Family Business Ownership and Entrepreneurial Innovation Among the Youth in Hell's Gate Ward, Naivasha Sub-County, Kenya

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ABSTRACT

Entrepreneurial innovation among Kenyan youth is crucial for addressing youth unemployment and stimulating economic growth. Despite entrepreneurship promotion efforts, only a small percentage of youth successfully transform innovative ideas into sustainable businesses. The study sought to investigate the influence of family business ownership on entrepreneurial innovation among the youth in Hell's Gate Ward, Naivasha Sub-County, Kenya. The study was anchored on the Resource-Based View (RBV) theory and utilized the cross-sectional survey research design. The target population comprised 13,161 youths in Hell's Gate ward in Naivasha Sub-County, Kenya. The study used convenience sampling technique to select 60 youths from a church in Hell's Gate Ward. Data was collected using a questionnaire with closed-ended question and open-ended questions for collecting continuous data. Data was analysed using frequencies, percentages and cross-tabulation with chi-square with the aid of Statistical Package for the Social Sciences (SPSS) version 26. Results showed that 39% of youth in Hell's gate Ward had engaged in entrepreneurial innovation. This study concluded that family business ownership had a statistically significant influence on entrepreneurial innovation among the youth in Hell's Gate Ward. The findings showed that 58.1% of youth from households that owned a business engaged in entrepreneurial innovation, compared to only 17.9% of those whose households did not own a business ($X^2 = 9.999$, $p = .002$). Conversely, youth from households that had operated a business for five years and above were the most likely to engage in entrepreneurial innovation (76.5%). These were followed by those from households with a business for five years or less (35.7%). On the other hand, only 17.9% of youth from households that had never owned a business engaged in entrepreneurial innovation ($X^2 = 15.360$, $p = .000$). The findings also show that youth involvement in family business decision-making significantly influenced their engagement in entrepreneurial innovation. Among those whose households owned a business but did not involve them in decision-making, only 28.6% engaged in entrepreneurial innovation. However, among those actively involved in decision-making, 66.7% engaged in entrepreneurial innovation ($X^2 = 13.305$, $p = .001$). These results suggest that both the duration of business ownership and youth participation in business decision-making play significant roles in fostering entrepreneurial innovation among young people. Based on the findings, the study recommends that policy makers and development practitioners should direct their interventions towards youths in families that do not own a business or those that have operated businesses for less than five years. Policy makers and practitioners should also develop interventions that encourage families to involve their children and youth in operating family businesses.

Keywords: Business Ownership, Entrepreneurship, Entrepreneurial Innovation, Family, Hell's Gate, Household, Kenya, Naivasha, Youth

I. INTRODUCTION

Entrepreneurial innovation is the process through which individuals or groups introduce new ideas, products, services, or methods that meet market demands and solve emerging societal problems. It involves combining creativity and business acumen to develop solutions that add value, often resulting in the creation or improvement of goods and services, thus distinguishing an entrepreneur's offerings in the competitive market (Drucker, 2019; Tidd & Bessant, 2021). This process includes ideation, design, testing, and implementation, and can be applied within new startups or within existing organizations. Entrepreneurial innovation is characterized by its transformative nature, as it aims to reshape industries and societal norms by challenging traditional approaches and encouraging experimentation and risk-taking (Acs & Audretsch, 2021; Organisation for Economic Co-operation and Development, 2022). In today's rapidly changing economy, entrepreneurial innovation has become crucial for businesses aiming to remain competitive, pushing entrepreneurs to not only improve their offerings but also develop sustainable solutions that anticipate future market shifts (Fagerberg et al., 2023).

Entrepreneurial innovation among youth is significant as it stimulates economic growth, creates job opportunities, and fosters social progress. Young entrepreneurs are often more receptive to new technologies and are adept at integrating them into business solutions, which drives modernization in various sectors, including agriculture, technology, and manufacturing (Nambisan 2020; Mazzucato & Robinson, 2021). In developing economies, youth entrepreneurship addresses critical employment challenges, helping to reduce unemployment rates among young people

by creating self-employment opportunities and contributing to the creation of more job roles for others. Additionally, entrepreneurial innovation among youth encourages social impact through startups that address pressing community issues, such as healthcare access and environmental conservation, demonstrating that entrepreneurial efforts go beyond profits and contribute to sustainable development goals (Herrington et al., 2021; Mas-Tur et al., 2023). The presence of a vibrant youth entrepreneurial sector also attracts investment, enhances productivity, and helps countries achieve a competitive edge in the global market, making it a key driver of socio-economic advancement (Arshed et al., 2022).

