FACTORS AFFECTING PERFORMANCE OF POST RETIREMENT BUSINESS ENTERPRISES IN UGUNJA SUB COUNTY, SIAYA COUNTY.

BY
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CBM12/10725/14

A RESEARCH PROJECT SUBMITTED TO THE GRADUATE SCHOOL IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE CONFERMENT OF MASTERS OF BUSINESS ADMINISTRATION DEGREE IN (ENTREPRENEURSHIP) FACULTY OF COMMERCE

KISII UNIVERSITY

OCTOBER, 2016
DECLARATION AND RECOMMENDATION

Declaration by the student

I, the undersigned hereby declare that this research project is my original work and has not previously in its entirety or part been presented in any University or institution of higher learning.

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Declaration by the supervisors

The research project has been submitted for examination with the approval of the university supervisors.

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short passages for purposes of criticism, review and citations.
DEDICATION

I would like to dedicate this project to the Almighty God; for re-generating and rejuvenating my strength. The word of God has taught me to be visionary, resilient and patient in life. To my beloved wife Seline Odhiambo for her unwavering moral and financial support. Her willingness to give up many hours of my time to which she had a rightful claim cannot go unappreciated. To my sons Odhiambo Shadrack Jacob and Odhiambo Daniel, Shammah for their understanding, and encouragement. To my parents, siblings and other relatives for their fruitful motivation towards this.
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ABSTRACT

The post retirement business enterprises are vital for any economy as they have the ability to create employment, keep retirees busy and a source of income after retirement. The purpose of this study was to determine factors affecting performance of post retirement business enterprises in Ugunja Sub County Siaya County. The objectives of the study were to: find out the influence of the entrepreneurial knowledge on the performance of post retirement business enterprises, investigate the effects of finance availability on the performance of post retirement business enterprises, establish the effects of business location on the performance of post retirement business enterprises and assess the influence of business demand on the performance of post retirement business enterprises in Ugunja Sub County, Siaya county. The information provided by this research will benefit policymakers, retirees, community members and academicians. The study was guided by Contingency and Human Capital Theory. It adopted a descriptive survey research design and inferential statistics. The target population for the study was 80 retirees. The researcher used census and collected data using questionnaires. The instrument was validated by the supervisors. Reliability of the instrument was determined through a pilot study wherea Cronbach alpha coefficient of 0.708 was obtained from the instrument. This indicated that the instrument was reliable. Quantitative data was analyzed using descriptive statistics and inferential statistics and presented in tables. The study established that the following factors; entrepreneurial knowledge, financial availability, business location and business demand with p-values (p=0.001, p=0.000, p=0.010 and p= 0.000) significantly affect performance of post retirement business enterprises respectively. It was therefore concluded that for enhanced performance of post retirement business enterprises, entrepreneurial knowledge, appropriate business location, financial availability and adequate business demand should be adhered to by post retirement entrepreneurs. The study recommended to policymakers that they come up with a blue print plan for retirees, the government and other organizations should train retirees to have adequate entrepreneurial knowledge and also facilitate credit facilities for the retirees to enable them have sufficient funds for their post retirement business enterprises. The study also recommended to retirees to ensure that they choose appropriate location and demand for their business enterprises to enable them grow to corporate business entity.
# TABLE OF CONTENTS

DECLARATION AND RECOMMENDATION ............................................. ii

PLAGIARISM DECLARATION .......................................................... iii

DECLARATION OF NUMBER OF WORDS ......................................... iv

COPYRIGHT ....................................................................................... v

DEDICATION ....................................................................................... vi

ACKNOWLEDGEMENT ......................................................................... vii

ABSTRACT ........................................................................................... viii

TABLE OF CONTENTS .......................................................................... ix

LIST OF FIGURES .................................................................................. xiii

LIST OF TABLES .................................................................................... xiv

LIST OF ABBREVIATIONS AND ACRONYMS ........................................ xv

CHAPTER ONE: .................................................................................... 1

INTRODUCTION ..................................................................................... 1

1.1 Background of study ......................................................................... 1

1.2 Statement of the problem ................................................................. 5

1.3 Purpose of the study ........................................................................ 6

1.4 Objectives of the study .................................................................... 6

1.5 Research questions ........................................................................... 7

1.6 Significance of the study .................................................................. 7

1.7 Assumption of the Study ................................................................. 8

1.8 The scope of the study ..................................................................... 8

1.9 Limitation of the study ................................................................. 8

1.10 Operational and definition of terms ............................................. 10
# CHAPTER TWO

## LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Contingency theory

2.1.2 Human Capital Theory

2.2 Review of Concepts

2.2.1 Concept of post retirement business enterprises

2.2.2 Concept of performance

2.3 Empirical review

2.3.1 Effects of Business location on Performance of post retirement business enterprises

2.3.2 Effects of Entrepreneurial Knowledge on Performance of post retirement Business Enterprises

2.3.3 Effects of Finance availability on performance of post retirement business enterprises

2.3.4 Effects of Business demand on Performance of post retirement Business Enterprises

2.4 Critical review

2.5 Conceptual Frame Work

2.6 Knowledge gap

# CHAPTER THREE

## RESEARCH DESIGN AND METHODOLOGY

3.1 Research design

3.2 Area of Study

3.3 Target population

3.4 Census inquiry

3.5 Instrument for data collection

3.5.1 Questionnaires
3.6 Validity and Reliability of research instruments: .................................................................44
3.6.1 Validity of research instruments ..................................................................................44
3.6.2 Reliability of the research instruments ......................................................................44
3.7 Data collection procedure .............................................................................................45
3.8 Data analysis and presentation .......................................................................................46
3.9 Ethical Consideration ......................................................................................................47

CHAPTER FOUR ..................................................................................................................49

DATA ANALYSIS, PRESENTATION AND INTERPRETATION .................................49

4.1 Introduction ......................................................................................................................49
4.2 Response Rate ................................................................................................................49
4.3 Demographic Characteristics of the respondents ..........................................................50
4.3.1 Level of academic qualification of respondents .........................................................50
4.3.2 Age of the respondents .............................................................................................51
4.3.3 Respondents’ period in business ...............................................................................52
4.3.4 Time taken by the respondents before starting business after retirement ..........52
4.3.5 Type of business .........................................................................................................53
4.3.6 Respondents Source of capital ..................................................................................54
4.3.7 Respondents number of employees .........................................................................54
4.4 Effects of entrepreneurial knowledge on performance of post retirement business enterprises ..................................................................................................................................................................................55
4.4.1. Descriptive statistics for effects of entrepreneurial knowledge on performance of post retirement business enterprise .................................................................55
4.4.2. Chi-square test for relationship between entrepreneurial knowledge and performance of post retirement business enterprises ...........................................................................................................58
4.5 Effects of financial availability on performance of post retirement business enterprises ..................................................................................................................................................................................60
4.5.1. Descriptive statistics for effects of financial availability on performance of post retirement business enterprise .................................................................................................................60
4.5.2. Chi-square test for relationship between financial availability and performance of post retirement business enterprises .................................................................................................................63
4.6 Effects of business location on performance of post retirement business enterprises
.................................................................................................................................64
4.6.1. Descriptive statistics for effects of business location on performance of post
retirement business enterprise .........................................................................................64
4.6.2. Chi-square test for relationship between business location and performance of
post retirement business enterprises ................................................................................67
4.7 Effects of business demand on performance of post retirement business enterprises
..............................................................................................................................................68
4.6.1. Descriptive statistics for effects of business demand on performance of post
retirement business enterprise .........................................................................................68
4.7.2. Chi-square test for relationship between business demand and performance of
post retirement business enterprises ................................................................................71

CHAPTER FIVE ..........................................................................................................................73
SUMMARY, CONCLUSION AND RECOMMENDATIONS .................................................73
5.2 Summary of the study findings ......................................................................................73
5.3 Conclusion ......................................................................................................................74
5.4 Recommendations of the study ....................................................................................76
5.5 Suggestions for further studies .....................................................................................76

REFERENCES ..........................................................................................................................78

APPENDICES ..........................................................................................................................90
APPENDIX I: LETTER ............................................................................................................90
APPENDIX II: QUESTIONNAIRE ..........................................................................................91
APPENDIX III: RESEARCH DATA COLLECTION PERMIT ..............................................95
APPENDIX IV: RESEARCH AUTHORIZATION .................................................................96
APPENDIX V: RESEARCH CLEARANCE PERMIT .........................................................97
LIST OF FIGURES

Fig 1.1 Conceptual framework .................................................................38
LIST OF TABLES

Table 4.1: Response rate

Table 4.2: Level of academic qualification of respondents

Table 4.3: Age of the respondents

Table 4.4: Period in business

Table 4.5: Time taken by the respondents before starting business after retirement

Table 4.6: Type of business

Table 4.7: Source of Capital

Table 4.8: Number of employees

Table 4.9: Descriptive statistics for effects of entrepreneurial knowledge on performance of post retirement business enterprise

Table 4.10: Chi-square test for relationship between entrepreneurial knowledge and performance of post retirement business enterprise

Table 4.11: Descriptive statistics for effects of financial availability on performance of post retirement business enterprise

Table 4.12: Chi-square test for relationship between financial availability and performance of post retirement business enterprise

Table 4.13: Descriptive statistics for effects of business location on performance of post retirement business enterprise

Table 4.14: Chi-square test for relationship between business location and performance of post retirement business enterprise

Table 4.15: Descriptive statistics for effects of business demand on performance of post retirement business enterprise

Table 4.16: Chi-square test for relationship between business demand and performance of post retirement business enterprise
## LIST OF ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDE</td>
<td>County Director of education</td>
</tr>
<tr>
<td>MSEs</td>
<td>Medium-Sized Enterprises</td>
</tr>
<tr>
<td>NSSF</td>
<td>National Social Security Fund</td>
</tr>
<tr>
<td>R &amp; D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>RBA</td>
<td>Retirement Benefits Authority</td>
</tr>
<tr>
<td>SMEs</td>
<td>Small and Micro Enterprises</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
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CHAPTER ONE:

INTRODUCTION

1.1 Background of study

Retirement is one among the biggest changes in the lives of individuals as it marks a changeover from one period to another period in life. The mandatory age at which individuals are ripe for retirement vary from country to country and may often times be based on the occupation of the individuals or even gender. Generally, retirement age ranges from the age of 55-75 years. Post retirement business enterprises play an important role in poverty alleviation of the elderly and these elderly are one of the most vulnerable groups in any society (Stewart and Yermo, 2012). Yet, according to the International Labor Organization (ILO), only one in five workers is covered by adequate social security scheme. Also 85% of the world’s population have no retirement benefit at all (Holtzman and Hinz, 2010)

According to the 2010/2011 world social security report, the major risks faced when an individual reaches old age is poverty or income insecurity due to the loss of ability to earn income, whether partially or completely. This perhaps may have been the main reason for establishing the first pension schemes which started in the advanced countries and can now be found in many developing nations. Different pension schemes exist in countries with social security systems and these pension schemes are meant for different categories of people with specific objectives. Some of the specific objectives of a pension scheme include the prevention of poverty through the provision of basic income, the
replacement of pre-retirement employment income in order to smooth consumption, and the supplementation of partial replacement income with additional income at retirement.

Barrientos (2010) asserts that postretirement benefits are in place in most developed countries and exist in a good proportion in middle income countries, but only a handful of low income countries have them and this phenomenon is not far from expectation because developing countries are most often characterized by younger populations, high poverty incidence, and limited public resources. Furthermore, low income countries have other pressing needs such as education and health and so it makes sense that the development of good benefits from these schemes less likely to become their policy priorities. Another difference between retirement benefits of developed and developing countries worth mentioning is that, in developed countries these benefits are expected to raise beneficiaries above the poverty line, but in developing countries they only provide fixed-level income supplements that are often insufficient to lift beneficiaries and their households out of poverty and so only few individuals can enjoy retirement or can sustain consumption past the first decade of retirement (Ervin, Faulk and Smolira, 2012).

According to Brandon (2011) on U.S. News and World Report on May 15, 2010, income from job is the main source of income for working Americans but their income source changes when they retire. Some of these retirement income sources include retirement account withdrawals, monthly social security payments, and increasingly, a part-time job”. She identified the following as the 10 biggest sources of retirement income as a result of a Gallup survey of 1020 Americans; social security, retirement accounts,
pensions, savings accounts and certificate of deposit (CDs), stocks and stocks mutual funds, home equity, part-time work, inheritance, annuities or insurance and finally rents and royalties.

