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Entrepreneurship Education and Performance of Micro and Small Enterprises Owned by TVET Graduates in Thika Sub-County, Kenya

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ABSTRACT

Purpose: This study examined the influence of entrepreneurship education on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County, Kenya. The specific objectives were to examine how delivery methods and digital literacy influenced the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County, Kenya. The theories that guided this study included the experiential learning theory and technology acceptance model.

Methodology: A descriptive research design was used with a questionnaire as the instrument for data collection. The unit of analysis was 270 micro and small enterprises owned by TVET graduates in Thika Sub-County. The unit of observation was the 270 TVET graduates who owned micro and small enterprises. Purposive sampling and snowball sampling technique were used to select respondents. Data collected was analyzed using SPSS version 28 and presented in the form of frequencies, descriptive, and inferential statistics, which were used to derive conclusions. The study conducted a multiple regression analysis to determine the relationship between entrepreneurship education and the performance of the micro and small enterprises.

Findings: Findings revealed that entrepreneurship education influenced performance of small and micro enterprises. The study concluded that there was a positive and significant relationship between delivery methods, digital literacy and performance.

Unique Contribution to Theory, Policy and Practice: The study recommends extensive digital skills training for entrepreneurs. The study also recommends adoption of more practical, learner-centered, and experiential training approaches which incorporate mentorship, coaching, business simulations, case studies, project-based learning, and interactions with successful entrepreneurs.

Keywords: *Digital Literacy, Delivery Methods, Performance of Micro and Small Enterprises*

Background of the Study

According to Do Adro et al. (2021), entrepreneurial activity significantly contributes to economic development by fostering innovation, generating employment opportunities, and enhancing productivity. Entrepreneurs establish new enterprises and expand existing ones, promoting market dynamism and competitiveness, which are essential for sustained economic progress. Moreover, entrepreneurship education plays a big role in promoting entrepreneurial activity. Frolova et al. (2021) highlight that entrepreneurship education fosters entrepreneurial skills and mindsets, enabling individuals to explore and pursue business opportunities effectively. Kanaan-Jebna et al. (2022) define entrepreneurship education as a structured set of teachings aimed at preparing individuals interested in business creation. This form of education can stimulate entrepreneurial initiatives by promoting innovative thinking and enhancing entrepreneurial mindsets.

Entrepreneurship education equips individuals with the essential skills and knowledge required to establish and grow sustainable businesses. Evidence shows that entrepreneurs who undergo formal entrepreneurship education are more likely to achieve business growth. For example, Mahmood et al. (2021) identified a strong correlation between entrepreneurship education and improved business performance. In addition, entrepreneurship education programs offer an ideal platform for developing innovative capabilities and critical business management skills. These programs integrate theoretical learning with practical application, empowering entrepreneurs to navigate competitive markets, scale their businesses, and contribute to economic growth (Musyimi, 2023). Such competencies are crucial for achieving business growth, penetrating new markets, and ensuring long-term sustainability.

Entrepreneurship education has experienced substantial global expansion as governments, educational stakeholders, and international organizations increasingly acknowledge its critical role in reducing unemployment, fostering innovation, and driving economic growth (World Economic Forum, 2019). Recognizing its potential, many governments have invested in entrepreneurship education as a catalyst for economic development. Across Africa, entrepreneurship education has emerged as a vital component of economic transformation, with significant emphasis on its role in driving the performance and sustainability of Micro and small enterprises. These enterprises are the backbone of many African economies, accounting for the majority of businesses and providing substantial employment opportunities (African Union Commission, 2020). However, the continent faces unique challenges, including high youth unemployment, limited access to resources, and a volatile business environment (African Development Bank [AfDB], 2021; International Labour Organization [ILO], 2020; World Bank, 2020; United Nations Economic Commission for Africa [UNECA], 2019). To address these issues, many African countries are prioritizing entrepreneurship education to equip graduates with the skills and knowledge necessary to establish and manage successful MSEs.