The measurement of entrepreneurial innovation involves various qualitative and quantitative indicators that assess both the output and impact of innovation efforts. Key metrics include the number of new products or services introduced by youth entrepreneurs, patents granted, and the revenue generated from new products as a share of total business revenue (Organisation for Economic Co-operation and Development, 2019; Baer & Frese, 2021). Additionally, innovation can be measured by assessing the market reach of new offerings, such as the number of users or geographic spread, indicating the scalability and effectiveness of the innovation. Surveys and interviews often measure qualitative aspects, such as an entrepreneur's ability to pivot in response to market changes or adopt new technologies (Sharma, 2023). Furthermore, social impact indicators, such as contributions to job creation and community development, provide insights into the broader societal effects of youth-driven entrepreneurial innovation, helping to evaluate how these initiatives address social needs (Cunningham & O'Kane, 2021).

Household ownership of a business is another influential factor, as it provides youth with firsthand exposure to entrepreneurship from a young age (Marques et al., 2019; Baluku et al., 2020; McElwee & Thomas, 2021). Youth in business-owning families gain practical insights into business operations, challenges, and strategies, which can inspire them to develop innovative approaches in their own ventures. Such families may also be more supportive of entrepreneurial pursuits, given their own experiences with business ownership. In contrast, youth without exposure to family-run businesses may lack the practical knowledge or motivation that fosters entrepreneurial innovation (Danquah et al., 2021). Exploring these household factors offers valuable insights into how socio-economic contexts influence the ability of youth to engage in innovative entrepreneurship.

1.1 Statement of the Problem

Entrepreneurial innovation among Kenyan youth is crucial for addressing youth unemployment and stimulating economic growth, yet multiple barriers limit its effectiveness. Despite entrepreneurship promotion efforts, only a small percentage of youth successfully transform innovative ideas into sustainable businesses. Youth unemployment remains high, with 65.7% of those aged 15-24 unemployed, indicating a limited market capacity to absorb young job seekers (Kenya National Bureau of Statistics [KNBS], 2022). Challenges such as restricted access to capital, inadequate business skills, and limited support for innovation contribute to the high failure rate among youth-led businesses. The Kenya Youth Employment and Opportunities Project (2021) reports that over 70% of these businesses struggle to scale or sustain operations, with weak innovative capabilities being a primary factor (World Bank, 2021). These statistics are an indication of a deficit in the level of entrepreneurial innovation among the youth in Kenya Understanding factors that shape entrepreneurial innovation among the youth may aid the development of policies and programmes that will promote this practice. Studies like Decker and Gunther (2020) and Matzler et al. (2022) suggest that there is a connection between family business ownership and entrepreneurial innovation among the youth. However, the studies have been conducted in the European context and thus may not reflect the realities faced by the youth in Kenya. This study sought to address this gap.

1.2 Research Objectives

The specific objectives of the study were:

i. To establish the level of entrepreneurial innovation among the youth in Hell's Gate Ward, Naivasha Sub-County, Kenya.
ii. To determine family- business ownership among the youth in Hell's Gate Ward, Naivasha Sub-County, Kenya.
iii. To assess the influence of family business ownership on entrepreneurial innovation among the youth in Hell's Gate Ward, Naivasha Sub-County, Kenya.

II. LITERATURE REVIEW

2.1 Theoretical Review

The study was anchored on the Resource-Based View (RBV) theory developed by Penrose (1959) and was later enhanced by Wernerfelt (1984).The RBV theory posits that the resources and capabilities of a firm are critical in achieving a competitive advantage and ensuring long-term sustainability (Wernerfelt, 1984). In the context of youth in Hell's Gate Ward, this theory helped to examine how various household factors influence their capacity for entrepreneurial innovation. The Resource-Based View is a prominent theory in highlighting the importance of internal resources as a key determinant of competitive advantage.