A survey in the United States by Hamermesh (2014) indicates that the resources of pensioners are not enough to help them maintain their pre-retirement standard of living and pensioners try to respond to this income deficiency by reducing consumption as they get older. In addition consumption by pensioners in retirement exceeds by 14% the income that their financial, pension and social security wealth can provide. This implies that the savings of pensioners both private and through social security is not sufficient enough to enable them sustain consumption throughout the rest of their lives and this means that, they have to find alternative means of finance.

Kotlikoff et al, (2013) regard retirement benefits as very instrumental in the consumption decisions of retirees and without it, most people will not be able to save enough for their retirement and will end up in abject poverty. It provides some form of insurance against one’s unsuccessful career and it is very significant in providing financial security during old age (Diamond and Orszag, 2012).

According to Palacios and Pallares-Miralles (2010), in sub-Saharan Africa, less than 10% of the older populations have a contributory pension and the few individuals who benefit from these pensions most often receive meager amounts which are inadequate to maintain pre-retirement standard of living and hence the need for alternative means of finance. In
Nigeria for example Petters and Asuquo (2011) indicated that most pensioners in Nigeria will need alternative sources of retirement income apart from the existing pension benefits. Also, Ubangha and Akinyemi (2011) assert in a survey conducted in Nigeria that 65% of teachers are willing to continue teaching even after retirement mainly due to expectations of meager pension payments. Therefore to be successful in business, a retiree must seek out and find a gap in the market which has been neglected in the past and then develop an idea which can be turned into a product that offers something to be perceived as completely different from that of the competitor.

In Kenya, in most cases, many middle and low income earners are not able to save enough for retirement because their employment life is also characterized by financial strain. They therefore enter a poverty-stricken retirement life after a lifetime of poverty during their employment phase. Studies done in Kenya have found that preparing for retirement could go a long way in reducing many of the retirement challenges (Ng’aru, 2010). This is based on the assumption that for those who are well prepared, retirement can be a positive life transition, a health enhancing rest from the stress of having to work (Belsky, 2010). Consequently, one needs to plan and prepare well for retirement not only because the social values are changing and one can no longer depend on their children for support in old age (Otiti, 2012), but also because life expectancy has been growing and is expected to grow further in the coming years (Oyuke, 2011).
1.2 Statement of the problem

Retirement can and should be an exciting time. It provides the retiree with the time and freedom to do other things including travelling freely for the first time. However, it also comes with challenges. When such individuals do not find activities that are meaningful to replace work, they risk feeling purposeless and this could lead to boredom and depression. According to Moser (2012), retirement is withdrawing from business or public life in order to live leisurely at one’s savings or pension. He further states that for a successful retirement, prime ingredients must be present: robust health, financial security, and a balance of intellectual, physical, cultural and social activities. Retirement is understood and perceived differently by different retirees. According to Bur (2011), retirement is seen as an act of leaving the service either on a compulsory basis or voluntarily whenever an employee has completed a specific duration of service years or is forced to exit as a result of compulsory retirement or by being laid-off or even through dismissal from service (for acts of insubordination or misconduct), death, illness or disability.

It is pertinent to argue that employees need to plan, adopt and implement strategies to ease the pain and problems associated with retirement. Since retirement is not what one could avoid except death, it is advisable and appropriate to start preparation immediately one gets employment. Scholars have suggested various strategies that employees can adopt to ease the pain of retirement. One of such strategies has seen many retired employees in Kenya start businesses after retirement, although majority of them are facing challenges either in managing, obtaining the capital and ensuring the business
grows. Going into business is thought to play an important role in transforming one’s life. This is thought so because some of the members in the society who have ventured into such businesses apart from providing revenue to the government also become major sources of self-employment. It is in this background that the retirees opt to venture into business projects with the aim of earning extra income and to help them get busy. In the recent past, many retirees in Kenya have ventured in business (RBA survey, 2006). Although efforts have been made by various stakeholders to support and enhance the success of such businesses that have been put up by the retirees, they are still performing poorly. According to the Retirement Benefits Authority survey of 2006, most business projects started by retirees collapse within the first three years but it still remains the most alluring preference for retirees. This implies that a circumstantial variability is inexistence despite the same external environment and majority of the internal factors; still retirees who start same businesses on the same financial footing end up not achieving the same results (Karingiti, 1999). It is as a result of this variation in business returns and business sustainability that this study intends to find out. Therefore this study seeks to find out factors affecting performance of post retirement business enterprises in Ugunja Sub County, Siaya County.

1.3 Purpose of the study

The purpose of this study was to determine factors affecting performance of post retirement business enterprises in Ugunja Sub County Siaya County.

1.4 Objectives of the study

The study was guided by the following specific objectives:

i. To examine the influence of the entrepreneurial knowledge on the performance of
post retirement business enterprises in Ugunja sub, county Siaya County.

ii. To investigate the effects of finance availability on the performance of post retirement business enterprises in Ugunja sub county, Siaya County.

iii. To establish the effects of business location on the performance of post retirement business enterprises in Ugunja sub county, Siaya County.

iv. To assess the influence of business demand on the performance of post retirement business enterprises in Ugunja Sub County, Siaya county.

1.5 Research questions

i. What is the influence of the entrepreneurial knowledge on the performance of post retirement business enterprises in Ugunja sub county, Siaya County?

ii. What are the effects of finance availability on the performance of post retirement business enterprises in Ugunja Sub County Siaya County?

iii. What are the effects of business location on the performance of post retirement business enterprises in Ugunja Sub County Siaya County?

iv. What is the influence of business demand on the performance of post retirement business enterprises in Ugunja Sub County, Siaya County?

1.6 Significance of the study

The study will benefit the following groups of people

Policy makers: through this research they will come up with a blue print plan for retirees.

The findings from this study will guide the government and other organizations to come up with ways on how to assist retirees get financial assistance and training on post
retirement business enterprises. The government will also get taxes from the post retirement business enterprises.

Retirees: through these findings they will get assistance and the way forward and also for their businesses grow to the corporate entity.

The community will develop as a result of successful post retirement business enterprises.

1.7 Assumption of the Study

The study was based on the following assumptions.

That all retirees co-operated and provided valid answers to the questions in the questionnaires. The research instrument provided the required information during data collection.

The study also made an assumption that the retirees cooperated and responded honestly and that the finding from this group could be generalized to represent other areas of same status.

1.8 The scope of the study

The research was restricted to factors affecting performance of post retirement business enterprises. The study was carried out in Ugunja Sub County, Siaya County. The study would target all the retirees who have been in the business for a period of three to five years in the Sub County. The study was carried out in August 2016.

1.9 Limitation of the study

The retirees were not willing to participate in the study in fear of exposing their weaknesses. This was overcome by explaining to them the intention of the study and
issuing the transmittal letter from the school and from the chairperson or secretary of their associations and any other relevant authorities for verification purposes. Also the research required a lot of time in travelling hence a lot of expenses that inflated research cost were incurred. Further some retirees did not answer all the questions, however after cross checking the questions those questions not answered were again repeated which was tiresome for the researcher.
1.10 Operational and definition of terms

**Business Performance** - The accomplishment of a given task measured against present known Standards of accuracy, completeness, cost and speed. In contract, performance is perceived as the fulfillment of obligations in the performer is released from all liabilities under the contract.

**Entrepreneurial knowledge** - The gift and capability of recognizing or creating an opportunity and taking action aimed at realizing an innovative knowledge, practice or product.

**Financial availability** - Refers to the money available to the business in the form of cash liquid or securities.

**Business location** - This is the place, area where business enterprise is situated.

**Business demand** - This refers to a situation whereby there is a willing buyer who has the ability to buy goods and services at a given price.

**Post retirement enterprises** - These are businesses started by people retirees after they have left their formal employment immediately or after some time.

**Retirement** - It is a period between 55 - 75 years. It can also be earlier due to economic reforms. It is a process as well as event. It is a process because you should start planning for it the first day you commence your employment. It is also an event because it is an occurrence that happens once in a life time.
CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Contingency theory

Wren (2005) observes that contingency theory is a class of behavioral theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions instead, the optimal course of action is contingent (depended) upon the internal and external factors. Several contingency approaches were developed concurrently in the late 1960s. The authors of this theory argued that Marx Weber’s bureaucracy and Fredrick Taylor’s scientific management theories have failed as they neglected environmental influence and that one best way to manage enterprise (Azijen, 2005). These influences shaped the individual behavior while managing enterprises.

Contingency theory is about the need to achieve fit between what the enterprise is and what to become and how it is structured and the processes, procedures and practices it puts into effect. (Purcell, Kinnie, Hutchinson, Rayton & Swart, 2007) Rue & Byras (2004) argue that of humanistic theory were classical theories assumed universal view in managing enterprises, that is, whatever worked for one enterprise could work for another. The contingency theory states that there is no universal principle to be found in the management of enterprises but one learns about management by experiencing a large number of case problem situations and determines what will work for every situation (Wren, 2005).
According to this study the post retirement business enterprises can use the contingency theory to effectively plan for future growth and success of the enterprises. Contingency theory, although having several strengths, generally falls short in trying to explain why leaders with certain leadership styles are effective in some situations but not others. It is also criticized that LPC scale validity as it does not correlate well with other standard leadership measures. Contingency theory also fails to adequately explain what should be done about a leader/situation mismatch in the workplace.

Moreover, throughout the years the Fiedler contingency model has also been criticized. For example, this model would have little or no flexibility that means it is rigid model. Fiedler assumed a natural style of a leadership is a fixed given and it is related to his personality characteristics. He thought natural leadership style would be the most effective style of leadership. But, he didn’t consider that fact that a leader can’t always apply natural leadership style in every situation. So, a leader always needs to identify the need of situation and accordingly adjust his leadership style to get the best results.

2.1.2 Human Capital Theory

Human Capital Theory was developed by Becker (1964) cited by Michael (2003). The theory explains entrepreneurial outcomes of an individual knowledge to the economic value of a firm (Becker 1964). Education provides a source of human capital because it enables individuals to gain explicit knowledge necessary for value performance. Planning is a blue print specifying the manner in which the resources are scheduled for attainment of goal. Planning is an act of determining enterprises goals and means of achieving them (draft 2004).
In order to plan effectively, business owners need a sound knowledge and the value orientation to planning successively. Jesus taught his disciples the value of planning, “‘suppose one of you wants to build a tower, will he not first sit down and estimate the cost to see if he has enough money to complete it.’” (The Holy Bible, Luke 14:26-33), balancing the need over business and personal needs is paramount. Cooper and Dunkelberg (2013) found that entrepreneurs often start businesses related to their former occupations. Micro businesses are particularly dependent upon the advice from friends and relatives in order to retain confidentiality as well as personal control (Bennett and Robson, 2010).

It has been discovered that productive capacity of human beings is larger than other forms of wealth taken together, a perspective that is contrary to the labor force classical perspective but which has gained a lot of acceptance from many researchers who now view that human being’s capacity is the skills and the knowledge embedded in the individual. (Beach, 2009).

Economists are also fully aware that individuals can also be irrational or pursue other goals apart from maximization of utilities. The effort however of identifying the core dynamics of an economy justifies the strategy of excluding these deviations from the rational principle. The various ways of accumulating human capital is through various ways i.e. education, work experience, training and through the knowledge of a specific task, (Alan at al., 2008). Human capital provides a view in that post retirees can acquire and also transfer it to their business and improve its performance especially knowledge.
on management and planning of business enterprises.’ Even though this knowledge is very vital but due to technological changes and customers’ expectations continue to increase this knowledge becomes inadequate. According to Becker (1964, 1976), human capital is seldom transferrable to other firms, industries or jobs and hence the reason why it is impossible to transfer much income in the labor market. Furthermore, human capital is ‘specific if it increases a worker’s productivity only at the firm’ (Becker, 1964).

Human capital theory has a profound impact on a range of disciplines from economics to education and sociology. The theory has always been the subject of bitter criticisms from the very beginning, but it has comfortably survived and expanded its influence over other research disciplines. To bridge this gap and organize them in a systematic way, holistic approach and reviews human capital theory from four comprehensive perspectives focusing on the methodological, empirical, practical, and moral aspects of the theory. Human Capital Theory has however been criticized on various counts, outlined as internal and external. The deficiency of the human capital theory goes back to neoclassical economics, where the resurgence of economic sociology, by Block (2012) challenged the assumptions that informed the methodology of neo-classical economics. He claims this rest on two basic building blocks. Firstly, they saw economy as a separate realm of the society whose internal dynamics can be used to understand it. Economists here are fully aware of the influence of culture and politics on the economy, but they consider these as exogenous factors to be bracketed as one develops a framework that focuses on purely economic factors. The assumption that individual are rational and that they act rationally to maximize utilities is the second key foundation.
2.2 Review of Concepts

2.2.1 Concept of post retirement business enterprises

Retirement refers to the situation of disengaging from any form of formal employment as a result of attaining a specific goal or because the individual has attained the statutory age of retirement. As a result of retirement, the results are lack of regular income in terms of wages and salaries on the part of the retiree hence they may become vulnerable and significantly needy. With the need to have a regular income or to sustain the flow of income, many retirees get into new undertakings in personal businesses.

