

UNIVERSITY OF KWAZULU-NATAL

**MANAGEMENT PRACTICES AND IMPLEMENTATION OF
STRATEGIC PLANNING AMONG SMALL BUSINESSES IN
GHANA**

By

Egya Gyanzah Eshun

216076370

A thesis submitted in partial fulfillment of the requirements for the degree of

Doctor of Philosophy

School of Management, IT and Governance

College of Law and Management Studies

Supervisor: Professor Vannie Naidoo

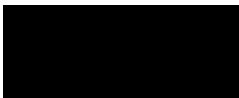
2023

DECLARATION

I, Egya Gyanzah Eshun, declare that

- i. The research reported in this thesis, except where otherwise indicated, is my original research
- ii. This dissertation/thesis has not been submitted for any degree or examination at any other university
- iii. This dissertation/thesis does not contain other person's data, pictures, graphs or other information, unless specifically acknowledged as being sources from other persons.
- iv. This thesis does not contain other persons' writing, unless specifically acknowledged as being sources from other researchers. Where other written sources have been quoted, then:
 - a) Their words have been re-written but general information attributed to them has been referenced
- v. Where I have reproduced a publication of which I am an author, co-author or editor, I have indicated in detail which part of the publication was actually written by myself alone and have fully referenced such publications
- vi. This thesis does not contain text, graphics or tables copied and pasted from the internet, unless specifically acknowledged, and the source being detailed in the thesis and in the references sections.

Signature:

A solid black rectangular box used to redact the signature of the author.

Date: 10th August, 2023

DEDICATION

I duly dedicate the work to my wife Olivia Nyarko Mensah and my offspring Nkunyimdzi Gyanzah Eshun and my senior brother Egya Assuah Eshun and parents Joana Hayford and Joseph Kingsley Eshun. I thank you all for your love demonstrated in diverse ways.

ACKNOWLEDGEMENT

I thank God Almighty the sustainer of the living and the unliving. From you I get my essence and existence and with you I am triumphant. Thanks for the grace to go through this monumental work.

My utmost thanks go to my supervisor, Professor Vannie Naidoo for the support throughout the journey of putting together this thesis. Thanks for guiding me through this awesome journey and may God bless you immensely.

Thirdly my thanks also go to the University of KwaZulu Natal for the financial support that made it possible for me to undertake this great journey. I promise to repay this gesture by also providing others the shoulder on which they would soar.

I acknowledge my employer, Garden City University College, Ghana for the support and the peace of mind to pursue this terminal degree. The knowledge gained would be used to help take the institution to the next level.

To all the small businesses that were involved in the study I want to show my appreciation and believe this work would supplement current knowledge on small firm development.

I would also want to show appreciation and acknowledge the support I received from the research assistants who were engaged in this study. At long last the battle has ended. You share in this success.

Last but not the least I want to acknowledge the authors and other writers whose work provided me with the required guidance. I could see far because I stood on the shoulders of others. I promise to also be the shoulder on which others would also see far.

I also want to thank everybody I have come across because you have all contributed to making the world worth living.

ABSTRACT

This study focused on the management practices applicable and the extent of strategic planning among small firms in Ghana in order to propose measures for effective management of small firms. The research was conducted in the Kumasi metropolitan area of Ghana. The Pragmatic research philosophy was adopted for the research. The research respondents were small business owners/managers in Kumasi, Ghana. The study used mixed methods approach in data collection. Through this approach numerical data was gathered through the administration of questionnaire as also qualitative data was gathered through interviewing of selected small business owners/managers. The quota sampling method was applied to identify the sample of 500 small firms and the purposive sampling procedure was used to choose 10 small firm owners/managers to be interviewed. The quantitative data gathered in the research were analyzed applying the Statistical Package for Social Sciences (SPSS) version 21, whilst Content Analysis was applied for the qualitative data. The key findings identified in the study were that small businesses in Ghana have limited management skills and also some specific management practices were found to be significantly linked to various dimensions of growth of small businesses as well as competitive advantages enjoyed by small businesses. From the proposed framework developed for the effective management of small businesses it has been established that all the four categories of management practices studied, with the exception of operation-efficiency-focused management practices are significantly associated with the growth of the firm. Also all the four categories of management practices were found to be significantly associated with competitive advantages enjoyed by small businesses in Ghana. The study recommendations include improving the management capacity of small businesses in Ghana, especially in the area of strategic planning and also effectively resourcing and coordinating small business support institutions in Ghana to provide world class and seamless service to small businesses in Ghana. The study has also proposed measures for effective management of small businesses in Ghana so that they can perform their role as the prime mover of Ghana's economy.

TABLE OF CONTENTS

DECLARATION.....	i
DEDICATION	iii
ACKNOWLEDGEMENT.....	iv
ABSTRACT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	xxii
LIST OF FIGURES.....	xxv
LIST OF ABBREVIATIONS	xxvi
LIST OF APPENDICES	xxviii
CHAPTER ONE.....	1
INTRODUCTION AND BACKGROUND TO THE STUDY	1
1.1 Introduction	1
1.2 Background of the Study	3
1.3 Motivation for the Study	5
1.4 Significance of the Study	6
1.5 Research problem	7
1.6 Research aim and Objectives	8
1.7 Research Question.....	9
1.8 Research Hypotheses.....	10
1.10 Research assumptions.....	11
1.11 Theoretical and Conceptual Framework	11
1.11.1 Theoretical Framework	11

1.11.2 Conceptual Framework	12
Figure 1.1 Effective management of small of businesses conceptual framework	15
1.12 Scope of the Study.....	14
1.13 Research contributions	14
1.14 Research methodology	15
1.14.1 Research philosophy.....	15
1.14.2 Research design	15
1.14.3 Research approach.....	15
1.14.4 Research strategy.....	16
1.14.5 Study context and site.....	16
1.14.5.1 The study context	16
Figure 1. 2 Map of Africa indicating Ghana found in figure A and figure B is the current 16 regions (province).	17
1.14.5.2 The study site.....	20
1.14.6 Population and sampling	21
1.14.7 Data collection.....	22
1.14.8 Data analysis.....	22
1.15 Limitations of the study.....	23
1.16 Delimitation of the Study	23
1.17 Ethical consideration	23
1.18 Definition of key terms.....	23
1.19 Structure of the Study.....	24
1.20 Summary	26
CHAPTER TWO.....	27
THE SMALL BUSINESS ENVIRONMENT IN GHANA.....	27

2.1 Introduction	27
2.2 Streamlining the definitions of small business in Ghana.	27
Table 2. 1 Business Categorization	28
2.3 Small business development in Ghana	29
2.4 Overview of small businesses in Ghana.....	30
2. 5 Geographical spread of small businesses in Ghana.....	31
2.5.1. Small Businesses in the Rural Areas of Ghana	31
2.5.2 Small businesses in urban areas	33
2.6 Contributions of small businesses in Ghana.....	34
2.6.1 Small Business contribution to Economic growth of Ghana	34
2.6.2 Small Business contribution to Employment Generation in Ghana.....	35
2.6.3 Business Contribution to Poverty Reduction	36
2.7 Women and youth participate in the Small business sector	37
2.8 Small business sector contribution to competition.....	39
2.9 The development of small businesses in Ghana.....	40
2.10 Barriers facing small businesses in Ghana	41
2.10.1 Financial Barriers	41
2.10.2 Management skills and Business Operations Barriers	43
2.10.3 Inadequate Infrastructure Barrier	43
2.10.4 Heightened Local and International Competition.	45
2.10.5 Inadequate Information and Technology Barrier	45
2.10.6 Unfriendly Legal and Regulatory Environment.....	46
2.11 Support for small businesses in Ghana.....	46
2.11.1 Institutions to promote SME development.....	47
2.11.2 The Ministry of Private Sector development	47

2.11.3 National Board for Small Scale Industries	47
2.11.4 GRATIS Foundation	48
2.11.5 The Rural Enterprise Project (REP)	48
2.11.6 Ghana Venture Trust Fund	49
2.12 Bank of Ghana supporting small businesses	49
2.13 The business sector advocacy challenge fund (BUSAC Fund).....	50
2.14 Summary	50
CHAPTER THREE.....	51
LITERATURE REVIEW ON MANAGEMENT PRACTICES AND STRATEGIC PLANNING	51
3.1 Introduction	51
3.2 Management as the act of performance.....	51
3.3 Management practices and their Implementation	52
3.4 Measuring Management Practices.....	55
3..5 Shortage of Managerial Acumen.....	56
3.6 Managerial work in small businesses	57
3.7 HRM Practices and Firm performance.....	57
3.8 Operations management practices and Firm performance	58
3.9 Management Quality and Firm Performance	59
3.10 Technology usage and Organizational productivity	60
3.11 Total Quality management and Organizational performance	60
3.12 Strategic management in small businesses.....	60
3.13 Management Practices and Strategic Planning	61
3.14 Strategic Planning and Business Performance	61
3.15 Strategic planning and small businesses	62

3.16 Implementation of strategic planning in small and large organizations	63
3.17 Organizational capabilities	64
3.18 Strategic Leadership and Performance	64
3.19 Industry structure and business performance.	65
3.20 Policies and strategies for small business growth	65
3.21 Success factors for small business viability	66
3.22 Summary	67
CHAPTER FOUR	68
THEORETICAL BACKGROUND OF THE STUDY	68
4.1 Introduction	68
4.2 Theory of the growth of the firm (Penrose, 1959)	68
4.3 Resource-based view of the firm.....	71
4.4 Knowledge-based view of the firm.	73
4.5 Strategic leadership theory	73
4.6 Conceptual Framework for Management of small businesses	74
4.7 Management practices as the independent variable	75
4.8 Competitive advantages enjoyed as dependent variable	77
4.9 Growth of the business as dependent variable	77
CHAPTER FIVE.....	80
RESEARCH METHODOLOGY	80
5.1 Introduction	80
5.2 Research process	80
5.2.2 Research paradigms.....	84
5.2.2.1 Positivism	84
5.2.2.2 Post positivism	84

5.2.2.3 Interpretivism	85
5.2.2.4 Pragmatism.....	85
5.2.2.5 Paradigm for this study.....	85
5.2.3 Research design.....	86
5.2.3.1 Case study.....	86
5.2.4 Research approach.....	87
5.2.4.1 Steps in the mixed-methods approach.....	88
5.2.5 Research strategy.....	88
5.3 Study Site	90
5.4 Target population and sampling	92
5.4.1 Target population	92
5.4.2 Sampling frame	93
5.4.3 Sampling techniques.....	94
5.4.3.1 Probability sampling.....	95
5.4.3.2 Non-probability sampling techniques	95
5.4.3.3 Sampling technique Chosen for the Study	95
5.4.4 Sample size.....	96
5.5 Data collection instruments	97
5.5.1 Research instruments for the study	98
5.5.1.1 Questionnaire.....	98
5.5.1.2 Interviewing.....	105
5.7 Data collection process.....	107
5.7.1 Preparing for field data collection	107
5.7.2 Field data collection	109
5.8 Data Analysis	109

5.8.1 Analysis of quantitative data	109
5.8.1.1 Preparing the data for analysis	109
5.8.1.1(a) Data editing.....	110
5.8.1.1(b) Data cleaning	110
5.8.1.1(c) Coding.....	110
5.8.1.1(d) Data capturing.....	110
5.8.1.2 Descriptive analysis.....	110
5.8.1.3 Inferential statistics.....	111
5.8.1.3 Spearman's (rho) Correlation Coefficient	111
5.9 Summary	113
CHAPTER SIX	114
DATA ANALYSIS	114
6.1 Introduction	114
6.2 Response rate from questionnaire administration	114
6.3 Reliability of the research instrument	115
6.4 Demographic data analysis.....	116
6.4.1 Demographic data on respondents	116
6.4.1.1 Age of Owner-Managers	116
6.4.1.2 Gender of Respondents	117
6.4.1.3 Educational level of Respondents	118
6.4.1.4 The First Business operated by the Owner-Managers	118
6.4.1.5 Has the Owner Manager received Entrepreneurship training	119
6.4.2 Demographic Data of Small Businesses	119
6.4.2.1 Number of Years of existence of the Small Business	120
6.4.2.2 Forms of Business Organization	120

6.4.2.3 Number of People employed by Small Business	121
6.4.2.4 Reasons for Starting the Small Business	122
6.4.2.5 Nature of Activity of the Small Business	122
6.4.2.6 Existence of Strategic Plan for the Small Business.....	123
6.5 Analysis of data on research questions.....	123
6.5.1 Management Practices Applicable to Small Businesses	124
6.5.1.1 Operation-efficiency-focused management practices in small businesses.....	124
efficiency-focused management practices indices	124
6.5.1.2 Monitoring-focused management practices in small businesses.....	126
focused management practices indices.....	126
6.5.1.3 Targeting-focused management practices in small businesses	128
focused management practices small businesses indices.	128
6.5.1.4 Incentive-focused management practices in small businesses	131
focused management practices indices.....	131
6.5.2 Challenges facing Management of Small Business	134
6.5.3 Implementation of Strategic Planning among Small Businesses	138
6.5.4 Challenges facing strategic planning in small businesses	143
6.5.5 Sources of Competitive Advantage of Small Businesses.....	147
6.5.6 Growth of small businesses	149
their small businesses.	150
6.6 Inferential Analysis of research data	153
6. 6.1 The Relationship between Management practices in small businesses and the growth of small businesses.....	153
6.6.1.1 Relationship between operation-efficiency-focused management practices indices and growth of small business indices.....	153

6.6.1.2 Relationship between monitoring-focused management practices indices and growth of small businesses indices	154
Growth of small business indices	155
6.6.1.3 Relationship between targeting-focused management practices indices and growth of small business indices	156
Growth of small business indices	157
6.6.1.4 Relationship between incentive-focused management practices indices and growth of small businesses indices	160
Growth of small business indices	161
6.6.2 The Relationship between Management practices and Competitive advantage enjoyed by small businesses	163
6.6.2.1 Relationship between operation-efficiency-focused management practice indices and competitive advantage indices	163
indices and Competitive advantage indices by small business indices	163
6.6.2.2 Relationship between monitoring-focused management practice indices and competitive advantage indices	164
Competitive advantage enjoyed by small business indices	165
6.6.2.3 Relationship between targeting-focused management practice indices and competitive advantage indices	166
6.6.2.4 Relationship between Incentive-focused management practice indices and competitive advantage indices	169
6.7 Hypothesis Testing	171
6.7.1 Hypothesis 1: There is a statistically significant association between Operation-efficiency-focused management practices and growth of small businesses in Ghana.	171
6.7.3 Hypothesis 3: There is a statistically significant association between Targeting-focused management practices and growth of small businesses in Ghana.	173

6.7.4 Hypothesis 4: There is a statistically significant association between Incentive-focused management practices and growth of small businesses in Ghana.	173
6.7.6 Hypothesis 6: There is a statistically significant association between Monitoring-focused management practices and competitive advantage enjoyed by small businesses in Ghana.	174
6.7.8 Hypothesis 8: There is a statistically significant association between Incentive-focused management practices and competitive advantage enjoyed by small businesses in Ghana.	176
competitive advantages of small businesses	176
6.7.9 Hypothesis 9: There is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses	176
businesses and the growth of small businesses	176
6.8 Analysis of qualitative data	177
6.8.1 Nature of Management practices among small businesses in Ghana.	177
6.8.2 Strategic planning implementation among small businesses	195
6.7 3 Improving Small business management effectiveness	205
CHAPTER SEVEN	214
DISCUSSION OF RESULTS	214
7.1 Introduction	214
7.2 Discussion in relation to the Research Objectives	214
7.2.1 Research Objective 1: Management Practices Applicable to Small Businesses in Ghana	214
7.2.1.1 Operation-efficiency-focused management practices in small businesses.....	215
7.2.1.2 Monitoring-focused management practices in small businesses.....	217
7.2.1.3 Target-focused management practices in small business	219
7.2.1.4 Incentive-focused management practices in small businesses	222
7.2.2 Challenges facing Management of Small Businesses	226

7.2.2.1 The business finds it difficult to raise money to finance the operation of the business.	226
7.2.2.2 The business lacks enough management skills to effectively manage the business.	227
7.2.2.3 The business lacks enough support from the Government.....	227
7.2.2.4 The Business environment is not friendly for Business	228
7.2.2.5 The Business lacks enough resources to employ qualified people	228
7.2.2.6 Technology usage in this organization is limied.	229
7.2.3 Extent of implementation of Strategic Planning among Small Businesses in Ghana	230
7.2.3.1 The business has established its long-term direction for at least the next three years.	230
7.2.3.2 The business undertakes analysis of the external environment to identify opportunities and threats	231
7.2.3.3 The business analyzes the operation and strategies of competitors within its industry.	231
7.2.3.4 The business analyzes customer preferences and demands for strategy improvement/	232
7.2.3.5 The business analyzes its internal capabilities to establish its strength and weaknesses.	232
7.2.3.6 The business devises strategies to ensure achievement of long-term goals	233
7.2.3.7 The business assesses daily operations against long-term plans	234
7.2.3.8 The business continuously assesses factors essential for its sustainability.	234
7.2.3.9 The business has a formal system for tracking its performance and that of the competitors.....	235
7.2.3.10 The business undertakes consistent strategy reviews to ensure operational effectiveness.....	235
7.2.4 Challenges facing the implementation of strategic planning in small businesses.....	236

7.2.4.1 There is not enough resources for strategy implementation.....	236
7.2.4.2 Resources are not properly aligned to strategy implementation	237
7.2.4.3 The business finds it difficult to manage change	237
7.2.4.4 The business has ineffective control of strategy implementation	238
7.2.4.5 Top managers do not provide enough support for strategy	238
7.2.4.6 The human capital of this business is not effectively developed to support strategy	239
7.2.4.7 There is lack of strategy supportive culture in the organization xxxxxx	240
7.2.4.8 Managers' lack appreciation for strategic planning	240
7.2.5 Sources of Competitive Advantage of Small Businesses.....	241
7.2.5.1 The business serves its customers better than other businesses	241
7.2.5.2 The products/services of this organization are superior to that of the competitors.	242
7.2.5.3 Generally customers prefer to deal with this organization than competitors	242
7.2.5.4 The cost structure of the business is comparatively better than that of competitors.	243
7.2.6 Growth of small businesses	243
7.2.6.1 The profit of this organization has been increasing desirably as expected.	243
7.2.6.2 The revenue of this organization has increased desirably as expected	244
7.2.6.3 There has been increased customer base of this organization as expected	245
7.2.6.4 There is increased employee commitment to the organization	245
7.2.6.5 The level of sustainability of this business has increased	246
7.2.6.6 The level of productivity/efficiency of this business has increased	246
7.2.7 The Relationship between management practices applicable to small businesses and dimensions of growth of small businesses.	247
7.2.7.1 The Relationship between Operation-efficiency-focused management practices and dimesnisons of growth of small businesses.	247

7.2.7.2 The Relationship between Monitoring-focused management practices and dimesnisons of growth of small businesses.	248
7.2.7.3 The Relationship between Targeting-focused management practices and dimesnisons of growth of small businesses.	249
7.2.7.4 The Relationship between Incentive-focused management practices and dimesnisons of growth of small businesses.	257
7.2.8 The Relationship between Management practices and Competitive advantage enjoyed by small businesses	260
7.2.8.1 Relationship between operation-efficiency-focused management practices indices and Competitive advantage indices.....	260
7.2.8.2 Relationship between Monitoring-focused management practices indices and Competitive advantage indices	262
7.2.8.3 Relationship between Targeting-focused management practices indices and Competitive advantage indices	264
7.2.8.4 Relationship between Incentive-focused management practices indices and Competitive advantage indices	267
7.3 Discussion of the Hypothesis Testing	271
7.3.1 Hypothesis 1: There is a statistically significant association between Operation- efficiency-focused management practices and growth of small businesses in Ghana.	271
7.3.2: Hypothesis 2: There is a statistically significant association between Monitoring- focused management practices and growth of small businesses in Ghana	271
7.3.3: Hypothesis 3: There is a statistically significant association between Targeting- focused management practices and growth of small businesses in Ghana.	271
7.3.4: Hypothesis 4: There is a statistically significant association between Incentive- focused management practices and growth of small businesses in Ghana.	272
7.3.5: Hypothesis 5: There is a statistically significant association between Operation- efficiency-focused management practices and competitive advantage enjoyed by small businesses in Ghana	272

7.3.6: Hypothesis 6: There is a statistically significant association between Monitoring-focused management practices and competitive advantage enjoyed by small businesses in Ghana.	272
7.3.7: Hypothesis 7: There is a statistically significant association between Targeting-focused management practices and competitive advantage enjoyed by small businesses in Ghana.	272
7.3.8: Hypothesis 8: There is a statistically significant association between Incentive-focused management practices and competitive advantage enjoyed by small businesses in Ghana.	273
7.3.9: Hypothesis 9: There is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses	273
7.4 Proposed measures for the effective management of small businesses	273
7.3.1 Operation-efficiency-focused management practices in small businesses.....	274
7.3.2 Monitoring-focused management practices in small businesses.....	274
7.3.3 Targeting-focused management practices in small businesses	275
7.3.5 Competitive advantage and grow of small businesses	275
7.5 Supplementary proposed measures for effective management of small businesses in Ghana	278
7.4 Summary	281
CHAPTER EIGHT	282
SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	282
8.1 Introduction	282
8.2 Summary of key findings	283
8.2.1 Key findings under the first research objective	283
8.2.1.1 Finding under Operation-efficiency-focused management practices.....	283
8.2.1.2 Findings under Monitoring-focused management practices	284
8.2.1.3 Findings under Targeting-focused management practices	284

8.2.1.4 Finding under Incentive-focused management practices	285
8.2.2 Key findings under the second research objective	286
8.2.3 Key findings under the third objective	287
8.2.4 Key findings under the fourth objectives	289
8.2.5 Key findings under the fifth objective.....	290
8.2.5.1 Key findings from the reslationship between Operation-efficiency-focused management practices and growth of small business indices	290
8.2.5.2 Key findings from the relationship between monitoring-focused management practices and growth of small business indices	291
8.2.5.3 Key finding from the relationship between Targeting-focused management practices and growth of small business indices.....	291
8.2.5.4 Key finding from the relationship between Incentive-focused management practices and growth of small business indices.....	293
8.2.6 Key findings under the sixth objective.....	294
8.2.6.1 Key findings from the relationship between Operation-efficiency-focused management practices and competitive advantages of businesses	294
8.2.6.2 Key findings from the relationship between monitoring-focused management practices and competitive advantages of businesses.....	294
8.2.6.3 Key findings from the relationship between targeting-focused management practices and competitive advantages of businesses	294
8.2.6.4 Key findings from the relationship between incentive-focused management practices and competitive advantages of businesses	295
8.2.6 Key findings under the seventh objective	295
8.3 Limitations and suggestions for further research	298

Since it was realized through the interviews that political patronage play a critical role in small businesses securing financial support from public institution, it is suggested that

future, studies research into the work of public institutions for small business development and how they can be made politically neutral.....	299
8.4 Conclusions	299
8.4.1 Conclusion 1	301
8.4.2 Conclusion 2.....	302
8.4.3 Conclusion 3.....	303
8.4.4 Conclusion 4.....	304
8.4.5 Conclusion 5.....	305
8.4.7 Conclusion 7.....	308
8.5 Recommendations	309
8.5.1 Recommendation 1	309
8.5.2 Recommendation 2.....	309
8.5.3 Recommendation 3.....	309
8.5.4 Recommendation 4.....	310
8.5.5 Recommendation 5.....	310
8.5.6 Recommendation 6.....	310
8.6 Summary	310
REFERENCE	311

LIST OF TABLES

LIST OF TABLES	xxii
Table 2. 1 Business Categorization	28
Table 2. 2 Finance flow to Small Businesses	50
Table 5. 1 Research approaches and corresponding research strategies	88
Table 5. 2: Small businesses sampled from each sub-metro in Kumasi	97
Table 5.3: Sources/ influence for putting together the Research instrument (Management Practices)	102
Table 5.4: Sources/influences for putting together the Research instrument (Challenges facing management of small businesses).	103
Table 5.5: Sources of influence for putting together the Research instrument (Implementation of strategic planning)	103
Table 5.6: Sources of influence for putting together the Research instrument (Challenges facing strategic planning in small businesses)	104
Table 5.7: Sources of influence for putting together the Research instrument (Dimensions of competitive advantage enjoyed by small businesses)	104
Table 5.8: Sources of influence for putting together the Research instrument (Dimensions of sustained business growth)	105
Table 6. 1: Questionnaire administration response rates	115
Table 6. 2: Cronbach Alpha scores of research variables	115
Table 6. 3: Age of respondents of the study	117
Table 6. 4: Gender of Respondents	117
Table 6. 5: Educational level of Respondents	118
Table 6. 6: First Business Operating	119
Table 6. 7: Received Entrepreneurship and Management Training	119
Table 6. 8: Year business has been in existence	120
Table 6. 9: Form of Business Organization	121
Table 6. 10: Number of People Employed	121
Table 6. 11: Why was Business Started	122
Table 6. 12: Nature of Business Activity	123

Table 6. 13: Do you have Strategic Plan	123
1Table 6.14: Frequency, mean and standard deviation scores of respondents on operation- efficiency-focused management practices indices	124
Table 6.15: Frequency, mean and standard deviation scores of respondents on Monitoring- focused management practices indices.....	126
Table 6.16: Frequency, mean and standard deviation scores of respondents on Target-focused management practices small businesses indices.....	128
Table 6.17: Frequency, mean and standard deviation scores of respondents on Incentive-focused management practices indices	131
Table 6.18: Frequency, mean and standard deviation scores of respondents on challenges facing the maaagement of their small businesses	135
Table 6.19: Frequency, mean and standard deviation scores of respondents on the extent of implementation of strategic planning in their small businesses.	138
Table 6.20: Frequency, mean and standard deviation scores of respondents on the challenges facing strategic planning in small businesses.....	143
Table 6.21: Frequency, mean and standard deviation scores of respondents on the sources of competitive advantage small businesses enjoy.....	147
Table 6.22: Frequency, mean and standard deviation scores of respondents on the growth of their small businesses.	150
Table 6.23: Correlation matrix of operation-efficiency-focused management practices indices and Growth of small business indices	153
Table 6.24: Correlation matrix of Monitoring-focused management practices indices and Growth of small business indices	155
Table 6.25: Correlation matrix of Targeting-focused management practices indices and Growth of small business indices	157
Table 6.26: Correlation matrix of Incentive-focused management practices indices and Growth of small business indices	161
Table 6.27 : Correlation matrix of operation-efficiency-focused management practices indices and Competitive advantage indices by small business indices	163
Table 6.28: Correlation matrix of Monitoring-focused management practices indices and Competitive advantage enjoyed by small business indices	165

Table 6.29: Correlation matrix of Targeting-focused management practices indices and Competitive advantage enjoyed by small business indices	167
Table 6.31: Spearman correlation between operation-efficiency-focused management practices and growth of small businesses.	172
Table 6.32: Spearman correlation between monitoring-focused management practice and growth of small business	172
Table 6.33: Spearman correlation between targeting-focused management practice and growth of small business	173
Table 6.34: Spearman correlation between incentive-focused management practice and growth of small businesses	173
Table 6.35: Spearman correlation between operation-efficiency-focused management practice and competitive advantages of small businesses	174
Table 6.36: Spearman correlation between monitoring-focused management practices and competitive advantages of small businesses.....	174
Table 6.37: Spearman correlation between targeting-focused management practices and competitive advantages of small businesses.....	175
Table 6.38: Spearman correlation between incentive-focused management practices and competitive advantages of small businesses.....	176
Table 6.39: Spearman correlation between competitive advantages enjoyed by small businesses and the growth of small businesses	176
Table 6.40 :Demographic Profile of the Participants interviewed	177

LIST OF FIGURES

Figure 1.1 Effective management of small of businesses conceptual framework	15
Figure 1. 2 Map of Africa indicating Ghana found in figure A and figure B is the current 16 regions (province).....	17
Figure 1. 3 Map of Ghana showing the location of Kumasi .Adapted from Azanu et al., 2017 Retrieved on the 20 th June 2019.	21
Figure 4. 1 Adapted model of “Theory of the growth of the firm” Penrose (1959).....	70
Figure 4. 2 Proposed research framework for effective management practices among small businesses in Ghana.....	79
Figure 5. 1 Research “Onion”.	81
Figure 5. 2 Research “onion” for the research. Adapted from the work of Saunders et al. (2009: 108).....	82
Figure 5. 3 Spatial distribution of establishments located in the Ashanti region by district	91
Figure 5. 4 Spatial distribution of persons engaged in establishments located in Ashanti.	91
Figure 5. 5 Target Population.....	93
Figure 5. 6: Sampling Techniques.....	94
Figure 7.1 Final proposed conceptual framework for the effective management of small businesses in Ghana.....	277
Figure 7.2 Supplementary proposed measures/framework for Effective Management of SMEs	279

LIST OF ABBREVIATIONS

AfDB	Africa Development Bank
BUSAC	Business Sector Advocacy Challenge
ERP	Economic Recovery Programme
EDP	Entrepreneurial Development Programme
EC	European Commission
ECOWAS	Economic Community of West Africa States
FDI	Foreign Direct Investment
REP	Rural Enterprise Project
RMTI	Rwandan Ministry of Trade and Industry
GSS	Ghana Statistical Service
GVCTF	Ghana Venture Capital Trust Fund
GEDC	Ghana Enterprise Development Commission
GRATIS	Ghana Appropriate Technology Industrial Service
GEM	Global Entrepreneurship Monitor
ITTU	Intermediate Technology Transfer Units
IMF	International Monetary Fund
MASLOC	Micro and Small Loan Center
MSME	Micro Small and Medium Enterprise
NBSSI	National Board for Small Scale Industries
NEIP	National Entrepreneurship and Innovation Programme
NABCO	National Builders Corp
NYEP	National Youth Employment Programme

NSDC	National SME Development Council
OECD	Organization for Economic Cooperation and Development
UNIDO	United Nation Industrial Development Organization
USITC	United States International Trade Commission
UNECA	United Nations Economic Commission For Africa
WB	World Bank

LIST OF APPENDICES

APPENDICES	334
Appendix B: Interview Guide for small business owners/managers.....	341
Appendix C: Informed consent for Research Participants	344
Appendix D: Ethical Clearance	349
Appendix E: Gate keeper letter from the Kumasi Metropolitan Assembly	350
Appendix F - Editor Letter	349
Appendix G: Turnitin Report	350

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

The success and well being of organizations generally depend largely on what their managers do and that is not different from what pertains in small businesses in Ghana. Since small businesses unlike their large counterparts do not have the resources to engage adequate amount and quality of managers (Abodunde , 2020:9) , what managers do in small firms is even more critical since research has found a close relationship between management practices and performance , productivity and profitability of organizations (Nomsa & Tebogo, 2017) .The importance of small businesses to the well being of nations warrants understanding issues that contribute to their performance. Management practices and their effective implementation has been found to be very important to the performance of businesses and for that matter any study that tries to understand how management practices contribute to the growth of small businesses and also how management practices are associated with competitive advantages of small businesses is a worthwhile effort (Bloom et al., 2016:1).To begin such a worthwhile journey it is essential to start from a look at small businesses and their vital contributions and also the challenges they face. To take such a path is necessary to clarify how management practices and their effective implementation is vital in helping ensure the growth of small businesses.

Small firms are construed as a significant basis of economic growth in a lot of different countries, raising a concern as to how they can be helped to even better contribute to the fortunes of many economies. There is evidence that small firms provide employment to many people in advanced nations (Fening et al., 2008:695) which was reiterated by Bauchet and Morduch (2013:291) that small firms make up of about 95 percent of businesses in the world which also correspond to about 60 percent of employment in the formal sector. Additionally the contribution of small firms to employment generation in less developed countries has been established to be massive, contributing significantly to poverty easing in different countries (Abor & Beikpe, 2010:223; Amoah & Amoah, 2018: 154)

In addition to providing employment to people, small firms have been found to be critical to the level of competitiveness and how innovative countries are, to the extent that they are found to be indispensable to the development of countries (Reijonen & Komppula, 2007:692). According to Robbin et al. (2000:341) over half of all innovations and close to three-quarters of all drastic innovations originate from small firms, which tend to position small firms as been extra innovative than large firms (Tonge et al., 2000). Consequently, a lot of countries have found it crucial to strive for the effectiveness of their small business sector because of how it impacts on the economy of countries.

Many works have been done on how to make small firms more successful and the studies have consequently highlighted number of challenges small businesses face. For instance, as was indicated by Kayanula and Quartey (2001:11), small firms are confronted with a lot of issues which adversely affect their escalation and the following are some of the challenges that were identified; inaccessibility to funds, inadequate level of management expertise, lack of access to distribution channels and product markets, inability to leverage on modern technologies. Additionally, a study by Mbonyane and Ladzani (2011:555) identified inadequate support and internal limitations as one of the key challenges that afflict small firms, especially those in South Africa. It is worth noting that repeatedly inadequate management skills or expertise feature in many studies as among the key challenges small firms face (Kayanula & Quartey, 2000:13; Mbonyane & Ladzani, 2011:555). Also as was opined by Ahmad (2009) and Thornhill and Amit (2009:498) the dearth of management expertise in small firm owners or managers is a major challenge small firms face influencing negatively their performance. Ihua (2009:199) also articulated deficiency of enough management skills as among the difficulties small firms face adversely affecting their progress. Another management issue that has been found to influence positively the performance of small firms is Strategic planning. According to Gruber (2007:800) small firms that engaged in strategic planning were found to be more successful than those who did not. Also, a study by Beaver (2002:30) indicated inadequate strategic management expertise in small firm owners and managers as contributing to the abysmal performance of small firms. Since research has indicated that owners of small firms are responsible for key decisions their ability to engage in strategic planning is obviously essential to the well-being of the businesses they control. Since it has been established that what managers do is very essential to the wellbeing and performance of businesses any effort at ensuring the growth of small businesses cannot be

pursued without an adequate focus on the management practices that take place in organizations especially small businesses. The focus of the study is basically on the management practices that take place in small businesses in Ghana and how such practices influence the growth of small businesses. The effort is ultimately aimed at contributing to the effective management of small businesses to ensure their growth.

This initial chapter addresses concerns including the background of the research, the research motivation, study objectives, study questions, research problem. Basically, the current chapter gives a snapshot of the whole research together with the methods adopted in the study and the research location.

1.2 Background of the Study

There is no doubt small firms contribute hugely to the economies of countries either developed or developing. As opined by Abor and Quartey (2010:219) small firms account for over ninety percent of firms in Ghana and also about seventy percent of the gross domestic product of Ghana.

Despite the fact that small firms are critical to the well-being of Ghana's economy, it is well known that they face a number of challenges. Among the many challenges small firms face in the country, Fening et al. (2008:700) articulated that manager of small firms found it difficult to effectively manage their businesses. A study by Kayanula and Quartey (2000:13) identified the following as among the obstacles faced by small enterprises in Ghana; inadequate financing, limited exposure to technology, lack of international exposure and lack of managerial expertise. Many governments in Ghana since independence have reiterated the need through various means to rectify the obstacles faced by small firms in Ghana. For instance, the present government of Ghana in its inception of power has instituted measures through policy and support activities to make certain the vibrancy of the small business sector. Consequently, a number of institutions have also been set up to address some of the challenges that face small firms in Ghana. One important institution that has been set up in recent years to support small businesses in Ghana is The Ministry of Private Sector Development and its agency the National Entrepreneurship and Innovation Programme (NEIP). The institutions are focused on intensifying the support provided to small firms so as to make sure that the challenges they face are comprehensively tackled. Other institutions that were set up to address historical challenges small businesses face include: The

National Board for Small Scale Industries (NBSSI); The Microfinance and Small loan centre (MASLOC); The Rural enterprise project and the Gratis foundation.

Despite the fact that there are numerous organizations that offer support to the small firm sector, there is proof to show that a lot of small businesses do not receive the required support for their progress and vitality (GEM, 2013). It has been found out that a lot of the challenges small businesses face will evaporate if small firms are effectively managed since most of the challenges small firms face technically have their root cause in bad management.

The assertion that managing small businesses well will help to address much of the challenges small businesses face underscores the importance of management practices and strategic planning implemented in small businesses. In this research management practice refers to approaches managers use to improve the effectiveness of working systems. Research indicate that organizations engage in various management practices which are found to be critical to the achievement of performance and progress. For instance, as was opined by Bloom, Sadun and Van Reenen (2008:17) firms that implement acceptable management practices significantly perform better than those that do not. Thus, management practices were found to be differentiating factor in competition. The study by Bloom, Sadun and Van Reenen (2008) also indicated that techniques of good management are no secret and mostly available to all businesses. The fact that a lot of businesses are still found to be badly managed is perplexing. The situation has been found to be partly due to poor implementation of management practices and the possibility of organizations not placing enough priority on management practices and their implementation.

Studies have also indicated that businesses, especially small-sized ones suffer from bad management partly because of their inability to leverage on professional managers to effectively manage their operations for lack of resources (Bloom, Sadun & Van Reenen, 2008:17). A lot of large organizations are comparatively well placed with the resources to engage professional managers and for that matter able to implement key management practices. Research has also indicated that better managed firms tend to have highly educated employees and managers. This is the deficiency small firms are found to experience especially small businesses located in less developed countries of which Ghana is an example. The gap that seems to be evident is lack of clarity on the management practices that are applicable in small businesses relative to large organization. The reason is that small businesses often have challenges that make it difficult for

them to implement effectively various management practices. Additionally, strategic planning has been found to be vital for organization growth and often position organizations to have some advantages which those that do not engage in strategic planning often lack. For instance strategic planning has been found to make it possible for organizations to effectively anticipate the future, thereby effectively dealing with environmental challenges and exploiting opportunities within their external environment. Research has indicated that large organizations mostly engage in strategic planning since they tend to have the needed resources and the supportive culture. Other researches have also indicated that strategic planning is also undertaken in small businesses to an extent. The area that needed to be further researched into is the extent to which small businesses engage in strategic planning and the challenges that bedevil the effective implementation of strategic planning in small businesses which was also partly focused on in this study. The gap that this study seeks to fill is to establish the extent of management practices and strategic planning implementation in Ghana and through this effort propose measures for the effective management of small businesses to ensure ultimately the growth and the progress of the small business sector of Ghana which is deemed the engine of the country's economic growth.

1.3 Motivation for the Study

The research is very important to the economy of Ghana specifically and African nations whose economies depend critically on the vibrancy of the small business subsector. Research indicates that a disproportionate amount of businesses in Africa and in extension Ghana are small and for that matter any effort directed at understanding how small businesses are managed with the aim of bringing about the required improvement is very vital and timely. This section addresses the importance and the motive behind the conduct of this study. Though the small firm area adds massively to the level of productivity of Ghana's economy, not much research has been conducted about how small businesses operate and for that matter the management practices that pervade in the sector. How a business is managed ultimately influence how successful the business would be and for that matter no effort at improving the small business subsector in Ghana or Africa can be done without finding out how small businesses are managed in the first place.

The main motive behind the study is to appreciate how small businesses are managed in Ghana so that measures can be ultimately deciphered to improve the management of small businesses thereby increasing their success rate. The study therefore seeks to expose management practices

applicable in small firms in Ghana and also the extent that small firms in Ghana participate in strategic planning. The motive in this regard is to identify the loose ends so that proper remedial measures can be instituted to bring about vibrancy in the small business subsector of Ghana. To this end measures that are proposed in this study to bring about effective management of small firms in Ghana is what this research offers to the uplifting and also increasing the competitiveness of the small firm subsector of Ghana.

This study is also motivated by the idea that its outcome would influence policy makers to effectively put together policies to address the factors that militate against effective management of small businesses and also help streamline the support systems available to small firms in Ghana. Additionally, the study is also motivated by its possible contribution to the existing knowledge on small businesses and their effective management helping to find answers to the endemic soaring failure rate of small firms.

On the other side of the equation the study is motivated by its academic contribution to the existing literature on small businesses and how they can be effectively helped to improve their competitiveness. Theoretically this study has contributed by proposing a framework for effective management of small businesses in Ghana. Ultimately, this study has the motive of setting the agenda for future research in small business management and development.

1.4 Significance of the Study

This research is crucial on both academic and practical grounds. On theoretical grounds the output of the research adds to the existing literature on small business management. The study has theoretically contributed by the proposed framework for the effective management of small businesses. On the literature search it was realized that not much work is done on management practices in small enterprises in Africa and Ghana to be specific. Also, it was realized that strategic planning among small businesses is not researched into much in Ghana and for that matter the body of knowledge in that area will be enriched with the findings of this study.

Small businesses in Ghana contribute a lot to Ghana's productivity in addition to huge number of people that find work in this area. Also, many businesses in Ghana are small. This means the vibrancy of small firms is vital to the vibrancy of Ghana's economy. The practical significance of this study lies in its findings that would help policy makers in instituting more effective policies to address the myriad of challenges that face small businesses in Ghana and Africa as a

whole. Also practically, the operators of small firms can benefit from the study through various recommendations that ensue from the study. Consequently, managers are expected to improve their effectiveness in strategic planning by adopting and using the recommendations proffered in this study.

1.5 Research problem

The business space in Ghana consists of many small firms contributing their quota toward making Ghana's economy vibrant. Despite the contribution from the small business sub-sector, small firms in Ghana are faced with myriad of difficulties that work against their vibrancy and their potential to contribute to a larger extent to the economic growth of Ghana. As articulated by Kayanula and Quartey (2000:13) and also corroborated by Oppong Owiredu and Churchill (2014:83) some of the difficulties faced by small firms include but not limited to the following: difficulty in accessing finance; inaccessibility to technology; excessive competition from imported products; and inadequate management competence on the part of small firm managers. Consequently, small firms find it difficult to succeed in their operations limiting their ability to contribute more to the progress and the well-being of Ghana.

To address this situation, a lot of efforts have been dispensed by public and private small firm support institutions to improve the success rate of small firms. Despite the effort from varied sources to ensure that small businesses do well, there is ample evidence that there is high attrition among small firms in Ghana and the problem was much attributed to the way small businesses are ineffectively managed (Fening et al., 2008).

The idea is that, when a business is managed well, it would prevent other problems from surfacing. As evidenced by literature, small firms are mostly controlled by their owners who tend to have deficiency in management (Kayanula & Quartey, 2000:10) making it difficult for them to confront and deal with the problems the businesses face.

Another management activity that small businesses have been found to engage less in is strategic planning (Crusoe, 2000). Research has indicated that owner-managers mostly lack the required competence to partake in strategic planning making their businesses consequently "strategically myopic" (Wang et al., 2006). The lack of enough investment in strategic planning has created a

situation where small businesses lack capacity to deal with uncertainties (Owolabi & Makinde ,2012) influencing negatively the growth of small businesses (Kinyua & Ali, 2016).

Management practices and strategic planning have been found to be vital for business growth and also seen as a major differentiating factor in competition (Bloom, Sadun & Van Reenen, 2008:17-18). There is also ample evidence that businesses that engage in effective management practices do better than those that do not engage in such practices (Bloom, Sadum & Van Reenen 2008 :18). Also, the evidence that small businesses especially those in the developing countries often lack the resources to engage professional managers and coupled with the evidence that there is mostly not enough investment n strategic planning (Owolabi & Makinde , 2012) bring to question the impact such a situation place on the growth and the vitality of small businesses especially in a country like Ghana.

Consequently, the question that might occupy the mind of business people, policy makers, governments and people in general that are interested in the well being of the small business sector is how small businesses engage in the needed management practices and the extent of their strategic planning involvement. The question is very important since effective management practices and strategic planning have been found to be positively associated with business growth. Generally, the problem that needs to be resolved is basically which management practices are engaged in and the extent of strategic planning involvement in small businesses and the extent of their influence on the growth of small businesse in Ghana.

To address such as concern the study ultimately sought to find answers to the question: what are the management practices applicable and extent of strategic planning among small firms in Ghana and what measures can be proposed for their effective management.

1.6 Research aim and Objectives

The overarching purpose of the research was to explore measures for successful management of small businesses in Ghana. This aim was approached by studying into management practices that are common in Ghana and challenges confronting small firm owners and managers in managing enterprises

The general objective of the research was to explore and investigate the management practices applicable and extent of strategic planning among small firms in Ghana and propose measures for effective management of small firms in Ghana

The following constitute the specific objectives of the study.

- To investigate the management practices applicable to small firms in Ghana
- To examine the challenges facing the management of small firms in Ghana
- To assess the degree to which strategic planning is implemented in small firms in Ghana
- To explore the challenges associated with the implementation of strategic planning in small firms in Ghana
- To assess the relationship between management practices applicable to small firms and the growth of small firms in Ghana
- To assess relationship between management practices applicable to small businesses and competitive advantages enjoyed by small firms in Ghana
- To propose measures for effective management of small firms in Ghana.

1.7 Research Question

The general question directing the research was: What are the management practices applicable and the extent of strategic planning among small firms in Ghana and what measures can be proposed for effective management of small firms in Ghana

The following are the specific research questions the study sought to address:

- What are the management practices applicable to small firms in Ghana?
- What are the challenges facing the management of small firms in Ghana?
- To what extent is strategic planning implemented in small firms in Ghana?
- What are the challenges associated with the implementation of strategic planning in Ghana?
- What is the correlation between management practices applied in small firms and the growth of small businesses in Ghana?
- What is the correlation between management practices applicable to small firms and the competitive advantages enjoyed by small firms in Ghana?
- What measures can be proposed for effective management of small firms in Ghana?

1.8 Research Hypotheses

The section addresses the research hypotheses tested in the study. In this study management practices are categorized into four namely: Operation-efficient-focused management practices; monitoring-focused management practices; targeting-focused management practices and Incentive-focused management practices. Also, there are many dimensions of growth of small business that fall under the variable “Growth of business”. Additionally, there are also different dimensions or indices of Competitive advantage enjoyed by small businesses that fall under the variable “Competitive advantage” (see Appendix A).

The research hypotheses as outlined below align with the research objectives by testing the extent the identified four management practices relate to both the growth and the competitive advantages enjoyed by small businesses.

The following are the hypotheses that were examined in this research:

Hypothesis 1: There is a statistically significant association between Operation-efficiency-focused management practices and growth of small businesses in Ghana.

Hypothesis 2: There is a statistically significant association between Monitoring-focused management practices and growth of small businesses in Ghana

Hypothesis 3: There is a statistically significant association between Targeting-focused management practices and growth of small businesses in Ghana.

Hypothesis 4: There is a statistically significant association between Incentive-focused management practices and growth of small businesses in Ghana.

Hypothesis 5: There is a statistically significant association between Operation-efficiency-focused management practices and competitive advantage enjoyed by small businesses in Ghana

Hypothesis 6: There is a statistically significant association between Monitoring-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Hypothesis 7: There is a statistically significant association between Targeting-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Hypothesis 8: There is a statistically significant association between Incentive-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Hypothesis 9 : There is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses

The hypotheses identified in this study were tested to disclose the association between the different categories of management practices and growth of small firms as well as the competitive advantage enjoyed by small businesses in Ghana.

The findings of the research are supposed to solidify the essence of management practices in small firms and how they are connected with the growth as well as the competitive advantages enjoyed by small businesses in Ghana.

The next section considers the assumptions that underline the study.

1.10 Research assumptions

The researcher made following assumptions to guide the study:

- The assumption was made that, the respondents would be truthful in providing responses to the questionnaire statements/questions and factual replies to the interview questions. This would affect the quality of the data collected and for that matter the conclusions that would be made.
- The upshot of the research would be vital in improving the vitality as well as the vibrancy of the small-business subsector of Ghana.
- Another assumption was made that the effective conduct of the study and its subsequent outcome would aid policy makers and support institutions to better serve small businesses in Ghana.
- An assumption was made that small businesses in Kumasi would be representative of small businesses in the country

1.11 Theoretical and Conceptual Framework

1.11.1 Theoretical Framework

This study was based on the ideas of four theories namely Penrose (1959) theory of the growth of the firm, Resource-based view of the firm, Knowledge based view of the firm and the strategic

leadership theory. The research is supported by the seminal work of Penrose (1959) “the theory of the growth of the firm”. The theory postulates that the success of a firm is reliant on the magnitude and the excellence of management resources on hand throughout a firm’s life cycle for the effective control of the activities of the enterprise (Orser et al.,2000). The ideas in the theory portrayed that every business possess bundle of assets or resources but the most important is the management resource which ensures the organization of all vital resources within an administrative framework to generate productive opportunities that leads to the progress of a firm.

The resource-based theory by Barney (1991) sought to isolate key characteristic a resource should have to be a source of a firm’s competitive advantage. Thus, the assets and capabilities endowment of organizations define differences among firms when it comes to organizational performances (Locket &Thompson, 2001:1216). The reason is that, most of the time organizations face the same or similar external realities leaving internal resources or capabilities as the main differentiating factor when it come to performance (Jacobides & Winter, 2007:1215; Kor et al., 2007:1191).

The knowledge-based view of the firm is a stretch of the resource-based view of the firm which considers an organization as a knowledge-producing system. The current idea is that knowledge is embedded in management practices and their exploitation can influence organizational performance (Bloom, Genakos, Sadun & Van Reenen, 2012). Thus, knowledge possessed in the organization is the most important resource and great performing organization are most often found to be well-armed with superior knowledge.

The last theory that supports this study is the strategic leadership theory. The focus of the strategic leadership theory is the single leader or group of leaders that possess the capabilities essential to help a firm make key decisions that leads to the attainment of superior performance. Thus, the role of top managers is considered strategic to a firm’s success. Mintzberg (1973) categorized the managerial role into three namely; interpersonal, informational and decisional and the effective performance of these roles is deemed necessary for the superior performance of a firm. As as opined by Pfeffer and Davis-Blake (1986) a firm performance was found to be connected with top managers past performance record

1.11.2 Conceptual Framework

The study sought to contribute to the effective management of small businesses in Ghana by assessing the extent of the implementation of management practices and strategic planning. It is

established in the literature that management practices are associated with organizational performance so the study intended to find out the management practices that are applied in small businesses in Ghana. In the study management practices are categorized into four namely: operation-efficiency-focused management practice; monitoring-focused management practices; targeting-focused management practices and incentive-focused management practices. It is expected that the management practices will be significantly associated with the growth of the small businesses and also the competitive advantages enjoyed by the small businesses. This framework was expected to produce a verified proposed framework for the management of small businesses after testing nine hypotheses. Below is the structural depiction of the conceptual framework that guided the conduct of the study.

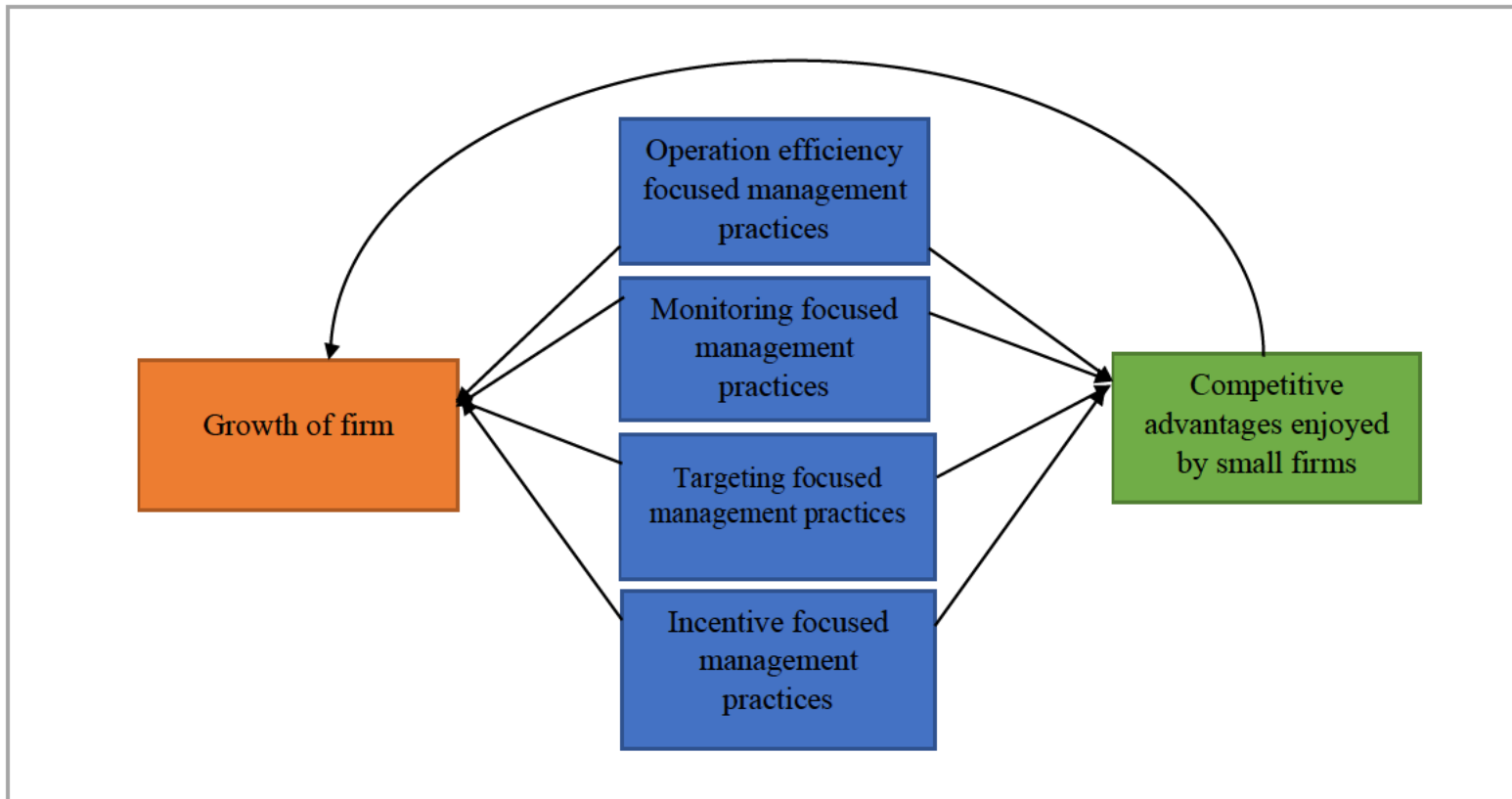


Figure 1.1 Effective management of small of businesses conceptual framework

1.12 Scope of the Study

The research concentrated on only small firms in the Kumasi metropolitan area of Ghana. Only small businesses that were disposed to take part in the study were recruited and no compulsion was placed on small businesses to partake in the research. The scope of the research did not include small businesses from other regions of Ghana besides Kumasi. Also, large organizations were excluded from the study.

1.13 Research contributions

This study has made key contributions in number of ways. The work has added to the current information on the management activities among small businesses in Ghana and to an extent Africa. The study was timely since a search of the literature indicated dearth of enough research on management practices among small firms in Ghana.

The research has in addition contributed to the current understanding on the link or association between management practices among small businesses and growth of small businesses. The study has also brought about more illumination on the challenges faced in the management of small firms in Ghana.

Another area that has not been much researched and for that matter, the study has contributed to change the status quo is strategic planning among small businesses in Ghana. The study has also added to the current information on the extent of strategic planning implementation in Ghana and also challenges faced by small businesses in their attempt to implement strategic planning in their firms.

Another vital contribution made by this study has to do with the impact of the recommendations and measures that have been proffered to help in the effective management and improving the performance of small firms in Ghana and through that ensure the vitality of small firms and consequently the economy of Ghana. The most important theoretical contribution in this study has been the proposed framework/measure for the effective management of small businesses.

1.14 Research methodology

Under this section, issues addressed consist of the research philosophy, design, approach and the strategy adopted for the research. Additionally, this sub-section addresses issues bordering on the context within which the study was conducted, how data was collected and analyzed.

1.14.1 Research philosophy

To ensure the espoused research questions were effectively addressed the researcher adopted the pragmatic philosophy in which the mixed methods approach was applied. In using the mixed methods approach the researcher collected numerical data as well as qualitative data which made it possible to address all the research questions and also gave more weight to the outcome of the research. Consequently, the question on management practices and implementation of strategic planning in small businesses in Ghana was effectively explored.

1.14.2 Research design

The current research used the case study approach where data collection took place in Kumasi in the Ashanti area of Ghana. Ashanti region is the next to the capital region of Ghana in terms of business activity out of the sixteen administrative areas of Ghana. The Kumasi metropolitan area is the capital city of the Ashanti region. Kumasi was selected as the study site because of its cosmopolitan natures and also existence of massive number of small firms operating in the area.

1.14.3 Research approach

In the current research, data was collected and analyzed using mixed methods that entailed the gathering of quantitative and non-numerical data. For the quantitative data, a well-structured questionnaire was employed to solicit the perspectives of selected owner-managers in the Kumasi metropolis on among other things their management practices and the extent of their usage of strategic planning principles. Conversely, qualitative data was captured through detailed interviews of ten purposively selected owner managers using a prepared interview guide. The mixed methods approach was deemed suitable since it allowed for gathering of sufficient data to deal with the research questions. As opined by Creswell and Plano Clark (2011), mixed methods approach is deemed suitable when applying only one method would be inadequate to gather all the needed data to tackle comprehensively the research questions. Mixed methods moreover enable gathering of cross-referenced facts making it possible for the confirmation of findings from

two different data sources. A further rationalization for using mixed methods is the potential to generate extra evidence on a phenomenon been studied (Morse & Niehaus, 2009).

1.14.4 Research strategy

The strategy that was used in this study can be deemed concurrent mixed methods strategy which entailed collecting numerical as well as non-numerical data concurrently but separately. In this study, the two data set collected interfaced at the overall interpretation stage. The main purpose for the mixed methods strategy was to seek complementarily where the qualitative data was expected to enhance the quantitative data in terms of achieving better insight into the phenomenon under scrutiny. To that end, more weight was given to the quantitative data collected. It needs emphasizing that in the conduct of the field work the researcher capitalized on the opportunity available to collect two sets of data (Creswell & Plano Clark, 2011) through the assistance of two trained research assistants. The two trained research assistants helped with administering the questionnaires.

1.14.5 Study context and site

1.14.5.1 The study context

The current research was carried out in the Kumasi metropolitan area of Ghana. Geographically, Ghana is a West African state with a total land surface area of 238,540 km² and shares boundaries with Togo, Cote d'Ivoire and Burkina Faso. Additionally, the country is the second largest economy in West Africa and the sixth in the sub-Saharan Africa using the GDP of countries in Africa for the year 2015 (GSS , 2016).

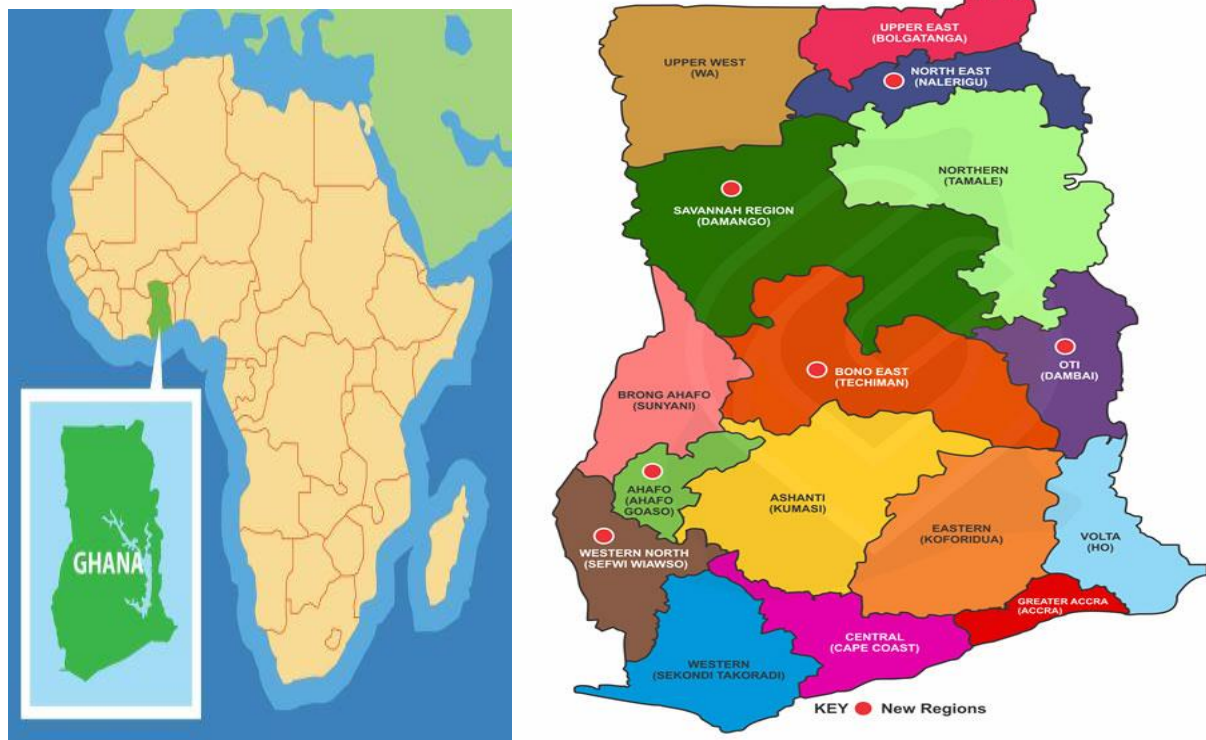


Figure 1. 2 Map of Africa indicating Ghana found in figure A and figure B is the current 16 regions (province).

Adapted from Source: *Ghana statistical service*

(2019)<https://statsghana.gov.gh/aboutgss.php?category=MzY5NDc5ODg1LjI3MQ==/webstats/238922onno#listTop>Retrieved on the March 3, 2019).

Ghana stands to benefit from its location in West Africa with a market size of 300 million people and its economic potential is massive, considering the opportunity that the ECOWAS market potentially offers.

Besides, Ghana having immense natural resources, its expanding economy, growing middle class coupled with the hospitality of its people position Ghana as the preferred place to do business in West Africa. Ghana also has a record of being the most politically stable country in West Africa, with a relatively effective public institutions and a good governance credential. On the account of these, many companies have relocated and others continue to show interest to relocate to the country making Ghana the gateway to ECOWAS region

Ghana has experienced some relative amount of economic growth within the last two decades positioning it as a success story in Africa. Ghana's growth came to a crescendo in 2011 with a growth rate of 14.4% at the beginning of its oil production. Ghana achieved a middle-income country status with the rebasing of its national account in 2010 (Ghana Statistical Service, 2016). Despite Ghana's impressive performance in the past, the economy of Ghana suffered some hitches because of the power crisis it suffered as a result of shortages in fuel supply. The problem has been recently dealt with through the country increasing its energy mix and also with the increased introduction of independent power producers (GSS, 2016)

Ghana practices a market driven economy with few barriers to trade and investment which make it a preferred destination for investment relative to other countries in WestAfrica. For example, Ghana maintains 100% foreign ownership and repatriation of earning after statutory deductions.

Ghana has a reputation as a multiparty democratic country with the organs of government such as the legislature, judiciary and the executive working effectively relative to what pertains in other surrounding countries. The country also enjoys press freedom with a thriving mass media industry which is considered the fourth estate of government in the country.

