

**FACTORS CONTRIBUTING TO CREDIT ACCESS BY WOMEN ENTREPRENEURS:  
(A CASE STUDY OF THE KENYA WOMEN FINANCE TRUST, KENYA)**

**BY**

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## ABSTRACT

This study evaluated factors that women entrepreneurs encountered in their pursuit of credit facilities from financial institutions. The study explored the extent to which the demand for Collateral influenced access to credit by women entrepreneurs. As well as how lending procedures influenced access to credit by women entrepreneurs. Also how the interest rates charged influenced access to credit by women entrepreneurs. This study was important since it generated useful insights that can be used by the government and non-governmental organizations to promote women's entrepreneurship as a viable alternative source of employment through enhanced access to microfinance credit. The targeted population was 200 members. A sampling technique was used in the selection of respondents since the researcher was to identify respondents who were familiar with the MFI procedures. Random sampling was then to be used to allow all the respondents to have an equal chance of being selected. A sample of 75 employees of KWFT in Kawagware branch was used to determine the viability of this study. The data collection instrument that was used was questionnaires. On the findings about collateral security influencing on young women's access to credit, the study established that collateral influenced women access to finance since 35 out of 45 respondents stated in the affirmative while only 10 out of the 45 respondents stated No. Some of reasons for stating in the affirmative were that women without high valued collateral such as land, car, limits their credit accessibility, affordable collateral among women taken as security for loans, motivates women to take loans. While the measures to implement to ensure collateral requirement did not negatively affect women access to finance it was suggested that they should provide finance to women at an affordable collateral. In regard interest rate charged, the study established that interest charged influences women access to loans because low interest rates encourages more women to take up loans. 55.5% of the total respondents replied that they think the interest charged influences women access to loans while 44.5% said they do not think the interest charged influences women access to loans. Regarding the lending procedures, it was established 71.1% of the respondents stated that indeed KWFT is in a position for catering for credit lending request by all customers especially women entrepreneurs in accessing finance.