

**ASSESSMENT OF THE FACTORS AFFECTING SUSTAINABILITY  
OF SMALL SCALE BUSINESSES IN KENYA**

**(A CASE STUDY OF SELECTED SME'S IN GATUNDU NORTH)**

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## ABSTRACT

The general objective of the study was to assess the factors affecting sustainability of small-scale businesses in Kenya with a specific reference to Gatundu North. The specific objectives of the study were; research questions, limitations of the study and the scope and delimitation of the study. The study focused its research undertakings into the major factors, which are finances, location and competition. The researcher used Descriptive Research Design in collecting data from respondents and Stratified Random Sampling Technique was used to select a sample size. The research used questionnaires as a research tool. The questionnaires were distributed at a close random and contained both open and close ended questions. There was a 82% response rate that was sufficient enough for the study. The research findings were analyzed both qualitatively and quantitatively. The findings indicate that majority of the respondents 62.2% strongly agree that every business set up requires finance resources in order to start and operate smoothly. The findings indicate that majority of the respondents 35.1% strongly agree that location decisions often have an impact on investments requirements, operational cost, revenue and operation. That majority of the respondents 45.9% strongly agree that competition is expected to increase as more small-scale businesses are coming up. The findings indicate that competition is necessary for the health of the industry and spurs new product development.