In Kenya, micro and small enterprises (MSEs) remain the backbone of economic growth and employment creation. According to the Kenya National Bureau of Statistics (KNBS, 2024), the

informal sector, which is dominated by MSEs, created approximately 782,300 new jobs in 2024, accounting for 90 per cent of employment, according to the 2025 Economic Survey released by the Kenya National Bureau of Statistics (KNBS). This underscores the critical role of MSEs in absorbing labor and driving inclusive growth. Despite this contribution, the 50% of newly established MSEs close within the first three years of operation (Kenya National Bureau of Statistics [KNBS], 2024).

Technical and Vocational Education and Training (TVET) institutions have been positioned as key vehicles for producing skilled graduates who can start and manage sustainable enterprises. However, the TVETA Tracer Study (TVETA, 2024) reveals that only 28.1% of TVET graduates express a preference for self-employment, while the majority still seek formal wage employment. This low entrepreneurial intention, coupled with persistent gaps in practical entrepreneurial competencies, suggests that current entrepreneurship education in TVET institutions is not adequately equipping graduates to translate their technical skills into viable business ventures. In Thika Sub-County, a major industrial and commercial hub with a high concentration of TVET institutions and graduate-owned MSEs, these challenges are mostly noticeable, making it an ideal setting to examine the actual influence of entrepreneurship education on enterprise performance.

Statement of the Problem

Despite the increasing adoption and implementation of entrepreneurship education in Technical and Vocational Education Training (TVET) institutions globally and in Kenya, concerns remain regarding the performance of enterprises established by TVET graduates. While entrepreneurship education is expected to equip graduates with the knowledge, skills, and competencies necessary to establish and run a sustainable business, reports, however, indicate the opposite of this. The performance of micro and small enterprises (MSEs) remains a major concern, with reports indicating that more than 50% of newly established MSEs closing within the first three years of operation (Kenya National Bureau of Statistics [KNBS], 2024). Even among survivors beyond the first year, approximately 46% close, while others experience low profitability, slow sales growth, and limited expansion of employment opportunities, which restrict their contribution to economic development (FSD Kenya, 2024; World Bank, 2022; International Labour Organization [ILO], 2021). As a result, the Kiambu County Integrated Development Plan (CIDP) 2023–2027 has outlined strategic interventions to address persistent challenges facing Micro, Small, and Medium Enterprises (MSMEs), including limited access to affordable credit, infrastructure deficits and slow expansion in urban hubs like Thika, aligning with national economic strategies for growth (County Government of Kiambu, 2023).

These ongoing MSE challenges raise questions about the effectiveness of entrepreneurship education in preparing graduates to start and sustain successful enterprises, even though government, through the Technical and Vocational Education and Training Authority (TVETA), has made entrepreneurship education a core component of all TVET programs, emphasizing practical, hands-on training in business planning, marketing, and financial management to build

self-employment mindsets, entrepreneurial competencies, and sustainable small business growth among graduates (TVETA, 2023a–d). Previous studies have explored various aspects of entrepreneurship education and its impact on enterprise performance. For instance, Muchira et al. (2023) found that the continued poor performance of many graduate-owned enterprises suggests that gaps may still exist in the training process. Additionally, a study by Njeru (2025) found that the quality of training materials and trainer characteristics significantly influence graduates' likelihood of pursuing self-employment. Moreover, Kanugi (2024) emphasized the role of innovation in enhancing the performance of small and medium enterprises (SMEs).

However, many of these studies focus primarily on entrepreneurial intentions, innovation, or overall MSE performance, rather than on how entrepreneurship education affects the performance of businesses established by TVET graduates. There is a research gap regarding the impact of components such as delivery methods and digital literacy on MSE performance. This study will examine how the components of entrepreneurship education outlined above influence business performance, measured by sales turnover, profitability, and introduction of new products. By addressing this gap, the study aims to enhance our understanding of whether entrepreneurship education effectively equips graduates to start and manage successful businesses.

Objective of the Study

General Objective

The general objective of this study is to examine the influence of entrepreneurship education on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County, Kenya.

Specific Objective

i. To analyze the influence of delivery methods on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County, Kenya.
ii. To establish the effect of digital literacy on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County, Kenya.

