

**MT KENYA UNIVERSIY
SCHOOL OF BUSINESS AND ECONOMICS**

DEPARTMENT OF ACCOUNTING AND FINANCE

**ASSESSMENT OF CHALLENGES FACED BY BANKS IN RETAIL-
BANKING**

(Case study of Kenya Commercial Bank, Nairobi County)

**A Research Project Submitted in Partial Fulfillment of the Requirement for
the Bachelor Of Commerce Finance Option.**

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ABSTRACT

Retail-banks face major challenges that affect effective service delivery of their service in the country. This has influenced the decline of growth rate of many retail banks in the market. The main objective of this research study was to find out the challenges faced by banks in retail-banking, with a specific reference to Kenya commercial bank, in Nairobi County.

The study applied a descriptive research design and the target population was sixty five respondents who were staff of Kenya commercial bank.

Questionnaires were major data collection instruments, and the gathered data was analyzed through the use of quantitative and qualitative analysis, tables and charts were used to present the findings.

The phenomena which were tested by this study were; competition, channels of offering services, government regulations and customers' loyalty.

The result shows that, effective measures should be taken to improve competition for effective profit maximization. Retail banks should identify proper and effective means of offering services to their customers.

The government should impose favorable regulations and lower the rate of interest charged to retail-banks.

Management should also improvise ways of ensuring that they maintain their customers' loyalty and attracting new ones.