Ghana with its policy of positioning the private sector as engine of its economic growth is now empowering the sector as point for growth and job generation. Governments of Ghana in the past and recently have maintained the strategy of connecting with local and external investors to create businesses as a way of achieving its growth potentials. The strategy of using the private sector to spearhead the growth of the country can be seen in the current New Patriotic Party's agenda of one district one factory. Generally, the current government of Ghana has maintained the strategy of ensuring the economic growth of the country through the following laid down measures

- Promoting industrialization and value creation especially in the agricultural sector.
- Advancing export led growth.
- Provision of incentives for setting up of factory in the districts.
- Making investment in skills acquisition.

The economic growth of Ghana is made up of contributions from major segments of the Ghanaian economy. Below are the relative contributions of the various sectors of the Ghanaian economy:

The greatest contribution to Ghana's GDP come from the service sector (54.4%), trailed by the industrial sector (25.3%), and the agricultural sector (20.3%) respectively using the 2016 figures (Ghana Statistical Service, 2016)

Using the report from the Ghana Statistical Service (2016) the following movements in the sectoral contribution to Ghana's GDP can be known.

The agricultural sector's relative contribution to Ghana's GDP declined considering the 2010 and 2015 figures. Conversely, the contribution from the construction segment sustained an upward trajectory comparing the 2010 and 2015 figures. The industrial sector also achieved a positive contribution to the Ghana's GDP in 2015.

On Ghana's export and import situation figures from Ghana Statistical Service (2016) provided the following insight; Ghana's export portfolio has consistently increased from 2010 (GH¢ 13.6 billion) to GH¢ 31.9 billion, GH¢ 61.7 billion in 2013 and 2015 respectively.

On the imports of goods and service side the trajectory was not different. In 2010 imports amounted to GH¢ 19.9 billion increasing to GH¢44.3 billion and GH¢ 76.6 billion in 2013 and 2015 respectively (GSS, 2016).

On foreign direct investment (FDI) to Ghana data from the World Bank (2016) indicate that there has been a consistent rise in FDI into Ghana amounting to US\$ 3,192.32 million in 2015 from a low figure of US\$ 136.75 million in 2003.

On investment opportunities available in Ghana the agricultural sector holds a lot of potential with the availability of arable lands and water resources (GSS, 2016). The government of Ghana for some time now has also intensified its Agric sector value chain improvement strategy. Consequently, the current government of Ghana is implementing its planting for food agenda and rearing for food agenda which feeds into the government's other agenda of one district one factory which is an industrialization agenda. Through the above-mentioned agendas, it is expected that the current government's agenda of streamlining the agric sector value chain improvement project will be achieved.

Additionally, the government of Ghana is putting in measures to diversity its export commodities to bring in other non-traditional products to satisfy identified export markets.

Ghana considering the structures put in place and its enviable credentials of good governance, press freedom and relative economic stability is open for business and should be the preferred destination for investment in the ECOWAS region.

1.14.5.2 The study site

The current research was carried out in Kumasi in Ghana. Kumasi is the capital city of Ashanti region which is the second largest region besides the Greater Accra region which is the largest of the sixteen administrative regions of Ghana in terms of economic activity. Technically, the Ashanti region is the link amid the northern and the southern regions of Ghana. Kumasi is a cosmopolitan area with large number of small businesses engaged in diverse economic activities. This makes the sample chosen for the study relatively representative of small businesses in Ghana. Until recently, the Kumasi metropolitan area consisted of nine Sub-metropolitan areas before five municipal assemblies were carved out of it. Currently, the Kumasi metropolitan area consists of four Sub-metropolitan areas namely; Subin, Bantama, Nhyiaeso and Manhyia. The small businesses selected for the study came from diverse backgrounds including those from the formal and informal sectors, registered and unregistered.

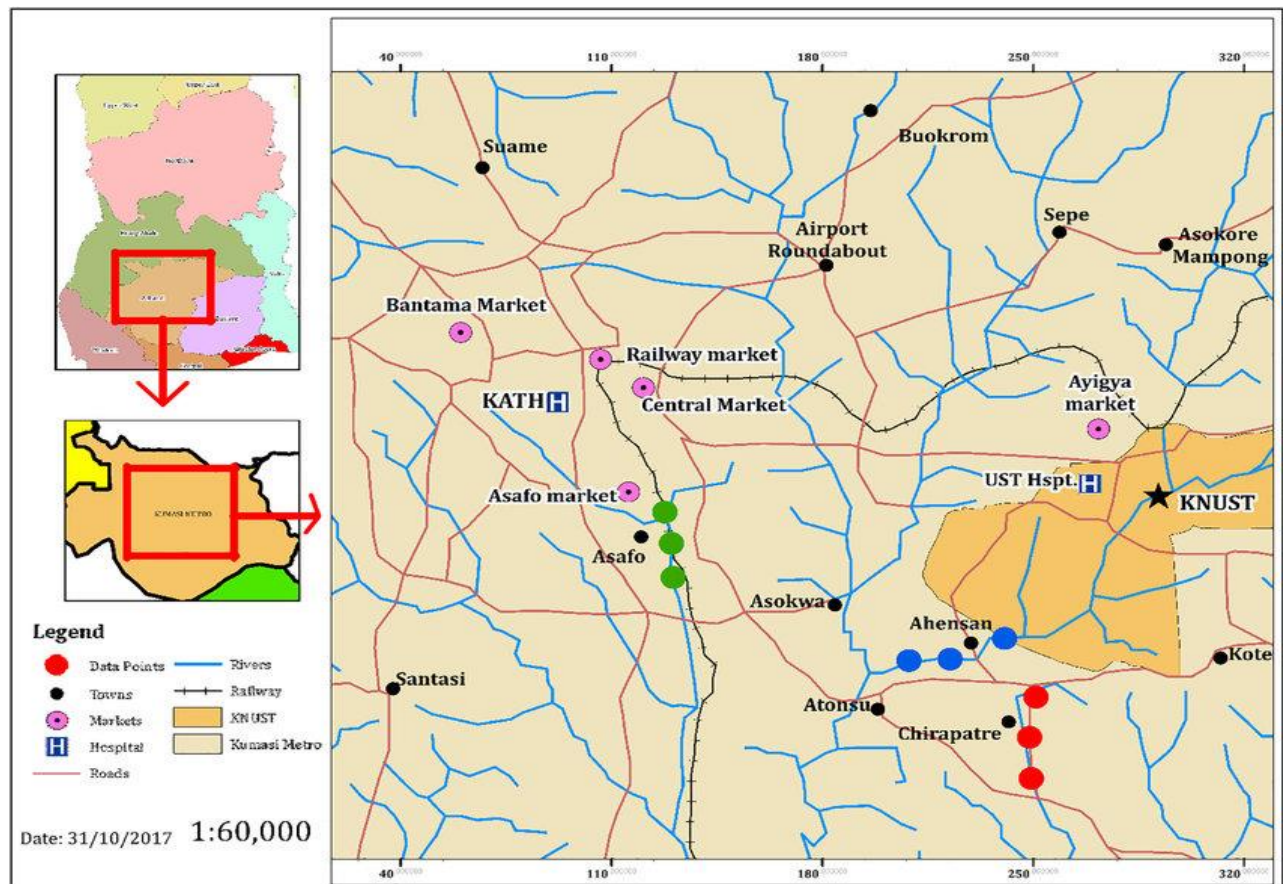


Figure 1. 3 Map of Ghana showing the location of Kumasi .Adapted from Azanu et al., 2017 Retrieved on the 20th June 2019.

1.14.6 Population and sampling

The population for the current research was made up of small businesses operating in different sectors of the economy of the Kumasi metropolitan area of Ghana. This target population is made up of small businesses both registered and unregistered. It is not easy to approximate the precise number of small businesses in Kumasi due to the fact that a lot of firms remain unregistered and operate within the informal economy. Notwithstanding the study focused on the small businesses with specific premises or locations. The Quota sampling method was applied in choosing the sample for the quantitative research whilst the study sample for the qualitative study was chosen using the purposive sampling technique. Thus, the prospective participants the researcher sought for the interview sessions needed to have knowledge to provide the information required.

1.14.7 Data collection

In the research, data gathering was done within twelve weeks period from October 2019 to December 2019. For the quantitative part of the research data was gathered using a prepared questionnaire administered and collected using the help of two trained research assistants. For the qualitative aspect of the study the researcher conducted interviews with purposively selected owner-managers of small businesses in Kumasi, Ghana.

1.14.8 Data analysis

In the current research the numerical and non-numerical data collected were separately analyzed. For the quantitative data, analysis was conducted using the IBM SPSS version 21. The analysis was initially conducted with descriptive analysis, followed by a higher-level analysis. The reason for the descriptive analysis was to indicate the key characteristics of the data collected such as the mean and standard deviation (Macmillan & Schumacher, 2010). Consequently, the descriptive characteristics of the data collected were displayed in the appearance of tables and figures. Additionally, inferential analysis was also done on the quantitative data to allow for inference to be made about the population of the study. The inferential statistic that was estimated is the Spearman correlation coefficient.

The non-numerical data was analyzed by means of content analysis. Content analysis is a process of preparing, organizing and reporting non-numerical data. The preparation stage of the process involves settling on the unit of analysis with respect to sampling while organizing phase refers to coding and identifying categories within the collected qualitative data. The final process in content analysis is reporting, which entails presentation of the findings of the qualitative study and linking the results to literatures. In view of the fact that qualitative research strives to achieve detailed meaning or insight into a phenomenon, the results of the interviews would aid to attain enhanced understanding of how small firms are managed in Ghana.

1.15 Limitations of the study

A major constraint of the research was the concentration on only a region and not the whole country of Ghana. The study gathered data from only one of the sixteen regions of Ghana which technically can impinge on the generalizability of the study findings. The research focused on only businesses operating within the Kumasi area of Ghana. The focus on the Kumasi metropolitan area as a case study was influenced by issues such as time and financial constraints. To deal with this limitation it is advised that future studies add more cities to make the samples more representative and the results also more generalizable.

1.16 Delimitation of the Study

The current research was delimited to management practices and strategic planning among small firms in Ghana. The research was conducted in Kumasi, a very cosmopolitan city in Ghana. Consequently, the result of the research was restricted to the population of small firms in Kumasi and to some extent, small businesses in all the sixteen regions of Ghana. Also, the study does not cover large organizations

1.17 Ethical consideration

In this study, all ethical protocols and requirements were followed. These protocols include ensuring informed consent, privacy and confidentiality of respondents and data provided by the respondents. The researcher attained ethical clearance with accompanying protocol reference number HSSREC/00000376/2019 from the ethics committee of the University of KwaZulu Natal. Additionally, authorization was gained from the Kumasi metropolitan Assembly for the conduct of the study in the metropolis. The researcher received a gatekeeper letter from the Kumasi metropolitan Assembly. To ensure that participants were not put under any compulsion to take part in the study informed consent was sought from respondents before questionnaire administration and also the participants who were interviewed. To that end, participants in the research were well conscious of their right to redraw from the study any time without any consequences ensuing from such a decision.

1.18 Definition of key terms

This aspect of the research offers operational definitions of key terms in the study:

- **Small business** - small business under this study is considered to be any business with an employee size of one to ninety-nine employees. This means a small business in this study compose of micro, small and medium - size organizations in Ghana.

1.19 Structure of the Study

The current work is grouped into eight chapters and the summary of what is entailed in each section is indicated below:

Chapter One: Introduction and background to the study.

The segment provides an overall snapshot of the research. The following are therefore covered in chapter one: background of the study, research problem, objectives and questions, motivation for the study, research methodology, limitation of the research, ethical consideration, conceptual framework.

Chapter Two: The Small business environment in Ghana.

The chapter provides a more comprehensive view of the small business environment in Ghana focusing on their nature as well as the ecosystem within which they operate. Specifically, issues that are addressed in this chapter include the nature of small firm in Ghana, their geographical spread, the contribution of small businesses to the socio-economic well-being of Ghana, the regulatory environments within which small businesses operate, institutional and other support available to small businesses. Additionally, this chapter also addresses challenges small firms in Ghana face and how small firms are positioning themselves for effectiveness in a more competitive global setting.

Chapter Three: Literature review on management practices and strategic planning

The segment reviews the literature on management practices and strategic planning and their implementation. Specifically, the following are the areas that are covered under this chapter: management practices in organizations, measurement of management practices, management practices and organizational performance, strategic planning and organizational performance

Chapter Four: Theoretical background of the study

The chapter concentrates on providing theoretical basis to direct the carrying out of the study. To that end the chapter discussed number of theories, especially those concerned with the growth of the firm, resourced-based view of the firm, knowledge-based view of the firm and the strategic leadership theory.

Chapter Five: Research methodology

The segment covers the methodology for the study. The main topics that are addressed under this segment include the following: research philosophy, design, approach and strategy. Also, this chapter covers the following variables under the study such as population, sampling method used. Also, issues bordering on data gathering and analysis are covered in this segment of the study.

Chapter Six: Data Analysis and Interpretation of results

This segment covers information relating to the analysis of the data gathered in the study. The segment also addresses the interpretational issues concerned with the analyzed data. To that end, issues covering the analysis of the overall data and their interpretation can be found in this segment.

Chapter Seven Discussion of results

This segment focuses on the discussions of the research findings. Consequently, the chapter as well covers discussion of how the results connect with the existing literature.

Chapter Eight Recommendations and conclusions

This section concentrates on suggestion for improvements proffered as well as the conclusions that are inferred from the findings of the research. The recommendations address pressing issues by providing solutions to myriad of challenges that face the small business sector and how policy initiatives and support facilities can be properly directed to ensure their effectiveness.

1.20 Summary

This chapter provided an overview of the whole study. The chapter presented information on the backdrop of the research, the problem, study objectives, questions, the methodology, the importance of the research and the configuration of the work. Basically, the initial chapter offers a snapshot of the various aspects of the whole work. The next chapter provides a more detailed background on the small business terrain in Ghana. The chapter is expected to provide the reader with information on the challenges, prospect and the contributions small businesses make to Ghana in order to properly situate the study which basically focus on how management practices implemented in small businesses in Ghana influence the growth and also the competitive advantage enjoyed by small businesses

CHAPTER TWO

THE SMALL BUSINESS ENVIRONMENT IN GHANA

2.1 Introduction

This chapter provides a more detailed background on the small business terrain of Ghana in order to properly situate the importance of focusing on the management practices and how they are related to the growth and competitive advantage enjoyed by small businesses in Ghana.

The economy of Ghana relies on the vibrancy of its small business sector because of the massive contribution small firms make to the progress of the country. Researches indicate that small firms add to the economy of Ghana in terms of employment generation, taxation, contribution to GDP, poverty reduction and innovation. Due to the vital contribution the small firm sector makes to the progress of the country successive governments have put in place policies, strategies and efforts all directed at enhancing the output of small firms in Ghana.

Despite all the efforts dispensed the available evidence indicates varied things and issues that impede the progress and prosperity of small firms in Ghana. Among the many difficulties that impede the escalation of small firms in Ghana the following are prominent; lack of managerial acumen, difficulty in accessing finance, unfriendly regulatory framework.

This chapter focuses on assessing the environment within which small firms operate in Ghana and issues that impede the development and prosperity of small firms in Ghana. Specifically, this chapter addresses the following concerns; Small business definitional issues, nature of small firms in Ghana, contribution of the small business sector, barriers impeding growth of small businesses, advancement of the small firm segment, mitigating guidelines and strategies for small business revival and growth. Also, this chapter will consider institutional, regulatory and other support systems available to spearhead the growth of small firms in Ghana.

2.2 Streamlining the definitions of small business in Ghana.

There is shortage of a distinct overarching definition of what a small firm is in Ghana. There are a number of different definitions that have been proffered for a small business depending on the institution and the reason for providing a definition for the business. Definition for small businesses in Ghana mostly use metrics such as; number of people employed, fixed asset value and level of turnover. To navigate the maze of definitions for small firms it is imperative to

consider the meaning of small business given by some public small firm support institutions. According to the NBSSI, the foremost public small firm support giving institution in Ghana, a business is assessed as small or not using the measuring scale of the magnitude of people engaged in the firm and the permanent assets price of the firm not including land and edifice. Using such a ward stick business are categorized as follows;

Table 2. 1 Business Categorization

Category	Number of Employees	Fixed Asset value
Micro business	1-5 people	Cedis equivalent of \$10000
Small business	6-29 people	\$ 100000
Medium size business	30-99 people	

Source: NBSSI, 2010.

According to table 2.1 above Micro firms' employ up to five employees whilst small firms maintain employees' size of Six to twenty-nine. Organizations that employ from thirty to ninety-nine employees are categorized as medium size enterprises. Consequently, businesses are deemed to fall under the Small and medium Enterprise (SME) category when they maintain employee size of not up to hundred employees. Large enterprises in Ghana using the NBSSI definition are firms that have hundred or more employees.

Another definition of small business that can be looked at is the one provided by the Ghana Statistical Service (GSS) which in the very distant past considered a business as small when the entity employed up to 10 employees. So previously comparing the definitions by NBSSI and GSS some businesses may have fallen under different categorization depending on the type of definition that was been applied. But the current definition of businesses by the Ghana statistical Service is almost the same as that provided by the NBSSI. According to a report by Ghana Statistical Service (2016) termed Regional Spatial report titled the integrated business Establishment survey; the following classifications were given for businesses in Ghana:

Micro Business - business employing 1 to 5 people

Small Businesses - businesses employing 6 to 30 people

Medium-sized Businesses - businesses employing 31 to 100 people

Large Businesses - businesses employing more than 100 people

On the other hand, the Ghana venture capital trust fund has its own description for businesses. According to the Act 680 all businesses having a summed up fixed asset value (apart from land and building) of cedis equivalent of one million dollars fall under the small and mediums-size business category.

Beyond the definition given by institutions in Ghana, some researchers have put forward different definitions of small business. Micro businesses have been defined by some studies as businesses that employ nine or less employees (Obeng, & Blundel, 2015; Masakure et al., 2009; Mensah, Tribe & Wess, 2007) while others consider small firms as those that employ less than 20 or less employee (Obeng & Blunden, 2015).

In this study, businesses in Ghana are considered to fall under two main categories namely; small and large organizations. With that perspective the categorization in the NBSSI definition of businesses is adopted for this study focusing on the number of employees employed by an organization. Also, since NBSSI is considered the foremost institution for supporting small businesses in Ghana adopting their description of a small firm is considered appropriate for this study.

Small firm under this study is considered to be any business with an employee size of one to ninety-nine employees. This means a small business in this study include micro, small and medium - size businesses working in Ghana.

2.3 Small business development in Ghana

Setting up a small business was not a popular occurrence immediately after Ghana's political independence from Britain because of the first indigenous government's agenda of rapid industrialization and import substitution through the mechanism of the State own enterprises. Afterward due to the economic challenges Ghana went through the private sector was thought as an option to spearhead Ghana's economic growth but little was done in term of promoting small businesses.

To promote small businesses some institutions were set up and key among them was the Ghana Enterprise Development Commission (GEDC) with a mandate to help Ghanaian business people to enter into businesses foreigners dominated. To do that GEDC was empowered to provide financial and technical support to small businesses in Ghana (Kayanula & Quartey, 2000). Ensuing from the implementation of the Economic Recovery Programme (ERP), institutional

support to small businesses became necessary and consequently influenced the set up of the NBSSI which was specifically tasked with addressing the needs of small businesses in Ghana. To achieve its mandate, the NBSSI set up the Entrepreneurial Development Programme to provide training and technical support to Ghanaians to enter into self-employment.

The next institution that was established through the effort to intensify small business development was the Ghana Appropriate Technology Industrial Service (GRATIS) with the mandate to provide small businesses with the appropriate technology, especially to the small businesses at the grassroots where access to appropriate technology was a problem. GRATIS went about performing its mandate by providing the required supervision to the operation of a number of Intermediate Technology Transfer Units (ITTU) that were set up throughout Ghana. What the ITTUs sought to do was to develop the engineering capacities of small businesses engaged in manufacturing specifically but also some support to others that were not engaged in manufacturing (Kayanula & Quartey, 2000). Currently, the strategic establishment of the Ministry for Private Sector Development is to put in the needed coordinating power to ensure the faster development of the small firm sector of Ghana's economy which is considered to be the engine of Ghana's economy.

2.4 Overview of small businesses in Ghana

There are huge numbers of small firms in Ghana which constitute over 90% of all businesses making them indispensable in the economic wellbeing of Ghana. Though most small businesses are owned by males in Ghana the female ownership of businesses in Ghana is impressive considering statistics from countries in Africa and outside Africa. Also, small businesses operate in all sectors of the Ghanaian economy providing complementary services to other large organizations. Also a big number of small businesses especially the ones that fall under the micro segment provide their owners a source of livelihood for which creation of employment is not a preoccupation making the respective firms maintain their small nature for a long time.

It must be registered that small firms in Ghana function in both formal and informal sectors. A lot of small firms in Ghana can be located in the unregulated segment making regulation and provision of support very difficult.

A lot of small businesses are hampered by the difficult business environment they find themselves in coupled with other barriers that militate against their growth and survival. Some of the barriers that militate against small businesses are varied and include among other things; inaccessibility to finance, high cost of doing business, deficient managerial expertise, multiple taxation. Consequently, for small businesses to do well, effort should be made to remove various impediments that stand in their way. Generally, for small businesses to thrive, it is important that the government puts in place measures to streamline both the micro and macro environments of the Ghanaian economy which will provide the impetus for business survival and growth.

2. 5 Geographical spread of small businesses in Ghana.

Small firms are found in the entire regions of Ghana operating in all sectors of the Ghanaian economy. Small businesses are expected to work to bring efficiency to the local Ghanaian market and ensure efficient and productive use of resources in the country and through that spur the long-term economic growth of Ghana (Aryeetey & Ahene, 2005:5) since as confirmed by Kuffour (2008) small businesses constitute the larger portion of businesses in Ghana. There exist small firms in both urban and rural vicinities doing businesses that are specifically connected to the available resources in the area, and the government's policy and agenda to drive industrialization targeting natural resource endowments in the various districts and regions of Ghana.

As would be expected most businesses in the rural areas are agriculturally related considering the vast arable land available in the rural areas which has been intensified by the current government's twin agenda of "Planting for food and jobs" and Rearing for food and jobs. Since a larger number of Ghanaians are involved in the agricultural value chain, rural areas are considered critical to the development agenda of Ghana and for that, opening up the rural areas through expansion of the electricity and water facilities is considered very essential.

2.5.1. Small Businesses in the Rural Areas of Ghana

Though there is an ongoing rural-urban drift in Ghana, a vast number of Ghanaians subsists in the rural vicinities. In Ghana the establishment of small firms in the rural areas is very important since a huge part of the population still subsists in the rural vicinities and most of the people living in poverty can also be found there. This means that, small businesses contribute to poverty reduction. According to Amoah and Amoah (2018:153), small businesses provide employment to massive number of people both in the rural and the urban vicinities. Particularly in the rural areas, small

businesses make sure that available resources are effectively put to good use to create value. To ensure that the rural economy thrives, the government of Ghana has engaged in many entrepreneurial development programmes and infrastructural services to improve the conditions in the rural areas to spur the growth in the rural economy. Notwithstanding the effort so far, more needs to be done to support small businesses to spur rural economies in Ghana.

The most dominant business activities in rural Ghana are agriculture related, thus, either direct farming or small-scale processing of agricultural products. Since more land can be found in the rural areas, people are recently moving from urban areas to engage in agricultural businesses such as animal rearing and plantation farming after which the produce from their farming activities are transported to the urban areas for processing because of the availability of electricity and other sources of power. Additionally, other businesses that can recently be found in rural areas include mining firms since most of the mining concessions can be found in the bush in rural areas. Another feature of the rural environment which negatively impact rural businesses is lack of critical mass of financial organizations to offer financial assistant. The rural banking infrastructure in Ghana was expected to provide the banking and financial support to the rural folk but most often than not the rural banks just have the name rural attached to them since most of them do their actual work in the urban centers to the neglect of the rural economies they were expected to serve. To that end a disproportionate amount of financial institutions can be found in the urban areas. This has created a situation where small businesses in rural Ghana suffer from limited access to finance and banking services. Access to credit is therefore a huge problem rural businesses face. To salvage the situation more non-governmental organizations have now taken the challenge to support rural businesses by way of providing micro credits. These mostly happen in women-based organizations where women owned businesses are advised to form associations through which financial support is channeled. Mostly financial support is given to women businesses because women are mostly considered to be better managers of financial resources. The women are also in addition to financial resources given training on how to effectively manage their businesses

Another issue that burdens small businesses has to do with poor communication and transport infrastructure. Many people that engage in smallholder farms continuously suffer from post-harvest losses due to among other things their inability to transport their produce to urban areas to sell. Transport owners also find it a disincentive to go to the rural areas to haul farm produce because of the bad road network in the rural areas. The precarious situation farmers face has

influenced successive governments' resolve to open up Ghana by expanding the road infrastructure to the rural areas. The current government policy of 'planning for food and jobs' is expected to provide a relieve to the rural transport situation since the roads need to be fixed before people can be motivated to invest in the rural economy through establishing large scale farms to feed factories established in the urban centres where there is available electricity for manufacturing. Basically, if the economy of Ghana can achieve the expected growth the rural economy of Ghana should be fixed since a lot of small businesses are located in the rural areas.

2.5.2 Small businesses in urban areas

Since there is a disparity when it comes to the level of development in the rural and urban areas more people are drawn to urban areas in search of better lives. Small businesses can therefore be found in the urban areas producing and providing varied stuff. Some of the stuff provided by small businesses in urban areas include the following; salon services, shoe production and repair services, secretarial services, poultry farming, food processing, catering services, welding services.

Another feature of the urban business environment is the existent of vast number of trade organizations or associations that perform a vital role in accessing help and finance for its members. Example of such associations include the following; association for salon operator, welder etc. Additionally, businesses in urban areas have better communication and transport infrastructure that make it easier than their rural counterpart in effective business operation. Technology now serves as enabler in operating a business but more often than not this advantage is enjoyed by businesses situated at urban vicinities more than the countryside ones. The situation has created a drift amid urban and rural businesses with respect to the ease of doing business. Consequently, the decision to locate a business is determined by a number of factors some of which are addressed here including access to electricity or power, availability of raw material, road infrastructure, communication facilities and other amenities. The challenge therefore is that, unless the development gap between the rural and urban areas are bridged, more businesses including small businesses will prefer to be located in the urban centres, thereby harming the rural economy.

2.6 Contributions of small businesses in Ghana

Small firms are considered to provide the engine power through which the socio-economic aspirations of Ghana would be reached. That is the case since small businesses are found to contribute in diverse ways to economies of countries including Ghana (Maunganidze, 2013:5). The areas in which small businesses contribute to Ghana's economy include but not limited to employment generation, taxation, innovation and contribution to GDP. Among the many ways small businesses contribute to the economy of Ghana, their effect on poverty reduction especially at the rural region is worth mentioning. Small firms create the avenue through which resources are exploited for productive gains thereby serving as a point of employment for teeming number of people, especially the countryside folks. Through small businesses innovative product and services are unearth improving the living standards of people. Research indicates that about 50% of innovations and a massive 75% of radical innovations originate from small businesses worldwide and the situation cannot be different in Ghana. The important contribution from the small business sector has informed successive governments' effort in Ghana to support the sector to thrive. Apart from the supports in the past, the current government's resolve to promote small businesses can be seen in the setting up of a whole ministry for private sector development and specifically the setup of the National entrepreneurship and innovation programme. The agency is tasked with encouraging and promoting entrepreneurship in Ghana which ultimately ends with the setting up of more small businesses. The next sub-sections provide detailed description of contributions small firms make to the progress of Ghana.

2.6.1 Small Business contribution to Economic growth of Ghana

Small businesses are the conduit through which the government of Ghana expects its developmental agenda to be met. This makes the small firm segment the engine of Ghana's economic progress and the powerhouse of economic vitality. Since small businesses constitute almost 90% of formal businesses in the country, their effect on Ghana's economic growth cannot be overemphasized. As opined by Ayyagari et al. (2007) and stated in the study by Amoah and Amoah (2018:153), small businesses when encouraged to develop and progress is a vital effort towards ensuring improvement in a country's employment situation and the overall economic well-being. Largely, small businesses are more resilient than large organizations since they can respond better to changing external environmental situations because of their agile nature.

Small firms are also capable of judicious utilization of limited resources, hence, their ability to contribute in diverse ways to the advancement of a country. It has been estimated that, small firms add to around 60% of Ghana's GDP and can even rise higher if firms in the informal sector are added. Generally small firms hold the key to Ghana's aspiration to lessen poverty especially in the countryside areas with the aspiration of achieving progress in the whole country. To achieve such an end, it behooves on government and other agencies responsible for small business promotion and development to intensify their efforts at helping small businesses to thrive by providing the required regulatory and institutional environment with the accompanying supports. Small businesses further improve the nature of competition in the market, thereby promoting further economic growth and access to quality products. The contribution from the small business sector truly makes small businesses indispensable to the socio-economic growth of Ghana.

2.6.2 Small Business contribution to Employment Generation in Ghana

Research indicates that massive amount of people are employed by small businesses which shows the importance of small firms to the well-being of Ghanaians in addition to the economy of Ghana. Immediately after independence in 1957 and pursuant to the first governments agenda of rapid industrialization and import substitution a lot of Ghanaians found employment at the public sector but small businesses increasingly gained prominence when the public sector could no longer provide employment to the teeming number of Ghanaians consequent to the economic upheavals that Ghana went through. The difficulties also led to a number of large organizations closing down. It became necessary for the population to take their own destinies into their hands and find gainful employment through exploiting resources they had at their disposal. Thus, a number of people turned to setting up micro, small businesses as survivalist strategy. Thus, small businesses were set up in many rural and urban areas of Ghana, reducing to some extent rural and urban poverty and to some extent also rural urban drift.

Currently the main contribution to employment by the small business sector has been in helping to resolve graduate unemployment. Every year, large amount of graduates are supplied into the labour market by the universities, colleges and technical institutions that far outweigh the demand of the labour market leading to high level of graduate unemployment. The Government of Ghana for some time now has been a huge employer from the labour market but it is obvious that situation cannot be maintained anymore. Since the public sector can no longer absorb the teeming graduates

the main sector that has the potential to provide employment is the small business subsector of the Ghanaian economy. A study by Chingwaru (2014) indicated that since the public sector can no longer provide employment to graduates produced by universities and other institutions, small firms can be the potential source of employment for the graduates. That means the small business subsector can be promoted and supported to substitute lack of employment potential from the public government sector which was forcefully opined and suggested by Maunganide (2013:6). Now the situation seems fully accepted directly or indirectly since most countries including Ghana have conceded that the private sector and specifically the small business subsector is the engine for their economic growth. For this reason, Ghana through a number of policy initiatives, strategies and attempt at change of public psyche is doing everything to promote small business set up and through that find solution to the unemployment situation in the country. Some of the measures include the establishment of the ministry for private sector development and through this avenue the setting up of the National entrepreneurship and innovation programme.

2.6.3 Business Contribution to Poverty Reduction

Small businesses in Ghana provide a lot of employment opportunity to huge amount of citizens and in most cases small businesses serve as the only sources of livelihood for a number of people helping in the reduction of poverty in the country (Amoah & Amoah, 2018:155). Conversely, small businesses provide supplementary income to other people especially a number of people who are employed in the government sector since wages at the public sector are mostly low. Since small businesses provide income to people who otherwise would have been unemployed testify to the contribution of small businesses to poverty reduction in Ghana and other countries.

Currently the strategy for poverty reduction in Ghana cannot succeed without promotion of small firm set up. The capacity of the small business sector to engage more people relative to the large business sector can be attributed to the labour-intensive nature of small firms. The capacity of small businesses to reduce poverty was affirmed by a study by Hobolm (2001). Though in Ghana wages from small businesses are comparably low, their ability to provide income to people no matter how small is critical to poverty reduction and can in fact prevent other people from slipping into the poverty hole.

2.7 Women and youth participate in the Small business sector

Nations do well because of the productive nature of its people. This means no nation can do well when a vast portion of its population is disadvantaged and rendered unproductive. The extent to which the women segment of the population is empowered to engage in productive pursuit determines the extent to which the nation would grow economically and socially. The above assertion is supported by Manyuchi (2013:97) who stated that involvement of women and the youth promote economic growth and poverty reduction. That is obviously the case because small businesses serve as the preparation ground for entrepreneurship in countries and also the channel through which economic aspirations of countries can be met. It is a known fact that the proportion of women in the population of Ghana is larger than men and also the population of Ghana is disproportionately youthful. This means that without a concerted effort to promote entrepreneurship to women and youth leading to setting up of small businesses Ghana's attempt to make the private sector and for that matter the small business subsector the engine of its economic growth will be devastatingly affected. In Ghana and for that matter other African countries women are dominant in economic activities such as farming, catering services, domestic service business and generally businesses in the informal sectors (UNICEF, 2004). So, without the targeted effort to assist women in these businesses, the economic output from these sectors will be limited.

Despite the fact that more women can be found in some sectors especially those that are predominantly informal, they are mostly isolated from the mainstream economic activities, notwithstanding the fact that their involvement would have spurred the economic development of countries (UN, 2010). It could be that the government of Ghana has begun to realize the potential of women and the youth to positively impact the growth of the country hence the effort that is now been placed on promoting women and youth in entrepreneurship. In Ghana many women were put in the position of bread winners when many men lost their job as a result of redundancies during the economic upheavals in Ghana especially during the implementation of the structural adjustment programme. That pushed many women to engage in small businesses in the informal sector especially in jobs that were culturally women specific.

Currently, a sizeable number of small businesses are owned by women and the number is even higher when informal businesses are included. This means women are now indispensable when it

comes to promoting economic growth in Ghana. As already stated, the population of Ghana is youthful so the strategy to achieve any level of economic growth cannot be done in their exclusion. The strategy of the government of Ghana now is to push a lot of the youth into entrepreneurship since they cannot be assured of employment in the public sector. To that end the following initiatives which are not exhaustive have been used to encourage youth entrepreneurship or find job for the teeming number of the unemployed youth; the National Youth Employment Programme, (NYEP), Nation builder Corp (NABCO), National Entrepreneurship and Innovation Programme.

Through a number of initiatives, women and the youth are been assisted to become more productive following the realization that women and the youth can serve a very vital function in the economic advancement of Ghana. Now the youth are assisted to open their small businesses as a way of helping them join the labour force thereby reducing the unemployment situation among the youth (Ryan, 2003). In Ghana the Micro and Small loan centre (MASLOC) was established as the avenue to provide fund for the women, youth and business people in general to set and improve their business operation but the operation of MASLOC was hampered by political influence and patronage through which loans given out were misconstrued to be political gift leading to poor recovering rate. Notwithstanding, MASLOC has helped and continue to help number of women and youth with funds to set up and operate their small businesses. MASLOC, unlike the commercial banks does not require collateral for accessing loan and the cost of the loan is relatively small compared to the banks. Through MASLOC a lot of women and youth who could have found it almost impossible to access money from the banks are now able to finance the growth of their businesses with relatively cheap loans giving them the requisite confidence in running their businesses.

Through government policy like the school feeding programme a number of women in the catering business now are able to procure contract from the government through the school feeding secretariat to feed assigned public schools helping women businesses to growth. The only concern leveled against this arrangement is that assigning contracts to women businesses is considered to be politically influenced. A precedent can be found when after elections successive governments appoint their own new preferred caterers to feed assigned schools. Notwithstanding

the political maneuverings the school feeding programme has created massive market opportunities for many women led small catering firms.

An important concern with provision of funds to small businesses has been the opaque procedures that applicants have to go through reinforcing the belief of political maneuvering. Also, lack of effective monitoring to ensure funds are applied for proposed purposes lead to misuse of fund leading to low and poor recovery rates.

2.8 Small business sector contribution to competition

Small businesses influence competition in different segments of the economy (Dube et al., 2010 :948; Simonova et al., 2017:408) and enhance entrepreneurship in many countries (Tsikirayi et al., 2013:3). Small businesses are seen as more innovative since about fifty percent and seventy-five percentage of radical innovations are considered to originate from small businesses. Generally, as opined by Amoah and Amoah (2018:153) small businesses contribute a lot in the area of innovation that add up to the economic well-being of countries. Thus, small businesses are found to be replete with great ideas and intellectual capital that contributes to their agility and make the businesses the sources of great revolutionary changes. This creates a situation where small businesses because of their innovative products and services, (Chirisa et al., 2012:127) are able to compete effectively with their larger counterparts though small businesses mostly have a disadvantage of lack of economics of scale.

Small firms as a result of their innovative character are now able to impose competitive prices for their wares and services, giving choice to customers thereby enhancing competition in various industries. This has created a situation where large organizations can no longer push prices in the throat of customers as a result of lack of choice in the industries. Another issue that provides small businesses the capacity to compete with large organizations has to do with their agile nature that makes it relatively easy to adapt to change in the external environment (Dlodlo & Mafini, 2014). Overall, the high levels of activities of small businesses have lessened the monopolistic tendencies in many industries there by enhancing competition and leading to production of high-quality products and services (Chingwaru, 2014)

It is worth noting that, the innovative nature of small businesses has led to situation where many problems of society have been solved, thereby perking up the quality of life of citizens in Ghana and throughout the world. Small businesses now cannot be removed from the equation when a

nation wishes to meet its aspiration of high economic growth and development. It is now incumbent on the Government of Ghana and other governments of Africa to put in more effort and resources to revamp and make their small business sector a truly engine for their economic growth.

2.9 The development of small businesses in Ghana

After the independence of Ghana in 1957 and pursuant to the first Government's agenda of rapid industrialization, economic activity was driven by state own organizations where little motivation existed for small business development. Since government policy did not support small scale private businesses it was only after many experimentations with different economic models and its subsequent structural adjustments leading to many people losing their jobs that the motivation was created for people to set up businesses as mainly a survivalist strategy. The government of Ghana later in its effort to favor set up of small businesses deregulated a number of industries to encourage private participation. It should be noted that, the structural adjustment programme changed the architecture of Ghana's economy though number of consequences might not have been intended.

The Economic structural adjustment programme had the intention of correcting the imbalances in the Ghanaian economy thereby promoting industrialization and job creation. To achieve this intended consequence the programme suggested removal of subsidies on social services, eliminate price controls and opened the economy. The programme also demanded reduction in government expenditure and privatization of state-owned enterprises. The economic structural adjustment programmes ultimately reduced the government's control of the economy and favored the private sector as the potential mover of Ghana's economy. The small firms then gained the reputation as a potential engine of Ghana's economic growth. It therefore became necessary to develop the policies and the strategies to position the small business sector to spearhead the growth of Ghana's economy.

Though the economic structural adjustment opened Ghana's economy, it had a number of negative socio-economic impacts on Ghana. The first visible impact was the massive loss of jobs in the public sector worsening the unemployment situation in the country. Many large-scale companies in Ghana subsequent to the bad economic situation also scaled down their operation worsening further the unemployment situation of the country. The bad unemployment situation at the time

ensuing from the structural adjustment programme created the right condition and the motivation for supporting the setting up of small businesses as a poverty reduction strategy. It can be argued that the economic structural adjustment programme did not achieve the intended goal because it disregarded the socio-economic realities at the time thereby opening the pandoras box of Ghana's economic situation, Consequent to the economic situation partly created by the implementation of the Economic structural adjustment programme many people set up small businesses to supplement their incomes or as their main source of income because of the high unemployment situation at the time. For this reason, Ehinomen and Adeleke (2012: 270) opined, the expansion of the small firm segment contributed to the expansion of the economy and further improved the employment situation.

The emergence of small businesses as the prime mover of Ghana's economy brought to fore a number of challenges and that led the government and other non-governmental agencies to devise plans and strategies to address them. Notwithstanding the number of structures and institutions set up to stimulate the small business sector lack of effective coordination reduced the impact of the well-intended support structures.

The next section addresses the barriers facing small businesses in Ghana.

2.10 Barriers facing small businesses in Ghana

The small business sector is presently relatively vibrant and considered the engine of Ghana's economic development. Notwithstanding, small businesses in Ghana are bedeviled with a magnitude of challenges and barriers which negatively impact their progress. According to Amoah and Amoah (2018:153) challenges facing small business development are negatively affecting the well being of the small firm sector and consequently the economic growth of Ghana. Though the number of challenges facing small business growth is numerous and varied studies have isolated the following: difficulty in accessing finance, derisory management expertise, poor transport and communication infrastructure. This section discusses the obstacles that impact the progress of small firms in Ghana.

2.10.1 Financial Barriers

Organizations require resources to ensure they operate effectively and for that matter having opportunity to raise finance is essential to the well-being of small businesses. According to Radiduan et al. (2009) internal resources of organizations give them edge over other organizations

and for that matter organizations with insufficient internal capabilities and resources are mostly limited. One of the most important internal resources which are critical to organizational growth is finance. Research indicates that one of the challenges small businesses face and for that matter impacts their growth is lack of access to finance (Ehinomem & Adeleke, 2012:273). Small businesses require adequate capital injection continuously to operate through various stages of their life cycle.

Most of the time small businesses get finance from banks and other financial institutions at a high cost because they are perceived to be risky to lend to. Banks mostly prefer to lend to larger organizations that are considered less risky and which unlike small businesses mostly also have collateral to secure the amount they borrow. The high failure rate of small businesses also serves as demotivation to attract fund from financial institutions. Banks make a number of considerations before they dispense funds to businesses and most of the time the criteria used as the basis for granting loan does not favour small businesses.

Financial institutions gauge capacity to repay a loan by considering how the small business is managed, availability of collateral, existence of business plan and most small businesses fall short of these requirements endangering their access to funds from the bank. Most often small businesses do not have business plans neither do they have the financial records to substantiate their operations and for that matter substantiate their inability to repay the loans they request for. The predicament small businesses find themselves place them in a position where government financial support mostly is the only avenue through which sizeable portion of small businesses can have extra financial injection since government financial support mostly do not require collateral, evidence of financial records nor businesses plan. Notwithstanding it is incumbent on government institutions to as a matter of urgency also provide small business owners the competencies needed to prepare simple accounting records or develop simple business plans.

It is conceded that having business plans and engaging in record keeping will help small business owners to be financially discipline. Taking a cue from the operations of MASLOC it can be realized that providing access to funds to small business owners without the requisite financial management skill is not helpful since in some situations small business failures are attributed to poor financial management and inappropriate accounting activities of managers of small firms. It

is therefore informative that the effort should not be on only providing access to finance but also building the financial management capacities of small business owners and manager.

2.10.2 Management skills and Business Operations Barriers

It has been found out that deficient management skills is among the main challenges confronting the progress and viability of small firms in Ghana. As was found by Karedza et al. (2014: 39) management issues contribute a lot to the high failure rates of small businesses. It is dire because most small businesses are controlled and managed on the day-to-day basis by the owners who are mostly not skilled in managing business with limited educational backgrounds. This point underscores the importance of building the financial management capacities of small business owners, since without effective management skills any financial resources provided are likely to be mismanaged or misappropriated. Providing small business owners and managers with management expertise help them to operate their firms well showing in the superiority of products and services in their organizations and also help reduce or prevent other factors that are found to add to the high collapse rate of the small firm subsector. Also, when small firm owners and operators have the requisite management acumen, they are more likely to appreciate strategic issues (Nyanga et al., 2013:146) making strategic planning a key feature in the operation of their businesses. It is known that, a lot of small firm operators do not attend training programmes on management skills provided by government agencies or non-governmental organization since they consider such programmes as waste of time. It was also stated in the work of Karedza et al. (2014: 40) that small business owners also lack technical skills affecting the competitiveness of their wares in the market. For organizations to prosper every effort should be made to develop the internal capacity and resources and that provides the basis of achieving advantage over competitors. Consequently, it is important that the management capacity of small firm owners and managers be developed and when that is done it will influence the success rate of small firms in Ghana.

2.10.3 Inadequate Infrastructure Barrier

Every country needs an appreciable level of infrastructure to spur its growth and the same can be said of small businesses of nations of which Ghana cannot be an exception. Small businesses grow comparatively well when the transport, communication, market buildings infrastructure are well in place. Lack of adequate infrastructure in some locations in Ghana militates against the conduct

of business thereby reducing economic activities in those areas. For example, poor road and inadequate transport facilities continue to negatively affect the business operation of farmers in the rural areas of Ghana since they find it difficult to transport their produce to urban markets leading to losses of revenue. Some businesses in Ghana are also not able to locate their businesses in the rural areas where there are plenty of land because of inadequate infrastructural development. The great infrastructural disparity between the southern and the northern areas of Ghana can be partially associated with the level of economic development between the two regions of Ghana. For that reason, poverty gap between the northern and the southern sectors of Ghana can be construed as an infrastructural gap. To make certain the progress of the small firm segment, government of Ghana should endeavour to improve the infrastructural situation in the country through improving the road network, ensuring more markets are built, ensuring ease of access to water and electricity and communication facilities. One infrastructural facility that has affected businesses in Ghana in the past and continues to affect businesses in a relatively reduced form is access to electricity.

For some time now Ghana has suffered from shortage of electricity generation making a lot of small businesses close down. Those that were able to survive were also rendered uncompetitive relative to imported products because of high energy cost as a result of using generators to power their plants and machines. It should be noted that electricity and water has been a problem to the operation of small businesses in Ghana and something has to be done about it if small businesses can rise to the occasion as the engine of Ghana's economic development. Resulting from the realization of the significance of infrastructural development to economic advancement of the country the previous governments of Ghana invested a lot to increase the infrastructural base of the country by expanding and improving the road network, building number of markets in the districts and also increasing the electricity power generation by deregulating the power generation sector to bring in more private investment. The current government of Ghana has continued investing in infrastructure by investing further in electricity generation and also revamping and expanding the railway network in the country. The current government's policies of "one district one factory", "planting for food and job" and "rearing for food and job" can all be premised on improving the road network, improving access to electricity and water and other facilities. That is the case because without improvement in the infrastructure base of the country investors would not be motivated to invest in certain areas of the country where access to electricity, water,

communication facilities are difficult. This means for the government's policies to achieve the expected level of success the infrastructure situation in Ghana must improve. Thus, the infrastructure challenges in the country obviously influence the operation of small firms in Ghana and something should be done about that to make small businesses more viable (Anesta et al. 2004: 14).

2.10.4 Heightened Local and International Competition.

Competition from imported products is a very serious challenge confronting small businesses in Ghana. Imported goods are more often than not cheaper than the locally produced products making the products from the local small businesses uncompetitive. The other side of the coin is that small firms find it hard to send their wares to foreign markets and for that matter the only market they can access is the local one. In the local market also, they are faced with very stiff competition from cheap foreign originated products for which they find very difficult to compete base on price. This has affected severely the manufacturing sector of Ghana making a sizeable number of small businesses resorting to the importation of foreign produced product instead of manufacturing locally. Small businesses having difficulty to access funds from financial institutions has created a situation where the businesses cannot procure high end technology and equipment to improve the quality of their product, further giving foreign competitors and products the edge over the local small businesses and products. To solve the problem the government of Ghana must adopt policies and strategies that will assist local businesses to improve their competitiveness by improving their access to finance and modern technologies. Also, the government must endeavour, working within the guidelines of the world trade organization (WTO), to stop all incidence of dumping into the country of foreign produced goods.

2.10.5 Inadequate Information and Technology Barrier

Access to relevant information is considered a source of advantage in business today and those that do not have information can be seen as operating in the dark. Some small businesses are suffering unduly because they are not aware of key information on the market they are operating in and also government support available to them. According to Musa and Chinniah (2016) and Olayinka, Wynn and Bechkoum (2016) as stated in Amoah and Amoah (2018:154), small businesses in Ghana lack the ability to use current business practices and technology because of deficiencies of managers in the area of access to financial resources and managerial acumen. Some small businesses that are into export also are having difficulties because of lack of information on

the foreign markets they are sending their products to and the regulatory requirements of those foreign markets. For an organization to perform well there is the need to have information on the customers that are been targeted, without that small businesses are more likely to produce products that are out of the preference of the customers. Additionally, some small businesses in Ghana lack the required technologies and techniques needed for effectiveness in their industries making them less competitive. According to Aryeetey et al. (1994) some small businesses lacked the equipment needed for production making them to produce below capacity

To solve the issue of access to information, government agencies responsible for small business promotion should intensify their work to ensure that small businesses have timely information to influence their business decisions.

2.10.6 Unfriendly Legal and Regulatory Environment

For small enterprises to perform well, the legal and regulatory environment in Ghana should be right. Laws bothering on business registration and operations should be streamlined to remove duplication of activities. Sometimes some of the rules are too stringent and anti-business thereby impacting negatively the growth of small businesses. Different levels of taxation in Ghana impact negatively the operation of small firms in Ghana and due to that there is the need for streamlining. Improvement in the business registration process in Ghana is appreciable removing the hassle in the process. In the past many businesses were operating informally because of the processes involved in business registration so it is expected that with the improvement in the process more small businesses will render themselves for registration, moving them to the formal sector where they will be visible for government support and assistance.

2.11 Support for small businesses in Ghana

For small business to be effective in performing their role as the engine of Ghana's economic development it was crucial for the government to devise policies, strategies and support system to make certain their progress and advancement. In pursuant of the goal to improve performance of the small business subsector a number of institutions and support systems have been set up. This section looks at the institutions that are established to sustain the growth and improvement of small businesses in Ghana.

2.11.1 Institutions to promote SME development

Some of the institution set up to provide support to small businesses in diverse ways comprise of the following: NEIP NBSSI, MASLOC. The NBSSI is considered the apex body in charge of sponsorship and promotion of small firms in Ghana. MASLOC was established to offer financial assistance to small businesses without the burden of conditions from banks. Though MASLOC has assisted a number of small businesses the institution is accused of favouring businesses whose owners are aligned to the ruling parties and monies given out are mostly seen as gifts leading to very poor loan recovery rates. The NEIP was set up by the current government to address the high unemployment situation in the country by encouraging more people to take entrepreneurship as a preferred career pathway. Young people are now given the support to set up their own businesses so that they can provide employment to people since the public sector cannot be relied on to provide employment to the massive number of people that are supplied to the labour market by the universities and other training institutions

2.11.2 The Ministry of Private Sector development

Though a lot of the ministries provide services that are intended to help businesses in Ghana to grow, the current govern of Ghana to show its resolve to intensively promote individual businesses as the prime mover of Ghana's economy has set up the Ministry of private sector development to coordinate all the issues that bother on the development of the private sector. Since about ninety percent of businesses in the private sector are within the category of small and medium enterprise the intention of the government to invest more in the promotion and development of small firms can be appreciated. The National entrepreneurship and innovation programme is an agency under the ministry of private sector development.

2.11.3 National Board for Small Scale Industries

Among the first institutions instituted to advance the development of small firms in Ghana was the NBSSI. It is considered the apex public funding small business supporting organization. The current NBSSI have been structured throughout the years to serve the following main objectives:

- Ensure the creation of the appropriate environment for small business development
- Work towards the creation of entrepreneurship traditions in Ghana.
- Make available other non-monetary incentives for small firm development in Ghana.

- Help small businesses to have access to finance
- Promote and encourage small businesses to form associations for mutual benefit.
- Work through its Business Advisory Centres to provide technical and advisory services to small enterprises in Ghana.
- Provide training services to develop the capacity of small businesses in business management and other areas of business operation.

In Ghana the government's support to the small business sector is now done through the NBSSI and its implementing agency called the Business Advisory Centres (BACs). For example, the government's stimulus and hardship reduction for the COVID-19 Pandemic is being distributed to small businesses in Ghana through the NBSSI.

2.11.4 GRATIS Foundation

The government of Ghana set up the GRATIS Foundation to provide technical know-how to small businesses involved mostly in manufacturing to spearhead the indigenous industrialization in Ghana. The work of GRATIS is done through providing supervision to the number of Intermediate Technology Transfer Units (ITTUs) established and scattered throughout the many districts of Ghana. The GRATIS Foundation is supported by government and support agencies from other countries such as the International Development Agency, in providing the very important technical capacity building opportunities to small businesses in Ghana (Aryeetey et al., 2001).

2.11.5 The Rural Enterprise Project (REP)

The Rural enterprise Project was set up to assist the growth of the rural economy of Ghana. This mandate of REP is to be achieved through providing job creation opportunities to the rural folk in order to improve their living conditions and through that help alleviate poverty in the country. Also, through self-employment measures, small businesses are created to revamp and grow the local rural economies of Ghana. The Project receives support from government of Ghana and other international agencies to fulfill their mandate. There are also sometimes inter-agency collaborations between REP, NBSSI, GRATIS and the District Assemblies to ensure superior impact on the provision of targeted support to small firms in Ghana.

Specifically, the following are some of the services provided by the Rural Enterprise Project in Ghana.

- Provision of training to perk up the capacity of small firms in the rural area.
- Organization and facilitation of exhibitions to assist small firms to showcase their products
- Helping in diverse ways to alleviate poverty in the rural areas of Ghana
- Help small businesses to grow and through that help grow the rural economies of Ghana.

2.11.6 Ghana Venture Trust Fund

The Ghana Venture Capital Trust (GVCTF) was instituted specifically to assist entrepreneurs operating small businesses in Ghana with equity capital to grow their businesses and through that foster the economic development of Ghana. This institution led the way for the setting up of the Venture capital industry in Ghana (Financial Times, 2011)

GVCTF was started with an initial amount of US\$15 million but now source money from government and other private sources to invest in small businesses. The institution has also set up an Angel Fund through the launching of the Ghana Angel Investor system. The foremost function of the Fund is to offer support for startups in Ghana by dealing with the difficult situation of lack of finance in Ghana.

The next section focuses on the Bank of Ghana and how it supports small businesses in Ghana.

2.12 Bank of Ghana supporting small businesses

Through the vehicle of the Finance assurance scheme of 1969 the Bank of Ghana (BOG) started its support to small scale firms in Ghana. The bank was also involved in the disbursement of monies for small businesses and also very much involved in the Private Enterprise and Export Development (PEED). Historically the Bank of Ghana has worked hand in hand with many international support agencies to assist small businesses in Ghana. Specifically, the Bank of Ghana has provided support to small businesses directly or indirectly through the following ways:

- Supporting and strengthening the Informal Financial sector.
- Developing the capacities of Community banks to support small businesses
- Helping to establish the Apex Bank of Ghana.

Below is the list of some of the agencies and support institutions that has assisted small businesses in Ghana and in most cases in collaboration with the Bank of Ghana

Table 2. 2 Finance flow to Small Businesses

Nature of Financial Support	Support Agencies
Government Credit system	. FUSMED, NBSSI schemes, GRATIS
Small firm Loan scheme	DANIDA, CIDA, FAO, USAID
Informal Financial NGOs, Credit Unions	Sinapi Aba Trust, CARE International etc
Public Schemes	SIF, Poverty Alleviation Fund (PAF), EDIF, MASLOC

Source: Researcher's compilation, 2020

2.13 The business sector advocacy challenge fund (BUSAC Fund)

The BUSAC Fund was set up in Ghana by Danida through its Business Sector Programme (BSPS) to provide the needed assistance to business associations and other Media organizations to advocate for proper and congenial business environment. BUSAC set out to achieve its objectives through the provision of technical support, training and grants to stakeholders to be able to engage in advocacy. The initial BUSAC activity which was termed BUSAC I was in collaboration with Danida, and other international agencies. Under BUSAC1 362 grants were given to various organizations to support advocacy throughout Ghana. BUSAC 11 focused more on the Northern sector of Ghana and supported more advocacies on emerging issues of strategic importance to Ghana. BUSAC 11 also supported advocacy for improving the environment for business operation and had a component to support the Government of Ghana in its Private Sector Development strategy. Through the activities of BUSAC the business environment has achieved a relative amount of improvement which has enhanced the ease of doing business in Ghana

2.14 Summary

This current chapter presented information on the small business environment in Ghana. Some of the topics covered included; the definition of small business in Ghana; small business development in Ghana; geographical spread of small businesses in Ghana; contribution of small firms in Ghana; barriers facing small firms in Ghana

The next chapter presents an in-depth literature review on management practices and strategic planning.

CHAPTER THREE

LITERATURE REVIEW ON MANAGEMENT PRACTICES AND STRATEGIC PLANNING

3.1 Introduction

The output of the global economy depends largely on the contribution from the small business sector since greater part of businesses in the world constitutes the small business segment. Notwithstanding the disproportionately huge number of small businesses in the world, the small firm sector is faced with a number of challenges (Ehinomen & Adeleke, 2012:269). Governments throughout the world have tried and continue to try to mitigate the challenges through policies and strategic initiatives (Moritz & Howard, 2019:5). While the preceding chapter covered the nature of small businesses in Ghana and the challenges facing them, this chapter focuses on the review of the existing literature on management practices and strategic planning and the extent of their implementation in small businesses.

3.2 Management as the act of performance

Effective management is vital for every organization since it entails getting things done through and with people. Management technically involves planning, organizing, controlling and coordinating organizational activities with the aim of achieving organizational objectives. Planning which is one of the key functions of management was considered by James et al. (2000) to be “a particular kind of decision making that addresses the specific future the manager desires for their organization”. Thus, as asserted by Govindaraja et al. (2005) planning involves determining ahead what should be done, when it should be done and which people should do what. Thus, planning and the other functions of management when effectively executed ensure the achievement of organizational objectives. This means without effective management in place, business will find it difficult to achieve the desired level of performance. Management practices undertaken in organizations is critical to a firm’s performance.

3.3 Management practices and their Implementation

Management practice is rather another pervasive concept in management literature. It refers to set of practices that are employed by organizations to achieve enhanced outcome. Management practices are mostly driven by top managers. Studies have found that organizations that employ structured management practices tend to have enhanced level of profitability, productivity and innovation.

The studies on management practices and organizational performance nexus have been done at different level of analysis. Some studies concentrate on the effect of individual practices while others focus on the combined effects of clusters or joint management practices on organizational performance. It should be emphasized as articulated by Wall and Wood (2005) that there cannot be “a one fit all” performance-enhancing management practices and that there appear to be context specific management practices. This contingency approach to implementation of management practices formed the basis of Edward et al. (2004) assertion that effective management practices are firm-specific and therefore influenced by business environmental conditions.

According to Forth et al. (2006) small businesses tend to make little use of formal management practices and the effectiveness of such practices according to the study is not clear. Other studies are of the view that some practices such as target-setting and performance management have general applicability and for that matter every firm irrespective of size should achieve the intended benefits when implemented. This indicates that lack of the use of formal management practices could be ascribed to deficiency of knowledge about the benefits to be attained and also possibly difficulties associated with embracing new practices (Bloom et al.2011)

A contrary view on small businesses implementing management practices was given by Kitchin and Marlow (2013) that indicate that small businesses tend to have unique features that make widespread use of formalized management practices unsuitable. Thus, it was articulated that even enhanced use of such practices could not deliver the expected benefits and may be even harmful to the businesses

Gibbon and Henderson (2013) indicates that management practices are the main reason for performance disparities across businesses while Brynjolfsson and Milgrom (2013) indicated complementarity between management practices and organizational practices as the source of performance difference among businesses

Studies have found that organizations that employ structured management practices tend to have enhanced level of profitability, productivity and innovation.

It has been argued in the past that the differences in national productivity could be attributed to what was referred to as “a measure of our ignorance” (Abramovitz, 1956). Accordingly, difference in organizational productivity could also be hinged on the “measure of ignorance” indicating that businesses with superior know how and for that matter less ignorance will do better than their counterparts with deficiencies. In this regard Bloom and Van Reenen (2010) provides evidence to clarify the reason for difference in performance at the business and the country level. The following are the findings of the study on management practices:

Firstly, organizations that implement good management practices were found to produce superior performance. These firms were found to be more productive, grow faster and highly sustainable in their operations

Secondly management practices differ among businesses and nations. It was realized that a lot of countries have poorly managed businesses which affects the overall management practices score of nations.

Thirdly it was also found that nations focus on specific forms of management. For instance, American businesses were found to do better on incentive-focused management practices than Swedish businesses as businesses in Sweden were also found to be superior in monitoring-focused management practices.

Fourthly it was realized that product market competitions improve management capabilities of firms since organizations are pushed to improve their management practices to remain competitive

It was also found that multinationals are better managed since they tend to have superior management capacity which they apply in their operational centers in different countries.

Sixth it was also found that businesses that are export oriented tend to be well managed than their counterpart that do not engage in export.

It was also found that family businesses where the top position is occupied by family members tend to be poorly managed.

It was also found that organizations that are owned by the state tend to be poorly run, while listed companies and businesses owned by private equity organizations were found to be managed well.

It was also found that organizations with highly developed human capital tend to implement good management practices

Lastly it was found out that at the country level, nations with flexible labour market policies and regulations tend to have their businesses using incentive-focused management practices leading to high level of variations in management practices. While some studies results depart from majority of the study findings that have established a positive connection between management practices and firm performance it can be intelligently accepted that implementation of management practices can contribute to positive firm performance. Prajogo, Oke and Olhager (2016) found out that firms that implement superior level of operational practices tend to enhance their capacity for speed, flexibility while Valmohammadi and Roshanzamir (2015) opined that implementation of management practices bring about improvement in firm productivity, customer satisfaction and improvement in market share. Chi and Lin (2011) found out that implementation of human resource management practices such as competitive compensation and internal promotion can improve an organization's ability to entice, choose and retain workers with excellent skills.

There are many factors that influence the deployment of management practices and firm size has emerged as one of the key factors. According to Agarwal, Brown, Green, Randhawa and Tan (2014) and Bloom and Van Reenen (2010a) large firms are more predisposed to use formal management practices than small businesses because of the unique features of large-sized firms. For instance, as large-size firm tend to have complex structures, specialized functions and enhanced capabilities they tend to be more in demand for management practices than small businesses. Also, large firms tend to have more resources than small firms to acquire and implement sophisticated and innovative management practices. Another factor that has been found to influence the usage of management practices is firm ownership type. A study by Carney, Essen, Gedajlovic and Heugens (2015) found that family-owned firm prefer more traditional strategies and for that matter use low levels of management practices.

3.4 Measuring Management Practices

The literature presents lack of general agreement on how management practices should be measured. The only area of accord is that measurement of management practices apply a multi-dimensional approach. The difficulty in the measurement of management practices in a way can be attributed to the immaterial nature of management practices making it difficult for objective measurement. The seminal work of Bloom and Van Reenen (2007) established that there is in existence great management practices which when employed improves organizational performance. For instance, number of investigations have found positive connection between implementing performance-based pay systems and improved organizational productivity. Thus, there is currently no uncertainty that management practices are associated with firm productivity or performance.

The search of the existing information indicate that measurement of management practices use a variety of approaches as observations, interview and questionnaires.

To measure management practices an effort was made by Bloom and Van Reenen (2007) and an international consulting firm to develop a measuring tool. The tool tried to measure management practices in three main aspects of an organization's activities namely: monitoring, target setting and incentives.

Monitoring was deemed to represent how effectively a business monitors what happen in the organization and using the information to pursue continuous improvement.

Target on the other hand has to do with setting the appropriate targets, tracking appropriate outcomes and then taking the right actions if what was expected is different from what was achieved.

Incentive has to do with organizations rewarding and promoting employees based on performance and also doing everything possible to attract and maintain their best people.

Research has found that countries tend to concentrate on specific management practices. For instance, in countries like America, china and China organizations were found to disproportionately use incentives than the use of monitoring management.