Theoretical Framework

Experiential Learning Theory

David Kolb's experiential learning theory is a model that describes how people learn through experience (Kolb, 1984). It emphasizes that learning is most effective when individuals actively engage in experiences and reflect on them to build knowledge (Kolb, 1984). This theory, rooted in Dewey's assertion that education is most impactful when connecting theory to practice, highlights the importance of real-world experiences in fostering practical skills (Dewey, 1938). Entrepreneurship education that employs experiential learning methods, such as internships, cooperative education, and project-based assignments, equips graduates with hands-on skills essential for managing and growing businesses. These practical experiences expose learners to the

realities of business operations, enabling them to make informed decisions that contribute to the business's growth (Kolb, 1984).

The reflective component of Kolb's model allows graduates to analyze their experiences, enhancing their decision-making and problem-solving abilities in the context of their enterprises. For instance, project-based learning in entrepreneurship training can directly influence the ability of graduates to identify market opportunities and innovate, leading to increased growth in sales, profits, and employee numbers within their MSEs (Moon, 2004; Dewey, 1938).Mentorship, supported by Bandura's Social Learning Theory (1977), also plays a pivotal role in entrepreneurship education. By learning from experienced entrepreneurs, graduates gain valuable insights and strategic guidance that foster business growth. Mentorship encourages the adoption of best practices and innovative approaches, enabling MSEs to expand their market reach and optimize operations (Bandura, 1977; Kram, 1985).

Diverse training methods, including online courses, lectures, apprenticeships, and workshops, align with Gardner's Theory of Multiple Intelligences (1983), ensuring that entrepreneurship education caters to varied learning preferences. These methods enhance the capacity of graduates to manage and grow MSEs by equipping them with adaptable skills and comprehensive knowledge. As a result, graduates are better prepared to scale their businesses and increase profitability (Gardner, 1983; Kolb, 1984).The integration of technology in entrepreneurship education, as explained by the Technology Acceptance Model (Davis, 1989), further enhances the potential for MSE growth. Delivery methods that utilize technology, such as online simulations and business modelling software, prepare graduates to leverage digital tools for business innovation and operational efficiency. This technological proficiency enables MSEs to expand their customer base, improve product offerings, and achieve consistent growth (Davis, 1989; Gallup & AWS, 2022; McKinsey, 2024).

Technology Acceptance Model

The Technology Acceptance Model, developed by Fred Davis in 1989, explains how users accept and adopt new technology. He posits that technology usage is primarily determined by two key beliefs: one is the Perceived Usefulness (PU), and the second is the Perceived Ease of Use (PEoU), which influences the user's behavioral intentions. The acceptance and the use of information technologies can bring immediate and long-term benefits at organizational and individual levels, such as improved performance, financial and time efficiency, and convenience (Foley Curley, 1984; Sharda, Barr & McDonnell, 1988).

TAM and its extensions have been used in a wide range of applications in different disciplines, e.g., marketing and advertising (Gefen, Karahanna & Straub, 2003; Dabholkar & Bagozzi, 2002; Gentry & Calantone, 2002). TAM1, for instance, posits that the intention of an individual to use technology is determined by perceived usefulness and perceived ease of use (Davis, 1989). In the context of this study, TVET graduates who perceived digital tools such as mobile applications,

online marketing platforms, and digital financial systems as useful in improving their businesses' operations were more likely to adopt them. Similarly, the adoption of such tools increases when they are perceived as easy to use. Entrepreneurship education improves the trainees' understanding and use of digital technologies, hence enhancing their business performance (Al-Emran et al., 2020).

Conceptual Framework

Conceptual framework is the graphical representation of variables, which are the dependent variable and the independent variables.

