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**Loan Management Procedures and Bank Performance: A Case Study of East African Development Bank**

This study examined the challenges of loan management and proposed strategies for improving loan management in East African Development Bank (EADB) for better performance. The objectives of the study include; examining the challenges of loan management in EADB, examining loan management processes in EADB, and proposing strategies for improving loan management in EADB. The study adopted a cross sectional study design and descriptive analysis was used to analyse the primary data. Primary data were collected using a questionnaire from 60 people (30 customers and 30 staff) purposively selected from a sample size of 92. This data was then analysed using the Statistical Package for the Social Sciences (SPSS) and Excel. Similarly, secondary data were collected from existing reports like annual reports and management reports, and analysis was done using SPSS. The findings showed that the poor performance of EADB is due to a non-robust Management Information System (MIS) used by EADB, which is not adequate to provide relevant information to the targeted customers. The findings also indicate that the MIS was not running to the expectations of the users and this affects the Bank's ability to provide timely and accurate information on the loans. The study concludes that the inability to obtain timely and adequate information about interest rates and product availability causes information asymmetry which in turn affects effective loan management in EADB. The study recommends that the EADB acquires a robust MIS, to step up supervision of loans; improve on risk management and engage in effective marketing of the bank's products to potential borrowers.

Key words: Loan, Bank, Management, Procedure, Performance