formation makes Tanzania a more competitive country in economic sector than other countries (Olomi, 2015).

There are many business opportunities in Tanzania but only a small number of youths are able to identify and turn them into prolific output (Okafor and Izedonmi, 2010). Having a decent business idea does not really mean youth are having good business opportunities in Tanzania because of having little or no support at all from the government and other agencies. This discourages youth readiness by making it minimal towards new venture creation. While taking college courses, youth should obtain the skills required to apply their awareness through the use of recent technology. Inappropriately, it is certain that universities in Tanzania are not properly preparing youths to use the understanding they have gained in practical sense. It was also asserted that the educational framework by educational institutions does not satisfy the economic requirements of the nation.

Young people need motivation through financing or other supportive ways such as government, lectures, household, colleagues and religious groups; this will bring their dreams to reality (Ehiobuche and Madueke, 2107).

1.2. Problem statement

Many nations have invested in numerous entrepreneurship programs to see if youth can take advantage of unexploited business possibilities using different ways such as giving access to finance and provision of business facilities (Jakubczak et al. 2105). In the past few years, Tanzanian economy has been finding different ways of utilizing the talents of youth towards new venture startup. This has been done by organizing various entrepreneurship programs, seminars and conferences so as to find out clear solution on why youths have not been fully engaged in setting up their future business ventures (Madueke and Ehiobuche, 2017)

Despite the attempts done by the Government of Tanzania to influence the career future of youth in the country, still the particular skills and experiences that the industry demands remain a challenge for youth in this modern competitive society. Young entrepreneurs in Tanzania work in a difficult environment characterized by complex, partially converging and contextual forces which all together hinder and impede entrepreneurial activities and prohibit others to start new business ventures (Kimaro, 2012).

Mwasalwiba et al. (2012) did a research on graduate entrepreneurship in Tanzania, contextual enablers and hindrances. Also, Sitoula(2015) conducted a research on challenges and prospects of youth entrepreneurship in Kathmandu. Lastly, (Kimario, 2012) assessed on the priorities, challenges and prospects of youth in Tanzania. Most of them have worked on the opportunities and challenges of youth in engaging in entrepreneurial activities but not the desire of young people themselves to start new business ventures. Therefore, little is empirically known about the readiness of youth and their motivation to start new business ventures in Tanzania. So this study is a step forward towards addressing this knowledge gap.

1.3. Objectives of the study

The study comprises of both the general and specific objectives

1.3.1. General objective

- i. The general objective of this study is to assess youth readiness in starting business ventures.

1.3.2. Specific objectives

The study consisted of the following specific objectives.

- i. To assess the influence of motivation in facilitating venture creation
- ii. To assess the influence of perceived behavioral control in facilitating venture creation
- iii. To assess the influence of family background in facilitating venture creation among youths.
- iv. To assess the influence of entrepreneurial ability of the youth in facilitating venture creation
- v. To assess the challenges and strategies that may support youths in starting business ventures.

1.4. Research questions

This research intended to answer the following key questions.

- i. What are the motivating factors that may facilitate venture creation?
- ii. What are the challenges facing youth in starting new business ventures?
- iii. What strategies may support youth entrepreneurship in Tanzania?
- iv. What entrepreneurial ability do the youths have?

1.5. Significance of the study

By understanding youth readiness, factors facilitating venture creation, challenges and benefits of engaging in entrepreneurial activities, youth will be able to foster employment opportunities or to address social exclusion. This is because youth

entrepreneurship has gained more significance in recent years in several parts of the world particularly in Tanzania as a way of fostering employment opportunities. Also the study will support youths to boost their confidence, achieve economic independence and be able to prevent them from low standard of living in the societies they live.

The research results can be used as point of reference for other potential researchers and blue print for planners and policy makers. They will help in making decisions concerning youth programs and different ways which can be undertaken for success. Also through this study, the government and other sectors will be able to make immediate and necessary changes that will help to reduce the challenges of youth entrepreneurship. This will help youths to reach their goals and will help to promote economic development in the country.

Lastly, through the knowledge of youth readiness in entrepreneurial activities, the society will benefit from youth entrepreneurs who will be innovators and who will be eager to acquire knowledge and initiate changes in the society. The society will benefit because the entrepreneurial companies conduct various social functions and participate in operations that benefit other community members such as charitable and social activities.

The study is also significant in a sense that it is a partial fulfillment of attaining my Master degree in Business Administration-Corporate Management.

1.6. Scope of the study

The study was conducted in Chunya District Mbeya region, involving three wards which are Itewe, Chokaa and Mbugani. It focused on business venture creation and business startups among youths in the study area. The study was conducted within the context of assessing entrepreneurial readiness among youth by finding out the motivating factors that facilitate venture creation among youths. Also, Aspects like challenges facing youths in entrepreneurship and strategies that may support youths in entrepreneurship were addressed.

1.7. Limitations of the study

The study had the following two limitations.

- i. The sampling procedures applied were only judgmental or purposive and simple random sampling. Other researchers may suggest different sampling techniques like stratified and convenient sampling and still get the same results
- ii. Also, only reliability analysis was used to test the internal consistency of the instruments used in data collection. Other researchers would have applied the pilot study and pre-test to come up with the same results.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

According to Kombo and Tromp, (2006) literature review is a justification of what has been studied by other scholars and researchers. A literature review is a summary of previous researchers related to the topic to be studied. In this chapter of literature review, the study will be divided into two parts which are theoretical and empirical literature reviews.

2.1 Theoretical literature review

This part involves theoretical review of the study, the conceptual definitions of some concepts related to youth readiness and youth entrepreneurship.

2.1.1 Definition of concepts

2.1.2 Youth

Youth means a lifetime when someone is young and normally means the time between juvenile and adulthood or maturity. It is a period of changeover from dependence of babyhood to maturity independence. According to (The National Youth Development Policy of Tanzania, 2007), youths are defined as young men and women from the age group of 15 to 35 years.

2.1.3 Entrepreneurial readiness

According to (Chandia et al, 2017), entrepreneurial readiness means an individual's predisposition to engage in an entrepreneurial activity. It is a state of mind, leading attention, experience and actions towards a specific goal or pathway to its achievement. Entrepreneurial readiness means the merging of as set of personal traits that differentiates individual with intentions for entrepreneurship as especially competent to observe and analyze their environment in such a way that they channel

their high creative and productive potentials, so that they may deploy their capabilities to dare and need for self-achievement (Ridha et al, 2016).

2.1.4 Business venture

A business venture is a startup entity developed with the aim of profiting financially. It is sometimes considered as a small business and it is normally invested by one or more individuals or groups with the expectation of bringing financial gain. Most of the business ventures are established basing on the excessive demand of the market and the lack of supply in the market. An entrepreneur identifies needs of consumers for a product or service, he proceed to develop an idea, market the idea and then sell the product or service developed(Sakarya, 2017).

2.1.5 Entrepreneurship

(Sitoula, 2015) defined entrepreneurship as the dynamic process of vision, change and creation that requires application of knowledge and passion towards the creation and implementation of new ideas and creative solutions. It involves four processes which are identification and evaluation of opportunity, development of a business plan, and determination of the required resources and lastly proper management of the resulting enterprise. Also, according to (Urassa and Yusuph, 2018), entrepreneurship can be defined as a process of scanning, analyzing and identifying opportunities in the environment and transforming them into business propositions through creation of economic entities. It is an attempt at new business or a new venture creation such as self-employment, a new business organization, or expansion of an existing business by an individual or a team of individuals (Kaijage et al, 2012).

2.1.6 Youth entrepreneurship

According to Urassa et al; (2018), Youth entrepreneurship means the application of enterprising qualities such as initiative innovation, creativity and risk taking by youth into the work environment. It is a process whereby youth are familiarized and

put into action the realities and opportunities of small or even large business development ownership and development. This process enables youth to identify and evaluate opportunities, develop business plan, determine the required resources and management of the required enterprises.

2.2 Policy issues supporting youth in Tanzania

According to (Kimario, 2012), the government of Tanzania recognizes the positive contribution of youth entrepreneurship to the growth of the country's economy as it involves discovery, evaluation and exploitation of opportunities consequently leading to the increase in employment opportunities among youth. The authorities responsible for youth protection and development on all levels in Tanzania are often aware of the benefits and through various programs, they try to foster and support youth entrepreneurship in the country. The aim is to solve unemployment problem and increase youth development.

2.2.1 National Youth Development Policy

According to (The National Youth Development Policy, 2007), youth development challenge is a very brainstorming and crosscutting issue because the empowerment of young people involves the organized efforts of a number of key stakeholders including the government, civil society, private sector, community based organizations, families and young people themselves. In order to meet the challenges of youth empowerment, it is required to raise specific multi-sectoral issues affecting them. Definite programs associated to the definite age units must be developed by stakeholders to meet the specific desires of young people.

The policy also urges that, youth have precise obligations in the society as decent residents of an independent country. They have to defend their living, constitution of The United Republic of Tanzania, respect for morals in all phases of life and contribute freely and completely in social, economic, cultural and political life of the nation. However, there is no clear mechanism to prepare young people to meet these responsibilities of the society meaning that there is no clear mechanism to advance

young people with abilities. Therefore under this circumstance, the policy suggests that, mechanisms should be developed to provide guideline with a vision of enabling appropriate young people development through their talents. Also there must be existence of mechanisms to assess chances in education, training and social security for young people with disabilities and individuals living under challenging conditions or difficult environment.