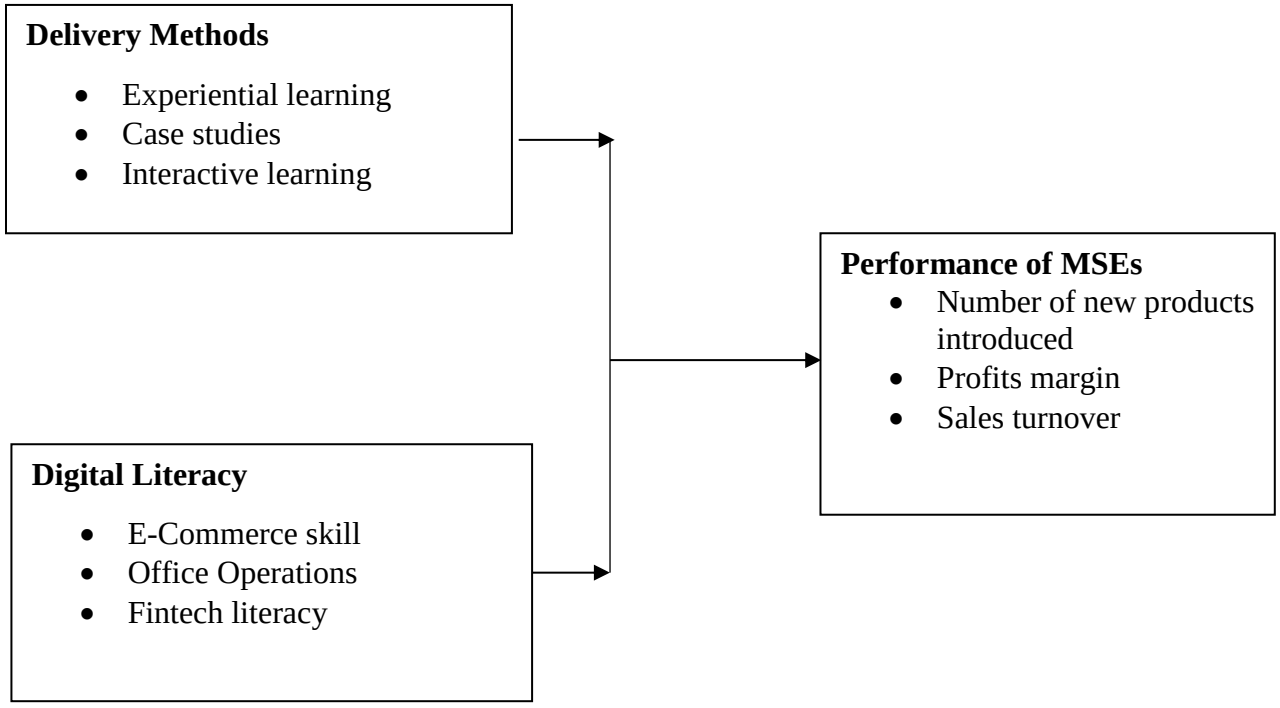

Figure 1 Conceptual Framework, Source (Author)

Delivery Methods

Effective entrepreneurial education relies on delivery methods that bridge theoretical learning with real-world application, fostering the growth of micro and small enterprises. One critical aspect is practical application, which allows trainees to engage in simulations, case studies, and real-world projects. These methods enable students to transfer academic knowledge into business practices, enhancing their problem-solving and decision-making abilities (Wang et al., 2023). This experiential approach equips graduates with the confidence to implement innovative strategies, directly contributing to the growth of businesses in terms of increased profits, sales, and expanded workforce (Mason & Brown, 2022). Collaborative learning is another essential delivery method

construct. Group activities such as projects, workshops, and peer-driven discussions encourage students to share ideas and draw insights from diverse experiences. These interactions build good collaboration, communication, and teamwork skills (Johnson et al., 2023). Research has shown that graduates from programs emphasizing collaborative learning are more skilled at forming business networks and partnerships, a key driver for enterprise expansion and profit growth (Bryant & Ziljstra, 2022).

The integration of technology into entrepreneurial education has become indispensable in a digital-first business world. Tools such as learning management systems, virtual simulations, and digital collaboration platforms expose students to advanced technologies relevant to modern business operations (Gonzalez et al., 2022). By mastering these tools, graduates become more innovative and adaptable, which enhances their ability to expand their customer base, streamline processes, and increase profits (Cohen & Levinthal, 2023). Furthermore, the use of technology fosters scalability, allowing entrepreneurs to optimize their operations and reach broader markets, contributing significantly to the growth of MSEs.

Digital Literacy

Digital literacy is an important entrepreneurial competency in today's business environment, enabling effective use of digital technologies for communication, information management, financial transactions, and operations. It boosts innovation, market access, and business performance in small enterprises (Scherer et al., 2021; van Laar et al., 2020). Digital marketing uses online platforms to promote products/services, helping small businesses reach wider audiences, cut costs, and enhance customer engagement, ultimately increasing visibility, competitiveness, sales, and growth (Chaffey & Ellis-Chadwick, 2022). Ethical digital practices involve responsible technology use, including data privacy, transparency, and honesty in online transactions. This improves reputation, fosters loyalty, and supports long-term sustainability with customers (Martin & Murphy, 2017).