The study by Bloom et al. (2011) has also been influential in the study and gathering of management practices data that has thrown more light on the state of management practices in businesses and nations across the world. The researchers used a double-blind innovative survey tool to measure management practices from a randomly drawn sample of firms from different countries and industries using open ended questions. The questions assessed the quality of management practices in the organizations. Through this a vast amount of management data has been gathered. The survey focused on measuring management practices along three operations-focused dimensions namely: Performance monitoring; target-setting and incentive/people management.

Along the three dimensions “best management practices” were construed as those that incessantly gather and evaluate performance data, set exerting and interlaced short- and long-term targets and also seek to recompense superior performers and remove or sack mediocre performers. There remains a constant debate in the literature on whether there are best practices or management practices are contingent.

3.5 Shortage of Managerial Acumen

Small businesses are known to suffer from insufficient management capabilities that adversely affect their development (Pandya, 2012:430). Lack of the needed managerial competence in small businesses is also exacerbated by lack of the right amount and quality of other human resources which curb the growth and development of small firms in different jurisdictions around the world (Hashi & Krasniqi, 2010:461). Consequently Shafique et al. (2010) partly attributed small businesses failure to the lack of the needed managerial expertise in those businesses. For instance, Olawale and Garwe (2010:731), found lack of management experience as a key contributor to small firm failure in South Africa. Additionally, according to Overseas Development Institute (2010) small businesses suffer in their growth and for that matter their success rate is negatively influenced by lack of the requisite human resource with the right skills set.

The lack of people with the right skills-set directly affects the quality and quantity of products and services of small businesses making them less competitive. Mostly, employees of small businesses are less skilled because of lack of enough training. Sometimes also the cost of employing people with the requisite skills tends to go beyond what small businesses can afford. For example, as was found out by RMTI (2010) that employees in small businesses in Rwanda

were unskilled and that small businesses there lacked the capacity to offer the required training and development. Also lack of enough managerial expertise was found by Ahiawodzi and Adade (2012) to limit the growth of small firms in Ghana. This means to enhance the success rate of small firms around the world it requires improving the management capacity among small businesses.

3.6 Managerial work in small businesses

There is little difference in terms of management activities that take place in businesses either they are small or large organizations. The basic management functions are the same irrespective of when and where they are implemented. Though management functions and practices might be the same the context within which they are implemented can create complexities that ultimately affect their output.

In large businesses, unlike small ones, the availability of adequate management resources increase the possibility of the businesses been run well which cannot mostly be said about small firms. As opined by Kayanula and Quartey (2000:13) small firms are mostly controlled by their owners who according to Gockel and Akoena (2002) are impeded by deficient managerial acumen and for that matter mostly have the uphill task in making a success of their undertakings.

As opined by Gagnon et al. (2000) the well-being of small businesses is dependent on increasing the management capacity of small business owners and managers since they are found to have huge influence on the businesses. Since small firms mostly do not have adequate management resources and the other human capital the burden is often on the owner manager who perform multiple managerial functions reducing to a significant level their efficiency (Muir & Langford, 1994:248)

3.7 HRM Practices and Firm performance

Human resources management practices have been the area of enquiry to assess the impact on organizational performance. The popular idea has been that HRM practices contribute to firm performance by helping in the acquisition and development of human capital relevant for job execution. Also, it has been articulated that Human resource practices help in structuring work in order to foster worker engagement. Also, it has been established that human resources in a way aid in employee motivation that navigate worker effort towards goal achievement (Appelbaum et al., 2000; Bailey, 1993).

Studies have also sought to investigate the impact of Human resource practices on organizational performance. For instance, Guest et al. (2003) found studying 366 UK businesses that HRM practices are positively connected with firms' profitability though the connection was not significant after taking into considering previous level of profitability. Another study that established HRM practices and firm performance was Black and Lynch (2001). The researchers studied 636 American firms and came to the conclusion that HRM practices such as profit sharing was positively related to firm productivity though teamwork was found not to be significantly associated with firm productivity.

It has been established by Barney (1991) and Barney (2001) that Human resource management practices can be a basis of a firm's competitive advantage. This indicates that HRM practices can influence superior firm performance as a study by Sels et al. (2006) indicated a positive connection between the extent of HRM practices usage and productivity gains.

3.8 Operations management practices and Firm performance

A number of studies have for some time now also focused on operation management practices and firm performance. Key among the operation management and firm performance studies has been Bloom et al. (2007, 2012, 2014, 2016). Their studies working in partnership with international management consultants developed a measuring tool for management practices. Their studies mainly assessed how 18 management practices influenced organizational performance. The 18 management practices were categorized under three main captions namely: practices focused on monitoring performance, practices focused on setting targets and people management practices. The idea behind the management practices is that firms that monitor their activities tend to set wide-ranging targets and additionally closely focus on the performance of their employees at the workplace and these businesses tend to outperform those organizations that neither monitor their activities, set little or no target and do close to nothing to mitigate the consistent poor performance of their employees. For that reason, as articulated by Bloom et al. (2016a) management practices inter alia operate as "technology" similar to a catalyst for productivity improvement. A number of studies have been conducted that provide confirmation on the influence of various management practices on organizational performance, popular among them is studies by Bloom et al. (2017) and Brynjolfsson and McElheran (2016a) providing substantiation from businesses in America as well as Broszeit et al. (2016) that conducted studies

in Europe. Also, the work by Bloom et al. (2014:24) and Bloom et al. (2015) spearheaded the application of formal management practices at service sectors which established benefits to be derived. The benefit from the use of management data has been explored by recent studies, for instance Broszeit et al. (2016) indicated that more benefits can be accrued from monitoring and incentive data than from performance target while to the contrary Brynjolfsson and McElheran (2016a) opined more benefits can be derived from the gathering and use of performance-linked data.

It is evident from the application of formal management practices in businesses that large-sized businesses tend to employ more operational and human resource management practices than small businesses (Wu et al., 2015). Many studies have suggested the reason for the lack of extensive use of formal management practices in small businesses. For instance, Roper and Hart (2013) opined that small businesses do not apply more practices because of their lack of ability to pinpoint and implement the practices due to their internal capability constraints. Additionally, the study by Broszeit et al. (2016) articulated that though benefits can accrue from the use of formal management practices for the small business, large businesses tend to derive more benefits from the use of formal management practices and techniques. Notwithstanding the findings of Broszeit (2016), some equally recent studies have indicated positive connection between the implementation of formal management practices and performances of small businesses (Wu et al., 2015; Shechan, 2014)

3.9 Management Quality and Firm Performance

Many studies have been conducted to find out the connection between management quality and organizational performance. In the study by Bloom, Propper, Seilet and Van Reenen (2009) managers and doctors were interviewed and the outcome of the study established a significant positive association between their management scores and their performance in their roles. As was also found by Bloom, Kretschmer and Van Reenen (2009) organizations that are properly managed also tend to have good facilities for employees that will go a long way to improve their performance in the job.

Education is found to be significantly associated with improved management scores. It could be that managers that are educated are more likely to be exposed to modern management practices.

Thus, when managers and workers are knowledgeable it makes implementation of superior management practices possible leading to improved organizational performance

3.10 Technology usage and Organizational productivity

The usual expectation is that the increased use of information technology will be positively associated with increased productivity. Notwithstanding, research findings provide mixed outcomes. For instance, the findings of Swamidass and Winch (2002) indicated that increased expenditure on technology has a positive influence on productivity while a study by Dorgan and Dowdy (2004) indicate that just an investment in technology without a correspondent increase in investment in management practices may not produce the required productivity enhancement gains. Thus Brynjolfsson et al. (2000) opined that the investment in technology helps only when coupled with the right dose of the required management practices.

3.11 Total Quality management and Organizational performance

The focus on customer satisfaction has occupied a center stage in organizational processes and procedures and for that matter total quality management is seen as a strategy to introduce quality awareness in all organizational activities to ensure customer satisfaction. Kaynak established a positive connection between Total quality management implementation and firm performance while a study by Kleiner et al. (2002) indicated a very small or no effect on organizational productivity.

3.12 Strategic management in small businesses

The crux of strategic management is to align the internal assets and capacities of the firm to the requirement of the external environment within which it operates. This leads to a situation where opportunities available are exploited, while foiling the threat from the external environment. (Tapinos et al., 2005:380). For small businesses to have sustained advantage into the future, there is the requirement for small firm owners to think strategically and not center only on day-to-day operational issues. Strategic planning which is a key component of strategic management focuses on the management of the complexities within the business environment. Strategic planning is undertaken at the uppermost level of management to chart the long-term direction of the organization and reduce uncertainties.

In small businesses, owner-managers are responsible for major decisions (Kraus et al., 2011) and for that matter they are responsible for strategic planning. For small businesses to improve their performance it is very vital to leverage on their organizational capabilities to implement effective competitive strategies. Thus, as posited by Newbert (2007:123) internal capabilities of firms are the basis of their performance. The internal resources and capabilities of a firm consist of pack of both tangible and intangible endowments of which management skills is key (Barney, Wright & Ketchen, 2001:625).

3.13 Management Practices and Strategic Planning

Strategic planning deals with practices that predict the future and then set in place plan that position the firm for effectiveness and improved performance in the future. According to Mintzberg (1994) strategic planning refer to sequence of activities implemented to attain an organizational purpose. The activies involved in the strategic panning process are expected to ultimately contribute to the achievement of worthwhile outcome for the organization (Akinyele & Fasogbon, 2010). The strategic planning and firm performance nexus is very relevant to strategic management as a result of its influence on firm effectiveness (Arasa & K'Obonyo, 2012). Strategic planning is a very vital management activity through which long-term objectives nd strategies are established, employed and evaluated (Armstrong, 1982)

As opined by Babafemi (2015) well intentioned strategic planning is essential to furnish small businesses with capabilities to effectively operate in the current turbulent and uncertain business environment.

3.14 Strategic Planning and Business Performance

It is a common knowledge that there exists a link between engaging in strategic planning and output of organizations (Gruber, 2007:802). Notwithstanding the fact that other studies have established to the contrary that there is no correlation between strategic planning and a firm's output (French et. al., 2004; Gibson & Cassar, 2005:216) other studies produced incoherent outcomes in terms of how strategic planning is related to firm performance.

As was established in the research by Gibbons and O'Connor (2005) though the association between strategic planning and firm performance has been recognized in large organization the same cannot be confidently said to pertain in small firms. Though planning is very important in businesses a study by Armstrong (1982:203) asserted that the degree of planning in organizations

is influenced by complexities within organizations. While planning has been seen as essential in businesses, other studies addressed the negatives related to planning especially long-term planning. As was opined in studies by Gruber (2007:783) which was also articulated by Mintzberg (1994) planning makes rigid business operation and makes it hard for businesses to react to changes in their business environment. As the negative aspect of planning was indicated by Carter et al. (1996) planning in new businesses take away resources from businesses that might have been used in building up their businesses. On the positive side, studies have asserted that, planning makes for successful harmonization of business activities. Additionally, as was opined by Grinyer et.al (1986:6) which was also in line with the findings of Kukalis (1989:567) planning makes it possible for businesses to think adaptively and through that makes it possible for businesses to organize all aspects of their businesses. It should be emphasized that, though planning might not warrant success in an enterprise, planning helps a lot in contributing to the well-being of businesses (Lerner & Almor, 2002)

3.15 Strategic planning and small businesses

Every organization strives to achieve its objectives by trying to have a superior understanding of its internal and external realities based on which activities are undertaken. As opined by Tapinos et al. (2005:371) strategic planning consist of activities that organizations engage in that focus on putting together strategies for enhanced performance. Thus, strategic planning makes it possible to gain information about the operating environment both internal and external from which clarity is achieved and uncertainty reduced (Hodgetts & Kuratko, 2001). That means, strategic planning helps to achieve clarity from which more effective decisions can be made impacting performance positively. For that matter strategic planning is a purposeful and formal activity undertaken in organizations to achieve better insight on how a firm should be properly run taking into consideration the observed external and internal realities. According to Naffziger and Kuratko (1991) there are not much intentional planning taking place in small firms as compared to large-sized organizations that were found to mostly engage in intentional planning. Thus, as was reiterated by Stonehouse and Perberton (2002) planning in small firms are mostly hinged on the intuition of the owners or the executives with little application of formal planning mechanisms.

Even though strategic planning is mostly situated within large organizations there is an appreciable level of agreement on the link between strategic planning and organizational output.

Though research has shown that not much strategic planning take place in small businesses, a study by Gibson and Cassar (2005:215) indicated that some small firms partake in strategic planning and also little association was established between strategic planning and small firm performance. A research by Kraus et. al. (2011) asserted that owners of small firms mostly are responsible for absolute control of their firms and these people also tend to be deficient in management jeopardizing the performance of the businesses they control. To further assert the importance of strategic planning to businesses, a study by Miller and Cardinal (1994:1656) opined that engaging in strategic planning is very essential to the performance of small firms and actually a key determinant of the level of performance of small firms. This means if considered properly a conclusion can be made that the lack of performance in small businesses partly can be hinged on their little participation in strategic planning as was opined by Gibbons and O'Connor (2005).

3.16 Implementation of strategic planning in small and large organizations

Firms that are considered small are minimally participative in strategic planning because of some unique limitations they have relative to large organizations (Crusoe, 2000). In the first instance, the performance of a large organization mostly depends on the output of a team of managers (Dyer & Ross, 2008) which is not usually the case for small businesses. The reality for the small business is that performance depends mostly on the skills of founders that control the firm. This means if the founder managing the firm is deficient in effective management skills the performance of the business will be immensely negatively affective.

Accordingly, a study by Mensah (2004:14) found out that owner managers of small businesses tend to have weak managerial skills impeding putting together of strategic plans and consequently the growth of the small firms. Another factor that affects the implementation of strategic planning in organizations has to do with the extent of exposure to the external environment. A study by Smit and Watkins (2012) indicated that small businesses are more exposed to immense environmental pressure relative to large organizations due to resource constraints small businesses mostly face. To address the effect of the external environment on small businesses, Owolabi and Makinde (2012) stressed the need to engage more in strategic planning as a way of coping with uncertainties from the environment. Incidentally most small businesses are found to be less engaged in strategic planning because of resource constraints they experience. Consequently, Agbim et al (2014:251) indicated that constant environmental scanning is needed for small

businesses to effectively deal with challenges that emerge from the external business environment. Thus, proactivity in the form of strategic planning is vital to ensure that small businesses surmount the challenges they are faced with and perform their roles effectively as the engines of countries economies.

3.17 Organizational capabilities

The resource-based perspective of the firm holds that an organization's superior advantage is derived from its ownership and exploitation of its internal assets and know-how. As opined by Ortega (2010:1276) capabilities consist of skills, know-how and implicit knowledge that can be located in the enterprise routines, managerial processes and culture. Organizational capacity consists of managerial and marketing capabilities that are exhibited in various management practices in businesses. As was opined by Orr, Bush and Vorhies (2011:1074) marketing competence refers to the understanding and dexterity used to create customer satisfying outcomes. Managerial capabilities on the other hand refer to management expertise and processes that are used by firms to implement activities to achieve a sustained growth or performance (Graves & Thomas, 2006). To that end, managerial capability consists of abilities that are used to deploy organizational resources. Consequently, managerial capabilities make it possible for a firm to effectively coordinate all the other resources to achieve the intended outcome.

The focus on the competitive resources internal to the organization has for a long time been studied by researchers (Barnard, 1938; Selznick, 1957; Penrose 1959). Thus, the researchers were interested in finding the growth potentials inherent in the internal resources of a firm. Thus it is a given that a firm's effectiveness and success is dependent on its internal strengths. As Barnard (1938) set the stage for exploration into managerial functions and processes, Selznick (1957) started the look into organizations' distinctive competencies while Penrose (1959) in a seminal work explored the growth of the firm by looking into the managerial capacities firms possess.

3.18 Strategic Leadership and Performance

Every organization tries to achieve superior performance through their operations and one source of superior performance has been cited as through strategic leadership effectively exercised. According to the finding of the study by Crossland and Hambrick (2011) top managers of organizations exercise the choice to make effective decisions to impact how their businesses perform. Thus, as confirmed by Quigley and Hambrick (2015) managers influence business by

their actions and inactions and such is critical to the growth of businesses. Strategic leadership has been found to have a critical influence on the performance of businesses (Quigley & Graffin, 2017). Notwithstanding it has been found that some constraints sometimes limit the influence of strategic leadership on firm performance (Lieberson & O'Connor, 1972)

It has been found that strategic leadership is mostly vital during situations of uncertainty (Jansen, et al. 2009) though some studies have also opined that same periods of uncertainty could restrain the top managers thereby having a negative impact on firm performance (Fitza, 2017). Thus, it should be emphasized as indicated by Waldman et al. (2001) that the extent of strategic leadership usefulness on firm performance is dependent on the level of contextual turmoil. That is, the dynamics within the external environment is critical to the strategic leadership and performance nexus.

3.19 Industry structure and business performance.

In the area of competitive strategy, the contribution of Michael Porter cannot be over-emphasized. Leveraging on the structural analysis approach Porter (1980) introduced an analytical framework that illuminated on the structure of the industry and how it affects competitiveness of industries and to extension organizations. The five forces framework as introduced by Porter (1980) identifies the various elements of the industry structure and how they work together to influence an industry's attractiveness. Thus, as posited by Porter (1996) the competitive advantage of an organization depends on effective positioning and differentiation within the industry the organization operates.

Consequently, as an important influence on the discipline of strategic management Porter's framework clearly expounds industry's competitive structure in a more perceptible way and to a limited extent how firms can formulate the right strategies to attain enhanced performance. To achieve competitive strategy Porter (1985) intimated number of competitive strategies that an organization can adopt in an industry to attain superior performance. The competitive strategies identified by Porter (1980, 1982) include the traditional competitive strategies namely; overall cost leadership strategy, Differentiation strategy and focused strategy.

3.20 Policies and strategies for small business growth

The work of Avecedo and Tan (2020) has indicated that business support provided to small businesses in advanced countries impacts significantly on the progress of small firms in those

jurisdictions. The same research indicated mixed outcome on business support given to small firms in low-income countries. It was found that while some of the support provided yielded the required improvement on small businesses growth, some of the support services were found to be misaligned.

For instance, Hatton (2012) indicated that small business growth and entrepreneurship were high in North America as a result of the amount of support provided to small firms in that country relative to what pertains in other countries. GEM (2012) also indicated that small businesses in the United Kingdom also received appreciable support impacting positively on the growth of the small business sub-sectors. IMMSME (2015) indicated that small businesses in India also receive help in the form of entrepreneurship training and transfer of appropriate technology increasing the competitiveness of Indian small businesses. The case in Malaysia was found not to be different through the study by the Asian Productivity Organization (2015) where small businesses were provided with access to funding and the required physical infrastructure.

In Africa a study by Mthimkulu and Aziakpono (2012) indicated that small firms in South Africa are provided with appreciable amount of finance and also made more visible to regional and international markets through trade fairs and exhibitions organized by the government.

3.21 Success factors for small business viability

Many things contribute to the well being of small firms and as was put forward in a study by Tlhomola, Rankhumise and Van Niekerk (2010) the following assist in making successful small firm operations: the level of education of business founders; previous experience in running business; Management acumen of business owners. The identified issues were considered to help improve the self-assurance of owner-managers

According to Smallbone and Wyer (2000) when owner-managers are educated and have achieved the requisite level of training it improves the success rate of their businesses. Also, when business owners have experience in running business it helps them in their subsequent endeavours (Singer, 1995). A study by Nieuwenhuizen (2011) indicated that some issues contribute to the success of businesses and the following are some of them: leveraging on technology; Human capital management; Alliance.

It was found that when businesses are able to effectively use information technology it brings efficiency in business activities and can be the source of organizations' competitiveness. With respect to human capital management, it was asserted that it consists of accessing the intellectual prowess of employees to improve the well-being of the business, while Alliance as a success factor include leveraging on the connectedness of people and resources in the business for enhanced performance. The ideas put forward by Nieuwenhuizen (2011) if assessed well connects with the idea of ensuring effective management practices in organization as a prelude to achieving success in running a business. This means, the well-being of a business in a way is connected to the management practices prevailing in the organization

Beyond the issues that have been already addressed to ensure business vitality, numerous researches have acknowledged the potency of strategic planning in contributing to a firm's success (Shane & Delmar, 2004; Gruber, 2007) though a study by Honig and Samuelson (2012) doubted the contribution of strategic planning to firm performance

Though planning has been seen in a different way by different researchers it is very imperative to affirm that planning generates the platform from which a business is able to effectively access and make use of its internal strategic capabilities.

3.22 Summary

The current chapter reviewed the literature on the global small business environment; how small businesses are managed and developed throughout different countries in the world. The discussions on this review of the literature focused on the following; global perspectives on management practices and strategic planning; Small business policies and strategies; deliberate planning and small business; Success factors for small business viability

CHAPTER FOUR

THEORETICAL BACKGROUND OF THE STUDY

4.1 Introduction

The chapter addresses the principles that support the research. The study is hinged on the ideas from four theories namely : Penrose (1959) theory of the growth of the firm, Resource-based view of the firm (RBV) by Barney(1991) ,Knowledge-based view of the firm KBV) and the Strategic leadership theory. All the theories are in a way connected since they all emphasize on internal resources and capabilities forming the fulcrum around which an organization's competitiveness is derived. This chapter addresses the four theories converging into the crystallization of the importance of management practices and how they are vital to the creation of small business competitiveness and consequently growth. The discussion leads to the construction of a conceptual framework for the study that constitute a proposed framework for the effective management of small businesses.

4.2 Theory of the growth of the firm (Penrose, 1959)

The research is supported by the seminal work of Penrose (1959) "the theory of the growth of the firm". The theory postulates that the success of a firm is reliant on the magnitude and the excellence of management resources on hand throughout a firm's life cycle for the effective control of the activities of the enterprise (Orser et al. (2000)

The ideas in the theory portrayed that every business possess bundle of assets or resources but the most important is the management resource which ensures the organization of all vital resources within an administrative framework to generate productive opportunities that leads to the progress of a firm. The same theory opined that when the right management resources are in place in a firm it makes it possible for the firm to implement the appropriate management practices that create the right differentiation in organizations. The distinctive mechanisms that result from the implementation of the appropriate management practices create long lasting advantages for firms that lead to a more permanent growth of a business.

For that reason, it can be affirmed that vitality or growth of an enterprise can be linked to the amount and the superiority of management capabilities a firm has access to for its operation.

Additionally, Penrose (1959) indicated that the strategic capability a firm has to spot and make use of the opportunities in its internal and external environments is critical to the progress that the firm can achieve.

Below is an adapted model of the “theory of firm growth “by Penrose (1959)

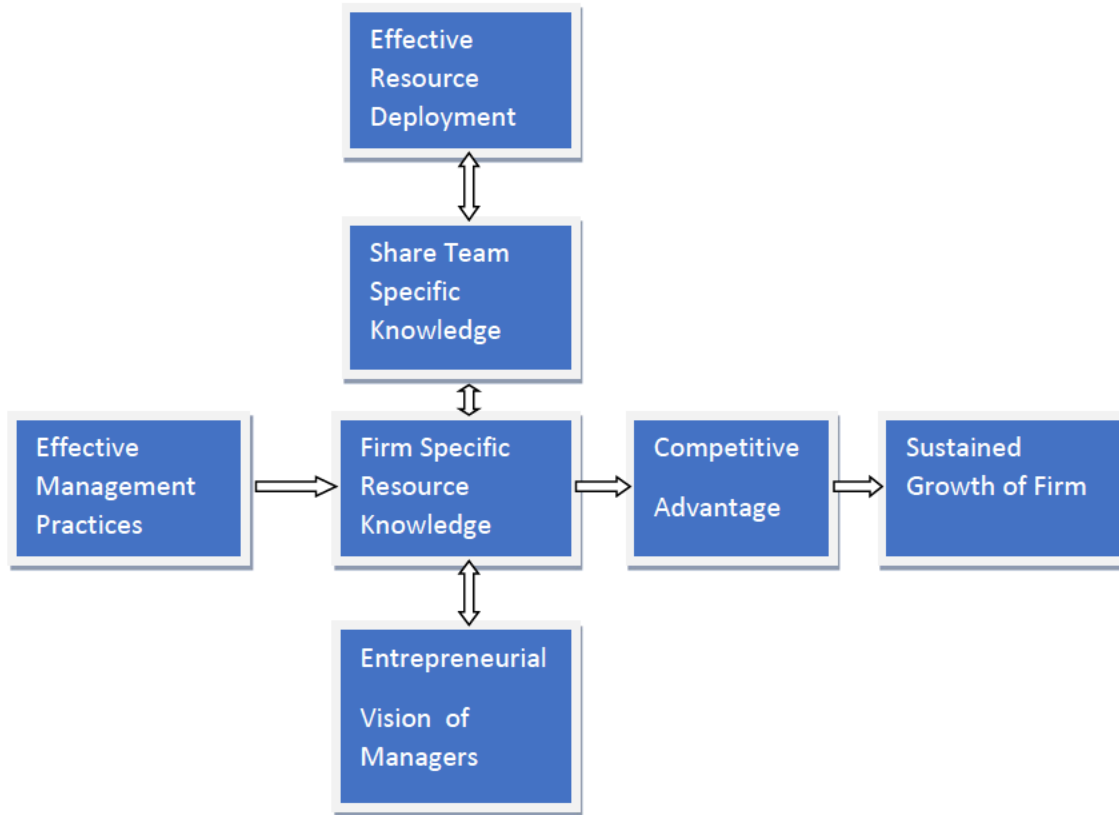


Figure 4. 1 Adapted model of “Theory of the growth of the firm” Penrose (1959)

As was indicated by Penrose (1959) theory, that so far as a firm carries on with its productive engagements the more the managers of the organization expand their knowledge base on the resources that accrue to the firm and they can be effectively coalesced so as to increase productive posture of the enterprise (Penrose, 1959:85). As has been hinted above, when the right management resources are available in a firm it enables the appropriate management practices to be implemented in the organization resulting in the creation of a number of isolating mechanisms as shown in Figure (4.1). The purpose of the isolating mechanism is to help the firm to attain a more permanent advantage for the organization resulting in a more sustained growth of the enterprise.

As indicated in figure 4.1 the effective deployment of a firm’s resources is essential since the mere ownership of a resource does not generate value but how the resources are successfully applied and used (Mahoney, 1995). Thus, it is the use of a firm’s resource that differentiates an

organization from its competitors. Another factor which is critical for creating value leading to a sustained growth of an enterprise is “Firm specific resource knowledge”. As was asserted in Penrose (1959), when controllers of an enterprise have precise organizational experiences and know-how, their enterprise is well placed to create better productive opportunities from the resources they have in hand. As was elucidated by William (1996), firm specific knowledge means special insight that managers have on their assets, processes and structures within the firm.

Additionally, having a shared team specific knowledge has been found to be essential for achieving a firm’s growth. Thus, when controllers of a firm have unique shared experiences, they are able to function at superior level than managers that are deficient in this regard. Thus, the ability of such managers are enhanced in manipulating their operating environment for the benefit of the organization. The last factor from which value can be created for an organization’s growth is “entrepreneurial vision of managers”. Thus, as asserted by Penrose (1959), when managers of an enterprise possess entrepreneurial vision, it gives them enhanced ability to spot and follow opportunities. Thus, from the adapted model in Figure 4.1 it can be realized that, when the right management practices are in place, it leads to four differentiated situations from which a firm can achieve an advantage over its competitors leading to the sustained growth of the firm.

4.3 Resource-based view of the firm

The main thesis of the Resource based view of the firm is why firms differ in performance and how competitive advantages of firms are maintained. This view of the firm is not new since it can even be traced to Selznick (1957) idea of the “distinctive competence” of businesses. Also, Chandler (1962) idea of “structure follows strategy” and Andrew (1962) proposition of “internal appraisal of strengths and weaknesses” all one way or the other influenced the Resource-based view of the firm. Also, Ansoff (1965) intimation of synergy as been occasioned by a blend of internal capabilities and competencies can also be said to have influenced the resources-based view of the firm. Notwithstanding the various contributions to the resource-based view of the firm it can be assumed the original idea of viewing the firm as a bundle of resources was initiated by Penrose (1959) in her theory the growth of the firm. In the theory a firm is considered an assemblage of productive resources which was cleverly put as “A firm is more than an administrative unit; it is also a collection of productive resources the disposal of which between different uses and over time is determined by administrative decision” (Penrose 1959:24).

A comprehensive framework introduced by Barney (1991) sought to isolate key characteristics a resource should have to be a source of a firm's competitive advantage. The study identified four key indicators of a unique resource that could be a source of an organization's competitive advantage. It was indicated that a unique resource should be rare, valuable, not easily substituted and also not easily imitated. Thus, the assets and capabilities endowment of organizations define differences among firms when it comes to organizational performances (Lockett & Thompson, 2001:1216). The reason is that, most of the time organizations face the same or similar external realities leaving internal resources or capabilities as the main differentiating factor when it comes to performance (Jacobides & Winter, 2007:1215; Kor et al., 2007:1191).

Since organizations' competitive advantage may rely on resources and capabilities specific to it, competitors sometimes find it difficult to locate specifically the sources of an organization's advantage. This means that, an organization's ability to conceal the sources of its competitive edge is critical to the sustained advantage the firm can maintain (Hawawini et al., 2003:1084). This means differences in small businesses' performances may be internally derived.

According to Barney (1991) businesses are differentiated by their possession of unique resources that give them advantage and ensure their growth. As articulated by DeNisi et al. (2003) the resource-based view of the firm is an essential way of understanding competition among businesses within an industry. As posited by Roos et al. (2001) firms derive their advantages not from the industry dynamics but from the buildup and usage of internal resources. It has been accepted that, firms need assets and know-how to effectively follow a feasible competitive plan that leads to sustained advantage for the firm (Li, Zhou & Shao, 2009:349).

The resource-based view is therefore a viable theory to address the challenges small firms face in their business environment. Despite the fact that small firms may have deficiencies in terms of the quantum of in-house assets and know-how, the ability of small firms to leverage on the existing managerial capabilities to effectively make other resources of the organization more productive is key for the overall performance of the organization. It should be underscored that the managerial skills in small businesses and consequently management practices prevalent in the organization are critical to the competitive edge of the organization and for that matter the sustained growth of the organization.

4.4 Knowledge-based view of the firm.

This perspective of the firm is a stretch of the resource-based view of the firm which considers an organization as a knowledge-producing system. The knowledge-based view of the firm started with the work by Polanyi (1966:4) with the idea that “we can know more than we can tell” and Kogut and Zander (1992) building on the idea posited that a firm is a depository of capabilities which makes possible the creation of value. The current idea is that knowledge is embedded in management practices and their exploitation can influence organizational performance (Bloom, Genakos, Sadun & Van Reenen, 2012). Thus, knowledge possessed in the organization is the most important resource and great performing organization are most often found to be well-armed with superior knowledge. As opine by Marr (2004) the resource base of well performing firms resides in knowledge-based resources. The knowledge resources of organizations therefore serve a vital purpose of sustaining the competitive advantages of firms since knowledge is comparatively hard to mimic (Wiklund & Shepherd, 2003). The importance of knowledge as a resource in the organization can be inferred from a quotation from the work of Nonaka (1991) that “...the only true lasting competitive advantage is knowledge”. Also as opined by Hitt et al. (2001) intangible resources of which knowledge forms very important part is a very important source of a firm’s advantage since knowledge resources are mostly uncommon, complex, valuable and difficult to imitate. Additionally, as indicated by Barney(2001a) and Hitt et al. (2001) knowledge resources contribute immensely to the competitive advantages of organizations. The knowledge-based view of the firm has copiously indicated the importance of the knowledge-base of the firm underscoring the importance of management practices to the competitive advantages of firms and consequently the growth of the firm

4.5 Strategic leadership theory

The theory indicates that the greatest unique resource a firm can ever have is its strategic leaders. The focus of the strategic leadership theory is the single leader or group of leaders that possess the capabilities essential to help a firm make key decisions that leads to the attainment of superior performance. Thus, the role of top managers is considered strategic to a firm’s success. Mintzberg (1973) categorized the managerial role into three namely; interpersonal, informational and decisional and the effective performance of these roles is deemed necessary for the superior

performance of a firm. As as opined by Pfeffer and Davis-Blake (1986) a firm's performance was found to be connected with top managers past performance record.

The right strategic leadership is essential for the successful operation of an organization. Since the business environment is increasingly becoming uncertain, competitive and resources are mostly scarce, strategic leadership is needed to steer the affairs of businesses towards goal attainment. The main crux of the strategic leadership theory and research is to appreciate how top managers and their activities influence organizational performance (Quigley & Graffin, 2017). While some studies have established the connection between strategic leadership and firm performance (Quigley & Graffin, 2017) other studies have indicated that strategic leadership tend to have minimal influence on firm performance (Fitza, 2017; Hambrick & Quigley, 2014). The strategic leadership theory in a way is similar to the Upper echelons theory by Hambrick and Mason (1984). The theory posit that a firm's performance is largely influenced by the peculiar attributes, principles and knowledge base of members that occupy the top management position (Quigley & Hambrick, 2015). Strategic leadership refer to group of chief executive officers who set overall policies for acquiring and integrating resources for an organization (Bass, 2007). Additionally, Boal and Hooijbern (2001) consider strategic leadership as the ability of top managers to generate and uphold absorptive and adaptive capacities and the capability to detect contextual opportunities through managerial wisdom. On the other hand, as indicated by Carter and Greer (2013) strategic leadership hinges on the capabilities of the top managers of a firm to create a superior performing enterprise. The strategic leadership theory has underscored the importance of the activities of top managers and how they can positively influence the performance of the firm. Management practices that result from the activities and decisions of top managers is therefore vital to the growth of the firm and also the competitive advantage that a firm can create.

4.6 Conceptual Framework for Management of small businesses

The theories discussed above have all underscored the importance of internal resources to the competitive adavantage a firm can have and consequently the growth of the firm. The management resource which is indicated in the actions and inactions, decisions and the accumulated knowledge belonging to the top managers ends up in the management practices that are implemented in

organizations. The conceptual framework as depicted below demonstrates how various management practices exhibited in small businesses are related to the competitive advantages small businesses have and consequently the growth of small businesses. The framework is expected to produce a final proposed framework for the effective management of small businesses. Below is the description of the elements of the framework leading to the depiction of the structural component of the framework in figure 4.2.

4.7 Management practices as the independent variable

In this study, various dimensions of management practices implemented in small firms in Ghana were assessed. The management practices are categorized into four namely: Operation-efficiency-focused management practices; monitoring-focused management practices; targeting-focused management practices and Incentive-focused management practices.

Operation-efficiency-focused management practices consist of practices in an organization that seek to induce efficiency in the the business. Monitoring-focused management practices on the other hand are practices concerned with tracking and reviewing individual employee performances as well as consequence management in the organization. Targeting-focused management practices are concerned with activities involved in setting targets and tracking expected outcome and also ensuring that corrective measures are taken to address performance gaps. Incentive-focused management practices are also management led activities that are concerned with rewarding and promoting employees based on performance as well as emphasizing on employee talent development and retaining the best talent in the organization.

It is expected that the various management practices would be significantly associated with the competitive advantages of small businesses and also the growth of small businesses. The bases for the assumption was the established connection between management practices implementation and organizational performance (Bloom et al. ,2016:1).

The following are statements that sought to assess the different Management practices applicable in small businesses as categorized into four management practices in this study:

Operation-efficiency-focused management practices

- Business implements modern work practices that improves work processes

- Business practices and techniques are mostly aimed at achieving cost and quality improvement
- Business activities and processes are such that, they ensure continuous improvement

Monitoring-focused management practices

- Business performance is constantly monitored and communicated to employees.
- Business reviews its performance constantly to ensure that, there is continuous improvement
- Organizational and employee performances are communicated to employees and management

Targeting-focused management practices

- Business punishes bad performers and reward good performers effectively
- Business set both financial and non-financial goals
- Business goals are linked with individual employee goals
- Business short-term goals inform/influence the achievement of long-term goals
- Business set challenging and exerting goals.
- Business set well defined performance measures and communicate them to employees

Incentive-focused management practices

- Business encourages managers to employ talented people and develop their talents to a high level.
- Business workers are paid mostly based on their performance in the organization.
- Business removes/sacks consistently poor performing employees.
- Business promotes employees based mostly on their performance.
- Business does everything possible to attract good and talented people.
- Business does everything possible to retain and maintain talented employees.

The above management practices are expected to produce the four “isolating mechanisms” which brings differentiation when it comes to the management of an enterprise’s resources creating competitive edge for organizations (Penrose, 1956). Below are some of the advantages a firm is expected to have from the implementation of management practices: It is expected that if the

management practices have significant influence on the competitive advantages and the growth of the firm then the management practices would be considered to be effective ways to ensure the performance and for that matter the growth of the businesses.

4.8 Competitive advantages enjoyed as dependent variable

In the study, the small businesses were assessed in the extent to which they enjoyed different dimensions of competitive advantages. Competitive advantage in this study refer to resources and capabilities both tangible and intangible that gives a firm the edge over the competitors. The study sought the perception of the respondents of the study on the extent to which they thought their businesses have gained competitive advantages. The following are the dimensions of competitive advantages the sample small businesses were assessed on:

- Business serves its customers better than other competitors
- Products/services of this organization are superior to that of competitors.
- Customers prefer to deal with this organization than competitors
- The cost structure of the business is comparatively better than that of competitors

According to Patel and Jayaram (2014) as stated in McDonnell et al. (2018: 1), for small businesses to develop long lasting competitive advantage it is necessary that the businesses put together strategies and entrench those strategies which would subsequently give them the edge over their competitors. It is necessary that, small businesses seek advantage from both tangible and intangible resources available to them. As opined by Adeola and Oghazi (2016) and stated in McDonnell et al. (2018), for small businesses to develop sustained advantages, there is the need for them to leverage on their firm-specific competencies to create processes and procedures that will help them to create value for customers that cannot be obtained from the competition.

4.9 Growth of the business as dependent variable

In the study various dimensions of growth of small businesses were assessed on the sampled small businesses. Basically the study sought the perception of the respondents of the study on the extent to which they thought their businesses have experienced growth under different dimensions. The following are the various dimensions of growth that were assessed:

- Profit of this organization has been increasing desirably
- The revenue of this organization has increased desirably

- The customer base of this organization has increased as expected
- There is increased employee commitment in the organization
- The level of sustainability of this business has increased
- The level of productivity/efficiency of this business has increased.

Concentrating on the variables that are assessed in the research and the expected relationship among the variables the researcher has proposed the framework in Figure 4.2 to steer the performance of the research and indicate the expected relationship between “Management practices applied in small businesses” and “competitive advantages enjoyed by small businesses” and the “growth of small businesses”

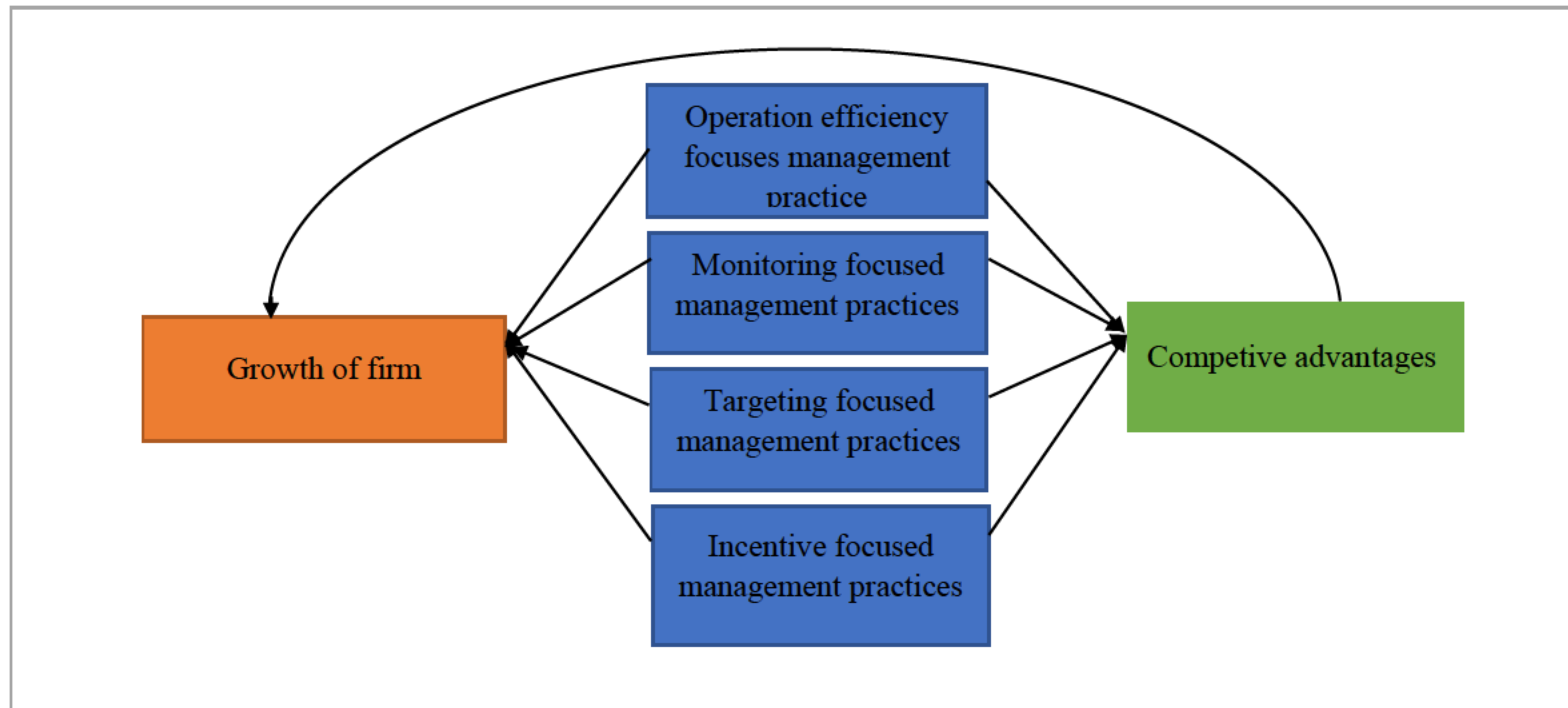


Figure 4. 2 Proposed research framework for effective management of small businesses in Ghana.

Source: Propose research framework created by the researcher (2020)

4.10 Summary

The current chapter concentrated on the theoretical foundations of the study. The following theories formed the basis of the study; Penrose (1959) theory of the growth of the firm; Resource-based view of the firm; knowledge-based view of the firm and Strategic leadership theory. The chapter also introduced the conceptual framework that guided the conduct of the study as depicted in Figure 4.2, the proposed framework for the effective management of small businesses in Ghana. The next chapter focuses on the methodology and research designs espoused for the study.

CHAPTER FIVE

RESEARCH METHODOLOGY

5.1 Introduction

The chapter covers the study methodology applied in the research. Research methodology provides the blueprint for the conduct of a study in terms of the philosophy guiding the research, means by which data is to be gathered and analyzed. Expressed differently, methodology encapsulates all the processes and the procedures that ought to be undertaken to ensure the successful conduct of the study (Wahyuni, 2012:72). Consequently, research methodology entails the decision involving how the study would be conducted and for that matter this part of the study consists of the following; the research philosophy, the choice of research site, population, sampling technique used, study sample, method of data gathering and the method for analyzing the collected data. This chapter also addresses concerns on the ethics of the research and how effort was put in place to make certain that, the totality of the study complied with ethical guidelines for the conduct of a world class study. It should be noted that this chapter has been intentionally theory heavy to provide the foundation for the choices made in the study and also why some choices were not made. Consequently, the choices made were clearly identified and supported.

5.2 Research process

To ensure the effectiveness in the conduct of studies effort should be dispensed to ensure orderliness in terms of series of steps that ought to be undertaken. That entails what is referred to as the research process. This consists of series of steps a researcher goes through to ensure the integrity of the study and as opined by Saunders et al. (2009) the steps involved in the procedure of conducting a study was construed using a metaphor of an “onion” with a revolving stratas that are logically linked to guarantee the integrity of the research. As opined by Saunders et al. (2009) the first outer layer in the research process consist of the research philosophy and all researchers should address at the first instance the philosophy that underlines the conduct of their studies. It is only after establishing the philosophical basis of the study can the research approach be justifiably be defined as specified by Saunders et al, (2009). Consequently, the research strategy

would have to be settled on which would influence the data collection procedure to use in the study. As can be seen Figure (5.1) portrays the process involved in research fashioned in a form of an onion.

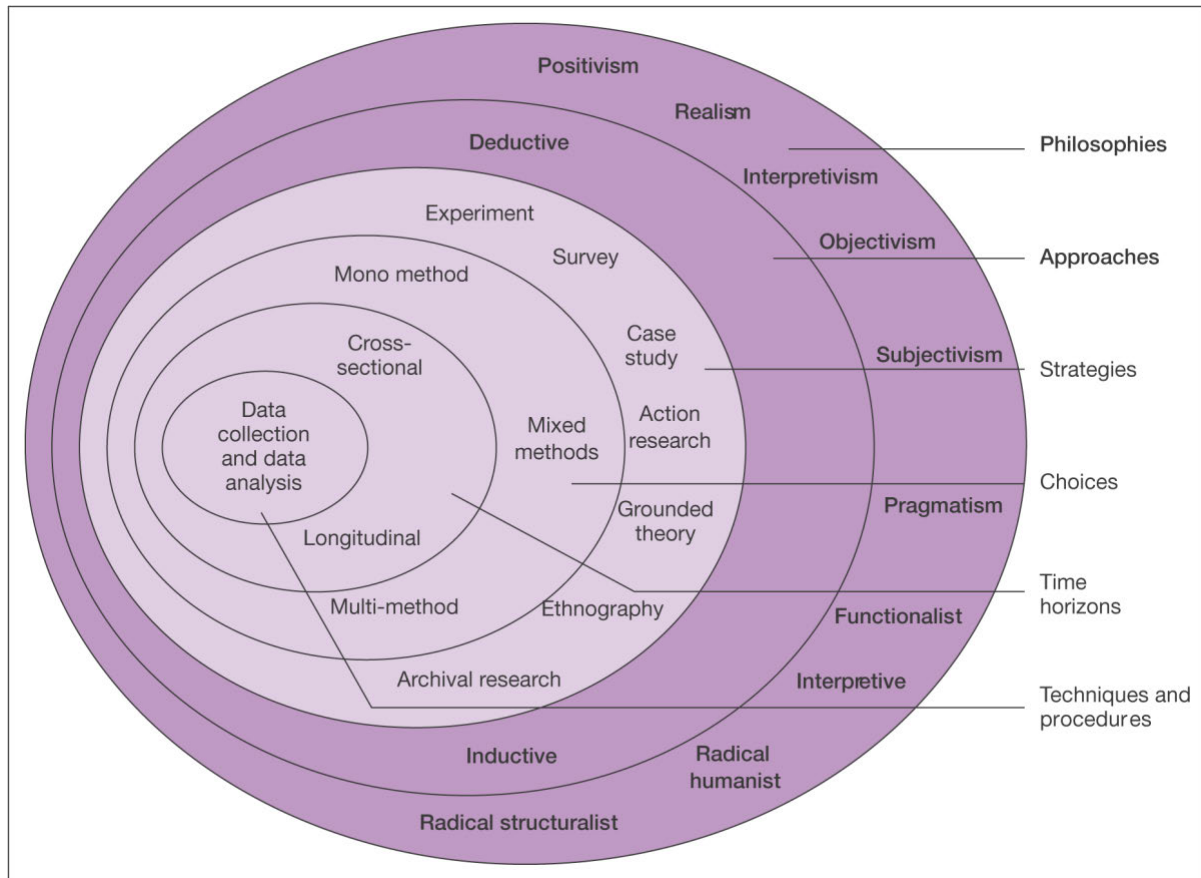


Figure 5. 1 Research “Onion”.

Source: Saunders et al. (2009: 108)

The stages in the research process as laid out in the research onion by Saunders et al. (2008) maintains some logical and rational connection as a step leads to the other. For instance, the selection of the research approach by a researcher is embedded in the research philosophy adopted by the researcher. As indicated by Ha (2011) the research philosophy to a larger extent determines the type of data and the analysis that ought to be conducted and it is only when this is settled on that the research approach which is related to the strategy for data collection can be decided on. According to the Research onion, the research strategies consist of these; case study, survey, action research, experiment, grounded theory and others.

5.2.1 Research ‘onion’ for this study

In this study the researcher adapted his own onion metaphor to steer the conduct of the research with slight variations in terms of the terminologies used. For the outer layer of the “onion” the Pragmatic philosophy was adopted for the study and in pursuant of that quantitative as well as qualitative data were gathered. The next layer moving from the outer layer is located the inductive and the deductive approaches which formed the basis of the decision to collect both numerical and qualitative data. Also, it must be specified that in the research, case study was settled on as the research design. The case study design was chosen because, data collection concentrated on only small businesses within the Kumasi metropolitan area of Ghana. With regards to the time horizon, the study was cross-sectional research since data gathering was done within three months. For the quantitative aspect of the study both descriptive and inferential analyses were performed. In the qualitative research data gathered were analyzed using contents analysis.

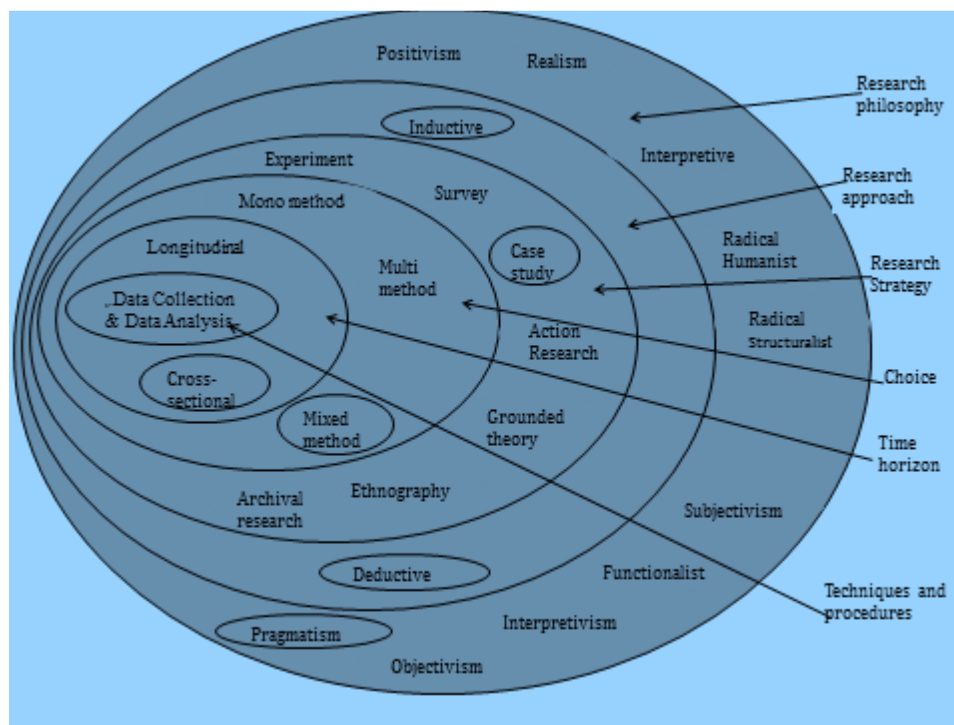


Figure 5. 2 Research “onion” for the research. Adapted from the work of Saunders et al. (2009: 108)

The current study gathered data from small businesses within the Kumasi metropolitan area of Ghana. Kumasi boasts of large number of small firms operating in diverse segments of the

economy thereby contributing to the economy of Ghana in many ways such as employment generation, taxation, innovation and also ensures improved quality of life for Ghanaians.

5.2.2 Research paradigms

A researcher's understanding of reality influences the approach that is taken in the conduct of a study. Thus, a researcher's worldview which is referred to as paradigm (Creswell, 2010) influences how researchers conduct their studies. According to Creswell (2010), a research paradigm constitutes the assumptions that researchers maintain among other things about the nature of reality that influences the approach they take in the conduct of their studies. In the same vein, Weaver and Olson (2006:460) construes research paradigm as forms of viewpoint and practices which provide the perspectives that guide the conduct of research studies. Consequently, research paradigms underprop the conduct of a research and affect the methodologies that are used in the studies.

The importance of research paradigm was underscored by Trautrim et al. (2013) who indicated that, the preoccupation of researchers should be more on the research paradigm that should guide their studies and not so much the method to be used in the study. That is very important because, it is the paradigm that influences the methods and not the other way round. There are a number of study paradigms which can be taken on in the conduct of investigations and include; Positivism, post-positivism, interpretivism and pragmatism. The following subsections would provide brief descriptions of the identified paradigms and would be followed by the paradigm chosen for this study and justification.

5.2.2.1 Positivism

This paradigm considers knowledge to be external and objective, independent of the elements within the social context. This means that the existence of knowledge does not depend on social actors and would exist whether people exist or not. The paradigm also strongly assumes that there are natural laws that govern reality and for that matter what exist can be empirically observed and predicted. Researchers that hold on to this paradigm therefore believe in objectivity in the conduct of studies and posit that study finding can be replicated because of the objective nature of reality and the laws that govern it. The quantitative research design is used under the positivist paradigm where reality is measured and assessed.

5.2.2.2 Post positivism

The post positivist paradigm concedes the objective nature of reality but believe that there is no complete truth making the elucidation of reality dependent on social conditioning. It should be

understood that, under this paradigm, existence is independent of human perception which means that things exist whether humans are aware of them or not. Rather it is the meaning we give to reality which is dependent on social conditioning. With respect to knowledge, researchers using this paradigm maintain objective and neutral stands and avoid biases, following procedures strictly.

5.2.2.3 Interpretivism

The interpretivist paradigm considers reality to be subjective and that does not remain the same. For that reason, it is believed that, situations cannot be generalized. The paradigm therefore considers reality to be a social construction which is achieved through social interaction. The researchers using the interpretivist paradigm believe that knowledge can be obtained when the researcher and the subjects engage in interaction through which knowledge is constructed, whereby the investigator and the subject influence each other amid the research procedure. The qualitative study design is mostly used under this paradigm.

5.2.2.4 Pragmatism

The Pragmatic paradigm believes that, reality is external and multiple and therefore all reality cannot be understood using only one periscope or perspective. For this reason, researchers choose perspectives that fit their situation and make it possible to provide answers to the study questions. In the conduct of a research, whether the investigator would be independent of the participants or not is reliant on the dictates or the character of the study been undertaken. The most important preoccupation under this paradigm is how the required data can be collected to address the research questions. The pragmatic paradigm therefore does not maintain any dogmatic allegiance to any particular paradigm but chooses paradigm according to their relevance in providing answers to the study questions.

5.2.2.5 Paradigm for this study

In this study, the Pragmatic paradigm was adopted. The paradigm was adopted because, it was believed that, the other paradigms could not adequately provide the required information to address all the research questions and that combining methods was the proper way to go. As provided by Saunders and Tosey (2013) the Pragmatic paradigm permits the combination of methods for data gathering and examination so that the study questions can be properly dealt with. Also, it should be understood that, since the mixed methods was applied in this research, it was

proper to adopt the pragmatic paradigm since it provides the philosophical underpinning for the mixed methods approach (Saunders & Tosey, 2013). As the researcher was interested in achieving an enhanced appreciation of management practices applicable in small firms the adoption of the pragmatic paradigm was appropriate since it provides the means for collection of quantitative as well as qualitative data that go a long way to enhance better understanding of the phenomena under study (Wahyuni, 2012:71). This ensured that, the researcher was not dogmatically restricted to only one paradigm and that was free to choose as necessary to make certain that the research objectives are sufficiently addressed.

5.2.3 Research design

As noted by Macmillan and Schumacher (2010), researchers have it as a duty to clarify the research designs to be adopted for their studies. That is the case because according to the researchers, research designs provide clarity on the processes and the procedures to be used in the conduct of the study as in how data would be collected and analyzed and generally how the research aims to provide responses to the study questions. No meaningful study can be conducted without establishing the research design. As asserted by Saunders et al. (2012) the following are some of the study designs that might be used: descriptive design, historical design, survey design, experimental design, exploratory design, ethnographic design, and case study. In the conduct of the present research, the Case study design was adopted. Though there are many Cities in Ghana but Kumasi was selected as the spotlight of the study. Kumasi is the principal town of the Ashanti region which is part of the sixteen regions in Ghana. Ashanti region, deemed the second largest region in Ghana in terms of economic activities. Kumasi has a vast number of small businesses functioning in many segments of the Ghanaian economy and for that matter using Kumasi as a case study to understand management practices applicable to small businesses in Ghana is very suitable.

5.2.3.1 Case study

Case study as preferred study design was considered appropriate since it gave the researcher the leverage to concentrate the study on a particular geographical location (Farquhar, 2012) in a way to generate universal principles. Though according to Yin (2014), a case study may consist of either a single case or many cases, the study involved a single case which is the Kumasi metropolitan area. The target of the study is therefore small firms within the Kumasi metropolitan

area. In this study, the main sources of information include face to face interviews and questionnaires administered. The questionnaires gathered quantitative data while qualitative data were obtained through the face-to-face interviews. Case study was appropriate for this research since its use is convenient in achieving an exhaustive analysis of the problem under study. The current study was therefore a descriptive case study design. An appealing nature of the design is that it allows for the exploitation of many information sources that enables triangulation of results (Crowe et. al. (2015) which can also help to improve the internal validity of the research (Davis 2011) because of the use of multiple sources of information.

Though there are advantages with the use of case study, it also has some disadvantages. One of the main disadvantages of case study as a study design has to do with generalization of result. Since the study focused on small businesses in Kumasi, it would be implausible to suggest that, the findings can relate to all small firms in Ghana since some small firms in other parts of Ghana might have some features different from those in Kumasi. For that matter, as asserted by Rose et al. (2015) the upshot of the case study might not be applicable to all small firms in Ghana. However, results of the study is applicable to small businesses in Kumasi and a lot of small enterprises in Ghana since most small firms in Ghana share more similar characteristics.

5.2.4 Research approach

The mixed methods approach was espoused for the study where numerical as well as non-numerical data were gathered. Thus, numerical and non-numerical data were gathered simultaneously in the research progression and the findings addressed together at the interpretation stage. The use of the mixed methods approach made it possible to achieve an enhanced understanding of the phenomenon under study. As indicated by Creswell (2010), the application of the mixed methods approach reduces the weaknesses associated with using only a single method and biases that might be connected with the quantitative or the qualitative method. As indicated by Angell and Townsend (2011) the mixed methods are used when the quantitative or qualitative methods used alone would not provide adequate data for the study. As already indicated Pragmatism which is the chosen research paradigm for the study provides the philosophical underpinning for the mixed methods approach. It should be emphasized further that, combining two methods helped the researcher to achieve a better insight into the management practices as well as application of strategic planning among small businesses in Kumasi and in its

extension Ghana. For this study, the researcher sought to propose measures to improve the management of small firms in Ghana. Consequently, combining methods in the mixed methods approach to achieve superior understanding of the phenomenon under study was considered appropriate.

5.2.4.1 Steps in the mixed-methods approach

When the mixed methods approach is used, researchers follow series of steps. The determination of the research question is the first step to be taken by a researcher since research questions determine the data to be gathered (Fischler, 2010). Basically, it is the study question that determines the need to use a single method or mixed methods approach. After the researcher has established the feasibility of using the mixed methods relative to the research question, the next step is to establish the justification for the use of the approach. When using the approach is justified the next step is to identify the suitable mixed methods strategy to apply. The last steps to be considered after using the suitable mixed methods strategy to collect the data is data analysis and discussion of the result (Fischler, 2010). The study followed the steps described in this subsection in choosing the approach and strategy for the study.

5.2.5 Research strategy

As indicated by Creswell (2007), research strategy connotes the exact type of research approach that is chosen for a particular study indicating the procedure to be followed in the research design. There are different research strategies to use depending on the approach chosen for a study. The figure 5.1 below illustrates the different research approaches and their corresponding research strategies:

Table 5. 1 Research approaches and corresponding research strategies

Mixed Methods	Quantitative	Qualitative
<ul style="list-style-type: none"> • Concurrent • Sequential • Transformative 	<ul style="list-style-type: none"> • Experimental • Non-experimental 	<ul style="list-style-type: none"> • Case studies • Narrative • Historical • Ethnographies • Grounded theory • Phenomenology

Adapted from Creswell (2012:12)

As shown in figure 5.1 many research strategies can be adopted depending on the research approach a researcher selects to apply in a study. If a researcher chooses the quantitative approach, the research strategies available are either an experimental strategy or a non-experimental strategy. On the other hand, from figure 5.1 about six research strategies are available to be used when a researcher chooses to use the qualitative research approach. As indicated by Creswell (2010) the research strategies available for a mixed methods approach include the concurrent, sequential and the transformative mixed methods strategies.

According to Terrel (2012), the most used mixed methods strategies include the concurrent and the sequential strategies. In using the sequential mixed methods strategy, data gathering and analysis are done in a sequential format. Thus, as indicated by Creswell (2010), the quantitative data may be collected and analyzed initially followed subsequently with the gathering and analysis of the qualitative data. It could also take the other way round where the qualitative data is collected first followed by the quantitative data. The rationale for the use of the sequential strategy is to accord the researcher the advantage of achieving an extra and better appreciation of the results achieved through one method with the help of another method. As illustrated by Creswell (2010), a researcher after using a qualitative method in the study may seek to achieve generalization of the results using a quantitative method so that inferences about the population could be made.

On the other hand, concurrent mixed methods strategy entails using or applying the quantitative and the qualitative methods simultaneously or one immediately after the other in the same study.

The present study applied the concurrent mixed methods strategy where the investigator gathered the quantitative as well as the qualitative data separately and at similar time within the research procedure. The interpretation of the sets of data was done at the interpretation stage of the investigation. The gathering and analysis of the numerical and qualitative data was expected to help attain comprehensive understanding of the management practices applicable to small firms and the degree of application of strategic planning in Ghana. The current study, unlike what pertained under Terrel (2012) where the same weight was given to the two data set, more weight was given to the quantitative data than the qualitative data. The qualitative data was expected to provide further help in understanding the phenomenon under study. This strategy gave the study a superior advantage since the application of the two methods helped in addressing the entire research questions raised in the study. For example, in the interview the researcher had the

privilege to ask follow up questions to understand better the opinions of the research participants which was not possible under the quantitative method. For example, more information was obtained through the interview to address the seventh research question which was related to proposing measures for effective management of small businesses in Ghana.

5.3 Study Site

The research was done in Kumasi, the capital town of Ashanti region which is the second largest region among the sixteen administration regions of Ghana. As per the Ghana Statistical Service (GSS) (2016), the Ashanti region whose capital Kumasi is the study site is deemed the second most populated area in Ghana having an estimated establishments of 123644. GSS (2016) specified that out of the complete number of businesses in the region 45.9% (n= 55132) of them are located in the Kumasi metropolis.

With respect to the sectoral distribution of the establishments in the Ashanti region, out of the estimated 102219 and 20752 establishments in the services and the industrial sectors respectively about 50% of them in both the services and the industry sectors (45365 and 9676 respectively) are situated in Kumasi.

Also, considering the size distribution of the establishments in the Ashanti region, majority of the large, medium, small and Micro establishments (LMSM) can be found in the Kumasi metropolitan area. The statistic provided by GSS (2016) indicate that of the 315 large establishments and 1240 medium-sized establishments in the Ashanti region a great percentage of them 46 % (n=145) of the large establishments and 53% (n= 657) of the medium-sized establishments are located in the Kumasi metropolis. Additionally, it is estimated that 38.9% (n= 6256) of small establishments and 45.5% (n= 48117) of establishments in the Ashanti region can be found in the Kumasi metropolitan area. Figure 5.3 and 5.4 provides maps of the spatial distributions of establishments and people engaged in the establishment within the Ashanti region.