2.2.2 Tanzania Youth Manifesto

According to The Tanzania Youth Manifesto (2015-2020), Tanzania has experienced an impressive annual Gross Domestic Product (GDP) growth rate of 7 percent. However, despite such rate of rise in Gross Domestic Product, the level of poverty has also increased which is contrary to the expectations of the citizens. The growth of the economy has largely been concentrated in services sector while over 70% of the citizens are involved in farming, pastoralist and fishing activities. Due to poor industrial base, the economy has been generating few employment opportunities for the available workforce of which youth account for more than 60% of that workforce. Statistics and different studies show that unemployment among youth in Tanzania is higher than 50% particularly in urban areas.

2.3 Theories related to the study

There are different theories that explain the relationship between youth entrepreneurial readiness and venture creation.

2.3.1 Human capital theory

Human capital is a broad term that is used to define the hierarchy of skills and knowledge that are needed by man to start or engage in some activities. It is the most used theory that relates to the readiness of entrepreneurs as it postulates the idea that entrepreneurs or individuals with higher level of inputs should yield greater level of output. If individuals are equipped with essential required skills, they are more likely and anticipated to generate business ventures of superior nature (CIPD, 2107). The

intellectual skills have greater impact on individual's incomes meaning that individuals who own higher entrepreneurship skills will have higher yields after starting the businesses. The presence and exploitation of these skills may stimulate economic development after engaging in new business openings. Furthermore the theory proposes that, an individual incurs the cost of engaging in education or training with the intention of obtaining higher awareness and skills that will lift their future enterprise (Becker, 2009).

2.3.2 The Theory of Planned Behavior

The theory of planned behavior started as the theory of reasoned action to predict people's aims to take part in a specific conduct in a particular period and place. The theory aims at explaining all the behaviors over which a person has an ability to exercise self-control. According to the theory, entrepreneurial willingness is dictated by attitude towards the behavior, subject standards and perceived behavioral control. The readiness or intention to start a business venture is derived from a favorable or unfavorable evaluation of doing so, perceived social capability and perceived social pressure felt by an individual to perform or not to perform the behavior (Malebana and Swanepoel, 2015). The determinants of willingness are affected by behavioral, normative and control beliefs. The decision of an individual to act entrepreneurially is derived from an individual's belief concerning the likely outcomes of the behavior and how he or she evaluates these outcomes. As a common rule, the more promising the attitude towards behavior and subjective norm and the greater the perceived behavioral control, the stronger the person's intention to implement the behavior in question should be. Therefore, given an appropriate grade of real control over behavior, a person is predictable to carry his or her intention when opportunities arise. (Armitage et al; 2014).

2.3.3 Need for Achievement Theory

The theory was established by McClelland in 1961 explaining that, human beings have a need to succeed, accomplish, excel or achieve. Most of the entrepreneurs and

individuals are driven by this need to achieve and excel. According to this theory, there is a very close relationship between achievement motivation and entrepreneurship, for that case, achievement may be the most important factor connected to new business openings (Simpeh, 2011). The theory is closely related to learning theory since it is assumed that needs are learned or acquired by the kinds of events people experience in their environment and culture. It is noticed that people who acquire a particular need behave differently from those who do not have. Therefore need for achievement is a behavior directed towards competition with standards of excellence. People with high need of achievement perform better than those with low need of achievement and there are regional and national differences in achievement motivation (Uduji and Ankeli, 2013).

2.4 Motivating factors facilitating venture creation

The most common motive for an individual specifically youth to engage in entrepreneurial activities is because of financial gains. But according to researches, the motivation of people's entrepreneurial activities cannot be necessary only to fulfill financial requirements, it can be to gain lifestyle reasons. Youths have different motivations, skills and desire to take chances or opportunities they face and become successful entrepreneurs (Yimamu, 2018)

2.4.1 Motivation

According to Ahmad et al, (2016), motivation is a requirement or behavior that energizes behavior and directs it towards a goal. It is a process of transforming an ordinary individual to a powerful businessman who can create opportunities and helps in maximizing wealth and economic development. Motivation plays a major role for youths to become strong leaders and powerful entrepreneurs by making them accept risks and face uncertainties for the purpose of attaining pre-determined goals.

2.4.1.1 Achievement motive

According to Sinha (2012), achievement motive is a person's bottomless and motivating wish to do certain significant thing to achieve the spirit of personal achievement. It is an individual character to attain something hard and bigger. Achievement motive is significant because it lies on the fact that it serves as a fuel to activate entrepreneurs to exert more and higher level of efforts to achieve something important to them. Also, (Collins et al, 2004) argues that, entrepreneurs with high level of achievement motivation do not feel satisfied but always want to do more and more. Individuals who have high need for achievement are more likely to engage in entrepreneurial activities, require more individual skills and efforts than those who have low need for achievement motive.

2.4.1.2 Independence motive

According to Yimamu, (2018) independence includes taking obligation for one's own life rather than living off the sweats of others. It also involves using one's own judgment instead of unknowingly following contentions of others. Most of the young people demand independence from the beginning of their working lives, and it makes them desperate to create their own businesses instead of working for others. The reason is to become their own masters, although sometimes they work for less money than they would work as employees. The motive of independence becomes strong because most of entrepreneurs fear the problem of frustrations. So the desire to become own masters is what drives most young entrepreneurs to take risks and spend large amounts of money and time to set up and start new businesses (Mitchel, 2003).

2.4.1.3 Financial profit motive

According to Stevanovic et al (2010), one of the biggest motivations of becoming an entrepreneur is getting unlimited income. Most of the youths who are motivated to become entrepreneurs often have a stronger desire to make more money especially by themselves and not by the control of other people.

Many youth believe that operating a business can lead to financial success, unlike other jobs where earnings are limited to what an employee is willing to pay at a particular period of time. Also, (Kisker, 2016) argues that, for many youths, life without having what they want or desire is not meaningful at all, and therefore in order to get what they want, the only option is to start their own business ventures, control their own careers and have their own financial freedom regardless of different risks associated with entrepreneurship.

2.4.2 Entrepreneurial readiness and family background

According to Ranwala, (2016), the most important factor for most people to enter into entrepreneurship careers are remains the potential role models. The individuals with role models have high probabilities to engage into entrepreneurship activities. Being one of the role models, family members specifically parents are very important for someone to become entrepreneurs in the society. It is known that family members are sources of support in both financial and moral aspects, people with families that have entrepreneurship background are believed to have high desires of starting their ventures than those without entrepreneurship family background.

It is very essential to reinforce African families so as to generate young people who can become efficient entrepreneurs on the continent. Young people who are born in rich families find it very easy to open their new business ventures compared to those who are born in economically unstable families. Therefore, family status and background provide the direction of young people in a particular family whether he or she can be an entrepreneur or not (Marques, 2017).

2.4.3 Entrepreneurship and perceived behavioral control

Perceived behavioral control means person's perception of their ability to carry out certain behavior determined by individual perception of ease or difficult in performing the behavior. The importance of perceived behavioral control is that it resides in its predictive capacity as it reflects perception that individuals will be able

to control behaviors. Behavior control is specified in terms of self-efficacy, which is a person's judgment of his or her ability to execute an intended behavior. Self-efficacy is a contributor to entrepreneurial readiness either directly or indirectly through influencing perceived feasibility, and it can improve prediction in behavior.

2.4.4 Youth entrepreneurial abilities and skills

According to (Mnenwa and Maliti, 2010), entrepreneurial ability means the ability to sense, shape and coordinate internal and external situations for the detection and exploitation of possibilities or opportunities. Different studies reveal entrepreneurial training moderates entrepreneurial ability and willingness of the youth to become entrepreneurs. Entrepreneurship programmes have improved the general entrepreneurial ability of youth especially students to become ready for opening new business ventures. Entrepreneurial ability requires ensuring excellence of management in creation of new firms, good managerial and administrative abilities which are very crucial for youths who aim to open their business in near future (Okolocha, 2016).

2.4.4.1 Effective business planning skills

According to Olugbola(2016), before engaging in entrepreneurship, it is very important for youth to understand how to plan for their businesses. It very important for a business to have a plan because it has a lot of advantages like providing direction and attracting investors. Entrepreneurship training can help youth to write effective business plans so that they can be successful especially when a business is sourcing for funds.

2.4.4.2 Marketing skills

Simpeh(2011) revealed that marketing functions arises together with the business and only progressively mature as the business progress to competence and professionalism. Youth who intend to open new ventures must be conscious of the significance of marketing to their businesses.

Marketing skills allow youth to make their businesses maintain long lasting and ever present relationships with the customers. This is because marketing is an ongoing strategy that makes a business to flourish.

2.4.4.3 Sales skills

In order to have a strong a surviving business ventures, youth must be aware of outreaching and finding new business opportunities. A skillful entrepreneur must be able to conduct sells at any time at any place, this means finding right and effective channels that will accelerate the increase in revenue and hence business growth. Sales skills also include selling ideas, goods and services to all important stakeholders who are investors, customers and business employees whenever necessary (Mamabolo, 2017).

2.4.4.4 Strategy formulation skills

For youth to be successful when they want to open their new business ventures, they must have the ability to formulate good strategies that will lead the business into the right direction. This means that there must be a plan of action that is formulated to achieve long term successful objectives. Youths must have the skills of planning on how and where they want to be in the future in terms of staffing, marketing and financial capacities. Also they must be capable of going through those strategies in every end of the years or even semi-annually to ensure that the businesses go together with all the technological changes and the unpredictable economic cycles in the market places (Lyons, 2015).

2.4.4.5 Financial management skills

According to Sousa (2018), it very important for young people who intend to engage in entrepreneurship to be aware of financial management skills so as to maintain their businesses properly. Youth must have the skills of how to manage and grow their finances in order to avoid unnecessary losses that may occur due to financial issues.

This may be done by handling well the resources invested in the business and then assessing whether there is enough Return On Investments (ROI) so as to assess if the business venture is bringing profit or loss. If the business is making profit, youth must know where and how to allocate those profits by either saving or opening new branches with new products. And if the business is making losses, they must be aware of ways of avoiding them.