Entrepreneurship programs that emphasize ethical technology use promote responsible practices of technology by their students. Financial literacy entails effective management of resources through budgeting, record-keeping, and digital financial tools, like mobile banking. It enhances decision-making, profitability, and sustainability for small enterprises (OECD, 2020). Finally, the information dimension covers accessing, evaluating, and utilizing information effectively. For entrepreneurs, this includes gathering market data, analyzing customer needs, and tracking competitors. Information literacy improves decision-making and innovation, it is key to identifying opportunities and adapting to market changes (van Laar et al., 2020).

Empirical Review

Delivery Methods

According to Eesley et al. (2021), early exposure to entrepreneurship education significantly increases the likelihood of individuals pursuing entrepreneurial careers later in life. This tendency is often observed among those raised in self-employed households, where children acquire business skills and mindsets through observation and participation in family enterprises. While formal entrepreneurship education seeks to replicate this organic learning process, its effectiveness compared to experiential learning remains uncertain. Huka et al. (2015) note that many scholars consider a practical, hands-on understanding to be more impactful than theoretical training methods.

Several studies have explored the relationship between training and organizational performance in various contexts. Sisimwo et al. (2022) examined this dynamic within public sector organizations, using descriptive analysis and questionnaires administered to 80 respondents. Their findings highlighted the influence of organizational culture and training design on performance, though the public sector focus creates a contextual gap for entrepreneurship studies. Similarly, Amegayibor (2021) investigated training methods, including classroom lectures, conferences, workshops, and job orientation, in Ghana's local government organizations. Using a correlational design with 215 employees, the study found significant effects on service quality, but its geographical and organizational scope limit generalizability to SMEs in other regions.

Research specifically addressing SME training preferences reveals important methodological and contextual considerations. Matofari et al. (2015) found that small and medium-sized hotels in Mombasa strongly preferred on-the-job training, with methods like demonstrations and presentations having the greatest impact. However, the study’s unspecified sample size represents a methodological limitation. Conversely, Omolo (2015) examined training modes and SME performance in Kisumu County, Kenya, using a cross-sectional survey of 260 enterprises. The research confirmed a direct relationship between training methods and performance, though its survey approach creates an opportunity for alternative research designs. These studies collectively highlight the need for further research using robust methodologies and focus specifically on SME contexts to better understand optimal training approaches for entrepreneurial success.

Digital Literacy

Recent studies have highlighted digital literacy as a crucial determinant of Micro and Small Enterprise (SME) performance. Among these, business incubation services stand out as a central component, offering not only physical space but also mentorship, technological support, and administrative assistance (Abaidia et al. 2024). Evidence consistently shows that firms benefiting from incubation experience markedly higher growth and survival rates than those without such support. For example, Khan et al. (2023) found that incubation programs significantly strengthen

SMEs' innovation capacity and market penetration strategies by reducing start-up risks and expediting product development.

Networking support facilitated by institutions, such as industry partnerships, trade fairs, and alumni networks, has been empirically linked to improved MSE scalability and competitiveness. Li and Wang (2022) found that SMEs embedded in structured networks gain better access to supply chains, customers, and investors. These connections reduce transaction costs and open pathways to collaborative innovation and internationalization, directly impacting revenue growth and operational resilience. The relational capital built through facilitated networking acts as a buffer against market volatility and resource constraints.

Career guidance and counselling have emerged as significant factors in sustaining entrepreneurial success. Abbas et al. (2024) highlighted that continuous mentorship and psychological support boost founder resilience, strategic decision-making, and adaptive capacity. This is particularly vital in high-stress environments where MSE owners face isolation and uncertainty. Counselling helps entrepreneurs refine leadership skills, navigate crises, and maintain long-term focus, thereby reducing failure rates and promoting sustained performance. These forms of digital literacy create an ecosystem that addresses not only the operational and financial needs of MSEs but also the human and relational dimensions critical for growth and sustainability.

