

ABSTRACT

This study assessed the factors affecting the performance of SMEs in Tanzania, a case of Temeke municipal council in Dar es Salaam. The specific objectives were, to examine the impact of access to finance on the performance of SMEs in Tanzania. To explore the effect of technology adoption on the performance of SMEs in Tanzania. To analyze the influence of market competition on SMEs performance in Tanzania. Descriptive research design was used in this study. The target population for this research was small and medium enterprises (SMEs) operating in Tanzania and a sample size of 95 SMEs was used for this research. Specifically, the research focused on SMEs in Temeke municipal council in Dar es Salaam. A random sampling technique was used in this study. This research used both primary and secondary data sources to assess the factors affecting the performance of SMEs in Tanzania. The analysis was done using statistical software that is SPSS version 20. The findings revealed that access to finance significantly contributes to SME growth and profitability, emphasizing the importance of financial resources for these enterprises. Moreover, technology adoption plays a pivotal role in enhancing SME efficiency, competitiveness, and cost-effectiveness, highlighting the need for technological advancement. Additionally, market competition drives innovation, diversification, and improvements in customer service and product quality among SMEs, underlining its role in fostering competitiveness. These findings highlighted the importance of addressing financial constraints, promoting technology adoption, and creating a competitive market landscape to support SME growth. Policymakers, stakeholders, and the community have pivotal roles in facilitating these factors to foster economic development in Tanzania. Therefore, this study's findings provide valuable insights into the dynamics of SMEs in Tanzania, offering recommendations to enhance their performance and contribute to broader economic prosperity.