

**ASSESSMENT OF THE IMPACT OF MONETARY POLICY ON
ECONOMIC GROWTH IN KENYA (A CASE STUDY OF GOVERNMENT
DEPARTMENTS)**

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ABSTRACT

Monetary policy is a technique of economic management to bring about Sustainable economic growth and development. The general objective of the study was to assess the impact of monetary policy on economic growth in Kenya. The specific objectives of this study were to include: to investigate how liquidity ratio impacts on economic growth in Kenya, to assess the impact of interest rates on economic growth in Kenya, to analyze the impact Treasury bill rate on economic growth in Kenya and to analyze the impact of cash reserve ratio on economic growth in Kenya.

This study adopted a descriptive research design. The researcher went to the population of interest (government departments) and observed the subjects in their places of work so that they can provide information related to the impact of monetary policy on economic growth within relevant government departments. The target population for this study was all relevant government departments in the country. Focus was on population in the accounts, finance department and other officers responsible for monetary policy formulation and economic growth strategies in the 18 government ministries and there are about 1,000 of such employees.

The study adapted a stratified random sampling method to sample the target population, where 20% from the above target population of 1000 will be considered. Both primary and secondary data was used in this research. Primary data was derived from questionnaires as the research tool distributed to the targeted employees. The study involved both qualitative and quantitative data. The qualitative data was summarized and categorized according to common distribution table.