According to the RBV, firms achieve sustained success by effectively utilizing valuable, rare, inimitable, and non-substitutable resources (Barney, 1991). In the context of youth entrepreneurship, the RBV is relevant in understanding how household factors such as economic status, parental education, and business ownership can provide the resources necessary for innovation. These internal household resources can serve as a foundation for entrepreneurial success, enabling young people to navigate market challenges and create innovative business solutions (Penrose, 1959). This approach aligned well with the current study, which focused on how these household factors influence entrepreneurial innovation among youth in Hell's Gate Ward.

Despite its strengths, the RBV has been subject to several critiques, particularly regarding its overemphasis on internal resources. Critics argue that the RBV tends to overlook the impact of external factors, such as market competition, government policies, and technological changes, which also significantly shape entrepreneurial innovation (Priem & Butler, 2016). In the case of Hell's gate Ward, youth entrepreneurs may be constrained not only by limited household resources but also by external challenges like inadequate infrastructure, limited access to technology, and a lack of supportive policies for startups. The RBV's narrow focus on internal resources may not fully account for these external factors, which could be just as influential in shaping entrepreneurial outcomes (Gerhart & Feng, 2021).

Despite these critiques, the RBV remains highly relevant to the current study on household factors influencing entrepreneurial innovation among youth in Hell's Gate Ward. The RBV provides a framework for understanding how household resources, such as financial support, parental education, and business ownership, contribute to the innovation process (Calabro et al., 2021). For instance, households with better economic status may offer youth the financial means to pursue entrepreneurial ventures, while parents with business expertise can provide essential knowledge and guidance. Furthermore, the RBV's emphasis on leveraging internal resources is particularly useful in a resource-constrained environment like Hell's gate, where youth may need to maximize the potential of their household resources to succeed in entrepreneurship (Gerhart & Feng, 2021). By focusing on the resources available within households, the RBV provides valuable insights into how youth can overcome barriers to innovation and create successful businesses in a challenging environment.

2.2 Empirical Literature

This section examines empirical literature related to the issues of study. It is organized into three sections namely: level of entrepreneurial innovation among the youth, family business ownership trends, and relationship between family business ownership and entrepreneurial innovation among the youth.

2.2.1 Level of Entrepreneurial Innovation among the Youth

The study by Leelavathi et al (2021) examined trends and patterns of entrepreneurial innovation in the city of Chennai in India. The study utilized the survey design that entailed collecting data from a sample of 60 entrepreneurs in the city. Results showed that there were no statistically significant differences in the level of entrepreneurial innovation across participants in different age categories. This result implied that youthful entrepreneurs were just as innovative as their older counterparts. The results indicate that the youth are capable of engaging in entrepreneurial innovation. This study was however conducted in India and thus, there were questions regarding the extent to which its findings could provide an accurate representation of the level of entrepreneurial innovation in Hell's gate ward in Kenya.

The study by Herbst et al. (2023) also found that youthful entrepreneurs in China were leveraging on innovation to sustain and grow their businesses. The study utilized the case study design that entailed collecting data from youth owned businesses in the city of Hangzhou in China. Results showed that many of the young entrepreneurs in the city had integrated technology and digitized their businesses to make them adaptable to the dynamic market conditions and customer needs. Ecommerce platforms enabled the youth enterprises to access the global market and go ahead of competition. The study by Herbst et al. (2023) also illustrates the capability of youthful people to engage in entrepreneurial innovation. It was however conducted in a different context and thus might not have given a true reflection of the situation in Hell's gate Ward.

2.2.2 Family Business Ownership Trends

Family businesses account for more than 66% of all businesses that exist globally and contribute towards 70-90% of the global annual gross domestic products (Ahn et al., 2020). These statistics imply that ownership of businesses by families is a widespread trend around the globe. However, the proportion of business ownership by families varies from one place to another. In the United States, 8.1% of families owned a business where they had an active role in management in 2022 (Edelberg & Silber, 2024). This was an increase from 7.3% that was recorded in 2016. These statistics imply that the number of family that owned and operated a business had increased between 2016 and 2022 suggesting that family business ownership also changes across time. The proportion of families that had any stake in a business even without being actively involved in the management of the business was 14.6% in 2022 (Edelberg & Silber, 2024).

