

The Extent to Which Capital Financing Affects Productivity of Seed Maize Growing: A Case Study of Kenya Seed Company in Trans Nzoia County, Kenya

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Abstract

To determine the extent to which capital financing affects the productivity of seed maize growers in Trans Nzoia County, we gathered data from a sample of 31 seed maize growers, 12 employees of the seed maize production department and 10 employees of the finance department. The study was guided by the theory of social capital, theory of signaling credit risk in agriculture and farm businesses and capital structure theory. This study utilized a descriptive survey research design. The study found out that seed maize growers face high interest rates on credit facilities and a myriad challenges while accessing credit from Kenya Seed Company. The findings of the study are expected to help in the improvement on access to credit by seed maize farmers. A further detailed study is needed on the effect of seed maize growers' financing by Kenya Seed Company on productivity levels at the regional and possibly the national level.

Key words: Capital financing, Productivity, Seed, Seed maize growers