

**The influence of family ownership on small and medium enterprises (SMEs)
performance: the case of selected SMEs in Dar es salaam Region.**

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This broad objective of this study was to explore the extent to which family ownership influence the performance of the firm with a focus on the selected SMEs in the Dar es salaam region. The study link family ownership and the performance of the business here in Tanzania where most business originated from family member and brought more understanding of family business practices and how the family managerial regime effect the performance of the business. Data for this study were collected using various techniques namely: questionnaires with open and closed ended questions, observation, face to face interview with managers or owners of the selected SMEs and documentary review. The study includes the sample of 102 SMEs registered which are based in Dar es salaam, most receive various financial support from CRDB Bank for the years 2000-2009. Key findings of this study reveal that there is slightly positive relationship between SMEs performance (ROA) and percentage of family ownership, although may not be enough to explain the influence of family ownership on the performance of SME's in Tanzania . The study reveals that transferability of family value in the business may have a greater impact on the business performance and business networking I Tanzania. The study faces various challenges in data collection and limitations like inability to incorporate human capital as the source of innovation and creativity necessary for SME performance. Formalization of SME'S will bring more financial support and accessibility by other business support like markets.