

**MICROFINANCE SERVICE DELIVERY AND GROWTH OF SMES
ACASE STUDY OF SMALL AND MEDIUM SCALE BUSINESSES IN
TORORO DISTRICT**

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DECLARATION

I, KIA VICKY SHARON, hereby declare that this research report is my original work and has never been submitted or published to any Institution of higher learning for any award.

Sign

.....

KIA VICKY SHARON

Date

APPROVAL

This is to certify that this research report has been compiled and submitted by Kia Vicky Sharon student of Busitema university registration number BU/UP/2017/325 under my approval as the University supervisor.

Sign:

Name: **MR KALENZI ABBEY**

Date:

DEDICATION

With profound difference and honor, I dedicate this piece of work to my family members for the great support rendered to me during the research period and since my childhood. I dedicate this research to the staff members of Busitema University. On a special note i also dedicate this research to my supervisor, Mr. Kalenzi abbey for his endless guidance and my Lastly, to my friends and fellow researchers at Busitema university specifically, Nandeke faith, Wanyama Kelvin, Legesi Nathan and Ochwo Gasitafasi without forgetting Bichekwa Ronald for the corporation and love exhibited, may the almighty lord God award you according to his abundancy. Amen!

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May God bless you all!

ABSTRACT

This study is to examine the impact of microfinance service delivery on the growth of SMEs in Tororo District. Specifically, the study sought to examine the impact of loan services on the growth of SMEs, to examine the impact of saving services on the growth of SMEs and also to examine the impact of non financial services on the growth of SMEs. The study used descriptive correlation, comparative and cross-sectional survey designs. Data collected from 44 respondents using self-administered questionnaires as the key data collection instruments. Data was analyzed using frequency counts, means, and SPSS. The findings revealed that there was a relationship between microfinance service delivery and growth of SMEs. The microfinance service delivery enables the business to expand its sales and get capital. Recommendations based on the findings were that Microfinance institutions needs to improve their timely disbursement of loans to avoid frustrations and running to other sources of credit which might be expensive in a long run.

The government should ensure that Microfinance institutions comply with the Microfinance Act of 2014 since with proper administration some of the challenges will be addressed

The government and stake holders in Tororo district should diversify the saving products offered by microfinance to include products like insurance, buying of shares among others so as to retain the customers.

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LIST OF ABBREVIATIONS

C B T	Cost Based Theory
DV	Dependent Variable
F/S	Financial Statements
FY	Financial Year
IV	Independent Variable
MFI	Micro Finance Institutions
SEs	Small Enterprises
SMES	Small And Medium Scale Enterprises