For purposes of the study, a retiree is defined as person who is not formally employed any longer upon attaining the mandatory retirement age. It also includes those who are off the regular employment as a result of retrenchment. Business is an economic engagement, an activity which involves the production, selling and buying of goods and services which are vital for the living condition of human beings (Cole, 2005).

Based on the data from the Retirement Benefits Authority, a body that carries out pre-retirement trainings for members of retirement benefits schemes in Kenya, it was found out that majority of these retirees go into business. It is often hoped that as they go into these self-initiated projects the returns will continue to flow and be able to sustain them over a longer period of time. However, previous studies (Koontz, 2005 and Covey, 2000) found out that although many of them engage in businesses, a greater percentage of these businesses fail in the first few years. It is from this background that significant concerns are raised which ought to be viewed generally or investigated specifically as may be relevant to each business.
Although the impact of both internal and external factors is significant to the success or failure of businesses, the external factors are universal to all businesses alike. It is therefore imperative that internal factors be identified in relation to the unique operational elements of each business, and the extent to which they contribute to the performance of such businesses be determined so that their impact be singled out individually and collectively (Odundo 2003). However, it is no all the time that starting business is monstrous. In fact, it gives the owners the privilege of being their own bosses a privilege they were denied while under the formal employment.

If these projects undertaken by the retirees are to be sustained and survived, key entrepreneurial tenets are needed. The success of any business requires innate qualities in order to create a sustainable blend between the external and internal variables and the entrepreneur (Benjamin, 2004). Physical and emotional resilience to run a business, planning and research motivation and family link and support contribute significantly to the achievement of business success.

2.2.2 Concept of performance

According to (GEM, 2004) performance is the action of doing something fruitfully; using knowledge as distinguished from merely possessing it. Performance however seems to be hypothesized, measured in diverse ways thus making cross-comparison difficult.

According to Van Vuuren (2002) performance means attaining of agreed entrepreneurial goals. He further states that performance uses the accessible opportunities to cultivate the business idea. Business performance can be measured subjectively and objectively;
objective values are measured by absolute performance with quantitative data while qualitative data is used in subjective values by asking perceptive views about performance. According to Alhyari et al. (2013), performance measurement uses multi-dimensional set of performance measures that include both financial and non-financial, which quantify what has been achieved as well as predict the future when the argument is moved along.

Performance by Neely et al. (2001) based on fundamental premises. Firstly, a company must consider the wants and needs of all of their important stakeholders and endeavor to deliver value to each of them if the organization wants to survive and prosper in the long-term. It is no longer acceptable for organizations to focus on one or two of their stakeholders.

Secondly, companies or businesses have to bring into line and assimilate strategies, processes, and capabilities so that they can deliver real value to its stakeholders and lastly the relationship between businesses and their stakeholders is shared stakeholders have to contribute to businesses as well as to expect something from them. Information on the concept of performance is widespread and the choice of references and the disposition have been made to enable the wideband of alterations as well as correspondences between different meanings will be as clear as possible (Palm, 2008). Past studies show that defining performance of businesses is a challenge across the world. Performance of businesses have been defined in various ways in the literature, and in any business, the related parties always want to see good performance in their business (Harash et al. 2014; Harash et al. 2013). Scholars in this brook of the performance literature, a wide variety of definitions of company performance have been proposed in

In the modern world literature views performance as the results of the deeds of a company or investment in a given period. Performance may also be viewed as the achievement of specified business objectives measured against completeness, cost and known standards, (Davis & Cobb, 2010; Sabanc1 Ozer, 2012; Sacristan-Navarro et al. 2011; Thrikawala, 2011). According to them performance is very common in research about small and medium enterprises (SMEs) management that its structure and definition is rarely explicitly justified instead its appropriateness, in no matter what form, is unquestionably assumed.

According to Thibault et al. (2002) aspects that affect business performance can be accredited to individual factors such as demographic variable and business factors such as amount of money, technology use, age of business, functioning location, business arrangement and the number of full-time workforces as significant factors in examining the performance as small scale business operators. The most wide-ranging summary of those aspects affecting performance of businesses is noted by Theo, et, al. (2007) which include: individual features, parental effect, business motivation and goals, business strategies, goals and motives, networking and entrepreneurial orientation, others also includes environmental factors.
2.3 Empirical review

2.3.1 Effects of Business location on Performance of post retirement business

Enterprises

Ilian and Yasuo (2005) defined location as the choice mode of entering business and viewed location in terms of type which could be local or international location. Also, Kala et al., (2010) defined location as choice of where a business is to be located, be it small, medium and large cities or urban or rural locations. This definition is in line with Esteban, Yancy and Christian (2010) who referred to location as the choice of locating your business either in the rural or urban Centre and they also linked location with the type of product or service the firm tend to offer.

Location is an indispensable factor that shapes and determines the success or failure of entrepreneurial development and business activities. It determines the effectiveness of the entrepreneurial and business activities. Previous studies have revealed that firm performance is direct influenced by individual determinants, external factors and firm characteristics (Blackman (2003), Colin et al. (2005), Lim (2006) and Dean et al. (2000).

Kala et al. (2010) has reported that the strategic location of the domestic firms has assisted them in achieve apposite performance. It can be argued here that location has provided domestic firms with strong force to prosper and succeed in their business. They equally noted that location has helped the firms in the area of sustainability and also imply performance. Accordingly, Orloff (2002) has provided evidence on the effect of location on emergence of entrepreneurs and consequently their performance. His study
reported that location plays vital role in entrepreneurship development.

Successful entrepreneurship results from creativity and innovation that constantly scan the environment for opportunities. Creativity diminishes with age. The type and level of technological factors also have impact on business (Armstrong, 2005). For instance, the adoption of creative technological change could suggest possibility of new products, improvement in existing products or in manufacturing and marketing needs. Businesses are increasingly affected by technological changes since such changes can create new and unexpected competitors.

The greatest vital factor of organizations and small business development is the strategic location of the business which could include the nearness to raw material, accessibility to business premises, good road network, busyness of the area of the business etc. Ilian and Yasuo (2005) view location as the excellent mode of entering business and viewed location in terms of type which could be local or international location. Kala et al., (2010) also defined location as choice of where a business is to be located, be it small, medium and large cities or urban or rural locations. This definition is in line with Esteban, Yancy and Christian (2010) who referred to location as the choice of locating your business either in the rural or urban Centre and they also linked location with the type of product or service the firm tend to offer.

Orloff (2002) defined location to include the followings: economic situation, density of entrepreneur’s per capita, composition of local communities etc. to location. Therefore,
location could be defined as nearness and accessibility of the firm to raw materials, infrastructures, how busy the location is? How accessible the location is to the customers etc.?

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Orloff (2002) has asserted that the location factor plays a very vital role in the development of entrepreneurship. This is in line with the role location played in the emergence of entrepreneurs in Canada. Accordingly, Yanfeng and Chunlin (2008) found out the significant role of location in the growth of Chinese business enterprises. Another study by Ilian and Yasuo (2005) found that location plays a crucial determinant role in the expansion of firms and industries.

2.3.2 Effects of Entrepreneurial Knowledge on Performance of post retirement Business Enterprises

The Government of Kenya recognizes that access to entrepreneurial knowledge development is key to the growth and development of any enterprise (Republic of Kenya, 2005). Knowledgeable entrepreneurs have a greater ability of achieving the objectives
they have set in their undertakings. They can easily survive in tough situations. They must remember to take regular breaks from work which will ensure that you do not burn out quickly. Successful entrepreneurs have strong visions, are passionate about making use of the opportunities they get. This is as a result of their strong will in that risks and other setbacks do not discourage them in their pursuit of their set goals.

Risk taking is a natural trait to such entrepreneurs since they tend to be attracted by challenges which they approach with lots of caution (Rasmussen & Sorheim, 2006). Being strategy planners, they make use of the best employees who can support them in their venture. They learn to delegate duties with their main objective being growth and sustenance of their businesses.

As members of the top management, they ought to have the ability to oversee all the sections of the business. Communication and delegation of duties is an entrepreneurial knowledge, which help entrepreneurs to master their abilities and efforts made by their team members. Entrepreneurs have traits of hard work and commitment with the ability of working for long hours and therefore they set high standards of performance with a high degree of involvement. Willing to lead the team members especially in a crisis is an entrepreneurial knowledge that is valued highly (Mririgi, 2007). The knowledge of how to sell their ideas and their products cannot be undervalued. This knowledge of direct selling whenever the need arises and the use of appealing presentations as well as determining the sale quotas are the tasks that entrepreneur must achieve. Knowledge and practice helps entrepreneurs to enhance their marketing skills. Being customer oriented
helps them to satisfy and to meet the needs of their customers. This is because the customers are the most important since it is they who can determine whether the business will flourish or will go bust. It should be noted that it is much easier to maintain and keep regular customers happy than to try and woo new customers.

Ability to become accustomed to a new environment is an entrepreneurial knowledge that decides the outcome of the business’ success or failure in a dynamic environment. According to Hisrich (2005), there is strong evidence that entrepreneurs tend to have entrepreneurial parents. Having a parent who is self-employed provides a strong aspiration for the entrepreneur.

At an early age, the nature of independence and flexibility of self-employment is ingrained. Entrepreneurial parent often further enforces this feeling of independence, achievement and responsibility. Given this scenario, an understanding of the dynamics of businesses is necessary not only for the development of support programmers for enterprises, but also for the growth of the economy as a whole.

After considering the importance of small businesses to the Kenyan economy and the risks that such enterprises are exposed to owing to their location, there is need to conduct an empirical enquiry to investigate into the factors affecting the performance of post-retirement enterprises in Ugunja sub County in Kenya. Entrepreneur manages through their employees and other resources management theories are concepts that entrepreneurs can use to effectively propel their enterprises achieve their goals and objectives.
According to Wiklund and Shepherd (2003) the association between knowledge-based resources and the performance of 384 Small and Medium Sized Enterprises in Sweden. Findings supports that knowledge enhances the positive relationship with performance if the firm has a bundle of knowledge-based resources.

Knowledgeable human resources are closely related to first-mover advantages and the tendency to take advantage of emerging opportunities, which ultimately has a positive influence on performance (Wiklund, 2003). Wiklund (2003) further examined the association between knowledge and market information on performance of SMEs in Singapore. They found that knowledge based human resources plays vital role in enhancing organizational performance and it has both direct and indirect effects on firm performance. Also information acquisition is not positively related to firm performance, but information utilization has a positive impact on firm performance. Wang (2008) surveyed 213 medium-to-large UK firms in order to investigate the relationship among entrepreneurial Orientation (EO), learning orientation (LO) and business performance. The findings of this study suggest that EO is important for performance. LO is an important mediator in the EO–performance relationship and the EO–LO link is stronger for the prospector than the analyzers type of strategy.

The importance of knowledge-based resources has been well documented in the literature (Lee and Sukoco 2007; Wiklund and Shepherd 2003). Knowledge management is understood to have the ability to increase competitive advantage in firms, such as lowering overall costs and developing and increasing employees.
Knowledge has been described as context-specific, as the context of the knowledge management process can affect who and how actors participate (Nonaka et al. 2000), and this contextual connection can be relevant to family-owned enterprises (Nordqvist, 2012). Knowledge-based resources have been noted as important for a firm's innovative capacity which aids in the discovery and exploitation of opportunities (Kaya and Patton, 2011).

Knowledge in a firm has been broadly classified as firm-specific or general (Helfat, 2004). If the knowledge is close to the existing firm knowledge base and with specific applications, this can be firm-specific. The other view of general knowledge is that this form of knowledge exists in the marketplace and is less specialized. Kirzner (2005) distinguished between entrepreneurial knowledge and the knowledge expert, suggesting that it is the entrepreneur of the firm that hires the latter. The knowledge expert does not fully recognize the value of their knowledge or how to turn that knowledge into profit or else the expert would be acting as an entrepreneur. In turn, the entrepreneur may not have the depth of knowledge that the specialist possesses (for example, in technology), but it is the entrepreneur who recognizes the value of the opportunity through the application of the specialist's knowledge. Therefore, as small family firms expand and acquire more knowledge experts, they have the potential to lose their ‘families’ as the advantages of knowledge may be changed in its application or reduced.

