

ABSTRACT

"The study was about the role of Human Capital in SME'S sustainability a case of Dar es Salaam particularly in Kinondoni Municipality. SME'S sector has been observed to play a very crucial role in employment creation and income generation for many Tanzanians. Despite their significant role in the economic growth of any country, SME'S still face a lot of problems such as lack of source of capital, poor management of resources and underdeveloped infrastructure which hinders their prosperity in the country. The study was guided by four objectives namely: to evaluate the correlation between the education level of employees and its impact on SMES's sustainability; to examine the effect of training programs received by employees to enhance the acquiring of skills for SME'S sustainability; to assess learning mechanism used by employees in acquiring knowledge and skills for the SME's sustainability; and to evaluate the effect of owner/manager's self-development in acquiring business management skills on SME'S sustainability. Quantitative/descriptive research design fitted the study. Descriptive data analysis was used to analyze data obtained from the field, the methods used in obtaining primary data included: self-administered questionnaire, secondary data was also used and obtained through secondary data sources; Reports, Education journal and some Text books. The response rate on questionnaire was 89.5%, therefore the response rates were considered adequate for data analysis. The data was analyzed using Statistical Package for Social Science (SPSS 16.0). Key finding of this study revealed that SMEs owner/employees agree that education is necessary for their business success and that learning from the environment is not enough for someone's business to succeed. Additional knowledge and skills are needed whereby they can be obtained from the training programs. Although most of the owners display lack of interest to recommend their employees to training programs for fear of being poached by their competitors. Some important recommendation was for the SMEs vendors to consider further studies which benefit the business in one way or the other. They should consider entrepreneurial short courses."