Figure 5. 3 Spatial distribution of establishments located in the Ashanti region by district

Source: GSS Regional spatial business report (2016)

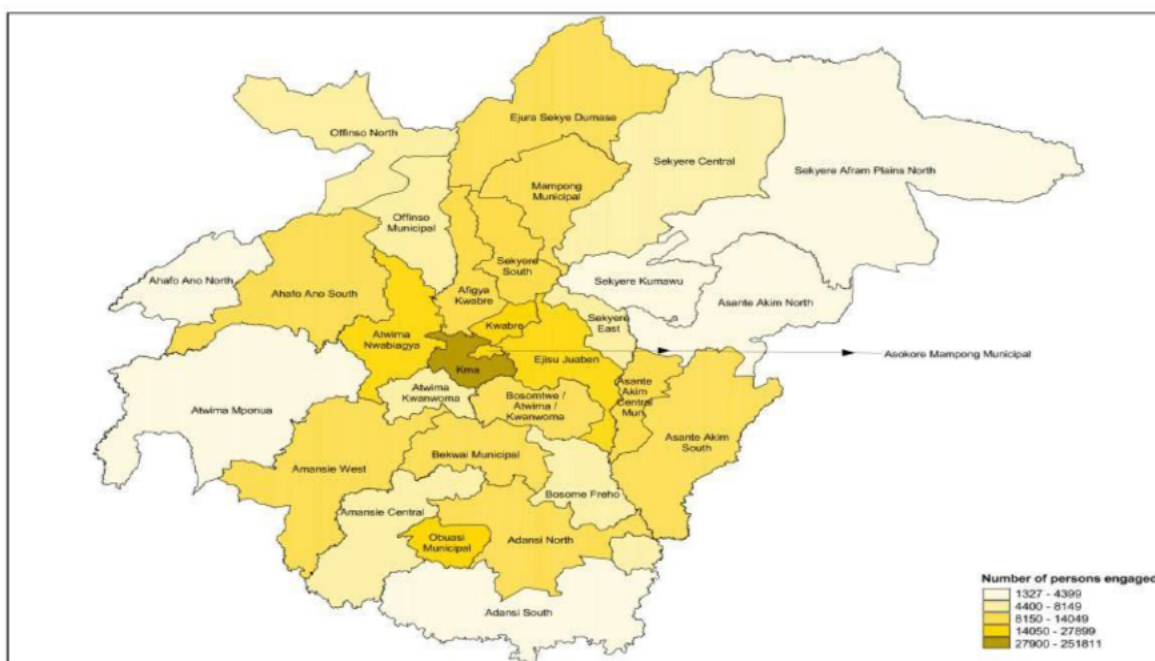


Figure 5. 4 Spatial distribution of persons engaged in establishments located in Ashanti.

Source: GSS Regional spatial business report (2016)

In the Kumasi metropolis, there are a number of businesses clustered in the various locations within the four sub metropolitan areas that constitute the Kumasi metropolitan area. The data for the study were gathered from the Bantama, Subin, Manhyia and the Nhyiaeso sub-metropolitan areas. There are number of small businesses functioning in diverse segments of the economy in the sub-metros and a total of 125 small businesses were selected from each sub-metro to constitute the sample for the study. Most of the small businesses are clustered in major business locations in the sub-metros and it was from those locations the small businesses were sampled.

5.4 Target population and sampling

The sub-section focuses on the population, sampling method adopted as well as the sample size for the research.

5.4.1 Target population

According to Macmillan and Schumacher (2010), population refers to the group under investigation which is in line with the definition by William (2003) taking research population as the whole set of subjects concerning whom the researcher is investigating.

The population in the study refers to small businesses located in Kumasi in Ghana. The current study focused on small firms both in the regulated and informal segments of the economy of Kumasi. According to GSS (2016), it is estimated that, there are about 123644 establishments in the Ashanti region of which 55132 are located in the Kumasi metropolitan area. The establishments in the Kumasi metropolis consist of large, medium-sized, small and micro enterprises. When the numbers of large enterprises (145) are taken out of the equation it is left with 54987 establishments made up of medium-sized, small and micro enterprise which all fall under the definition of small business used in this study. For that reason, the population of the study is made up of 54987 small firms within the Kumasi. The target population consists of businesses in diverse standing functioning in different segments of the economy. Figure 5.5 is the pictorial representation of the population of a study.

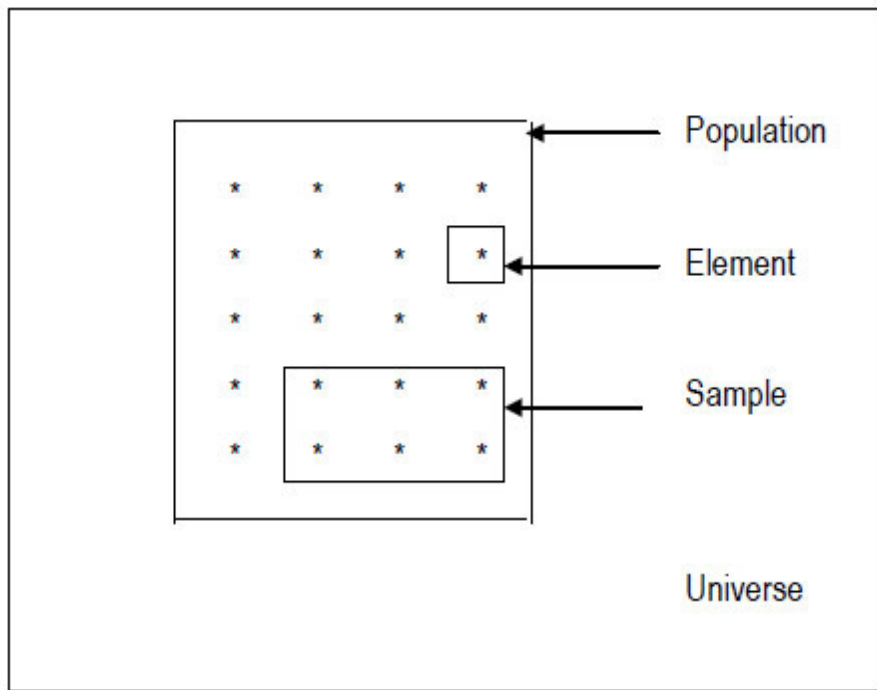


Figure 5. 5 Target Population

Source: Saunders et al. (2009)

5.4.2 Sampling frame

As asserted by Macmillan and Schumacher (2010), sampling frame consists of the total register of the units within the population in a study. As opined in Saunders et al. (2009), the sampling frame delineates the target population from which the sample is chosen. In applying a probability sampling technique, it is imperative to establish the sampling frame from which the sample would be picked. In this study, it was very difficult and almost impossible to have a comprehensive sampling frame from which to select the sample for a number of reasons. Since the researcher decided to use small businesses in both the formal and the informal sector, there is currently no database for that in Ghana. Most small businesses are also not registered with the small business association like the NBSSI. If the researcher decided to concentrate on small businesses registered with such associations, a large number of small businesses would have been sidelined since research indicate that a sizeable number of small firms in Ghana function in the informal sectors as well as not registered. For this reason of lack of credible sample frame from which to pick the sample for the research the researcher settled on using the quota sampling method which is a non-probability sampling technique.

5.4.3 Sampling techniques

There are different sampling techniques that can be applied in selecting a sample from a target population. All the methods for sampling can be categorized into random sampling and non-random sampling techniques. In the study, non-probability sampling techniques were applied. The quota sampling method was employed for the quantitative aspect of the study while the purposive sampling technique was applied in the qualitative study. Figure 5.6 refers to the broad category of sampling techniques and their example. Below is the description of the two sampling techniques and their examples:

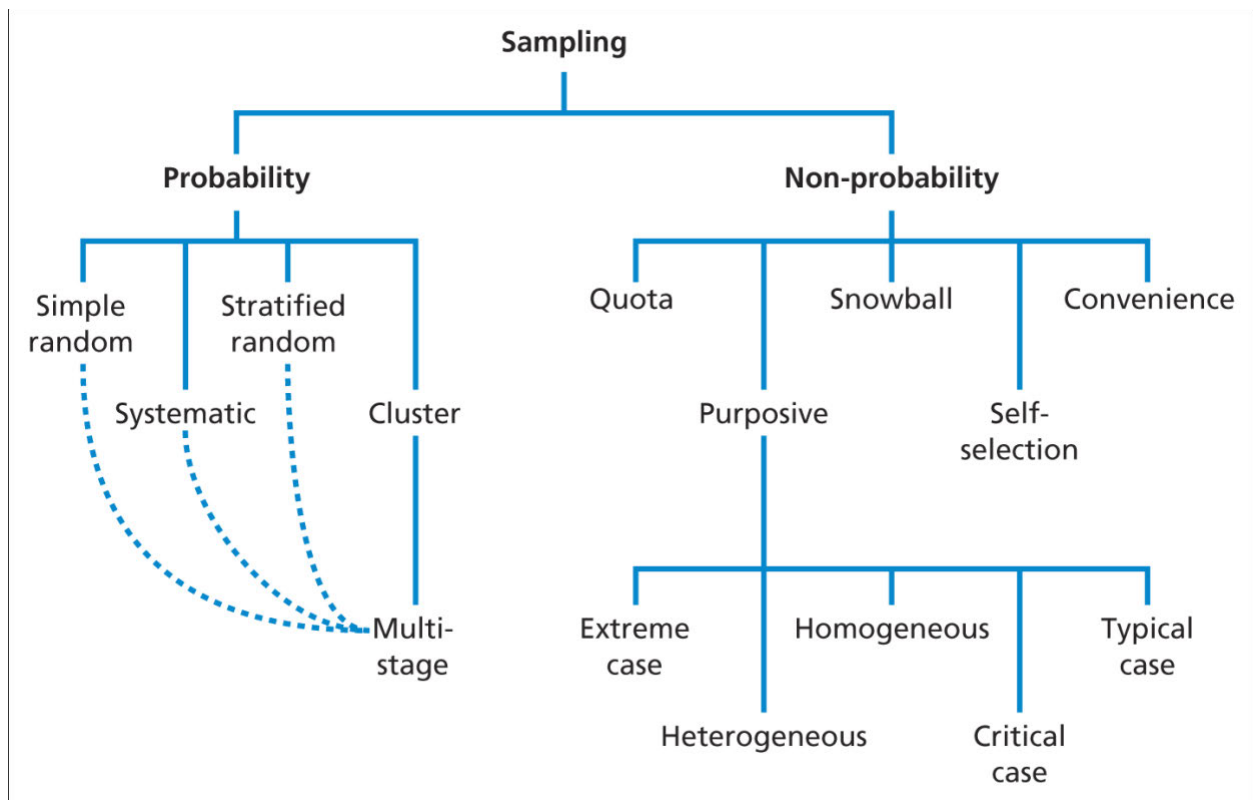


Figure 5. 6: Sampling Techniques

Source: Saunders, Lewis and Thornhill (2009: 213)

5.4.3.1 Probability sampling

In research, random sampling techniques are applied when the researchers intend the sample to be similar to the population from which they are selected so that conclusions can be made about the population from the sample. As opined by Rowley (2014:318) probability sampling techniques allow for generalization to be made from the sample statistics. To make the sample representative of the population the units within the populations must have the same chance of being in the sample (Bhattacharjee, 2012:67). Probability sampling techniques are mostly applied in the quantitative studies where inferences are mostly made about the population and also where generalization is mostly cherished. Probability sampling increases the authenticity of the research outcome because the sample is similar to the whole from which they are picked due to the closeness of the sample and the population characteristics. (Bhattacharjee, 2012:67)

5.4.3.2 Non-probability sampling technique

For non-random sampling techniques members of the population do not have the same change of being part of the sample for the study and that there is partiality in the choice of the sample. In this method, there is immense subjectivity in the process of sample selection (Sekaran & Bougie, 2014). There are a number of examples of non-probability sampling techniques but the most commonly used one are; convenient sampling techniques, Quota sampling, Purposive /Judgmental sampling, Snowball sampling.

5.4.3.3 Sampling technique Chosen for the Study

All the methods of sampling were considered in choosing the appropriate one. The selection of the sampling technique in this study was influenced a lot by the lack of credible and comprehensive data base for small businesses in the Kumasi metropolis of Ghana. The situation made it difficult to have a sampling frame from which elements in the population could be randomly extracted. The researcher therefore settled on Quota Sampling technique as the preferred non-random sampling technique to use in the research. One significant feature of the target population is that, the firms constituting the population are located in different sub-metros within the Kumasi metropolitan area. For that important consideration, the Quota sampling technique was considered the appropriate non-probability technique to ensure that members from all the sub-metros are involved in the sample for the research. Quota sampling method is applied when the population is diverse and for that matter there is the need for representation from the

identifiable groups in the population. For this reason, various identifiable groups called stratas have to be identified and after that a quota has to be established for each identifiable growth. Non-random measures or means are then used to select the subjects to meet the quota for each identifiable group leading to the selection of the sample for the research.

In using the Quota sampling method, the following sub metropolitan areas constituted the geographical areas or stratas from which the sampled small businesses were selected from; Subin, Manhyia, Bantama and Nhyiaeso. In applying the quota sampling technique each sub- metro was assigned a quota of 125 small businesses to be included in the sample for the study.

The researcher then conveniently selected the sample small businesses until the quota for each sub-metro was obtained.

For the qualitative aspect of the research the purposive sampling technique was employed to choose small businesses whose owner-managers/managers were interviewed to gather the qualitative data for the study. In using the purposive sampling technique, the judgment of the researcher is key as opined by Macmillan and Schumarcher (2010) that respondents are chosen on the basis of possession of important knowledge relevant to the study. The purposive or Judgmental method is another case of non-probability technique where selection to form part of the sample is influenced exclusively by the decision of the researcher in terms of which members of the population have desired characteristic necessary for data collection (Bryman & Bell, 2015). According to Sekaran and Bougie (2011), the sample is mostly not the true picture of the population from which they are extracted making generalization difficult.

5.4.4 Sample size

Since the target population mostly cannot be studied in its totality it is very necessary that elements within the population are drawn to constitute the sample to represent the population. According to Macmillan and Schumacher (2010) sample refers to an aspect of the population which is concentrated on to collect information about the population. To get the sample from the target population certain procedures have to be followed and that constitute the sampling process. According to Sapsford (2011) sampling ensure that a manageable amount of a population is obtained so that effective study can be done to generate information about the target population. The target population mostly cannot be studied as a whole because of number of constraints such as duration and resources. Ensuring that the sample represents the population everything should

be done to ensure that as much as possible the sample have similar characteristics with the population so as to guarantee that inferences can be made about the population. Though in quantitative studies the sample should be made as representative as possible such a requirement is not expected in qualitative studies since in qualitative studies the samples are mostly small to allow for in-depth study to achieve deeper understanding of the phenomenon under study.

When a sample is been drawn one important consideration that needs to be made has to do with the size of the sample to be drawn since in a survey study the larger the sample size the better. According to data from Ghana Statistical Service (GSS) (2016), there are roughly 54987 small firms in the Kumasi per the description of a small firm in the current study. The estimated small businesses are in the formal as well as informal sectors of the economy and include registered as well as unregistered businesses. To estimate the minimum allowable size of the sample the Raosoft sample size calculator was used. The Sample size for a population of 58987, at a 95% confidence level, with a margin of error of 5% and a response distribution of 50% was found to be 382 (Raosoft, 2011). So, with the actual size of the sample of 500 small firms used as the sample size is considered numerically appropriate and adequate.

With respect to the qualitative aspect of the study 10 owner-manager/managers were purposely selected to be interviewed to collect qualitative data for the study.

Table 5. 2: Small businesses sampled from each sub-metro in Kumasi

Sub-metro	Sample size	Percentage
Subin	125	25%
Bantama	125	25%
Manhyia	125	25%
Nhyiaeso	125	25%
Total	500	100%

Source: Researcher's Field compilation

5.5 Data collection instruments

To collect data in a study, there is the need to get credible research instrument. Different instruments are applied to gather numerical and qualitative data. Questionnaires are the most

popularly used instrument for collecting numerical data whereas interviews are employed to collect qualitative data (McMillan & Schumacher, 2010). This part of the research offers information on the study instruments employed to collect the required data for the data.

5.5.1 Research instruments for the study

In the work, questionnaires were applied to gather quantitative data whilst interview guide was employed to carry out interviews to collect qualitative data.

5.5.1.1 Questionnaire

The primary quantitative information was elicited from the owners of sampled small enterprises within the Kumasi metropolitan area. According to Rowley (2014) questionnaires are set of questions put together and applied in the gathering of numerical data. The questions in a questionnaire are put together in such a way that data would be elicited to address research objectives. To help with the administration of questionnaire there should always be instructions on how questionnaires should be completed (Rowley, 2014). It was also indicated by Rowley (2014) that, when questionnaires are properly constructed, it increases the efficiency regarding the time it takes to complete as well as analyze the questionnaire. In the study the investigator used questionnaire in the collection of quantitative data. Considering the large sample size of 500 small businesses in the study, questionnaire was considered suitable for the collection of quantitative data. Also as opined by Rowley (2014) questionnaires are considered appropriate when a large sample size is involved in the study and sample is also geographically spread.

The questionnaires consisted of close ended questions and had seven sections. Section A of the questionnaire contained questions that assessed demographic variables of owner-managers and sampled small businesses in the study. Section B contained questions on management practices applicable to small businesses in Ghana. In Section C, participants had to react to questions/statements on the challenges small businesses face in the management of small businesses in Ghana. Section D covers questions on implementation of strategic planning among small businesses in Ghana. In section E the questions covered challenges facing strategic planning in small businesses. Section F sought from respondents their opinion on the competitive advantages their organizations have. The last part of the study questionnaire contained questions/statements on the perception of respondents on the growth their businesses have experienced.

The questionnaire was grouped into sections as supported by Nani (2011) who opined that grouping questions/statements in a questionnaire into sections gives suitable structure to the questionnaire. Sections A.B.C.D.E.F. G were in a Likert scale format where participants were to choose their replies on a scale of 1 to 5. The responses refer to the level to which respondents agreed with the statements posed. In the choices 1 corresponds with strongly disagree, 2 responds with disagree, 3 corresponds with neutral, 4 corresponds with agree and 5 corresponds with strongly agree. In the study, the researcher was assisted by two trained research assistants with the sharing and receiving of the research questionnaires. The questionnaires were given to the participants to fill and any explanations sought were provided by the researcher and the assistants. Below is a brief explanation of the various parts of the questionnaire:

Section A: Demographic data of respondents and Sample small businesses

This section sought for respondents' demographic data and that of the sampled small businesses. The data collected under this section included the ages, gender and the educational levels of respondents of the study. Data on whether the respondents have received entrepreneurship or management training and also whether the current business was the first business the respondent was operating were collected. With respect to the sampled small businesses, data collected under this section included the organizational form the business is operating, the reason for setting up the business and whether the business is operating with a written strategic plan. Most of the data collected in this section are at the nominal scale with few at the ordinal scale.

Section B: Management practices

In this section, the Likert-scale style statements were posed where participants were to rate their responses in terms of the measure to which they concurred with the statements posed. The statements indicate various management practices that organizations undertake. The management practices were categorized into four main groups namely: operation-efficiency-focused management practices, monitoring-focused management practices, targeting-focused management practices and incentive-focused management practices. From the statements posed respondents were given the chance to specify the degree to which they aligned with the statement by choosing from the options 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2), neutral (3), agree (4), strongly agree (5). This segment is connected with the first objective of the research.

Section C: Challenges facing management of small Businesses

In this section the Likert-scale style statements were posed where participants were expected to rate their responses in terms of the measure to which they concurred with the statements/questions posed. The statements indicate challenges faced by small business. From the statements posed respondents were given the chance to specify the extent to which they aligned with the statement by choosing from the options 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2), neutral (3), agree (4), strongly agree (5). The segment is connected with the second objective of the research.

Section D: Implementation of strategic planning among small businesses

In this section the Likert-scale style statements were posed where participants were to rate their responses in terms of the extent to which they concurred with the statements/questions posed. The statements indicate various issues concerned with implementation of strategic planning in small businesses. From the statements posed respondents were given the chance to show the extent to which they aligned with the statements by choosing from the alternatives 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2), neutral (3), agree (4), strongly agree (5). This part is connected with the third objective of the study.

Section E: Challenges facing strategic planning in small businesses

In this section, the Likert-scale style statements were posed where participants were to rate their responses in terms of the degree to which they agreed with the statements posed. The statements indicate various challenges facing strategic planning in small businesses. From the statements posed respondents were given the chance to indicate the extent to which they aligned with the statement by choosing from the options 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2), neutral (3), agree (4), strongly agree (5).

Section F: Competitive Advantage of small businesses

In this section the Likert-scale style statements were posed where participants were to rate their responses in terms of the extent to which they concurred with the statements posed. The statements indicate various dimensions of competitive advantage experienced by small

businesses. From the statements posed respondents were given the chance to point out the degree to which they aligned with the statements by choosing from the options 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2), neutral (3), agree (4), strongly agree (5).

Section G: Growth of the business

In this section the Likert-scale style statements were posed where participants were to rate their responses in terms of the measure to which they concurred with the statements posed. The statements indicate aspects of growth experienced by small businesses. From the statements posed respondents were given the chance to spell out the extent to which they aligned with the statements by choosing from the options 1 to 5. The five Likert scale include; strongly disagree (1), disagree (2) , neutral (3) , agree (4) , strongly agree (5) .

Table 5.3: Sources/ influence for putting together the Research instrument (Management Practices)

No	Attributes	Sources/influences
	Operation-efficiency-focused management practices	
1	This business implements modern work practices that improves work processes	Bloom and Van Reenen (2007: 1396)
2	Business practices and techniques are mostly aimed at achieving cost and quality improvement	Bloom and Van Reenen (2007: 1396)
3	Business activities and processes are such that, they ensure continuous improvement	Bloom and Van Reenen (2007: 1396)
	Monitoring-focused management practices	
4	Business performance is constantly monitored and communicated to employees	Bloom and Van Reenen (2007: 1396)
5	This Business reviews its performance constantly to ensure that there is continuous improvement	Bloom and Van Reenen (2007: 1396)
6	Organizational and employee performance are communicated to employees and management	Bloom and Van Reenen (2007: 1396)
	Targeting-focused management practices	
7	This Business punishes bad performers and reward good performers	Bloom and Van Reenen (2007: 1396)
8	This Business set(s) both financial and non-financial goals.	Bloom and Van Reenen (2007: 1396)
9	Business goals are linked with individual employee goals	Bloom and Van Reenen (2007: 1396)
10	In this Business, short-term goals inform/influence the achievement of long-term goals.	Bloom and Van Reenen (2007: 1396)
12	In this Business, challenging and exerting goals are set.	Bloom and Van Reenen (2007: 1396)
13	This Business set(s) well defined performance measures and communicate them to employees.	Bloom and Van Reenen (2007: 1396)
	Incentive-focused management practices	
14	This Business encourage(s) managers to employ talented people and develop their talent to a high level.	Bloom and Van Reenen (2007: 1396)
15	In this Business employees are paid and rewarded mostly based on their performance in the organization.	Bloom and Van Reenen (2007: 1396)

16	The Business removes/sacks consistently poor performing employees	Bloom and Van Reenen (2007: 1396)
17	This Business promotes employees based mostly on their performance.	Bloom and Van Reenen (2007: 1396)
18	This Business does everything possible to attract good and talented people	Bloom and Van Reenen (2007: 1396)
19	This Business does everything possible to retain and maintain talented employees	Bloom and Van Reenen (2007: 1396)

Created by the Researcher, 2020

Table 5.4: Sources/influences for putting together the Research instrument (Challenges facing management of small businesses).

No	Attributes	Sources / Influence
1	It is difficult to raise money to finance the operation of the business	Researcher
2	There is not enough management skills to effectively manage this business.	Researcher
3	There is not enough support for this business from the government	Researcher
4	The Business environment is not friendly for this business	Researcher
5	The Business does not have enough resources to employ qualified employees.	Researcher
6	Technology usage in this organization is limited.	Researcher

Created by the Researcher, 2020

Table 5.5: Sources of influence for putting together the Research instrument (Implementation of strategic planning)

No	Attributes	Sources/ Influence
1	This business has established its long-term direction for at least, the next three years	Researcher
2	This business analyzes the external business environment to identify opportunities and threats	Researcher
3	This business analyzes the operation and strategies of competitors within its industry.	Researcher
4	The business analyzes customer preferences and demands for strategy improvement	Researcher
5	This business analyzes its internal capabilities to establish its strengths and weaknesses	Researcher

6	This business devises strategies to ensure achievement of long-term goals	Researcher
7	This business assesses daily operations against long-term plans	Researcher
8	This business continuously assesses factors essential for its sustainability	Researcher
9	This business has a formal system for tracking its performance and that of its competitors.	Researcher
10	The business undertakes consistent strategy reviews to ensure operational effectiveness.	Researcher

Created by the Researcher, 2020

Table 5.6: Sources of influence for putting together the Research instrument (Challenges facing strategic planning in small businesses)

No	Attributes	Sources/ Influence
1	There is not enough resources for strategy implementation	Researcher
2	Resources are not properly aligned to strategy implementation	Researcher
3	The business finds it difficult to manage change	Researcher
4	The business has ineffective control of strategy implementation	Researcher
5	Top managers do not provide enough support for strategy	Researcher
6	The human capital of this business is not effectively developed to support strategy.	Researcher
6	There is lack of strategy supportive culture in this organization.	Researcher
7	Managers' lack of appreciation for strategic planning	Researcher

Created by the Researcher, 2020

Table 5.7: Sources of influence for putting together the Research instrument (Dimensions of competitive advantage enjoyed by small businesses)

No	Attribute	Sources /influence
1	This business serves its customers better than other (competitors)	Researcher
2	The product/services of this organization are superior to that of the competitors	Researcher
3	Generally , customers prefer to deal with this organization than competitors	Researcher
4	The cost structure of the business is comparatively better than that of competitors	Researcher

Table 5.8: Sources of influence for putting together the Research instrument (Dimensions of sustained business growth)

No	Attributes	Sources/Influence
1	The profit of this organization has been increasing desirably as expected	Researcher
2	The revenue of this organization has increased desirably as expected	Researcher
3	There has been increased customer base of this business as expected	Researcher
4	There is increased employee commitment to the organization	Researcher
5	The level of sustainability of this business has increased	Researcher
6	The level of productivity/efficiency of this business has increased.	Researcher

Created by the Researcher, 2020

5.5.1.2 Interviewing

For the qualitative aspect of the study interviews were undertaken with owner-managers of ten purposively sampled small firms.

In the research, face to face interviews were undertaken with the help of interview guide where particular statements were posed to the participants. The statements posed were such that, the researcher had the freedom to ask critical follow up or probing questions. It is worth noting that, interviews can take different formats, for instance, been structured, semi-structured or unstructured. In research interviews are used by researchers to gather in-depth information from participants and in the study semi-structured interviews were used in the process of data gathering. Below is the description of the various sections of the interview guide used in conducting the direct physical interviews and the kind of information that the questions sought to elicit. The interview guide as can be seen in Appendix B was structured into three sections (Sections A, B, C) focusing on specific aspects of data collection. Below is the explanation of the various parts of the interview guide.

Section A

Under Section A of the interview guide, the focus was on gathering data connected to the management practices applicable in the small businesses. To start the interviewing under this

section the main question was posed that gave the participants the opportunity to describe their experiences with respect to the management practices in their firms from which number of pre-prepared probing questions were posed. The main question posed under section A of the interview guide was: What is the daily management of your business like? The participants were given ample time to express themselves on how they managed their businesses on daily basis and from their expressions many probing questions were asked. The questions that formed part of the section A in the interview guide can be located in Appendix B.

Section B

Under Section B of the interview guide used for the interviews the focus of the questions was on strategic planning implementation among small businesses. In this section one main question was posed from which based on the responses of the participants number of pre-prepared probing questions were asked. The main question under section B was: Do you engage in Strategic planning in your business. Beyond the main question there were at least eight probing questions that were posed to each participant interviewed. The probing questions captured many aspects of the strategic planning process and for that matter various issues on strategic planning implementation were adequately addressed. The various questions that constituted the section B of the interview questionnaire can be found at Appendix B.

Section C

Under section C of the interview guide the focus of the questioning was on improving management practices in small businesses. In this section also the main interview question was posed which was followed by a number of probing questions. The main question posed was: How do you think your business can be effectively managed. The probing questions were asked to get clarity and also ensure that various aspects of small business operation were covered so that at the end of the day comprehensive measures could be proposed for effective management of small businesses in Ghana. The questions that were posed under the Section C of the interview guide can be found in Appendix B.

5.6 Pilot Study

The current research undertook a pilot study prior to the main research. The aim of the pilot study was to give the investigator the opportunity to identify possible challenges in the research and

address them prior to the main study. As stated by Nani (2011) pilot studies ensure that problem inherent in studies are identified and addressed before the actual study. Pilot studies also give the opportunity to test the data collection instruments and refine them for easy comprehension in the actual research.

The pilot study conducted assisted the investigator to assess the questions and statement in the questionnaire for their appropriateness in terms of how the respondents understood them in connection with the instructions provided in completing the questionnaire. Also, the opportunity was provided through the pilot study to assess the interview questions, thus the main and the probing questions. The pilot study that was conducted involved 20 small businesses who the research questionnaires were administered to and also 2 owner-managers who were interviewed.

From the pilot study it was recognized that some respondents were not familiar with some key concepts in the questionnaire and needed explanation. Also, it was realized that the respondents needed ample time in completing the questionnaires and for that matter there was no need to rush them. The pilot study also gave the investigator the chance to test the study questions and the level of understanding of the small business owners/managers and how they understood the questions posed in addition to the appropriate time duration for the conduct of each interview.

From the lessons learned from the pilot study number of improvements were made with respect to the style of questioning and also the need to be present with some respondents in completing the questionnaire. The pilot study through the lessons learned helped a lot in the conduct of the actual study.

5.7 Data collection process

The data gathering procedure entails preparation for the data gathering and the real collection of data from the field (Bhattacharjee, 2012). The investigator made preparations before the actual data gathering was engaged in. Information was gathered from small business owners or managers through administration of a research questionnaire and interviews.

5.7.1 Preparing for field data collection

Before data gathering, preparations were made by the investigator to make sure a seamless collection of data from the participants. The Ethics Committee of the University of KwaZulu

Natal provided the investigator an ethical clearance with a protocol reference number HSSREC/00000376/2019.

Permission and gate keeper letter was also obtained from the Kumasi Metropolitan Assembly to aid with getting ethical clearance and also have access to the small businesses within the Kumasi metropolitan area.

In the research participants were guaranteed of the ethical considerations of the investigation promising them confidentiality and anonymity. In the study a couple of educated research assistants were involved with the delivery and collection of the research questionnaires.

The assistants were trained to appreciate what the research was about, their responsibility in data gathering, the ethical considerations in data gathering, and how to approach the respondents. The researcher and the trained research assistance ensured that clarification and explanations were provided to the respondents who did not understand the academic words or the technical concepts in the questions of the research questionnaires. This was vital because of the recognition that a lot of the respondents might not be highly educated

5.7.2 Field data collection

In the study data was gathered within a time frame of three month from October to December, 2019. The participants had to fill the questionnaires, and assistance was offered to them if needed. Participants signed the consent form to signify that their involvement in the research as participation was not compulsory.

With respect to the interviews, they were conducted by the researcher at the agreed date and venue with the interviewee small business owner/managers using an interview guide. An interview took on the average 45 minutes. Audiotape recorder was used to record the interviews so that proper transcriptions could be made.

5.8 Data Analysis

Data analysis aims at reducing, summarizing, and interpreting the data by searching for patterns. It is through the analysis of the data collected that research findings can be arrived at. According to Nani (2011), it is through the interpretation of research findings that research questions are addressed.

5.8.1 Analysis of quantitative data

In quantitative studies, numerical data are collected and analyzed statistically to establish key characteristic of the sample for the study so that inferences can be made about the population that was the target of the study (Khalid *et al.*, 2012a).

5.8.1.1 Preparing the data for analysis

Under this subsection, various steps that were undertaken to analyze the collected data are addressed. According to Sekaran and Bougie (2010), before data is analyzed, effort should be dispensed to make certain that the collected data is exact and free of error and that can be achieved through taking the collected data through the steps of editing, cleaning, coding and data entry. Many procedures were followed in preparing the data for analysis. Before the analysis, the data is expected to be exact and absolute (Sekaran & Bougie, 2010, cited in Khalid *et al.*, 2012a). The procedure includes data editing, cleaning, coding, and data entry.

5.8.1.1(a) Data editing

Under the steps, the collected questionnaires were passed through the process of editing to identify errors and omissions to ensure data quality. Editing ensures that the data collected are properly captured to allow for effective coding.

5.8.1.1(b) Data cleaning

Under the process of cleaning the data issues such as missing values and errors identified at the data editing stage is addressed. According to Shukla (2010: 40), missing values identified at the data editing stage can be dealt with through the following four ways: First, absent values may be replaced with a non-aligned value; second, they may also be replaced by following the outline of responses of the other participants; third, they may be removed from the analysis; and lastly only questionnaires with the comprehensive set of responses should be included for analysis.

5.8.1.1(c) Coding

In research, coding refers to the allotment of figures or symbols to the participants' responses in order to diminish the huge quantity of data to a small number of categories (Bhattacharjee, 2012).

5.8.1.1(d) Data capturing

The study applied IBM Statistical Package for Social Sciences (SPSS) version 21 for the analysis of the numerical data collected. The data was entered manually into the SPSS, after the data were coded.

5.8.1.2 Descriptive analysis

In the study IBM SPSS version 21 was applied to analyze the data gathered using the questionnaires. The data was analyzed descriptively and portrayed in the form of tables. Descriptive statistics were used to describe the characteristics of the data, such as the frequencies, percentages. (Salkind, 2012). In the study, huge values for positive statements depicted that the respondents agreed with the statements posed.

In research, descriptive statistics work to summarize, categorize, and trim down huge quantity of data (Macmillan & Schumacher, 2010). In this study, the investigator employed the descriptive statistics to deal with study objectives, such as the management practices applicable to small businesses, challenges facing the management of small firms, the extent of strategic planning implementation and the challenges facing implementation of strategic planning. The frequency

tables assisted to demonstrate the demographic data on the participants and their firms and other research variables. Apart from the scores of the individual practices under the four management practices categories composite values for each of the four categories of management practices were calculated. Also, composite values for growth of the firm and competitive advantages of small businesses were also calculated. This was to allow for the relationship between each of the category of management practices and the growth of the firm and also competitive advantage to be assessed.

5.8.1.3 Inferential statistics

For the results of a study to be generalized, there is the need for the sample to be representative of the population from which they are extracted. Consequently, to be able to make inferences about the population, it is necessary for inferential statistic to be estimated as asserted by Bhattacharjee (2012:129). The inferential statistics also make it possible to establish connections between and among variables under study in research (Waller & Johnson 2013:2). Many inferential statistics are calculated in research but they can all be categorized into either parametric or non-parametric test. For a parametric test to be used, some characteristic should be present some of them are the following; the basis of sample selection should be random; the data collected should either be in the interval or ratio scale and the population should be normally distributed (Maurya et al., 2013). On the other hand, if a data set does not have the requirement for a parametric test, then the non-parametric test version becomes the preferred option. In the current study, a non-parametric test Spearman correlation was applied to test the relationships between the variables studied in the research.

5.8.1.3 Spearman's (rho) Correlation Coefficient

One of the commonly used non-parametric tests is Spearman's rank correlation coefficient. This study applied the Spearman correlation to estimate relationship and the strength of the association among the variables in the study. Thus, the relationship between the individual management practices and the individual indices of the growth of the firm as well as the individual indices of the competitive advantages enjoyed by small businesses,

Also, after estimating the composite values for the categories of the management practices and the growth of the firm as well as the competitive advantages of the firm, Spearman correlation was also applied to test the hypotheses on the relationship between the variables. The relationship

between the variables may either be positive or negative (Khalid et al., 2012) and the strength of the relationship range from -1.00 to +1.00. Thus, the nearer the correlation coefficient is to one either positive or negative the stronger the connection between the variables (Khalid et al., 2012).

5.8.1.4 Analysis of Qualitative data

In the current work, the qualitative data was analyzed applying content analysis. Content analysis is a process of preparing, organizing and reporting qualitative data (Elo & Kyngas, 2008). The preparation phase of the process involves settling on the unit of analysis with respect to sampling while organizing phase refers to coding and identifying categories within the collected qualitative data. The final process in content analysis is reporting, which entails presentation of the results of the qualitative research and linking the results to literatures. Another approach to content analysis involves summarizing, categorizing, coding and identifying themes within a qualitative data (Harding, 2013:56-66) and that was the approach the researcher applied in this study.

In the study after the interviews were undertaken and recorded the recorded data were transcribed and that formed the initial stage in the process of analysis of the qualitative data collected. When all the recorded interviews were transcribed the next step in the analysis process was summarizing the interview. Then the investigator read the transcribed data several times to be able to capture and comprehend the key content and for that matter eliminate unnecessary data. Some of the unnecessary materials to be removed include repetitions and the key materials that are maintained are those that are connected to the research questions (Harding, 2013). Summarizing the data can also be deemed data reduction or condensation. After the transcribed data has been summarized, the next was data categorization.

Categorization as part of the content analysis process entailed the researcher categorizing the data into identifiable themes. The categorization of the data is possible only after the researcher reads the transcribed data over and over again. The coding of the data becomes possible only after the researcher has been able to categorize the data (Harding, 2013). In this study, the researcher categorized the data through extracting headings from the main and the probing questions in the interview guide. After the categorization has been achieved the next stage in the analysis process is coding.

Coding according to Charmaz (2006:45), consist of the process of sorting data and defining themes that are identified during the categorization stage of the data analysis. In this study, the investigator coded the transcribed data by writing particular numbers on the margins of the transcripts to identify ideas to common themes. In the study coding was very important in identifying similarities in the answers given by the responses in the interviews. The coding of the data in the study helped in the interpretation of the data collected. As asserted by Harding (2013:85) coding forms a very important role in the interpretation of qualitative data. The final phase in the analysis of the data was the reporting of findings and interpretation of data in each category.

In the course of analysis, the last thing that was done was reporting and interpreting the data in the established categories. The reporting and interpretation of the data was done through using words and introducing verbatim descriptions of information provided by the respondents in the interviews.

While qualitative researches aim to attain in-depth meaning or understanding of a phenomenon, it is believed that the results of the interviews would assist to attain enhanced understanding of how small firms are managed in Ghana

5.9 Summary

The current chapter addressed the study methodology and design for the research. The chapter provided information on the research philosophy, research design, research setting, population, sample, sampling technique, data gathering instrument, data gathering procedure, data analysis techniques and adherence to ethical protocol.

CHAPTER SIX

DATA ANALYSIS

6.1 Introduction

The chapter presents the results of the data analysis conducted and their interpretation. In the study both quantitative as well as qualitative data were gathered and analyzed. The IBM SPSS version 21 package was applied in the analysis of the quantitative data obtained in the study. Both descriptive and inferential analyses were undertaken for the quantitative data. The descriptive analysis was conducted for the following categories of data collected: the demographic data, the various management practices engaged in by small businesses, the challenges facing the management of small businesses, implementation of strategic planning among small businesses, challenges facing strategic planning, competitive advantage of businesses and various aspect of the growth of the small firm.

For the inferential analysis the spearman's coefficient was estimated to ascertain the degree of association between variables under study as well as also test hypotheses established. Specifically, the spearman's correlation coefficients were estimated to establish the association between various management practices and different dimensions of the growth of small firms in Ghana. Also, the spearman's correlation coefficient was estimated to tackle the study objective sixth which is to assess the connection between management practices applicable to small businesses and the competitive advantages enjoyed by small businesses.

For the qualitative data collected content analysis was used in analyzing the data. The qualitative data was collected through face-to-face interviews with ten owner-managers to elicit their views on various issues.

6.2 Response rate from questionnaire administration

The quantitative data was collected by the investigator with the help of two research assistants. The research assistants helped in the sharing and collection of the research questionnaires. Based on the approach adopted for sharing and collection of the questionnaires, the researcher was able to distribute and collect all the questionnaires administered yielding a response rate of 100% from all the sub-metro in the Kumasi metropolitan area as indicated below.

Table 6. 1: Questionnaire administration response rates

Sub-Metro	Distributed questionnaire	Completed and returned questionnaires	Response rate %
Bantama	125	125	100
Manhyia	125	125	100
Subin	125	125	100
Nyiaeso	125	125	100
Total	500	500	100

Source: Results of questionnaire analysis

6.3 Reliability of the research instrument

The results of the study depended largely on how reliable the data collection instrument was. The reliability of a test refers to the regularity of the results that are achieved through using the test or a measuring instrument. For this study reliability of the questionnaire used was assessed by estimating the Cronbach's alpha. As indicated in Nunnally and Bernstein (1994), as cited in Krishnan & Ramasamy (2011), the acceptable Cronbach alpha for business research should range from 0.70 to 0.80. Thus, the nearer the Cronbach's alpha is to 1, the more reliable the data collection instrument is. As indicated in Table 6.2 the Cronbach's alphas coefficient in this study ranges from 0.70 – 0.84 indicating that the research instrument's reliability though not extremely high is acceptable.

Table 6. 2: Cronbach Alpha scores of research variables

Reliability Statistics			
Section	Construct	Cronbach's Alpha	Items
B	Operation-eficncy-focused Management practices	0.70	3
	Monitoring-focused management practices	0.72	3
	Targeting-focused management practices	0.75	6
	Incentive-focused management practices	0.73	6

C	Challenges facing Management of small business	0.70	6
D	Implementation of strategic planning	0.70	10
E	Challenges facing strategic planning	0.84	8
F	Competitive Advantages of businesses	0.70	4
G	Growth of businesses	0.76	6

Source: Results of the Cronbach's Alpha calculation

6.4 Demographic data analysis

This part of the research displays the results of the demographic data obtained in the study. With respect to the analysis of the demographic data, there are two main aspects including the demographic data of the participants and that of the organizations the participants represent. As with the respondents, the demographic variables presented here include; age, gender, educational level and their experience in running a business. The demographic variables assessed for the sampled businesses include the nature of business, number of workers, number of years the firms have been in business. Basically, this sub-section covers the analysis and interpretation of the demographic data on the participants and the organizations they represent.

6.4.1 Demographic data on respondents

6.4.1.1 Age of Owner-Managers

Table 6.3 provides an outline of the age distribution of the respondents of the study. From the table 6.3 it can be observed that a sizeable number of the respondents (n=162, 32.4%) are within the age range 26-33 years while a few of the respondents (n=49, 9.8%) are at the age of 50 years and above. Generally, it can be realized that majority of the respondent (n= 367, 73.4%) small business owners and managers are youthful with ages not above 41 years. The finding confirms that of Zotorvie (2017:33) where majority of small firm owners were found to be youthful and below the age of 50 years.

Table 6. 3: Age of respondents of the study

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-25	77	15.4	15.4	15.4
26-33	162	32.4	32.4	47.8
34-41	128	25.6	25.6	73.4
42-49	84	16.8	16.8	90.2
50 and above	49	9.8	9.8	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.1.2 Gender of Respondents

Table 6.4 portrays the gender summary of the participants of the study. From the table it can be observed that a slightly larger portion (n=270, 54%) of the respondents of the study are female while the remaining respondent (n=230, 46%) are males. This indicates that majority of the businesses sampled for the study are run by female supporting the findings that more businesses especially those at the informal sector are owned by females. The finding in this study confirms the finding of Zotorvie (2017:33) where greater part of small business owners were found to be female.

Table 6. 4: Gender of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	230	46.0	46.0	46.0
Female	270	54.0	54.0	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.1.3 Educational level of Respondents

Table 6.5 provides an outline of the educational qualifications of the participants of the study. From the table, it can be observed that only a few of the respondents (n = 39, 7.8%) have no formal education. It can also be seen that greater part of the respondents (n = 321, 64.2%) did not go beyond basic level education. It can also be appreciated that, a sizeable portion of the respondents (n=140, 28%) have tertiary level education which defy the assumption that many small business owners especially those in developing countries have little or no education (King & McGrath, 2002). With respect to the level of education of the small firm operators, the finding mirrors the finding of Zotorvie (2017:33).

Table 6. 5: Educational level of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
No education	39	7.8	7.8	7.8
Primary	37	7.4	7.4	15.2
JHS	90	18.0	18.0	33.2
SHS	194	38.8	38.8	72.0
Tertiary	140	28.0	28.0	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.1.4 The First Business operated by the Owner-Managers

Table 6.6 displays a summary of the responses of the respondents on whether their current undertaking is the first business they are operating. As has been displayed it can be seen that a slightly larger portion (n=275, 55%) of the respondents have their current business to be the first business they are operating. This indicates that, a lot of the respondents might not have a lot of experience in running a small business and their inexperience might account for the large failure rates small businesses experience.

Table 6. 6: First Business Operating

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	275	55.0	55.0	55.0
	No	225	45.0	45.0	100.0
	Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.1.5 Has the Owner Manager received Entrepreneurship training

Table 6.7 presents summary of responses of respondents on whether they have received Entrepreneurship or Management training.

From Table 6.7 it is indicated that greater part of the participants (n = 324, 64.8%) have already received either entrepreneurship or Management training with a small number of the respondents (n =176, 35.2%) indicating that they have not received such training.

Table 6. 7: Received Entrepreneurship and Management Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	324	64.8	64.8	64.8
	No	176	35.2	35.2	100.0
	Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.2 Demographic Data of Small Businesses

This aspect of the research displays the outcome of the data analysis on the demographic data collected on the sampled small businesses.

6.4.2.1 Number of Years of existence of the Small Business

Table 6.8 provides information on the number of years the sampled small firms have been in operation. From the results displayed, it can be seen that majority of the small businesses (n = 388, 77.6%) have been in existence within the last ten years, with only a small number (n = 112, 22.4%) of the sampled businesses having existed beyond ten years. It can also be realized that, a large number (n = 207, 41.4) of the businesses are within their fifth year. The fact that more small businesses have gone beyond the fifth year contradict the finding by Baldwin et al. (2000) that small businesses are too vulnerable and that few manage to survive beyond 5 years. Also, the finding of the study does not confirm the finding of Zotorvie (2017:34) where only 24.4% of the small firms have been in existence for up to 10 years.

Table 6. 8: Year business has been in existence

	Frequency	Percent	Valid Percent	Cumulative Percent
Below 5 years	207	41.4	41.4	41.4
5-10 years	181	36.2	36.2	77.6
Above 10 years	112	22.4	22.4	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.2.2 Forms of Business Organization

Table 6.9 displays information on the forms of organization assumed by the sampled small businesses for the study. From the information displayed it can be seen that the majority of the businesses (n= 378, 73.6%) are sole proprietorship businesses, with only a small number (n=40, 8%) of them operating as limited liability companies. It is also indicated that a sizeable number (n = 92, 18.4%) of the businesses are also constituted as partnership. The results align with a wide believe in the literature that small businesses are managed in a personal way by owner-managers and for that matter likely to be organized as a sole proprietorship.

Table 6. 9: Form of Business Organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Sole Proprietorship	368	73.6	73.6	73.6
Limited Liability Company	40	8.0	8.0	81.6
Partnership	92	18.4	18.4	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.2.3 Number of People employed by Small Business

Table 6.10 displays information on the number of employees maintained by the sampled small business. From the information displayed majority of the businesses (n=380, 76%) are micro businesses, while a large number (n=105, 21%) were found to be small business and a few of the businesses (n=15, 3%) were medium-sized businesses using the categorization of the National Board for Small Scale Industries of Ghana.

With the operationalization of a small business in this study, small businesses include micro, small and medium-sized organizations (SME). The outcome is in line with the established knowledge that majority of businesses in Ghana are within the micro category.

Table 6. 10: Number of People Employed

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-5	380	76.0	76.0	76.0
6-29	105	21.0	21.0	97.0
30-99	15	3.0	3.0	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.2.4 Reasons for Starting the Small Business

Table 6.11 displays reason why small businesses are started. From the information displayed majority of the respondent (n= 236, 74.2%) indicated that they started their business because “there was a business idea and opportunity to exploit” while a sizeable number (n=143, 28.6), gave the reason that “I needed work and had to do something”.

A small number (n=64, 12.8) gave the reason as “the government encouraged us to start our own business” and a few (n=57, 11.4) indicating that they started their business because “I was tired of working for others”. The finding indicates that a great deal of small firms in Ghana are started because, the owners have ideas they want to exploit and is not in line with the general well known idea that small business set up in Ghana is more necessity driven than opportunity driven.

Table 6. 11: Why was Business Started

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid There was business idea and opportunity to exploit	236	47.2	47.2	47.2
I needed work and had to start something	143	28.6	28.6	75.8
The government encouraged us to start our own business	64	12.8	12.8	88.6
I was tired of working for others	57	11.4	11.4	100.0
Total	500	100.0	100.0	

Source: Researcher’s own compilation, 2020

6.4.2.5 Nature of Activity of the Small Business

Table 6.12 displays information on the nature of activity the sampled small businesses are engaged in. From the information displayed it can be seen that majority of the businesses (n=337, 67.4%) are engaged in trading activities, with a sizeable number (n=75, 15%) of the businesses also engaged in services. A very small number of the businesses (n=14, 2.8) are engaged in catering activities. It should also be noted that only a few (n=27, 5.4%) small businesses are engaged in manufacturing activities. The finding has made it explicitly clear that, most small businesses in Ghana are engaged in trading activities. The finding in this study confirms that of Zotorvie (2017:34) where majority of small businesses were found to be engaged in trading activities.

Table 6. 12: Nature of Business Activity

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Manufacturing	27	5.4	5.4	5.4
Construction	7	1.4	1.4	6.8
Trading	337	67.4	67.4	74.2
Education	40	8.0	8.0	82.2
Services	75	15.0	15.0	97.2
Catering	14	2.8	2.8	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.4.2.6 Existence of Strategic Plan for the Small Business

Table 6.13 displays information on the existence of strategic plans among the sampled small businesses. From the information displayed it can be seen that majority of the small businesses (n= 339, 76.8) indicated that they have strategic plans in their businesses while only a small number (n=161, 32.2) indicated that they were not having strategic plans.

Table 6. 13: Do you have Strategic Plan

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	339	67.8	67.8	67.8
No	161	32.2	32.2	100.0
Total	500	100.0	100.0	

Source: Researcher's own compilation, 2020

6.5 Analysis of data on research questions

This part of the study displays the analysis of the respondents' answers to statements/questions connected to the study objectives. The section addresses each of the research questions based on how the participants responded to the questions posed.

6.5.1 Management Practices Applicable to Small Businesses

The first research objective was to investigate the Management practices applicable to small firms in Ghana. In the questionnaire a number of questions/statements were posed that sought to elicit from the small business owners the management practices they apply in their businesses.

The participants were to rate the degree of their agreement with the statement/questions posed using a five-Likert scale. The following are the results of the analysis conducted on the data collected on the management practices applicable to small businesses in Ghana.

6.5.1.1 Operation-efficiency-focused management practices in small businesses

This sub-section presents the results of the analysis of the data collected on the operation-efficiency-focused management practices applicable in small businesses in Ghana.

Table 6.14: Frequency, mean and standard deviation scores of respondents on operation-efficiency-focused management practices indices

		SDA	DA	N	A	SA	Mean(X)	SD
1	The business implements modern work practices that improve work processes	51 (10.2)	21 (4.2)	62 (12.4)	197 (39.4)	169 (33.8)	3.82	1.23
2	The business practices and techniques aim at cost and quality improvement	4 (0.8)	9 (1.8)	121 (24.2)	238 (47.6)	128 (25.6)	3.95	0.80
3	The business activities and processes ensure continuous improvement	3 (0.6)	10 (2.0)	106 (21.2)	235 (47.0)	146 (29.2)	4.02	0.80

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.14 presents information on the respondents' responses on the extent of operation-efficiency-focused management practices application in their organizations. From the information provided an overall weighted mean score of 11.79 and Standard mean score of 2.83 are estimated. That indicates that as a whole there was agreement among the respondents about the applicability

of operation-efficiency-focused management practices among the small businesses that were involved in the study.

Additionally, from Table 6.14 it is evident that perception of the respondents on the use of operation-efficiency-focused management practices were measured using the mean and the standard deviations for the individual items in the scale for measuring the construct.

On the item 1 indicating “the business implements modern work practices that improve work processes” the following were made evident: majority of the respondents (n=197, 39.4%) agreed that their businesses implement modern work practices that improve work processes , while another large number (n= 169, 33.8%) strongly agreed with the statement. A small number of the respondents (n=51, 10.2%) strongly disagreed while an even smaller number (n=21, 4.2%) disagreed with the statement. The remaining number of the respondents indicated neutrality with the statement. The mean and standard deviation scores for the item 1 were (X=3.82, SD=1.23). This indicates agreement that small businesses implement modern practices that improve work processes

On the item 2 indicating “the business practices and techniques aim at cost and quality improvement” the following are the results that emerged: a massive number of the respondents (n=238 ,47.6%) agreed with the statement while a large number (n=128, 25.6%) indicated strong agreement. An equally large number (n=121, 24.2%) indicated neutrality while a small number (n=9, 1.8%) disagreed with the statement. The remaining number of the respondents (n=4, 0.8) strongly disagreed with the statement. The mean and standard deviation scores were X=3.95 and SD=0.80 respectively. This implies agreement that small businesses implement practices and techniques that are intended at achieving continuous cost and quality improvements.

The third item under the operation-efficiency-focused management practices scale which measures respondents’ perception on the extent “the business activities and processes ensure continuous improvement” produced the following results: greater number of the respondents (n=235, 47.0%) agreed with the statement while large number (n=146, 29.2) indicated strong agreement. Also a relatively large number (n=106, 21.2) indicated neutrality , while a small number of the respondents (n=10 , 2.0%) disagreed with only a very few (n=3 , 0.6%) indicating strong disagreement with the statement posed. The item 3 produced the following mean and

standard deviation ($X=4.02$, $SD=0.80$) which implies that small businesses in Ghana are managed in such a way with the aim of achieving continue improvement in their activities and operations.

In conclusion the means from Table 6.14 shows that item 3 has the highest mean of $X=4.02$, item 2 with $X=3.95$, item 1 with $X=3.83$ respectively and the respondents agreed moderately with all the items with the exception of item 3 where there was a high agreement that small businesses in Ghana pursue activities and processes with the main intent of ensuring continuous improvement in operations.

6.5.1.2 Monitoring-focused management practices in small businesses

This sub-section presents the results of the analysis of the data collected on the monitoring-focused management practices applicable in small businesses in Ghana.

Table 6.15: Frequency, mean and standard deviation scores of respondents on Monitoring-focused management practices indices

		SDA	DA	N	A	SA	Mean(X)	SD
1	The business performance is constantly monitored and communicated	3 (0.6)	18 (3.2)	75 (15.0)	225 (45.0)	181 (36.2)	4.13	0.82
2	The business reviews performance constantly to ensure continuous improvement.	3 (0.6)	19 (3.8)	84 (16.8)	236 (47.2)	158 (31.6)	4.05	0.83
3	Organization and employee performance communicated to employees and management	3 (0.6)	23 (4.6)	88 (17.6)	224 (44.8)	162 (32.4)	4.04	0.86

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.15 displays information on respondents' perception on monitoring-focused management practices that are applicable in small businesses in Ghana. The weighted mean score of the responses is 12.22 with a standard deviation of 2.51 ($X=12.22$, $SD= 2.51$). This shows that the overall perception of the respondents about their small businesses engaging in monitoring-focused

management practices is high, implying that small businesses in Ghana engage in a lot of monitoring-focused management practices.

In addition, the extent small businesses apply monitoring-focused management practices was determined from the mean scores of the responses on each item that measured monitoring-focused management practices.

On the item 1 that sought from the respondents their views on the statement “the business performance is constantly monitored and communicated” the following are the results that emerged: the largest portion of the respondents (n=225, 45%) agreed with the statement that their businesses constantly monitor performance and communicate, while a sizeable portion (n=181, 36.2) indicated strong agreement. Also, a small number of the respondents (n=75, 15.0%) indicated neutrality, with a smaller number (n=18, 3.2%) showing disagreement. The remaining number of the respondents indicated strong disagreement with the statement that in their businesses performance is monitored and communicated. The mean score corresponding with the responses to the statement posed is 4.13 with a standard deviation of 0.82 ($X=4.13$, $SD=0.82$). The implication is that there is high agreement that small businesses in Ghana engage in management practices that constantly monitor performance and communicate to relevant stakeholders,

The second item that was measured was the perception of the respondents on the extent their businesses review performance to ensure continuous improvement. The following are the results that were revealed from the analysis of the responses: the greater number of the respondents (n=236, 47.2%) indicated agreement while an equally large number (n=158, 31.6%) indicated strong agreement that their businesses review performance constantly to ensure continuous improvement. A sizeable number (n=84, 16.5%) were neutral while smaller numbers (n=19.8, 3.8%) , (n=3, 0.6%) indicated disagreement and strong disagreement respectively. The mean scores associated with the statement was 4.05 and a standard deviation of 0.83 ($X=4.05$, $SD=0.83$)

The third item that sought to measure monitoring-focused management practice was “organization and employee performance communicated to employees and management” produced the following results upon analysis : larger number of the respondents (n=224, 44.8%) indicated agreement to the statement while a large number (n=162 ,32.4%) showed strong agreement. Additionally a sizeable number (n=88, 17.6%) indicated neutrality while small

numbers (n=23, 4.6%), (n=3, 0.6%) indicated disagreement and strong disagreement respectively. The mean score and standard deviation corresponding with item 3 were 4.04 and 0.86 respectively (X=4.04, SD=0.86). The implication is that there is high agreement that small businesses in Ghana communicate organizational and employee performances to managers and employees. The results from table 6.15 also indicate that item1 had the highest mean score though all the items indicated strong agreement.

6.5.1.3 Targeting-focused management practices in small businesses

This sub-section presents the results of the analysis of the data collected on the targeting-focused management practices applicable in small businesses in Ghana.

Table 6.16: Frequency, mean and standard deviation scores of respondents on Targeting-focused management practices indices.

		SDA	DA	N	A	SA	Mean	SD
1	The business punishes bad performers and reward good performers effectively	5 (1.0)	20 (4.0)	79 (15.8)	237 (47.4)	159 (31.8)	4.05	0.85
2	The business set both financial and non-financial goals	8 (1.6)	63 (12.6)	137 (27.4)	188 (37.6)	104 (20.8)	3.63	0.99
3	The business goals are linked with employee goal	16 (3.2)	40 (8.0)	142 (28.4)	192 (38.4)	110 (22.0)	3.68	1.01
4	The business short-term goals influence the achievement of long-term goals.	3 (0.6)	32 (6.4)	138 (27.6)	194 (38.8)	133 (26.6)	3.84	0.91
5	The business set challenging and exerting goals	4 (0.8)	48 (9.6)	137 (27.4)	207 (41.4)	104 (20.8)	3.72	0.93
6	The business set performance measures and communicate to employees	2 (0.4)	17 (3.4)	101 (20.2)	243 (48.6)	137 (27.4)	3.99	0.81

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.16 provides the results of the responses of the respondents on the extent to which targeting-focused management practices are applied in small businesses in Ghana. The weighted

mean score of the responses is 22.91 with a standard deviation of 5.5 ($X=22.91$, $SD=5.5$). The implication is that there is moderate agreement that small businesses in Ghana apply targeting-focused management practices in their operations.

Additionally, the extent of the application of targeting-focused management practices in small businesses was determined by the mean scores of the responses to the number of items that sought to measure targeting-focused management practices. The following are the results that came out of the analysis of the responses. On item one on the targeting-focused management practices scale that sought the views of the respondents on the statement “the business punishes bad performers and reward good performers effectively” the following results emerged: massive number of the respondents ($n=237$, 47.4%) agreed that their businesses punish bad performers and reward good performers effectively while a large number ($n=159$, 31.8%) also showed strong agreement to the statement. The relatively small number ($n=79$, 15.8%) were neutral when responding to the statement with the remaining number of the respondents ($n=20$, 4.0%), ($n=5$, 1.0%) indicating disagreement and strong disagreement respectively. The mean score and the standard deviation for the responses to the item one was $X=4.05$ and $SD=0.85$ respectively. This indicates that there was a high agreement to the statement that small businesses in Ghana punish consistently poor performers and reward good performers effectively

The second item that was measured on the targeting-focused management practices scale was the statement “the business set both financial and non-financial goal”. The following are the results of the analysis conducted on the responses: large number of the respondents ($n=188$, 37.6%) agreed that both financial and non-financial goal are set in their businesses while an equally large number ($n=104$, 20.8%) indicated strong agreement. An unexpected large number ($n=137$, 27.4%) indicated neutrality when responding to the statement posed while few of the respondents ($n=63$, 12.6%), ($n=8$, 1.6%) showed disagreement and strong disagreement respectively. The mean score for the responses to the statement was $X=3.63$ with a standard deviation of 0.99. This indicates agreement that small businesses in Ghana set both financial and non-financial goals.

The third item that was measured on the targeting-focused management practices scale was the statement “the business goals are linked with employee goals”. The following are the results that emerged from the analysis of the responses to the statement: greater number of the respondents ($n=192$, 38.2%) agreed with the statement that the businesses goals are linked with employee

goals while a large number (n=110, 22.0%) indicated strong agreement to the statement. Another equally large number (n=142, 28.4%) were neutral with their responses to the statement while a relatively smaller numbers (n=40, 8.0%), (n=16, 3.2%) of the respondents indicated disagreement and strong disagreement to the statement posed. The mean score and standard deviation of the responses to the item 3 on the scale were $X=3.68$ and $SD=1.01$ respectively. This indicates that there is agreement on the idea that small businesses in Ghana link business and employee goals.

The fourth item on the targeting-focused management practices scale is “the business short-term goals influence the achievement of long-term goals. The following are the results from the analysis of the responses of the respondents of the study: a larger number of the respondents (n=194, 38.8%) agreed that in their businesses short-term goals influence the achievement of long-term goal while another chunk of the respondent (n=138, 27.6%) indicated neutrality with the statement posed. An equally large number of the respondents (n=133, 26.6%) strongly agreed that short-term goals influence long-term goals in small businesses. Also a small number (n=32, 6.4%) disagreed with the statement while a few of the respondents (n=3, 0.6%) indicated strong disagreement. The means score and the standard deviation for the responses on the item is (n=3.84, 0.91%). This indicates that there is agreement that in small businesses there is strong alignment between short-term goals and achievement of long-term goals.

The fifth item that was measured was “the business set challenging and exerting goals. The results of the analysis of the responses to the statement revealed the following: massive number of the respondents (n=207, 41.4%) were in agreement that in small businesses challenging and exerting goals are set while a sizeable number (n=104, 20.8%) indicated strong agreement that challenging and exerting goals are set in small businesses. An equally large number of the respondents (n=137, 27.4%) were undecided and for that matter indicated neutrality on the statement posed while smaller number of the respondents (n=48, 9.6%), (n=4, 0.8%) showed disagreement and strong disagreement respectively with the statement that small businesses set challenging and exerting goals. The mean score and the standard deviation for the responses on item 5 are $X=3.72$ and $SD=0.93$ respectively. This indicates agreement that small businesses in Ghana set challenging and exerting goals.

