

## **Abstract:**

Small and medium enterprises (SMEs) are important for the growth of the economy and job creation in any Country. However, the performance of SMEs is a function of various determinants both external and internal. In order to realise full benefits from SMEs, both the external and internal determinants need to be favourable. The purpose of this study was to determine the impact of selected transportation factors on SMEs. Transportation is one of the external determinants of performance of SMEs. This research endeavoured to meet the following objectives: To determine the impact of transport cost differentials on performance of SMEs, to establish the relationship between transport infrastructure development and performance of SMEs, to determine the impact of transport insecurity on the performance of SMEs and to assess the impact of enforcement of public roads and access act on performance of SMEs. The study employed a descriptive survey research design. The target population comprised of 3000 traders in Kibera involved in general retail businesses. The researcher selected the sample from the population by considering the 10 villages in Kibera to be clusters for the purpose of this study. The study then used simple random sampling to pick a sample of 350. The researcher analyzed data using both descriptive and inferential statistics. Data was analyzed using statistical packages. Based on the findings of the study, it was concluded that there is significant relationship between transportation factors (of cost of transport, infrastructure development, and transport related insecurity, enforcement of roads and access act) and performance of SMEs. The study recommends that further related studies on the impact of transportation on the performance of SMEs should be done