2.4.4.6 Communication skills

According to Doyle (2019), communication skills mean the ability to transfer information from one person to another in a very effective and efficient way. In order for youths to be successful in their business operations, they must possess good written, non-verbal and verbal communication skills so that they can well convey messages to their stakeholders. Examples of those communication skills are listening, clarity, friendliness, empathy, feedback, and respect. In order to be able to manage daily business activities effectively and efficiently, youth must exercise all those communication skills with their clients, partners and even competitors in their business surroundings for proper growth.

2.5 Challenges faced by youth in starting business ventures in Tanzania

Despite the fact that youth constitute a large percent of Tanzanian labour force, still they are unrecognized and adversely affected in many aspects. The challenges makes them even fail to identify or take different opportunities when they arise. One of the challenges which is faced by youth is the lack of quality or proper education that matches with market requirements. It is argued that the quality of education that youth receive starting from primary to higher education levels is more theoretical than practical that it prevents them to match better with the existing employment opportunities and most important to employ themselves (Kimaro, 2012).

Another challenge faced by youth is the lack of access to natural resources despite the fact that Tanzania is endowed with different valuable resources such as gold, diamonds, coal, fertile land and gas in different parts of the country.

The utilization of these resources has not benefited the majority of Tanzanian youths because most of them have been exported by foreign and local investors, which is a result of poor and unfavorable policies created by the authorities. Therefore youth in Tanzania do not get enough support from the Government and the legal system towards the exploitation of these resources, this lack of support makes their business environment to be more difficult because any entrepreneurship activity needs resources (The Tanzanian Youth Development Policy, 2007).

Youth in Tanzania are also faced with the problem of lack of trust from financial institutions available in the country; the banking sector is still unable of covering the needs of young entrepreneur in the country. Getting startup capital has become a major problem for youth in starting entrepreneurial ventures together in the formal and informal institutional framework, even when the loans are provided, they are given under the demanded quantities. One of the problems of banking system in Tanzania is the low or lack of trust towards the business startups. Some banks do not offer loans to business startups at all while others do, but those who offer set their borrowing conditions in such a way that people especially youth fail to meet those conditions in both short and long runs (Mwasalwiba, 2015).

According to (Alton, 2016), young entrepreneurs are faced by the problem or challenge of dealing with the unknown. As the fact that any entrepreneurial activity involves risk bearing, majority of youth hesitate to start new business ventures because of the unanswered questions like, how long will the business exist, how profitable will the business be and if the customers will like the product to be sold. None of these questions has solid and reliable answers to the startups and therefore many youth predict or assume that their businesses will fail in the future. Therefore dealing with this unpredictability has become a challenge to young entrepreneurs especially in Tanzania.

2.6 Supporting youth entrepreneurship in Tanzania

One of the ways of supporting youth entrepreneurship is to provide them with education. Entrepreneurship education should be presented to young generation most specifically young students at different stages. Presenting young people to the world of business, shifting their knowledge and entrepreneurial abilities through both formal and informal education are very important to create many youths responsible entrepreneurs in different places. It is very important for young entrepreneurs to learn about some crucial business areas such as sales, finance, marketing and management (ILO, 2010). By possessing entrepreneurial skill, youth can be candidates in most fields in Tanzanian economy because skills that are taught in entrepreneurial courses are applicable to many areas of the economy and social life. Skills that are related to entrepreneurs such as money management, financial literacy and interpersonal communication are also very important and beneficial for day to day life (Pompa, 2015).

According to (Mnenwa and Maliti, 2010), it is very essential for young entrepreneurs to obtain access to capital so that they can expand their businesses. Unfortunately, young people in Tanzania have least access to ready capital and therefore they encounter difficulties in starting up and managing their businesses when established. In Tanzania, access to finance varies from community to the other and there development programmes must plan carefully how to support youth to obtain enough fund needed to start and run their business (Pompa, 2015) also argued that, bureaucratic procedures and legal requirements should also be minimized as they impose difficulties for youths in obtaining funds from different financiers.

It is very important to promote appropriate business improvement services and supportive schemes for Tanzanian youths that are already in business and for those who are willing to engage in entrepreneurial activities. There is a need for definite teaching in entrepreneurial and business development skills through pre startup, startup and evolution stages of a business venture. Potential youth entrepreneurs in Tanzania lack business networks have slight or no familiarity about where to access

business supportive services and they also lack workspace and adequate business infrastructures. Therefore these constrain or setbacks can be solved by having programmes like youth enterprise centers, business incubators and entrepreneurship and startup training schemes (ILO, 2010).

Youth entrepreneurship can also be supported by using advisers or consultants and setting up clear defined goals. These consultants can help youths in evaluating their business plans and thoughts as link them to greater networks and act as role models by showing them their achievements. They can also assist in enhancing the level of entrepreneurial activities by improving the attraction of entrepreneurial occupation and improving business startup capacities. Consultants and young entrepreneurs must have very strong relationships basing on goals and objectives of the business (Shulman, 2017)

According to (Sakala, 2017), training and vocation skills focus on training for a particular vocation or sector such as welding or carpentry and can provide vital abilities for young individuals to create a living. Youth may not however, have the same understanding and capacity to benefit from these abilities. It is found that, combining youth enterprise training with the expertise and abilities needed to operate a lucrative company can be strong in creating more viable livelihoods. It can be asserted that, creating interactions is the best option with the greatest return on investment. This ensures that recipients are both extremely qualified in their jobs and are able to develop and enlarge their businesses by improving entrepreneurship.

In order to exploit the opportunities recognized and translate their plans into fresh undertakings, young people must have access to the important resources required. Because of restricted market possibilities, absence of knowledge and access to entrepreneurial assistance, many young entrepreneurs fail to cope with the ongoing dynamic economic cycles in Tanzania. Therefore efforts to increase awareness and access to entrepreneurial assistance, such attempts will assist by setting up fresh enterprises so as to accomplish their plans. This is very important in rural regions where the level of entrepreneurial activities is low compared to those in urban areas.

Most youths who are willing to become entrepreneurs are more likely to act on their willingness when they have access to and are conscious of the entrepreneurial assistance offered at the time, and when they have recognized possibilities they can take advantage of (Gwija et al, 2014).

Another way of supporting youth entrepreneurship in Tanzania is by partnering with the private sector. Company leaders and finance experts have a crucial role to play in business education by giving youths the knowledge about business environment and rules of success. The non-public sector can also give possibilities for the businesses and problem solving such as internships and job shadowing possibilities for learners. The private sector can also by enabling young individuals to enhance their abilities to meet workplace requirements at a right time.

Youth entrepreneurship in Tanzania can also be supported by the facilitation of technology exchange and innovation. The extraordinary technology and innovation advancements in particularly the fast development of information communication technologies and their capacities have developed fresh and exciting possibilities for young entrepreneurs to succeed. The advancement of information communication technology referred here includes mostly computers and mobile phones. By using these technologies, young entrepreneurs will be able to learn new skills and will therefore improve new goods, services and procedures (Sambo, 2016).

2.7 Importance of youth entrepreneurship in Tanzania

According to Fadeyi et al; (2015), in many developing countries around the world, when jobs are scarce, most of the young people become more likely to be unemployed. This leads to thousands of young people who are forgotten to concentrate into urban areas where the prospect of securing alternative works is very high. Therefore it is accepted that there are many valuable reasons on why youth entrepreneurship should be supported in Tanzania. This is because of different benefits it brings youths as individuals and to the society at large.

According to Khanna, (2019), youth entrepreneurship is very essential in solving unemployment problem among them, as the problem become severe day after day in the country. By generating employment opportunities in the country, youths become capable of raising their incomes and therefore break the cycle of poverty in the country. The increase in employment opportunities among youths facilitates the growth of National income through GDP which necessarily means economic growth of the country.

According to Yimamu, (2018), youth entrepreneurship is very important in provision of varieties of goods and services in the society. By establishing many small business ventures in the local community, product market competition raises in the community and therefore bringing benefits to the customers. This benefits both the owners of ventures and customers who enjoy different varieties of products from those local firms.

Through youth entrepreneurship, innovations in business sectors are more likely to occur because many youths like to find new ways of doing their businesses in the communities they live. By the increase of globalization, youths are forced to find new solutions, ideas and ways of pushing forward their businesses by applying technical changes and converting new knowledge into new products and services. Therefore through innovation, youth entrepreneurship creates new technology, new markets, new industries and new institutional forms (Khanna, 2019).

Youth entrepreneurship is very important in generating new wealth to the Nation. This is because the existing or old firms may reach a point where they can no longer cope with market changes hence produce low incomes. Therefore due to new improved products and technologies from young entrepreneurs in the country can enable modern markets to be created hence new wealth in the economy. This makes individual who own those businesses to generate more revenue and when taxed by the government, they tend to increase the overall revenue in the country. The government can use the revenue obtained to finance other sectors so that to foster economic development (Baijal, 2016).

2.8. Building youth entrepreneurship through education

According (Rasheed, 2014), many youths around the world want to engage themselves in entrepreneurship activities but they barely obtain information on following their career paths. Entrepreneurship education offers solution on that as it seeks to prepare youths to become responsible for taking risks manage risk and learn from the outcomes.

Through entrepreneurial education youth can exercise leadership and develop interpersonal skills. Youth can learn how to communicate their ideas and influence others through the development of self- promotion and conflict resolution skills. Moreover, it helps youth to become active members of the teams where they can well engage in problem solving and become critical thinkers (Usman et al, 2015).

According to Olugbola (2016), entrepreneurial education enables young entrepreneurs to develop planning and financial management skills in their business ventures. It very important for young entrepreneurs to be aware of financial planning, money management and knowledge about available work inducements for the growth of their ventures. This helps youths to be capable of controlling well their assets because it minimizes the wastage of resources in businesses.