RESEARCH METHODOLOGY

Research Design

A descriptive design was used in this research. According to Render et al. (2012), the goal of a descriptive research design is to characterize the current condition of affairs. This kind of research, according to Flick (2011), aims to characterize potential behaviours, attitudes, values, and characteristics. Given that the study concentrated on the current condition of affairs, this research approach was appropriate (Niyonambaza et al., 2019).

Target Population

According to Kothari (2014), a population is defined as a collection of units or elements from which a sample is selected for detailed study and analysis. In this study, the target population was identified as micro and small enterprises (MSEs) registered to operate within Ngoliba Ward, in Thika town constituency. As per the Kiambu County Government business directory, there is a total of 2,750 MSEs registered as of 2024, out of which 832 were reported to be operated by TVET graduates.

Sampling Frame, Sampling Technique and Sample Size

The study used purposive and snowball sampling techniques to select respondents. According to Mugenda & Mugenda, purposive sampling allows the researcher to select cases that have the required information with respect to the objectives of the study, e.g., educational level, age group, etc. Snowball sampling is used when the population that possesses the characteristics under study

is not well known and can be best located through referral networks. Initial subjects are identified, who in turn identify others. The study used snowball sampling technique to identify the initial TVET graduates owning MSEs in Thika Sub-county, who later provided referrals of other owners.

At a 95% confidence level, a 5% margin of error was applied. To ensure the sample size was adequate and aligned with the study's objectives, Yamane's formula was used to determine the appropriate sample size.

$$n = \frac{N}{1+N(e)^2}$$

Where;

n= sample Size, N= Total Population (832) e= 0.05 significance

n= 270.1298

The Sample size was 270 from the total population of 832 registered MSEs owned by TVET graduates.

Data Collection Instrument

Data was collected using questionnaires. According to Kothari (2014), a questionnaire is a tool comprising items intended to obtain information from respondents. As noted by Kowalczyk (2015), questionnaires are not affected by interviewer bias or errors, thereby enhancing the reliability and validity of the survey findings. Their use also facilitates easier participation by respondents, as they do not reflect distribution bias or exhibit any favoritism or aversion toward specific individuals. Furthermore, secondary data were obtained from reports, publications, government censuses, and scholarly journals. This information was recorded in data entry tables.

Pilot Study

A pilot study, also known as a pilot test or pre-test, is a small-scale preliminary research conducted to evaluate the time, cost, and feasibility of a study, improving its design before the full-scale research project (Kultar, 2017). The researcher conducted a pilot study to ensure the reliability and validity of the data collection tool. This pilot test helped in the identification and correction of challenges before the final study. The pretesting sample consisted of 27 respondents, representing 10% of the sample size. The pilot study was conducted in Ngoliba ward, in Thika sub- county. The respondents included managers and owners of the MSEs operating in the region. The results from the pilot test will not be included in the main study, and the respondents from the pilot study were to be excluded from the final study.

Data Analysis and Presentation

Seltman (2014) described data analysis and presentation as the process of organizing, interpreting, and presenting data. Quantitative data was analyzed using descriptive statistics, including means, frequencies, percentages, and standard deviations, with SPSS for Windows version 28. Inferential statistics, such as regression and correlation analysis, were used. The data was presented in tables generated by SPSS. Analysis of variance (ANOVA) was used to assess the overall model significance. Multiple regression analysis determined the relationship between performance and the study variables, predicted a dependent variable based on independent variables, and showed the relationship between one dependent variable and one or more independent variables (Hair, 2010).

The regression model was:

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$ Whereby;

Y = Performance of MSEs owned by TVET graduates

β1, β2, = Coefficients of determination

β0 = Constant

X1 = Delivery methods

X2 = Digital literacy

ε = Error term

RESEARCH FINDINGS AND DISCUSSION

Descriptive Findings and Analysis

This part provides the results of the descriptive analysis carried out by the study consisting percentages, mean and standard deviation. The findings were presented as per each objective.

