



# Microcredit Schemes and Empowerment Among Female Business Owners in Nairobi Informal Settlements: An Assessment

Mutua Gitonga<sup>1,2</sup>, Muriuki Wambui<sup>1</sup>, Kamau Ochieng<sup>1,2</sup>

<sup>1</sup> Maseno University

<sup>2</sup> Jomo Kenyatta University of Agriculture and Technology (JKUAT)

**Published:** 13 September 2012 | **Received:** 06 May 2012 | **Accepted:** 16 July 2012

**Correspondence:** [mgitonga@gmail.com](mailto:mgitonga@gmail.com)

**DOI:** [10.5281/zenodo.18957557](https://doi.org/10.5281/zenodo.18957557)

## Author notes

*Mutua Gitonga is affiliated with Maseno University and focuses on African Studies research in Africa.*

*Muriuki Wambui is affiliated with Maseno University and focuses on African Studies research in Africa.*

*Kamau Ochieng is affiliated with Maseno University and focuses on African Studies research in Africa.*

## Abstract

Microcredit schemes have been implemented in various parts of Africa to support small businesses, particularly those owned by women living in informal settlements. In Nairobi, Kenya, these initiatives aim to empower female entrepreneurs through access to financial resources and training. A mixed-methods approach was employed, combining quantitative data from surveys with qualitative insights through interviews and focus group discussions. The sample included over 200 female entrepreneurs who have benefited from microcredit programmes for at least one year. Microcredit schemes significantly increased the average income of participants by 35% compared to a baseline period, highlighting their effectiveness in boosting business revenues among Nairobi's informal settlement residents. While microcredit has proven beneficial, challenges such as high interest rates and lack of collateral remain significant barriers to full economic empowerment for female entrepreneurs in these communities. Policy recommendations include reducing interest rates, enhancing access to collateral-free financing options, and expanding support services beyond financial assistance to address broader business development needs.

**Keywords:** *Kenyan, Empowerment Studies, Microfinance, Gender Economics, Development Policy, Participatory Research, Social Capital*

## ABSTRACT-ONLY PUBLICATION

This is an abstract-only publication. The complete research paper with full methodology, results, discussion, and references is available upon request.

✉ **REQUEST FULL PAPER**

**Email:** [info@parj.africa](mailto:info@parj.africa)

Request your copy of the full paper today!

## SUBMIT YOUR RESEARCH

**Are you a researcher in Africa? We welcome your submissions!**

Join our community of African scholars and share your groundbreaking work.

**Submit at:** [app.parj.africa](http://app.parj.africa)



Scan to visit [app.parj.africa](http://app.parj.africa)

**Open Access Scholarship from PARJ**

Empowering African Research | Advancing Global Knowledge