

Entrepreneurs' record keeping practices and small enterprise performance in Uasin Gishu County, Kenya

SMEs are becoming increasingly important in terms of job creation globally. This study sought to establish the relationship between record keeping practices and SMEs performance in UasinGishu County. The study was guided by the following research question: What is the relationship between record keeping practices and performance of SMEs? The target population was 1200 and sample size of 300 registered SMEs owners in UasinGishu County. Ex post facto research design was used. Data was collected using structured questionnaires. Test of reliability and validity of instruments was done at $\alpha > 0.7$. Descriptive statistics was used to determine frequencies, percentages, means and standard deviation. Inferential statistics employed pearson correlation and regression analysis to assess the relationship, the effect and to test the hypothesis at $p \leq 0.05$. Findings on record keeping practices revealed that the organization yielded lowest positive unit increase of $\beta = 0.031$. Findings show a positive influence on the performance of SMEs. The null hypothesis was accepted that SMEs record keeping practices has no significant effect on performance of SMEs. This study recommends that SMEs owners enhance the training on calculation of interest rate and need to have the reporting and analyzing skills. The study concluded that in order for SMEs to perform, there has to be an investment on financial management practices particularly financial record keeping and analysis by stakeholders' especially financial institutions.

Key Words: Record Keeping Practises, Book Keeping, SMEs Performance