

**THE IMPACT OF DEMAND FOR CREDIT ON GROWTH OF METAL ARTISANS  
IN NAIROBI  
(A CASE STUDY OF METAL ARTISANS AT KAMUKUNJI MARKET)**

**BY**

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## ABSTRACT

Despite the noble efforts of visionary economists and technologists, manufacturing capacity remains low throughout the developing world. Yet informal sectors of small-scale manufacturers, traders, and retailers have continued to develop indigenous and efficient infrastructures for production and dissemination of products. When approaches to industrialization begin to recognize the potential of informal sector entrepreneurial producers, appropriate structures that enhance access to credit need to be put in place which will finally meet local needs and create sustainable jobs on the ground. Capital / credit demand research identifies how well an organization can perform from the owners' viewpoint. It allows any entrepreneur to understand how their business are and can operate sustainably at any point in time, and to enable them devise on mechanism to ensure access to credit that reflect business cycles and ensure continuous provision of services and goods to their customers.

This study was conducted through a case study business orientation, Metal artisans at Kamukunji Market in Nairobi Kenya. The main objective of the study was to assess the Impact of demand for credit by metal artisans at Kamukunji market. The study uses primary data obtained through the questionnaires provided to employees and owners of the metal businesses at the Kamukunji market in Nairobi.

Chapter one gives the background information about demand for credit by metal artisans, problem statement, objectives of the study, research questions to guide the researchers and justification of the research.

Chapter two entails study done in the past on credit need, impact for demand for credit and challenges faced by the metal artisans in accessing credit. It also includes gaps to be filled by the study and the conceptual framework which indicates the variables relationship.

Chapter three gives a preamble to the research design and methodology to be adopted, the research design, the target population of 60 metal artisans at the Kamukunji market, where the sample of 21 respondents will be obtained using stratified sampling. Systematic random sampling was also used to

identify the respondents for the study. Thus the respondents used for this study will be 21. Data have been collected using questionnaire method and analyzed using descriptive statistics.

Chapter four gives the results and analysis of the data presented by use of both quantitative and qualitative analysis in form of frequency tables, pie charts and bar charts. The findings show that the demand for credit had differential effects on metal artisans businesses. I.e. increased microfinance institutions, membership to trade unions, business linkages and training on financial management by the artisans. Some factors of demand for credit were influenced positively, others negatively.

Chapter five presents in depth discussion on the findings and gives recommendation on how the metal artisans in Kamukunji market can access credit or define other strategies to enhance their business sustainability and also provides conclusions on the study and suggestions for future research