The sixth item that was measured was “the business set performance measures and communicate to employees”. The following are the results of the analysis of the responses to the statement

posed: greater number of the responses (n=243, 48.6%) agreed that performance measures are set and communicated to employees in small businesses while a large number (n=137, 27.4%) showed strong agreement. A sizeable number of the respondents (n=101, 20.2%) indicated neutrality while smaller number of the respondents (n=17, 3.4%) and (n=2, 0.4%), indicated disagreement and strong disagreement respectively. The mean score and standard deviation for the responses to this statement is (X=3.99, SD=0.81) which indicates that in general there is an agreement that small businesses in Ghana in their operations set performance measures and communicate the same to employees.

In conclusion it is evident from table 6.16 that when it comes to targeting-focused management practices item 1 had the highest mean score of $X=4.05$, item 6 with $X=3.99$, item 4 with $X=3.84$, item 5 with $X=3.72$, item 5 with $X=3.72$, item 3 with $X=3.68$ and item 2 with $X=3.63$ in that order of magnitude. It is also indicative that though item 1 showed high or strong agreement, all the items in the scale measuring targeting-focused management practices indicated agreement to the various statements posed

6.5.1.4 Incentive-focused management practices in small businesses

This sub-section presents the results of the analysis of the data collected on the incentive-focused management practices applicable in small businesses in Ghana.

Table 6.17: Frequency, mean and standard deviation scores of respondents on Incentive-focused management practices indices

		SDA	DA	N	A	SA	Mean	SD
1	The business encourages managers to employ talented people and develop their talent	1 (0.2)	8 (1.6)	84 (16.8)	229 (45.8)	178 (35.6)	4.15	0.76
2	The business pays employees based on performance	15 (3.0)	16 (3.2)	79 (15.8)	187 (37.4)	203 (40.6)	4.09	0.98
3	The business sacks consistently poor performing employees	15 (3.0)	16 (3.2)	68 (13.6)	241 (48.2)	160 (32.0)	4.03	0.93
4	The business promotes employees based on performance	6 (1.2)	14 (2.8)	72 (14.4)	224 (44.8)	184 (36.8)	4.13	0.85

5	The business does everything possible to attract good and talented people	6 (1.2)	7 (1.4)	45 (9.0)	236 (47.2)	206 (41.2)	4.26	0.78
6	The business does everything to retain and maintain talented employees.	5 (1.0)	8 (1.6)	39 (7.8)	209 (41.8)	239 (47.8)	4.34	0.77

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.17 displays information on respondents' responses to statements that sought to measure their views on various incentive-focused practices applicable in their organizations. From the table the overall weighted mean score for the responses is $X=25.0$ with a standard deviation of $SD=5.07$. This indicates that generally there is strong or high agreement that small businesses in Ghana apply incentive-focused management practices. The extent of the application of incentive-focused management practices were also determined using the mean scores of the various items on the incentive-focused management practices scale.

The first item on the scale was “the business encourages managers to employ talented people and develop their talent”. The analysis of the responses produced the following results: the largest portion of the respondents ($n=229, 45.8\%$) indicated agreement that their businesses encourage their managers to employ talented people and develop their talent while sizeable number of the respondents ($n=178, 35.6\%$) showed strong agreement with the statement. Additionally a relatively small number of the respondents ($n=84, 16.8\%$) were neutral with their responses to the statement posed while the remaining number of the respondents ($n=8, 1.6\%$) and ($n=1, 0.2\%$) expressed disagreement and strong disagreement respectively to the statement that their businesses encourage managers to employ talented people and develop their talent. The mean score and the standard deviation associated with the responses to the statement is ($X=4.15, SD=0.76$) indicating that generally the respondents highly agreed that businesses in Ghana encourage their managers to employ talented people and develop their talent.

The second item that was measured was the statement “the business pays employees based on performance” and the analysis produced the following results: the majority of the respondents ($n=203, 40.6\%$) showed strong agreement that their businesses pay employees based on performance whilst an equally large number ($n=187, 37.4\%$) agreed with the statement that

performance based pay system is implemented in small businesses in Ghana. A sizeable number of the respondents (n=79, 15.8%) were undecided indicating neutrality with their responses to the statement posed. The remaining number of the respondents (n=16, 3.2%) and (n=15, 3.0%) disagreed and strongly disagreed respectively with their responses to the statement that small businesses pay employees based on performance. The mean score of the responses to the statement is $X=4.09$ with a standard deviation of $SD=0.98$. This reveals that there was a high or strong agreement to the statement that small businesses pay or reward their workers based on performance.

The respondents further provided their responses to the third statement “the business sacks consistently poor performing employees” which provided the following results after analysis: the greatest number of the respondents (n= 241, 48.2%) agreed that their businesses sack consistently poor performing employees while a large number (n=160, 32.0%) indicated strong agreement to the statement that the business sack consistently poor performing employees. A relatively small number of the respondents were neutral with their responses while few of the respondents (n=16, 3.2%) and (n=15, 3.0%) indicated disagreement and strong disagreement respectively with the statement that small businesses sack consistently poor performing employees. The mean score for the responses to the statement is $X=4.03$ with standard deviation of $SD=0.93$ which reveals high or strong agreement with the statement indicating that small businesses in Ghana strongly engage in the practice of sacking consistently poor performing employees.

The fourth statement that the respondents provided responses to on the incentive-focused management practices scale was “the business promotes employees based on performance” and the following results emerged after the analysis: a very large number of the respondent (n=224, 44.8%) agreed that their business promote employees based on performance while an equally large number indicated strong agreement to the statement. (n=184, 36.8%). A sizeable number of the respondents (n=72, 14.4%) were neutral in their responses while small number of the respondents (n=14, 2.8%) and (n=6, 1.2%) showed disagreement and strong disagreement indicating that employees are not promoted based on performance in their organizations. The mean and the standard deviation for the responses on the statement “the business promotes employees based on performance” were $X=4.13$ and $SD=0.85$ which reveals high or strong agreement that employees are promoted based on performance in small businesses.

The fifth statement measured was “the business does everything possible to attract good and talented people”. The following are the results obtained from the analysis of the responses: a very large number of the respondents (n=236, 47.2%) and (n=206, 41.2%) indicated agreement and strong agreement respectively on the statement showing that in their businesses attracting good and talented people is taken seriously and everything is done to ensure that is achieved. Additionally small number of the respondents (n=45, 9.0%) were neutral in their responses while a few of the respondents (n=7, 1.4%) and (n=6, 1.2%) disagreed and strongly disagreed with the statement posed. The mean score and the standard deviation for responses to the statement “the business does everything possible to attract good and talented people were $X=4.26$ and $SD=0.78$ revealing strong agreement that small businesses in Ghana do everything possible to attract good and talented employees to their businesses.

The last statement on the incentive-focused management practices scale was “ the business does everything to retain and maintain talented employees” which revealed the following after analysis of the responses: the greatest number of the respondents (n=239, 47.8%) strongly agreed that their businesses do everything to retain and maintain talented employees while an equally large number of the respondents (n=209, 41.8%) indicated agreement with the statement. A small number of the respondent showed neutrality in their responses while few of the respondents (n=8, 1.6%) and (n=5, 1.0%) disagreed and strongly disagreed with the statement that their businesses do everything to retain and maintain employees. The mean score and the standard deviation for the responses were $X=4.34$ and $SD=0.77$ respectively. This indicates strong agreement that small businesses in Ghana do everything possible to retain and maintain talented employee, emphasizing that the businesses are not only interested in attracting talented employees but also put more effort into keeping such employees in their jobs for a long time. In conclusion it is evident that item 6 had the highest mean score of $X=4.34$ and item 5 with $X=4.26$, item 1 with $X=4.15$, item 4 with $X=4.13$, item 2 with 4.09 and item 3 with 4.03 in the order of magnitude. All the items revealed strong agreement emphasizing the importance of incentive-focused management practices in small businesses in Ghana.

6.5.2 Challenges facing Management of Small Business

The section portrays the results of the data collected on respondents' views on the challenges they face in managing their small businesses. The segment tackles the study objective two which is to

examine the challenges confronting the management of small businesses in Ghana. The respondents in providing their responses rated the statements posed based on the extent of their agreement with them.

Table 6.18: Frequency, mean and standard deviation scores of respondents on challenges facing the management of their small businesses

		SDA	DA	N	A	SA	Mean	SD
1	The business finds it difficult to raise finance	18 (3.6)	30 (6.0)	135 (27.0)	199 (39.8)	118 (23.6)	3.74	1.00
2	The business lacks enough management skills to effectively operate the firm	26 (5.2)	41 (8.2)	152 (30.4)	204 (40.8)	77 (15.4)	3.53	1.02
3	The business lacks enough support from the government	27 (5.4)	37 (7.4)	107 (21.4)	170 (34.0)	159 (31.8)	3.79	1.13
4	The business environment not friendly for business	20 (4.0)	48 (9.6)	180 (36.0)	180 (36.0)	72 (14.4)	3.47	0.99
5	The business lacks enough resources to employ qualified people	31 (6.2)	45 (9.0)	137 (27.4)	213 (42.6)	74 (14.8)	3.51	1.05
6	Technology usage in the business is limited	102 (20.4)	36 (7.2)	124 (24.8)	126 (25.2)	112 (22.4)	3.22	1.41

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Strongly Agree

Source: Field survey results, 2020

Table 6.18 displays the results of the responses of the respondents of the study on their views on the challenges that face the management of their small businesses. In all the respondents were presented with six statements to solicit their view on the challenges that confront the management of their businesses.

The first statement that was posed was “the business finds it difficult to raise finance” and the responses after analysis provided the following results: a larger portion of the respondents (n=199, 39.8%) agreed that their businesses find it difficult to raise finance while another large number of the respondents (n=118, 23.6%) indicated strong agreement that their businesses find it difficult to raise finance. Additionally a sizeable number of the respondents (n=135, 27.0%) were neutral in their responses while few of the respondents (n=30, 6.0%) and (n=18, 3.6%) indicated disagreement and strong disagreement respectively with the statement that their businesses find it difficult to raise fund. The mean score for the responses to the statement “the business find it difficult to raise finance” is $X=3.74$ with a standard deviation of $SD=1.00$. This reveals that there is an agreement among the respondents that small businesses in Ghana find it difficult to raise money to finance their operation.

The second item that was measured on the challenges small businesses face in managing their businesses was “the business lacks enough management skills to effectively operate the firm”. The responses to the statement produced the following results after analysing the responses: the largest portion of the respondent (n=204, 40.8%) agreed that their businesses lacked enough management skills for the effective operation of their firms while a relatively small number of the respondent (n=77, 15.4%) indicated strong agreement with the statement. Another large portion of the respondent (n=152, 30.4%) indicated neutrality with their responses while few of the respondents (n=41, 8.2%) and (n=26, 5.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses lack enough management skills to effectively operate their businesses. The mean score for the responses on the statement is $X=3.53$ with a standard deviation of $SD=1.02$ reveals agreement with the statement that small businesses lack enough management skills to effectively operate their businesses.

The third item on the challenges small businesses face in managing their operation was “the business lacks enough support from the government”. The following are the results that ensued from the analysis of the responses from the respondents of the study: a large portion of the respondent (n=170, 43.0%) agreed with the statement that their businesses lack enough support from the government while an equally large number of the respondent (n=159, 31.8%) strongly agreed with the statement. Another sizeable number of the respondent (n=107, 21.4%) were undecided indicating neutrality in their responses while small numbers of the respondents (n=37,

7.4%) and (n=27, 5.4%) showed disagreement and strong disagreement with the statement that small businesses lack enough support from government. The mean score for the responses on the statement “the business lacks enough support from government” is $X=3.79$ with a standard deviation of $SD=1.13$. This indicates that there is agreement that small businesses lack enough support from their governments.

The fourth items on which the views of the respondents were sought on the challenges small businesses face in their management was “the business environment not friendly for business”. The responses from the respondents after analysis produced the following results: a large number of the respondents (n=180, 36.0%) agreed with the statement while a relatively smaller number (n=72, 14.4%) indicated strong agreement. Additionally, a large portion of the respondents (n=180, 36.0) were neutral in their responses while few of the respondents (n=48, 9.6%) and (n=20, 4.0) indicated disagreement and strong disagreement respectively in their responses to the statement. Generally, the means score for the responses on the statement “the business environment not friendly for business” is $X=3.47$ with a standard deviation of $SD=0.99$. This implies that there is agreement that the business environment in Ghana is not friendly for small business management.

The respondents also provided their views on a fifth item on the challenges facing the management of small businesses which was “the business lacks enough resources to employ qualified people”. The responses from the respondents were analysed and the following are the results that emerged: a massive number of the respondents (n=213, 42.6%) agreed with the statement that their businesses lack enough resources to employ qualified people while a small number (n=74, 14.8%) showed strong agreement with the statement. A large portion of the respondent (n=137, 27.4%) indicated neutrality in their responses while a relatively fewer numbers of the respondents (n=45, 9.0%) and (n=31, 6.2%) indicated disagreement and strong disagreement respectively with the statement posed. The mean score for the responses on the statement “the business lacks resources to employ qualified people” is $X=3.51$ with a standard deviation of $SD=1.05$. This reveals that there is agreement that small businesses in Ghana lack enough resources to employ qualified people to work and also manage their operations.

The last item that was assessed on the challenges facing the management of small businesses was “technology usage in the business is limited”. The following are the results that emerged from the

analysis of the responses: a large portion of the respondents (n=126, 25.2%) and (n=112, 22.4%) showed agreement and strong agreement respectively with the statement that technology usage in their businesses are limited while an equally sizeable number (n=124, 24.8%) were neutral in their responses. Also, a large number of the respondents (n=102, 20.4) strongly disagreed that technology usage in their businesses were limited while only few respondents (n=36, 7.2%) showed disagreement about the limited nature of technology usage in small businesses. The mean for the responses on the statement “technology usage in the business is limited” is $X=3.22$ with a standard deviation of $SD=1.41$. This implies agreement that technology usage in small businesses in Ghana is limited.

6.5.3 Implementation of Strategic Planning among Small Businesses

The current part of the study spotlights on addressing the third study objective which is to assess the degree to which strategic planning is implemented in small firms in Ghana. The participants were required to rate on a Likert scale their agreement to questions/statements on the extent to which strategic planning is implemented in their organizations. Below are the results after analyzing the data collected in the study.

Table 6.19: Frequency, mean and standard deviation scores of respondents on the extent of implementation of strategic planning in their small businesses.

		SDA	DA	N	A	SA	Mean	SD
1	The business has established long-term direction for the firm	7 (1.4)	35 (7.0)	136 (27.2)	216 (43.2)	106 (21.2)	3.76	0.91
2	The business undertakes external analysis of the business environment	3 (0.6)	30 (6.0)	148 (29.6)	213 (42.6)	106 (21.2)	3.78	0.89
3	The business undertakes competitor analysis	1 (0.2)	14 (2.8)	83 (16.6)	255 (51.0)	147 (29.4)	4.07	0.77
4	The business undertakes customer analysis	1 (0.2)	12 (2.4)	99 (19.8)	257 (51.4)	131 (26.2)	4.01	0.76
5	The business undertakes	3 (0.6)	11 (2.2)	100 (20.0)	261 (52.2)	125 (25.0)	3.99	0.77

	internal capability analysis							
6	The business devises strategies to achieve long-term goals	1 (0.2)	18 (3.6)	135 (27.0)	218 (43.6)	128 (25.6)	3.91	0.83
7	The business assess daily operations against long-term plans.	2 (0.4)	25 (5.0)	181 (36.2)	171 (34.2)	121 (24.2)	3.77	0.89
8	The business assesses factors essential for sustainability.	1 (0.2)	10 (2.0)	108 (21.6)	264 (52.8)	117 (23.4)	3.97	0.74
9	The business has a formal system for tracking own performance and that of competitors	4 (0.8)	17 (3.4)	108 (21.6)	261 (52.2)	110 (22.0)	3.91	0.80
10	The business undertakes consistent strategy reviews to ensure operational effectiveness	4 (0.8)	17 (3.4)	104 (20.8)	203 (40.6)	172 (34.4)	4.04	0.87

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.19 represents the results of the responses from the respondents of the study on the extent of implementation of strategic planning in small businesses in Ghana. The first strategic planning variable that the respondents were expected to respond to was “the business has established long-term direction for the firm”. On this the following are the results that ensued after analysing the responses from the respondents: the largest portion of the respondents (n=216, 43.2%) agreed that their businesses have their established long-term direction while a relatively small number (n=106, 21.2%) indicated strong agreement with their businesses having established long-term direction. Additionally a chunk of the respondents (n=136, 27.2%) were neutral with their responses to the statement while smaller numbers of the respondents (n=35, 7.0%) and (n=7, 1.4%) showed disagreement and strong disagreement respectively with the statement that their

businesses have established their long-term direction. The mean for the responses to the statement that “the business has established long-term direction” is $X=3.76$ with a standard deviation of $SD=0.91$. This implies there is agreement that small businesses in Ghana establish long-term direction for their operations.

The second issue on which the views of the respondents were sought on the implementation of strategic planning was “the business undertakes external analysis of the business environment”. The following are the results after the responses from the respondents were analyzed: a vast number of the respondents ($n=213$, 42.6%) indicated agreement that their businesses undertake external analysis of the business environment while a smaller number ($n=106$, 21.2%) showed strong agreement that their businesses undertake external analysis of the business environment. Another large number of the respondents ($n=148$, 29.6%) were neutral in their responses while the remaining numbers of the respondents ($n=30$, 6.0%) and ($n=3$, 0.6%) indicated disagreement and strong disagreement that their businesses undertake external analysis. The mean for the responses on the extent the small businesses undertake external analysis of the business environment is $X=3.78$ with a standard deviation of $SD=0.89$. This reveals that there is agreement that small businesses undertake external analysis of the business environment.

The third strategic planning variable that was assessed was “the business undertakes competitor analysis”. The responses of the respondents after undergoing analysis produced the following results: a larger portion of the respondents ($n=255$, 51.0%) agreed that competitor analysis is undertaken in their businesses while another large number ($n=147$, 29.4%) indicated strong agreement with their businesses undertaking competitor analysis. A relatively small number of the respondents ($n=83$, 16.6%) were neutral in their responses while the remaining numbers of the respondents ($n=14$, 2.8%) and ($n=1$, 0.2%) showed disagreement and strong disagreement respectively when responding to the statement posed. The responses on the statement “the business undertakes competitor analysis” is $X=4.07$ with a standard deviation of $SD=0.77$ indicating strong agreement that small businesses in Ghana undertake competitor analysis in their operations.

The view of the respondents were also sought on the extent to which their businesses undertake customer analysis. The following are the results that emerged from the analysis of the responses from the respondents: a large number of the respondents ($n=257$, 51.4%) agreed that their

businesses undertake customer analysis while a relatively smaller number (n=131, 26.2%) showed strong agreement that their businesses undertake customer analysis. A sizeable number of the respondents (n=99, 19.8%) also were neutral in their responses to the statement posed while a few of the respondents (n=12, 2.4%) and (n=1, 0.2%) indicated disagreement and strong disagreement respectively with the statement about their businesses undertaking customer analysis. The mean of the responses to the statement “the business undertakes customer analysis” is $X=4.01$ with a standard deviation of 0.76 reveals a strong agreement indicating that small business undertake customer analysis in their operations.

The fifth item that was assessed under small businesses implementing strategic planning was “the business undertakes internal capability analysis”. The analysis of the responses of the respondents produced the following results: larger number of the respondents (n=261, 52.2%) agreed that their businesses undertake internal capability analysis while an equally large number (n=125, 25.0%) strongly agreed with the statement. A sizeable number of the respondents (n=100, 20.0%) indicated neutrality in their responses while few of the respondents (n=11, 2.2%) and (n=3, 0.6%) showed disagreement and strong disagreement respectively with the statement that their businesses undertake internal capability analysis. The mean of the responses to the statement “the business undertake internal capability analysis is $X=3.99$ with a standard deviation of $SD=0.77$ which reveals agreement that small businesses in Ghana undertake internal capability analysis of their businesses.

The sixth item was “the business devises strategies to achieve long-term goal” and the responses from the respondents after going through analysis delivered the following results: a greater number of the respondents (n=218, 43.6%) agreed that their businesses devise strategies to achieve long-term goals whilst a relatively smaller number (n=128, 25.6%) showed a strong agreement with the statement. A large number (n=135, 27.0%) were neutral with their responses while few of the respondents (n=18, 3.6%) and (n=1, 0.2%) disagreed and strongly disagreed respectively with the statement that their businesses devise strategies to achieve long-term goals. The mean of the responses to the statement “the business devises strategies to achieve long-term goals is $X=3.91$ with a standard deviation of 0.83. This implies an agreement that small businesses in Ghana devise strategies in their operation to achieve long-term goals.

The respondents further were required to respond to the statement “the business assesses daily operations against long-term plans”. The responses to the statement by the respondents were analysed and the following are the results that emerged from the analysis : a large number of the respondents (n=171, 34.2%) and (n=121, 24.2%) showed agreement and strong agreement respectively with the statement while an even larger number of the respondents (n=181, 36.2%) indicated neutrality in their responses to the statement posed. A relatively few of the respondents (n=25, 5.0%) and (n=2, 0.4%) also disagreed and strongly disagreed respectively with the statement that their businesses assess daily operations against long-term plans. The mean of the responses to the statement “ the business assess daily operations against long-term plans” is $X=3.77$ with a standard deviation of $SD=0.89$ reveals agreement among the respondents that small businesses in Ghana assess their daily operations against their long-term plans.

The respondents were also expected to indicate their view on the statement “the business assesses factors essential for sustainability’ and the responses after been analysed revealed the following results: massive number of the respondents (n=264, 52.8%) agreed that their businesses assess various factors for the sustainability of their operations whilst a slightly small number strongly showed a stronger agreement with the statement. Another sizeable number of the respondents (n=108, 21.6%) were neutral in their responses to the statement posed. A few of the respondents (n=10, 2.0%) and (n=1, 0.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses assess factors essential for the sustainability of their operations. The mean for the responses to the statement “ the business assesses factors essential for sustainability” is $X=3.97$ with a standard deviation of 0.74 indicates an agreement that small businesses in Ghana assess their businesses for factors essential for the sustainability of their operations.

The ninth item that the respondents were expected to express their views on was the statement “the business has a formal system for tracking own performance and that of competitors”. The responses that were obtained after analysis produced the following results: a vast number of the respondent (n=52.2%) agreed that their businesses have in existence formal systems for tracking their performances and that of the competitors while a large of the respondents (n=110, 22.0%) strongly agreed with the statement. Another sizeable number of the respondents (n=108, 21.6) were neutral in their responses to the statement posed while few of the respondents (n=17, 3.4%)

and (n=4, 0.8%) disagreed and strongly disagreed respectively with the statement that their businesses have formal systems for tracking own and competitors' performances. The mean for the responses on the statement "the business has a formal system for tracking own performance and that of competitors" is $X=3.91$ with a standard deviation of $SD=0.80$. This reveals agreement that small businesses in Ghana have formal systems for tracking their performances and that of the competitors.

The last statement that was posed to respondents for their views on the implementation of strategic planning was "the business undertakes consistent strategy reviews to ensure operational effectiveness". The results that emerged after analysing the responses were the following: a large number of the respondents (n=203, 40.6%) agreed with the statement while an equally large number of the respondents (n=172, 34.4%) also showed a strong agreement with the same statement. A sizeable number of the respondents (n=104, 20.8%) were neutral with their responses while the remaining respondents (n=17, 3.4%) and (n= 4, 0.8%) disagreed and strongly disagreed with the statement that their businesses undertake consistent strategy reviews to ensure operational effectiveness. The mean of the responses to the statement "the business undertakes consistent strategy reviews to ensure operational effectiveness" is $X=4.0$ with standard deviation of $SD=0.87$. This implies that there is a strong agreement among the respondents that small businesses in Ghana undertake consistent strategy review to ensure operational effectiveness.

6.5.4 Challenges facing strategic planning in small businesses

This part addresses the analysis of the data gathered on the challenges small firms face in implementing strategic planning in Ghana. The section deals with the fourth research objective of the investigation which is to explore the challenges associated with the execution of strategic planning in Ghana. The participants were expected to specify by rating the degree to which they agreed with statements relating to the challenges that they faced in implementing strategic plan.

Table 6.20: Frequency, mean and standard deviation scores of respondents on the challenges facing strategic planning in small businesses.

		SDA	DA	N	A	SA	Mean	SD
1	The business lacks enough resources for strategy implementation	86 (17.2)	78 (15.6)	173 (34.6)	103 (20.6)	60 (12.0)	2.95	1.24

2	The business resources not aligned to strategy implementation	47 (9.4)	116 (23.2)	129 (25.8)	144 (28.8)	64 (12.8)	3.12	1.18
3	The business finds it difficult to manage change.	54 (10.8)	92 (18.4)	180 (36.0)	128 (25.6)	46 (9.2)	3.04	1.11
4	The business has ineffective control of strategy implementation	45 (8.6)	101 (20.2)	170 (34.0)	132 (26.4)	54 (10.8)	3.11	1.11
5	In the business strategy lacks enough support from top managers	50 (10)	102 (20.4)	147 (29.4)	147 (29.4)	54 (10.8)	3.11	1.15
6	The business lacks enough human capital to support strategy	37 (7.4)	79 (15.8)	167 (33.4)	160 (32.0)	57 (11.4)	3.24	1.08
7	The business lacks strategy supportive culture	61 (12.2)	75 (15.9)	162 (32.4)	142 (28.4)	60 (12.0)	3.13	1.18
8	The managers in the business lack appreciation for strategic planning.	106 (21.2)	94 (18.8)	148 (29.6)	104 (20.8)	48 (9.6)	2.79	1.26

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Strongly Agree

Source: Field survey results, 2020

Table 6.20 provides the results of the analyzed responses of the respondents of the study on the challenges facing strategic planning in small businesses. The respondents were expected to indicate their views on eight items that sought or gauge the challenges small businesses encounter in undertaking strategic planning in their operations. The following are the results obtained from the analysis of the responses of the respondents on each of the items assessed.

The first item the respondents responded to was “the business lacks enough resources for strategy implementation” and the following results emerged from the analysis of the responses: the majority of the respondents (n=173, 34.6%) were neutral with their responses while a large number of the respondents

(n=103, 20.6%) indicated agreement with the statement posed. Additionally only a few of the respondent (n=60, 12.0%) showed strong agreement that their businesses lacked enough resources for strategy implementation, Also small numbers of the respondents (n=78, 15.6%) and (n=86, 17.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses lack enough resources for strategy implementation. The mean for the responses on the statement that “ the business lacks enough resources for strategy implementation” is $X=2.95$ with a standard deviation of $SD=1.24$ reveals a disagreement with the statement indicating that the respondents believe small businesses in Ghana do not have problem with resources for strategy implementation or to put it explicitly the respondents were rather neutral with their responses on the statement that their businesses lack enough resources for strategy implementation.

The second item the respondent responded to was the statement “the businesses resources not aligned to strategy implementation” and the following are the results that came out after the analysis of the responses: a large number of the respondents (n=144, 28.8%) agreed with the statement that their businesses resources are not aligned with strategy implementation, while only small number of the respondents (n=64, 12.8%) strongly agreed with the statement. Additionally a large number of the respondent (n=129, 25.8%) showed neutrality with their responses while similar number of the respondents (n=116, 23.2%) also indicated disagreement with the statement posed. The remaining number of the respondent strongly disagreed with the statement that their businesses’ resources are not aligned with strategy implementation. The mean score for the responses on the statement “the business resources not aligned with strategy implementation” is $X=3.12$ with a standard deviation of $SD=1.18$ indicates a moderate agreement with the statement implying that the resources in small businesses in Ghana are not aligned with strategy implementation.

The third items that was assessed was the statement “the business finds it difficult to manage change” and the responses were analysed which revealed the following results: the largest portion of the respondents (n=180, 36.0%) indicated neutrality with their responses while a sizeable number of the respondents (n=128, 25.6%) also agreed with the statement posed. Only few of the respondents strongly agreed that their businesses find it difficult to manage change. Additionally smaller numbers of the respondents (n=92, 18.4%) and (n=54, 10.8%) showed disagreement and strong disagreement respectively with the statement that their businesses find it difficult to manage change. The mean score for the responses on the statement “the business finds it difficult to manage change” is $X=3.04$ with a standard deviation of $SD=1.11$. This reveals moderate agreement with the statement indicating that small businesses in Ghana find it difficult to manage change.

The respondents of the study also responded to the statement “the business has ineffective control of strategy implementation”. The following are the results that emerged from the analysis of the responses

from the respondents of the study: the largest portion of the respondents (n=170, 34.0%) were neutral in their responses to the statement while a slightly smaller number (n=132, 26.4%) agreed with the statement. Additionally, a sizeable number of the respondents (n=101, 20.2%) disagreed with the statement while the least number of the respondents (n=45, 8.6%) strongly disagreed with the statement that their businesses have ineffective control of strategy implementation. The mean score for the responses on the statement “the business has ineffective control of strategy implementation is $X=3.11$ with a standard deviation of $SD=1.11$ indicates a moderate agreement with the statement implying that small businesses in Ghana have ineffective control of strategy implementation.

The fifth item that sought to assess the challenges small businesses face with strategy planning was the statement “in the business strategy lacks support from top managers”. The responses from the respondents were analysed and the following are the results that ensued: a large numbers of the respondents (n=147, 29.4%) agreed with the statement that their businesses lack support for strategy from the top managers while the same number of the respondents (n=147, 29.4%) were neutral in their responses to the same statement. A large number of the respondents (n=102, 20.4%) disagreed with the statement as only a few of the respondents (n=50, 10%) showed strong disagreement. The remaining number of the respondents (n=54, 10.8%) strongly agreed that their business lack support for strategy from top manager. The mean score for the responses to the statement “in the business strategy lack enough support from top managers” is $X=3.11$ with standard deviation of $SD=1.15$ indicates a moderate agreement with the statement which reveals that strategy in small businesses in Ghana lack support from top managers.

The respondents were also asked to respond to the statement “the business lacks enough human capital to support strategy. This statement also sought to explore the challenges small businesses face in strategic planning. The responses that were received were analysed revealing the following results :a large number of the respondent (n=167, 33.4%) were neutral in their responses while an equally large number of the respondents (n=160, 32.0%) agreed with the statement that their businesses lack enough human capital to support strategy. Additionally, only a small number of the respondents (n=57, 11.4%) showed strong agreement with the statement while smaller numbers of the respondents (n=79, 15.8%) and (n=37, 7.4%) also disagreed and strongly disagreed respectively with the statement posed. The mean score for the statement “the business lacks enough human capital to support strategy” is $X=3.24$ with standard deviation of $SD=1.08$ indicates a moderate agreement with the statement, revealing that small businesses in Ghana lack enough human capital to support strategy,

The seventh item assessing challenges facing strategic planning is the statement “the business lacks strategy supportive culture”. The respondents were expected to indicate their views and the responses obtained were analysed producing the following results: a large number of the respondents (n=162, 32.4%)

indicated neutrality in their responses while an equally large number (n=142, 28.4%) agreed with the statement that their businesses lack a strategy supportive culture. A small number of the respondents (n=60, 12.0%) strongly agreed that their businesses lack strategy supportive culture. Additionally a sizeable number of the respondents (n=75, 15.9%) and (n=61, 12.2%) disagreed and strongly disagreed respectively with the statement that their businesses lack a strategy supportive culture. The mean score for the responses to the statement “ the business lack strategy supportive culture” is $X=3.13$ with a standard deviation of $SD=1.18$ indicates a moderate agreement with the statement revealing that small businesses in Ghana lack strategy supportive culture.

The last item that sought to assess the challenges facing strategic planning in small businesses is the statement “the managers in the business lack appreciation for strategic planning”. The responses from the respondents after analysis produced the following results : a large number of the responds were neutral in their responses while a closely equal number of the respondents (n=104, 20.8%) agreed with the statement. Additionally a sizeable number of the respondents (n=106, 21.2%) strongly disagreed while a smaller number (n=94, 18.8%) disagreed with the statement that managers in their businesses lack appreciation of strategic planning. It is evident that only few of the respondents (n=48, 9.6%) strongly agreed with the statement. The mean score for the responses to the statement “ the managers in the business lack appreciation for strategic planning” is $X=2.79$ with a standard deviation of 1.26 indicates neutrality in responses revealing that managers in small businesses in Ghana are not sure or undecided of the position of strategy in their operations.

6.5.5 Sources of Competitive Advantage of Small Businesses

This section provides the results on the sources or different dimensions of competitive advantage of small businesses. The respondents provided responses on their perception of the extent to which their businesses have advantage over other businesses on some dimensions.

Table 6.21: Frequency, mean and standard deviation scores of respondents on the sources of competitive advantage small businesses enjoy.

		SDA	DA	N	A	SA	Mean	SD
1	The business serves customers better than competitors	7 (1.4)	13 (2.6)	76 (15.2)	205 (41.0)	199 (39.8)	4.15	0.87
2	The products of the business are superior to that of competitors	1 (0.2)	19 (3.8)	59 (11.8)	227 (45.4)	194 (38.8)	4.19	0.80

3	Customer prefer to deal with the business than with competitors	1 (0.2)	9 (1.8)	68 (13.6)	221 (44.2)	201 (40.2)	4.22	0.76
4	The business has better cost structure than competitors	2 (0.4)	10 (2.0)	56 (11.2)	186 (37.2)	246 (49.2)	4.33	0.78

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Stronly Agree

Source: Field survey results, 2020

Table 6.21 provides information on the results of the analysis of the responses of the respondents of the study on their views on competitive adavantages they consider their businesses to have over other businesses. The following are the results that emerged from the analysis of the responses: a vast numbe of the respondents (n=205, 41.0%) showed agreement that their businesses serve their customers better than the competitors while an equally large number of the respondents (n=199, 39.8%) strongly agreed with the statement.A small number of the respondents (n=76, 15.2%) were neutral in their responses while an even smaller numbers of the respondents (n=13, 2.6%) and (n=7, 1.4%) disagreed and strongly disagreed respectively with the statement that their businesses serve customers better than competitors.The mean score for the responses to the statement “the business serves customers better than competitors” is $X=4.15$ with a standard deviation of $SD=0.87$ indicates a high or strong agreement with the statement indicating that a lot of small businesses in Ghana believe that they have the capacity that make them serve their customers better than their competitors.

The respondents were also asked to express their views on the statement “the products of the business are superior to that of the competitors” The following are the results from the analysis of the responses: a vast majority of the respondents (n=227, 45.4%) agreed that their products are superior to that of competitors while another large number of the respondents (n=194, 38.8%) strongly agreed with the statement posed. A small number of the respondents (n=59, 11.8%) were neutral with their responses while relatively small numbers of the respondent (n=19, 3.8%) and (n=1, 0.2%) disagreed and strongly disagreed respectively that their products are superior to those of their competitors. The mean score for the responses to the statement “the products of the business are superior to that of competitors” is $X=4.19$ with a standard deviation of $SD=0.80$

indicates that there is a strong agreement with the statement which implies that small businesses in Ghana believe that their products are superior to those they compete with.

The third item that was measured on the competitive advantage of small businesses was the statement “customers prefer to deal with the business rather than with competitors”. The response received were analysed and produced the following results: large numbers of the respondents (n=221, 44.2%) and (n=201, 40.2%) agreed and strongly agreed respectively with the statement that their customer prefer to deal with their businesses than the competitors. A sizeable number of the respondent (n=68, 13.6%) were neutral in their responses while few of the respondents (n=9, 1.8%) and (n=1, 0.2%) disagreed and strongly disagreed respectively with the statement posed. The mean score of the responses to the statement “ customers prefer to deal with the business than with competitors” is $X=4.22$ with a standard deviation of $SD=0.76$ indicate strong agreement with the statement revealing that small businesses in Ghana believe they have positioned themselves in a way that make their customers prefer to deal with them than with their competitors.

The last item that was focused on was the statement “the business has better cost structure than competitors”. The responses received were analysed and produced the following results: a vast majority of the respondents (n=246, 49.2%) strongly agreed with the statement that their businesses have better cost structure than their competitors while a large number of the respondents (n=186, 37.2%) also indicated agreement with the statement. A sizeable number of the respondents (n=56, 11.2%) indicated neutrality in their responses while relatively smaller numbers of the respondents (n=10, 2.0%) and (n=2, 0.4%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business has better cost structure than competitors” is $X=4.33$ with a standard deviation of 0.78 indicate a strong agreement with the statement which reveals that small businesses in Ghana believe they have capabilities that has made them to develop cost structure better than their competitors.

6.5.6 Growth of small businesses

This section presents the results on how the small business owner-managers perceive their businesses to have grown. The respondents provided their opinions by rating the extent to which they believe their businesses have grown on different dimensions.

Table 6.22: Frequency, mean and standard deviation scores of respondents on the growth of their small businesses.

		SDA	DA	N	A	SA	Mean	SD
1	The business profit is increasing as expected	8 (1.6)	37 (7.4)	233 (46.6)	158 (31.6)	64 (12.8)	3.47	0.87
2	The business revenue is increasing as expected	10 (2.0)	53 (10.6)	184 (36.8)	168 (33.6)	85 (17.0)	3.53	0.96
3	The business has achieved increased customer base	8 (1.6)	35 (7.0)	183 (36.6)	183 (36.6)	91 (18.2)	3.63	0.91
4	The business has achieved increased employee commitment	10 (2.0)	33 (6.6)	185 (37.0)	201 (40.2)	71 (14.2)	3.58	0.88
5	The business has achieved increased sustainability	9 (1.8)	45 (9.0)	160 (32.0)	203 (40.6)	83 (16.6)	3.61	0.93
6	The business has achieved increased productivity	10 (2.0)	29 (5.8)	188 (37.6)	178 (35.6)	95 (19.0)	3.64	0.92

SDA-Strongly Disagree DA-Disagree N-Neutral A-Agree SA-Strongly Agree

Source: Field survey results, 2020

Table 6.22 presents the results of the analysis of the responses from the respondents on their views on the growth of their firms. The first item that was assessed about the growth of the small businesses was the statement “the business profit is increasing as expected”. The following are the results after analysing the responses of the respondents of the study: the largest portion of the respondents (n=233, 46.6%) were neutral with their responses to the statement posed while a sizeable number of the respondents (n=158, 31.6%) agreed that the profits of their businesses are increasing as expected. A few of the respondents (n=64, 12.8%) showed strong agreement with the statement while small number of the respondents (n=37, 7.4%) and (n=8, 1.6%) disagreed and strongly disagreed respectively with the statement that their businesses are experiencing increasing profit as expected. The mean score for the responses to the statement “the business profit is increasing as expected” is $X=3.47$ with a standard deviation of $SD=0.87$ indicates an

agreement with the statement which reveal that small businesses in Ghana are possibly experiencing increasing profitability.

The second growth of a business variable that was assessed was the statement “the business revenue is increasing as expected” .The respondent were asked to indicate the extent to which their businesses were achieving increased revenue and the following results ensued after the responses were analysed: a vast nuber of the respondents (n=184, 36.8%) indicated neutrality in their responses while an equally large number of the respondents (n=168, 33.6%) agreed that their businesses were experiencing increasing revenue.Also a smaller number of the respondents (n=85, 17.0%) strongly agreed that their businesses were achieving increased revenue while few of the respondents (n=53, 10.6%) and (n=10, 2.0%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business revenue is increasing as expected” is $X=3.53$ with a standard deviation of 0.96 indicate an agreement with the statement which reveals that small businesses in Ghana are possibly achieving increased revenues in their operation.

The third growth of the business variable that was assessed was the statement “the business has achieved increased customer base”. The respondents were expected to express their views on the the extent to which their businesses have achieved increases in the customer base.The responses received were analysed and the following are the results that ensued from the analysis : a large number of the respondents (n=183, 36.6%) agreed with the statement indicating that their businesses have increased the number of their customers while the same number of respondents (n=183, 36.6%) were neutral with their responses to the statement. Additionally, a sizeable number of the respondents (n=91, 18.2%) showed strong agreement with the statement while smaller numbers of the respondents (n=35, 7.0%) and (n=8, 1.6%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business has achieved increased customer base” is $X=3.63$ with a standard deviation of $SD=0.91$ revealing that small businesses in Ghana possibly are having increase in the number of their customers.

The respondents were also expected to respond to the extent to which their business were experiencing increase in the level of the employee commitment. The responses obtained were analysed and the following are the results that came out of the analysis conducted: A vast number

of the respondents (n=201, 30.2%) agreed that the level of employee commitment in their businesses have increased while an equally large number of the respondent (n=185, 37.0%) indicated neutrality in their responses to the statement posed. A smaller number of the respondent (n=71, 13.2%) indicated strong agreement while few of the respondents (n=33, 6.6%) and (n=10, 2.0%) showed disagreement and strong disagreement respectively with the statement that the level of employee commitment in their businesses have increased. The mean of the responses to the statement “the business has achieved employee commitment” is $X=3.58$ with a standard deviation of $SD=0.88$ indicate agreement with the statement revealing that possibly small businesses in Ghana are experiencing increases in their employee commitment.

The fifth growth of the business variable that was assessed was the statement “the business has achieved increased sustainability. The responses as analysed produced the following results: a larger number of the respondent (n=203, 40.6%) agreed that their businesses have achieved increased sustainability while a sizeable number of the respondents (n=160, 32.0%) were neutral in their responses. A relatively small number of the respondents (n=83, 16.6%) strongly agreed with the statement posed while few of the respondents (n=45, 9.0%) and (n=9, 1.8) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business has achieved increased sustainability” is $X=3.61$ with a standard deviation of $SD=0.93$ indicate an agreement with the statement revealing that small businesses are increasing their sustainability level.

The last growth of the business variable assessed was the statement “the business has achieved productivity”. The following are the analysed results of the responses received from the respondents of the study: the largest number of the respondents (n=188, 37.6%) were neutral in their responses while another large number of the respondents (n=178, 35.6%) agreed with the statement that their businesses have attained increased productivity. A relatively smaller number of the respondents (n=95, 19.0%) strongly agreed with the statement posed. The remaining numbers of the respondents (n=29, 5.8%) and (n=10, 2.0%) disagreed and strongly disagreed respectively with the statement that their businesses have achieved increased productivity. The mean of the responses to the statement “the business has achieved increased productivity” is $X=3.64$ with a standard deviation of $SD=0.92$ indicates agreement with the statement revealing that small businesses in Ghana are possibly achieving increased productivity in their operation.

6.6 Inferential Analysis of research data

This segment of the research covers the inferential analysis of the data gathered and addresses mainly study objectives five and six.

6. 6.1 The Relationship between Management practices in small businesses and the growth of small businesses

Under this subsection the connection between management practices and different dimensions of small business growth is assessed through the estimation of the Spearman's correlation coefficient.

6.6.1.1 Relationship between operation-efficiency-focused management practices indices and growth of small business indices

This sub-section addresses the results of the analyzed relationship between operation-efficiency-focused management practices indices and growth of small business indices

Table 6.23: Correlation matrix of operation-efficiency-focused management practices indices and Growth of small business indices

	1	2	3	4	5	6	7	8	9
1	1								
2	0.244** (0.000)	1							
3	0.110* (0.014)	0.261** (0.000)	1						
4	0.025 (0.577)	-0.034 (0.453)	0.016 (0.725)	1					
5	0.005 (0.915)	-0.039 (0.386)	0.042 (0.351)	0.549** (0.000)	1				
6	0.007 (0.869)	-0.024 (0.586)	0.052 (0.244)	0.362** (0.000)	0.461** (0.000)	1			
7	0.077 (0.084)	0.032 (0.476)	0.004 (0.933)	0.278** (0.000)	0.305** (0.000)	0.449** (0.000)	1		
8	0.006 (0.902)	0.047 (0.292)	0.007 (0.875)	0.221** (0.000)	0.235** (0.000)	0.313** (0.000)	0.399** (0.000)	1	
9	0.036 (0.422)	-0.010 (0.818)	-0.014 (0.757)	0.193** (0.000)	0.202** (0.000)	0.185** (0.000)	0.325** (0.000)	0.422** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Operation-efficiency-focused management practices

1. The business implements modern work practices
2. The business practices and techniques are aimed at cost and quality improvement
3. The business activities and processes ensure continuous improvement

Growth of business indices

4. The business profit is increasing as expected
5. The business revenue is increasing as expected
6. The business has achieved increased customer base
7. The business has achieved increased employee commitment
8. The business has achieved increased sustainability
9. The business has achieved increased productivity

Source: Field survey results, 2020

Table 6.23 presents a spearman correlation matrix of operation-focused management practices indices and growth of small businesses indices.

From table 6.23 it is evident that the first operation-efficiency -focused management practice “the business implements modern work practices “ is not significantly associated with all of the indices of the growth of the small business.

The second operation-efficiency-focused management practice “the business practices and techniques are aimed at cost and quality improvement” is also not significantly associated with all the growth of the small business indices.

The third operation-efficiency-focused management practice “the business activities and processes ensure continuous improvement “is also not significantly associated with all of the growth of the small business indices as shown in table 6.23.

6.6.1.2 Relationship between monitoring-focused management practices indices and growth of small businesses indices

This sub-section addresses the results of the analyzed relationship between monitoring-focused management practices indices and growth of small business indices

Table 6.24: Correlation matrix of Monitoring-focused management practices indices and Growth of small business indices

	1	2	3	4	5	6	7	8	9
1	1								
2	0.220** (0.000)	1							
3	0.131** (0.003)	0.269** (0.000)	1						
4	-0.001 (0.982)	0.039 (0.390)	0.059 (0.191)	1					
5	0.059 (0.186)	0.066 (0.143)	0.118** (0.008)	0.549** (0.000)	1				
6	0.013 (0.773)	0.057 (0.202)	0.116** (0.009)	0.362** (0.000)	0.461** (0.000)	1			
7	0.020 (0.654)	0.123** (0.006)	0.093* (0.037)	0.278** (0.000)	0.305** (0.000)	0.449** (0.000)	1		
8	0.063 (0.162)	0.079 (0.077)	0.069 (0.125)	0.221** (0.000)	0.235** (0.000)	0.313** (0.000)	0.399 (0.000)	1	
9	-0.006 (0.894)	0.048 (0.285)	0.073 (0.105)	0.193** (0.000)	0.202** (0.000)	0.185** (0.000)	0.325** (0.000)	0.422** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Monitoring-focused management practices

- 1 The business performance is constantly monitored and communicated to employees.
- 2 The business reviews performance constantly to ensure continuous improvement
- 3 Organizational and employee performance are communicated to employees and management

Growth of business indices

- 4 The business profit is increasing as expected
- 5 The business revenue is increasing as expected
- 6 The business has achieved increased customer base
- 7 The business has achieved increased employee commitment
- 8 The business has achieved increased sustainability
- 9 The business has achieved increased productivity

Source: Field survey results, 2019

Table 6.24 presents a spearman correlation matrix of monitoring-focused management practices indices and growth of small businesses indices. From the table 6.24 the spearman test results indicate that some of the monitoring-focused management practices are significantly associated

with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the monitoring-focused management practices that were found to be significantly associated with the growth of business indices:

Item 2- “the business reviews performance constantly to ensure continuous improvement” is found to be significantly associated with the growth of the business indices below:

- Item 7 – “the business has achieved increased employee commitment ($\rho=0.123$, $p<0.01$)

Item 3 – “organization and employee performance are communicated to employee and management” is found to be significantly associated with the following growth of the business indices below:

- Item 5- “the business revenue is increasing as expected” ($\rho=0.118$, $p<0.01$)
- Item 6- “the business has achieved increased customer base” ($\rho=0.116$, $p<0.01$)
- Item 7- “the business has achieved increased employee commitment ($\rho=0.093$, $p<0.05$)

6.6.1.3 Relationship between targeting-focused management practices indices and growth of small business indices

This sub-section addresses the results of the analyzed relationship between targeting-focused management practices indices and growth of small business indices

Table 6.25: Correlation matrix of Targeting-focused management practices indices and Growth of small business indices

	1	2	3	4	5	6	7	8	9	10	11	12
1	1											
2	0.127** (0.004)	1										
3	0.077 (0.086)	0.434** (0.000)	1									
4	0.079 (0.078)	0.415** (0.000)	0.417** (0.000)	1								
5	0.052 (0.248)	0.365** (0.000)	0.357** (0.000)	0.385** (0.000)	1							
6	0.027 (0.544)	0.150** (0.001)	0.103* (0.021)	0.244** (0.000)	0.318** (0.000)	1						
7	0.004 (0.937)	0.163** (0.000)	0.127** (0.004)	0.206** (0.000)	0.174** (0.000)	0.125** (0.005)	1					
8	0.096* (0.032)	0.210** (0.00)	0.147** (0.001)	0.177** (0.000)	0.101* (0.024)	0.046 (0.309)	0.549** (0.000).	1				
9	0.026 (0.569)	0.197** (0.000)	0.168** (0.000)	0.214** (0.000)	0.164** (0.000)	0.028 (0.527)	0.362** (0.000)	0.461** (0.000)	1			
10	0.078 (0.081)	0.114* (0.011)	0.090* (0.044)	0.160** (0.000)	0.140** (0.002)	0.070 (0.118)	0.278** (0.000)	0.305** (0.000)	0.449** (0.000)	1		
11	0.143** (0.001)	0.084 (0.060)	0.114* (0.011)	0.052 (0.241)	0.101* (0.023)	0.010 (0.815)	0.22** (0.000)1	0.235** (0.000)	0.313** (0.000)	0.399* * (0.000)	1	
12	0.096* (0.032)	0.016 (0.722)	0.096* (0.033)	0.075 (0.093)	0.093* (0.038)	0.084 (0.062)	0.193** (0.000)	0.202** (0.000)	0.185** (0.000)	0.325* * (0.000)	0.422** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Targeting-focused management practices

1. The business punishes bad performers and reward good performers effectively
2. The business sets both financial and non-financial goals.
3. The business goals are linked with employee goals
4. The business short-term goals influence the achievement of long-term goals.
- 5 The business set challenging and exerting goals
6. The business set performance measures and communicate to employees.

Growth of business indices

7. The business profit is increasing as expected
8. The business revenue is increasing as expected
9. The business has achieved increased customer base
10. The business has achieved increased employee commitment
11. The business has achieved increased sustainability
12. The business has achieved increased productivity

Source: Field survey results, 2020

Table 6.25 presents a spearman correlation matrix of Targeting-focused management practices indices and growth of business indices. From the table 6.25 the spearman test results indicate that some of the targeting-focused management practices are significantly associated with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the targeting-focused management practices that were found to be significantly associated with the growth of business indices:

Item 1- “the business punishes bad performers and reward good performers effectively” is significantly associated with the following growth of business indices:

- Item 8- “the business revenue is increasing as expected” ($\rho=0.096$, $p<0.05$)
- Item 11- “the business has achieved increased sustainability” ($\rho=0.143$, $p<0.01$)
- Item 12 – “the business has achieved increased productivity” ($\rho=0.096$, $p<0.05$)

Item 2- “the business sets both financial and non-financial goal” is significantly associated with the following growth of business indices:

- Item 7- “the business profit is increasing as expected” ($\rho=0.163$, $p<0.01$)
- Item 8 – “the business revenue is increasing as expected” ($\rho=0.210$, $p<0.01$)
- Item 9 – “the business has achieved increased customer base ($\rho=0.197$, $p<0.01$)
- Item 10 – “the business has achieved increased employee commitment ($\rho=0.114$, $p<0.05$)

Item 3- “the business goals are linked with employee goals” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.127$, $p<0.01$)
- Item 8 – “the business revenue is increasing as expected” ($\rho=0.147$, $p<0.01$)
- Item 9 – “the business has achieved increased customer base” ($\rho=0.168$, $p<0.01$)
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.090$, $p<0.05$)
- Item 11 – “the business has achieved increased sustainability” ($\rho=0.114$, $p<0.05$)
- Item 12 – “the business has achieved increased productivity” ($\rho=0.096$, $p<0.05$)

Item 4 – “the business short-term goals influence the achievement of long-term goals” is significantly associated with the following growth of business indices.

- Item 7 – “the business profit is increasing as expected” ($\rho=0.206$, $p<0.01$)
- Item 8 – “the business revenue is increasing as expected “($\rho=0.177$, $p<0.01$)
- Item 9 – “the business has achieved increase (rho=d customer base” ($\rho=0.214$, $p<0.01$)
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.160$, $p<0.01$)

Item 5 – “the business set challenging and exerting goals” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected”. ($\rho=0.174$, $p<0.01$)
- Item 8 – “the business revenue is increasing as expected “. ($\rho=0.101$, $p<0.05$)
- Item 9 – “the business has achieved increased customer base “. ($\rho=0.164$, $p<0.01$)
- Item 10 – “the busiss has achieved increased employee commitment”. ($\rho=0.140$, $p<0.01$)

- Item 11 – “the business has achieved increased sustainability”. ($\rho=0.101$, $p<0.05$)
- Item 12 – “the business has achieved increased productivity “. ($\rho=0.093$, $p<0.05$)

Item 6 – “the business set performance measures and communicate to employees” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected “. ($\rho=0.126$, $p<0/01$)

6.6.1.4 Relationship between incentive-focused management practices indices and growth of small businesses indices

This sub-section addresses the results of the analyzed relationship between incentive-focused management practices indices and growth of small business indices

Table 6.26: Correlation matrix of Incentive-focused management practices indices and Growth of small business indices

	1	2	3	4	5	6	7	8	9	10	11	12
1	1											
2	0.173** (0.000)	1										
3	0.060 (0.182)	0.156** (0.000)	1									
4	0.055 (0.221)	0.068 (0.127)	0.366** (0.000)	1								
5	-0.047 (0.292)	0.063 (0.159)	0.245** (0.000)	0.348** (0.000)	1							
6	0.096* (0.033)	0.097* (0.030)	0.086 (0.056)	0.201** (0.000)	0.259** (0.000)	1						
7	-0.073 (0.104)	0.016 (0.718)	0.172** (0.000)	0.143** (0.001)	0.014 (0.752)	-0.007 (0.872)	1					
8	-0.056 (0.210)	-0.008 (0.866)	0.193** (0.000)	0.124** (0.005)	0.032 (0.470)	0.007 (0.882)	0.549** (0.000)	1				
9	-0.023 (0.612)	-0.010 (0.820)	0.058 (0.192)	0.131** (0.003)	0.010 (0.828)	-0.014 (0.753)	0.362** (0.000)	0.461** (0.000)	1			
10	-0.034 (0.446)	0.042 (0.343)	0.107* (0.017)	0.090* (0.044)	-0.044 (0.327)	-0.001 (0.981)	0.278** (0.000)	0.305** (0.000)	0.449** (0.000)	1		
11	-0.034 (0.450)	-0.014 (0.756)	0.062 (0.169)	0.035 (0.429)	0.034 (0.454)	0.030 (0.498)	0.221** (0.000)	0.235** (0.000)	0.313** (0.000)	0.399**	1	
12	0.016 (0.714)	-0.029 (0.522)	0.119** (0.008)	0.046 (0.306)	0.074 (0.098)	0.036 (0.425)	0.193** (0.000)	0.202** (0.000)	0.185** (0.000)	0.325** (0.000)	0.422** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Incentive-focused management practices

1. The business encourages managers to employ talented people and develop their talent.
2. The business pays employees based on performance
3. The business sacks consistently poor performing employees.
4. The business promotes employees based on performance
5. The business does everything possible to attract good and talented people.
6. The business does everything to retain and maintain talented employee

Growth of business indices

7. The business profit is increasing as expected
8. The business revenue is increasing as expected
9. The business has achieved increased customer base
10. The business has achieved increased employee commitment
11. The business has achieved increased sustainability
12. The business has achieved increased productivity

Source: Field survey results, 2020

Table 6.26 presents a spearman correlation matrix of incentive-focused management practices indices and growth of business indices. From the table 6.26 the spearman test results indicate that some of the incentive-focused management practices are significantly associated with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the incentive-focused management practices that were found to be significantly associated with the growth of business indices:

Item 3 - “The business sacks consistently poor performing employees.” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.172$, $p<0.01$)
- Item 8 - “the business revenue is increasing as expected” ($\rho=0.193$, $p<0.01$)
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.107$, $p<0.05$)

- Item 12 – “the business has achieved increased productivity” ($\rho=0.119$, $p<0.01$)

Item 4 - “The business promotes employees based on performance” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.143$, $p<0.01$)
- Item 8 – “the business revenue is increasing as expected” ($\rho=0.124$, $p<0.01$)
- Item 9 - “the business has achieved increased customer base” ($\rho=0.131$, $p<0.01$)
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.090$, $p<0.05$)

6.6.2 The Relationship between Management practices and Competitive advantage enjoyed by small businesses

This sub-section addresses the sixth objective which is the association between different management practices and various dimensions of competitive advantage enjoyed by small firms.

6.6.2.1 Relationship between operation-efficiency-focused management practice indices and competitive advantage indices

This sub-section addresses the results of the analyzed relationship between operation-efficiency-focused management practices indices and competitive advantage indices

Table 6.27: Correlation matrix of operation-efficiency-focused management practices indices and Competitive advantage indices.

	1	2	3	4	5	6	7
1	1						
2	0.244** (0.000)	1					
3	0.110* (0.014)	0.261** (0.000)	1				
4	0.092* (0.041)	-0.048 (0.282)	0.016 (0.715)	1			
5	0.090* (0.044)	-0.010 (0.822)	0.020 (0.663)	0.383** (0.000)	1		
6	0.114* (0.011)	0.021 (0.632)	0.076 (0.089)	0.206** (0.000)	0.273** (0.000)	1	
7	0.092* (0.040)	0.009 (0.832)	0.073 (0.102)	0.115* (0.010)	0.214** (0.000)	0.265** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Operation-efficiency-focused management practices

1. The business implements modern work practices.
2. The business practices and techniques aim at cost and continuous improvement.
3. The business activities and processes ensure continuous improvement

Competitive advantage indices

4. The business serves customers better than competitors
5. The products of the business are superior to that of competitors
6. Customer prefer to deal with the business than with competitors
7. The business has better cost structure than competitors

Source: Field survey results, 2020

Table 6.27 presents a spearman correlation matrix of operation-efficiency-focused management practices indices and competitive advantage indices. From the table 6.27 the spearman test results indicate that some of the operation-efficiency-focused management practices are significantly associated with some of the indices of competitive advantage of the business at 0.05 and 0.01 significant levels. Below is the list of the operation-efficiency-focused management practices that were found to be significantly associated with the competitive advantage indices:

Item 1- “the business implements modern work practices” was found to be significantly associated with the following competitive advantage indices:

- Item 4- “the business serves customers better than competitor”. ($\rho=0.092$, $p<0.05$)
- Item 5 – “the products of the business are superior to that of competitors”. ($\rho=0.090$, $p<0.05$)
- Item 6 – “customers prefer to deal with the business than with competitors”. ($\rho=0.114$, $p<0.05$)
- Item 7 – “the business has better cost structure than competitors”. ($\rho=0.092$, $p<0.05$)

6.6.2.2 Relationship between monitoring-focused management practice indices and competitive advantage indices.

This sub-section addresses the results of the analyzed relationship between monitoring-focused management practices indices and competitive advantage indice.