Delivery Methods

The first objective was to analyze the influence of delivery methods on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. The results of the study were as shown in table 1. From the results, the respondents agreed that practical activities were used in delivering the program. This is supported by a mean of 3.968 (std. dv = 0.905). In addition, as shown by a mean of 3.859 (std. dv = 0.885), the respondents agreed that the program included interactive teaching methods. Further, the respondents agreed that the practical skills from the apprenticeship were directly useful for starting and running a business. This is shown by a mean of 3.840 (std. dv = 0.605). With a mean of 3.835 (std. dv = 0.981), the respondents agreed that the trainers provided mentorship. The respondents agreed that they took part in real business experiences. This is supported by a mean of 3.811 (std. dv = 0.863). Majority of the respondents

agreed with the statements on delivery methods as shown by a mean of 3.863. The responses given by the respondents had little variation (standard deviation=0.848).

Table 1: Delivery Methods

	Mean	Std. Dev
Practical activities were used in delivering the program	3.968	0.905
The program included interactive teaching methods	3.859	0.885
The practical skills from the apprenticeship were directly useful for starting and running a business.	3.840	0.605
The trainers provided mentorship	3.835	0.981
You took part in real business experiences	3.811	0.863
Aggregate	**3.863**	**0.848**

Digital Literacy

The second objective was to establish the effect of digital literacy on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. The results of the study were as shown in table 2. From the results, the respondents agreed that they can quickly access online information. This is supported by a mean of 4.236 (std. dv = 0.708). In addition, as shown by a mean of 4.128 (std. dv = 0.925), the respondents agreed that they use social media platforms to promote products and reach many customers. Further, the respondents agreed that they respect online privacy and copyright when sharing digital content. This is shown by a mean of 3.942 (std. dv = 0.821). The respondents also agreed that they often feel confused when using new digital tools. This is shown by a mean of 3.838 (std. dv = 0.809). With a mean of 3.710 (std. dv = 0.981), the respondents agreed that they can track my basic business performance using digital tools. Majority of the respondents agreed with the statements on digital literacy as shown by a mean of 3.971. The responses given by the respondents had little variation (standard deviation=0.849).

Table 2: Digital Literacy

	Mean	Std. Dev
You can quickly access online information	4.236	0.708
You use social media platforms to promote products and reach many customers	4.128	0.925
You respect online privacy and copyright when sharing digital content	3.942	0.821
You often feel confused when using new digital tools	3.838	0.809
You can track my basic business performance using digital tools	3.710	0.981
Aggregate	**3.971**	**0.849**

Correlation Results

The study carried out correlation tests to determine the relationship between the independent and dependent variables. Pearson correlation, which ranges between -1 and +1 was used because the data was discreet. A positive Pearson correlation value indicates a positive relationship while any negative Pearson correlation value indicates a negative relationship. The association between the variables becomes stronger as the Pearson correlation value approaches either +1 or -1. The results of the correlation analysis are shown in table 3.

Table 3: Correlation Analysis

		Delivery methods	Digital literacy	Performance
	Sig. (2-tailed)			
	N			
Delivery methods	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	156		
	Sig. (2-tailed)	.000		
	N	156		
Digital literacy	Pearson Correlation	.765**	1	
	Sig. (2-tailed)	.000		
	N	156	156	
Performance	Pearson Correlation	.865**	.854**	1
	Sig. (2-tailed)	.000	.000	
	N	156	156	156

Pearson correlation coefficient for delivery methods is 0.865 and a significance value of (0.000<0.05), indicating that there is a strong and positive association between delivery methods and performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. The findings agree with findings by Huka et al. (2015) study which established that many scholars consider a practical, hands-on understanding to be more impactful than theoretical training methods.

Person correlation coefficient for digital literacy is 0.854 and a significance value of (0.000<0.05), indicating that there is a strong and positive association between digital literacy and performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. The findings are consistent with findings by Khan et al. (2023) which found that incubation programs significantly strengthen SMEs' innovation capacity and market penetration strategies by reducing start-up risks and expediting product development.

