

Effect of Financing Decisions on Performance of Housing Cooperative Societies in North Rift Counties, Kenya

Abstract.

Housing is one of the largest concerns facing most countries of the world, where the increase in the numbers of the population are not corresponding with the available housing facilities. The huge demand of housing has resulted in making the housing sector to be one of the lucrative sectors to venture into in Kenya but unfortunately, lack of adequate information on financial management practices, greed and insufficient resources having replaced reason, has led to contractors constructing buildings that are extremely unfit for human occupation, stalled structures and low returns on housing sector investors. This has prompted the Kenyan government to recognize housing as one of the big four agenda of the current Jubilee government. Specifically, the study determined the effect of financing decisions on performance of housing cooperatives in North Rift Counties in Kenya. The study was guided by. The study used descriptive survey design. The study targeted 90 respondents from 12 housing cooperatives registered by NACHU in the North Rift Region. The respondents included all the management committee members, credit committee members and finance officers of all housing cooperatives in the North Rift Region. The study adopted a mix of quantitative and qualitative techniques in data collection and analysis. Primary data was used and the data collected using open self-structured questionnaires. Content validity was used to determine the validity while Cronbach's alpha coefficient was used to determine the reliability of research instrument. Data was analyzed using both descriptive and inferential statistics. For descriptive statistics frequency tables, percentages and means were used and for inferential statistics correlation and regression analysis were used. The SPSS Version 24 helped in the data analysis. The study findings indicated that there was a positive and significant effect of financing practices on performance of Housing Co-operative Societies ($\beta=0.456$;

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