The resource-based view has been one of the dominant theories used to explain strategy
in family businesses (Chrisman et al. 2005), and family characteristics can affect firm strategy choice (Miller et al. 2011). Resources can consist of human, social, physical, and organizational resources, among others. Knowledge-based resources suggest that a firm's ability to create and utilize knowledge is one of the most important sources of sustainable competitive advantage (Wang et al. 2009). It has been suggested that knowledge has the greatest ability of all resources to serve as a source of sustainable differentiation due to immobility (McEvily and Chakravarthy, 2002) and general applicability (Miller and Shamsie 2006). Knowledge permits firms to more accurately predict the nature and commercial potential of changes in the environment and the appropriateness of strategic and tactical actions. That is, without knowledge, an organization is less capable of discovering and exploiting new and emerging opportunities.

There appears to be a relationship between knowledge and innovation, with research suggesting that knowledge flows are important in the innovation process (Rigby and Zook 2002). Radical innovation research has suggested that a firm's knowledge base represents the most unique resources for radical innovation (Miller et al. 2007; Zhou and Wu, 2010). However, while a knowledge base may give rise to new innovation, without synthesis and utilization efforts, radical innovation is likely to be only incremental (Katz and Du Preez 2008).

Shane (2009) described the exposure to knowledge as insufficient, that firms must instead recognize and create knowledge, and integrate and utilize the knowledge in the firm. This continuous process is used to identify and exploit existing and acquired knowledge as well as develop new opportunities. Alavi and Leidner (2001) described this process as
creating, storing, retrieving, transferring, and applying knowledge. According to Wiklund and Shepherd (2003), the management of knowledge is required to integrate all knowledge in order to anticipate current and future needs.

2.3.3 Effects of Finance availability on performance of post retirement business enterprises

The studies provide evidence that management knowledge are critical factors in both the failure and success of businesses (World Bank, 2004). They illustrate the major cause of failure rest in the lack of knowledge in accounting, marketing need management and cash flow knowledge. Weaknesses in these areas are found to impact on all other areas of the business. A study by the World Bank in 2014 discovered that up to 90% of small enterprises surveyed affirmed that the major constraint to new investment was credit.

Fisman and Love (2003) find that, in particular, startup firms struggle with overcoming weaknesses in financial market development, even where established firms are able to use trade credit as a substitute for formal financing. Comin and Nanda (2009) show how the difficulties faced by startups in raising capital might adversely impact the commercialization of new technologies. Using historical data on banking-sector development and technology diffusion, they find that capital-intensive technologies are adopted much faster relative to less capital-intensive technologies in countries that are over a certain threshold in banking-sector development. This results from the concept that they have limited access to capital markets due to the high risks involved. It is also as a result of the barriers that exist in communication, and the high intermediation cost for the
smaller firms.

A lack of management knowledge is a major constraint hindering the progress of the post retirement enterprises in Kenya. The macro-environment consists of relationship between the firm and the stakeholders. It is in this relationship that the firm’s costs, quality and overall success of a business can be affected. Although the proposed economic liberalization move in the late 1980s and 1990s was designed to bring down distortions in the economy; deregulation of markets has had adverse impact on enterprises (Seasonal Paper No. 2, 2005).

The impact includes the instability that has increased in macro economies which is featured by the rising levels of inflation, current accounts deficiency and uncertainty of policies. Essential regulations for business owners include state actions relating to contract enforcement, property rights, including intellectual property, corporate governance, taxation and financial reporting, employment and health and safety, trading standards and consumer rights, environmental protection, premises and planning rules, data protection, transport. Environmental regulations concerning the storage and use of hazardous substance are likely to have a greater impact on certain sectors than others, for example, agriculture, manufacturing and transport and communications businesses (Rozee, 2003).

Infrastructure is fed by trade and vice versa. It also enhances foreign investment, and enhances the sustainability as well as the creation of industries. This will result in
reduced costs hence increasing competitiveness. A planning approach that is spatial ensures a more efficient use of land through the balancing of competing demands within sustainable development context (Rozee, 2003). It becomes an unbroken process of change management by various actors, in the interests of sustainable development. This makes efforts to promote industrial development extremely urgent and rural focused. Entrepreneurial and post retirement business enterprises are complex in their performance and hence this complexity should be examined critically.

This is because these small and medium enterprises are important and that they play a very important role in the Kenyan economy. According to the Economic Survey (2006), the sector was found to contribute over 50% of all the new jobs that were created in the year 2005. Remember that post retirement businesses has a major percent in this . In spite of the significance to the economy, it was also discovered that out of every five businesses, three of them were shown to fail within the first few months of being in operation. (Kenya National Bureau of Statistics, 2007).

According to Amyx (2005), the negative perceptions that exist towards business enterprise is a significant challenge. Potential clients tend to perceive small enterprises as missing the capacity to provide the quality services and are unable to satisfy more than one critical project simultaneously. As with many developing countries, there is limited research and scholarly studies about the post retirement enterprises in Kenya.

Access to finance is essential to the survival and performance of any business enterprise.
As it the life-blood of any business enterprise and no enterprise, no matter how well managed, can survive without enough funds for working capital, fixed assets investment, employment of skilled employees and development of markets and new products and the availability of finance is positively associated with productivity and growth (GFPI, 2011). Small and medium enterprises (SMEs) need financing for two basic purposes: i) financing the production cycle once it has been stabilized (i.e. working capital financing); and, ii) financing capital expenditures to expand the current business, to create new ones, or simply for maintenance purposes (e.g. plant and equipment maintenance or updates) (World Bank, 2014).

Finance small and medium enterprises (SME) needs quite different scenarios in terms of the amount of funds required, the repayment period and the nature of the specific risks involved, among other elements. Most Small and medium enterprises (SMEs) rely on internal financing, and/or short-term credit from suppliers, and/or some specialized financial products (Mbaguta, 2002; World Bank, 2014). Only rarely Small and medium enterprises (SMEs) recur to a direct loan from banks or other financial institutions to finance their needs. Small and medium enterprises (SMEs) sometimes rely on internal financing, often involving fresh capital injections from shareholders, although in many cases small and medium enterprises (SMEs) tend to recur to long-term financing from financial institutions, mainly in the form of outright loans from banks and some hire purchase and leasing products (Bonin & Wachtel, 2003; World Bank, 2014).

The two basic forms of financing for businesses are internal financing and external
financing. The basic internal financing sources are the retained or undistributed profits from the business obtained in previous years and fresh capital injections by the owner(s) of the Small and medium enterprises (SMEs). In turn, external financing can be provided by financial institutions, suppliers and other types of creditors (World Bank, 2014). Financing small and medium enterprises (SMEs) needs quite different scenarios in terms of the amount of funds required, the repayment period and the nature of the specific risks involved, among other elements (Wattanaprunthipaisan, 2002; World Bank, 2014). Most Small and medium enterprises (SMEs) rely on internal financing, and/or short-term credit from suppliers, and/or some specialized financial products. Only rarely Small and medium enterprises (SMEs) recur to a direct loan from banks or other financial institutions to financing their needs (Wilkinson & Brouthers, 2006; World Bank, 2014).

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Findings from previous studies Abor (2007), Kristiansen et al. (2003), Vaierczek & Ha (2003), and World Bank (2014) find a significant negative effect of financing on company performance. The estimated negative effect is stronger in the pre-crisis period, when taking into account the reverse causality between financing and company performance.

In addition, we find that companies that had some foreign debt financing performed better than their counterparts. At the same time, the presence of foreign debt amplifies the negative effect of total leverage on company performance. Most of the companies depend on debt as against equity for financing, long-term debt relatively represents the major component of total debt. Furthermore, while some companies rely heavily on long-term debt as a financing scheme, companies in some economies on the other hand use more of short-term debt to financing their operations. Findings from previous studies also small and medium enterprises (SMEs) confirmed that access to financing is amongst the most critical factors determining the competitive readiness of regional small and medium enterprises (SMEs) (Grandon & Pearson, 2004).

Herrington et al. (2009) point out that access to finance is a major problem for the entrepreneur. Lack of financial support is one of the causes of weak performance and failure of SMEs Zou et al. (2009:296) use the Resource Based View (RBV) to demonstrate the importance of financial capital to the performance of SMEs. Access to financial capital to purchase fixed and current assets is important to a sustaining a firm’s competitive advantage. According to Atieno (2009: 34), a vast majority of SMEs depend on internal finance (contribution from the owners, family and friends). However, the
growth of SMEs is constrained by dependence on internal finance. In contrast, firms that make use of external funds exhibit growth rates far above what can be supported by internal finance. Therefore, SMEs often need capital from external sources.

According to Lucey (2010: 3), the two primary sources of external finance for new SMEs are equity and debt. External equity in the form of venture capital or the stock exchange is usually not available for SMEs. According to the South African Venture Capital Association (2008) there are at least 65 venture capital funds in South Africa controlling a total of R29 billion with an average investment size of R15.4 million. However, venture investment with a SME focus is approximately R1.1 billion which is only 3.8% of the funds. This indicates that the availability of external equity is limited for SMEs.

According to Blumberg and Letterie (2008: 188), the lack of external equity makes many SMEs dependent on debt finance especially bank loans and trade credit. They further argue that without adequate resources, all strategic intentions and plans are going to fail. Covin and Lumpkin (2011: 855) point out that the dimensions of entrepreneurial disposition involve a high level of resources or capital commitments by the firm.

Haung et al. (2011: 3049) note that firms characterized by risk-taking behavior often make large resource commitments with a view of securing high returns by seizing opportunities in the market place. In addition, entrepreneurs depicting risk-taking behavior show more willingness to take on risky resources such as external financial capital. Firms that are proactive and competitively aggressive have forward-looking, opportunity seeking perspective. Proactiveness is important in establishing links and networks with the various sources of finance. In addition as pointed out by Li et al.
(2008: 115) innovativeness refers to a firm’s ability to engage and support new ideas, novelty and experimentation. Innovation requires the commitment of financial resources. Mukiri (2011) argues that firms that have an entrepreneurial disposition are more prone to focus attention and effort toward emerging opportunities such as links with the providers of capital. This suggests that for EO to be successful, a firm will need to commit financial resources. In addition, firms that have an EO strategic focus may be able to access debt capital due to better relationships with the providers of debt capital.

2.3.4 Effects of Business demand on Performance of post retirement Business Enterprises

Researchers have conjectured that the increasing relative absence of business demand by such young, high-growth firms is a cause of worsening aggregate labor market outcomes: declining employment rates, earnings (for most of the earnings distribution), and so on. That idea has sparked a search for reasons why would-betransformational entrepreneurs are somehow prevented from carrying out their plans successfully, possibly due to excessive regulation or expensive housing in locations where such start-ups are likely to be successful. But the results of those investigations have so far been weak to nonexistent (Goldschlagand Tabarokk, 2015 & Furman and Orszag, 2015). Instead, declining start-up rates and growth rates for the subset of high-growth startups is in part a manifestation of the labor market’s larger problem of declining mobility and job ladder deterioration, with would-be entrepreneurs and their employees reluctant to leave positions to which they may not be able to return, and in part the result of rising concentration and market power of incumbents, holding down growth potential for new entrants.
This means that companies can rather take up innovations if they assess that selling potential is high enough. The most important characteristics of the demand that a company should consider are: the sales potential, demand growth, demand length, demand indefiniteness and demand elasticity. In the few last decades, customer needs and demands have been discovered to be connected closely and the needs of customers have been the subject of many researchers. However, it is not only the needs of a customer that should serve as the single predictor of innovation; demand should be examined, too. If accompany estimates that sale potential is small and that a considerable growth cannot be expected, it can influence a great deal on innovation decision.

In a recent Canadian study, Astebro and Dahlin (2005) introduced and empirically proved three important hypotheses: a) The higher the needs of the clients and recognition of invention, the higher and bigger the possibility of its commercialization (i.e. realization of innovation); b) The bigger the expectation for an invention, the bigger possibility of commercialization and c) the effects of needs and users' preferences are in compliance with the effects of expected demand for probability of invention commercialization.

Through the analysis of the market he argued that companies find profitability in investing in process innovation in mass markets in question. These markets can be mass markets for consumer goods, but they can also present markets for standardized products such as personal computers. Due to a low-level of sophistication it is more profitable for companies to implement process innovations and use the market size than to follow the
strategies of differentiation. Process innovations investment is not possible in such small markets as the number of output units is not enough to overcome the high fixed costs. Besides, the users being aware of their needs help the producers in designing and in giving feedback and even suggesting on possible innovative solutions. That is why the possibility to realize incremental product innovations, specified for a market niche, is high.