Regression Results

The model summary was used to test the amount of variation in the dependent variable (performance of micro and small enterprises) resulting from the changes in the independent variables (constructs of entrepreneurship education). Thus, the amount of variation on performance of micro and small enterprises owned by TVET graduates in Thika Sub- County resulting from delivery methods, digital literacy was determined, as detailed in table 4.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.877[a]	.769	.763	.26535

a. Predictors: (Constant), Delivery methods, Digital literacy

The R-Squared value of 0.769 indicates that approximately 76.9% of the variation in the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County is explained by the combined effect of delivery methods and digital literacy. The remaining 23.1% is explained by other factors not part of this model. The regression results show that R was 0.877 which shows that the correlation between the independent variables and the dependent variable is positive. The adjusted R-square of 0.763 indicates that model retains its predictive power even when the number of predictors and sample size are adjusted. Thus, the model incorporating delivery methods and digital literacy provides a reasonably good fit for predicting the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County.

Table 5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	222.487	2	111.244	1612.231	.000[b]
	Residual	10.632	153	.069		
	Total	233.119	155			

a. Dependent Variable: Performance

b. Predictors: (Constant), Delivery methods, Digital literacy

The results confirmed that the model incorporating the two aspects of entrepreneurship education exhibits the desired level of statistical significance to explain the variation in the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County ($F = 1612.231$; $p = 0.00$; $p < 0.05$). Therefore, the model is statistically significant in explaining the influence of

entrepreneurship education on the performance of micro and small enterprises owned by TVET graduates in Thika Sub- County.

Table 6: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.021	.070		.298	.016
	Delivery methods	.272	.080	.277	3.396	.001
	Digital literacy	.335	.076	.324	4.409	.000

a. Dependent Variable: Performance

Performance of micro and small enterprises = 0.021+ 0.335 (Digital literacy) + 0.272 (Delivery methods)

The coefficient of delivery methods is 0.272 ($p = 0.01$; $p<0.05$), suggesting that delivery methods has a positive and significant relationship with performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. The result implies that implementing effective delivery methods is likely to have a positive influence on performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. A unit change in delivery methods would cause a magnitude of 0.272 significant positive change in performance of micro and small enterprises. The findings agree with findings by Omolo (2015) study which found a direct relationship between training methods and performance.

The coefficient of digital literacy is 0.335 ($p = 0.00$; $p<0.05$), suggesting that digital literacy has a positive and significant relationship with performance of micro and small enterprises owned by TVET graduates in Thika Sub- County. A unit change in digital literacy would cause a magnitude of 0.335 significant positive change in performance of micro and small enterprises. The findings are consistent with findings by Li and Wang (2022) study which found that SMEs embedded in structured networks gain better access to supply chains, customers, and investors.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study findings revealed that delivery methods have a significant positive influence on the performance of micro and small enterprises. Therefore, the study concludes that effective delivery methods can positively impact the performance of micro and small enterprises.

The study findings also revealed that digital literacy has a significant positive influence on the performance of micro and small enterprises. Therefore, the study concludes that that adequate digital literacy can positively impact performance of micro and small enterprises.

Recommendations

Since delivery methods were found to have a significant positive influence on enterprise performance, TVET institutions should adopt more practical, learner-centered, and experiential training approaches. Entrepreneurship training should incorporate mentorship, coaching, business simulations, case studies, project-based learning, and interactions with successful entrepreneurs. Through extensive training and coaching, graduates can gain practical exposure in business visioning, strategic goal setting, opportunity identification, value addition, market expansion, risk management, and informed decision-making. Such delivery methods are likely to improve graduates' entrepreneurial competence and enhance the performance of their enterprises.

Digital literacy was strongest predictor of enterprise performance among the study variables. Therefore, TVET institutions and relevant stakeholders should prioritize extensive digital skills training for entrepreneurs. Training should focus on digital marketing, e-commerce, social media management, online customer engagement, digital financial management, business analytics, and the use of technology for market expansion. Coaching programs should further guide entrepreneurs on leveraging digital platforms to develop new markets, enhance value addition, improve decision-making through data-driven insights, and increase business competitiveness. Strengthening digital literacy will enable TVET graduates to adapt to the evolving digital business environment and improve enterprise performance.

The Ministry of Education, TVET institutions, and enterprise development agencies should collaborate to establish continuous entrepreneurship training and coaching programs for TVET graduates. Such programs should focus on strengthening business vision, goal setting, value addition, new market development, risk-taking, and decision-making capabilities while integrating digital technologies into enterprise operations. Continuous capacity building will enhance entrepreneurial effectiveness and contribute to the sustained growth and performance of micro and small enterprises.

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