

**AN ANALYSIS TO THE CHALLENGES OF EFFICIENT MANAGEMENT  
OF FINANCIAL INSTITUTIONS IN KENYA: CASE STUDY OF MILIKI SAVINGS  
AND CREDIT SOCIETY LIMITED.**

**BY**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE  
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## ABSTRACT

The purpose of this research project was to investigate the challenges of efficient management of financial institutions in Kenya. The specific objectives were to establish effect of managerial skills, employee relations and performance on the efficient management of financial institutions in Kenya. The beneficiaries of the study included; Miliki Society staff, government of Kenya, financial institutions and future researchers. A descriptive research design was used, where formulation of important principles of knowledge and solution to significant problems. They involve measurements, classification, analysis, comparison and interpretation of data. This method was preferred by the researcher since it allows in-depth study of the case under investigation. The research targeted a population of 48 staff members of Miliki Savings and Credit Society Limited; the population was divided into distinct characteristics groups that included branch manager, operation manager, branch supervisors, system administrator, loan officers, tellers' administrator and support staffs. There after the researcher gave the report on the findings and made the recommendation after the investigation has been carried out. A census was used to enable the use of the entire unit. Questionnaires were administered to all respondents. The data was analyzed by the use of statistical tools and presented using figures and tables.

The research findings indicated that managerial skills affects efficient management of financial institutions in Kenya at 85%, employee relations affects efficient management of financial institutions in Kenya at 75% and performance affects efficient management of financial institutions in Kenya at 81%. They all pose a great challenge to efficient management of financial institutions in Kenya.

The study recommended that the stakeholders and managers the acquire managerial skills and knowledge on how to manage financial institutions this can be done through training, workshops and seminars which should be carried out frequently so as to enable them acquire job related skills to facilitate efficiency in the organization, government policy should be formulated to rid off unscrupulous financial institutions in Kenya.