AN ANALYSIS INTO THE FACTORS INFLUENCING THE GROWTH OF SMALL AND MEDIUM ENTERPRISES IN KENYA: A CASE OF RIVER ROAD SME’S, RIVER ROAD, IN NAIROBI COUNTY.

MWIKYA DANIEL MATHEKA

REG NO. L123/20135/2011

This is A Research Project Submitted for the Requirement of The Award of a Diploma in Business Management of the University of Nairobi.

2013
DECLARATION

This is my original work that has not been presented in any other university for an award of any academic certificate.

Name: Mwikya Daniel
Signature
Date: 29/07/2013

Reg. ........................................

This research proposal has been submitted for examination with my authority as a University Supervisor.

Name: Dr. A-Nduluma
Signature
Date: 02-08-13

Lecturer, Department of Extra-Mural Studies,
University of Nairobi.
ABSTRACT

The fundamental purpose of this study is to investigate the factors influencing the growth of SMEs in Kenya with specific reference to Nairobi's River Road.

Chapter one has the introduction, problem statement and definition of the key terms. The specific objectives are; to determine how government policies affect performance of SMEs in River Road, to assess the effect of capital on growth of the SMEs in River Road, to investigate how training affects performance of SMEs in River Road, to find out how competition affects performance of SMEs in River Road and finally to investigate how Infrastructure affect the performance of SMEs in River Road.

Chapter two involved looking through earlier research, documents, text books and journals on related literature previous research works and observations related to the issue at stake. This will helped to clarify, strengthen and accordingly direct each stage of research from the formulation of the research topic to the dissemination and utilization of research findings.

The simple random and stratified sampling methods were used, since this method ensures equal opportunities to all employees making the results more accurate. The researcher used Primary data collected using self administered questionnaires for the small scale business owners along river road. Questionnaires are the most preferred instrument of data collection owing to the fact that they are easy to administer, unlikely to be manipulated and also good answers are guaranteed as the respondents are given time.

The researcher discussed the implications of the findings and provided an important linkage to other sections of the study such as objectives and existing literature. The information collected from the respondents was analyzed and presented in form of tables, graphs and pie charts.

Finally, the researcher summarizes the whole study by picking out the emerging prominent
issues. Basing on the general findings of the study, the researcher concluded that existing Micro-Finance Institutions need to allocate more funds for loans of SMEs. There is need for financial institution to change their lending policies.