2.4 Critical review

Retirement is a period when an individual leaves formal employment between the ages of 55-75 years. It also happens early due economic reforms or after attaining specific objective. It is a process as well as event. It is a process because you should start planning for it the first day you commence employment. It is also an event because it is an occurrence that happens once in a life time.

According to United Nations’ report (2002), retirement is a stage in an individual’s lifetime, which should not hinder him or her from being creative and capable of making contribution to the society. The study does not show how the retiree should acquire adequate skills to help cope during this transition so that it turns out positively.

As these retirees exit employment into self- initiated business projects, it is in the hope that the business returns will continue to flow and to sustain them for a longer period of time. However, studies done by (Koontz, 2005) on this show that, majority of retirees who venture into new business projects, a greater percentage of these business projects fail in the first few years, meaning that only a smaller percentage of these projects will
survive in the long run. The study here does not show what can be done to salvage this situation even though most of the businesses die between a period of 1-3 years

Although the success of each business lies in its unique operational elements, their contribution to performance is determined and the impact singled out individually and collectively (Odundo, 2003). However, it is no all the time that starting business is monstrous in fact, it gives the owners the privilege of being their own bosses a privilege they were denied while under the formal employment this tends to satisfy them psychologically.

If these projects undertaken by the retirees are to be sustained and survive, key entrepreneurial tenets are needed. The success of any business requires innate qualities in order to create a sustainable blend between the external and internal variables and the entrepreneur (Benjamin, 2004).

2.5 Conceptual Frame Work

The conceptual framework explains the relationship between the independent variables and dependent variable. The following framework shows the independent variables as factors affecting performance of post retirement business enterprises while the dependent variable is the performance of post retirement business enterprises.
Fig 1.1 Conceptual framework

The conceptual framework shows a diagrammatic presentation of the relationship between dependent and the independent variables. In this case entrepreneurial knowledge in terms of competence, awareness business skills and training is a contributing factor to the performance of post retirement business enterprises. When an entrepreneur is
knowledgeable on the business enterprise, the possibility of managing it well to gain profits will be high.

Finance availability is also another factor which may contribute well to the performance of business enterprises. The firm’s ability to effectively provide, employ and sustain these resources depends on entrepreneur’s capital base in order to cope with market changes.

The performance of business enterprises also largely depend on the business location, it is an indispensable factor that shapes and determines the success or failure of entrepreneurial development and business activities. It determines the effectiveness of the entrepreneurial and business activities.

In business demand, when a business has flexibility in the choice of materials to put into a product, it makes sense to use items that are abundant rather than scarce. Having a steady supply of necessary materials also makes ordering and inventory control simpler, allowing a business to get what it needs when it needs it rather than juggling and keeping track of multiple suppliers and investing unsustainable sums in inventory to avoid running out.

2.6 Knowledge gap

Majority of post retirement enterprises in Kenya are run by retirees who entered into business with majorly two motives which are making themselves occupied and also earn a profit which is not in line with other entrepreneurs who come into business with different goals like market opportunity, utilizing their skills, generating income, and desire for independence i.e.to be one’s own boss. With all this motives as an entrepreneur one has to excel in whatever they are doing. For retirees, as they venture into business
they have to change their goal or they will have to face different difficulties in running their businesses.

Therefore much work needs to be done in areas which include the challenges facing the post retirees business, including identifying means and strategies for improving retiree access to finance availability, to look for strategic place to locate a business, training for entrepreneurial knowledge and financial management skills development so that when retirees start businesses after retirement the business may grow to corporate venture.
CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research design

Research design refers to the procedures selected by the researcher for studying a particular set of questions. This study employed descriptive survey design. Oliver (2006) defines research design as to all pragmatic aspects of the way the research should be carried out. According to Kothari (2008) the research design is the conceptual structure within which research is conducted, it constitutes blue prints for data collection from retirees, measurement and analysis of collected data.

Descriptive survey research design is used preliminary and exploratory studies which should allow researcher to gather information, summaries, present and interpret data for the purpose of clarification (Orodho 2002). Borg & Gall (2003) noted that descriptive survey research is intended to produce results the way things are.

However it also helps to review characteristics of a population using a sample that is representative and can be used to obtain pertinent and precise information concerning current state of phenomena, notably surveys are dependent on the cooperation of retirees, information unknown to the retirees cannot be tapped in survey and requesting information which is considered secret and personal, encourages incorrect answers. The study provided information about population variables for instance data on retirees and distribution that exist by business performance.
3.2 Area of Study

The study was carried out in Ugunja Sub County. It is a newly created sub county curved from Siaya County thus the 6th sub county in Siaya County. It was created in September, 2010 and covers an area of 195km2. Its population is estimated at 88,450 people according to the 2009 census. Ugunja Sub County lies 72km North of Kisumu, the equator is 40km south of Uguntatown. Coordinate 0’18N and 34’ 30 East of the equator. The sub county lies along Kisumu-Busia highway which links Kenya and Uganda Sub County to the west, Gem Sub County to the East Siaya Sub County to the North and Butere /Mumias Sub County to the south.

The Sub County is currently temporarily situated in Ambira, 1.5km from Uguntatown. The sub county has two divisions: Ugunja division and the newly created Sigomere divisions.

3.3 Target population

According to Orodho (2005), a population refers to any group of institutions, retirees, objects that have common characteristics. Target population is the sum total of the group the researcher is interested in. In this case the researcher was interested in all retirees who have ventured in to business for a period of three to five years. A number of 80 retirees were used for the study. Retiree of both genders male and female was considered. The source of information was from Siaya Retirees Entrepreneurs association registered under the ministry of social services.

3.4 Census inquiry

The study made use of Census method which is a study of every unit, everyone or everything in a population hence all the 80 retirees participated in the study. The study
employed census method because the entire population is very small.

The study considered all retirees who ventured into business and was in the business for a period of 3-5 years who participated in the study. To be in business for 3-5 years is easy for someone to gauge if the business is doing well or not. The researcher distributed questionnaires to the retirees and got information required in the research.

3.5 Instrument for data collection

Research instrument is the method of collecting data from the respondents. The study used questionnaires.

3.5.1 Questionnaires

Kothari (2008) defines a questionnaire as that consisting of a number of questions printed or typed in a definite order on a form or set of forms. Dwivedi, (2006), defines a questionnaire as a device for securing answers to questions by using a form the retirees filled in by him or herself. The use of questionnaires offered a considerable advantages in management as it presented an event stimulus to a large number of retirees simultaneously and provide investigator with a relatively easy accumulation of data, further the use of questionnaires allowed the retirees time on questions that would require reflections to avoid vague responses.

The researcher prepared questionnaires that were administered to all the retirees. The questionnaire consisted of two parts. The first part was to seek personal demographic data using structured questions; the second part contained closed-ended questions and rating scale which helped us got information on the objectives of the study.
3.6 Validity and Reliability of research instruments:

3.6.1 Validity of research instruments.

To validate the instrument the content validity of the questionnaire was tested. To test the content validity, the study used experts’ advice from the supervisors of the study, which assisted the researcher discover weakness in research instrument and checked clarity of questions/ instrument. Validity according to Borg and Gall (1989) is the degree to which a test measures what it purports to measure. All assessments of validity are subjective opinions based on the judgment of the researcher. The pilot study helped to improve face validity of the instrument. Content validity of an instrument was improved through expert judgments Borg and Gall (1989). As such the researcher sought more assistance from supervisors, who are experts in research, so as to improve content validity of the instrument.

3.6.2 Reliability of the research instruments

Mugenda (2002) defines reliability as a measure of the degree to which the research instrument yields consistent results after repeated trial under similar circumstances, Orodho (2004) notes that reliability of research instruments concerns with the degree to which a particular measuring procedure gives similar results of a number of repeated trials. That is the degree to which scores obtained with an instrument are consistent measures of whatever the instrument measures. The pilot study enabled the researcher to assess the clarity of the questionnaire items, so that those items found to be inadequate was modified and improved the quality of the research instrument thus improved the reliability. The pilot study got 0.708 which suggested that the items had relatively high internal consistency. It was done in Siaya Town because it had the same characteristics.
with the area of study. A total of 23 questionnaires were used in the pilot study.

The test retest method confirmed. Cronbach’s alpha coefficient which when computed for each instrument in Likert scale, reliability coefficient of 0.7 or over is assumed to reflect the interval reliability of the instrument, (Borg and Gall, 2009).

3.7 Data collection procedure.

The researcher got a letter from graduate school of Kisii university Eldoret campus, and then applied Research permit from National commission for science technology and innovation (NACOSTI). After the request was granted he sought permission from county commissioner, Siaya and then to the chairperson or secretary to Siayaretiree’s entrepreneur’s association office. The researcher with two trained research assistants visited the area of the study, explained to the respondents the purpose of study and requested to carry out the research. A covering letter explaining the purpose of the study was attached to the research instrument. This helped to introduce the study to the respondents. An introductory statement at the top of questionnaire guided the retirees on how to answer the questions correctly and also gave the assurance of privacy and confidentiality. To be assured of confidentiality they were told not to write their names unless those who preferred.

The researcher made other visits to the business entrepreneurs on requests by respondents through the mobile phones which the researcher wrote on the questionnaire. During these visits the researcher allowed them to ask questions especially on areas they did not understand well and also made arrangements with them on the most convenient time and day to collect the completed questionnaires. Two days before questionnaires were picked
a courtesy phone call was made to the individuals to confirm or remind them on the day of collection. When the day reached the researcher with the help of two research assistants divided themselves and collected the filled questionnaires. To ensure that all the questionnaire items were answered, each respondent's questionnaire was cross-checked and where items were left out, the respondents were again requested to respond to them. The filled questionnaires were collected for data analysis.

3.8 Data analysis and presentation

Data analysis is the process of bringing order, structure and meaning to the mass of information collected (Orodho, 2002). Research data was analyzed using descriptive statistics and inferential statistics. Descriptive statistics includes the statistical procedures that produce indices that summarize data and describes the sample. Descriptive statistics such as frequency counts of the retirees was done using statistical records. The data was then organized and presented in form of tables using the APA format for clarity and a summary of the findings indicated after each table. Herper, (2008) observed that using this would enable desired figures to be located more quickly and would make quicker recognition of data. This layout makes it possible to reveal patterns within figures which cannot be seen in narrative form. The data was then organized and examined for completeness. Closed-ended questions were coded before being keyed into a computer using the Statistical Package for Social Sciences (SPSS). The study made use of chi-square test where the p-value was used to determine whether observed sample frequencies differ significantly from expected frequencies specified.
This was done by computing the degrees of freedom, the expected frequency counts, and the, chi-square test statistic.

\[ X^2_c = \sum \frac{(O_i - E_i)^2}{E_i} \]

Based on the chi-square statistic the significance from SPSS (Version 20.0) was to be determined by the P-Value. Where P<0.05 was to be rejected.

The calculated formula is;

**Whereby;**

- \( c^n (n-1) \) is the degrees of freedom.
- \( O_i (O_1, O_2, O_3 \) and \( O_4 \) were observed values for entrepreneurial knowledge, financial availability, business location and business demand respectively.
- \( P_{is} (0.001, 0.0002, 0.013 \) and \( 0.0004 \) were values found for entrepreneurial knowledge, financial availability, business location and business demand respectively.

In descriptive statistics the study found out an average mean of 4.62 in entrepreneurial knowledge, 4.64, 4.72 and 4.68 in financial availability, business location and business demand respectively.

**3.9 Ethical Consideration**

According to cooper et al (2011) Ethics in research are the norms or standards of behavior that guide the moral choices about researchers. In the end nobody should suffer physically mentally psychologically, embarrassment or loss of privacy. This study dealt with post retirement entrepreneurs and ensured their privacy, observation of their rights, confidentiality of information and respect to their opinions. This was achieved through the following steps. Permission was sought from Siaya Retirees Entrepreneurs association and other respective authorities who were involved in the study. Respondents
were told the purpose of the study or the intention of the research that was for learning purposes only. A high level of confidentiality and privacy was observed. The findings of the study were only submitted to the Kisii University.
CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the data analysis, presentation, interpretation and discussion of the findings. The study investigated factors affecting performance of post retirement business enterprises in Ugunja Sub County, Siaya County. The chapter is divided into numerous sections namely; response rate, the demographic information of the participants and the study objectives specifically was to; find out the influence of the entrepreneurial knowledge on the performance of post retirement business enterprises, investigate the effects of finance availability on the performance of post retirement business enterprises, establish the effects of business location on the performance of post retirement business enterprises and assess the influence of business demand on the performance of post retirement business enterprises in Ugunja Sub County, Siaya county. The chapter starts with the response rate and then demographic information of the participants involved in the study.

