

2016

Factors affecting internationalization of small and medium enterprises in Tanzania; a case of Handcraft Firms at Mwenge

Michael, Mourine Rutta

University of Dar es Salaam

Michael, M.R (2016) Factors affecting internationalization of small and medium enterprises in Tanzania; a case of Handcraft Firms at Mwenge. Master dissertation, University of Dar es Salaam, Dar es Salaam.

<http://41.86.178.5:8080/xmlui/handle/123456789/11513>

Downloaded from University of Dar es Salaam Library Repository

Factors affecting internationalization of small and medium enterprises in Tanzania; a case of Handcraft Firms at Mwenge

Mourine Rutta Michael

Master of International Business (MIB)

University of Dar es salaam, Business School, 2016

The aim of this study was to assess the factors affecting the internationalization of small and medium enterprises in Tanzania, the case being hadcraft firms at Mwenge in Dar es salaam. The specific objective of the study were to examine the extent of which SMEs characteristics, environmental characteristics and entry strategy influence internationalization of SMEs. The primary data were collected using a structured questionnaire given to total of 80 sampled respondents who were collected using small ball sampling method. Both quantitative ad qualitative method were used in data analysis. Analysis was made using SPSS where frequency, percentage, men and standard deviations were computed. The study found out that ag, size of the firm and availability of funds have greater influence on internationalization. Strategic alliance helps the firms in attaining knowledge and technology. It was also found out that networks play a great role in developing foreign market knowledge by providing access to knowledge flow and hence speed up the process of internationalization. The study further found that the growth of which of technology has the ability to develop international market expansion and firm growth which eases international markert entrance and allows the development of new international customers and hence makes internationalization to be an achievable dream. Therefore, such characteristics, influence internationalization and hence make SMEs to be competitive in the foreign markets. From the findings of the study, it is recommended that the government should facilitate small entrepreneurs to acquire the needed machines and technical expertise. In addition, the government should provide financing support through grant and bank loans. Banks should charge affordable interest rate with the minimum requirements so as to encourage small firms to borrow from banks and increase their capital for further investments. Small Industrial Development Organization (SIDO) and other Non-Governmental Organizations (NGOs) should promote technical assistance programs to enhance technical expertise among SMEs.