

ROLE OF MICRO FINANCE INSTITUTIONS IN IMPROVING THE LIVING STANDARDS
OF KENYANS

(A CASE STUDY OF KENYA WOMEN FINANCE TRUST, KIKUYU)

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ABSTRACT

Micro-finance empowerment to individuals increases their knowledge, education, and makes them outstanding. The study aimed at the effect micro finance institutions have with regards to improving the living standards of rural households in Kenya with a case of KWFT Kikuyu branch. The specific objective of the study was; assessing whether financing from KWFT enhances increased incomes which in turn improve the living standards of Kenyans i.e. determining whether KWFT has aided in attaining increased economic independence hence impacting the living standards and whether KWFT has improved women empowerment hence raising their standards. A descriptive research design method was used for the study. The target population was selected from the area of study where the population comprised of the women entrepreneurs and those working on low income jobs and use KWFT. The target population of the study was 800 while the sample size was 240 respondents selected from the study area. This was obtained through finding 30% of the target population. The entrepreneurs involved in the study totaling to (229) as sample size from the population of (765); credit managers that were (9) from the (30); and (2) from the (5) individuals in the top management. Stratified random sampling design was used in the study. Questionnaire was used as the primary data collection tool. The researcher prepared questionnaires prior to distribution; a pre-testing exercise was undertaken. The study used both qualitative and quantitative methods of data analysis. The researcher used SPSS and Microsoft Excel for conducting the data analysis of data presented. From the analysis of the findings it was found that most of the sampled women respondents agreed that they are fully satisfied with microfinance services, credit facility has improved their performance and that they have received adequate training from microfinance institutions. The study recommends that clear financial management strategies should be set aside to address key critical financial difficulties facing women particularly developing good financial management technique to provide adequate responses to challenges and problems by focusing on women business processes to minimize claims and enable women growth and women empowerment.