4.2 Response Rate

A total of 80 questionnaires were sent out to the respondents to fill. Of these questionnaires, 77 were returned for analysis. The returned 77 questionnaires accounted for 96.25% response rate. A response rate of 70% and above is adequate (Mugenda and Mugenda, 2013) and therefore a response rate of 96.25% was acceptable for data analysis. Table 4.1 shows the response rate.
Table 4.1: Response rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administered</td>
<td>80</td>
<td>100.0 %</td>
</tr>
<tr>
<td>Returned</td>
<td>77</td>
<td>96.25%</td>
</tr>
</tbody>
</table>

4.3 Demographic Characteristics of the respondents

Among the demographic information sought were; academic level, age, period in business, duration taken before start of business, type of business, social capital and number of employees they had. These variables were considered to have an influence on the performance of post retirement business enterprises.

4.3.1 Level of academic qualification of respondents

The respondents were asked to indicate their level of academic qualification in the questionnaire. The results are presented in Table 4.2.

Table 4.2: Level of academic qualification of respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>23</td>
<td>29.9</td>
</tr>
<tr>
<td>College</td>
<td>34</td>
<td>44.2</td>
</tr>
<tr>
<td>University</td>
<td>13</td>
<td>16.9</td>
</tr>
<tr>
<td>Others</td>
<td>7</td>
<td>9.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>77</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
The findings above shows that majority 34 (44.2%) of the respondents had college level of academic qualification, 23(29.9%) had secondary level of academic qualification, 13 (16.9%) had university level of academic qualification while 7 (9.1%) had other level of academic qualification not mentioned.

This implies that majority of the respondents were educated and therefore were in a good position to manage their business and answer the questionnaire appropriately.

4.3.2 Age of the respondents

The respondents were asked to indicate their ages in the questionnaire. The results are presented in Table 4.3.

Table 4.3: Age of the respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 55yrs</td>
<td>7</td>
<td>9.1</td>
</tr>
<tr>
<td>56-60yrs</td>
<td>31</td>
<td>40.3</td>
</tr>
<tr>
<td>61-70yrs</td>
<td>34</td>
<td>44.2</td>
</tr>
<tr>
<td>above 70yrs</td>
<td>5</td>
<td>6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>77</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

As shown in Table 4.3, most 34(44.2%) of the respondents were of the ages between 61-70 years, 31(40.3%) between 56-60 years, 7(9.1%) below 55 years and only 5(6.5%) was above 70 years. This implies that majority of the retirees 56 to 70 years when they are still energetic and just received pension.
4.3.3 Respondents’ period in business

The respondents were asked to indicate their period in business in the questionnaire. The results are presented in Table 4.4.

Table 4.4: Period in business

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2yrs</td>
<td>12</td>
<td>15.6</td>
</tr>
<tr>
<td>3-5yrs</td>
<td>58</td>
<td>75.3</td>
</tr>
<tr>
<td>Over 5yrs</td>
<td>7</td>
<td>9.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>77</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

As shown in Table 4.4, most 58(75.3%) of the respondents had been in the business for a period of between 3-5 years, 12(15.6%) between 1-2 years and 7(9.1%) for a period of over five years. This implies that most business owned by retirees do not last for over five years and this could be because most retirees finish all their pension money within five years.

4.3.4 Time taken by the respondents before starting business after retirement

The respondents were asked to indicate in the questionnaire, time they took before starting business after retirement period in being in business. The results are presented in Table 4.5.
Table 4.5: Time taken by the respondents before starting business after retirement

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2yrs</td>
<td>25</td>
<td>32.5</td>
</tr>
<tr>
<td>3-4yrs</td>
<td>47</td>
<td>61.0</td>
</tr>
<tr>
<td>after 4yrs</td>
<td>5</td>
<td>6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>77</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The findings show that most 47(61.0%) of the respondents started their business 3-4 years after retirement, 25(32.5%) between 1-2 years and 5(6.5%) after four years. This implies that most retirees start their business immediately after receiving their pension, that 3 years after retirement.

4.3.5 Type of business

The respondents were asked to indicate their type of business in the questionnaire. The results are presented in Table 4.6.

Table 4.6: Type of business

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>sole proprietorship</td>
<td>66</td>
<td>82.5</td>
</tr>
<tr>
<td>Partnership</td>
<td>14</td>
<td>17.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

As shown in Table 4.6, most 66(82.5%) of the respondents had sole proprietorship type of business and minority 14(17.5%). This implies that most of retirees prefer having sole proprietorship type of business as this is easy to manage.
4.3.6 Respondents Source of capital

The respondents were asked to indicate their sources of capital in the questionnaire. The results are presented in Table 4.7.

**Table 4.7: Source of Capital**

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings</td>
<td>29</td>
<td>37.7</td>
</tr>
<tr>
<td>retirement benefits</td>
<td>47</td>
<td>61.0</td>
</tr>
<tr>
<td>Loans</td>
<td>1</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The findings show that most 47(61.0%) of the respondents had retirement benefits as their source of capital, 29(37.7%) from savings with only 1(1.3%) from loans. This implies that most retirees start their business because of the retirement benefits. It also indicates that it is hard for retirees to get loans.

4.3.7 Respondents number of employees

The respondents were asked to indicate the number of employees they have in the questionnaire. The results are presented in Table 4.8.

**Table 4.8: Number of employees**

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>7</td>
<td>9.1</td>
</tr>
<tr>
<td>1-5</td>
<td>65</td>
<td>84.4</td>
</tr>
<tr>
<td>6-10</td>
<td>5</td>
<td>6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
The findings revealed that most 65(84.4%) of the respondents had between 1-3 employees, 7(9.1%) had no employees and 5(6.5%) had between 6-10 employees. This implies that most retirees business had less than 5 employees and this could be due to the type of the business (sole proprietorship).

4.4 Effects of entrepreneurial knowledge on performance of post retirement business enterprises

For analysis of objective one, Chi-square was the preferred statistic. This statistic helped to find out the influence of the entrepreneurial knowledge on the performance of post retirement business enterprises in Ugunja sub, county Siaya County. The analysis therefore opens with the descriptive statistics (frequency, percentage and mean distribution) for the level of agreement on a five point Likert scale of the variable entrepreneurial knowledge (Table 4.9).

4.4.1. Descriptive statistics for effects of entrepreneurial knowledge on performance of post retirement business enterprise

For analysis, frequency, percentages and mean ratings of response for each item were examined and summarized in Table 4.9.
Table 4.9: Descriptive statistics for effects of entrepreneurial knowledge on performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Statement on entrepreneurial knowledge</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>MEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>To begin the business someone has to be competent enough in business management</td>
<td>F</td>
<td>57</td>
<td>18</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>%</td>
<td>74.0</td>
<td>23.4</td>
<td>1.3</td>
<td>0</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>entrepreneurial training may improve existing knowledge hence have an impact on the business performance</td>
<td>F</td>
<td>45</td>
<td>31</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>%</td>
<td>58.4</td>
<td>40.3</td>
<td>0</td>
<td>0</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>The organization allows employees to attend post retirement business seminars</td>
<td>F</td>
<td>43</td>
<td>33</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>%</td>
<td>55.8</td>
<td>42.9</td>
<td>0</td>
<td>0</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>For excellence in the business one has to be aware of the knowledge required in entrepreneurship</td>
<td>F</td>
<td>51</td>
<td>26</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>%</td>
<td>66.2</td>
<td>33.8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>During recruitment of workers entrepreneurial educational background matters.</td>
<td>F</td>
<td>54</td>
<td>22</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>%</td>
<td>70.1</td>
<td>28.6</td>
<td>1.3</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.9 shows that 57(74.0%) respondents strongly agreed with the statement that to begin the business someone had to be competent enough in business management, 18(23.5%) respondents agreed, 1(1.3%) respondents was undecided and another 1(1.3%) strongly disagreed while none 0(0.0%) disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.69) that to begin the business someone had to be competent enough in business management.
In addition, 45 (58.4%) respondents strongly agreed with the statement that entrepreneurial training improved existing knowledge hence had an impact on the business performance, 31 (40.3%) respondents agreed, 1 (1.3%) respondents strongly disagreed while none 0 (0.0%) was undecided and disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.55) that entrepreneurial training improved existing knowledge hence had an impact on the business performance.

Similarly, 43 (55.8%) respondents strongly agreed with the statement that the organization allowed employees to attend post retirement business seminars, 33 (42.9%) respondents agreed, 1 (1.3%) respondents strongly disagreed while none 0 (0.0%) of the respondents was undecided and disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.52) that the organization allowed employees to attend post retirement business seminars.

Further, 51 (66.2%) respondents strongly agreed with the statement that for excellence in the business one had to be aware of the knowledge required in entrepreneurship, 26 (33.8%) respondents agreed while none 0 (0.0%) of the respondents was undecided, disagreed and strongly disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.66) that for excellence in the business one had to be aware of the knowledge required in entrepreneurship.

Finally, 54 (70.1%) respondents strongly agreed with the statement that during recruitment of workers entrepreneurial educational background matters, 22 (28.6%) respondents agreed, 1 (1.3%) respondents was undecided while none 0 (0.0%) of the
respondents disagreed and strongly disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.69) that during recruitment of workers entrepreneurial educational background matters.

This corroborates with the findings from Republic of Kenya (2005) report that the Government of Kenya recognizes that access to entrepreneurial knowledge development is key to the growth and development of any enterprise.

The findings are also in line with Beach, (2009) and Mwirigi, (2007) that knowledgeable entrepreneurs have a greater ability of achieving the objectives they have set in their undertakings. They can easily survive in tough situations. This implies that entrepreneurial knowledge influences the performance of post retirement business enterprises.

These descriptive statistics of objective one was followed by a Chi-square test to examine the relationship between entrepreneurial knowledge and performance of post retirement business enterprises. This was analyzed under the following sub-section.

4.4.2. Chi-square test for relationship between entrepreneurial knowledge and performance of post retirement business enterprises

The Chi-square test at $p \leq 0.05$ significance level illustrating statistically significant relationship between entrepreneurial knowledge and the performance of post retirement business enterprises are as summarized in Table 4.10. Therefore, Table 4.10 presents the Chi-square test that was conducted to find out the influence of the entrepreneurial
knowledge on the performance of post retirement business enterprises in Ugunja Sub, County Siaya County.

**Table 4.10: Chi-square test for relationship between entrepreneurial knowledge and performance of post retirement business enterprise**

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>94.380a</td>
<td>56</td>
<td>.001</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>49.817</td>
<td>56</td>
<td>.707</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.510</td>
<td>1</td>
<td>.475</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 68 cells (94.4%) have expected count less than 5. The minimum expected count is .01.

From the results in Table 4.10, the P-value for the Pearson Chi-Square test for relationship between entrepreneurial knowledge and the performance of post retirement business enterprises is 0.001 at 5% level of significance, therefore, showing a significant relationship between entrepreneurial knowledge and performance of post retirement business enterprises.

This is also supported by studies done by Nazen et al in Ghorbani (2012) which confirms a significant relationship between knowledge and entrepreneurship development. Another study done by Wong and Chin (2007) showed a significant relationship between knowledge and entrepreneurial performance. They stated that for business to flourish, knowledge is vital.
4.5 Effects of financial availability on performance of post retirement business enterprises

For analysis of objective two, Chi-square was the preferred statistic. This statistic helped to investigate the effects of finance availability on the performance of post retirement business enterprises in Ugunja sub County, Siaya County. The analysis therefore starts with the descriptive statistics (frequency, percentage and mean distribution) for the level of agreement on a five point Likert scale of the variable financial availability (Table 4.11).

4.5.1. Descriptive statistics for effects of financial availability on performance of post retirement business enterprise

For analysis, frequency, percentages and mean ratings of response for each item were investigated and summarized in Table 4.11.
Table 4.11: Descriptive statistics for effects of financial availability on performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Statement on financial availability</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>MEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>As an entrepreneur, there should be financial reserve in the business</td>
<td>F</td>
<td>40</td>
<td>35</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>As an entrepreneur one should have access to credit facilities before</td>
<td>F</td>
<td>44</td>
<td>29</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>There should be other financial assistance apart from your own benefits</td>
<td>F</td>
<td>59</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>For the business to be successful, the cash flow should be adequate</td>
<td>F</td>
<td>63</td>
<td>14</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 4.11 shows that 40 (51.9%) of respondents strongly agreed with the statement that as an entrepreneur, there should be financial reserve in the business, 35 (45.5%) respondents agreed, 1 (1.3%) disagreed and another 1 (1.3%) strongly disagreed while none (0.0%) respondents was undecided on the statement. The study findings suggested that the respondents agreed (Mean=4.45) that as an entrepreneur, there should be financial reserve in the business.