The introduction of young people to the business world, transferring information and entrepreneurial abilities through formal and informal education are very essential for the creation of responsible young entrepreneurs. Education in entrepreneurship is not only a means of creating young entrepreneurs but also for equipping young individuals with entrepreneurial attitudes and abilities that will benefit them in their fields of life and nation as a whole (Onwuzuligbo et al, 2014).

2.9. Guiding entrepreneurs through the startup administrative process

It is very important to guide young entrepreneurs through a startup phase. It is very necessary to guarantee that actual mechanisms are in place to help youth entrepreneurs navigate the governmental process.

Mentors should play important roles in simplifying formalization by aiding young entrepreneurs to recognize well the important processes and controlling necessities involved in operating their businesses and the value of their businesses. In Tanzania, private sector foundation trains young entrepreneurs aged between 25 to 35 years with practical awareness and talents to start and operate businesses well. As part of its follow up services, the foundation assists young entrepreneurs to register their businesses and obtain licenses. Also, small business enterprise centers provide business support to young entrepreneurs from evaluating an idea to developing a business plan (UNCTAD, 2015).

2.10. Empirical evidence

Mwasalwiba et al (2012) conducted a research on graduate entrepreneurship in Tanzania, contextual enablers and hindrances. The study used story telling interview as a method of data collection to obtain information from ten (10) graduates who owned or started an entrepreneurial venture. According to the study, factors that favor graduates to engage and succeed in entrepreneurship are changed political climate, strong family ties, emerging links with countries like China, improved banking and taxation systems. On the other hand, the study argued that Tanzanian graduate entrepreneurs operate in developing environment characterized by complex, partly converging and partly conflicting contextual forces which in-turn hinder or impede the entrepreneurial activities among those graduates. Lastly, the study argued that, while current national policies emphasize on graduate entrepreneurship, there is a failure to implement these policies at lower government levels. This study relates to the study that is going to be undertaken as it has highlighted the enablers and hindrances of graduates most of them being youths which is similar to one of the objectives of this study.

Jakubczak(2015) examined the barriers of youth entrepreneurship and the role of education in overcoming the challenges, a pilot study conducted in Poland. The study also had an objective of measuring entrepreneurial perception and intention on youth entrepreneurial barriers and entrepreneurial education expectation in the study

area. The study used questionnaire as a tool of data collection to obtain information from a total of 67 respondents from which 22 of them were men and 45 were women aged from 18-25 years. Entrepreneurial intentions were measured in three categories, current intention to open new business, expectation to open business in the next three years and the will to own any business in an undefined future. The study measured the level of agreement and disagreement by using the Likert scale whereby 51.5% of the respondents strongly agreed that they would like to own any business someday, meaning that in an undefined future. On the other hand, 65.1% of the respondents strongly disagreed or disagreed that they have current intentions of opening some business ventures. The study relates to the one which is going to be undertaken as it also addresses the barriers of youth entrepreneurship and the ways of overcoming them.

Katundu et al (2016) assessed on Barriers to business startup among Tanzanian university graduates, evidence from The University of Dar es Salaam. The study used cross-sectional design with a sample of 308 respondents who were all graduates. The study used structured questionnaire and key informant interview checklist to collect data from the sample population. By using Pearson's chi-square test, the study tested whether the graduates who had studied and those who had not studied entrepreneurship studies reported different startup barriers. According to the results, it was found that, inappropriate teaching methods, lack of business experience, deficiencies in university programmes, commitment on extended families and bureaucratic tendencies had a greater contribution to hindering of different business startups among graduates. Graduates who studied entrepreneurship reported different startup barriers from those who did not study. The study relates to the current study as it also assesses the issues of business startups among graduates who are significantly youths.

Urassa et al (2018) examined the accessibility and use of entrepreneurial education by rural youth, a case of Kilombero district in Tanzania. The study also examined the challenges encountered by the trained youth in accessing entrepreneurial

education and in enterprise startup. The study used a case study design whereby questionnaire as a method of data collection was used to obtain information from a sample of 50 youth respondents who were randomly selected. According to the study, only few institutions provide entrepreneurial training despite the existence of high demand for that. The study argued that, there is low or little accessibility and use of entrepreneurship training in Kilombero District due to social economic constraints such as poverty, workload particularly for the female youth and timing for the training. Also, Financial challenges such as low capital was another barrier that youth and graduates face when setting up their businesses. This study relates to the current one as it examined the challenges faced by the rural youth in entrepreneurship which is similar to one of the objectives of the current study.

Mutarubukwa(2015) examined the role of entrepreneurship in combating youth unemployment and social crimes in Tanzania. The study examined the relationship between crimes and youth unemployment in one hand, and in the other hand it examined the relationship between crime and youth entrepreneurship. Using literature review as a method of data collection, it was found that there is a big relationship between youth unemployment and crime practices as drawn from sociological control and social strain theories. The study further argues that, the problem of unemployment can be reduced by youth engaging in entrepreneurship practices as a way of creating employment opportunities and in-turn solve the problem of crimes.

Mnenwa and Maliti(2010) conducted a research on children's involvement in small businesses, on whether it builds youth entrepreneurship or not. The research contained three different specific objectives, first was to observe the economic, psychological and sociological aspects that lead children into minor businesses. The second one was to examine the influence of minor business to young people entrepreneurship improvement and the third one was to examine the reasons that inspire the expansion of entrepreneurial abilities such as business type, ownership rights and profit appropriation.

The study used primary data with face to face interview to obtain information from a sample of 152 children in Dar es Salaam. According to the study, it was revealed that, the involvement of children in minor businesses was mainly influenced by push factors principally absence of educational opportunities and different occupational activities. This meant that, the involvement of children in small business was not a matter of choice but rather it was a means in which they need to adopt so as to survive. Lastly, the study concluded that small businesses were not the solution for children entrepreneurial development because of the unfavorable policies to support them. The study relates to the current one as it has highlighted the way children who basically form the group of youths engage in entrepreneurial activities and the challenges they face similar to one of the objectives of this new study.

Sitoula(2015) conducted a descriptive study on the challenges and prospects of youth entrepreneurship in Kathmandu. The study used a sample of 100 respondents and self-administered questionnaire as a method of data collection to obtain information from the respondents. According to the study, it was found that young people in Kathmandu wanted to pursue entrepreneurial activities but the problem was that youth entrepreneurship was not a priority in that community. Different obstacles were revealed that are encountered by young people when they wanted to start some business ventures. The major obstacle was lack of startup funding capital; other obstacles were effective programs of the Government to support young entrepreneurs, high cost involvement and unclear registration process, lack of business management skills and lack of startup resources. This study relates to the study that is going to be undertaken as it has highlighted the challenges and prospects of graduates most of them being youths which is similar to one of the objectives of this study.

Komba(2013) examined on the factors that should be considered in supporting young entrepreneurs in Tanzania, a case study of Morogoro municipal. The Study applied questionnaire, interview and observation as tools of data collection to obtain information from a sample population of 120 respondents that included youth

entrepreneurs, entrepreneurial academicians, Government employees and different experts. According to the study, it was found that young entrepreneurs have clear perceptions of entrepreneurship and entrepreneurial qualities that may benefit them if they will be given support from different stakeholders. The study further suggested that in order to enable these young entrepreneurs, the Government should improve infrastructures, Non-Governmental Organizations (NGO's) should buy domestic products and lastly families and friends should consider socialization and avoid overdependence. All these factors may help to empower youth and improve their entrepreneurship careers. The study relates to the current study as it addresses the possible ways of supporting youth entrepreneurship similar to objective number three of this study which is to find out the strategies if enabling youth entrepreneurship in Tanzania.

2.11. Research gap

According to the captioned empirical review of literature, many of the researches and books have examined the relationship between youth and entrepreneurship by focusing on challenges and prospects in running those businesses. The studies have examined the difficulties faced by young generation in starting up new business ventures and most specifically Small and Medium Enterprises (SMEs) without providing an insight into youth's perception on entrepreneurial activities, their readiness or intention to engage in those activities and finally what makes them ready to engage in entrepreneurship. Therefore little is empirically known about the readiness of youth and their motivation to start new business ventures in Tanzania. So this study is a step forward towards addressing this knowledge gap.

2.12. Conceptual framework

Conceptual framework is a researcher's way of understanding of how particular variables in the study connect with each other. It is a theoretical framework that defines the variables required in the research investigation by showing their

relationships. It is used to outline the possible course of action through the dependent and independent variables (Regoniel, 2015).