In Europe, 13.2% of households owned and operated a business in 2022 (The European Centre for the Development of Vocational Training, 2024). The largest prevalence of family business ownership was recorded in Greece where 27.3% of families had a business while the lowest was documented in Norway where 4.1% of the families owned a business (ibid). About 64% of family businesses were in the Agriculture sector, 17.6% were in trade, 13.7% provided professional services, and 13.2% were into service and sales work (ibid). In Kenya, the study by Kansiime et al. (2021), found that 18% of households in Kenya relied on self-employment as the main source of income in the year 2020. This implies that the proportion of Kenyan families that owned a business in that year was higher if families that owned a business that was not the main source of income are considered.

2.2.3 Family Business Ownership and Entrepreneurial Innovation among the Youth

Matzler et al. (2022) did a study on the impact of household ownership, management and governance on innovation. A dataset of large German publicly traded firms between 2000 and 2009 was used to test how these three dimensions of family influence predict innovation input and output. The results showed that family participation in management and governance has a negative impact on innovation input and a positive influence on innovation output. The study suggested that family members are risk averse and reluctant to invest in innovation, but at the same time do so more effectively. However, this study was conducted in Germany where the economic, social and technological environments differ significantly from the environment in Kenya. Consequently, findings may not reflect the reality that Kenyan youths encounter.

Decker and Gunther (2020) did a study on the impact of family business ownership on innovation in the context of the German machine tool industry. The study utilized secondary data collected from the German machine tool industry from 2010 to 2019. The study findings showed that it is not household business ownership that drives or impedes innovation in terms of the number of patents granted to a firm. The study concluded that an increase in the degree of family ownership and the generation of the family reduce the innovative output, whereas dedicated family business institutions nurture it. These findings suggest that relationship between household business ownership and entrepreneurial innovation is complex rather than linear. However, this study was also conducted in a first world country and therefore it may not reflect the experiences of the youth in Hell's gate Ward in Kenya.

In Zimbabwe, Maziriri et al. (2024) found that parental entrepreneurial passion was significantly and positively associated with children involvement in technopreneurship. The study employed the cross-sectional survey design and targeted generation-Z university students in the province of Harare. Results showed that children whose parent had greater passion in entrepreneurship were more likely to engage in technopreneurship. Results further showed that one mechanism through which parent entrepreneurial passion influence children technopreneurship is by shaping their attitude towards a career in technopreneurship. However, Maziriri et al. focus on technopreneurship, which is just one area of entrepreneurial innovation.

III. METHODOLOGY

The study utilized a cross-sectional survey research design. It was conducted in Hell's gate Ward, which is located in Naivasha Sub-County, Nakuru County, Kenya. Hell's gate is a rapidly growing urban area that offers a diverse socio-economic environment with a strong focus on agriculture, tourism, and small-scale businesses. The target population for this study comprised 13,161 youths in Hell's Gate Ward (Kenya National Bureau of Statistics, 2019). This group comprised of individuals between the ages of 18 and 34 years. The study used the convenience sampling method to select 60 youths from a church in Hell's Gate Ward. The youth were selected based on their availability in church during the day of data collection. Convenience sampling was used because it enabled the researcher to gather data quickly and with minimal costs (Creswell & Creswell, 2023).

Data was collected using a structured questionnaire. The questionnaire was designed to address the study's objectives capturing only quantitative data. It consisted of closed-ended questions, utilizing a wide range of response options. Data on continuous variables such as age and income was collected using open-ended questions. This approach allowed for the collection of standardized data that can be easily analysed. The questionnaire was pre-tested in Naivasha East Ward to refine questions and ensure clarity. Adjustments were made based on feedback from participants during the pre-test.

The data collecting process involved obtaining approval from St Paul's University Institutional Research and Ethics Review Committee (SPU-ISERC) to enable collection of data. The questionnaires was administered through a drop and pick method. The collected data was analysed using frequencies, percentages and cross-tabulation with chi-square. The analysis was done using the Statistical Package for the Social Sciences (SPSS) version 26.

