

**Challenges facing small and medium enterprises owned by women entrepreneurs in rural  
Tanzania: a case of selected districts in coast region**

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The study examined the challenges facing Small and Medium Enterprises (SMEs) owned by women entrepreneurs in rural Tanzania by focusing on those engaged in service delivery. The main interest was to propose innovative strategies in response to the factors that limit women entrepreneurs' capacity to establish and manage viable and sustainable service delivery SMEs. The study was done in three districts in Coast region in Tanzania. The study was guided by four specific objectives, namely to: examine reasons for women entrepreneurs preference to certain type of SMEs in rural Tanzania, Explore strategies women entrepreneurs employ for establishing such SMEs, identify main cause of challenges facing women entrepreneurs in establishing and managing successful SMEs, propose innovative strategies for enabling women entrepreneurs to address challenges limiting growth and sustainability of their SMEs. The study applied cross-sectional research design to obtain data from seventy-five respondents, but women entrepreneurs were out of total sample sixty three. Primary data were collected using both qualitative and quantitative research methods. Three qualitative research methods were used namely, interview, Focus Group Discussions and participant observation whereas, survey were used to collect quantitative data. Quantitative data were analysed using the Statistical Package for Social Sciences (SPSS) but qualitative data were subjected to content analysis. Overall, the study findings confirmed that women entrepreneurs involved in service delivery SMEs faced multiple challenges. These included lack of capital, lack of entrepreneurship knowledge, lack of sustainable market for their commodities, lack of creativity and business registration, as well as inadequate implementation and management of respective businesses. All these challenges individually or combined, contributed to poor performance of service delivery SMEs owned by rural women entrepreneurs. The study concludes by proposing potential areas for further research in other words, the study found room that need to be improved to enhance potential strategies links to help women entrepreneurs in running viable and sustainable SMEs. Conjunctive efforts are necessary to improve awareness of these challenges that hinder success of women entrepreneurs. In addressing these challenges the study recommend several innovative strategies to enhance women entrepreneurship in rural Tanzania. Some of these include improvements in skills acquisition (51%) improved market strategies to capture customers (71%), improving access to Financing SMEs (71%),imposing high tax on imported good (62%), promoting and ensuring Economic empowerment (62%),utilising regional and global networks (66.7%),Setting exposure platform (51.0%) for improve viability and Sustainability of SMEs.