

**THE ROLE OF MICROFINANCE IN THE SOCIO-ECONOMIC
EMPOWERMENT OF WOMEN IN A COMMUNITY: A CASE STUDY OF
NAKURU TOWN COUNCIL IN KENYA.**

By

KARANJA FIDELIS WAMBUI- BDS/NRP/103/0023

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EXECUTIVE SUMMARY

The development of a community, especially a poor community, hinges on interventions from development workers in government and non government organizations. In the recent past, Kenya governments has provided development funds for youth and women which has lead to a strong recommendation on microfinance intervention that could assist poor people to improve their quality of life by providing small amounts of money to initiate development enterprises. The microfinance services are provided through microfinance institutions.

This study was aimed at establishing the role of microfinance in the socioeconomic development of women in a community. Nakuru Town Council in Kenya was the study area. Fifty respondents were interviewed and eight of these were employees of microfinance institutions and two worked as community development officer staff from Nakuru District Local Government. Eight microfinance institutions were identified as providing services to the community in Nakuru Town Council.

A variety of literature on microfinance in the developed world, developing world, Africa, Kenya and Nakuru Town Council was reviewed. It was noted that the year 2005 was identified as the International Year of Micro-credit during which its significance would be highlighted. The aim of the international year of microcredit was to improve on the knowledge, access and utilization of micro-credit by poor people in the developing world. During the literature review, it was evident that the literature on the impact of microfinance on the socio-economic development of women in Nakuru Town Council was lacking. By filling this gap, this research will be a referral document for other researchers and a resource book for microfinance institutions during the implementation of their programmes.

The study was carried out using both quantitative and qualitative methods. Questionnaires and interviews were used to collect the data that was presented in tables, graphs and numbers to show the role played by microfinance in the socio-economic development of women in a community.