IV. FINDINGS & DISCUSSION

4.1 Demographic Characteristics of the Respondents

A total of 60 questionnaires were completed during the data collection exercise. However, one questionnaire had many unanswered items and thus was left out of the analysis. Therefore, 59 questionnaires were analysed. The demographic traits of the respondents were analysed in terms of age, gender, marital status, highest level of education and current living arrangement. Table 1 presents the results.

Table 1

Respondents Demographic Profile

Variable	Categories	Frequency	Percent
Age	18- 24 years	25	42.4
	25- 29 years	24	40.7
	30- 34 years	10	16.9
Gender	Male	17	28.8
	Female	42	71.2
Marital status	Single	52	88.1
	Married	7	11.9
Highest level of education	Secondary or below	11	18.6
	Certificate or diploma	30	50.8
	Degree or higher	18	30.5
Current living arrangement	Living alone	25	42.4
	Living with parents	27	45.8
	Living with spouse/ partner	7	11.9

Results in Table 1 shows that 42.4% of the respondents were 18-24 years, 40.7% were 25-29 years and 16.9% were in 30-34 years brackets. These results indicate the sample was quite diverse in terms of age and therefore results would be representative of youth of all age categories. In terms of gender, 71.2% of the respondents were female while 28.8% were male indicating that the sample was biased in favour of female youth. This distribution could be attributed to the sampling strategy used where respondents were drawn from youth attending a church within Hells' Gate ward. The majority of the respondents (88.1%) were single while 11.9% were married, which might be an indication that the majority of the youth in the study area are single. About 11.9% of the respondents had secondary level of education or below, 50.8% had certificate or the diploma level and 30.5% had attained a bachelor's degree or higher. The results indicate that the sample was dominated by highly educated youth with over 80% having attained a post-secondary certificate or higher. About 42.4% of the respondents were living alone, 45.8% were living with parents and 11.9% were living with a spouse or partner.

4.2 Entrepreneurial Innovation among the Youth in Hell's gate Ward

The first objective was to determine the level of entrepreneurial innovation among the youth in Hell's gate Ward. Entrepreneurial innovation was measured using three items including (a) launch of product/ service, business or social enterprise that include a new idea, (b) type of entrepreneurial innovation and (c) monetization of the new idea. Table 2 presents the results.

Table 2

Entrepreneurial Innovation among the Youth

Variable	Categories	Frequency	Percent
Have you ever launched a product/ service/ business or social enterprise that includes new idea or approach	No	36	61.0
	Yes	23	39.0
Which of the following best describes the product/ service/ business/ social enterprise that you created	A new product/ service that did not exist before	4	6.8
	An improvement on an existing product/ service	7	11.9
	A new method of producing an existing product	4	6.8
	A new method of delivering an existing service	8	13.6
	I have not developed any product or service	36	61.0
Did the product/ service/ business/ social enterprise generate any income	I have not developed any product or service	36	61.0
	No	4	6.8
	Yes	19	32.2

Results in Table 2 show that 61% of the respondents had not launched a product/ service/ business or social enterprise that includes a new idea or approach while 39.0% had done so. These results imply that 39% of the youth in Hell's Gate ward had engaged in entrepreneurial innovation. The results are not congruent with those of Mwangi et al. (2022) who found that 80% of the youth in Kenya had an engaged in some form of entrepreneurial innovation. However, Mwangi et al. (2022) targeted the population of youth who were running micro and small enterprises while the current study targeted the general population of youth include those who were not engaged in business at the time of the study. The earlier study reflect entrepreneurial innovation rate among youth who are in entrepreneurship while the current study reflect the rate of entrepreneurial innovation in the general youth population.

Regarding the type of entrepreneurial innovation, results show that 6.8% of the respondent reported that they had developed a new product or service that did not exist before, 11.9% had made an improvement to an existing product or service, 6.8% had developed a new method of producing an existing product, and 13.6% had developed a new method of delivering an existing service. These results suggest that process innovation was the most frequently practiced form of entrepreneurial innovation by the youth in Hells' Gate Ward. This innovation entails implementing a new idea that improves the production or delivery method of a good or service (Dorin, 2018).

