

## ABSTRACT

This study was about the Assessment of the Strengths and Weaknesses of Lending Environment in Tanzania. The study was carried out following the general outcry of the weaknesses of the lending environment in the Tanzania. The general objective of this study was to examine the perceptions of the banks and borrowers about the strengths and weaknesses of the lending environment, factors affecting potential borrowers, and strengths and weaknesses of the lending environment. The study took place at NMB Temeke, Kariakoo and Magomeni branches.

The researcher gathered information from 60 respondents but managed to get data from 50 respondents. Judgmental non probability sampling was used to select the respondents from the employees and customers from all the three NMB branches. During the study, the researcher was able to read many written documents and books. The researcher managed to collect primary data through observation; interview and the use of questionnaires. The data analysis was conducted through the use of the Statistical Packages Software for Social Sciences (SPSS).

The study discovered that the key strengths of the lending environment are services delivery time, promotion and advertisement and availability of the funds. It was also revealed the weaknesses of the lending environment which includes corruption, loss of applicants' documents, and misallocation of fund.

The study concluded on the corruption loopholes, training, motivating employees, and improvement of the recording system. The study recommended to the government and financial institutions to improve the rules, guidelines and all lending policies to accommodate the left behind people like farmers and small scale traders. The researcher has also recommended for further research in order to develop strategies to improve the strengths and eliminate the weaknesses of the lending environment in Tanzania.