In addition, 44 (57.1%) respondents strongly agreed with the statement that as an entrepreneur one should have access to credit facilities before, 29 (37.7%) respondents agreed, 4 (5.2%) respondents were undecided on the statement while none (0.0%) of the respondents disagreed and strongly disagreed with the statement. It emerged from the
study that the respondents tended to strongly agree (Mean=4.52) that as an entrepreneur one should have access to credit facilities before.

Similarly, 59(76.6%) respondents strongly agreed with the statement that there should be other financial assistance apart from your own benefits, 18(23.4%) respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and disagreed with the statement. The study findings suggested that the respondents tended to strongly disagree (Mean=4.77) that there should be other financial assistance apart from your owners benefits.

Finally, 63(81.8%) respondents strongly agreed with the statement that for the business to be successful the cash flow should be adequate, 14(18.2%) respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and strongly disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.82) that for the business to be successful the cash flow should be adequate.

It is justified by Economic the findings Survey (2006) that the limited access to financial resources by business enterprises contributed generally to their low growth and development when compared to their larger counterparts.

This is also in line with the findings of World Bank (2014) that financial availability affects business performance. This implies that that an increase in finance by post retirement entrepreneurs enhances the performance of post retirement business enterprises.
These descriptive statistics of objective two was followed by a Chi-square test to investigate the relationship between financial availability and the performance of post retirement business enterprises. This was analyzed under the following sub-section.

4.5.2. Chi-square test for relationship between financial availability and performance of post retirement business enterprises

The Chi-square test at $p \leq 0.05$ significance level illustrating statistically significant relationship between financial availability and the performance of post retirement business enterprises are as summarized in Table 4.12. Therefore, Table 4.12 presents the Chi-square test that was conducted to find out the influence of the financial availability on the performance of post retirement business enterprises in Ugunja Sub, County Siaya County.

Table 4.12: Chi-square test for relationship between financial availability and performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>123.282a</td>
<td>48</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>49.459</td>
<td>48</td>
<td>.415</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>11.384</td>
<td>1</td>
<td>.001</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 59 cells (93.7%) have expected count less than 5. The minimum expected count is .01.

From the results in Table 4.12, the P-value for the Pearson Chi-Square test for relationship between financial availability and the performance of post retirement business enterprises is 0.000 at 5% level of significance, showing a significant
relationship between financial availability and the performance of post retirement business enterprises. These findings are in agreement with the study done by Moores and Mula (2003) who indicated a significant relationship between financial availability and success of business enterprises.

4.6 Effects of business location on performance of post retirement business enterprises

For analysis of objective three, Chi-square was the preferred statistic. This statistic helped to establish the effects of business location on the performance of post retirement business enterprises in Ugunja sub County, Siaya County. The analysis therefore starts with the descriptive statistics (frequency, percentage and mean distribution) for the level of agreement on a five point Likert scale of the variable business location (Table 4.13).

4.6.1. Descriptive statistics for effects of business location on performance of post retirement business enterprise

For analysis, frequency, percentages and mean ratings of response for each item were established and summarized in Table 4.13.
Table 4.13: Descriptive statistics for effects of business location on performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Statement on business location</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>MEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>The business is facing a lot competition due to location of my business</td>
<td>F</td>
<td>63</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td><strong>4.81</strong></td>
</tr>
<tr>
<td>By laws on location of business were adhered to in the location of this business</td>
<td>F</td>
<td>44</td>
<td>33</td>
<td>0</td>
<td>0</td>
<td><strong>4.57</strong></td>
</tr>
<tr>
<td>Business location has led to increased sales</td>
<td>F</td>
<td>57</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td><strong>4.74</strong></td>
</tr>
<tr>
<td>Political changes in the country affects business location</td>
<td>F</td>
<td>51</td>
<td>26</td>
<td>0</td>
<td>0</td>
<td><strong>4.66</strong></td>
</tr>
<tr>
<td>Economic changes in the country affects business location</td>
<td>F</td>
<td>64</td>
<td>12</td>
<td>1</td>
<td>0</td>
<td><strong>4.82</strong></td>
</tr>
</tbody>
</table>

Table 4.13 shows that 63(81.8%) respondents strongly agreed with the statement that the business was facing a lot competition due to location, 13(16.9%) respondents agreed, 1(1.3%) were undecided while non 0(0.0%) of the respondents disagreed and strongly disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.81) that the business was facing a lot competition due to location.

In addition, 44(57.1%) of respondents strongly agreed with the statement that as By-laws on location of business were adhered to in the location of this business, 33(42.9%) of respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and
strongly disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.57) that by-laws on location of business were adhered to in the location of this business.

Similarly, 57(74.0%) respondents strongly agreed with the statement that business location had led to increased sales, 20(26.0%) respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and disagreed with the statement. The study findings suggested that the respondents tended to strongly disagree (Mean=4.74) that business location had led to increased sales.

Further, 51(66.2%) respondents strongly agreed with the statement that political changes in the country affected business location, 26(33.8%) respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and strongly disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.66) that political changes in the country affected business location.

Finally, 64(83.1%) respondents strongly agreed with the statement that economic changes in the country affected business location, 12(15.6%) respondents agreed, 1(1.3%) were undecided while none 0(0.0%) of the respondents disagreed and strongly disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.82) that economic changes in the country affected business location.

The findings corroborates the finding of Esterban, Yuance and Christian (2010) who referred to location as the choice of locating your business either in rural or urban Centre and they also link location with the type of product or service the firm is intended to offer. In addition it supported by Yanfeng and Chunlin (2008) who found out the
significant role of location in the growth of Chinese. This implies that business location is a key ingredient to successful business performance.

These descriptive statistics of objective three was followed by a Chi-square test to establish the relationship between business location and performance of post retirement business enterprises. This was analyzed under the following sub-section.

4.6.2. Chi-square test for relationship between business location and performance of post retirement business enterprises

The Chi-square test at $p \leq 0.05$ significance level illustrating statistically significant relationship between business location and the performance of post retirement business enterprises are as summarized in Table 4.14. Therefore, Table 4.14 presents the Chi-square test that was conducted to establish the influence of business location on the performance of post retirement business enterprises in Ugunja Sub, County Siaya County.

Table 4.14: Chi-square test for relationship between business location and performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>42.921$^{a}$</td>
<td>24</td>
<td>.010</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>40.691</td>
<td>24</td>
<td>.018</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>7.867</td>
<td>1</td>
<td>.005</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 32 cells (88.9%) have expected count less than 5. The minimum expected count is .10.

From the results, the P-value for the Pearson Chi-Square test for relationship between business location and the performance of post retirement business enterprises is 0.01 at
5% level of significance. Since the p-value (p=0.01) is less than 0.05, therefore, statistically it shows significant relationship between business location and performance of post retirement business enterprises. The findings are in line with studies done by Kalyan and Atish (2006) which found a significant relationship between business location and performance of business enterprises. Another study done by Steintrager (2001) indicated that location is the first factor to be considered when starting a business; he stated that there is a significant relationship between business location and performance of business enterprises.

4.7 Effects of business demand on performance of post retirement business enterprises

For analysis of objective four, Chi-square was the preferred statistic. This statistic helped to assess the effects of business demand on performance of post retirement business enterprises in Ugunja sub County, Siaya County. The analysis therefore starts with the descriptive statistics (frequency, percentages and mean distribution) for the level of agreement on a five point Likert scale of the variable business demand (Table 4.15).

4.6.1. Descriptive statistics for effects of business demand on performance of post retirement business enterprise

For analysis, frequency, percentages and mean ratings of response for each item were assessed and summarized in Table 4.15.
Table 4.15: Descriptive statistics for effects of business demand on performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Statement on business demand</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>MEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>As you select the business one should look as the demand</td>
<td>F</td>
<td>53</td>
<td>24</td>
<td>0</td>
<td>0</td>
<td>4.69</td>
</tr>
<tr>
<td>As your business grows to meets the customers’ preference of the customers in the area affects the business</td>
<td>F</td>
<td>52</td>
<td>23</td>
<td>1</td>
<td>0</td>
<td>4.62</td>
</tr>
<tr>
<td>Commodity price affects customer loyalty to the business</td>
<td>F</td>
<td>52</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>4.68</td>
</tr>
<tr>
<td>Supply of product/services affects customer base</td>
<td>F</td>
<td>59</td>
<td>17</td>
<td>0</td>
<td>0</td>
<td>4.73</td>
</tr>
</tbody>
</table>

Table 4.15 shows that 53(68.8%) respondents strongly agreed with the statement that as you select the business one should look as the demand, 24(31.2%) respondents agreed, while non 0(0.0%) respondents was undecided, disagreed and strongly disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.81) that as you select the business one should look at the demand.

In addition, 56(72.7%) respondents strongly agreed with the statement that your business grew to meets the customers’, 20(26.0%) respondents agreed, 1(1.3%) strongly disagreed while none 0(0.0%) of the respondents was undecided and disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.69) that your business grew to meets the customers’.
Similarly, 52(67.5%) respondents strongly agreed with the statement that preference of the customers in the area affected the business, 23(29.9%) respondents agreed, 1(1.3%) was undecided and another 1(1.3%) strongly disagreed while none 0(0.0%) of the respondents disagreed with the statement. The study findings suggested that the respondents tended to strongly disagree (Mean=4.62) that preference of the customers in the area affected the business.

Further, 52(67.5%) respondents strongly agreed with the statement that commodity price affected customer loyalty to the business, 25(32.5%) respondents agreed while none 0(0.0%) of the respondents was undecided, disagreed and strongly disagreed with the statement. The study findings suggested that the respondents tended to strongly agree (Mean=4.68) that commodity price affected customer loyalty to the business.

Finally, 59(76.6%) respondents strongly agreed with the statement that supply of product/services affected customer base, 17(22.1%) respondents agreed, 1(1.3%) strongly disagreed while none 0(0.0%) of the respondents was undecided and disagreed with the statement. It emerged from the study that the respondents tended to strongly agree (Mean=4.73) that supply of product/services affected customer base. This is in line with the findings of Astebro and Dahlin (2005) and Armstrong (2005) that a good business marketing analysis should include demographic information and psychographic factors such as perception, motives, attitude that customers may want to satisfy. This implies that for enhanced performance of the customer loyalty and continuous supply of products demand should be ensured as this likely to affect performance of business.

This implies that business demand influences performance of post retirement business enterprises and therefore should be considered before the business starts.
These descriptive statistics of objective four was followed by a Chi-square test to assess the relationship between business demand and the performance of post retirement business enterprises. This was analyzed under the following sub-section.

4.7.2. Chi-square test for relationship between business demand and performance of post retirement business enterprises

The Chi-square test at \( p \leq 0.05 \) significance level illustrating statistically significant relationship between business demand and the performance of post retirement business enterprises are as summarized in Table 4.16. Therefore, Table 4.16 presents the Chi-square test that was conducted to find out the influence of the business demand on the performance of post retirement business enterprises in Ugunja Sub, County Siaya County.

Table 4.16: Chi-square test for relationship between business demand and performance of post retirement business enterprise

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>109.532</td>
<td>48</td>
<td>.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>37.437</td>
<td>48</td>
<td>.864</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>12.568</td>
<td>1</td>
<td>.000</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 59 cells (93.7%) have expected count less than 5. The minimum expected count is .01.

From the results in Table 4.16, the P-value for the Pearson Chi-Square test for relationship between business demand and the performance of post retirement business enterprises is 0.000. The p-value (p=0.000) is less than 0.05, therefore, showing a statistically significant relationship between business demand and the performance of
post retirement business enterprises. Since the p-value is less than 0.05, it means that there is a significant relationship between business demand and performance of post retirement business enterprises. The study is supported by a research conducted in 2007 about the determinants of small business growth in Nigeria (Okpara, Wynn and Pamela, 2007). Their study indicated a significant relationship between demand for services and products and business performance. They stated that businesses with high demand are more likely to grow faster than those without.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.2 Summary of the study findings

The findings on the effect of entrepreneurial knowledge on performance of post retirement business indicated that indeed entrepreneurial knowledge is necessary for the performance of businesses. As indicated in the study, competence in business management, improved knowledge through training had an impact on performance of post retirement entrepreneurial businesses. The study further noted that during recruitment of workers entrepreneurial educational background matters. These findings were confirmed by inferential statistics, using Pearson Chi-Square test for relationship, that, there is a significant relationship between entrepreneurial knowledge and performance of post retirement business enterprises.