Results further elaborate that 32.2% of the respondents were able to earn an income from their entrepreneurial innovation while 6.8% were not. These results implies that among the youth who engage in entrepreneurial innovation, 82.6% are able to monetization their innovative ideas and creations. This is high rate when compared to the study by Kakade (2024), which found that only 5% of patents registered by students at Rajarambau Institute of Technology in India were found to be useful and commercialized within the industry. It is only through monetization and commercialization of innovation that young people will be able to create employment opportunities for themselves and others. Apart from creativity, monetization and commercialization of innovation is dependent on other factors like seed funding and strategic planning (Warusawitharana & Zucchi, 2022).

4.3 Family Business Ownership among Youth in Hell's gate Ward

The second objective of the study was to determine family business ownership among the youth in Hell's gate Ward. Family business ownership was measured using four indicators namely: whether household owns a business, type of business owned by the household, number of years the household has run the business, and whether the respondents is involved in making decisions in family business. Table 3 presents the findings.

Table 3

Household Ownership of Business

Variable	Categories	Frequency	Percent
Household owns a business	No	28	47.2
	Yes	31	52.5
Type of business owned by the household	None	28	47.5
	Retail	12	20.3
	Agricultural	10	16.9
	Service-based	9	15.3
Number of years household has run the business	No business	28	47.5
	5 years or less	14	23.7
	More than 5 years	17	28.8
Respondent is involved in making decision in family business	No Business	28	47.5
	No	7	11.9
	Yes	24	40.7

Results in Table 3 show that 52.5% of the youth were from households that owned a business while 47.2% were from households that did not own a business. This implies that the majority of the youth in Hell's gate ward come from households that own a business. These results are congruent with the study by Kansiime et al. (2021), which found that 18% of families in Kenya were reliant on self-employment as the main source of income while there were also families that had businesses but which were not their main source of income. Results also show that 20.3% of the households owned a retail business, 16.9% owned an agribusiness, and 15.3% owned a service business. In addition, 23.7% of the households had operated a business for 5 years or less and 28.8% had operated a business for more than 5 years. About 40.7% of the respondents indicated that they were actively involved in making decision in their family businesses while 11.9% said that they were not involved.

4.4 Family Business Ownership and Youth Entrepreneurial Innovation

The third objective of the study was to assess the influence of family business ownership on entrepreneurial innovation among the youth in Hell's gate Ward. To realize this objective, data on household ownership of business was cross-tabulated with the data on engagement on entrepreneurial innovation by the youth. Table 4 presents the results.

Table 4

Cross-Tabulation of Household Business Ownership and Youth Entrepreneurial Innovation

Household Economic Status Variable	Categories	Respondent has engaged in entrepreneurial innovation		X^2	P-value
		No	Yes		
Family owns business	No	23 (82.1)	5 (17.9)	9.999	.002
	Yes	13 (41.9)	18 (58.1)		
Type of business owned by the family	None	23 (82.1)	5 (17.9)	10.039	.018
	Retail	5 (41.7)	7 (58.3)		
	Agricultural	4 (40.0)	6 (60.6)		
	Service-based	4 (44.4)	5 (55.6)		
Number of years household has run the business	No business	23 (82.1)	5 (17.9)	15.360	.000
	5 years or less	9 (64.3)	5 (35.7)		
	More than 5 years	4 (23.5)	13 (76.5)		
Respondent is involved in making decision in family business.	No business	23 (82.1)	5 (17.9)	13.305	.001
	No	5 (71.4)	2 (28.6)		
	Yes	8 (33.3)	16 (66.7)		

Results in Table 4 shows that the proportion of youth who engaged in entrepreneurial innovation was 17.9% among youth whose household did not own a business as compared to 58.1% among youths whose household owned a business. These results suggest that youth from households that owned a business were more likely to engage in entrepreneurial innovation than their counterparts. The chi-square test showed the differences in the proportion of youth who engaged in entrepreneurial innovation across the two categories of household business ownership was statistically significant (X^2= 9.999, p=.002). This implies that household business ownership has a statistically significant influence on youth engagement in entrepreneurial innovation. These results are congruent with those of Irwansyah et al. (2021), which showed that the entrepreneurial intentions of university students in Indonesia was positively associated with family business background. The results imply that young people whose families own business are more likely to have a positive attitude towards entrepreneurship. The positive may explain why youths from such households have high levels of entrepreneurial innovation.