Table 6.28: Correlation matrix of Monitoring-focused management practices indices and Competitive advantage enjoyed by small business indices

	1	2	3	4	5	6	7
1	1						
2	0.220** (0.000)	1					
3	0.131** (0.003)	0.269** (0.000)	1				
4	0.127** (0.004)	0.050 (0.265)	0.138** (0.002)	1			
5	0.103* (0.021)	0.119** (0.008)	0.191** (0.000)	0.383**	1		
6	-0.003 (0.948)	0.042 (0.351)	0.078 (0.081)	0.206** (0.000)	0.273** (0.000)	1	
7	0.023 (0.603)	0.007 (0.875)	0.165** (0.000)	0.115* (0.010)	0.214** (0.000)	0.265** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Monitoring-focused management practices

1. The business performance is constantly monitored and communicated to employees
2. The business reviews performance constantly to ensure continuous improvement
3. Organization and employee performance are communicated to employees and management

Competitive advantage indices

4. The business serves customers better than competitors
5. The products of the business are superior to that of competitors
6. Customer prefer to deal with the business than with competitors
7. The business has better cost structure than competitors

Source: Field survey results, 2020

Table 6.28 presents a spearman correlation matrix of monitoring-focused management practices indices and competitive advantage indices. From the table 6.28 the spearman test results indicate that some of the monitoring-focused management practices are significantly associated with some of the competitive advantage indices of the business at 0.05 and 0.01 significant levels. Below is the list of the monitoring-focused management practices that were found to be significantly associated with the competitive advantage indices:

Item 1- “the business performance is constantly monitored and communicated to employees” was found to be significantly associated with the following competitive advantage indices of businesses below:

- Item 4 – “the business serves customers better than competitors”. ($\rho=0.127$, $p<0.01$)
- Item 5 – “the products of the business are superior to that of competitors”. ($\rho=0.103$, $p<0.05$)

Item 2 – “the business reviews performance constantly to ensure continuous improvement” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 5 – “the products of the businesses are superior to that of competitors”. ($\rho=0.119$, $p<0.01$)

Item 3 – “organization and employee performance are communicated to employees and management” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 4 – “the business serves customers better than competitors”. ($\rho=0.138$, $p<0.01$)
- Item 5 – “the product of the business are superior to that of competitors”. ($\rho=0.191$, $p<0.01$)

6.6.2.3 Relationship between targeting-focused management practice indices and competitive advantage indices

This sub-section addresses the results of the analyzed relationship between targeting-focused management practices indices and competitive advantage indices

Table 6.29: Correlation matrix of Targeting-focused management practices indices and Competitive advantage enjoyed by small business indices

	1	2	3	4	5	6	7	8	9	10	11	12
1	1											
2	0.127**	1										
3	0.077 (0.086)	0.434** (0.000)	1									
4	0.079 (0.078)	0.415** (0.000)	0.417** (0.000)	1								
5	0.052 (0.248)	0.365** (0.000)	0.357** (0.000)	0.385** (0.000)	1							
6	0.027 (0.544)	0.150** (0.001)	0.103* (0.021)	0.244** (0.000)	0.318** (0.000)	1						
7	0.003 (0.944)	0.092* (0.040)	0.066 (0.141)	0.072 (0.107)	0.069 (0.122)	0.070 (0.120)	1					
8	0.099* (0.027)	0.070 (0.115)	0.030 (0.499)	0.016 (0.174)	0.049 (0.277)	0.042 (0.347)	0.383** (0.000)	1				
9	0.095* (0.034)	0.104* (0.021)	0.050 (0.262)	0.077 (0.085)	0.007 (0.884)	0.054 (0.232)	0.206** (0.000)	0.273** (0.000)	1			
10	0.148** (0.001)	0.042 (0.343)	0.019 (0.676)	0.066 (0.139)	0.036 (0.417)	0.061 (0.174)	0.115* (0.010)	0.214** (0.000)	0.265* * (0.000)	1		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Targeting-focused management practices

1. The business Punishes bad performers and reward good performers effectively
2. The business sets both financial and non-financial goals
3. The business goals are linked with employee goals
4. The business short-term goals influence the achievement of long-term goals
5. The business set challenging and exerting goals.
6. The business set performance measures and communicate to employee

Competitive advantage indices

7. The business serves customers better than competitors
8. The products of the business are superior to that of competitors
9. Customer prefer to deal with the business than with competitors
10. The business has better cost structure than competitor

Source: Field survey results, 2019

Table 6.29 presents a spearman correlation matrix of Targeting-focused management practices indices and competitive advantage indices of the business. From the table 6.29 the spearman test results indicate that some of the targeting-focused management practices are significantly associated with some of the competitive advantage indices of the business at 0.05 and 0.01 significant levels. Below is the list of the targeting-focused management practices that were found to be significantly associated with the competitive advantage indices of the business:

Item 1 – “the business punishes bad performers and reward good performers effectively” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 8 – “the products of the business are superior to that of competitors”. ($\rho=0.099$, $p<0.05$)
- Item 9 – “customers prefer to deal with the business than with competitors”. ($\rho=0.095$, $p<0.05$)
- Item 10 – “the business has better cost structure than competitors”. ($\rho=0.148$, $p<0.01$)

Item 2 – “the business sets both financial and non-financial goals” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 7 – “the business serves customers better than competitors”. ($\rho=0.092$, $p<0.05$)
- Item 9 – “customers prefer to deal with the business than with competitors”. ($\rho=0.104$, $p<0.05$)

6.6.2.4 Relationship between Incentive-focused management practice indices and competitive advantage indices

This sub-section addresses the results of the analyzed relationship between incentive-focused management practices indices and competitive advantage indices

Table 6.30: Correlation matrix of Incentive-focused management practices indices and Competitive advantages enjoyed by small business indices

	1	2	3	4	5	6	7	8	9	10
1	1									
2	0.173* (0.000)	1								
3	0.060 (0.182)	0.156** (0.000)	1							
4	0.055 (0.221)	0.068 (0.127)	0.366**	1						
5	-0.047 (0.292)	0.063 (0.159)	0.245** (0.000)	0.348** (0.000)	1					
6	0.096* (0.033)	0.097* (0.030)	0.086 (0.056)	0.201** (0.000)	0.259** (0.000)	1				
7	-0.020 (0.660)	0.026 (0.569)	0.174** (0.000)	0.043 (0.342)	0.104* (0.000)	0.052 (0.246)	1			
8	0.053 (0.237)	0.108* (0.015)	0.133** (0.003)	0.087 (0.053)	0.065 (0.146)	0.118** (0.009)	0.383** (0.000)	1		
9	-0.035 (0.437)	0.096* (0.033)	0.155** (0.001)	0.061 (0.174)	0.182** (0.000)	0.089* (0.046)	0.206** (0.000)	0.273** (0.000)	1	
10	0.070 (0.117)	0.134** (0.003)	0.153** (0.001)	0.047 (0.292)	0.145** (0.001)	0.166** (0.000)	0.115* (0.010)	0.214** (0.000)	0.265** (0.000)	1

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Key

Incentive-focused management practices

1. The business encourages managers to employ talented people and develop their talent
2. The business pays employees based on performance
3. The business sacks consistently poor performing employee
4. The business promotes employees based on performance.
5. The business does everything possible to attract good and talented people.
6. The business does everything possible to retain and maintain talented employee

Competitive advantage indices

7. The business serves customers better than competitors
8. The products of the business are superior to that of competitors
9. Customer prefer to deal with the business than with competitors
10. The business has better cost structure than competitors

Source: Field survey results, 2020

Table 6.30 presents a spearman correlation matrix of incentive-focused management practices indices and competitive advantage indices of the business. From the table 6.30 the spearman test results indicate that some of the incentive-focused management practices indices are significantly associated with some of the competitive advantage indices of the business at 0.05 and 0.01 significant levels. Below is the list of the incentive-focused management practices indices that were found to be significantly associated with the competitive advantage indices of the business:

Item 2 – “the business pays employees based on performance” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 8 – “the products of the business are superior to that of competitors”. ($\rho=0.108$, $p<0.05$)
- Item 9 – “customers prefer to deal with the business that with competitors”. ($\rho=0.096$, $p<0.05$)
- Item 10 – “the business has better cost structure than competitors”. ($\rho=0.134$, $p<0.01$)

Item 3 – “the business sacks consistently poor performing employees” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 7 – “the business serves customers better than competitors”. ($\rho=0.174$, $p<0.01$)
- Item 8 – “the products of the business are superior to that of the competitor”. ($\rho=0.133$, $p<0.01$)
- Item 9 – customers prefer to deal with the business than with competitors”. ($\rho=0.155$, $p<0.01$)
- Item 10 – “the business has better cost structure than competitors”. ($\rho=0.153$, $p<0.01$)

Item 5 – “the business does everything possible to attract good and talented people” was found to be significantly associated with the following competitive advantage indices of businesses:

- Item 7 – “the business serves customers better than competitors”. ($\rho=0.104$, $p<0.05$).
- Item 9 – “customers prefer to deal with the business than with competitors” ($\rho=0.182$, $p<0.01$).
- Item 10 – “the business has better cost structure than competitors”. ($\rho=0.145$, $p<0.01$)

Item 6 – “the business does everything possible to retain and maintain talented employees” was found to be significantly associated with the following competitive advantage indices of businesses.

- Item 8 – “the products of the business are superior to that of competitors”. ($\rho=0.118$, $p<0.01$)
- Item 9 – “customers prefer to deal with the business than with competitors”. ($\rho=0.089$, $p<0.05$)
- Item 10 – “the business has better cost structure than competitors”. ($\rho=0.166$, $p<0.01$)

6.7 Hypothesis Testing

This section reports on the results of the hypotheses testing in the study leading to the acceptance or rejection of the stated hypothesis in this study. To be able to test the hypotheses component values were first calculated for each of the variables.

6.7.1 Hypothesis 1: There is a statistically significant association between Operation-efficiency-focused management practices and growth of small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how operation-efficiency-focused management practices is associated with the growth of the firm.

Table 6.31: Spearman correlation between operation-efficiency-focused management practices and growth of small businesses.

	N	Spearman rho	P
Operation-efficiency-focused management practice	500	0.011	0.803
Growth of small business	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.31 the Spearman test carried out indicates that there is no significant relationship between operation-efficiency-focused management practices and growth of small businesses ($\rho=0.011$, $p>0.05$). From the findings hypothesis 1 rejected.

6.7.2 Hypothesis 2: There is a statistically significant association between Monitoring-focused management practices and growth of small businesses in Ghana

Below are the results of the analysis of the responses of the respondents on how monitoring-focused management practices is associated with the growth of the firm.

Table 6.32: Spearman correlation between monitoring-focused management practice and growth of small business

	N	Spearman rho	P
Monitoring-focused management practices	500	0.122**	0.006
Growth of small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.32 the Spearman test carried out indicates that there is a significant relationship at 0.01 level between Monitoring-focused management practices and Growth of small business ($\rho=0.122$, $p<0.01$). From the findings the hypothesis 2 is accepted.

6.7.3 Hypothesis 3: There is a statistically significant association between Targeting-focused management practices and growth of small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how targeting-focused management practices is associated with the growth of the firm.

Table 6.33: Spearman correlation between targeting-focused management practice and growth of small business

	N	Spearman rho	P
Targeting-focused management practices	500	0.268**	0.000
Growth of small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.33 the Spearman test carried out indicate that there is a significant relationship at 0.01 level between Targeting-focused management practices and Growth of small businesses ($\rho=0.268$, $p<0.01$). From the findings the Hypothesis 3 is accepted.

6.7.4 Hypothesis 4: There is a statistically significant association between Incentive-focused management practices and growth of small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how incentive-focused management practices is associated with the growth of the firm.

Table 6.34: Spearman correlation between incentive-focused management practice and growth of small businesses

	N	Spearman rho	P
Incentive-focused management practices	500	0.091*	0.042
Growth of small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.34 there is a significant relationship at 0.05 level between Incentive-focused management practices and Growth of small business ($\rho=0.091$, $p<0.05$). From the findings Hypothesis 4 is accepted

6.7.5 Hypothesis 5: There is a statistically significant association between Operation-efficiency-focused management practices and competitive advantage enjoyed by small businesses in Ghana

Below are the results of the analysis of the responses of the respondents on how operation-efficiency-focused management practices is associated with the competitive advantages of small businesses.

Table 6.35: Spearman correlation between operation-efficiency-focused management practice and competitive advantages of small businesses

	N	Spearman rho	P
Operation-efficiency-focused management practices	500	0.118**	0.008
Competitive advantage enjoyed by small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.35 there is a significant relationship at 0.01 level between Operation-efficiency-focused management practices and Competitive advantage of small businesses ($\rho=0.118$, $p<0.01$). From the finding Hypothesis 5 is accepted.

6.7.6 Hypothesis 6: There is a statistically significant association between Monitoring-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how monitoring-focused management practices is associated with the competitive advantages of small businesses.

Table 6.36: Spearman correlation between monitoring-focused management practices and competitive advantages of small businesses

	N	Spearman rho	P
Monitoring-focused management practices	500	0.197**	0.000
Competitive advantage enjoyed by small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.36 there is a significant relationship at 0.01 level between Monitoring-focused management practices and Competitive advantages of small business ($\rho=0.197$, $p<0.01$). From the finding Hypothesis 6 is accepted.

6.7.7 Hypothesis 7: There is a statistically significant association between Targeting-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how targeting-focused management practices is associated with the competitive advantages of small businesses.

Table 6.37: Spearman correlation between targeting-focused management practices and competitive advantages of small businesses.

	N	Spearman rho	P
Targeting-focused management practices	500	0.149**	0.001
Competitive advantage enjoyed by small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.37 there is a significant relationship at 0.01 level between Targeting-focused management practices and Competitive advantages of small businesses. From the findings Hypothesis 7 is accepted.

6.7.8 Hypothesis 8: There is a statistically significant association between Incentive-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

Below are the results of the analysis of the responses of the respondents on how incentive-focused management practices is associated with the competitive advantages of small businesses.

Table 6.38: Spearman correlation between incentive-focused management practices and competitive advantages of small businesses

	N	Spearman rho	P
Incentive-focused management practices	500	0.236**	0.000
Competitive advantage enjoyed by small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.38 there is a significant relationship at 0.01 level between Incentive-focused management practices and Competitive advantages of small businesses ($\rho=0.236$, $p<0.01$). From the findings Hypothesis 8 is accepted.

6.7.9 Hypothesis 9: There is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses

Below are the results of the analysis of the responses of the respondents on how competitive advantages of small businesses is associated with the growth of small businesses.

Table 6.39: Spearman correlation between competitive advantages enjoyed by small businesses and the growth of small businesses

	N	Spearman rho	P
Competitive advantages enjoyed by small businesses	500	0.102*	0.022
Growth of small businesses	500		

** correlation is significant at 0.01 (2-tailed)

* correlation is significant at 0.05 (2-tailed)

Source: Field survey results, 2020

As evident in Table 6.39 there is a significant relationship at 0.01 level between competitive advantages of small businesses and Growth of small businesses ($r=0.102$, $p<0.01$). From the findings Hypothesis 9 is accepted.

6.8 Analysis of qualitative data

This part covers the analysis of the qualitative data gathered through the interview of 10 owner-managers in the Kumasi metropolis. The participants were purposively selected to be interviewed based on their willingness to take part in the interviews and also their ability to provide key information relevant to the study. The interview schedule prepared for the research guided the investigator in the conduct of the study to collect the needed qualitative data. The data gathered during the interviews related to the following issues: Management practices in small businesses; Strategic planning implementation in small businesses and measure for improving management practices. Below is the demographic summary of the participants in the interview:

Table 6.40 Demographic Profile of the Participants interviewed

Participants	Gender	Age	Position
1	Female	26	Owner Manager
2	Male	32	Owner Manager
3	Female	35	Owner Manager
4	Male	30	Owner Manager
5	Female	42	Owner Manager
6	Female	38	Owner Manager
7	Female	29	Owner Manager
8	Female	43	Owner Manager
9	Male	44	Owner Manager
10	Male	37	Owner Manager

Source: Researcher's computation, 2020

In the analysis of the data assembled through the interviews the questions in the interview guide formed the basis of extracting the themes/headings and sub-theme/sub-heading. In the interviews, the owner-managers were given ample time to articulate their views with respect to the questions raised. This aspect of the research provides the analysis of the qualitative data gathered in the study.

6.8.1 Nature of Management practices among small businesses in Ghana.

The heading is taken out from Section A of the interview guide. The section inquired to identify and understand the management practices that are applicable to small businesses in Ghana. This section sought to tackle the first objective of the research. In this section, the main question was asked to solicit the views of the owner-managers on the daily management of their firms. From

the responses that were given, probing questions were posed for clarification and also gave the chance to address relevant aspects of the management practices that take place in their small businesses.

(a) The reality of day-to-day management of small businesses.

This heading was extracted from the main question that was posed from section A of the interview guide. The question was intended to solicit from the participants about how the day-to-day management of their businesses were, and their appreciation of what it takes to manage a small business on a daily basis. Most of the participants indicated that, they solely make decisions on what should be done every day of the week and that a lot of activities are not planned ahead of time. It was also indicated by a sizeable number of the participants that managing a small business is a very difficult and lonely undertaken. After asking the main question, probing questions were also asked. The following were several comments made by the participants under the main question of Section A of the interview guide.

Participant 2

“I decide on how my business is managed on a daily basis. Everyday I look at my business, how things are going and decide what to do for the day.”

This participant indicated that, the daily management of the business was his responsibility and that there was not any structured way of managing his business. For him the day determines what ought to be done. To him deciding in advance how to manage his business is counterproductive since the days are unpredictable.

Participant 4

“Managing your own business is very difficult and a lonely journey with few friends”

This participant was of the view that the burden of making all the decisions and solving all the difficult problems in his business makes running a small business a very difficult undertaken. To him, nobody is there to assist a small business owner in times of difficulty and on daily basis. The statement indicates that, small businesses suffer if their owner/managers are not able to effectively deal with the daily problems of the small business. Such a situation links precariously the well-

being of the small firm to the capacity of the small firm owner or administrator to deal with the daily challenges of the business.

Participant 3

“Managing a small business is like taking care of a child. You don’t know what will happen in a day. The child can fall sick, run unto the road and get hit by a car or just swallow something silly and you have to take him to the hospital. You just do not know what will happen in each of the days of the week. You have to prepare for everything possible”

The participant indicated passionately the unpredictable nature of managing a small business and asserted that it makes running a small business difficult. The situation indicates that, planning for a small business is difficult since number of factors dictate what a small business owner or manager would have to do on a daily basis.

(b)Implementing modern work practices in small business

This heading comes from the first probing question asked under section A of the interview guide. The purpose of the inquiry was to find out if small businesses in Ghana implement modern work practices. The responses to the question posed were mixed. While some of the participants indicated that, modern work practices were implemented in the businesses, a lot of them also indicated that, modern work practices were not implemented in their business. The following comments from the participants indicate their reactions to the questions posed:

Participants 1

“I do not implement any modern work practices in my business. I do not know much about them and even if I knew I don’t think they are necessary for my small business”

The statement indicates that, the small business owner does not have much knowledge about modern work practices and their worth in the management of the business. This means that, small businesses need to be introduced to modern work practices and that can be done through training programmes organized by small firm support agencies such as the National Board for Small Scale Industries. It is believed that, it is because of the lack of knowledge on modern work practices that some small business owners do not consider them to be necessary for their firms.

Participant 6

“I know all that it takes to manage my business and the book ideas are not needed in my business. The ideas and the skills needed for my business are in my head and experience.”

The statement indicates that, some small businesses believe that, they have all it takes to manage their organizations and that seeking for extra skills and knowledge from other places is not relevant. Small firm owners have to know that, there are more to effectively managing their firms than what they currently know and that knowledge and skills evolve. Also, it should be made clear that, small businesses do not necessarily need to make all the mistakes before they can acquire relevant knowledge to manage their businesses and that, it is better and reasonable to leverage on or learn from the experiences of others. It is also necessary to articulate that small businesses need to be taught some theoretical or analytical concepts that have proven to be relevant to the businesses their firms conduct and that can help them position their firms for more effectiveness.

Participant 2

“There is no better idea for making my business successful that cannot be gained through practical experience on the job”

The statement underscores small business owners’ reliance on their personal experiences in running the day to day operations of their firms. It should be noted that, though experiences gained from the business operation is relevant, those experiences can be augmented by proven modern practices that can increase the effectiveness and efficiency of small businesses. Also considering the fact that, the level of education of some small firm owners are limited , effort should be made by government and other private agencies responsible for providing support to small firms to increase the capacity of the businesses to adopt modern work practices and implement them. Unless such effort are put in place many small businesses would not be able to implement modern work practices.

Participant 8

“I have implemented new modern ideas in my business because, I have realized that, I cannot do the same things and expect different result. I have attended a number of training programmes where we were introduced to different work practices to make businesses more successful”.

Some participants indicated that, modern work practices were not needed in their businesses and thought those practices were for large and big organizations. This means that, for small business to appreciate the need to implement modern work practices, they should be persuaded to understand that the practices are as relevant to small businesses as they are to large organizations. From the responses given by the participants, it was realized that, for them to embrace new ideas and modern work practices, they have to be open-minded and receptive to new information. Notwithstanding the negative responses given on implementation of modern work practices some of the participants indicated implementing those practices. It was derived from the engagement that, the more the business owners were exposed the more the tendency to embrace new ideas or practices.

(c) Recruitment practices among small businesses

The heading was taken out from the second probing question that was asked under the section A of the interview guide. The main purpose of the inquiry was to elicit from the small business owners on how small firms recruit their employees. Most of the participants indicated that, they do not use formal recruitment and selection tools and that, most employees were engaged through referrals from family members and other personal social network. It was realized that recruitment in small businesses are mostly informal. That underscores the, “whom you know” system that is perceived to form the basis of getting employment in Ghana. That is without formidable relevant social network, prospective employees find it difficult to land employment in Ghana. The following were some statements made by the participants during the data gathering procedure.

Participant 3

“I employ my workers from the people I trust to provide me with good people”

The statement indicates that, trust is very important when small businesses employ people. For that reason the main source of engaging employees is through other family members and close friends. That is why in a lot of small businesses the employees tend to be family members or associates of family members. It could also be that, the inability of small firms to pay the ongoing market rates influences recruiting close family members. Some of the participants were also very much against the practice of recruiting family members and close associates.

Participants 4

“I will never employ a family member or a very close person I know because those people are more wicked than those you do not know”

The statement opposes the strategy of other small business owners of recruiting from family member and close associates. The participant disclosed that, employing family members and close contacts is counterproductive since the employees take their close relationship with the owner-manager for granted and misbehave. Also it was asserted that, employees that are close family members create conflict in the family through their negative practices. The situation in small businesses creates a situation where employees are not given proper employment contracts because of the family ties and the close proximity of the employer and the employee.

Participant 1

“When you want to employ people through the employment agencies, the cost involved is too much so I just go around asking people to refer me to people who need employment”

The statement by the participant highlights the financial situation small businesses go through that affect their ability to secure the right talent going through the required procedure. Though lack of financial resources has been cited in the literature as a major constraint faced by small businesses, acquiring the right employees is critical to the growth of the businesses and for that matter, businesses should be helped to locate and employ the right talent at affordable price. The government of Ghana through the Nation Builders Corp (NABCO) has created a scheme through which young graduates are supplied to businesses to help augment the human resources strength of firms thereby also helping reduce graduate unemployment. In this situation, there is a win-win situation between businesses and the government, reducing unemployment and also improving the vibrancy of targeted businesses.

Participant 8

“My business is such that, if I decides to employ people, I will find it difficult to pay them monthly. I therefore engage people who work for me and in exchange for that train them on the job to acquire the skills they can use in the future. There is what I call give and take arrangement in my business”

The statement still underscores the financial predicament small businesses experience in the management of their day to day operations. This indicates that, apprenticeship helps some small business in Ghana to fulfill the human resource requirement of their businesses.

(d) Ensuring employees perform as expected in small businesses

The heading was taken out from the third probing question that was asked under the section A of the interview guide. The question was aimed at gathering data on how small businesses ensure that their employees perform their duties as expected and also follow the laid down procedures in the organization. For businesses to achieve their objectives, it is very vital that employees engage in productive behaviours and avoid counter-productive behaviours and this can be achieved if everybody in the organization follows the laid down procedures and rules. The participants interviewed indicated that, broadly strict rules are set for employees and those that deviate consistently are punished. The following statements made by the participants represent their views on how they ensure that employees work as expected in their small businesses.

Participant 10

The first day somebody comes to work for me, I tell him or her the do and don'ts of the business and no deviation is allowed in this business"

The statement implies that, small businesses set rules for their employees that are expected to be followed. It was indicated through the interviews that, small businesses that do not set strict rules to be followed create in their firms a culture where employees do what they want impacting negatively on the performance of their organizations.

Participant 7

"I operate a no non-sense way of life in my business. If you cannot comply you should not apply and cannot work for me"

The statement implies that, small businesses are very much interested in employees maintaining high level of compliance to the rules and also working as expected. This situation as was made manifest in the interviews has created a situation where small businesses tend to experience high labour turnover. Though using punishment can go a long way to modify employee behaviour and achieve the expected performance, small businesses should be encouraged also to use

reinforcement which is also equally effective in achieving the required behaviour modification and performances.

Participant 5

“In this business what is important is performance and for that matter you cannot work here if you are not performing or working as expected”

The statement implies that, small businesses are very much concerned with performance and for that matter they are willing to sack any employee that make it difficult for the firm to achieve the expected level of performance. The situation in small businesses in Ghana as was indicated by the participants is that, they consistently have to generate enough revenue to ensure their survival and also be in position to meet salary /wage demands and for that matter any lack of performance on the part of employees create stress within the organization. The need to ensure performance should be the motivation for small businesses implementing modern work practices in their firms.

(e)How small business owners separate firm finances from personal finances

The heading was taken out from the fourth probing question posed from the section A of the interview guide. The intention of the question was to gather data on whether the financial matters of small businesses are separated from that of their owner-managers or key managers. From the questioning, it was realized that a lot of small businesses do not keep strict separation of personal and business finances. In most small businesses, the owners mostly are responsible for a lot of the financial invested in the business and that blurs personal and business financial issues. It therefore becomes very difficult for small businesses to effectively account for the financial resources of the business and have accurate assessment of business performance. The following statement as recounted by a participant indicates how financial resources are managed in small businesses.

Participant 1

“It is very difficult to separate my personal finances from that of my business because, I am the only source of money for my business and my business is the only source of my livelihood”

There statement above indicates that, small businesses because they frequently find it difficult to raise money from financial institutions rely on their owners for financial resource to finance their day to day operations. This makes it enormously difficult to separate business funds from that of the owners. The participants indicated that if they invested their private resources in their business,

it creates the justification for them also to use the resources of the business for their personal upkeep. The statement below from a participant throws more light on their perception when it comes to separation of business and personal resources

Participant 3

“When it comes to separation of business and personal finances the reality is more of the two arms taking care of each other”

The statement made by the participant vividly indicates that, there is more of a symbiotic relation when it comes to business and personal finances in small businesses. The owners-managers believe that, since they use their personal finances on their business they should also benefit personally from the business financial resources. Notwithstanding the situation, small business managers can be helped to separate their personal finances from that of their businesses. Business managers should consider money taken from their businesses as drawing that would have to be paid back and also consider money given to their businesses as capital injection or loans that have to be paid back. This will make it possible to accurately account for actual performance of the small businesses. Though a lot of the participants indicated that they do not separate personal and business finances, few of the participants indicated that they make the effort to separate their resources from that of the business.

Participant 6

“Though I do not keep a very complex counting record, I personally ensure that my personal finances do not mingle with that of the business”

The statement implies that, some owner-managers make the effort to ensure that they separate personal and business financial resources. It was stressed by the participants that, it is difficult to separate personal and business finances because of constant need for money to finance business operation coupled with the difficulty of raising finance from the financial institutions, since small businesses are considered risky to lend to.

(f) The nature of book keeping maintained by small businesses

This heading was extracted from the fifth probing question posed found on the section A of the interview guide. The intention of the question was to discover whether small businesses keep

proper book of accounts. A few of the participants indicated keeping proper books of accounts while majority of the participants made it clear that they do not keep proper records of their business activities. The statements made by the participants below indicate their views on how their businesses keep record of their business operations.

Participant 8

“I do not keep a lot of record on what I do in my business. What I am very much interested in is the sales I make for the day”

The statement indicates the lack of appreciation on the part of owner-managers of small firms of the need to properly record the expenditures and revenues of their businesses. It was realized from the interviews that, small businesses mostly do not appreciate that their sales are not the same as their profit and for that matter to know accurately their profit it is important to accurately record all their expenditures and revenues.

Participant 7

“I have a book for recording all monies I pay to people and also all monies I receive from people”

The statement indicates that, detailed records are not kept in a lot of small businesses. That could be the reason why small firms find it hard to obtain finances from financial institutions since they are not able to properly appraise the performance of their businesses. It is very necessary that, small businesses be helped to develop their capacity for record keeping which will go a long way to address other ancillary problems they face. Some small businesses though minute indicated that they kept comprehensive record of their activities.

Participant 10

“I have engaged the services of a trained person that help me to keep good records of business activities. I understood the importance of keeping records when I applied for loan from the bank. I did not get the loan because I could not produce record of my business operation”

The statement indicates that, small businesses would invest in keeping proper books of account if they are taught the benefits to be derived from properly accounting for their daily operations. It is advised that, training should be given to small firms on record keeping in addition to providing them with information on the benefits of keeping such records.

(g) How small businesses finance their growth

The heading was taken out from the sixth probing question under Section A of the interview guide for the study. The intention of the question was to gather data on how small businesses in Ghana finance their growth. From the data collected, it was found out that, most small businesses finance their growth through the financial contribution from the owners and also the reinvestment of profits made in the business. All the participants opined that, access to money was a key issue in growing their firms. Personal sources and reinvestment of earning were the most cited avenues for financing the growth of small businesses while some small businesses also indicated reliance on loans from the banks at a very high cost. Below is some verbatim presentation of statements made by the participants of the study indicating their opinions on sources of fund for pursuing the growth of the businesses.

Participant 3

“All the money to grow my business comes from me. Getting a loan from the bank can be likened to causing suicide, very dangerous”

The statement by the participant indicates that, small businesses are worried about the cost of borrowing from financial institutions in Ghana. Generally, it is a well-known fact that, interest rates in developing countries especially Ghana, is prohibitive and make businesses very uncompetitive compared to those in developed countries where interest rates are very low. Effort should be made to improve access to loans for small businesses at reasonable rate.

Participants 5

“I always fail to secure a loan from the banks for different reasons ranging from not having a collateral and my inability to produce accounts on my business operation”

The statement indicates that, some small businesses are hindered from securing support from the banks because of their inability to back their loan request with landed properties to serve as collateral. This problem of lack of collateral is most of the time solved with financial support from government support institutions that do not require collateral in providing financial support to small businesses. Example is financial support from MASLOC and NBSSI. Most of the time also, the governments of Ghana through various guarantee schemes motivate some banks to provide support to targeted businesses and through this request for collaterals are sometimes waived off.

It is believed that, if the economic situation in Ghana is improved the fundamentals can improve and for that matter lead to better access to fund on the part of small firms in the country

Participant 8

“I have from the beginning achieved the growth of my businesses through my own effort and also through financial support from my family”

The statement underscores the importance of family members in terms of the support they give to small business owners especially at the set-up stage of small businesses. Small businesses most of the time secure financial support from family members and close contacts and through this, a lot of small businesses have survived turbulent times as indicated by the participants in the study.

Participant 6

“Financial institutions are most of the time, all interested to help your business when you do not need them. They turn you down when you really need them especially at the beginning”

This statement was articulated by almost all the participants indicating their difficulty in securing financial support from financial institutions in Ghana. Mostly small businesses are considered to be risky to lend to and for that matter, banks and other financial organizations prefer rather to loan to fully established large-sized organizations that are considered to be relatively less risky.

(h) Succession planning among small businesses

The heading was taken out from the seventh probing question that was asked under section A of the interview guide for the research. The purpose of the question was to elicit from small firm owners their plan to ensure business continuation in their absence and also how decisions are made in their physical absence. Generally, the business owners' interviewed did not show a clear plan or strategy to ensure business continuity in their absence though a great deal of the participants indicated that, they were training their family members to take over the businesses in their absence. The finding from this study made clear the general believe that, small businesses in Ghana generally do not outlive their owners. To solve this problem, small businesses should be encouraged to formalize their operations and embark on measures to ensure that, businesses do not collapse in the absence of the owners. The following verbatim quotations illustrate the views of the participants interviewed on the measures put in place to ensure business continuity.

Participant 4

“I have genuinely not thought about what will happen to the business if, God forbid, I am no more”

The statement indicates that, many small businesses have no plan to ensure the survival of their firms in their absence. Actually, a lot of the participants indicated that, they have no plan in place for business continuity in their absence. Small business owners need to be trained on how they can put in place effective succession planning mechanism to ensure that, businesses do not collapse in the owners’ absence.

Participant 1

“I am doing the best that I can do now. What happens after my death is my back case”

The statement indicates the lack of appreciation on the part of some business operators to put in place measures to ensure smooth running of their business after their demise. Such business owners need to be taught to think not only about the present, but the future condition of their businesses.

Participant 7

“I have actively involved my children and believe they will take over the business and run it well in my absence”

The statement implies that, some small business owners expect their children to take over from them in their absence. To ensure that children of business owners do well in running the business in the future, there should be a formal plan to introduce them to all aspects of the business. This will give them better understanding of the business than just a superficial understanding of the business by just placing them at the top position without in-depth understanding of the whole business

(i) Performance measurement in small businesses

The heading was taken out from the eighth probing question posed in section A of the interview guide. The intention of the question was to gather data on how small businesses assess the performance of their employees and the people responsible for performance measurement. From the interviews, it was realized that, owner-managers are mostly responsible for performance

measurement. It was also found out that, simple targets are set for employees and strict compliance expected from the employees. The following are extracts of some of the statements made by the participants of the study.

Participant 9

“The business relies on daily sales and without that the business cannot survive. I set performance targets and expect that my workers to work hard to meet the goals set”

The statement indicates that, small businesses also focus on goal setting and that they follow the performance of employees to ensure goals are met. It was found from the research that, a lot of small firms are not aware of modern performance management tools and it is believed that, increasing their capacity on such practices can enhance the efficiency and effectiveness in performance management.

Participant 7

“I always ensure that, my employees are working and if they are not working, I might need to know why they deserve their pay”

The implication of the statement is that, the participants expect their employees to work for their pay and for that matter, there should be obvious contribution to the performance of the organization.

Participant 3

“I work together with my employees to set the targets for each month and after that, I expect every employee to meet set target if they want to continue to work for the business”

This statement emphasizes further small business owners’ reliance on employees achieving the expected level of performance. It should be stressed that, after target setting, small businesses should give their employees all the support needed to get the work done and through that achieve the required standard of performance.

(j) What happen to consistently bad performers in small businesses?

The heading was pulled out from the tenth probing question asked under section A of the interview guide. The intention of the question was to gather data on how small businesses deal with their

employees that consistently underperform. From the interview, it was realized that, small businesses are very brutal with their employees that consistently underperform. It was realized that, small businesses because of their precarious financial situation, rely on revenue generated daily by their employees. In this regard, lack of performance consistently on the part of employees is not tolerated. The following statements indicate how small businesses deal with their employees that do not perform as expected

Participant 4

“When my workers are lazy and do not achieve what I want them to achieve, what I do is that, I let them go and employ other people”

The statement indicates that, small business owners do not keep employees for a long time if those employees are not hard working and do not meet targets consistently. It is important that, small businesses find the reason for lack of performance on the part of their employees. Dismissal should be the last option.

Participant 9

“People are consistently looking for job so I will not be saddled with bad employees for a long time if they are not willing to up their game”

The statement further expresses small business owners’ swiftness in laying off employees for lack of performance. If small businesses do not investigate reasons for non-performance of their employees just sacking may not be antidote to lack of performance.

Participant 6

“When my employees are not doing well, I give them multiple chances to correct their mistakes and it is when they totally cannot change that I sack them”

The statement implies that, it is not all small businesses that are swift in sacking their employees and that, some small businesses take their time to help their employees to make amends and it is only when the situation is desperate that they terminate the employment of the defaulting employees.

(k)How do small businesses motivate their employees for better performance

The heading is taken out from the eleventh probing question posed under section A of the interview guide. The intention of the question was to gather data on how small businesses motivate their employees to enhance performance. It was realized from the data collection that, small businesses do not use a lot of motivational interventions to enhance the work of their employees beyond the salary or the wages they pay their employees. This situation could be ascribed to the reality that, many small businesses are not conscious of modern motivational techniques that they could adopt. This further emphasizes the need for more training to be provided to small businesses on the adoption of modern management practices. The following statements below are verbatim description from the participant of the study on how they motivate their employees.

Participant 1

“I know that I must pay my employees every month whether the business is making money or not. That I believe should be enough motivation for my employees to work hard for me “

The statement above portrays the understanding of a lot of small businesses on how to motivate their employees. There are a number of ways that people can be motivated and money is not the only thing that can be used to motivate people. It should be noted that people can be motivated both intrinsically and extrinsically. The capacity of small businesses needs to be built on how effectively their employees can be motivated.

Participant 7

“I give praise to my employees when they do things right and I believe that can urge them on to perform even better”

The statement indicates that, some small businesses recognize that, it is not only money that motivates people and that, showing appreciation for the work of employees can intrinsically motivate them to perform at a high level.

Participant 5

“When the business makes more money sometimes I dash my employees but I strongly believe that the money I pay them in a month should be enough for them ”

Participant 2

“I do not understand why I have to give my employees something else beyond their pay before they will be motivated to work hard. I believe they should be happy with what I give them and work hard or I will have to sack them”

The two statements just put forward indicate that, small businesses in Ghana consider money to be the most important avenue for employee motivation and that, they may be oblivious to other relevant ways of motivating employees.

(1) Performance-based pay systems in small businesses

The heading was taken out from the twelve probing question posed under the section A of the interview guide for the study. The intention of the question was to gather data on the extent of performance-based pay systems available among small businesses in Ghana. From the data collected, it was realized that, performance-based pay system is not practiced much among small businesses though some of the small businesses indicated practicing some form of performance-based pay system. The following verbatim description posted below indicates the perspectives of the participants of the study.

Participant 2

“I pay my employees monthly and though I expect them to perform, their pay is not so much based on their performance”

The statement implies that, the pay systems among small businesses are not strictly performance-based and that, the pay for employees are fixed for the month. It was indicated from the interviews that, whether the pay system would be performance-based or not is dependent on the type of business the firm is engaged in. For example, if the employee is engaged in a sales position where he goes from one place to another to solicit for sales, it is more likely that the pay system would be performance-based.

Participant 6

“When a business is into sales the most effective basis for paying your employees should be on the number of sales they make”

The statement indicates that, using performance based pay system is necessary when it is easy to ascertain the performance of employees working alone or in a group. When this cannot be done using performance-based pay system would be very difficult.

Participant 3

“The pay system is performance-based in the sense that, if a person does not perform, he will be sacked .Notwithstanding, I do not pay employee in all cases more for their performance beyond the fixed salary per month”

The statement indicates that, the pay systems are not strictly performance-based and that, other motivational techniques need to be implemented to ensure enhanced performance from employees in small firms in Ghana.

(m)The usage of Technology among small businesses in Ghana

The heading was taken out from the seventeen probing question posed under section A in the interview guide. The intention of the inquiry was to gather data on the degree to which small firms leverage on technology in their business operation. From the data collected, it was realized that, though few small businesses use to a higher level technology in their operation, majority of small businesses do not use modern technology in their operations. The following statements below describe in the estimation of small firm owners the extent to which their businesses use technology in their daily operations.

Participant 10

“Apart from calculator, I do not believe I use or need other modern gadgets in my business”

The statement indicates that, a lot of small businesses do not use modern technology in their operations. It was realized that, the usage of technology in a business has a lot to do with the type of business the firm does and since many small businesses in Ghana are engaged in buying and selling a lot might not find it necessary using modern technology. Though a number of small firms have not found it necessary the usage of technology, a number of small businesses have realized that they can leverage on technology to improve their performance, especially locating and selling to customers.

Participant 5

“Now social media is a sure way of reaching customers, making modern technology vital to business performance”

The statement portrays that, small businesses are using technology in their daily operation to enhance performance and also make them more efficient. From the data collection, it was realized that, more small businesses are not using modern technology because they have not understood how technology can make them more efficient or effective in the conduct of their daily activities. Small businesses need to be informed and trained on using technology as a catalyst in their operations.

Participant 6

“Now my business is not competing with only businesses in Ghana but products from other businesses throughout the world. I must do everything to remain competitive and using technology is not an option but a necessity”

The statement indicates that, increasingly, small businesses are finding leveraging on technology a key source of their competitive advantage. It was realized that more small businesses are now using computers to keep records and also perform complex operations.

6.8.2 Strategic planning implementation among small businesses

This main heading was extracted from the main question that was posed in the section B of the interview guide for the study. The foremost intention of the question was to give opportunity to participants to articulate the degree to which they employ strategic planning activities in their firms. From the interviews, it was realized that, majority of small enterprises do not engage in formal strategic planning activities, but they engage in activities that seek to mimic strategic planning activities. The following statements below were made by participants in response to the question of how their businesses engage in strategic planning activities.

Participant 3

“I do not engage in formal strategic planning, but I have a fair idea of the kind of future that I want for my business and how I am going to achieve such a future”

The statement indicates that, small businesses though do not use formal techniques to determine the long term direction of their organization or the strategies to attain the long-term direction, they tend to maintain mental reality of their businesses. It was found out that, small business owners rely more on their intuition in running their businesses than formally constructed plans.

Participants 10

“I most of the time do not have the time to engage in elaborate thinking and planning procedure. Am more focused on acting than taking all the time planning”

The statement indicates that, some small businesses disregard the importance of planning and for that matter engage mostly in routine day to day activities of their businesses with little or no time set aside for formal planning activities that would have served to provide them with a sense of direction for their businesses. Though a lot of the participants indicated that they do not partake in formal strategic planning activities, some indicated activities that resemble intentional formal planning activities.

Participant 6

“Every end of the year I engage my workers to make plans for the coming year so that we have clear idea of what we are going to work towards in the going year. We also brainstorm to level out the right procedure to achieve the objectives we set for the coming year”

The statement indicates some level of intentional planning that takes place in small businesses though the types of planning activities that take place are not comprehensive enough. Under the issues of strategic planning, it was recognized that, most of the small enterprise owners interviewed were not very knowledgeable on strategic planning techniques that they would implement in their businesses and for that matter emphasis of government and other small business support service providers should be on how the capacity of small businesses on strategic planning can be enhanced. The statement below emphasized better the dearth of strategic planning skills among small businesses.

Participant 4

“I don’t know a lot about strategic planning and also do not have the skills to effectively engage in strategic planning. What I can do is to ensure that I do to the best of my ability what I have to do each day”.

The statement made by the participant reiterates small businesses preoccupation on routine daily activities with little regard for the future and the various environments within which they operate.

(a) Small business short and long term planning

The heading was taken out from the first probing question posed under the section B of the interview guide for the study. The intention of the question was to assemble data on whether small businesses engage in short term and long term planning. From the data gathered through the interviews, it was realized that, though small businesses do not engage so much in elaborate formal planning, a lot of small businesses engage in some form of short term planning. The participants considered long term planning to be unnecessary and for that reason indicated that they were not engaging in long term planning. The following verbatim descriptive statements portray participants’ view on short and long term planning among small businesses in Ghana.

Participant 4

“I don’t plan for the long term. I cannot waste my time thinking about the long term future of my business when the future is very unknown. I believe the best way of preparing for the long term future of the firm is to do my best each day.

The statement indicates that, small businesses do not find it relevant to undertake long term planning for their firms. The reason that was attributed to lack of interest in long term planning was that the future was unknown and that the future cannot be predicted with accuracy. Also, the participants indicated that, they did not know how to plan effectively for the future and this brought to fore the need to improve the capacity of small business to undertake formal planning through specialized training.

Participant 6

“I plan for few months and do not bother myself so much about the long-term future of the business. Things keep on changing and who knows what the future would be”

The statement further underscores the concentration of small businesses on short term planning relative to engaging in long term planning. Though the participants cited the unpredictability of the business environment, it is believed that, such a reason should have motivated the investment into long-term planning possibly to reduce the adverse impact of environmental conditions or changes in the future.

Participant 9

“I have realized that, most of the conditions in my business environment are beyond my control, so planning for things beyond my control I consider to be unnecessary. In my business, I take a day at a time and believe tomorrow will take care of itself”.

Though the concentration of small businesses was found to be on the short term, the businesses need to be prevailed upon through training to realize that the future belong to the businesses that prepare for it and that the ability to anticipate and prepare for future challenges differentiate great businesses from mediocre businesses.

(b)How small businesses ascertain their strengths and weakness

The heading was derived from the third probing question posed under section B of the interview guide. The aim of the question was to elicit from the participants of the study how small businesses get to know the strengths and weaknesses of their businesses. It was realized from the data collection that, many small firms do not use strictly formal strategic planning tools so there was the need to explore how the businesses get to appreciate their strengths and weaknesses. Generally, it was indicated by the participants that, the businesses rely on their visible physical endowments and their business experience to assess the strength and weaknesses of the businesses. The following verbatim descriptive statements indicate the views of the participants on how they assess the strengths and weaknesses of the businesses they control.

Participant 10

“From what I do and the way I serve customers, I know what the business has and can do. I also know what my business cannot do or do not have”

The statement indicates that, small businesses do not engage much in elaborate analysis of its internal milieu to know its strength and weaknesses, though it would have helped the businesses if formal tools are used to undertake internal analysis to know the strength and weaknesses of their firms. It was realized through the interviews that, many small firms are not aware of modern formal tools for undertaking internal analysis of the internal milieu of a firm. This finding specifies that, the capacity of small businesses needs to be enhanced in the area of using modern tools to undertake both internal and external environments.

Participant 5

“I get to know my strength from what my customers and other people I deal with in my business say about my business”

The statement implies that, small businesses care about knowing their strength and weaknesses though they do not use formal mechanisms to achieve that. From what was said in the interviews by the participants it can be realized that, small businesses undertake some form of informal stakeholder analysis by relying on feedbacks from the customers, suppliers and others to assess the strength and weaknesses of the businesses they manage.

Participant 6

“My business periodically engages employees to discuss the good and the bad of the business and through that, we are able to establish what the business is good and bad at”

Participant 3

“I do not spend any extra time to know the strengths and weaknesses of my business. I am in the process of continuously knowing through the day to day running of my business”

The statements further indicate that, small businesses try to assess their strengths and weaknesses from their daily operations and it was also found out that, employees play a key role in that.

(c) How small businesses ascertain their opportunities and threat.

The heading was taken out from the fourth probing question posed under section B of the interview guide for the study. The intention of the inquiry was to gather data on how small businesses get to identify opportunities and threat from the external environment. It was found out that, formal tools are not used in identifying business opportunity and threat. Though formal tools are not used to identify opportunities and threats, the participants indicated that thinking about what they perceive to be happening around them they are able to know the opportunities they should explore and the challenges that they should endeavour to fight against. The statements that follow are verbatim description of how participants said they are able to identify their opportunities and threats.

Participant 2

“When you are running a business, you are always alert and get to know through experience what you should do and not do and the dangers that you consistently have to fight against”

The statement indicates that, small business owners rely on their experiences and intuition to identify opportunities and threats in the business environments they operate. Though experience and intuition might help small businesses, their capacities need to be developed on using formal tools to undertake analysis of the external environment.

Participant 7

“I do not spend extra time to know my opportunities. The opportunities come and go and you see them when they are around”.

Participant 1

“In my business, we focus on what should be done each day and if there is any opportunity in the way, my business will take advantage of that”

The statement underscores that, small businesses do not engage in formal analysis to identify their opportunities. The businesses were also found to focus mostly on routine daily activities to the neglect of strategic priorities.

(d) Challenges facing implementation of strategic planning in small businesses

The heading was derived from the sixth probing question posed under section B of the interview guide for the study. The aim of the question was to gather data on the challenges confronting small firms in the execution of strategic planning among small businesses in Ghana. From the data collection, the participants indicated number of difficulties that make implementing strategic planning difficult in small businesses. The challenges that affect implementation of strategic planning include lack of appreciation of the importance of engaging in strategic planning, lack of resources for strategic planning, lack of strategic planning capacity. The following are the statements that were made by the participants of the study that indicate their views on the challenges that small businesses face in engaging in strategic planning

Participant 1

“I do not really understand the importance of thinking and planning about the future when I have a lot of issues to deal with at the moment”

Participant 4

“I am already doing well as a business and not interested in engaging in other practices I do not understand.”

Participant 7

“My business is doing far better than some businesses run by graduates with all the book knowledge and for that matter I do not find any need in adopting new practices I am not used to “

The statements made by the participants indicate their lack of appreciation of the benefits of engaging in strategic planning. For small businesses to engage in strategic planning, they should be sure of the benefits they stand to enjoy from implementing strategic planning measures. It is believed that, when small businesses are helped to implement strategic planning and through that, see the benefits they would be motivated to engage more in it.

Another reason that small business does not engage in strategic planning was attributed to lack of resources for strategic planning implementation.

Participant 5

“In this business, we do not have a lot of money to do everything we want to do. I know if I employ more educated people, they can help implement modern practices, but the business cannot afford to pay such people”

Participant 2

“I and my employees are not very skilled in strategic planning and we have received no training from the government on that. That is why we are running the business the way we see fit”.

Participant 10

“The cost of training to acquire knowledge on modern practices like in strategic planning is too high looking at the difficulties businesses are going through nowadays. The business is not engaged so much in strategic planning because we do not know a lot about it”.

The statements made by the participants indicated lack of financial and human resources as impeding their engagement in strategic planning. The lack of financial and human resources have reduced the capacity of small businesses to engage effectively in strategic planning. It is assumed that if small firms are helped to enhance their capacity and supported with the requisite financial and human resources, they would be able to partake in strategic planning and reap its benefits.

(e) Customer service practices among small businesses in Ghana

The heading was taken out from the seventh probing question that was posed under section B of the interview guide for the study. The intention of the inquiry was to obtain from the participants about their views on how small businesses effectively serve their customers and also draw customers to their businesses. Through the interviews conducted, it was found out that, small firms unlike large-sized businesses develop personal and close relationship with their customers and through that, develop customer loyalty. Also, it was found out that, small firms are also able to provide customized products and services to the customers giving them advantage over bigger organizations whose services are mostly impersonal in orientation. The following statements constitute the views of the participants in the study on how they are able to effectively serve their customers and through that maintain and increase their market share.

Participant 9

“Since this business is small we make the effort to form close relationship with our customers and through that we keep them for a long time”

Participant 4

“When you make friends with your customers you keep them always because, they sometimes even feel guilty if they do not buy things from you”

Participant 3

“If customers are served well, and they become close to the business there is a win-win situation between the customers and the business. The business gains customer loyalty while customers get benefits of credit purchases in difficult times”

The statements made by the participants indicates the importance small businesses place on developing personal and close encounters with customers as a way of achieving customer allegiance. Participants of the study also specified that their ability to offer customized products and services to customers help them provide effective customer service and through that maintain and increase their market share.

Participant 7

“We are able to meet the personal needs of individual customers which is difficult for large organizations to do”

Participant 5

My customers always come to me because, they know that, they will get exactly what they are looking for “

The statements portray that, small businesses have the advantage of providing customized products or services to their customers and through that are able to achieve customer loyalty

(f) How small businesses achieve favourable cost reduction

The heading was taken out from the eighth probing question under section B of the interview guide for the study. The intention of the question was to gather data on how small businesses are able to achieve cost reduction in their businesses. From the interviews, it was realized that, small

businesses tend to have the difficulty of achieving substantial cost reduction because of the unique challenges they face such as insufficient capital to finance their operations. The following statements represent verbatim descriptions of the views of participants on how they are able to achieve cost reduction in their businesses.

Participant 1

“In this business because of financial constraints we find it difficult to buy in bulk and for that matter we do not have advantage of discounts. The way we reduce cost is through making sure internal activities are done at reduced cost”

Participant 4

“To reduce cost as a small business, we cut our coat according to our size. No extravagant expenditures and we cannot do things as large organizations”

The statements indicate that, small businesses have little leverage when it comes to cost reduction relative to large organizations. Small businesses should endeavour to leverage on technology to bring high level of efficiency in their operation. Also, it should be emphasized that, small businesses should be helped to introduce modern work practices that will bring high level of efficiency and effectiveness into their operations.

Participant 6

“In my business I know the advantage I can have with regards to the ability to reduce cost. For instance, we employ only few people we can afford and also maintain stock or input levels we need at a time reducing to some extent related inventory control cost”

Participant 8

“I believe that, since small businesses relate at personal levels with customers they are able to influence the customers positively and attract more customers through referrals helping reduce cost that would have been incurred through advertisement to induce sales and attract customers”

The statements from the participants indicate that, small business are able to achieve cost reduction by making use of the advantages they have or their unique features relative to large organizations. Small businesses as was indicated by the participants are able to benefit from their

personal encounter with customers on the daily basis to positively influence their customers and other prospective customers in ways that large organizations cannot.

6.7 3 Improving Small business management effectiveness

The heading was pulled out from the main question that was posed under section C of the interview guide for the study. The intention of the question was to gather data on how from the perspectives of small enterprise owners and administrators their businesses can be effectively managed in order to achieve their set objectives. From the interviews, it was realized that, small business management effectiveness is affected by number of factors and the factors need to be triggered if small businesses can be effectively managed. The following are some of the factors that were found to influence effective small business management; management capacity of owner-manager or key managers, Human resource capacity of employees, access to financial resources, ability to leverage on technology. The following verbatim descriptive statements indicate how participants of the study perceive small businesses can be effectively managed.

Participants 1

“I believe that, if as a business owner, I am effectively trained on how to perform my management duties, it will go a long to help my business to be effectively run”

Participant2

“As small business owners, we make all the major decision for our businesses and for that matter if we are deficient in making good decisions it means the businesses we control will suffer”

Participant 5

“As I know managers are responsible for achieving the objectives of their businesses with and through their employees. This means as a manager, if I am poor in performing my managerial duties, there is no way my business will do well”

From the data collection process, the participants indicated that, their managerial competence or capacity was critical to the effective management of their businesses. In that regard, it was suggested by the participants that, government and other small business support institutions should help through training programme to offer small enterprise owners and administrators with the requisite managerial skills that will go a long way to help improve the management

effectiveness of small firms. Another factor that was found to be critical to effective small business management is access to financial resources.

Participant 3

“You might have all the idea, but if as a business you do not have money, no progress can be achieved”.

Participant 2

“In running business money is key because you need it to do everything from getting the needed machines, the people and other items. If you cannot have access to finance your business cannot be effectively managed”

Participant 7

“As businesses, we need to be assisted to secure funds to run our operations because without that, we are limited in terms of what we can do and our businesses cannot be effectively run”

The statements indicate that having access to finance is very important and for that matter, the participants indicated that government should improve access to finance for small businesses and also help small businesses to improve their capacity in the management of financial resources. Another factor that was found to be critical to small business management was the capability of small businesses to leverage on technology to improve their operations.

Participant 10

“I know that currently my business is not using modern business gadgets like computer and other machine .I believe modern business machine can help me do my business well”

Participant 6

“My key problem is money; otherwise I know that using technology can go a long way to help me manage my business very well”

Participant 3

“A lot of businesses reach their customers through face book and social media and small businesses should not be left out”

From the statement made by the participants of the study, it was realized that, small businesses are aware of the potential of technology to help improve the operational efficiency and effectiveness of small businesses. The problem was found to be the inability of the small businesses to leverage on modern technology to effectively operate their business. For that reason, it was realized that, the capacity of small businesses to identify and use modern technology should be improved and that can be done through targeted training of different players in different industries. Another factor that was found to impede effective management of small businesses has to do with lack of adequately skilled human resource in small businesses.

Participant 1

“We know that in most situations our workers do not have the skills needed to do well in our business”

Participant 9

“This is not a secret that most small businesses cannot attract the employees with the right skills set and that affect our operation”

From the interviews, a key concern that kept surfacing was the inability of small firms to recruit people with the right skills set. Most of the participants attributed lack of access to finance as the key constraint to employing people with the right skills. Also it was indicated by some of the participants that sometimes what is needed is to upgrade the skills set of current employees. The solution that was proffered by a number of the participants was that, government agencies responsible should help through training to improve the capacity of employees in small businesses.

(a) How job satisfaction of employees in small businesses can be improved.

The heading was pulled out from the first probing question posed under section C of the interview guide for the study. The intention of the question was to gather data on how the job satisfaction level of employees in small businesses can be improved. It was found from the data collection process that different measures can be instituted to enhance the job fulfillment of employees. Generally the participants in the research considered the following measures as critical to improving satisfaction of employees in their job; pay and benefit concerns, improving working

condition. The following statements describe the views of participants on how job satisfaction of employees in small businesses can be improved.

Participant 2

“We know that for employees to be happy in their jobs they should be paid well, though the ability to pay workers very well is problematic because of financial challenges we face as small businesses”

Participant 5

To ensure that both employees and employers benefit it is important to institute performance based payment system in businesses”

The statements indicate that improving the pay of employees in small businesses is critical to enhancing the satisfaction of employees in their job.

In addition to the pay received by small business employees, another area where improvement can enhance job satisfaction is improvement in the working conditions of employee. Here the physical condition within which work is done is critical to the job satisfaction level of employees.

Participant 7

“I believe that, if small businesses are able to improve the environment within which their employees work, it can go a long way to make employees happy in their job”

Participant 10

“It seems that pay is all that employers concentrate on. Other area that needs to be looked at is the quality of supervision that employees have and other benefit beyond pay”

The statements indicate that small businesses should endeavour to improve the physical environment within which work is done, ensuring health and safety of employees. Also improving the quality of supervision is very important for ensuring job satisfaction of employees.

(b)Helping to implement Strategic planning in small business

The heading was taken out from the second probing question that was posed under section C of the interview guide used for the research. The purpose of the study was to collect data on how

small businesses can effectively implement strategic planning. From the interviews conducted, participants indicated that, their ability to engage in strategic planning can be enhanced when they are trained on the significance of strategic planning and also given the tools needed to engage in strategic planning. The following verbatim descriptive statements portray participants' views on how small businesses can be helped to implement strategic planning.

Participant 4

“As a business owner, I cannot engage in something I do not understand. If I understand what strategic planning is all about and the benefits to be derived the motivation will be there. Small businesses must be trained to develop our capacity in strategic planning”.

Participant 6

“If small businesses are taught about modern work practices, I believe engaging in strategic planning would not be a problem”

The statements indicate that small businesses are not engaging in strategic planning because they lack the capacity to do that. The participants indicated that training should be organized for small businesses to increase their capacity in strategic planning.

(c)Challenges faced by small businesses in their operation and measures to address them.

The heading was taken out from the third probing question posed under section C of the interview guide used for the research. The purpose of the research was to elicit from the participants the challenges their small businesses are facing, and how their small businesses can be helped to deal with the challenges. On the challenges that face small businesses in their operation, the following are the major issues that were raised by the participants; financial challenges, difficult business environment, inability to employ key employees, lack of modern managerial skills .The following are the statements that were made by the participants that indicate their expressions in terms of the challenges that they face in running their firms

Participant 2

“Getting access to finance is one of the challenges my business face. Without money, a lot of things cannot be done”

Participant 5

“Banks do not want to lend to us because, they believe they will lose their money giving us their money”

Participants 6

“Most of the time, we the owners of businesses are our only source of money for our business. In such a situation, how can our businesses grow?”

The statements indicate that, small businesses have difficulty raising money or finance from external sources. On why they perceived their business to have difficulty raising finance the participants of the study indicated as such:

Participant 2

“Most of the time, we cannot meet the conditions for accessing loans from the bank. We are informed to secure the loans we are applying for with our assets and we do not have assets they require”

Participants 1

“The interests on the loans are most of the time too much and suffocating”

It was indicated that, unless the barriers to access finance from the banks are dealt with, small businesses would continue to experience difficulties in raising external finance for their operations. Consequently, the participants were prevailed upon to offer suggestion on how the financial challenges faced by their business can be dealt with and the following constitute some of the suggestions made.

Participant 3

“Government and other small business support agencies must support our businesses with financial support without the accompanying barriers such as demand for collateral”

Participant 7

“Government should set a limit on interest rates that banks can charge”

Participant 5

“if the government can provide guarantees for the loans, we seek from the banks I believe problem with finance can be dealt with since the banks can feel comfortable to lend to us”

The other challenge that the participants of the study indicated small businesses experience is inability to employ the right human resource. The following are the statement that illustrate the problem small businesses have, with respect to securing employees with right skills set

Participant 1

“Our employees are mostly not the best because, we cannot pay people with the right qualifications”

Participant 5

“A lot of businesses use family members to work for them because, they cannot pay people from outside their family”

The problem with securing the right talent was so much connected with the financial challenges that most small businesses are considered to suffer from. The following are some of the key suggestions that the participants offered to deal with the problem of lack of adequate human resources in small businesses.

Participant 10

“The government can strengthen what it is doing through the NABCO programme. This will help small businesses to have access to qualified graduates without bearing all the burden of paying them”

Participant 4

“The government and other people can help to train the existing employees of small businesses to increase their capacity”

The statements by the participants indicate that, small businesses can be helped to attain the needed human resources for improvement in the operation of the businesses.

The other challenge, the participants of the study raised as been critical to small business growth is lack of managerial expertise or skills on the part of small firm owners or managers. The following statements are verbatim descriptive statements that express the views of the participants on the issue at stake.

Participant 6

“We manage our businesses based on purely the experiences we have developed with time”

Participant 9

“We do not apply modern management practices in our businesses because we are not aware of them”

Participant1

“Most of the time, we manage our businesses without much knowledge on modern practices”

The statement above indicates agreement on the part of the participants of the study that, small businesses lack the requisite managerial acumen to effectively control their businesses. With the question on how to deal with the challenge of inadequate management skills, the following are some of the suggestions that were proffered by the participants in the study.

Participant 2

“Small businesses need to be trained on modern management practices to improve their capacity”

Participant 7

“An institution like the NBSSI should not focus on only helping small businesses to deal with their financial constraints.NBSSI need to train small business owners to improve their management capacity since without that small businesses cannot do well “

The statements above from the participants of the study have made it clear that increasing the management capacity in small businesses is key in ensuring growth in small businesses.

(d) How to improve the Management skills in small businesses

The heading was taken out from the fourth probing question posed under section C of the interview guide used for the study. The intention of the inquiry was to gather data from the

participants on how the management capacity in small businesses can be improved. The participants of the study emphasized on training as the main mechanism through which the management skills of small business managers can be improved. The following are the statements made by the participants of the study that indicate how the management skills in small businesses can be enhanced:

Participant 5

“As business owners we need to be trained on modern management techniques. Our experiences alone are not enough to help us control our businesses”

Participant 10

“I need help with the management of my business. I believe there are a lot I do not know and believe with the right management training I will do better than what I am doing now”

The statements above indicate that, training is essential in developing the management capacity of small business owners and management.

Summary

The chapter provided information on the analysis of the data gathered in the study. Descriptive and inferential statistics were used to analyze the study questions and the hypotheses of the study. The qualitative data collected through the interviews were analyzed using contents analysis. It became apparent from the analysis that, in small businesses some management practices have statistically significant relationship with various dimensions of competitive advantages enjoyed by small businesses.

CHAPTER SEVEN

DISCUSSION OF RESULTS

7.1 Introduction

The section confers the findings of the research and connects them to the existing literatures. Also, the chapter tries to establish the degree to which the objectives of the study have been met. It is also explained in detail management practices applicable to small firms in Ghana, the challenges confronting management of small firms, the extent of strategic planning in small businesses, challenges confronting the implementing of strategic planning, the connection between management practices and the growth of the small business, the association between management practices and the competitive advantages enjoyed by small businesses and measures for effective management of small business.

7.2 Discussion in relation to the Research Objectives

This study laid down objectives to be met at the end of the research which were linked to specific research questions. There were study hypotheses that were tested in the study. Generally, the objective of the research was to explore and investigate the management practices applicable and the extent of strategic planning among small firms in Ghana and propose measures for successful management of small enterprises in the country. This section of the study presents the discussion of the result of the research in line with the study objectives and the study hypotheses.

7.2.1 Research Objective 1: Management Practices Applicable to Small Businesses in Ghana

The first research objective was to investigate the Management practices applicable to small enterprises in Ghana. In the questionnaire for the research, number of questions/statements were posed that sought to elicit from the small business owners the management practices they apply in their businesses. The management practices among the businesses were categorized into four main groups namely: operation-efficiency-focused management practices, monitoring-focused management practices, targeting-focused management practices and incentive-focused management practices. The participants were to rate the degree of their concurrence with the questions/ statements posed using a five-Likert scale. This subsection discusses the results of the study relating to the first research objective. The following are the discussions of the management

practices applicable to small businesses grouped under the four main clusters of management practices as conceptualized in this study.

7.2.1.1 Operation-efficiency-focused management practices in small businesses

This section offers an outline of the responses of the participants on the extent to which their small businesses engage in different operation-efficiency-focused management practices in their operations and how the results of the study connect to the existing literature. The respondents of the study responded to three statements that assess the extent to which small businesses applied operation-efficiency-focused management practices in their operations and interesting results emerged from the analysis of the responses.

From the information provided an overall weighted mean score of $X=11.79$ and Standard mean score of $SD=2.83$ are estimated. That indicates that as a whole there was agreement among the respondents about the applicability of operation-efficiency-focused management practices in the small businesses. Also, the responses to the individual operation-efficiency-focused management practices produced mean scores which further elucidated on the extent of the application of the practices.

The quantitative analysis on the first operation-efficiency-focused management practice which was in the statement “the business implements modern work practices that improve work processes” made the following results evident: majority of the respondents ($n=197$, 39.4%) agreed that their businesses implement modern work practices that improve work processes, while another large number ($n=169$, 33.8%) strongly agreed with the statement. A small number of the respondents ($n=51$, 10.2%) strongly disagreed while an even smaller number ($n=21$, 4.2%) disagreed with the statement. The remaining number of the respondents indicated neutrality with the statement. The mean and standard deviation scores for the responses were ($X=3.82$, $SD=1.23$) indicating agreement that small businesses implement modern practices that improve work processes. The findings in the study especially the quantitative aspect, confirms the findings in the study by Ates et al.(2013:43) where defining improvement activities was found to be among the most common management practices that take place in SMEs. That means small businesses implement work practices to bring about improvement in their operation. On the other hand it should be emphasized that in this study the result of the quantitative data was not affirmed totally

by the qualitative data results which specified that a lot of small businesses do not implement modern work practices.