Independent variables

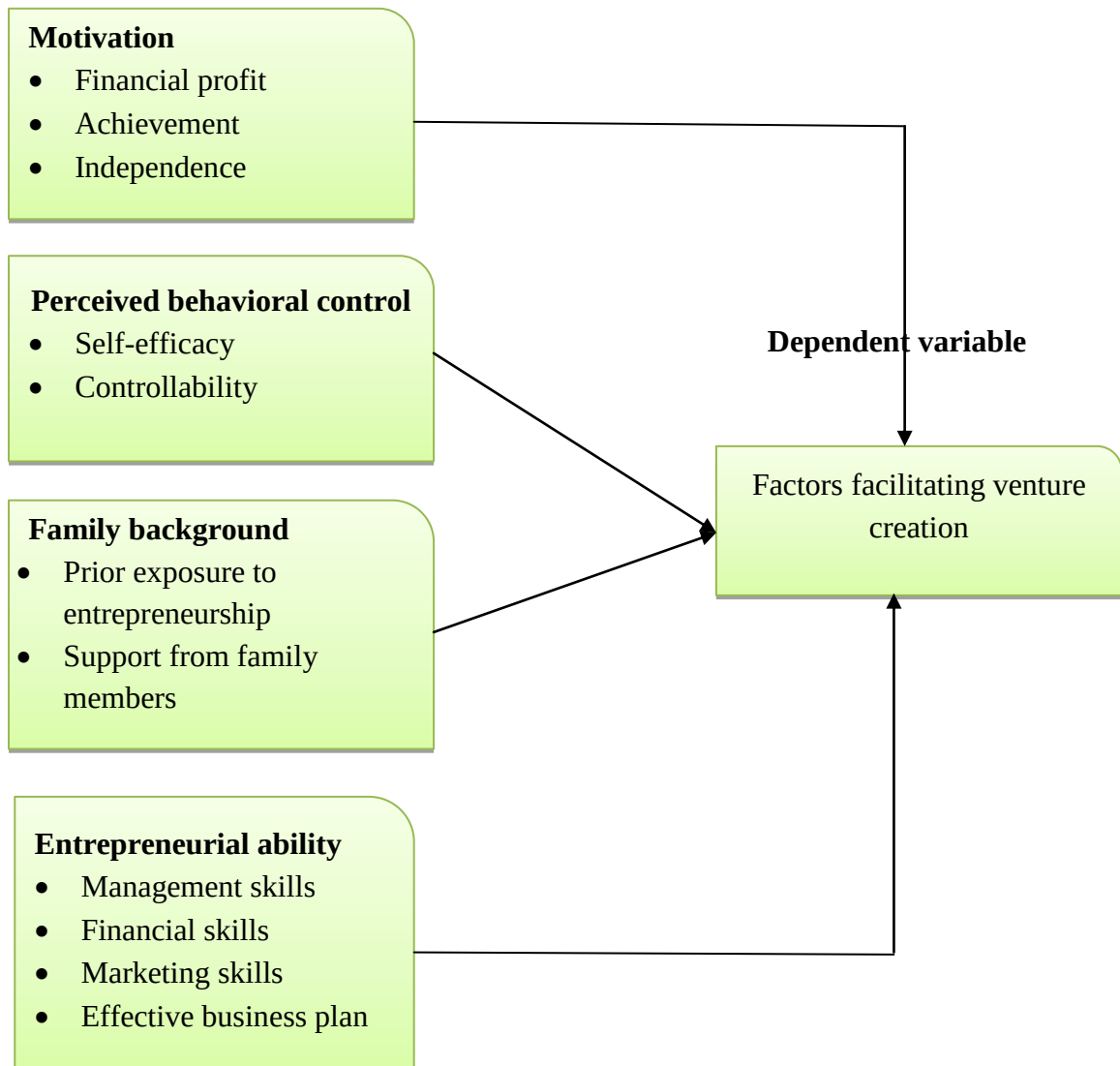


Figure 2.1: A Conceptual framework for the motivating factors facilitating venture creation among youth

2.1.1 Dependent variable

2.1.1.1 Youth entrepreneurial readiness

As it has been defined by Chandia et al(2017) that youth entrepreneurial readiness is a merging of as set of personal traits that differentiate individual with intentions for entrepreneurship as especially competent to observe and analyze their environment in such a way that they channel their high creative and productive potentials, so that they may deploy their capabilities to dare and need for self-achievement. The definition points that youth entrepreneurial readiness depends on youth entrepreneurial ability, available resources, perceived behavior of youth and motivation, either financial or achievement.

2.1.2 Hypothesis of the study

From the above conceptual framework, the independent variables are motivation, resources, perceived behavioral control and entrepreneurial ability. These variables will be tested to see their influence on entrepreneurial readiness among youth; hence the following hypothesis is developed.

H₀₁: Motivation has significant influence on youth entrepreneurial readiness

H₀₂: Family background has significant influence on youth entrepreneurial readiness

H₀₃: Perceived behavioral control has significant influence on youth entrepreneurial readiness

H₀₄: Entrepreneurial ability has significant influence on youth entrepreneurial readiness

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

The main concern of this chapter is to describe the nature of the research design for the study, instruments, techniques of choosing the sample, procedure of data collection and analysis.

3.2. Area of study

The research was conducted in Chunya district located in the North-Western part and it is among six districts of Mbeya region ranging between 7° and 9° Latitudes South of the Equator, and between 32° and 34° Longitudes East of Greenwich. The district used as a case because a case study design allows a detailed study of a unity over a range of variables and it may be conducted in any kind of social setting. The design is also flexible in data collection techniques.

The reason for selecting Chunya as a study area is because most of the youth including graduates and non-graduates are unemployed and among them, few have employed themselves in entrepreneurial activities. The unemployment problem is severe despite the fact that majority of youth can access capital generated by mining activities by either engaging themselves or from capital generated by their relatives. So it comes to the knowledge of the researcher that there is a need to make an assessment on the readiness of those youth to engage in entrepreneurship. The recommendations of this study will among other things encourage the youths on a need for them to go for self-employment or venture creation in order to minimize the unemployment problem.

3.3. Research design

The study used a case study strategy characterized by a single case design whereby one district was studied to find out factors leading to venture creation, challenges

and strategies of supporting youth entrepreneurship in Tanzania. Data were collected in a specified period of time and through a case study design, the researcher was able to conduct an in depth study on the selected unity or sample population using interview as a method of data collection.

3.4. Target Population

According to Flick (2011), population is a complete set of elements that may be persons or elements that possess some common characteristics defined by the sampling criteria established by the researcher. In this study, the population contained both male and female youths aged between 15 and 35 years from three different wards which are Itewe, Chokaa and Mbugani.

Table 3.1 Composition of target population

Title	Type of respondents
Gender	Male and female
Occupation	Entrepreneurs and non-entrepreneurs
Area	Chunya district

3.5. Sample size and sampling techniques

3.5.1. Sample size

Kothari (2004) suggested that a viable sample must contain a minimum of 30 individuals to be included in the sample for a correct statistical analysis. In this study precision rate and confidence interval approach was used, this is because it is more reliable and convenient. Sample size will be obtained by using the formula developed by Cochran(1963) so as to obtain a sample from infinite population. So, the estimated sample size is given by,

$$n = \frac{Z_{\alpha}^2 P(1-P)}{e^2}$$

Where,

n = Size of the sample

z = The value of the standard variant at a given confidence level (to be decided, and read from the table giving the area under normal curve i.e. 1.96 or 95% or 5% confidence level)

e = Acceptable error (the desired precision), under this case is e = 0.08

p = Sample proportion, to be taken as P = 0.5, q = 1-P=0.5, where p and q being the probabilities of youth readiness to engage and not to engage in starting business ventures respectively.

Then sample size from the formula

$$n = \frac{Z_{\alpha}^2 P(1-P)}{e^2}$$

$$n = \frac{(1.96)^2(0.5)(1-0.5)}{(0.08)^2}$$

$$n = 150.0625 = 150$$

Therefore, the researcher used a sample of 150 youth respondents to obtain information from three different wards which are Itewe, Chokaa and Mbugani.

3.5.2. Sampling technique

According to Taherdoost(2016), sampling technique refers to the technique or procedure the researcher would adopt in selecting items for the study. Sample design may as well lay down the number of items to be included in the study. The researcher used probability and non-probability sampling for data collection, such as simple random sampling and purposive sampling respectively. The techniques were used due to nature of the research that helped to get the required number of subject within the limited time in which the study will be completed.

3.5.2.1. Purposive sampling

Judgmental or purposive sampling was used to select three different wards among ten in chunya district, the three selected wards are Itewe, Chokaa and Mbugani. It was also used to select youths with and without business ventures in those three wards. The three wards were selected because they are situated at urban area where there are many entrepreneurial activities are compared to other wards which are in rural areas of Chunya district.

3.5.2.2. Simple random sampling

Simple random sampling technique was used by the researcher to select a sample unit of youth from the whole population of those three wards. This technique was used to ensure that each and every unit in a target population had an equal opportunity of being selected.

3.6. Validity and reliability of the study

3.6.1. Validity of the study

According to (Flick, 2011), validity means how well a scientific test or piece of research actually measures what it sets out to or how well it reflects the reality it claims to present. It refers to how accurately a conclusion, measurement or concept corresponds to what is being tested.

To ensure the validity of this study that the assessment measures what it intends to measure in first place, the researcher ensured that the study applied methodologies that led to the acquiring of required information from the field. First of all, the questionnaires were pre tested in the field to check if it will be well answered by the respondents. Secondly, the questions were in both open and close ended forms to make respondents free to express their ideas. Thirdly, whenever the questionnaires appeared to be wrong or unclear, respondents were having a room to ask for the real meaning and interpretation.

And lastly, the respondents had an option of answering the questions in their mother language specifically Swahili language so as to express their opinions well.

3.6.2. Reliability of the study

According to (Lewis et al, 2015), reliability of the study means the degree of stability exhibited when a measurement is repeated under identical conditions. Reliability assesses the quality of measurement procedures used to collect data or it simply deals with the consistency of measurements in the study.

In this study, the researcher validated and proved the reliability of the data collected by conducting reliability analysis under the Cronbach' Alpha value model and judged the values provided the following rules of thumb for Cronbach Alpha's values as follows; $\alpha > .9$ = excellent, $\alpha > .8$ = good, $\alpha > .7$ = acceptable, $\alpha > .6$ = questionable, $\alpha > .5$ = poor and $\alpha < .5$ = unacceptable.

3.7. Unit of inquiry and information to be obtained

The unit of analysis of this study was youth from Chokaa, Itewe and Mbugani wards, this included both who are entrepreneurs and those who wished to be entrepreneurs.

Table 3.2 Units of inquiry

Unit of inquiry	Information to be obtained
Youth without business ventures	Motivating factors facilitating venture creation in terms of motivation, family background, perceived behavioral control and entrepreneurial ability.
Youth with business ventures	Entrepreneurial abilities of youth, challenges facing youth entrepreneurship and the possible ways or strategies that can support youth entrepreneurship.