Results in Table 4 also show that the proportion of youth who engaged in entrepreneurial innovation was 17.9% among youth whose household did not own a business, 58.3% among youth whose households had a retail business, 60.6% among youth whose households had an agricultural business, and 55.6% among youth whose household had a service business. These results imply that youth whose household operate an agribusiness were more likely to engage in entrepreneurial innovation that all the other youth. The results suggest that agricultural business tend to offer more opportunities for entrepreneurial innovation that other business types. The chi-square test showed that the difference in the proportion of youth who engaged in entrepreneurial innovation across the four categories of household business type was statistically significant (X^2= 10.039, p = .018). These results suggest that the type of business owned by a household also has a statistically significant influence on youth engagement in entrepreneurial innovation.

Results in Table 4 further show that the proportion of youth who engaged in entrepreneurial innovation was 17.9% among youth whose household had never owned a business as opposed to 35.7% among youth whose household had operated a business for five years or less as compared to 76.5% among the youth whose household had operated a business for more than five years. These results suggest that there is a positive association between the length of time that a household has operated a business and youth entrepreneurial innovation. Youth from household that have operated a business for a long time were more likely to engage in entrepreneurial innovation. The chi-square test showed that the difference in the proportion of youth who engaged in entrepreneurial innovation across the three categories of number of years that a household had a run a business was statistically significant (X^2= 15.360, p= .000). These results indicate that the numbers of years that a household has operated a business has a statistically significant influence on entrepreneurial innovation among the youth.

Lastly, results in Table 4 show that the proportion of youth who engaged in entrepreneurial innovation was 17.9% among youth whose household did not owned a business, 28.6% among youth whose household owned a business but did not actively involved them in business decision making, and 66.7% among youth whose household owned a business and involved in making decisions within the business. These results suggest that involvement of youth in making decisions in household business has a positive influence on the youth engagement in entrepreneurial innovation.

The chi-square test showed that the difference in the proportion of youth who engaged in entrepreneurial innovation across the three categories of respondent involvement in making decision in family business (X^2= 13.305, p =. 001). These results denote that youth involvement in family business decision-making has a statistically significant influence on their engagement in entrepreneurial innovation. The results are congruent with those of Tanan et al. (2023), which showed that youth from families that operated businesses and engaged them in family-led learning within the business were more likely to be successful in business.

V. CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusion

The study sought to establish the influence of family business ownership on entrepreneurial innovation among the youth in Hell's gate Ward. Based on the findings, the study concludes that the level of entrepreneurial innovation among the youth in Naivasha Sub-County is low. About 39% of the youth had engaged in some form of entrepreneurial innovation. The study further concludes that household business ownership has a statistically significant influence on entrepreneurial innovation among the youth in Hell's gate Ward. Whether household owns a business, type of business owned by the household, number of years household has run the business, and whether respondent is involved in making decision in the family business were statistically linked to engagement in entrepreneurial innovation among the youth.

5.2 Recommendations

The study recommends that policy makers and practitioners should focus on targeting interventions aimed at enhancing entrepreneurial innovation on households that do not own businesses because findings shows that youth from these household are less likely to engage in entrepreneurial innovation. Intervention should also target households that have operated businesses for less than five years and encourage households to involve youth and children in operating their businesses. This study was confined to Hell's gate Ward in Naivasha Sub-County in Nakuru County, Kenya. Future studies should consider replicating this research in other areas to support generalization of findings. The study also made use of convenience sampling where respondents were selected from congregants of a church within the study area. Future studies should consider using a different sampling method to collaborate these findings. Lastly, this study was purely quantitative and therefore did not provide an in-depth analysis of the factors under investigation as well as how and why they influence entrepreneurial innovation. Future studies should consider incorporating qualitative methods.

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