The second operation-efficiency-focused management practice assessed was “the business practices and techniques aim at cost and quality improvement” and the following results emerged from the analysis of the data: a massive number of the respondents (n=238 ,47.6%) agreed with the statement while a large number (n=128, 25.6%) indicated strong agreement. An equally large number (n=121, 24.2%) indicated neutrality while a small number (n=9, 1.8%) disagreed with the statement. The remaining number of the respondents (n=4, 0.8) strongly disagreed with the statement. The mean and standard deviation scores for the responses were $X=3.95$ and $SD=0.80$ respectively indicating agreement that small businesses implement practices and techniques that are intended at achieving continuous cost and quality improvements. The findings in the study confirmed the outcome in the study by Ates et al. (2013:43) where it was asserted that most small businesses engage in various practices at the managerial level with the aim of achieving improvement. The results of the quantitative data was in a way confirmed by the results of the qualitative data though it was stressed that small businesses unlike large organizations lacked the required capacity for enhanced cost reduction because of limitations small businesses face.

The third item under the operation-efficiency-focused management practices scale that was assessed was the statement “the business activities and processes ensure continuous improvement” .The analysis of the responses produced the following results: greater number of the respondents (n=235, 47.0%) agreed with the statement while large number (n=146, 29.2) indicated strong agreement. Also a relatively large number (n=106, 21.2) indicated neutrality , while a small number of the respondents (n=10 , 2.0%) disagreed with only a very few (n=3 , 0.6%) indicating strong disagreement with the statement posed. The mean and standard deviation for the responses were ($X=4.02$, $SD=0.80$) which implies strong agreement that small businesses in Ghana are managed in such a way with the aim of achieving continuous improvement in their activities and operations. Ensuring continuous improvement was found to be among the most common management practices engaged in by small businesses (Ates et al., 2013:43) and this study confirmed that finding. Also it must be noted that in this study the outcome of the quantitative data analysis affirmed the results of the qualitative study which specified that ,small

businesses are interested in continuous improvement but no indication was made that small businesses implement modern work practices to achieve continuous improvement

7.2.1.2 Monitoring-focused management practices in small businesses

The results of the quantitative data analysis in this study provided information on the respondents' responses to the statements that sought their opinions on the extent of the application of monitoring-focused management practices in their businesses. In all three statements in the study measured the extent of monitoring-focused management practices in small businesses. In all the overall weighted mean score of the responses to all the three statements is $X=12.22$ with a standard deviation of 2.51 ($X=12.22$, $SD= 2.51$). This shows that the overall perception of the respondents about their small businesses engaging in monitoring-focused management practices is high, implying that small businesses in Ghana engage in a lot of monitoring-focused management practices. In addition, the extent small businesses apply monitoring-focused management practices was determined from the mean scores of the responses on each item that measured monitoring-focused management practices.

The first monitoring-focused management practice sought from the respondents their views on the statement "the business performance is constantly monitored and communicated" and the following results emerged from the analysis: the largest portion of the respondents ($n=225$, 45%) agreed with the statement that their businesses constantly monitor performance and communicate, while a sizeable portion ($n=181$, 36.2) indicated strong agreement. Also, a small number of the respondents ($n=75$, 15.0%) indicated neutrality, with a smaller number ($n=18$, 3.2%) showing disagreement. The remaining number of the respondents indicated strong disagreement with the statement that in their businesses performance is monitored and communicated. The mean score corresponding with the responses to the statement posed is 4.13 with a standard deviation of 0.82 ($X=4.13$, $SD=0.82$). The implication is that there is high agreement that small businesses in Ghana engage in management practices that constantly monitor performance and communicate to relevant stakeholders. The finding of the study is in line with the suggestion made by Bititci et al. (2011) that effective communication with the organization should be one of the key practices that organizations should engage in to effectively manage performance and through that ensure organizations do well.

The second monitoring-focused management practice was the perception of the respondents on the extent their businesses review performance to ensure continuous improvement. The following are the results that were revealed from the analysis of the responses: the greater number of the respondents ($n=236$, 47.2) indicated agreement while an equally large number ($n=158$, 31.6) indicated strong agreement that their businesses review performance constantly to ensure continuous improvement. A sizeable number ($n=84$, 16.5) were neutral while smaller numbers ($n=19.8$, 3.8%), ($n=3$, 0.6%) indicated disagreement and strong disagreement respectively. The mean scores associated with the statement was 4.05 and a standard deviation of 0.83 ($X=4.05$, $SD=0.83$). This implies that small businesses highly engage in constant performance review with the aim of ensuring continuous improvement. The finding of the research confirms the outcome in the research by Anderson and Sohal (1999:867) that articulated that small businesses review their operations to ensure that they are continuously improving towards the achievement of their goal. Additionally it should be underscored that in this study the outcome of the quantitative analysis was affirmed by the qualitative study to the extent that small businesses are interested in assessing their performance to find out if their businesses are improving but no indication was made that specific modern practices are engaged in to achieve that end. The implication of the finding is that small business in Ghana may be interested in achieving continuous improvement but may not have the required capacity in terms of knowledge of modern work practices to achieve that.

The third item that sought to measure monitoring-focused management practice was “organization and employee performance communicated to employees and management”. The analysis of the responses produced the following results: larger number of the respondents ($n=224$, 55.8) indicated agreement to the statement while an equally large number ($n=162$, 32.4) showed strong agreement. Additionally, a sizeable number ($n=88$, 17.6%) indicated neutrality while small numbers ($n=23$, 4.6) and ($n=3$, 0.6) indicated disagreement and strong disagreement respectively. The mean score and standard deviation corresponding with the responses were 4.04 and 0.86 respectively ($X=4.04$, $SD=0.86$). The implication is that there is high agreement that small businesses in Ghana communicate organizational and employee performances to managers and employees. The study findings corroborate with that of Anderson and Sohal (1999:869) which was that, small businesses communicate vital information to their employees so that they would be aware of their performance. The results of the quantitative data analysis was partly confirmed

by the qualitative study to the extent that small businesses are interested in assessing their performance but as was found out in the indepth interviews small businesses do not pursue such a process comprehensively since modern practices are not implemented.

7.2.1.3 Targeting-focused management practices in small business

The study. sought from the respondents their views on six targeting-focused management practices by indicating the extent by which their businesses applied those management practices. The weighted mean score of the responses to the six statements was 22.91 with a standard deviation of 5.5 ($X=22.91$, $SD=5.5$). The results implied moderate agreement that small businesses in Ghana apply targeting-focused management practices in their operations.

Additionally, the extent of the application of targeting-focused management practices in small businesses was determined by the mean scores of the responses to the number of individual targeting-focused management practices.

The quantitative analysis of the responses to the first targeting-focused management practice “the business punishes bad performers and reward good performers effectively” produced the following results : massive number of the respondents ($n=237$, 47.4%) agreed that their businesses punish bad performers and reward good performers effectively while a large number ($n=159$, 31.8%) also showed strong agreement to the statement, The relatively small number ($n=79$, 15.8%) were neutral when responding to the statement with the remaining number of the respondents ($n=20$, 4.0%) and ($n=5$, 1.0%) indicating disagreement and strong disagreement respectively. The means score and the standard deviation for the responses to the statement was $X=4.05$ and $SD=0.85$ respectively. This indicates that there was a high agreement to the statement that small businesses in Ghana punish consistently poor performers and reward good performers effectively. This finding of the study is similar to the findings by Ates et al. (2013) where focus on rewards was found to be one of the common practices engaged in by SMEs. The outcome of the quantitative study in this regard was validated by the qualitative study which provided that small businesses punish their employees that consistently underperform and reward good performers.

The second item that was measured on the targeting-focused management practices scale was the statement “the business set both financial and non-financial goals”.The following are the results of the analysis conducted on the responses: large number of the respondents ($n=188$, 37.6%)

agreed that both financial and non-financial goal are set in their businesses while an equally large number (n=104, 20.8%) indicated strong agreement. A large number (n=137, 27.4%) indicated neutrality when responding to the statement posed while few of the respondents (n=63, 12.6%), (n=8, 1.6%) showed disagreement and strong disagreement respectively. The mean score for the responses to the statement was $X=3.63$ with a standard deviation of 0.99. This indicates agreement that small businesses in Ghana set both financial and non-financial goals. The study finding aligns with the findings of the study by Dossi and Patelli (2010:506-507) that indicated that, businesses set both financial and non-financial goals. Additionally, the finding from the quantitative study was confirmed by the qualitative study findings though emphasis was not placed much on non-financial goals in the qualitative study.

The third item that was measured on the targeting-focused management practices scale was the statement “the business goals are linked with employee goals”. The following are the results that emerged from the analysis of the responses to the statement: greater number of the respondents (n=192, 38.2%) agreed with the statement that the business goals are linked with employee goals while a large number (n=110, 22.0%) indicated strong agreement to the statement. Another equally large number (n=142, 28.4) were neutral with their responses to the statement while a relatively smaller numbers of the respondents (n=40, 8.0%) and (n=16, 3.2) indicated disagreement and strong disagreement to the statement posed. The mean score and standard deviation of the responses to the item statement on the scale were $X=3.68$ and $SD=1.01$ respectively. This indicates that there is agreement on the idea that small businesses in Ghana link business and employee goals. The quantitative study finding was confirmed by the results of the qualitative study that the business goals of small firms are influenced by the goals of the workers. The outcome of the study aligns with the outcome of the study by Kotlar and De Massis (2013:1270-1272) where connection was found between business goals of family businesses and the goals of individual members.

The fourth item on the targeting-focused management practices scale is “in the business short-term goals influence the achievement of long-term goals”. The following are the results from the analysis of the responses of the respondents of the study: a larger number of the respondents (n=194, 38.8%) agreed that in their businesses short-term goals influence the achievement of long-term goal while another chunk of the respondent (n=138, 27.6%) indicated neutrality with the

statement posed. An equally large number of the respondents (n=133, 26.6%) strongly agreed that short-term goals influence long-term goals in small businesses. Also a small number (n=32, 6.4%) disagreed with the statement while a few of the respondents (n=3, 0.6%) indicated strong disagreement. The mean score and the standard deviation for the responses on the item is (X=3.84, SD=0.91). This indicates that there is agreement that in small businesses there is strong alignment between short-term goals and achievement of long-term goals. This quantitative finding of the study was not confirmed by the qualitative study finding since from the analysis of the indepth interview it was found, small businesses do not mostly establish formally long-term goals for their businesses and that they are mostly short-term oriented in their operation. The study finding confirms the finding in the study by Ates et al. (2013:43) where it was realized that small businesses over-concentrate on short-term priorities or goals but no indication was made by the respondents of the current study that short term goals influence long term goals in their organization. Additionally the study by Zhang and Gimena (2016:10) established a positive correlation between short term goals and long term goals, which aligns with the findings of this study.

The fifth item that was measured under targeting-focused management practices was “the business set challenging and exerting goals. The results of the analysis of the responses to the statement revealed that massive number of the respondents (n=207, 41.4%) were in agreement that in small businesses challenging and exerting goals are set while a sizeable number (n=104, 20.8%) indicated strong agreement that challenging and exerting goals are set in small businesses. An equally large number of the respondents (n=137, 27.4%) were undecided and for that matter indicated neutrality on the statement posed while smaller numbers of the respondents (n=48, 9.6%) and (n=4, 0.8%) showed disagreement and strong disagreement respectively with the statement that small businesses set challenging and exerting goals. The mean score and the standard deviation for the responses on the statement are X=3.72 and SD=0.93 respectively. This indicates agreement that small businesses in Ghana set challenging and exerting goals. The finding implies that, small businesses have high expectation on their employees and that is indicated in the goals that are set. The study finding support the finding in the study by Ates et al. (2013:43) where setting key performance measures or indicators was found to be one of the most common practices engaged in by small businesses. The study finding is also affirmed by the findings in the study by Baron et al. (2016:9-10) where entrepreneurs were found to set

challenging and difficult goals for their businesses but the goal difficulty was found to be correlated with the self-efficacy level of the respective entrepreneurs.

The sixth item that was measured was “the business set performance measures and communicate to employees”. The following are the results of the analysis of the responses to the statement posed: greater number of the respondents (n=243, 48.6%) agreed that performance measures are set and communicated to employees in small businesses while a large number (n=137, 27.4%) showed strong agreement. A sizeable number of the respondents (n=101, 20.2%) indicated neutrality while smaller number of the respondents (n=17, 3.4%) and (n=2, 0.4%) , indicated disagreement and strong disagreement respectively. The mean score and standard deviation for the responses to the statement is ($X=3.99$, $SD=0.81$) which indicates that in general there is an agreement that small businesses in Ghana in their operations set performance measures and communicate the same to employees. The study finding supports the finding by Ates et al.(2013:43) that small businesses mostly set performance measures and communicate them to employees.

7.2.1.4 Incentive-focused management practices in small businesses

A quantitative data analysis was done on respondents’ responses to statements that sought to measure their views on various incentive-focused management practices applicable in their organizations. From the analysis the overall weighted mean score for the responses is $X=25.0$ with a standard deviation of $SD=5.07$. This indicates that generally there is strong or high agreement that small businesses in Ghana apply incentive-focused management practices. The extent of the application of incentive-focused management practices was also determined using the mean scores of the various items on the incentive-focused management practices scale.

The first item on the scale was “the business encourages managers to employ talented people and develop their talent”. The analysis of the responses produced the following results: the largest portion of the respondents (n=229, 45.8%) indicated agreement that their businesses encourage their managers to employ talented people and develop their talent while sizeable number of the respondents (n= 178, 35.6%) showed strong agreement with the statement. Additionally a relatively small number of the respondents (n=84, 16.8%) were neutral with their responses to the statement posed while the remaining number of the respondents (n=8, 1.6%) and (n=1, 0.2%) expressed disagreement and strong disagreement respectively to the statement that their

businesses encourage managers to employ talented people and develop their talent. The mean score and the standard deviation associated with the responses to the statement is ($X=4.15$, $SD=0.76$) indicating that generally the respondents highly agreed that businesses in Ghana encourage their managers to employ talented people and develop their talent. The findings of the study confirms what was found by Maes and Sels (2014) that small businesses often make a lot of investment to develop the intellectual capital of their employees as a way of increasing their innovativeness. The business environment is very competitive and for that matter, the organization with the right set of human and intellectual capital would be the one that will prevail over the competition. The situation is even now exacerbated by the globalized nature of competition. Small businesses need to invest in training to upgrade the skills set of employees since information easily become obsolescent.

The second item that was measured was the statement “the business pays employees based on performance” and the analysis produced the following results: the majority of the respondents ($n=203$, 40.6%) showed strong agreement that their businesses pay employees based on performance whilst an equally large number ($n=187$, 37.4%) agreed with the statement that performance based pay system is implemented in small businesses in Ghana. A sizeable number of the respondents ($n=79$, 15.8%) were undecided indicating neutrality with their responses to the statement posed. The remaining number of the respondents ($n=16$, 3.2%) and ($n=15$, 3.0) disagreed and strongly disagreed respectively with their responses to the statement that employees are paid base on their performances. The mean score of the responses to the statement is $X=4.09$ with a standard deviation of $SD=0.98$. This reveals that there was a high or strong agreement to the statement that small businesses pay their employees based on their performance. The finding implies that majority of small businesses in Ghana implement some form of performance-based pay system. The outcome of the study aligns with the outcome of the research by King-Kauanui, Ngoc and Ashley-Cotleur (2006) as mentioned in Ogunyomi and Bruning (2015:6). In the study, support was given to performance related compensation as human resource practice vital for improving performance in small and medium-sized enterprises.

The respondents further provided their responses to the third statement “the business sacks consistently poor performing employees” which provided the following results after analysis: the greatest number of the respondents ($n= 241$, 48.2%) agreed that their businesses sack consistently

poor performing employees while a large number ($n=160$, 32.0% indicated strong agreement to the statement that the business sack consistently poor performing employees. A relatively small number of the respondents were neutral with their responses while few of the respondents ($n=16$, 3.2%) and ($n=15$, 3.0%) indicated disagreement and strong disagreement respectively with the statement that small businesses sack consistently poor performing employees. The mean score for the responses to the statement is $X=4.03$ with a standard deviation of $SD=0.93$ which reveals higher strong agreement with the statement indicating that small businesses in Ghana strongly engage in the practice of sacking consistently poor performing employees. The finding of the study implies that most small businesses in Ghana punish consistently poor performers by terminating their contract of employment. The finding in the quantitative study was confirmed by the outcome of the qualitative research where participants asserted that, poor performers in small businesses are often sacked. The finding of the study aligns with the findings in Doellgast and Marsden (2018:8) where some of the case study organizations were found to use a system where employees were dismissed if they did not meet performance goals.

The fourth statement that the respondents provided responses to on the incentive-focused management practices scale was "the business promotes employees based on performance" and the following results emerged after the analysis: a very large number of the respondent ($n=224$, 44.8%) agreed that their business promote employees based on performance while an equally large number ($n=184$, 36.8%) indicated strong agreement to the statement. A sizeable number of the respondents ($n=72$, 14.4%) were neutral in their responses while small number of the respondents ($n=14$, 2.8%) and ($n=6$, 1.2%) showed disagreement and strong disagreement respectively indicating that employees are not promoted based on performance in their organizations. The mean and the standard deviation for the responses on the statement "the business promotes employees based on performance" were $X=4.13$ and $SD=0.85$ respectively, which reveals high or strong agreement that employees are promoted based on performance in small businesses. This finding was affirmed by the outcome of the qualitative research where participants asserted that employees of small businesses are elevated in their jobs on the basis of their performance. The finding is consistent with the finding in Horak and Yang (2017:17) which emphasized the growing importance of performance as the basis for promotion in Korea which traditionally emphasized on seniority as the main criteria for promoting employees in Korea organizations.

The fifth statement measured was “the business does everything possible to attract good and talented people. The following are the results obtained from the analysis of the responses: a very large number of the respondents (n=236, 47.2%) and (n=206, 41.2%) indicated agreement and strong agreement respectively on the statement showing that in their businesses attracting good and talented people is taken seriously and everything is done to ensure that is achieved. Additionally small number of the respondents (n=45, 9.0%) were neutral in their responses while a few of the respondents (n=7, 1.4%) and (n=6, 1.2%) disagreed and strongly disagreed with the statement posed. The mean score and the standard deviation for responses to the statement “the business does everything possible to attract good and talented people were $X=4.26$ and $SD=0.78$ revealing strong agreement that small businesses in Ghana do everything possible to attract good and talented employees to their businesses. This outcome is similar to the outcome of Appelbaum and Kamal (2000) in the model the ability-motivation as stated in the study by Ogunyomi and Brunning (2015:4) where it was stated and suggested that, small businesses should attract and engage high quality employees and adequately motivate that so that, they contribute positively toward organizational performance.

The last statement on the incentive-focused management practices scale was “ the business does everything to retain and maintain talented employees” which revealed the following after analysis of the responses: the greatest number of the respondents (n=239, 47.8%) strongly agreed that their businesses do everything to retain and main talented employees while an equally large number of the respondents (n=209, 41.8%) indicated agreement with the statement. A small number of the respondent (n=39, 7.8%) showed neutrality in their responses while few of the respondent (n= 8, 1.6%) and (n=5, 1.0%) disagreed and strongly disagreed with the statement that their businesses do everything to retain and maintain employees. The mean score and the standard deviation for the responses were $X=4.34$ and $SD=0.77$ respectively. This indicates strong agreement that small businesses in Ghana do everything possible to retain and maintain talented employee, emphasizing that the businesses are not only interested in attracting talented employees but also put more effort into keeping such employees in their jobs for a long time. The finding of the study also underscore what was found in the study by Appelbaum and Kamal (2000) as reported in the work by Ogunyomi and Brunning (2015:4) indicating the importance of retaining and maintaining high caliber of human resources in organization and how that contributes positively to an organization’s bottom line.

7.2.2 Challenges facing Management of Small Businesses

This section of the work discusses the results of the data collected on participants' view on the challenges they are facing in managing their small businesses. The section deals with the study objective two which is to examine the challenges confronting the management of small businesses in Ghana. The respondents in providing their responses rated the degree to which they concurred with questions/statements on challenges facing management of their small firms.

In all the respondents were presented with six statements to solicit their view on the challenges that confront the management of their businesses. Below is the discusses of the results obtained from the analysis of the responses to the statements on the challenges facing the management of small businesses in Ghana

7.2.2.1 The business finds it difficult to raise money to finance the operation of the business.

The first statement that was posed was “the business finds it difficult to raise finance” and the responses after analysis provided the following results: a larger portion of the respondents (n=199, 39.8%) agreed that their businesses find it difficult to raise finance while another large number of the respondent (n=118, 23.6%) indicated strong agreement that their businesses find it difficult to raise finance. Additionally a sizeable number of the respondents (n=135, 27.0%) were neutral in their responses while few of the respondents (n=30, 6.0%) and (n=18, 3.6) indicated disagreement and strong disagreement respectively with the statement that their businesses find it difficult to raise fund. The means score for the responses to the statement “ the business find it difficult to raise finance” is $X=3.74$ with a standard deviation of $SD=1.00$. This reveals that there is an agreement among the respondents that small businesses in Ghana find it difficult to raise money to finance their operation. The implication of the finding is that, majority of small businesses in Ghana experience difficulties in raising money to finance their operation. The finding was affirmed by the results from the qualitative data collected where participants explicitly indicated that raising money to finance their operation was a major problem. The finding of the study confirm what was established by Tucker and Lean (2003) that, small businesses normally encounter problems when seeking for funds to finance their operations. The finding also affirmed the finding of Kanayo, Jumare and Nancy (2013) that indicated that SMEs are reluctant to take loans from financial institutions because of high interest rates. Yoshino (2016:6) also affirmed lack of access to money as one of the key difficulties small enterprises face. The study outcome

is also in line with the outcome of Mudavanhu et al. (2011) that indicated the accessibility and price of funds as a very serious problem facing small businesses.

7.2.2.2 The business lacks enough management skills to effectively manage the business.

The quantitative data provides information on respondents' responses on the statement "the business lacks enough management skills to effectively operate the firm". The responses to the statement produced the following results after analysing the responses: the largest portion of the respondent (n=204, 40.8%) agreed that their businesses lacked enough management skills for the effective operation of their firms while a relatively small number of the respondent (n=77, 15.4%) indicated strong agreement with the statement. Another large portion of the respondent (n=152, 30.4%) indicated neutrality with their responses while few of the respondents (n=41, 8.2%) and (n=26, 5.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses lack enough management skills to effectively operate their businesses. The mean score for the responses on the statement is $X=3.53$ with a standard deviation of $SD=1.02$ reveals agreement with the statement that small businesses lack enough management skills to effectively operate their businesses. The finding of the study concurs with that of King and McGrath (2002) that indicated that, owners and managers of small firms tend to lack expertise in managing businesses. The finding of the qualitative study was affirmed by the outcome of the qualitative research indicating that, lack of management proficiency was a real problem small firms face.

7.2.2.3 The business lacks enough support from the Government

In the study the third item on the challenges small businesses face in managing their operation was "the business lacks enough support from the government". The following are the results that ensued from the analysis of the responses from the respondents of the study: a large portion of the respondent (n=170, 43.0%) agreed with the statement that their businesses lack enough support from the government while an equally large number of the respondents (n=159, 31.8%) strongly agreed with the statement. Another sizeable number of the respondent (n=107, 21.4%) were undecided indicating neutrality in their responses while small numbers of the respondents (n=37, 7.4%) and (n=27, 5.4%) showed disagreement and strong disagreement with the statement that small businesses lack enough support from government. The mean score for the responses on the statement "the business lacks enough support from government" is $X=3.79$ with a standard

deviation of $SD=1.13$. This indicates that there is agreement that small businesses lack enough support from their governments. The finding implies that, small businesses in Ghana are not happy with the support they receive from the Government of Ghana. The finding was affirmed by the outcome of the qualitative research where participants asserted that little or no support is received by the small businesses from the Government. The outcome of the study corresponds with that of Yamoah, Arthur and Issaka (2014:40) that indicated the insignificant impact of government policies and support provided to small businesses.

7.2.2.4 The Business environment is not friendly for Business

The quantitative data analysis conducted provided information on respondents' responses to the statement "the business environment not friendly for business". The responses from the respondents after analysis produced the following results: a large number of the respondents ($n=180$, 36.0%) agreed with the statement while a relatively smaller number ($n=72$, 14.4%) indicated strong agreement. Additionally, a large portion of the respondents ($n=180$, 36.0) were neutral in their responses while few of the respondents ($n=48$, 9.6%) and ($n=20$, 4.0) indicated disagreement and strong disagreement respectively in their responses to the statement. Generally, the means score for the responses on the statement "the business environment not friendly for business" is $X=3.47$ with a standard deviation of $SD=0.99$. This implies that there is agreement that the business environment in Ghana is not friendly for small business management. The finding was affirmed by the outcome of the qualitative research where the participants indicated that, the business environments are not conducive for business operation and that something needed to be done about it. The results of the study affirmed the results of Robson and Obeng (2008) that indicated that, unfriendly business environment impacts negatively on the performance of small firms.

7.2.2.5 The Business lacks enough resources to employ qualified people

The respondents in the study also provided their views on a fifth item on the challenges facing the management of small businesses which was "the business lacks enough resources to employ qualified people". The responses from the respondents were analysed and the following are the results that emerged: a massive number of the respondents ($n=213$, 42.6%) agreed with the statement that their businesses lack enough resources to employ qualified people while a small number ($n=74$, 14.8%) showed strong agreement with the statement. A large portion of the

respondent (n=137, 27.4%) indicated neutrality in their responses while a relatively fewer numbers of the respondents (n=45, 9.0%) and (n=31, 6.2%) indicated disagreement and strong disagreement respectively with the statement posed. The mean score for the responses on the statement “the business lacks resources to employ qualified people” is $X=3.51$ with a standard deviation of $SD=1.05$. This reveals that there is agreement that small businesses in Ghana lack enough resources to employ qualified people to work and also manage their operations. The finding of the study implies that, many small firms in Ghana find it difficult to employ the right kind of human resources to work for them making it hard for the firms to fulfill their potential. The outcome of the qualitative research confirmed the finding of the quantitative research. The finding in the study is consistent with the finding of Yoshino (2016:5) that indicated small businesses lack of skilled labour as one of the difficulties small firms face that go a long way to affect their performance.

7.2.2.6 Technology usage in this organization is limited.

The last item that was assessed on the challenges facing the management of small businesses was “technology usage in the business is limited”. The following are the results that emerged from the analysis of the responses: a large portion of the respondents (n=126, 25.2%) and (n=112, 22.4%) showed agreement and strong agreement respectively with the statement that technology usage in their businesses are limited while an equally sizeable number (n=124, 24.8%) were neutral in their responses. Also, a large number of the respondents (n=102, 20.4) strongly disagreed that technology usage in their businesses were limited while only few respondents (n=36, 7.2%) showed disagreement about the limited nature of technology usage in small businesses. The mean for the responses on the statement “technology usage in the business is limited” is $X=3.22$ with a standard deviation of $SD=1.41$. This implies agreement that technology usage in small businesses in Ghana is limited. The findings clearly indicate that, many small firms in Ghana do not use modern technology in their businesses which was similar to the outcome of the qualitative study. The finding of the study is consistent with the finding of Yoshino (2016:18) that indicated that lack of sufficient use of information technology as a major challenge facing small business performance. Consequently, as found out by Sitharan and Hoque (2016:283) in their study where majority of the respondents in the survey were of the view that, improvement in technology in their operation would bring about improvement in the performance of the small businesses.

7.2.3 Extent of implementation of Strategic Planning among Small Businesses in Ghana

The current part of the study spotlights on addressing the third study objective which is to assess the degree to which strategic planning is implemented in small firms in Ghana. The participants were required to rate on a Likert scale their agreement to questions/statements on the extent to which strategic planning is implemented in their organizations. Below is the discussion of the results obtained from the analysis of the responses.

7.2.3.1 The business has established its long-term direction for at least the next three years.

The first strategic planning variable that the respondents were expected to respond to was “the business has established long-term direction for the firm”. On this the following are the results that ensued after analysing the responses from the respondents: the largest portion of the respondents (n=216, 43.2%) agreed that their businesses have established long-term direction while a relatively small number (n=106, 21.2%) indicated strong agreement with their businesses having established long-term direction. Additionally a chunk of the respondents (n=136, 27.2%) were neutral with their responses to the statement while smaller numbers of the respondents (n=35, 7.0%) and (n=7, 1.4%) showed disagreement and strong disagreement respectively with the statement that their businesses have established their long-term direction. The mean for the responses to the statement that “the business has established long-term direction” is $X=3.76$ with a standard deviation of $SD=0.91$. This implies there is agreement that small businesses in Ghana establish long-term direction for their operations. The results were partly affirmed by the outcome of the qualitative research to the extent that, though small businesses are aware of where their businesses are heading, not much formal planning takes place to determine the long-term direction of the firm. The research of the quantitative study contrast with the outcome of the study by Jennings and Beavers (1997) as cited in Ates et al. (2013:36) which indicated that, in small businesses, long term plans are not established and that activities emerge mostly in response to internal short term operational needs and concern.

7.2.3.2 The business undertakes analysis of the external environment to identify opportunities and threats

The second issue on which the views of the respondents were sought on the implementation of strategic planning was “the business undertakes external analysis of the business environment”. The following are the results after the responses from the respondents were analyzed: a vast number of the respondents (n=213, 42.6%) indicated agreement that their businesses undertake external analysis of the business environment while a smaller number (n=106, 21.2%) showed strong agreement that their businesses undertake external analysis of the business environment. Another large number of the respondents (n=148, 29.6%) were neutral in their responses while the remaining numbers of the respondents (n=30, 6.0%) and (n=3, 0.6%) indicated disagreement and strong disagreement that their businesses undertake external analysis. The mean for the responses on the extent the small businesses undertake external analysis of the business environment is $\bar{x}=3.78$ with a standard deviation of $SD=0.89$. This reveals that there is agreement that small businesses undertake external analysis of the business environment. Conversely, the qualitative aspect of the research indicated that, not much formal analysis of the external environment is undertaken by small firms in Ghana due to lack of capacity on the implementation of modern analysis tools. The finding of the quantitative study mostly contrasted the finding in the study by Ates et al. (2013:43) where monitoring the external was seen as one of the least practices engaged in by small businesses.

7.2.3.3 The business analyzes the operation and strategies of competitors within its industry.

The third strategic planning variable that was assessed was “the business undertakes competitor analysis”. The responses of the respondents after undergoing analysis produced the following results: a larger portion of the respondents (n=255, 51.0%) agreed that competitor analysis is undertaken in their businesses while another large number (n=147, 29.4%) indicated strong agreement with their businesses undertaking competitor analysis. A relatively small number of the respondents (n=83, 16.6%) were neutral in their responses while the remaining numbers of the respondents (n=14, 2.8%) and (n=1, 0.2%) showed disagreement and strong disagreement respectively when responding to the statement posed. The responses on the statement “the business undertakes competitor analysis” is $\bar{X}=4.07$ with a standard deviation of $SD=0.77$ indicates strong agreement that small businesses in Ghana undertake competitor analysis in their operations. The study finding contrast with the findings by Ates et al. (2013: 43) where analyzing

and monitoring competitors was found to be one of the least activities engaged in by small and medium-sized organizations. The finding of the research underscores the necessity for modern small businesses to strive to outperform the competition by always moving a distant ahead of the competition. To move a distant ahead of the competition organizations should consistently be in the known of what the competitors have done, doing and likely to do in the future. That is critical if a small business can consistently outperform the competition.

7.2.3.4 The business analyzes customer preferences and demands for strategy improvement.

The view of the respondents were also sought on the extent to which their businesses undertake customer analysis. The following are the results that emerged from the analysis of the responses from the respondents: a large number of the respondents (n=257, 51.4%) agreed that their businesses undertake customer analysis while a relatively smaller number (n=131, 26.2%) showed strong agreement that their businesses undertake customer analysis. A sizeable number of the respondents (n=99, 19.8%) also were neutral in their responses to the statement posed while a few of the respondents (n=12, 2.4%) and (n=1, 0.2%) indicated disagreement and strong disagreement respectively with the statement about their businesses undertaking customer analysis. The mean of the responses to the statement “the business undertakes customer analysis” is $X=4.01$ with a standard deviation of 0.76 reveals a strong agreement indicating that small businesses undertake customer analysis in their operations. The study finding contrast with the finding by Ates et al. (2013:43) where analyzing customer preferences was not found to be a common practice engaged in by small firms.

7.2.3.5 The business analyzes its internal capabilities to establish its strength and weaknesses.

The fifth item that was assessed under small businesses implementing strategic planning was “the business undertakes internal capability analysis. The analysis of the responses of the respondents produced the following results: larger number of the respondents (n=261, 52.2%) agreed that their businesses undertake internal capability analysis while an equally large number (n=125, 25.0%) strongly agreed with the statement. A sizeable number of the respondents (n=100, 20.0%) indicated neutrality in their responses while few of the respondents (n=11, 2.2%) and (n=3, 0.6%) showed disagreement and strong disagreement respectively with the statement that their businesses undertake internal capability analysis. The mean of the responses to the statement

“the business undertake internal capability analysis “ is $X=3.99$ with a standard deviation of $SD=0.77$ which reveals agreement that small businesses in Ghana undertake internal capability analysis of their businesses. The finding of the investigation implies that majority of small businesses in Ghana engage in practices that seek to analyze their internal capabilities to establish their strengths and weaknesses. The results of the qualitative study indicated that though small businesses do not use formal tools and processes to undertake the analysis of their internal capabilities, notwithstanding participants indicated that they were interested in knowing their strength and weaknesses. The results of the research are similar to the results in the research by Monday et al. (2015: 167) where about 92% of the businesses studied indicated that they undertook the analysis of their internal environment and report information to the relevant people in the organization.

7.2.3.6 The business devises strategies to ensure achievement of long-term goals

The sixth item was “the business devises strategies to achieve long-term goal” and the responses from the respondents after going through analysis delivered the following results: a greater number of the respondents ($n=218$, 43.6%) agreed that their businesses devise strategies to achieve long-term goals whilst a relatively smaller number ($n=128$, 25.6%) showed a strong agreement with the statement. A large number ($n=135$, 27.0%) were neutral with their responses while few of the respondents ($n=18$, 3.6%) and ($n=1$, 0.2%) disagreed and strongly disagreed respectively with the statement that their businesses devise strategies to achieve long-term goals. The mean of the responses to the statement “ the business devises strategies to achieve long-term goals” is $X=3.91$ with a standard deviation of 0.83. This implies an agreement that small businesses in Ghana devise strategies in their operation to achieve long-term goals. The results of the qualitative study did not confirm the quantitative results since the participants of the qualitative indicated that, their businesses do not engage in formal strategy development practices. The study findings also align with the findings in Monday et al. (2015: 167) where 76% of the businesses under study articulated that they have devised and implemented strategies for the achievement of their corporate goals.

7.2.3.7 The business assesses daily operations against long-term plans

The respondents further were required to respond to the statement “the business assesses daily operations against long-term plans”. The responses to the statement by the respondents were analysed and the following are the results that emerged from the analysis: a large number of the respondents (n=171, 34.2%) and (n=121, 24.2%) showed agreement and strong agreement respectively with the statement while an even larger number of the respondents (n=181, 36.2%) indicated neutrality in their responses to the statement posed. A relatively few of the respondents (n=25, 5.0%) and (n=2, 0.4%) also disagreed and strongly disagreed respectively with the statement that their businesses assess daily operations against long-term plans. The mean of the responses to the statement “the business assess daily operations against long-term plans” is $X=3.77$ with a standard deviation of $SD=0.89$ reveals agreement among the respondents that small businesses in Ghana assess their daily operations against their long-term plans. The outcome of the study supports the outcome of the research by Flammer and Bansal (2017) that indicates that long-term orientation of businesses increases the value of businesses and for that matter, motivates aligning daily operations against long-term plans

7.2.3.8 The business continuously assesses factors essential for its sustainability.

The respondents were also expected to indicate their view on the statement “the business assesses factors essential for sustainability” and the responses after been analysed revealed the following results: massive number of the respondents (n=264, 52.8%) agreed that their businesses assess various factors for the sustainability of their operations whilst a slightly small number strongly showed a stronger agreement with the statement. (n=117, 23.4%). Another sizeable number of the respondents (n=108, 21.6%) were neutral in their responses to the statement posed. A few of the respondents (n=10, 2.0%) and (n=1, 0.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses assess factors essential for the sustainability of their operations. The mean for the responses to the statement “the business assesses factors essential for sustainability” is $X=3.97$ with a standard deviation of 0.74 indicates an agreement that small businesses in Ghana assess their businesses for factors essential for the sustainability of their operations. The findings of the research is consistent with what was found by Janson et al. (2015) where commitment to sustainability was found to be very important in the organizations that were studied especially those that were having high level of market orientation

7.2.3.9 The business has a formal system for tracking its performance and that of the competitors.

The ninth item that the respondents were expected to express their views on was the statement “the business has a formal system for tracking own performance and that of competitors”. The responses that were obtained after analysis produced the following results: a vast number of the respondent (n=261, 52.2%) agreed that their businesses have in existence formal systems for tracking their performances and that of the competitors while a large of the respondents (n=110, 22.0%) strongly agreed with the statement. Another sizeable number of the respondents (n=108, 21.6) were neutral in their responses to the statement posed while few of the respondents (n=17, 3.4%) and (n=4, 0.8%) disagreed and strongly disagreed respectively with the statement that their businesses have formal systems for tracking own and competitors’ performances. The mean for the responses on the statement “the business has a formal system for tracking own performance and that of competitors” is $X=3.91$ with a standard deviation of $SD=0.80$. This reveals agreement that small businesses in Ghana have formal systems for tracking their performances and that of the competitors. The finding harmonizes with the findings in the research by Anderson and Shoal (1999:867) where it was found that, small businesses put in place measures to ascertain on the periodic basis their performance. The qualitative outcome of the investigation in contrast did not confirm the quantitative results, since the participants of the qualitative study opined that they did not have formal systems in place in their firms for tracking performance.

7.2.3.10 The business undertakes consistent strategy reviews to ensure operational effectiveness.

The last statement that was posed to respondents for their views on the implementation of strategic planning was “the business undertakes consistent strategy reviews to ensure operational effectiveness”. The results that emerged after analysing the responses were the following: a large number of the respondents (n=203, 40.6%) agreed with the statement while an equally large number of the respondents (n=172, 34.4%) also showed a strong agreement with the same statement. A sizeable number of the respondents (n=104, 20.8%) were neutral with their responses while the remaining respondents (n=17, 3.4%) and (n= 4, 0.8%) disagreed and strongly disagreed with the statement that their businesses undertake consistent strategy reviews to ensure operational effectiveness. The mean of the responses to the statement “the business undertakes consistent strategy reviewa to ensure operational effectiveness” is $X=4.04$ with standard deviation

of $SD=0.87$. This implies that there is a strong agreement among the respondents that small businesses in Ghana undertake consistent strategy review to ensure operational effectiveness. The finding was not affirmed by the outcome of the qualitative research. The outcome of the qualitative study indicated that not must strategy review are undertaken in small businesses. The outcome of the quantitative aspect of this research confirms the findings in the study by Anderson and Sohal (1999: 867) which opined that one key strategic activities small businesses engage in is the regular review of organizational activities to ensure that progress is been made.

7.2.4 Challenges facing the implementation of strategic planning in small businesses.

This part talks about the upshot of the analysis of the data collected on the challenges small firms face in implementing strategic planning. The segment considers the fourth objective of the investigation which is to explore the challenges associated with the implementation of strategic planning in Ghana. The participants were expected to show by rating the degree to which they agreed with statements regarding the challenges they face when implementing strategic planning. This section discusses the results of the responses from the respondents of the study.

7.2.4.1 There is not enough resources for strategy implementation.

The quantitative data analysis provides information on respondents' responses on the statement "the business lacks enough resources for strategy implementation". From the outcome of the research the following emerged: majority of the respondents ($n=173$, 34.6%) were neutral with their responses while a large number of the respondents ($n=103$, 20.6%) indicated agreement with the statement posed. Additionally, only a few of the respondents ($n=60$, 12.0%) showed strong agreement that their businesses lacked enough resources for strategy implementation. Also, small numbers of the respondents ($n=78$, 15.6%) and ($n=86$, 17.2%) indicated disagreement and strong disagreement respectively with the statement that their businesses lack enough resources for strategy implementation. The mean for the responses on the statement that "the business lacks enough resources for strategy implementation" is $X=2.95$ with a standard deviation of $SD=1.24$ revealing a disagreement with the statement indicating that the respondents believe small businesses in Ghana do not have problem with resources for strategy implementation or to put it explicitly the respondents were rather neutral with their responses on the statement that their businesses lack enough resources for strategy implementation. The findings of the study implies that , there is not much clarity among small businesses when it come to resources for strategy

implementation. The reason is that, almost the same number of the respondents in the study agreed and also disagreed with the statement posed. Conversely, the finding of the qualitative aspect of the research was very emphatic on the lack of enough resources for strategy implementation. The study finding, especially the qualitative finding is consistent with the findings of the study by Jessica, Hwang and Lockwood (2006:346) where small businesses were found to have limited resources and also have little confidence in formulating and implementing plan. The study by Obeidat et al. (2017:396) indicated that resources availability is critical to strategy implementation success meaning if small businesses lack resources it will affect adversely strategy implementation.

7.2.4.2 Resources are not properly aligned to strategy implementation

The quantitative data analysis provides information on respondents' responses to the statement "the businesses resources are not aligned to strategy implementation" and the following are the results that came out after the analysis of the responses: a large number of the respondents (n=144, 28.8%) agreed with the statement that their businesses resources are not aligned with strategy implementation, while only small number of the respondents (n=64, 12.8%) strongly agreed with the statement. Additionally a large number of the respondent (n=129, 25.8%) showed neutrality with their responses while similar number of the respondents (n=116, 23.2%) also indicated disagreement with the statement posed. The remaining number of the respondents (n=47, 9.4%) strongly disagreed with the statement that their business resources are not aligned with strategy implementation. The mean score for the responses on the statement "the business resources not aligned with strategy implementation is $X=3.12$ with a standard deviation of $SD=1.18$ indicates a moderate agreement with the statement implying that the resources in small businesses in Ghana are not aligned with strategy implementation. The outcome of the research is not in line with the outcome in the study by Shao (2019:102) where a positive authentic connection was identified between resource-strategy alignment and enterprise performance.

7.2.4.3 The business finds it difficult to manage change

The third items that was assessed on the challenges facing strategic planning implementation was the statement "the business finds it difficult to manage change" and the responses were analysed which revealed the following results: the largest portion of the respondents (n=180, 36.0%) indicated neutrality with their responses while a sizeable number of the respondents (n=128,

25.6%) also agreed with the statement posed. Only few of the respondents strongly agreed that their businesses find it difficult to manage change. Additionally smaller numbers of the respondents (n=92, 18.4%) and (n=54, 10.8%) showed disagreement and strong disagreement respectively with the statement that their businesses find it difficult to manage change. The mean score for the responses on the statement “the business finds it difficult to manage change is $X=3.04$ with a standard deviation of $SD=1.11$. This reveals moderate agreement with the statement indicating that small businesses in Ghana find it difficult to manage change. The research finding in a way align with the findings in the study by Lines, Sullivan, Smithwich and Mischung (2015) where more resistance to change was found in large-sized projects than small-sized projects.

7.2.4.4 The business has ineffective control of strategy implementation

The respondent of the study also responded to the statement “the business has ineffective control of strategy implementation”. The following are the results that emerged from the analysis of the responses from the respondents of the study: the largest portion of the respondents (n=170, 34.0%) were neutral in their responses to the statement while a slightly smaller number (n=132, 26.4%) agreed with the statement. Additionally, a sizeable number of the respondents (n=101, 20.2%) disagreed with the statement while the least number of the respondent (n=45, 8.6%) strongly disagreed with the statement that their businesses have ineffective control of strategy implementation. The mean score for the responses on the statement “the business has ineffective control of strategy implementation is $X=3.11$ with a standard deviation of $SD=1.11$ indicates a moderate agreement with the statement implying that small businesses in Ghana have ineffective control of strategy implementation. The findings of the research underscore the finding of the research by Obeidat et al. (2017:399) where it was found that, the control of the strategy implementation process is critical to the success of strategy implementation. This means large number of the organization indicating ineffective control of the strategy implementation process is a real problem small business might have in Ghana.

7.2.4.5 Top managers do not provide enough support for strategy

The fifth item that sought to assess the challenges small businesses face with strategy planning was the statement “ in the business strategy lacks support from top managers”. The responses from the respondents were analysed and the following are the results that ensued: a large numbers of the respondents (n=147, 29.4%) agreed with the statement that their businesses lack support for

strategy from the top managers while the same number of the respondents (n=147, 29.4%) were neutral in their responses to the same statement. A large number of the respondents (n=102, 20.4%) disagreed with the statement as only a few of the respondents (n=50, 10%) showed strong disagreement. The remaining number of the respondents (n=54, 10.8%) strongly agreed that their business lack support for strategy from top manager. The mean score for the responses to the statement “in the business strategy lack enough support from top managers” is $X=3.11$ with standard deviation of $SD=1.15$ indicates a moderate agreement with the statement which reveals that strategy in small businesses in Ghana lack support from top managers. The finding of the study implies that numerous small firms in Ghana do not receive the necessary support from managers when it comes to the issue of strategy. The finding of the study amplifies the finding in the study by Kumar, Singh and Shankar (2015:5) where top management commitment was ranked first as the critical success factor for supply chain management. The connection with the finding in this study is that without support from top management, the intended success might not be achieved when it comes to strategy implementation in an organization.

7.2.4.6 The human capital of this business is not effectively developed to support strategy

The respondents were also asked to respond to the statement “the business lacks enough human capital to support strategy. This statement also sought to explore the challenges small businesses face in strategic planning. The responses that were received were analysed revealing the following results: a large number of the respondents (n=167, 33.4%) were neutral in their responses while an equally large number of the respondents (n=160, 32.0%) agreed with the statement that their businesses lack enough human capital to support strategy. Additionally, only a small number of the respondents (n=57, 11.4%) showed strong agreement with the statement while smaller numbers of the respondents (n=79, 15.8%) and (n=37, 7.4%) also disagreed and strongly disagreed respectively with the statement posed. The mean score for the statement “the business lacks enough human capital to support strategy” is $X=3.24$ with standard deviation of $SD=1.08$ indicates a moderate agreement with the statement, revealing that small businesses in Ghana lack enough human capital to support strategy. The study finding is sustained by the findings in the research by Jessica, Hwang and Lockwood (2006:347) where small businesses were found to lack skilled labour to support implementation of best practices and strategy.

7.2.4.7 There is lack of strategy supportive culture in the organization

The seventh item assessing challenges facing strategic planning is the statement “the business lacks strategy supportive culture”. The respondents were expected to indicate their view and the responses obtained were analysed producing the following results: a large number of the respondents (n=162, 32.4%) indicated neutrality in their responses while an equally large number (n=142, 28.4%) agreed with the statement that their businesses lack a strategy supportive culture. A small number of the respondents (n=60, 12.0%) strongly agreed that their businesses lack strategy supportive culture. Additionally a sizeable number of the respondents (n=75, 15.9%) and (n=61, 12.2%) disagreed and strongly disagreed respectively with the statement that their businesses lack a strategy supportive culture. The mean score for the responses to the statement “the business lack strategy supportive culture” is $X=3.13$ with a standard deviation of $SD=1.18$ indicates a moderate agreement with the statement revealing that small businesses in Ghana lack strategy supportive culture. Thus, small businesses in Ghana were found to have organizational cultures that do not support the strategies they adopt. The importance of having the right organizational culture was underscored by Galpin, Whittington and Bell (2015:11) that having a sustainability culture is necessary for achieving enhanced organizational performance.

7.2.4.8 Managers’ lack appreciation for strategic planning

The last item that sought to assess the challenges facing strategic planning in small businesses is the statement “the managers in the business lack appreciation for strategic planning”. The responses from the respondents after analysis produced the following results : a large number of the respondents were neutral in their responses while a closely equal number of the respondents (n=104, 20.8%) agreed with the statement. Additionally a sizeable number of the respondents (n=106, 21.2%) strongly disagreed while a smaller number (n=94, 18.8%) disagreed with the statement that managers in their businesses lack appreciation of strategic planning. It is evident that only few of the respondents (n=48, 9.6%) strongly agreed with the statement. The mean score for the responses to the statement “the managers in the business lack appreciation for strategic planning” is $X=2.79$ with a standard deviation of 1.26 indicates neutrality in responses revealing that managers in small businesses in Ghana are not sure or undecided on the position of strategy in their operations. The outcome of the research implies that though large numbers of small businesses showed appreciation for strategy, a greater number may lack appreciation for strategic planning. The finding of the study underscores the finding in the study by Alamsjah (2011) and

Jiang and Carpenter (2013) as reporter in the study by Obeidat et al. (2017: 388) that top executive help is critical input in the success of strategic planning implementation. The idea indicates that when top management is involved it improves the success of strategic planning implementation and managers would be more involved when they have high appreciation of strategic planning. From the results of this study a large number of respondents indicated that their managers do not appreciate strategy and that is real challenge that might impact the success of strategic planning implementation.

7.2.5 Sources of Competitive Advantage of Small Businesses

This segment covers the discussion of the results of the research linked to the competitive advantage enjoyed by small businesses. The respondents provided responses on their perception of the extent to which their businesses enjoy certain advantages over other businesses.

7.2.5.1 The business serves its customers better than other businesses

The quantitative data analysis provides information on respondents' responses to the statement "this business serves its customers better than other competitor". The following are the results that emerged from the analysis of the responses: a vast number of the respondents (n=205, 41.0%) showed agreement that their businesses serve their customers better than the competitor while an equally large number of the respondent (n=199, 39.8%) strongly agreed with the statement. A small number of the respondents (n=76, 15.2%) were neutral in their responses while an even smaller numbers of the respondents (n=13, 2.6%) and (n=7, 1.4%) disagreed and strongly disagreed respectively with the statement that their businesses serve customers better than competitors. The mean score for the responses to the statement "the business serves customers better than competitors" is $X=4.15$ with a standard deviation of $SD=0.87$ indicates a high or strong agreement with the statement indicating that a lot of small businesses in Ghana believe that they have the capacity that make them serve their customers better than their competitors. The outcome of the research indicates that most small businesses have the capacity and what it takes to effectively serve their customers. The outcome of the study is consistent with the finding of Agwu (2018:8) where the small businesses studied indicated that, they served customers better than other organizations and attributed that to the effectiveness of their sales force which was given credit for the expansions achieved in the businesses

7.2.5.2 The products/services of this organization are superior to that of the competitors.

The respondents were also asked to express their views on the statement “the products of the business are superior to that of the competitors” The following are the results from the analysis of the responses: a vast majority of the respondents (n=227, 45.4%) agreed that their products are superior to that of competitors while another large number of the respondents (n=194, 38.8%) strongly agreed with the statement posed. A small number of the respondents (n=59, 11.8%) were neutral with their responses while relatively small numbers of the respondent (n=19, 3.8%) and (n=1, 0.2%) disagreed and strongly disagreed respectively that their products are superior to those of their competitors. The mean score for the responses to the statement “the products of the business are superior to that of competitors” is $X=4.19$ with a standard deviation of $SD=0.80$ indicates that there is a strong agreement with the statement which implies that small businesses in Ghana believe that their products are superior to those they compete with. The upshot of the study is supported by the outcome of the study by Taneja, Pryor and Hayek (2016) which identified that small businesses have great capacity to produce superior products and services because of their high capacity to adapt to changing situation and also their ability to adopt novel strategies which are critical for new product and service development.

7.2.5.3 Generally customers prefer to deal with this organization than competitors

The quantitative data analysis provides information on respondents' responses to the statement “customers prefer to deal with the business rather than with competitors”. The responses received were analysed and produced the following results: large numbers of the respondents (n=221, 44.2%) and (n=201, 40.2%) agreed and strongly agreed respectively with the statement that their customers prefer to deal with their businesses than the competitors. A sizeable number of the respondent (n=68, 13.6%) were neutral in their responses while few of the respondents (n=9, 1.8%) and (n=1, 0.2%) disagreed and strongly disagreed respectively with the statement posed. The mean score of the responses to the statement “ customers prefer to deal with the business than with competitors” is $X=4.22$ with a standard deviation of $SD=0.76$ indicate strong agreement with the statement revealing that small businesses in Ghana believe they have positioned themselves in a way that make their customers prefer to deal with them than with their competitors. The finding of the study implies that, numerous small firms in Ghana enjoy customer loyalty. The idea that small businesses tend to have high customer loyalty relative to large organizations may be attributed to small businesses treating their customers at personal level and

also the ability of small businesses to produce customized product or services to their customers which large organizations are mostly not able to do.

7.2.5.4 The cost structure of the business is comparatively better than that of competitors.

The last item on the competitive advantage scale that was assessed was the statement “the business has better cost structure than competitors”. The responses received were analysed and produced the following results: a vast majority of the respondents (n=246, 49.2%) strongly agreed with the statement that their businesses have better cost structure than their competitors while a large number of the respondents (n=186, 37.2%) also indicated agreement with the statement. A sizeable number of the respondents (n=56, 11.2%) indicated neutrality in their responses while relatively smaller numbers of the respondents (n=10, 2.0%) and (n=2, 0.4%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business has better cost structure than competitors” is $X=4.33$ with a standard deviation of 0.78 indicate a strong agreement with the statement which reveals that small businesses in Ghana believe they have capabilities that has made them to develop cost structure better than their competitors. The outcome of the investigation implies that many small enterprises in Ghana have the capacity to achieve low cost structure in their operations. When small businesses are compared with large organizations, the capacity of small businesses to achieve low cost is limited since large organizations are mostly able to buy in large volumes and through achieving economies of scale and its consequent low per unit cost. It is not clear the basis of comparison in terms of which businesses the organizations studied considered to be their competitors.

7.2.6 Growth of small businesses

This part presents a discussion on the results of the study connected to how small business owner-managers perceive their businesses to have grown. The respondents provided their opinions by rating the extent to which they believe their businesses have grown on different dimensions.

7.2.6.1 The profit of this organization has been increasing desirably as expected.

The first item that was assessed about the growth of the small businesses was the statement “the business profit is increasing as expected”. The following are the results after analysing the responses of the respondents of the study: the largest portion of the respondents (n=233, 46.6%) were neutral with their responses to the statement posed while a sizeable number of the respondents (n=158, 31.6%) agreed that the profits of their businesses are increasing as expected.

A few of the respondents (n=64, 12.8%) showed strong agreement with the statement while small number of the respondents (n=37, 7.4%) and (n=8, 1.6%) agreed and strongly agreed respectively with the statement that their businesses are experiencing increasing profit as expected. The mean score for the responses to the statement “the business profit is increasing as expected” is $X=3.47$ with a standard deviation of $SD=0.87$ indicates an agreement with the statement which reveal that small businesses in Ghana are possibly experiencing increasing profitability. The finding as outlined here affirms the findings in the study by Agwu (2018:17) where it was opined by the greater number (78.5%) of the small businesses studied that their firms gain high level of profit on their products and services.

7.2.6.2 The revenue of this organization has increased desirably as expected

The second growth of a business variable that was assessed was the statement “the business revenue is increasing as expected”. The respondents were asked to indicate the extent to which their businesses were achieving increased revenue and the following results ensued after the responses were analysed: a vast number of the respondents (n=184, 36.8%) indicated neutrality in their responses while an equally large number of the respondents (n=168, 33.6%) agreed that their businesses were experiencing increasing revenue. Also a smaller number of the respondents (n=85, 17.0%) strongly agreed that their businesses were achieving increased revenue while few of the respondents (n=53, 10.6%) and (n=10, 2.0%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business revenue is increasing as expected” is $X=3.53$ with a standard deviation of 0.96 indicate an agreement with the statement which reveals that small businesses in Ghana are possibly achieving increased revenues in their operation. The outcome of the research is in line with the outcome in Agwu (2018:12) where 73.8% of the small businesses studied indicated that their revenue have been growing for extended period of time and about 81.3% indicated that their sales growth has been better than the competitors.

7.2.6.3 There has been increased customer base of this organization as expected

The third growth of the business variable that was assessed was the statement “the business has achieved increased customer base”. The respondents were expected to express their views on the extent to which their businesses have achieved increases in the customer base. The responses received were analysed and the following are the results that ensued: a large number of the respondents (n=183, 36.6%) agreed with the statement indicating that their businesses have increased the number of their customers while the same number of respondent (n=183, 36.6%) were neutral with their responses to the statement. Additionally a sizeable number of the respondents (n=91, 18.2%) showed strong agreement with the statement while smaller numbers of the respondents (n=35, 7.0%) and (n=8, 1.6%) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “ the business has achieved increased customer base” is $X=3.63$ with a standard deviation of $SD=0.91$ indicates an agreement with the statement revealing that small businesses in Ghana possibly are having increase in the number of their customers. The study finding is consistent with the findings in Agwu (2018:8) where 81.3% of the small businesses studied indicated that their customer base has increased, relative to their competitors.

7.2.6.4 There is increased employee commitment to the organization

The quantitative data analysis provides information on respondents’ responses to the statement “there is increased employee commitment to the organization”. The responses obtained were analysed and the following are the results that came out of the analysis conducted: A vast number of the respondents (n=201, 30.2%) agreed that the level of employee commitment in their business have increased while an equally large number of the respondent (n=185, 37.0%) indicated neutrality in their responses to the statement posed. A smaller number of the respondents (n=71, 13.2%) indicated strong agreement while few of the respondents (n=33, 6.6%) and (n=10, 2.0%) showed disagreement and strong disagreement respectively with the statement that the level of employee commitment in their businesses have increased. The mean of the responses to the statement “the business has achieved employee commitment” is $X=3.58$ with a standard deviation of $SD=0.88$ indicate agreement with the statement revealing that possibly small businesses in Ghana are experiencing increases in their employee commitment. The outcome of the study supports the outcome in the study by Saridakis, Munoz Torres and Johnstone (2012:8)

where workers in small firms were identified to have more commitment than their counterparts in large firms.

7.2.6.5 The level of sustainability of this business has increased

The fifth growth of the business variable that was assessed was the statement “the business has achieved increased sustainability. The responses as analysed produced the following results: a larger number of the respondent (n=203, 40.6%) agreed that their businesses have achieved increased sustainability while a sizeable number of the respondents (n=160, 32.0%) were neutral in their responses. A relatively small number of the respondents (n=83, 16.6%) strongly agreed with the statement posed while few of the respondents (n=45, 9.0%) and (n=9, 1.8) disagreed and strongly disagreed respectively with the statement posed. The mean of the responses to the statement “the business has achieved increased sustainability” is $X=3.61$ with a standard deviation of $SD=0.93$ indicate an agreement with the statement revealing that small businesses are increasing their sustainability level. The finding is similar to the findings in the research by Agwu (2018:15) were greater number (88.8%) of the small businesses studied agreed that their businesses have tried to create high level of sustainability in their firms as a legacy. This indicates that small businesses are very interested in the sustainability of their firms and operations. Also as was found by Berns et al. (2009), sustainability has now become a very vital business strategy as was articulated by majority of the firms that were studied.

7.2.6.6 The level of productivity/efficiency of this business has increased

The last growth of the business variable assessed was the statement “the business has achieved productivity”. The following are the analysed results of the responses received from the respondents of the study: the largest number of the respondents (n=188, 37.6%) were neutral in their responses while another large number of the respondents (n=178, 35.6%) agreed with the statement that their businesses have attained increased productivity. A relatively smaller number of the respondents (n=95, 19.0%) strongly agreed with the statement posed. The remaining numbers of the respondents (n=29, 5.8%) and (n=10, 2.0%) disagreed and strongly disagreed respectively with the statement that their businesses have achieved increased productivity. The mean of the responses to the statement “the business has achieved increased productivity” is $X=3.64$ with a standard deviation of $SD=0.92$ indicates agreement with the statement revealing that small businesses in Ghana are possibly achieving increased productivity in their

operation. The outcome of the research aligns with the outcome of Agwu (2018:17) where the vast majority (85.9%) of the small businesses that were studied indicated that their performance were better than their competitors indicating high level of efficiency in their operations ensuing from the increased commitment level of their employees.

7.2.7 The Relationship between management practices applicable to small businesses and dimensions of growth of small businesses.

Under this segment of the study, the outcome of the analysis on the association between management practices and different dimensions of small business growth are discussed. The management practices in this study are categorized into four and the discussions are done under the categories and how each is associated with the dimensions of the growth of the firm. The discussion under this section addresses the fifth research objective which is : To assess the relationship between management practices applicable to small firms and the growth of small firms in Ghana.

7.2.7.1 The Relationship between Operation-efficiency-focused management practices and dimensions of growth of small businesses.

The analysis conducted on the responses of the respondents provided the evidence to indicate that there was no significant association between each of the three operation-efficiency-focused management practices and the dimensions of the growth of the firm. As evident from the spearman test conducted the first operation-efficiency-focused management practice “the business implements modern work practices “ is not significantly associated with any of all the dimensions of the growth of the small business. The results were confirmed accordingly by various research findings. For instance, the following studies findings confirmed the outcome of this study that there is no significant relationship between businesses implementing modern work practices and growth of the businesses: Zack et al. (2009:3009:399) found there is no connection between implementing knowledge management practices and organizational performance. Also, Walker et al. (2010:379) also established that management innovation had no effect on organizational performance.

On the other hand the second operation-efficiency focused management practice “the business practices and techniques are aimed at cost and quality improvement” was also found not to be significantly associated with any of the growth of the small business indices. The study finding

contrasted the findings in the study by Absar et al. (2010:17) where very important business practices that had high capacity to achieve cost reduction were identified to have a significant connection with organizational output.

The third operation-efficiency-focused management practice “the business activities and processes ensure continuous improvement” is also not significantly associated with any of the growth of the small business indices. The study finding was not supported by previous research findings. In the study by Alkalha et al. (2012:57-59), business activities with high capacity for continuous improvement were found to have significant correlation with organizational output.

7.2.7.2 The Relationship between Monitoring-focused management practices and dimensions of growth of small businesses.

The Spearman correlation test results indicate that some of the monitoring-focused management practices are significantly associated with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the monitoring-focused management practices that were found to be significantly associated with the growth of business indices and their connection with the existing literature. In the analysis a number of items consisting of monitoring-focused management practices and growth of business indices were correlated to establish a Spearman correlation matrix and below is the presentation of the results and how they are supported or otherwise by the existing literature.

Item 2 - “the business reviews performance constantly to ensure continuous improvement” was found to be significantly associated with the growth of the business indices below:

- Item 7 – “the business has achieved increased employee commitment ($\rho=0.123$, $p<0.01$). This outcome of the study confirms the outcome of the study by Rana and Malik (2017) that identified a significant positive connection between performance appraisal and organizational performance when organizational performance or growth is measured by the level of employee commitment in the organization.

Item 3 – “organization and employee performance are communicated to employee and management” is found to be significantly associated with the following growth of the business indices below:

- Item 5- “the business revenue is increasing as expected” ($\rho=0.118$, $p<0.01$). This finding implies that if small businesses communicate their performance to employees and management it tends to lead to increase in the revenue base of the organization. The outcome of the research is analogous with the outcome of the research by Kalogiannidis (2020:5) where a direct connection was identified between downward communication in the organization and performance in the organization. This means that, if employee performance is effectively communicated by management, it can affect positively organizational growth in the form of revenue of the firm as indicated in this study.
- Item 6- “the business has achieved increased customer base” ($\rho=0.116$, $p<0.01$). The finding implies that, communicating performance to employees lead to increase in the customer base of the firms. The outcome of the research is analogous with the outcome of the research by Kalogiannidis (2020:5) where a direct connection was identified between downward communication in the organization and performance in the organization. This means if employee performance is effectively communicated by management, it can affect positively organizational growth in the form of increase in the customer base of the organization as indicated in this study.
- Item 7- “the business has achieved increased employee commitment ($\rho=0.093$, $p<0.05$). The finding implies that businesses that communicate performance to employees and management tend to gain a raise in the level of commitment of their employees. The upshot of the research is analogous with the upshot of the research by Kalogiannidis (2020:5) where a direct connection was identified between downward communication in the organization and performance in the organization. This means that, if employee performance is effectively communicated by management, it can affect positively organizational growth in the form of increase in employee commitment as indicated in this study.