On the effect of financial availability on performance of post retirement business enterprises, the findings indicated that business performance largely depend on the availability of finances. Besides, financial aids in all operations in a business, in acquiring resources and general financial cash flow and financial reserve in the business are vital. This could be achieved through access to credit facilities or assistance from retirement benefits. These findings were further confirmed by inferential statistics, using Pearson Chi-Square test for relationship, that, there is a significant relationship between financial availability and performance of post retirement business enterprises.
The study also investigated the effect of business location on performance of post retirement business enterprises and the findings indicated location as a key ingredient to business performance. Depending on the location of the business, it will be able to gain its competitive advantage. Besides, other factor like political and economic changes largely affects business location which in turn affects the performance of post retirement business enterprises. This was further supported by inferential statistics findings which indicated a significant relationship between business location and performance of post retirement business enterprises. It is also in line with Orloff (2002) that location of business is important to understand because it helps you to know rivalry among competitors, threat of potential entrance, substitute products and services.

On the effect of business demand on performance of post retirement business enterprises, the study indicated that business demand is a core factor in the performance of businesses. It was noted that businesses grow to meet customers’ expectations and therefore business location should be strategically located in order to allow business to meet its objectives. These findings were further confirmed by inferential statistics, using Pearson Chi-Square test which found out that, there is a significant relationship between business demand and performance of post retirement business enterprises.

5.3 Conclusion

The study concluded that through entrepreneurial knowledge, the performance of post retirement business enterprises is likely to improve. This is because there was a significant relationship between entrepreneurial knowledge and performance of post retirement business enterprises. This study implies that post retirement business enterprises should put a lot of emphasis on entrepreneurial training, allow employees to
attend seminars, to consider education background during recruitment of workers. This is supported by human capital theory which also explains the importance of entrepreneurial outcome to the economic value of a firm.

The findings on the effects of financial availability indicated that there was a significant relationship between financial availability and post retirement business performance. This implies that when the business has access to credit facilities, there is financial cash flow, and also there is financial reserve then the business has a high chance of doing well because they will be able to stock most of the goods required by customers. This is also supported by World Bank (2014) which stated that the limited access to financial resources by business enterprise generally contributed to their low growth and development.

The findings on the effects of business location showed that there is significant relationship between business location and performance of post retirement business enterprises. This implies that strategic business location i.e., locating business to places of less competition, adhering to By laws when starting business and considering economic, political and technological factors can make a tremendous improvement on business growth and hence profitability. This is supported by the contingency theory which states that there is no best way to organize a corporation to lead a company or to make decisions instead the optimal course is contingent.

On the effects of business demand on the performance of post retirement business, there was a significant relationship between demand and performance of post retirement business enterprises. It implies that business should meet
customers’ expectations, preferences of customers, price of commodity and supply of products/customers affects demand and therefore should be considered. This conclusion tallies with contingency theory that there is no best way to organize a corporation, to lead a company, or to make decisions instead, the optimal course of action is contingent (depended) upon the internal and external factors.

5.4 Recommendations of the study

In regard to the findings, conclusions and the direction from the literature review, it was apparent that entrepreneur knowledge, financial availability, business location and business demand affect performance of post retirement business enterprises. The study therefore suggests the following recommendation to enhanced performance of post retirement business enterprises; the policy makers should come up with a blue print plan for retirees, the government and other organizations should train retirees to have adequate entrepreneurial knowledge. Besides, the government and other organizations should facilitate loans for the retirees to enable them have sufficient funds, lastly, based on the findings, the retirees should ensure that they choose appropriate location and demand for their business.

5.5 Suggestions for further studies

The researcher suggests the following for further areas of research;

To gain a complete understanding on this subject, future research should be narrowed down to the effect of each indicator (entrepreneur knowledge, financial availability, business location and business demand) on the performance of post retirement business enterprises. The study was limited to four variables; entrepreneur knowledge, financial availability, business location and business demand.
A further study should also be carried out to find out other factors affecting performance of post retirement business enterprises. Lastly, the mediating effect of the relationship between the entrepreneurial knowledge, financial availability, business location and business demand and performance of post retirement business enterprises should be determined.
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Dear Sir/Madam,

REF: REQUEST TO PARTICIPATE IN RESEARCH

I am a MBA student of Kisii University, Eldoret Campus conducting a study on factors affecting performance of post retirement business enterprises in Ugunja Sub-County, Siaya County. I would humbly request you to create time out of your busy schedule and respond to questions given below. Your response will be treated with utmost confidentiality as it is for academic purpose only.

Yours sincerely,

Odhiambo Norbert Omuga

CBM12/10725/14

Agree to participate in research

Sign: ........................................ Date: ........................................
APPENDIX II: QUESTIONNAIRE

Section A: Demographic
(Please tick where necessary)

1. Educational level?
   a) Secondary ( )
   b) College ( )
   c) University ( )
   d) Others ( )

2. Age
   Below 55 yrs { }
   56-60 yrs { }
   61-70 yrs { }
   Above 70 yrs { }

Section B: General Information

3. How long have you been in business?
   1-2 years ( ) 3-5 years ( ) Over 5 years ( )

4. How long did it take you to start business after retirement?
   1-2 years ( ) 3-4 years ( ) After 4 years ( )

5. What type of business is it?
   Sole proprietorship ( ) Partnership ( ) Company ( )

6. What was the source of capital?
   Savings ( ) Retirement benefits ( ) Loans ( )
   Others………………………………………………………………………………

7. How many employees do you have?
   None ( ) 1-5 ( ) 6-10 ( ) Over 10 ( )
**Entrepreneurial Knowledge**

This section deals with information pertaining to entrepreneurial knowledge. Please indicate the level of your agreement with the following statements by ticking the most appropriate box using the rating provided.

Where strongly agree (5) agree (4) undecided (3) disagree (2) strongly disagree (1)

<table>
<thead>
<tr>
<th>SN</th>
<th>VARIABLE</th>
<th>SD</th>
<th>D</th>
<th>U</th>
<th>A</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To begin the business someone has to be competent enough in business management.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Entrepreneurial training may improve existing knowledge hence have an impact on the business performance.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>The organization allows employees to attend post retirement business seminars.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>For excellence in the business one has to be aware of the knowledge required in entrepreneurship.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>During recruitment of workers entrepreneurial educational background matters.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

**Finance Availability**

This section deals with information pertaining to financial management. Indicate the level of your agreement with the following statements by ticking the most appropriate box using the rating provided; where strongly agree (5) agree (4) undecided (3) disagree (2) strongly disagree (1)

<table>
<thead>
<tr>
<th>SN</th>
<th>VARIABLE</th>
<th>SD</th>
<th>D</th>
<th>U</th>
<th>A</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>As an entrepreneur, there should be financial reserve in the business.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>As an entrepreneur one should have access to credit facilities before starting a business.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>There should be other financial assistance apart from your own benefits.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>For the business to be successful the cash flow should be adequate.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
**Business location**

This section deals with information pertaining to business location. Please indicate the level of your agreement with the following statements by ticking the most appropriate box using the rating provided.

Where strongly agree (5) agree (4) undecided (3) disagree (2) strongly disagree (1)

<table>
<thead>
<tr>
<th>SN</th>
<th>VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The business is facing a lot of competition due to location of my business.</td>
</tr>
<tr>
<td>2</td>
<td>By laws on location of businesses were adhered to in the location of this business.</td>
</tr>
<tr>
<td>3</td>
<td>Business location has led to increased sales.</td>
</tr>
<tr>
<td>4</td>
<td>Political changes in the country affect business location.</td>
</tr>
<tr>
<td>5</td>
<td>Economic changes in the country affect business location.</td>
</tr>
<tr>
<td>6</td>
<td>Technological changes in the country affect business location.</td>
</tr>
</tbody>
</table>

**Business Demand**

This section deals with information pertaining to demand. Please indicate the level of your agreement with the following statements by ticking the most appropriate box using the rating provided.

Where strongly agree (5) agree (4) undecided (3) disagree (2) strongly disagree (1)

<table>
<thead>
<tr>
<th>SN</th>
<th>VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>As you select the business one should look at the demand of products/services to be provided.</td>
</tr>
<tr>
<td>2</td>
<td>As your business grows it meets the customers’ expectations.</td>
</tr>
<tr>
<td>3</td>
<td>Preference of the customers in the area affects the business performance.</td>
</tr>
<tr>
<td>4</td>
<td>Commodity price affects customer loyalty to the business.</td>
</tr>
<tr>
<td>5</td>
<td>Supply of products/services affects customer base.</td>
</tr>
</tbody>
</table>
Performance of post retirement business enterprises

Please rate the level of performance of business in terms of the following indicators using the rating provided

<table>
<thead>
<tr>
<th>SN</th>
<th>VARIABLE</th>
<th>Very much increased</th>
<th>Moderately Increased</th>
<th>Not changed</th>
<th>Moderately decreased</th>
<th>Very much decreased</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Daily sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Profits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Customer base</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX III: RESEARCH DATA COLLECTION PERMIT

KISII UNIVERSITY
(ISO 9001:2008 Certified Institution)
ELDORET CAMPUS
OFFICE OF THE DEPUTY DIRECTOR-ACADEMIC AFFAIRS
Phone: 020-2610479
Email:eldoretcampus@kisituniversity.ac.ke
P. O. Box 408- 40200
ELDORET-KENYA

5TH AUGUST, 2016

TO WHOM IT MAY CONCERN

Dear Sir / Madam.

RE: RESEARCH DATA COLLECTION PERMIT.

ODHIAMBO NORBERT OMUGA REG.NO: CBM12/10725/14

The above named is a bonafide student of Kisii university- Eldoret Campus pursuing a Masters Degree course in Business Administration (Entrepreneurship Option) in the School of Business and Economics.

He is working on his research entitled “Factors affecting Performance of Post Retirement Business Enterprises in Ugwia Subcounty, Siaya County” in partial fulfillment for the requirement of the Award of Masters in Business Administration (Entrepreneurship Option).

We are kindly requesting your office to provide him with the permit to proceed to the field for data collection and completion of his research.

Please do not hesitate to call the undersigned for any verification.

Any assistance extended to him will be highly appreciated.

Yours faithfully,

Charles O. Obbo (472286205)
DEPUTY DIRECTOR-ACADEMIC AFFAIRS
APPENDIX IV: RESEARCH AUTHORIZATION

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471, 2241349, 3310571, 2219420
Fax: +254-20-318245, 318249
Email: dg@nacost.go.ke
Website: www.nacost.go.ke
when replying please quote

Ref: No.

NACOSTI/P/16/32903/13034

26th August, 2016

Odhiambo Norbert Omuga
Kisii University
P.O. Box 402-40800
KISII.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on “Factors affecting performance of Post Retirement Business Enterprises in Ugunja Sub County, Siaya County,” I am pleased to inform you that you have been authorized to undertake research in Siaya County for the period ending 26th August, 2017.

You are advised to report to the County Commissioner and the County Director of Education, Siaya County before embarking on the research project.

On completion of the research, you are expected to submit two hard copies and one soft copy in pdf of the research report/thesis to our office.

Boniface Wanyama
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Siaya County.

The County Director of Education
Siaya County.
APPENDIX V: RESEARCH CLEARANCE PERMIT

THIS IS TO CERTIFY THAT:
MR. ODHIAMBO NORBERT OMUGA
of KISII UNIVERSITY, 0-30100
eldoret, has been permitted to conduct
research in Siaya County

on the topic: FACTORS AFFECTING
PERFORMANCE OF POST RETIREMENT
BUSINESS ENTERPRISES IN UGUNJA SUB
COUNTY, SIAYA COUNTY

for the period ending:
26th August, 2017

Applicant's Signature

Permit No: NACOSTI/P/16/32903/13034
Date Of Issue: 26th August, 2016
Fee Received: Ksh 1000

Director General
National Commission for Science,
Technology & Innovation

CONDITIONS
1. You must report to the County Commissioner and
the County Education Officer of the area before
embarking on your research. Failure to do that
may lead to the cancellation of your permit.
2. Government Officer will not be interviewed
without prior appointment.
3. No questionnaire will be used unless it has been
approved.
4. Excavation, filming and collection of biological
specimens are subject to further permission from
the relevant Government Ministries.
5. You are required to submit at least two(2) hard
copies and one (1) soft copy of your final report.
6. The Government of Kenya reserves the right to
modify the conditions of this permit including
its cancellation without notice.