3.8. Data collection methods

The researcher used primary and secondary data collecting tools that included questionnaires, interviews and observation. The data were collected and analyzed according to the research objectives and hypothesis so as to reach the goal of the study.

3.8.1. Primary data

Primary data are first handed information collected directly from a respondent or from the field and have not undertaken any statistical processing or manipulation. The study used primary data which were collected directly from the field; this is because primary data are more convenient having less disadvantages compared to secondary data.

3.8.1.1. Questionnaire

A questionnaire consists of a number of questions printed or typed in a definite order on a form or set of forms (Kothari, 2004). The study applied this tool of data collection involving both the open and closed questions to gather information from youths with business ventures and those without business ventures. A total of 150 questionnaires that involved questions on youth readiness in starting new business ventures were given to the target population, the questionnaire were translated to Swahili language.

3.8.2. Secondary data

The study also applied the use of secondary data to obtain information from different sources concerning youth readiness and entrepreneurship.

3.8.2.1. Documentary review

The study applied documentary review to collect some secondary data. Through this method of data collection, the study obtained information from different documents including the interment, annual reports, books and journals.

3.9. Data analysis and Interpretation

According to (Kothari, 2004), analysis of data refers to the calculation of certain measures along with searching for patterns of the association that occur among data groups. After data collection through questionnaire method, data were analyzed with the facilitation of statistical package for social sciences (SPSS) version 16 and Microsoft Excel 2010. And then data were presented using percentage and frequency in form of tables and figures. The study employed regression analysis to estimate the relationship between dependent and independent variables. Multiple regression analysis was used to assess the association between one dependent variable which is youth entrepreneurial readiness and four independent variables which are motivation, family background, perceived behavioral control and entrepreneurial ability.

A multiple regression model below was used to assess the association between the dependent and independent variables.

$$\hat{Y} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \xi$$

Where;

Y = Dependent variable (youth entrepreneurial readiness).

β_0 = Constant term (The value of Y when independent variables Xs are equal to zero).

β_1 to β_4 are regression coefficient estimates

ξ = Error term

X_1 , X_2 , X_3 and X_4 represent the independent variables; motivation, family background, perceived behavioral control and entrepreneurial ability.

3.10. Measurement of variables

S/n	Variables	Measurement Instrument	Scale	Origin of Instrument
1	Motivation	A one-item instrument with four categories	5-point likert scale with anchors ranging from 1=self and 4= others was used	Kato and Kratzer (2013)
2	Perceived behavioural control	A one-item with four categories instrument was used	5-point likert scale with anchors ranging from 1= strongly disagree to 5= strongly agree	Oxfam (2017)
3	Entrepreneurial abilities	A one-item with four instrument was used	5-point likert scale with anchors ranging from 1= yes to 4= don't know.	Oxfam (2017)
4	Family background	A one-item instrument with three categories was used	2- point likert scale ranging from 1= yes to 2= no was used	Kato and Kratzer (2013)

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

This chapter presents the findings of the study obtained from the data and information about and information collected about youth readiness in starting up business ventures. General results of the respondent's characteristics will be presented and results per each objective will be presented and subsequently the results of the study will be discussed. Illustrations and explanations to validate certain outcomes are thereby given in a form of tables and figures to increase clarity.

4.1. Response rate

It is also known as completion rate, it refers to the number of respondents who responded to the call to participate in filling the questionnaires divide by the total number of expected respondents in the sample who were eligible to participate times 100. The response rate was found to be 92% which was quite satisfactory and guaranteed further steps of data analysis.

4.2. Social demographic characteristics of the respondent

Table 4.1 Social demographic characteristics

Attributes	Frequency	Percent
Age		
15-25	82	59.4
26-35	56	40.6
	138	100.0
Marital status		
Single	97	70.3
Married	41	29.7
	138	100
Gender		
Male	92	66.7
Female	46	33.3
	138	100.0
Education level		
Primary	27	19.6
Secondary	73	53
Tertiary	38	27.4
	138	100

Source: Field data 2019

Findings from Table 4.1 present demographic characteristics of the respondents by age, gender, marital status and education level.

In case of age, 82(59.4%) were youth aged between 15 to 25 and those aged between 26 to 35 years comprised of 56(40.6%) of the entire population. Therefore, youths aged between 15 to 25 years were more active participants in this study compared to those aged between 26-35 years of age.

In case of gender, 92(66.7%) were male while female youths comprised of 46(33.3%) of the entire population. Therefore, male youths participated more in this study than female youths.

In case of level of education, 27(19.6%) of the youth had primary education, 73(53%) of youths had secondary education while 33(27.4%) of the entire population had tertiary education.

In case of marital status, 97(70.3%) of the entire population were single while 41(29.7%) of the entire population were married. Therefore youths who are single had an active participation than those who were married.

4.3. Reliability analysis

Reliability analysis was carried out for the factors that measure entrepreneurial readiness through the motivating factors of venture creation.

Table 4.2. Reliability analysis

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
0.735	0.703	30

Source: Field data 2019

The above table shows the estimate of internal consistency measured by the Cronbach's Alpha which is 0.735. According to the rule of thumb, if the coefficient of reliability (Cronbach's Alpha value) is greater than 0.7 (...>0.7) it is considered acceptable. Therefore according to the results, the alpha coefficient for the measured items is 0.735 suggesting that the items have higher relatively internal consistency. The result is line with that found by (Chandia, 2017) whose data had a Cronbach alpha value of 0.792 which showing that the variables met the reliability criteria.

4.4. Detection of multicollinearity

Multicollinearity occurs where there is high inter-correlation among independent variables in a multiple regression model. It is used to describe the presence of linear or near linear relationship among explanatory variables in an econometric model (Ndunguru, 2007). In this study, the researcher used regression analysis to test multicollinearity among independent variables using variance inflation factor (VIF).

Table 4.3. Detection of multicollinearity

COLLINEARITY STATISTICS		
	TOLERANCE	VIF
Motivation	0.985	1.015
Family background		
Entrepreneurial ability	0.992	1.008
Perceived behavioral control	0.978	1.022
Family background	0.748	1.336
Entrepreneurial ability		
Perceived behavioral control	0.983	1.017
Motivation	0.741	1.350
Entrepreneurial ability	0.974	1.026
Perceived behavioral control		
Motivation	0.988	1.012
Family background	0.984	1.016
Perceived behavioral control	0.752	1.329
Motivation		
Family background	0.992	1.008
Entrepreneurial ability	0.747	1.339

Source: Field data 2019

Table 4.3 illustrates the detection of multicollinearity that may exist among independent variables using Variance Inflation Factor (VIF). In general, the VIF is calculated for all independent variables of a model whereby variables that show greatest values are removed from the model. According to the rule of thumb, the VIF should be less than 10 in order to avoid troubles with the stability of the coefficients.

From table4.3, first row shows the relationship between independent variable motivations with other independent variables, the second row shows the relationship

between independent variable family background with other independent variables. The third row shows the relationship between independent variable entrepreneurial ability with other independent variables and the fourth row shows the relationship between independent variable perceived behavioral control with other independent variables. For all the variables, analysis shows that the corresponding VIF's are less than 10 meaning that there is no multicollinearity among all the independent variables. In other words, there is no variable in the model that is measuring the same relationship or quantity as it is measured by another variable or group of variables. These results are in line with those found by (Olugbola, 2016) whose study had no variables which were perfect collinear, meaning that no independent variables that had the same linear relationships.

4.5. Descriptive statistics

Descriptive statistics was conducted to determine the mean and standard deviations for each all the variables in the study.

Table 4.4.Descriptive statistics

	Mean	Std. Deviation	N
Entrepreneurial readiness	4.1014	3.11645	138
Motivation	3.2246	2.80515	138
Perceived behavioral control	5.9203	4.20993	138
Entrepreneurial ability	3.8841	2.55758	138
Family background	3.3333	2.36869	138

Source: Field data, 2019

Table 4.4 presents the means and standard deviations showing differences among independent variables. The mean value for entrepreneurial readiness is 4.1014 with standard deviation 3.311645; the mean value for motivation factor is 3.2246 with standard deviation 2.80515. For perceived behavioral control, mean value is 5.9203

with standard deviation 4.20993. Mean value for entrepreneurial ability is 3.8841 with standard deviation of 2.55758 and the mean value family background was 3.3333 with standard deviation of 2.36869.

4.6. Results of multiple regression model

The major concern of this study was to assess the influence of independent variables motivation, entrepreneurial ability, perceived behavioral control and family background on entrepreneurial readiness among youth. The multiple regression model was used in the analysis

$$\hat{Y} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \xi$$

Where;

Y = Dependent variable (youth entrepreneurial readiness).

β_0 = Constant term (The value of Y when independent variables X s are equal to zero).

β_1 to β_4 are regression coefficient estimates

ξ = Error term

X_1, X_2, X_3 and X_4 represent the independent variables; motivation, family background, perceived behavioral control and entrepreneurial ability.

4.6.1 Estimated multiple regression results of the factors influencing readiness of youth in starting new business ventures

Below are the results obtained from the field and facilitated by The Statistical Package of Social Sciences (SPSS) using multiple regression analysis.

4.6.1.1 R Square

R square measures the amount of variance in the dependent variable that the independent variables or predictors account for when taken as a group.

Table 4.5. Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.937 ^a	0.878	0.874	1.10416

Source: Field data, 2019

Table 4.4 shows the model summary, the value of R square is 0.878 meaning that 87.8% (percent) variation of the dependent variable is explained by the independent variables such as motivation, entrepreneurial ability, perceived behavioral control and family background.

