Performance of micro and small enterprises in Kitale town under K-rep loans

*Macharia, J. Karuga*

This study examined the performance of Micro and Small Enterprises (MSEs) in Kitale town under K-REP loans. The study investigated the determinants of the performance of the (MSEs) in Kenya by focusing on those that had already received credit from K-REP. Profits of (MSEs) were used as a measure of performance. Data and information were collected using structured questionnaires from a sample of 80 entrepreneurs, which were administered to selected clients by the researcher. Data analysis was done using Eviews Econometric software and descriptive statistics. Interpretations were based on a log-linear Ordinary Least Square (OLS) model. Based on the findings of the study, it is recommended that the operators of MSEs be advised on stocking and sales practices, which will enable them to purchase their wares at low prices and sell them at more profitable prices. It is also important to formulate programmes to enhance marketing of products of MSEs. K-REP and other Micro Finance Institutions should work on loan policies that will enable the MSEs to get more credit, and with ease. Establishing a branch of the KREP bank in the Western region of the country to serve MSEs located there could help to achieve this.