4.6.2 Multiple regression results

Multiple regression analysis was used to test the influence of independent variables motivation, perceived behavioral control, family background and entrepreneurial ability on youth readiness in starting business ventures.

Table 4.6. Multiple regression results

Model	Unstandardized Coefficients		Standardized Coefficients	T	P-Values
	B	Std. Error	Beta		
(Constant)	-.280	.582		-.481	.632
Motivation	.809	.039	.728	20.696	.000
Perceived behavioral control	.047	.023	.064	2.074	.040
Entrepreneurial ability	.407	.043	.334	9.522	.000
Family background	-.009	.040	-.007	-.220	.826

Source: Field data, 2019

4.6.2.1 Estimated multiple regression model

The equation transforms to

$$Y = -0.280 + 0.809X_1 + 0.047X_2 + 0.407X_3 - 0.009X_4 + \xi$$

Table 4.5 presents the econometric results of multiple linear regression model for the factors that lead to venture creation among youth. From the table, the level of significance is set at 5% (0.05).

The results obtained from multiple regression analysis show that the independent variable motivation was significant since it had the P value of 0.000 which is less than 0.05. The positive sign of the coefficient of motivation shows that the more entrepreneurial motivation increases the more readiness increases among youth. Therefore, given the coefficient of motivation is 0.809, it means that, when other factors are kept constant, one (1) unit increase in motivating factors among youth corresponds to 0.809 increase in their readiness to start up new business ventures. Therefore, the results accept or corresponds to the hypothesis stated that motivation had a significant influence on entrepreneurial readiness. These results are consistent with those of (Mnenwa and Maliti, 2010) who found that profit motive and desire for independence were the main factors that make most of the youth to be ready to engage in entrepreneurship activities.

The study tested whether perceived behavioral control had an effect on entrepreneurial readiness on youth readiness in starting new business ventures. Analysis shows that the predictor perceived behavioral control was significant at 5% confidence level with P value of 0.040 which is less than 0.05. Since that the sign of the coefficient is positive, it means there is positive relationship between perceived behavioral control and entrepreneurial readiness among youth. Given that the coefficient of entrepreneurial readiness is 0.047, it means that when other factors remain constant, a unit increase in perceived behavioral control corresponds to 0.047

units increase in readiness among youths. Therefore, the findings accept the hypothesis which stated that perceived behavioral control had a significant influence on entrepreneurial readiness among youths. Also, the findings comply with the theory of planned behavior which suggests that, given an appropriate grade of real control over behavior; a person is predictable to carry his or her intention when opportunities arise. These results are similar to those of (Jakubczak, 2015), the study revealed that perceived behavioral control had a significant influence on entrepreneurial readiness among youths. The study also added that, when youths are socially accepted and appreciated they can be confident and can easily handle the surrounding business environment in their societies

Furthermore, the study analyzed the relationship between entrepreneurial readiness and entrepreneurial ability among youth. Significant findings were produced from the analysis with $\beta = 0.407$, $t\text{-value} = 9.552$ and $P\text{-value} = 0.000$. Since the P value is 0.000 which is less than 0.05 it means that the independent variable entrepreneurial ability is statistically significant in relation to entrepreneurial readiness among youth. The positive sign of coefficient indicates that there is positive relationship between entrepreneurial readiness and entrepreneurial ability among youths.

Therefore, given that the coefficient of entrepreneurial ability is 0.0407 it means that when other factors remain constant, a unit increase in entrepreneurial ability among youth corresponds to 0.0407 increase in their readiness in starting business ventures. The findings accept the hypothesis stated that entrepreneurial ability had a significant influence on youth entrepreneurial readiness. The findings also comply with the theory of human capital which postulates that, an individual must have enough skills and knowledge so that to engage in a certain behavior. These results of the study are similar to those obtained by (Rengaman and Ramachandran, 2015) who suggested that for youth or students to succeed in entrepreneurship they must be given entrepreneurial skills through training and entrepreneurial development projects.

Lastly the study tested whether family background had any effect on entrepreneurial readiness among youth. The analysis produced the findings which were $\beta = -0.009$, $t\text{-value} = -0.220$ and $P\text{-value} = 0.826$. These findings show that family background was not significant at a 5% confidence level as it has a P-value of 0.826 which is greater than 0.05. The sign of the coefficient of family background is negative implying that there is a negative relationship between entrepreneurial readiness and family background. This means that for a unit increase in family background corresponds to 0.009 decrease in entrepreneurial readiness among youth. Therefore, the findings of the study rejects the hypothesis stated that family background had a significant influence on entrepreneurial readiness among youths. The results are unlike to those obtained by (Mbassana and Tchana 2014), the findings of the study showed that family background was a very crucial factor someone to be an entrepreneur in a society.

Table 4.7.Challenges facing youths in starting business ventures

Challenges facing youths in starting business ventures	Agree		Neutral		Disagree	
	Frequency	%	Frequency	%	Frequency	%
Lack of enough capital to start new ventures	112	81.2	6	4.3	20	14.5
Lack of entrepreneurial education	104	75.4	8	5.6	26	19
Lack of support from family members	94	68.1	12	8.7	32	23.2
High taxes imposed by the government	102	74	5	4	31	22
Low confidence among youth	113	82	6	4.3	19	13.7

Source: Field data, 2019

Table 4.9 presents respondent's views concerning challenges that face youths in starting new business ventures in Tanzania. Factor analysis was conducted for Likert type of data divided into three categories which were agreeing, neutral and disagree.

From the above table, 112 (81.2%) of the respondents agreed that lack of enough capital is one the challenges that face youth in starting business ventures. 20(14.5%) of the respondents disagreed while 6(4.3%) of the respondents were neutral.

104 (75.4%) of the respondents agreed that lack of entrepreneurial education among youth is a setback for youth entrepreneurship in Tanzania. 26 (19%) of the respondents disagreed while 8 (5.6%) of the respondents were neutral.

94 (68.1%) of the respondents agreed that lack of support from family members is one of the challenges that face youth entrepreneurship in Tanzania. 32 (23.2%) of the respondents disagreed while 12 (8.7%) of the respondents were neutral.

Also, 102 (74%) of the respondents agreed that high taxes imposed by the government is a setback for youth entrepreneurship in Tanzania. 31 (22%) of the respondents disagreed while 5 (4%) of the respondents were neutral.

Lastly, 113 (82%) of the respondents agreed that low confidence among youth is a challenge that may face youth in starting new business ventures in Tanzania. 19 (13.7%) of the respondents disagreed while 6 (4.3%) of the respondents were neutral.

These results are in line with those obtained by (Mwasalwiba et al, 2012) and (Katundu et al, 2016) where both studies revealed that lack of enough capital to support youths startups, low confidence among youths and lack of entrepreneurial education and proper training were the challenges that may face youths in starting up business ventures.

Table 4.8. Strategies that may support youth entrepreneurship in Tanzania

Strategies that may support youth entrepreneurship in Tanzania	Agree		Neutral		Disagree	
	Frequency	%	Frequency	%	Frequency	%
Provision of enough capital to youth through loans	128	92.8	2	1.4	8	5.8
Giving entrepreneurial education to youths	125	90.6	6	4.3	7	5.1
Lowering or removing unnecessary taxes	100	72.5	11	8	27	19.5
Provision of enough markets for the products	123	89.1	3	2.2	12	8.7

Source: Field data, 2019

Table 4.10 presents the respondents' views concerning strategies that may be used to support youth entrepreneurship in Tanzania. Also, factor analysis was conducted for Likert type of data divided into three categories which were agreeing, neutral and disagree.

From Table 4.10, 128 (92.8%) of the respondents agreed that provision of enough capital to youth through loans will help to boost youth entrepreneurship in Tanzania. 2 (1.4%) of the respondents were neutral while 8 (5.8%) disagreed.

Again 125 (90.6%) of the respondents agreed that giving entrepreneurship education to youth will help to boost youth entrepreneurship in Tanzania. 7 (5.1%) of the respondents disagreed while 6 (4.3%) of the respondents were neutral.

Also, 100 (72.5%) of the respondents agreed that lowering or removing unnecessary taxes will help to boost youth entrepreneurship in Tanzania. 27 (19.5%) of the respondents disagreed while 11 (8%) of the respondents were neutral.

Lastly, 123 (89.1%) of the respondents agreed that provision of enough markets for the products will help to boost youth entrepreneurship in Tanzania. 12 (8.7%) of the respondents disagreed while 3 (2.2%) of the respondents were neutral.

The results are in line to those obtained by (Sitoula, 2015) and (Mwasalwiba et al, 2012) who revealed that, in order to support youth entrepreneurship, the governments should focus much on providing youth with startup capital, providing entrepreneurial education and training so that they can run their own businesses.

Table 4 .9 Respondents views on youth entrepreneurial skills

Youth entrepreneurial abilities	Agree		Neutral		Disagree	
	Frequency	%	Frequency	%	Frequency	%
Marketing skills	101	73.2	9	6.5	28	20.3
Communication skills	92	66.7	4	3	42	30.3
Financial management skills	90	65.2	8	5.8	40	29
Business planning skills	95	69	2	1.5	41	29.5
Management skills	100	72.4	5	3.6	33	24

Source: Field data, 2019

Table 4.9 presents respondent's views concerning entrepreneurial abilities possessed by youth in Tanzania. Factor analysis was conducted for Likert type of data divided into three categories which were agreeing, neutral and disagree.

From table 4.11, 101(73.2%) of the respondents agreed that they had marketing skills necessary to run their businesses, 28(20.3%) of the respondents disagreed while 9(6.5%) of the respondents were neutral.

Again 92(66.7%) of the respondents agreed that they had proper communication skills necessary for running their businesses, 42(30.3%) of the respondents disagreed while 4(3%) of the respondents were neutral.

Also, 90(65.2%) of the respondents agreed that they had proper financial management skills for running businesses, 40(29%) of the respondents disagreed while 8(5.8%) of the respondents had no opinion on the fact.

Furthermore, 95(69%) of the respondents agreed the fact that they had proper business planning skills for running their businesses, 33(29.5%) of the respondents disagreed while 2(1.5%) of the respondents were neutral.

Lastly, 100(72.4) of the respondents agreed the fact that they had proper management skills for running businesses, 33(24) of the respondents disagreed with the fact while 5(3.6) of the respondents were neutral.

These results are congruent to those obtained by (Urasaet a, 2018), (Bicaba et al, 2014) and (Muskin 2012). All the three studies revealed that, for young people to become successful entrepreneurs they must possess financial, business planning, strategy formulation, marketing, communication and management skills. All these skills will help the businesses to survive in any market condition.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

6.0. Introduction

This chapter presents the summary, conclusion and policy implications of the study on the assessment of youth readiness in starting up business venture in a study area.

6.1. Summary

The study aimed at assessing entrepreneurial readiness among youth in starting business ventures in Chunya district. It went on to answer four specific objectives which were, to find out motivating factors which facilitate venture creation, exploring challenges that face youths in starting new business ventures, finding out strategies that may support youth entrepreneurship in Tanzania and lastly to assess entrepreneurial abilities among youths. A sample of 150 respondents ($n = 150$) was used to gather information from youth respondents in the field of study using primary data as source of information. Secondary data sources that include previous researches, journals, books and the website were also used so as to provide some important key concepts concerning the study.

The Statistical Package of Social Sciences (SPSS) was used to analyze Likert type data formed from factor analysis.

It was therefore revealed that, youth in Tanzania specifically in Chunya have right perception on youth entrepreneurship as they understand it although they have low experience on it while knowing a lot of good benefits brought by entrepreneurship. Most of the people in the study area were found to be motivated by financial and independence motive to engage in entrepreneurship. Some of the youth especially those aged from 26 to 35 years old with university education had entrepreneurial abilities specifically marketing and financial skills while those below 25 years had

management and planning skills. This indicates that most of the youths in the study area had different entrepreneurial abilities that make them be able to engage and succeed in entrepreneurship. Also most of the youth had self-efficacy meaning that they believed in themselves and their abilities to succeed in different situation and accomplish their tasks. Many of the youth believed that the decision to become entrepreneurs is under their control and that it was easy for them. Moreover, family background related negatively with the readiness of youths to become entrepreneurs. The issues of prior exposure to entrepreneurship, belief of family members in entrepreneurship and number of entrepreneurs in the family did not affect the perception and intention of young people to become entrepreneurs.

Moreover, the study worked on identifying the challenges that are faced by young entrepreneurs in their struggle to become successful entrepreneurs. The major challenges were the lack of enough startup capital, lack of entrepreneurial education among youths, lack of support from family members, low confidence among youths and unnecessary taxes imposed by The Tanzania Revenue Authority (TRA). Given those challenges, the study went far to discuss some strategies that can be applied so as to boost youth entrepreneurship in Tanzania. Those strategies were, to provide entrepreneurial education to youth who are ready and willing to start new businesses, providing them with enough startup funds to run their businesses, removing bureaucratic procedures and some unnecessary taxes and assisting young people to find enough markets for their products.

6.2. Conclusions

Based on the findings, it is concluded that entrepreneurial intentions without action will are of no value. There has been a significant rise among young entrepreneurs in terms of how new enterprises rise and what drives young people to become entrepreneurs. When young entrepreneurs have access and are conscious of the entrepreneurial assistance available they are more likely to behave according to their intentions.

Career choices of youths are a major concern of the government because of the shortage of employment opportunities in the economy. In order to identify, exploit and translate their intentions into new ventures, it is very important for young entrepreneurs to have access to necessary resources.

Most of youths in Tanzania are ready to engage in entrepreneurship activities. Various potential factors can make youths go into entrepreneurship such as motivation in terms of finance, achievement and independence. Other important factors are entrepreneurial abilities and perceived behavioral control. Given limited capital, lack of entrepreneurial education, lack of support from family members, high taxes by the government and low confidence among youths, the government and other sectors concerned should do the following to support youth entrepreneurship in Tanzania. The first one is to provide youths with enough capital through grants, provision of entrepreneurial education especially in rural areas, lowering or removing unnecessary taxes and bureaucratic procedures.

6.3. Policy implications

Based on the conclusion, the researcher recommended according to the specific objectives as follows.

In case of the motivating factors for new venture creation, young people in Tanzania must change their mindsets and attitudes from waiting to be employed by the government and non-government institutions and instead they should try or dare to employ themselves. This can be successful only if they will comply with their motives such as independence and financial motives. Also, youth should evaluate themselves through their behaviors and the willingness to act. Families should also support young people in their communities through startup capital and business ideas regardless of their genders.

In case of the challenges that face youth in starting business ventures, the government and authorities concerned must be in touch with young people through their groups or meetings so that they can be aware of those obstacles.

In case of the strategies that can be used to boost youth entrepreneurship in Tanzania, the government should use academic institutions such as universities for those who are in schools and special programmes for those who are not in schools to provide education and practical training. The programmes should constantly include the ways of initiating and maintaining businesses in the times of difficulties.

In case of finance, the government and financial institutions such as banks should provide loans and grants to youth entrepreneurs as the way of assisting sustainability of new businesses in the market place. This will help young entrepreneurs to create ventures that will lead to firms 'improvement.

The legal and regulatory environment should be improved with emphasis of the specific barriers and burdens faced by young entrepreneurs. The administrative and regulatory burdens such as business registration procedures, costs of registration, minimum capital requirements, property rights and high taxes imposed by the government must be reduced because they have negative impacts on youth owned businesses.

Lastly, entrepreneurship culture should be promoted. This is through social, cultural along with family values and norms which have strong influence on whether a young person decides to pursue entrepreneurial career or not. Either, strategies like entrepreneurship culture campaigns, promotion of young successful entrepreneurs as role models, business ideas competitions and media coverage are important for promoting entrepreneurial culture.

6.4. Areas for further research

- i. As youth entrepreneurship being a contemporary and very important debate in Tanzania. Future researches should concentrate on assessing the impact of entrepreneurship on the livelihood of young generation in the country.
- ii. Also there is a need for researchers to assess entrepreneurial readiness among graduates by expanding the geographical limitations of the study more than what this study has addressed.

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APPENDIX
QUESTIONNAIRE DESIGNED FOR RESPONDENTS

Questionnaire No.....

INTRODUCTION

Dear respondent;

My name is EZRA MWAMPOTE, a student from Mzumbe University pursuing a Master Degree in Business Administration-Corporate Management (MBA-CM). I am conducting a study on “**assessment of youth readiness in starting up business ventures**”, a case of Chunya District.

The study is purely for academic purposes and all information collected will be handled confidentially. Could you kindly spare some minutes of your time to give me your valuable information concerning this study.

In case you do not understand the question, please feel free to communicate with me. I would value your contribution toward the success of my study.

Thank you for you for your corporation.

SECTION A

Social demographic characteristics

Answer the questions by circling the most appropriate alternative.

Demographic information	Category	
Age	15-25	1
	26-35	2
Gender	Male	1
	Female	2
Marital status	Single	1

	Married	2
Education level	Primary	1
	Secondary	2
	Tertiary	3

Other information

Levels of response

1=strongly agree, 2=Agree, 3=Undecided/Neutral, 4=Disagree, 5=strongly disagree

- Tick against the answer of your choice

i. Entrepreneurial readiness or intention

	Entrepreneurial intention or readiness	Level of response				
		1	2	3	4	5
1	I intend to open my own business in near future					
2	I have already prepared myself to become an entrepreneur					
3 M	I am prepared to do anything to become an entrepreneur					

ii.

otivation

	Motivation	Level of response				
		1	2	3	4	5
1	I want to be my own boss					
2	I want to be financially fit or strong					
3	I want to increase my prestige and status					
4	I want to have my personal freedom					

iii. Perceived behavioral control

	Perceived behavioral control	Level of response				
		1	2	3	4	5
1	For me to be an entrepreneur is difficult					
2	I am confident that I can be an entrepreneur					
3	The decision to become an entrepreneur is beyond my control					
4	Whether I become an entrepreneur or not is not entirely up to me					

iv. Entrepreneurial ability

Do you have any entrepreneurial abilities?

1. Yes ☐ 2. No ☐

	Entrepreneurial ability	Level of response				
		1	2	3	4	5
1	I have the skills and knowledge about business management					
2	I have financial skills					
3	I have marketing skills					
4	I have the knowledge and skills about effective business planning					

v. Family background

Are there any entrepreneurs in your family

1. Yes ☐ 2. No ☐

	Family background	Level of response				
		1	2	3	4	5

1	I was once exposed to entrepreneurship before					
2	Most members of my family are entrepreneurs					
3	All my family members believe in entrepreneurship					

vi. Challenges facing youth In Starting Business Ventures In Tanzania

	Agree	Neutral	Disagree
	Frequency %	Frequency %	Frequency %
Lack of enough capital to start new ventures			
Lack of entrepreneurial education			
Lack of support from family members			
Lack of support from the Government			
Low confidence among youths			

vii. Strategies that may support youth entrepreneurship in Tanzania

	Agree	Neutral	Disagree
	Frequency %	Frequency %	Frequency %
Provision of enough capital to youths through loans			

Giving entrepreneurial
education to youths

Lowering or removing
unnecessary taxes

Provision of enough
markets for the
products

viii. Mention any challenges that can hinder youth in starting business ventures

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.....
.....

ix. What do you think should be done to support youth entrepreneurship in
Tanzania

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.....
.....

Thank you for your cooperation
May God bless you
Contacts: 0659477954
0743764057