7.2.7.3 The Relationship between Targeting-focused management practices and dimensions of growth of small businesses.

The spearman correlation test results indicate that some of the Targeting-focused management practices are significantly associated with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the Targeting-focused management practices that were found to be significantly associated with the growth of business indices and their

connection with the existing literature. In the analysis a number of items consisting of targeting-focused management practices and growth of business indices were correlated to establish a spearman correlation matrix and below is the presentation of the results and how they are supported or otherwise by the existing literature.

Item 1- “the business punishes bad performers and reward good performers effectively” is significantly associated with the following growth of business indices:

- Item 8- “the business revenue is increasing as expected” ($\rho=0.096$, $p<0.05$). The finding implies that, businesses that effectively use reinforcement and punishment tend to achieve increase in the level of their revenue generation. The finding of this study aligns with the findings by Georgeiadis and Pitelis (2012) as portrayed in the study by Ogunyomi and Brubing (2015:6) indicating a direct connection between reward policy of small businesses and the profit of the firms studied. Since the level of an organization’s profit in a way is determined by the revenue generated it can be assumed therefore effective use of reinforcement and punishment has a direct link with the level of an organization’s revenue.
- Item 11- “the business has achieved increased sustainability” ($\rho=0.143$, $p<0.01$). The finding indicate that businesses that use reinforcement and punishment effectively are more probable to achieve a raise in the sustainability of the businesses. The outcome of this research is regular with with the outcomes in the research by Hamid et al. (2017:5) where a significant association was identified between compensation management and organizational performance. An effective compensation management system rewards good performance and punishes poor performers and ideally should be positively connected with growth in an organization’s performance and such as a connection was established when organizational growth was measured using the level of sustainability of the business.
- Item 12 – “the business has achieved increased productivity” ($\rho=0.096$, $p<0.05$). The finding indicates that businesses that use reinforcement and punishment effectively are extra likely to have enhancement in the productivity level of their operations. The outcome of this research is comparable with the outcome in the research by Hamid et al. (2017:5) where a significant association was identified between compensation management and organization performance. An effective compensation management system reward good performers and punishes poor performers and ideally should be positively connected with

growth in an organization's performance and such a connection was established in this study when organizational growth was measured using the level of productivity.

Item 2- “the business sets both financial and non-financial goal” is significantly associated with the following growth of business indices:

- Item 7- “the business profit is increasing as expected” ($\rho=0.163$, $p<0.01$). The finding implies that, when a business set both financial and non-financial goals it is more likely that the business will achieve increase in the level of its profitability. The outcome of the research is not consistent with the outcome in the study by Deschamps and Mattijs (2017:1095). The contrasting findings from the two researches show that setting financial and non-financial goals as indicators can impact profit both positively and negatively.
- Item 8 – “the business revenue is increasing as expected” ($\rho=0.210$, $p<0.01$). The implication of the finding is that businesses that set both financial and non-financial goals are more likely to have increase in the level of their revenue. The outcome of the research is not consistent with the outcome in the study by Deschamps and Mattijs (2017:1095). The contrasting outcomes from the two researches portray that setting financial and non-financial goals as pointer can impact revenue generation both negatively and positively.
- Item 9 – “the business has achieved increased customer base” ($\rho=0.197$, $p<0.01$). The finding implies that, businesses that set both financial and non-financial goals are more likely to achieve increase in their customer base. This outcome of the investigation is not consistent with the outcome in the study by Deschamps and Mattijs (2017:1095). The contrasting outcomes from the two researches signify that setting financial and non-financial targets as pointer can impact the customer base of the organization both negatively and positively.
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.114$, $p<0.05$). The finding implies that, businesses that set both financial and non-financial goals are more likely to achieve increase in the level of their employee commitment. This outcome of the research is not consistent with the outcome in the study by Deschamps and Mattijs (2017:1095). The contrasting outcomes from the two researches signify that setting financial and non-financial goals as pointer can impact employee commitment in the organization both negatively and positively.

Item 3 - “the business goals are linked with employee goals” is significantly associated with the following growth of business indices:

- Item 3 – “the business profit is increasing as expected” ($\rho=0.127$, $p<0.01$). The finding implies that businesses that link business goals with individual employee goals are more probable to have a raise in the level of their profitability. The finding of the study contradicts the study by Ayers (2015:183) that found that aligning organizational and employee goals do not have a noteworthy consequence of organizational performance.
- Item 8 – “the business revenue is increasing as expected” ($\rho=0.147$, $p<0.01$). The implication of the study is that, businesses that link business and employee goals are more probable to achieve a raise in the level of their revenue. The finding of the study contradicts the study finding by Ayers (2015:183) that found that aligning organizational and employee goals do not have a noteworthy influence on organizational performance. In this research organizational growth was assessed using revenue growth.
- Item 9 – “the business has achieved increased customer base” ($\rho=0.168$, $p<0.01$). The finding implies that businesses that link business and employee goals are probable to achieve enhancement in the level of their customer base. The finding of the study contradicts the study by Ayers (2015:183) that found that aligning organizational and employee goals do not have significant impact on organizational performance.
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.090$, $p<0.05$). The finding implies that, businesses that link business and individual employee goals are more likely to achieve increase in the level of their employee commitment. The outcome of the research contradicts the finding in the study by Ayers (2015:183) that found that, aligning organizational and employee goals do not have a major influence on organizational output.
- Item 11 – “the business has achieved increased sustainability” ($\rho=0.114$, $p<0.05$). The finding implies that, businesses that link business and individual employee goals are more likely to achieve increase in the level of sustainability of their businesses. The finding of the study contradicts the study by Ayers (2015:183) that found that, aligning organizational and employee goals do not have a considerable influence on organizational output. In this investigation, organizational growth was assessed by the level of sustainability of the businesses.

- Item 12 – “the business has achieved increased productivity” ($\rho=0.096$, $p<0.05$). The finding implies that, businesses that link business and individual employee goals are more likely to achieve increase in the level of productivity of the businesses. The finding of the study contradicts the study by Ayers (2015:183) that found that aligning organizational and employee goals do not have a considerable influence on organizational output.

Item 4 – “the business short-term goals influence the achievement of long-term goals” is significantly associated with the following growth of business indices.

- Item 7 – “the business profit is increasing as expected” ($\rho=0.206$, $p<0.01$). The finding implies that, in businesses where short-term goals inform long-term goals there is more likelihood that there would be increase in the profitability of the businesses. In the search of the existing literature, the researcher did not come across studies that investigated or explored creating a link between short and long term goals as intentional management practice or studies that investigated the relationship between such a practice and organizational growth. The present study has consequently added to the current information on how connecting short and long term goals influence business growth. It has been identified that small enterprises that connect their short and long term goals create a situation for enhanced profitability of their firms .
- Item 8 – “the business revenue is increasing as expected “ ($\rho=0.177$, $p<0.01$). The finding implies that, businesses where short-term goals inform long-term goal, there is more likelihood that the businesses will achieve increase in the level of their revenue. In the search of the current literature, the investigator did not stumble upon studies that explored creating a link between short and long term goals as intentional management practice or studies that investigated the relationship between such a practice and organizational growth. The present study has consequently added to the current information on how connecting short and long term goals influence business growth. It has been identified that small enterprises that connect their short-term and long-term goals create a situation for enhanced revenue growth of their firms since in the research authentic connection was established between the management practice and a business having increased revenue.

- Item 9 – “the business has achieved increase in customer base” ($\rho=0.214$, $p<0.01$). The finding implies that businesses where short term goals inform the achievement of long-term goal, there is more likelihood that the businesses will achieve increase in their customer base. In the exploration of the existing literature, the researcher did not come across studies that explored creating a link between short and long-term goals as intentional management practice or studies that investigated the relationship between such a practice and organizational growth. The present study has consequently added to the current information on how connecting short-term and long-term goals influence business growth. It has been identified that, small enterprises that connect their short-term and long-term goals create a situation for achieving increased customer base for firms since in the study an authentic connection was established between the management practice and small firms achieving increased customer base.
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.160$, $p<0.01$). The finding implies that, in business where short term goals inform the achievement of long-term goals there is more likelihood that the businesses will have increase in the level of their employee commitment. In the search of the existing literature, the researcher did not come across studies that explored creating a link between short- and long-term goals as intentional management practice or studies that investigated the relationship between such a practice and organizational growth. The present study has consequently added to the current information on how connecting short and long term goals influence business growth. It has been identified that, small enterprises that connect their short-term and long-term goals create a situation for increased employee commitment in firms since in the research an authentic connection was established between the management practice and a business having increased employee commitment.

Item 5 – “the business set challenging and exerting goals” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.174$, $p<0.01$). The finding implies that, if businesses set challenging and exerting goals, there is more likelihood that the businesses will achieve increase in the level of their profitability. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe

(2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly asserts that small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was measured by increase in a firm's profitability.

- Item 8 – “the business revenue is increasing as expected” ($\rho=0.101, p<0.05$). The finding implies that, if businesses set challenging and exerting goals there is more likelihood that the businesses will achieve increase in the level of their revenues. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe (2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly avows that small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was assessed by increase in the revenue level of a firm. The outcome of the study therefore is in favour of small businesses setting challenging goals if they are interested in achieving increased revenues.
- Item 9 – “the business has achieved increased customer base” ($\rho=0.164, p<0.01$). The finding implies that, if businesses set challenging and exerting goals there is more likelihood that there will be increased customer base of the businesses. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe (2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly asserts that, small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was measured by increase in the customer base of the firm.
- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.140, p<0.01$). The finding implies that if businesses set challenging and exerting goals there is the likelihood that there will be increase in the level of employee commitment in the businesses. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe (2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly asserts that, small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was measured by the level of employee commitment.

- Item 11 – “the business has achieved increased sustainability” ($\rho=0.101$, $p<0.05$). The finding implies that, if businesses set challenging and exerting goals, there is more likelihood that there will be increase in the level of sustainability of the businesses. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe (2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly asserts that small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was measured by the level of sustainability of the businesses studied.
- Item 12 – “the business has achieved increased productivity” ($\rho=0.093$, $p<0.05$). The finding implies that, if businesses set challenging and exerting goals there is more likelihood that there will be increase in the level of productivity of the businesses. The upshot of this study is analogous with the outcome of the study by Baron, Mueller and Wolfe (2016:10) which identified a positive authentic connection between goal difficulty and business performance. The outcome of this research therefore strongly asserts that, small businesses that set challenging and exerting goals are likely to attain increase in business growth which in this study was measured by the level of productivity of firms studied.

Item 6 – “the business set performance measures and communicate to employees” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.126$, $p<0.01$). The finding implies that, businesses that set well defined performance measures and communicate them to employees tend to have increase in the profitability of their operations. The result of this study is in line with the result of the study by Ahmad and Zabri (2016:53) where non-financial performance measures were found to have a direct correlation with organizational output. The organizational output or growth in this investigation was assessed by the profit level of the organization.

7.2.7.4 The Relationship between Incentive-focused management practices and growth of small business indices.

The spearman correlation test results indicate that some of the Incentive-focused management practices are significantly associated with some of the indices of the growth of the business at 0.05 and 0.01 significant levels. Below is the list of the Incentive-focused management practices that were found to be significantly associated with the growth of business indices and their connection with the existing literature. In the analysis a number of items consisting of Incentive-focused management practices and growth of business indices were correlated to establish a spearman correlation matrix and below is the presentation of the results and how they are supported or otherwise by the existing literature.

Item 3 - “The business sacks consistently poor performing employees.” is significantly associated with the following growth of business indices:

- Item 7 – “the business profit is increasing as expected” ($\rho=0.172$, $p<0.01$). The finding implies that, businesses that remove consistently poor performing employees tend to achieve increase their profitability. The upshot of this study is analogous with the outcome of the research by Lee (2017:9) which identified a positive authentic connection between involuntary termination of the contract of employment of employees and organizational performance/growth. In that study, it was established that when a firm terminates the employment of a worker because of lack of performance, it impacts positively on the performance of the organization. In the current investigation when business performance/growth was assessed by the profit level it can be deduced from the findings that, small businesses that sack poor performing employees tend to achieve improvement in their profitability level.
- Item 8 - “the business revenue is increasing as expected” ($\rho=0.193$, $p<0.01$). The finding implies that, businesses that remove consistently poor performing employees tend to achieve increase in their revenue level. The upshot of this study is analogous with the outcome of the research by Lee (2017:9) which identified a positive authentic connection between involuntary termination of the contract of employment of employees and organizational performance/growth. In that study, it was established that when a firm

terminates the employment of a worker because of lack of performance, it impacts positively on the performance of the organization. In the current investigation when business performance/growth was assessed by the revenue level it can be deduced from the findings that, small businesses that sack poor performing employees tend to achieve improvement in their revenue level.

- Item 10 – “the business has achieved increased employee commitment” ($\rho=0.107$, $p<0.05$). The finding implies that, businesses that removes consistently poor performing employees tend to achieve increase in the level of their employee commitment to them. The upshot of this study is analogous with the outcome of the research by Lee (2017:9) which identified a positive authentic connection between involuntary termination of the contract of employment of employees and organizational performance/growth. In that study, it was established that, when a firm terminates the employment of a worker because of lack of performance, it impacts positively on the performance of the organization. In the current investigation, when business performance/growth was assessed by employee commitment in the firm it can be deduced from the findings that, small businesses that sack poor performing employees tend to achieve improvement in the employee commitment in the firm.
- Item 12 – “the business has achieved increased productivity” ($\rho=0.119$, $p<0.01$). The finding implies that, businesses that remove consistently poor performing employees tend to achieve increase in the level of their productivity. The upshot of this study is analogous with the outcome of the research by Lee (2017:9) which identified a positive authentic connection between involuntary termination of the contract of employment of employees and organizational performance/growth. In that study, it was established that, when a firm terminates the employment of a worker because of lack of performance, it impacts positively on the performance of the organization. In the current investigation, when business performance/growth was assessed by the productivity level of the organization, it can be deduced from the findings that, small businesses that sack poor performing employees tend to achieve improvement in the level of their productivity.

Item 4 - “The business promotes employees based on performance” is significantly associated with the following growth of business indices:

- **Item 7** – “the business profit is increasing as expected” ($\rho=0.143$, $p<0.01$). The finding implies that, businesses that promote employees based on performance tend to achieve increase in profitability. The upshot of the investigation is consistent with the result in the work by Ali Kadhim (2017:8) where effective compensation and reward system was identified to be significantly related with organizational performance/growth. In this study, when organizational growth was measured using the profit level of the organization, it was realized that, there was noteworthy positive connection between when a business promotes employees based on performance and the profit level of the organization.
- **Item 8** – “the business revenue is increasing as expected” ($\rho=0.124$, $p<0.01$). The finding implies that, businesses that promote employees based on performance tend to have increase in their revenue. The upshot of the investigation is consistent with the result in the work by Ali Kadhim (2017:8) where effective compensation and reward system was identified to be notably connected with organizational performance/growth. In this study, when organizational growth was measured using the revenue level of the firm, it was realized that there is considerable positive link between when a business promotes people based on performance and the revenue level of the organization.
- **Item 9** - “the business has achieved increased customer base” ($\rho=0.131$, $p<0.01$). The finding implies that businesses that promote employees based on performance tend to achieve increase in their customer base. The upshot of the study is regular with the outcome in the study by Ali Kadhim (2017:8) where effective compensation and reward system was identified to be extensively linked with organizational performance/growth. In this study, when organizational growth was measured using the customer base of the organization, it was recognized that, there is significant association between when a business promotes people based on performance and the customer base of the organization.
- **Item 10** – “the business has achieved increased employee commitment” ($\rho=0.090$, $p<0.05$). The finding implies that, businesses that promote employees based on performance tend to achieve increase in their employees’ commitment. The upshot of the research is regular with the outcome in the study by Ali Kadhim (2017:8) where effective compensation and reward system was identified to be significantly correlated with organizational performance/growth. In this study, when organizational growth was

measured using the level of employee commitment, it was recognized that, there is momentous positive connection between when a business promotes people hinged on performance and the level of worker commitment in the organization.

7.2.8 The Relationship between Management practices and Competitive advantage enjoyed by small businesses

This sub-section addresses the sixth objective which is the association between different management practices and various dimensions of competitive advantage enjoyed by small firms.

The management practices in this study are categorized into four and the discussions are done under the categories and how each is associated with the dimensions of the competitive advantage of businesses. The discussion under this section addresses the sixth research objective which is: To assess the relationship between management practices applicable to small firms and the competitive advantage of small firms in Ghana.

7.2.8.1 Relationship between operation-efficiency-focused management practices indices and Competitive advantage indices

The spearman correlation test results indicate that some of the operation-efficiency-focused management practices are significantly associated with some of the indices of competitive advantage of businesses at 0.05 and 0.01 significant levels. Below is the list of the operation-efficiency-focused management practices that were found to be significantly associated with the competitive advantage indices and their connection with the existing literature.

Item 1- “the business implements modern work practices” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 4-** “the business serves customers better than competitor”. ($\rho=0.092$, $p<0.05$). The finding implies that, businesses that implement modern work practices that improve work processes tend to achieve increase in their capacity to serve customers better than competitors. The upshot of the research is regular with the result in the work by Santouridis and Veraki (2017:1129) where customer care which can be considered a modern practice was identified to have a positive momentous effect on customer contentment. When customers are satisfied better, it shows that they have received better serve from the organization relative to the service provision from the competitors.

- **Item 5** – “the products of the business are superior to that of competitors”. ($\rho=0.090$, $p<0.05$). The finding implies that businesses that implement modern work practices that improve work processes tend to achieve increase in their capacity for superior product/services than competitors. The upshot of the study is regular with the result in the work by Santouridis and Veraki (2017:1129) where customer care which can be considered a modern practice was identified to have a positive significant correlation with customer satisfaction. When customers are satisfied it shows that they have possibly received superior product or service from the business relative to that received from the competitors
- **Item 6** – “customers prefer to deal with the business than with competitors”. ($\rho=0.114$, $p<0.05$). The finding implies that businesses that implement modern work practices that improve work processes tend to achieve increased customer loyalty than competitors. The upshot of the study is consistent with the outcome in the study by Santouridis and Veraki (2017:1129) where customer care which can be considered a modern practice was found to have a positive momentous effect on customer satisfaction. The results from the two studies are consistent in the sense that when customers are satisfied because of the customer cares that they have received it create a situation where the customers would prefer to deal with the organization than the competitor in the industry.
- **Item 7** – “the business has better cost structure than competitors”. ($\rho=0.092$, $p<0.05$). The findings of the study in a way is analogous with the findings in the study by Xiu, Liang, Chen and Xu (2017:1348) which identified an authentic connection between Implementing innovative HR services which qualify as modern work practices and firm performance. The expectation of the study was that when small firms implement modern work practices it would raise the capacity of the firms to achieve superior cost position which would ultimately impact positively on the firms’ performance. Since the actual outcome of the present study has established the connection between implementing modern work practice and competitive advantage it affirms the outcome of Xiu et al. (2017:1348) that firms are able to achieve advantage from implementing effective management practices.

7.2.8.2 Relationship between Monitoring-focused management practices indices and Competitive advantage indices

The spearman correlation test results indicate that some of the monitoring-focused management practices are significantly associated with some of the indices of competitive advantage of businesses at 0.05 and 0.01 significant levels. Below is the list of the monitoring-focused management practices that were found to be significantly associated with the competitive advantage indices and their connection with the existing literature.

Item 1- “the business performance is constantly monitored and communicated to employees” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 4** – “the business serves customers better than competitors”. ($\rho=0.127$, $p<0.01$). The finding implies that businesses whose performances are constantly monitored and communicated to employees tend to have the capacity to serve customers better than competitors. The outcome of the investigation is analogous with the result in the research by Byukusenge, Munene and Orobia (2016:86) where a significant correlation was identified between Knowledge management and innovation. In this study, a business’s ability to manage knowledge well by monitoring and communicating employee performance was found to be connected with a business’s ability to serve customers better than competitors.
- **Item 5** – “the products of the business are superior to that of competitors”. ($\rho=0.103$, $p<0.05$). The finding implies that businesses whose performances are constantly monitored and communicated to employees tend to have the capacity for superior products/services than competitors. The result is consistent with the finding in the research by Byukusenge, Munene and Orobia (2016:86) where a significant association was identified between Knowledge management and innovation. In this study a business’s ability to manage knowledge well by monitoring and communicating employee performance was found to be connected with a business’s ability to produce better products and services than competitors.

Item 2 – “the business reviews performance constantly to ensure continuous improvement” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 5** – “the products of the business are superior to that of competitors”. ($\rho=0.119$, $p<0.01$). The finding implies that businesses that review their performance constantly to ensure that there is continuous improvement tend to have capacity for superior products/services better than competitors. The result of the study aligns with the results in the study by Peters, Wieder, Sutton and Wakefield (2016:10) where a significant relationship was established between Performance management capabilities and competitive advantage. In this study, when a business reviewing its performance constantly to ensure continuous improvement represents performance management capability, it was realized that it was associated with the ability of a business to produce superior product/service than competitors

Item 3 – “organization and employee performance are communicated to employees and management” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 4** – “the business serves customers better than competitors” ($\rho=0.138$, $p<0.01$). The finding implies that in businesses where organizational and employee performances are communicated to employees and management there is high tendency for the businesses to have the capacity to serve customers better than competitors. The upshot of the study is analogous with the result of the work by Wijaya and Suasih (2020:113) where a noteworthy correlation was identified between knowledge management and competitive advantage. In the current study knowledge management has to do with the extent to which organizational and employee performances are communicated to employees and management and that was found to align with the capacity of the businesses to serve customers better than competitors.
- **Item 5** – “the products of the business are superior to that of competitors”. ($\rho=0.191$, $p<0.01$). The finding implies that in businesses where organizational and employee performances are communicated to employees and management there is a high tendency for the businesses to have capacity for superior products/services than competitors. The

finding of the research is regular with the outcome of the work by Wijaya and Suasih (2020:113) where a considerable correlation was established between knowledge management and competitive advantage. In the current study, knowledge management has to do with the extent to which organizational and employee performances are communicated to employees and management and that was found to align with the capacity of the businesses to produce superior products and services than competitors

- **Item 7** – “the business has better cost structure than competitor” ($\rho=0.165$, $p<0.01$). The finding implies that, in businesses where organizational and employee performances are communicated to employees and management there is the high likelihood that the cost structure of the businesses would be better than that of the competitors. The upshot of the study is analogous with the result of the investigation by Wijaya and Suasih (2020:113) where a significant correlation was identified between knowledge management and competitive advantage. In the current study, knowledge management has to do with the extent to which organizational and employee performances are communicated to employees and management and that was found to align with the capacity of the businesses to achieve better cost structure than competitors

7.2.8.3 Relationship between Targeting-focused management practices indices and Competitive advantage indices

The spearman correlation test results indicate that some of the Targeting-focused management practices are significantly associated with some of the indices of competitive advantage of businesses at 0.05 and 0.01 significant levels. Below is the list of the targeting-focused management practices that were found to be significantly associated with the competitive advantage indices and their connection with the existing literature.

Item 1 – “the business punishes bad performers and reward good performers effectively” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 8** – “the products of the business are superior to that of competitors” ($\rho=0.099$, $p<0.05$). The result implies that businesses that use reinforcement and punishment effectively would have the capacity for superior product/services than competitors. In the

exploration of the extant literature, no work was identified that, directly examined the connection between effective use of reinforcement and punishment and the capacity of small firms to produce superior product. The finding of this study in a way can be compared with the upshot in the work by Bussin and Thabethe (2018:7) which identified variable pay as one of the key reward preferences that were connected to firms' ability to attract, maintain and energize employee. The finding by Bussin and Thabethe (2018:7) underscores the importance of reinforcing employees' performance and in a way gives support to the outcome of this current investigation that there is authentic connection between firms that effectively use reinforcement and punishment and their capacity to produce superior products. The reason is that, it takes motivated and energized employees to produce superior products.

- **Item 9** – “customers prefer to deal with the business than with competitors”. ($\rho=0.095$, $p<0.05$). The finding implies that businesses that use reinforcement and punishment effectively tend to have customer loyalty better than competitors. In the examination of the current literature, no work was identified that directly explored the connection between effective use of reinforcement and punishment and the capacity of small firms to attain the position as the preferred firm to transact with in the industry by customers. The finding of this study in a way can be compared with the outcome of the work by Bussin and Thabethe (2018:7) which identified variable pay as one of the key reward preferences that were connected to firms' ability to attract, maintain and energize employee. The finding by Bussin and Thabethe (2018:7) underscores the importance of reinforcing employees' performance and in a way gives support to the outcome of this current investigation that there is authentic connection between firms that effectively use reinforcement and punishment and their capacity to produce superior products or service.

The connection between the upshots of the two studies can be assumed from the consideration that, if employees are highly motivated and energized by proper reinforcement of their performance it will contribute in creating a great firm that would be the preferred organization to conduct business with by customers relative to other competitors.

- **Item 10** – “the business has better cost structure than competitors” ($\rho=0.148$, $p<0.01$). The finding implies that businesses that use reinforcement and punishment effectively tend to have a better cost structure than competitors. In the exploration of the extant literature, no work was identified that directly examined the connection between effective use of reinforcement and punishment and the capacity of small firms to achieve a more competitive cost position. Produce. The finding of this study in a way can be compared with the upshot in the work by Bussin and Thabethe (2018:7) which identified variable pay as one of the key reward preferences that are connected to firms’ ability to attract, maintain and energize employee. The finding by Bussin and Thabethe (2018:7) underscores the importance of reinforcing employees’ performance and in a way gives support to the outcome of this current investigation that there is authentic connection between firms that effectively use reinforcement and punishment and their capacity to achieve competitive cost. The connection between the two researches can be assumed from the consideration that when employees are highly motivated and energized they will be in position to contribute to give, firms competitive cost position

Item 2 – “the business sets both financial and non-financial goals” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 7** – “the business serves customers better than competitors”. ($\rho=0.092$, $p<0.05$). The finding implies that businesses that set both financial and non-financial goals tend to have the capacity to serve customers better than competitors. The search of the extant literature did not yield studies that focused specifically on establishing the connection between firms setting both financial and non-financial goals and the competitive advantages that they enjoy. This study is adding to the literature by establishing a noteworthy connection between small businesses setting financials and non-financial

goals and having the capacity to provide superior service to their customers relative to what their competitors provide.

- **Item 9** – “customers prefer to deal with the business than with competitors”. ($\rho=0.104$, $p<0.05$). The finding implies that, businesses that set both financial and non-financial goals tend to have higher customer loyalty than their competitors. The finding implies that, businesses that set both financial and non-financial goals tend to have the capacity to serve customers better than competitors. The search of the literature did not yield studies that focused specifically on establishing the connection between firms setting both financial and non-financial goals and the competitive advantages that they enjoy. This study is indicating that, small firms setting financial and non-financial goals will reliably lead to the firms achieving a preferential position in the minds of customers when it to choosing the appropriate organization to transact business with.

7.2.8.4 Relationship between Incentive-focused management practices indices and Competitive advantage indices

The spearman correlation test results indicate that some of the Incentive-focused management practices are significantly associated with some of the indices of competitive advantage of businesses at 0.05 and 0.01 significant levels. Below is the list of the Incentive-focused management practices that were found to be significantly associated with the competitive advantage indices and their connection with the existing literature.

Item 2 – “the business pays employees based on performance” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 8** – “the products of the business are superior to that of competitors” ($\rho=0.108$, $p<0.05$). The finding implies that, businesses that reward their employees based on performance are likely to have the capacity for superior products/services than their competitors. The result of the study aligns with the results in the study by Sung, Choi and Kang (2015:9) where a significant relationship was established between incentive pay and operational performance and financial performance.
- **Item 9** – “customers prefer to deal with the business that with competitors”. ($\rho=0.096$, $p<0.05$). The finding implies that businesses that reward their employees based on performance are likely to experience customer loyalty than their competitors. The result

of the study aligns with the results in the study by Sung, Choi and Kang (2015:9) where a significant relationship was established between incentive pay and operational performance and financial performance.

- **Item 10** – “the business has better cost structure than competitors”. ($\rho=0.134, p<0.01$). The finding implies that, businesses that reward employees based on performance are likely to have the capacity for better cost structure than their competitors. The result of the study aligns with the results in the study by Sung, Choi and Kang (2015:9) where a significant association was established between incentive pay and operational performance and financial performance.

Item 3 – “the business sacks consistently poor performing employees” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 7** – “the business serves customers better than competitors”. ($\rho=0.174, p<0.01$). The outcome implies that, businesses that remove consistently poor performing employees are likely to have the capacity to serve customers better than competitors. The upshot of the investigation aligns with the outcome in the research by Eketu and Ogbu (2017:44) where a positive significant relationship was established between competence and organizational capability. This means if a business is able to remove poor performing employees and through that maintain competence in the organization; it maintains the competitive edge of the business thereby ensuring customers are served better.
- **Item 8** – “the products of the business are superior to that of the competitor”. ($\rho=0.133, p<0.01$). The finding implies that businesses that removes consistently poor performing employees are likely to have the capacity for superior product/services than competitors. The finding of the research aligns with the finding in the research by Eketu and Ogbu (2017:44) where a positive significant association was established between competence and organizational capability. This means if a business is able to remove poor performing employees and through that maintain competence in the organization; it maintains the competitive edge to ensure that superior products and services are produced.
- **Item 9** – customers prefer to deal with the business than with competitors”. ($\rho=0.155, p<0.01$). The finding implies that businesses that removes consistently poor performing employees are likely to have better customer loyalty than their competitors. The finding

implies that, businesses that remove consistently poor performing employees are likely to have the capacity to serve customers better than competitors. The finding of the research aligns with the finding in the research by Eketu and Ogbu (2017:44) where a positive significant association was established between competence and organizational sustainability. This means if a business is able to remove poor performing employees and through that maintain competence in the organization; it maintains the competitive edge to do the right things thereby attaining higher customer loyalty.

- **Item 10** – “the business has better cost structure than competitors” ($\rho=0.153$, $p<0.01$). The finding implies that businesses that remove consistently poor performing employees are likely to have the capacity for better cost structure than their competitors. The finding implies that, businesses that removes consistently poor performing employees are likely to have the capacity to maintain better cost structure than competitors because of the ability to achieve high efficiency. The finding of the research aligns with the finding in the research by Eketu and Ogbu (2017:44) where a positive significant association was established between competence and organizational capability. This means if a business is able to remove poor performing employees and through that maintain competence in the organization; it maintains the competitive edge of the business contributing to achieving competitive cost position.

Item 5 – “the business does everything possible to attract good and talented people” was found to be significantly associated with the following competitive advantage indices of businesses:

- **Item 7** – “the business serves customers better than competitors” ($\rho=0.104$, $p<0.05$). The outcome implies that, businesses that do everything possible to attract good and talented people are likely to have the capacity to serve customers better than their competitors. The upshot of the study is analogous with the outcome in the work by Kerdpitak and Jermisittiparsert (2020:450) where a positive significant correlation was established between Employee Selection and competitive advantage of a firm.
- **Item 9** – “customers prefer to deal with the business than with competitors” ($\rho=0.182$, $p<0.01$). The finding implies that, for small businesses to achieve customer loyalty it is imperative for the businesses to keep and maintain their talented workers because those

employees might give the necessary experience and competence to effectively serve customers leading to customer loyalty. The upshot of the research is analogous with the outcome in the research by Kerdpitak and Jermsittiparsert (2020:450) where a positive significant correlation was established between Employee Selection and competitive advantage of a firm.

- **Item 10** – “the business has better cost structure than competitors” ($\rho=0.145$, $p<0.01$). The result of the research implies that, for small businesses to be competitive in terms of their cost structure it is imperative for them to keep and maintain their talented workers. That is the case because they have the experience and expertise to drive cost down relative to the competing organizations that do not have such employees. The upshot of the study is analogous with the result in the research by Kerdpitak and Jermsittiparsert (2020:450) where a positive significant correlation was established between Employee Selection and competitive advantage of a firm.

Item 6 – “the business does everything possible to retain and maintain talented employees” was found to be significantly associated with the following competitive advantage indices of businesses.

- **Item 8** – “the products of the business are superior to that of competitors”. ($\rho=0.118$, $p<0.01$). The result implies that retaining talented employees contributes to making products or services of small businesses competitive thus giving a business competitive edge over contenders. The result of the research aligns with the findings in the study by Lee, Foo, Leong and Ooi (2016) where a positive noteworthy association was established between Knowledge Management and Competitive Advantage.
- **Item 9** – “customers prefer to deal with the business than with competitors”. ($\rho=0.089$, $p<0.05$). The results of this research imply that retaining and maintaining talented and competent employees help in creating customer loyal and through that the fortunes of a business can improve. The result of the study aligns with the results in the study by Lee, Foo, Leong and Ooi (2016) where a positive significant association was established between Knowledge Management and Competitive Advantage.
- **Item 10** – “the business has better cost structure than competitors” ($\rho=0.166$, $p<0.01$) The implication of the result is that when talented people are retained, they contribute a

lot in making a business cost competitive. The reason is that, their accumulated experience and also their expertise can go a long way to reduce wastage in the organization and through that means help improve the efficiency in the operations of the business. The result of the research aligns with the results in the study by Lee, Foo, Leong and Ooi (2016) where a positive momentous association was established between Knowledge Management and Competitive Advantage.

7.3 Discussion of the Hypothesis Testing

This section discusses the results of the hypotheses testing in line with the existing literatures. In all nine hypotheses were tested to address the relationships between different categories of management practices and the growth of the firm and also the competitive advantage firms have in their operation.

7.3.1 Hypothesis 1: There is a statistically significant association between Operation-efficiency-focused management practices and growth of small businesses in Ghana.

The postulated stance that there is a significant association between operation-efficiency-focused management practices and growth of small businesses was rejected ($\rho=0.011$, $p>0.05$) when the hypothesis was tested. This implies that small businesses applying operation-efficiency-focused management practices do not achieve any significant increase in the level of their growth.

7.3.2: Hypothesis 2: There is a statistically significant association between Monitoring-focused management practices and growth of small businesses in Ghana

The stated hypothesis that there is a significant association between monitoring-focused management practices and growth of small businesses in Ghana was accepted when the hypothesis was tested ($\rho=0.122$, $p<0.01$). This implies that the growth of small businesses in Ghana are significantly influenced when they implement monitoring-focused management practices.

7.3.3: Hypothesis 3: There is a statistically significant association between Targeting-focused management practices and growth of small businesses in Ghana.

The stated hypothesis that there is a significant association between Targeting-focused management practices and growth of small businesses in Ghana was accepted ($\rho=0.268$, $p<0.01$) when the hypothesis was tested. The implication is that small businesses achieve increase in the level of their growth and they adopt and implement targeting-focused management practices in their operation.

7.3.4: Hypothesis 4: There is a statistically significant association between Incentive-focused management practices and growth of small businesses in Ghana.

The hypothesis that there is a significant connection between incentive-focused management practices and growth of small businesses in Ghana was accepted ($\rho=0.091$, $p<0.05$). This indicates the small businesses that implement incentive-focused management practices tend to have enhancement in the level of their growth.

7.3.5: Hypothesis 5: There is a statistically significant association between Operation-efficiency-focused management practices and competitive advantage enjoyed by small businesses in Ghana

The hypothesis that operation-efficiency-focused management practices is significantly associated with competitive advantages enjoyed by small businesses in Ghana was accepted ($\rho=0.118$, $p<0.01$) after the hypothesis was tested. The implication is that small businesses tend to gain competitive advantage over competitors as a result of implementing operation-efficiency-focused management practices.

7.3.6: Hypothesis 6: There is a statistically significant association between Monitoring-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

The stated hypothesis that there is a statistically significant association between monitoring-focused management practices and competitive advantages enjoyed by small businesses in Ghana was accepted. ($\rho=0.197$, $p<0.01$). This implies that monitoring-focused management practices highly influence the competitive advantages small businesses enjoyed within the industry they find themselves in.

7.3.7: Hypothesis 7: There is a statistically significant association between Targeting-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

The hypothesis that there is a significant association between targeting-focused management practices and competitive advantages enjoyed by small businesses in Ghana was accepted after the hypothesis was tested. This indicates that when small businesses adopt and implement targeting-focused management practices it positively influences the competitive advantages that small businesses have.

7.3.8: Hypothesis 8: There is a statistically significant association between Incentive-focused management practices and competitive advantage enjoyed by small businesses in Ghana.

The stated hypothesis that there is a significant association between incentive-focused management practices and competitive advantages enjoyed by small businesses was accepted ($\rho=0.236$, $p<0.01$) after the hypothesis was tested. The implication is that incentive-focused management practices influence positively the competitive advantages small businesses have.

7.3.9: Hypothesis 9: There is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses

The hypothesis that there is a significant association between competitive advantage enjoyed by small businesses and the growth of small businesses was accepted ($\rho=0.102$, $p<0.01$) after the hypothesis was tested. This implies that competitive advantages enjoyed by small businesses influence positively the growth of small businesses.

7.4 Proposed measures for the effective management of small businesses

The study proposes a framework for the effective management of small businesses in Ghana (in figure 7.1 below). The proposed conceptual framework for the effective management of small businesses in Ghana was influenced by the established positive connection in the literature between implementation of management practices and organizational performance. The theories forming the basis of this study namely resource-based view of the firm, knowledge-based view of the firm and strategic leadership theory all have indicated that internal resources of the firm is critical to the competitive advantages and the growth of the firm. Management practices which result from the management capability of the firm was expected to positively influence the competitive advantage and growth of the small business. Four main categories of management practices were assessed in the study namely; operation-efficiency-focused management practices; monitoring-focused management practices; targeting-focused management practices and incentive-focused management practices. A number of indices of competitive advantage and growth of the firm were also assessed in the study. To test the hypotheses on the relationship between the elements in the framework, composite scores were estimated for each of the management practice categories and for competitive advantage and growth of the firm. To verify the relationships among the elements in the conceptual framework the hypotheses were tested and

below is the discussion of the results of the hypotheses testing leading to a verified proposed framework in figure 7.1 below:

7.3.1 Operation-efficiency-focused management practices in small businesses

The framework indicates that for small businesses to be effectively managed well there is the need to apply practices that seek to induce efficiency in the activities of the business. Such practices might include lean manufacturing techniques and practices that leads to enhanced productivity. It was hypothesized that as a whole operation-efficiency-focused management practices might lead to enhanced competitive advantage of small businesses leading to the growth of the firm. Though the operation-efficiency-focused management practices as a whole was found to be significantly associated with competitive advantages enjoyed by small businesses, no significant association was found between operation-efficiency-focused management practices and growth of the firm.

For the competitive advantage small businesses stand to gain from operation-efficiency-focused management practices it is vital the small business seek to adopt modern work practices that can bring an enhanced capacity to serve customers better, increase customer loyalty, produce superior products or services and maintain better cost structure. Though it was established that operation-efficiency -focused management practice is associated with a firm's competitive advantage it was strange that similar association was not found with the growth of the firm.

7.3.2 Monitoring-focused management practices in small businesses

Monitoring-focused management practices are concerned with tracking and reviewing individual employee performances as well as consequence management in the organization. The results of the hypotheses testing have indicated that as a whole there is a significant association between small businesses implementing monitoring-focused management practices and the growth of the firms as well as the competitive advantages enjoyed by the firms. This indicates that for small businesses to be effectively managed there is the need to ensure that individual employee performances are consistently measured, tracked and reviewed. Also there must be consequent to individual performances either positively or negatively. As individual employees will only perform at the levels they can get away with, it is vital that employees know that their performances are measured, tracked and consistently reviewed and that there is consequent to their behaviour and performances. Monitoring-focused management practices can possibly

induce productive behaviors from employees leading to enhanced competitive advantages and consequently the growth of the firms in different dimensions.

7.3.3 Targeting-focused management practices in small businesses

Targeting-focused management practices are concerned with setting the right targets and tracking the expected outcome and ensuring that corrective measures are taken to address performance gaps. The hypotheses testing has indicated that targeting-focused management practices are essential for effective management of small businesses since a positive significant association was established between the implementation of targeting-focused management practices and the competitive advantages of the firm as well as the growth of the firm. This indicates that small businesses should ensure that target setting is enhanced in their operation and also ensure that targets are not only effectively set but properly communicated to the employees that are expected to work towards meeting those targets. This means effective employees engagement in small businesses is very important. Also, goals set should be challenging and exerting enough to motivate the right outcome from employees.

7.3.4 Incentive-focused practices in small businesses

Incentive-focused management practices are concerned with rewarding and promoting employees based on performance as well as emphasizing on employee talent development and retaining the best talent in the organization. The testing of the hypothesis has indicated that there is a positive significant association between implementing incentive-focused management practices and competitive advantages of small businesses as well as the growth of small businesses. This indicates that for small businesses to be effectively managed there is the need for small firms to ensure that employees are rewarded and promoted based on their performance as well as ensuring that small businesses are structured in a way that attract and maintain the best talent as well as removing mediocre performers in the organization. This means small businesses should have the capacity to identify and reward the best talent as well as having the strategy to induce the best employees to stay with the organization longer.

7.3.5 Competitive advantage and grow of small businesses

Competitive advantage has to do with what gives an organization the edge over the competitors. To do well every organization should find out the sources of its advantages and develop further such advantages. The finding of the study has indicated that small businesses that know, develop

and exploit its advantages tend to have an enhancement in the growth of their businesses. This means for small businesses to be effectively managed it is mandatory for them to develop sustained competitive advantages from which if effectively exploited can lead to the growth of the firm. It should be underscored that small businesses should not just target competitive advantages but sustained competitive advantages.

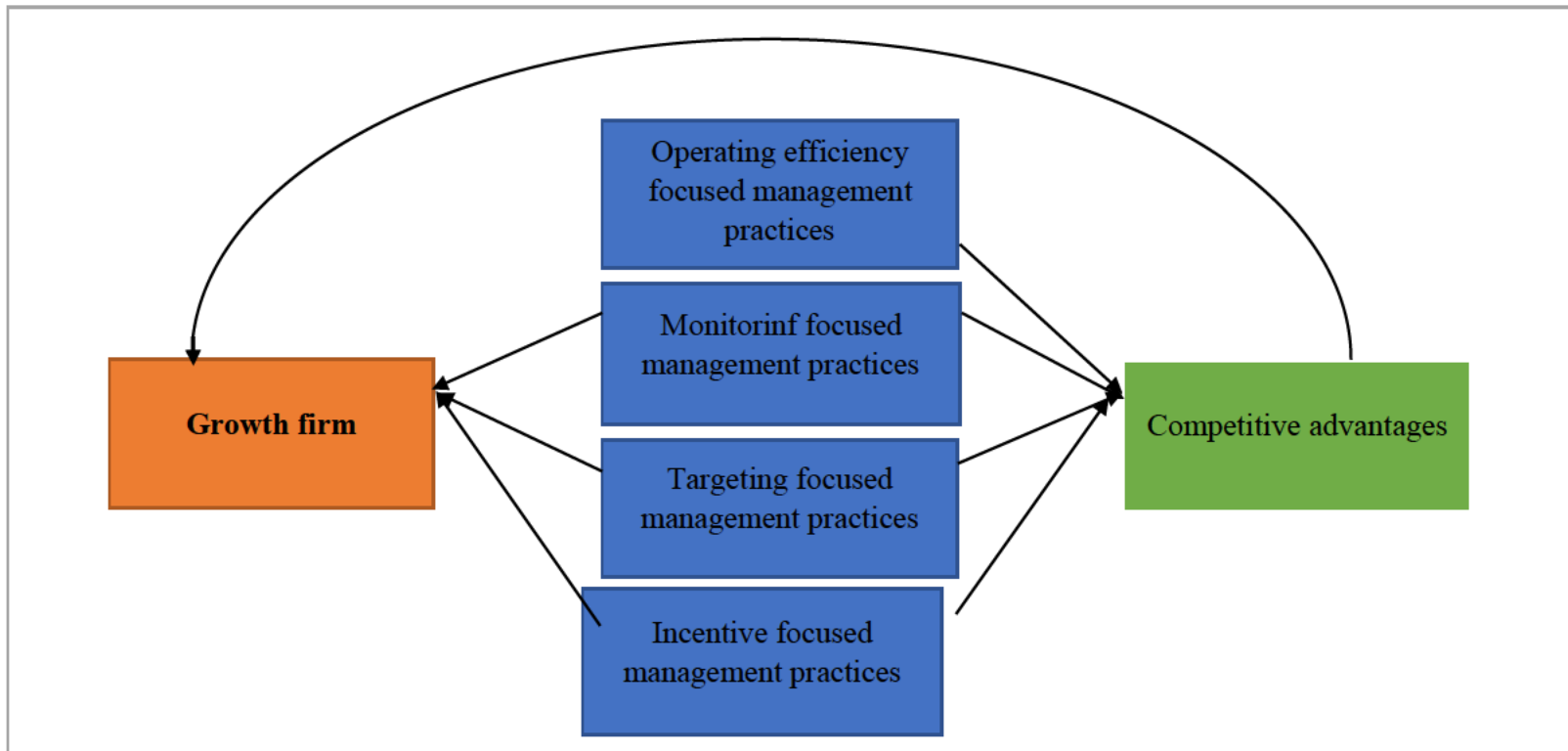


Figure 7.1 Final proposed conceptual framework for the effective management of small businesses in Ghana.

7.5 Supplementary proposed measures for effective management of small businesses in Ghana

Besides the conceptual framework constituting the proposed framework for the effective management of small businesses this section introduces a supplementary proposed measures for the effective management of small businesses in Ghana. The Supplementary proposed measures is derived from the synthesis of the information from the small business environment in Ghana and the results from the analysis of the data collected from the respondents of the study on the challenges faced by businesses in the management of the firms and also on the implementation of strategic planning

The study investigated the management practices applicable in small firms in Ghana and also the degree of strategic planning implementation in the small firms. The study also covered the challenges faced by small businesses in managing their operations. Hinged on the results of the research, the researcher has put forward the following supplementary proposed measures for effective management of small businesses in Ghana. Small businesses are confronted with a number of issues and barriers that impact adversely on their progress and for that matter their success rate. To assist small businesses toward effectiveness Management the proposed Measure starts with understanding challenges that small businesses face in their Management. According to Ethinomen and Adeleke (2012:268) the challenges small businesses throughout the world face include but not limited to the following; bad infrastructure, bad management dexterity, lack of finance, lack of technology, lack of marketing information. In this study additional barriers small businesses in Ghana face include but not limited to the following; inadequate knowledge and implementation of modern management practices; strategic planning deficiency; Inadequate information technology usage and unfriendly business environment.

After the small business challenges have been identified the next step is the identification and strengthening of the small business support institutions and agencies to effectively execute their mandate. In Ghana, the most identified small business support institutions consist of but not restricted to the following: National Board for Small Scale Industries; Rural Enterprise Programme, National Entrepreneurship and Innovation Programme; GRATIS Foundation. When the Small business support Institutions are well resourced and effectively coordinated in addition to improved Government policy and strategy on small firm promotion and growth, the outcome

will be the provision of services that will go a long way to mitigate the challenges that small firms currently face in their operation. When the challenges small businesses face are lessened because of the improved efficiency and effectiveness of Small business support institutions and Government policy and strategy on small business development it will lead to improved effectiveness in the Management of small businesses in Ghana.

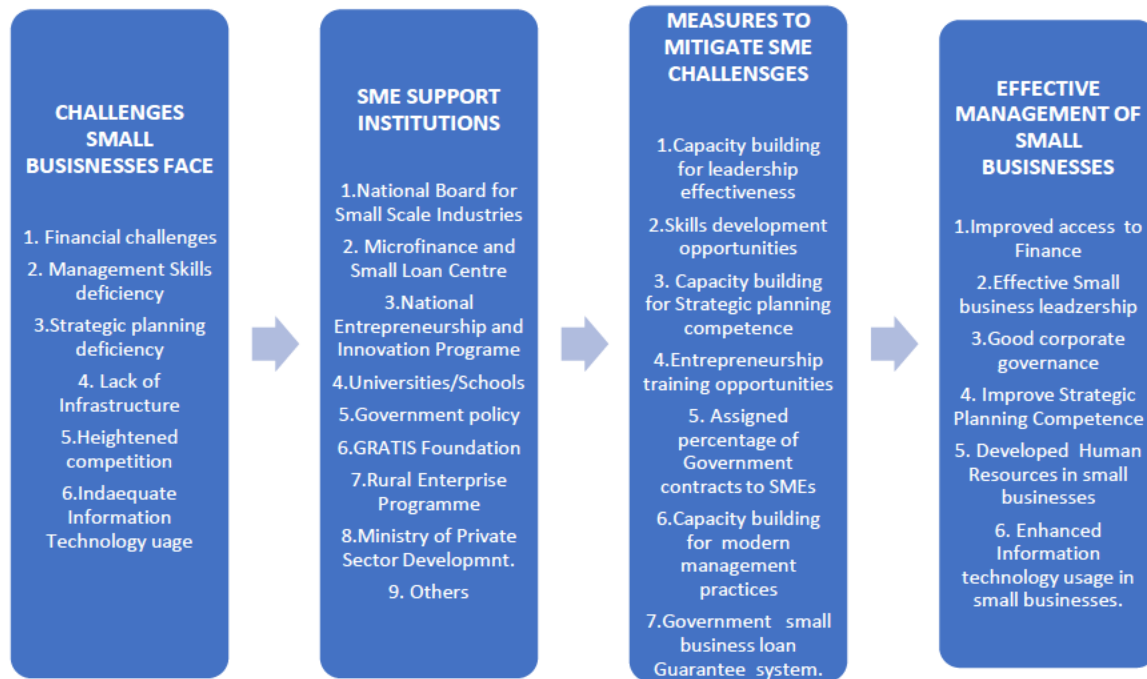


Figure 7.2 Supplementary proposed measures/framework for Effective Management of SMEs

Specifically, to bring out and ensure effective management of small businesses in Ghana, the following measures are suggested for implementation:

It is very necessary for the government and private agencies responsible for SME development to assist small businesses to develop their capacity in management and effective decision making. In this regard small businesses should be motivated to register with support institutions like the National Board for Small Scale Industries (NBSSI) or the National Entrepreneurship and Innovation Programme (NEIP) so that small businesses can be periodically trained on modern management practices and techniques. When this is done, it will go a long way to advance the decision-making capacity of small firm owners thereby enhancing their capacity to effectively

manage their businesses. This is very important because research indicate lack of management expertise as among the key problems small firms face.

Another measure that is proposed to ensure effective management of small businesses has to do with the government and its agencies helping small businesses to secure finance for their operations since a lot of the problems faced by small businesses were attributed to lack of money. From the upshot of the research, it was realized that, access to finance was hampered by lack of collateral by small businesses and also the sector been seen as too risky to lend to. As was articulated by Thornhil and Amit (2003:498) small firms find it extremely hard to operate properly if the required financial resources are not available. The government and the other private support agencies therefore need to help to change the situation in order to help improve access to finance by small businesses

Even though some small businesses use technology in their operations, majority of small businesses do not use technology. It is proposed that small businesses should be encouraged to increasingly apply modern technology in their operations. Technology can help small businesses to perform complex operations and also improve their work processes bringing about improved effectiveness and efficiency.

Since the findings of the study indicated that small enterprises do not participate in formal strategic planning activities, it is proposed that, small businesses be helped to improve their capacity in strategic planning and this can be done through tailored capacity building programmes. Here again small business support institution should be resourced enough so that they can provide the requisite sensitization and training to small businesses.

Another proposed measure which is connected to increasing the strategic planning capacity of small businesses is that of the need to dispense effort to improve the overall human resource capacity of employees in small businesses and subsequently measures to retain and maintain talented employees in small businesses. The findings of the study indicated that when talented employees of small businesses are retained and maintained it contributes to the competitiveness and growth of their businesses.

The final measure which is proposed to help improve management in small businesses is that small business should be helped to adopt and implement modern work practices. The findings

indicate that, implementing effectively modern work practices help in the growth of the businesses and also make them more competitive. Here again, training is critical and consistently, small businesses should be made abreast with current management practices and then helped to adopt them to bring about improved efficiency in their operations.

The proposed measures as proffered above are expected to bring about effectiveness in management of small businesses and through that ensure the progress and competitiveness of small enterprises leading to the enhanced performance of the small business sector of Ghana's economy.

7.4 Summary

The chapter focused on the discussion of the results of the research obtained from the analysis of data gathered in the research. Hinged on the research findings and in connection with the research objectives it has been indicated that, effective management practices are vital to the growth and competitiveness of small firm. The implications of the research findings have also been shown in this chapter.

CHAPTER EIGHT

SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

8.1 Introduction

The preceding chapter presented a thorough discussion of the findings of the research. The results were discussed in connection with the study questions and objectives. The general objective of the investigation was to explore and investigate the management practices and extent of strategic planning among small firms in Ghana and propose measures for effective management of small firms in Ghana.

This chapter focuses on presentation of key findings, recommendations and conclusions hinged on the study objectives. This chapter also looks at the limitations of the research and how they can be addressed by future researchers and also how the work adds to the current knowledge.

It should be noted that, the recommendations and conclusions of this investigation are presented in line with the research objective outlined below:

The following constitute specific objectives of the research.

1. To investigate the management practices applicable to small firms in Ghana
2. To examine the challenges facing the management of small firms in Ghana
3. To assess the extent to which strategic planning is implemented in small firms in Ghana
4. To explore the challenges associated with the implementation of strategic planning in small firms in Ghana
5. To assess the relationship between management practices applicable to small firms and the growth of small firms in Ghana
6. To assess relationship between management practices applicable to small businesses and competitive advantage enjoyed by small firms in Ghana
7. To propose measures for effective management of small enterprises in Ghana.

The next section of the study lists some of the key findings in this research to serve as the basis for the recommendations and the conclusions made in the study.

8.2 Summary of key findings

This sub-section enumerates the key findings from the study after the analysis and interpretation of the data collected in the study. The findings are listed according to the research objectives.

8.2.1 Key findings under the first research objective

The following are the key findings of the research under the first research objective: To investigate the management practices applicable to small firms in Ghana. The findings are grouped under the four management practices conceptualized in the study namely: operation-efficiency-focused; monitoring-focused; targeting-focused and incentive-focused management practices:

8.2.1.1 Finding under Operation-efficiency-focused management practices

The following are the key findings about the application of operation-efficiency-focused management practices:

- The first finding of this study is that small businesses in Ghana implement modern work practices that improve work processes. It was realized the small businesses try to find new ways to perform their activities to achieve the required improvements. But as indicated by the qualitative study most small businesses are not able to implement more modern practices because of resource constraints.
- It was also found out in this study that small businesses in Ghana implement practices and techniques that are intended at achieving cost and quality improvement. Small businesses because of their peculiar characteristic ensure that they engage in practices that enhance their efficiency, so small businesses are found to be innovative as was found in the literature that 50% of innovations and 75% of radical innovations originate from small businesses.
- Another finding that was made under the application of operation-efficiency-focused management practice was that small businesses studied agreed that they are managed in a way to achieve continuous improvement. Small businesses also try to improve since they are mostly in a disadvantaged position in competition with large organization.

8.2.1.2 Findings under Monitoring-focused management practices

The findings about the application of monitoring-focused management practices are as follows:

- The major finding is that there was agreement about small businesses applying monitoring-focused management practices in their operation. This finding was consistent both in the quantitative and qualitative studies. This possibly is the case since because of resource constraints small businesses try to achieve maximum output from employees by measuring and tracking the performance of their employees.
- It was also established that small businesses in Ghana monitor their performance and then communicate such information to key stakeholders. Small business owners studied agreed that they are interested in monitoring the performance of their businesses since they have personal interest in the well being of their businesses.
- Another finding of the study was that small businesses in Ghana constantly engage in performance reviews with the main intention of ensuring continuous improvement. The qualitative study though found out that small businesses review their performance indicated that such reviews are not done using formal modern technical tools as used in most large organizations.
- This study also established those small businesses in Ghana communicate organizational and employee goals to managers and employees. It was realized that more communication take place at the personal level in small businesses.

8.2.1.3 Findings under Targeting-focused management practices

The findings about the application of targeting-focused management practices are as follows:

- The study established a moderate agreement on the use of targeting-focused management practices in small businesses in Ghana. This finding was undercored by the qualitative study finding indicating that target-setting in small businesses do not mostly apply formal technical tools as used in large organization.
- Another finding that came out of the study was that reinforcement and punishment are highly used in small businesses in Ghana. Small businesses engaged in the study indicated that consistently poor performing employees are punished while good performing employees are rewarded. It was found out through the qualitative study that small businesses are able to disengage their non-performing employees faster since there are

mostly non-existent written contracts of employment though the law demands that every employer furnish their employees with a written contract of employment within two months of employment.

- It emerged from the study that small businesses in Ghana set both financial and non-financial goals in their operations. The goals set in small businesses are straight forward and not as complex and comprehensive as in large organizations.
- The study also found out that small businesses in Ghana link their business and employee goals. The employees of small businesses are expected to contribute to the achievement of business goals and for that matter employee goals are mostly related to business goals.
- Another important finding in the study is that small businesses were found to align their short-term goal in the achievement of their long-term goals. The qualitative study indicated that small businesses are mostly myopic in their orientation with most focusing on the short-term goals to the detriment of the long-term goals.
- It was also realized from the study that small businesses in Ghana set challenging and exerting goals. The businesses were found to be ambitious stretching to achieve more with much of resource constraints.
- The last but not the least finding on the application of targeting-focused management practice was that small businesses in Ghana set performance measures in their operations and communicate them to employees. The qualitative study found that small businesses in Ghana are mostly performance focused ensuring that much is obtained from employees in terms of performance.

8.2.1.4 Finding under Incentive-focused management practices

The findings about the application of incentive-focused management practices are as follows:

- A major finding from the study is that small businesses in Ghana were found to apply highly incentive-focused management practices in their operation.
- Another finding that emerged was that small businesses in Ghana encourage managers to employ talented people and develop their talent further. The qualitative study found that though small business owners try to attract talented employees, low remuneration levels in small businesses make it difficult to attract talent from large organizations and that creates a situation where large organizations attract disproportionately the available talent.

- It also came out from the study that small businesses in Ghana engage in the practice of sacking consistently poor performing employees. Small businesses were found to sack their workers faster since there are more people looking for employment than the employment spaces available.
- Another finding of the study was that small businesses in Ghana were found to employ performance-based pay system in their operation. The qualitative study finding aligned with the quantitative finding though it was articulated that the performance-based pay system is not as comprehensive as can be found in large organizations.
- Additionally, it emerged from the study that small businesses in Ghana promote their employees based on performance. It was realized that employees that do well in their roles tend to progress in their organization while consistently poor performing employees are sacked.
- The last finding that emerged from the application of incentive-focused management practices is that small businesses in Ghana do everything possible to retain and maintain talented people. The qualitative study findings indicated that though small businesses try to retain and maintain their talented employees their effort is mostly negatively influenced by the inability of small businesses to reward their employees appropriately due to lack of resources.

8.2.2 Key findings under the second research objective

The following are the key findings of the research under the second research objective: To examine the challenges facing the management of small firms in Ghana

- The first finding was that small businesses were found to have difficulty in raising money to finance their operations. The difficulty of raising funds was indicated in both the quantitative and qualitative studies. The financial institutions found small businesses too risky to lend to and also the inability of small businesses to put together a collateral was articulated to be one of the reasons behind the inability to secure finance from the lending institutions
- It also emerged from the study that small businesses in Ghana lack enough management skills to effectively operate their businesses. Small businesses were found not to engage professional managers and most of the management activities were found to be in the

hands of their owner-managers that were found to be deficient in a lot of management competencies.

- Another finding of the study was that small businesses in Ghana do not get enough support from the government. The small businesses studied indicated that they do not get support from the government agencies tasked with the duty of providing support to small businesses.
- It was also realized from the study that the business environment in Ghana is not friendly for small business management. The business environment in Ghana was found to be very difficult with little help available for small businesses.
- Small businesses in Ghana were also found to lack resources to employ qualified people to work for the businesses. The resource constraints small businesses face in their operation has created a situation where small businesses are not in position to employ people with the right skills set.
- Another finding of the study that needs to be addressed is that technology usage in small businesses in Ghana was found to be limited. Small businesses were found not able to procure the right technology for their businesses creating a limited usage of information technology in small businesses. Technology is an enabler and for the matter limited usage definitely influence negatively the performance of small businesses.

8.2.3 Key findings under the third objective

The following are the key outcomes of the research under the third research objective: To assess the degree to which strategic planning is implemented in small firms in Ghana.

- It was found that small businesses in Ghana establish the long-term direction for their operations. Though the qualitative study finding indicated just like the quantitative study findings that small businesses project a long-term future for their operations, it was articulated that small businesses tend to be more short-term oriented. It was indicated that small businesses do not engage in a lot of formal analysis unlike large organizations in determining their long-term direction
- It also emerged from the study that small businesses undertake external analysis of their business environment. It was indicated from the qualitative aspect of the study that though small businesses engage in activities to better understand the business environment small

businesses mostly do not use formal analytical tools in analyzing their business environment unlike what mostly pertain in large organizations

- Another finding that came from the study was that small businesses in Ghana agreed to engage in customer analysis. It has indicated through the qualitative study that small businesses try to understand their customers through direct engagement with them without leveraging on formal customer analysis tools.
- It was also realized that small businesses in Ghana undertake internal capability analysis of their businesses. Small businesses were found to be interested in understanding their internal capabilities and resources but that is done mostly without the usage of formal internal analytical tools. A lot of the owner=managers studied were not aware of the formal analytical tools and for that matter were not in the position to apply them
- It also emerged from the study that small businesses in Ghana devise strategies for their operation to achieve long-term goals. The qualitative results on the other hand did not confirm this since it was found that small businesses do not engage in formal strategy formulation practices. Notwithstanding small businesses studied indicated putting together their own strategies without leveraging on formal strategic planning tools.
- It was also found out that small businesses in Ghana assess their businesses for factors essential for the sustainability of their operation. The small businesses studied indicated interest in ensuring the sustainability of their operations
- Another important finding that emerged from the study is that small businesses in Ghana have formal systems for tracking their performances and that of the competitors. On the other hand it was found from the qualitative study that short-term orientation or focus of the small businesses mostly take away the focus from ensuring the long term sustainability of the organizations.
- The last but not the least finding on the extent of strategic planning application in small businesses is that it was found out that small businesses in Ghana undertake consistent strategy reviews to ensure operational effectiveness. Though in the qualitative study small business owners indicated reviewing their operations, it was underscored that formal strategy review systems and practices are not employed in the small businesses. This indicates that possibly the practices small businesses use in reviewing their operation and strategy is different from large organization.

8.2.4 Key findings under the fourth objectives

The following are the key findings associated with the fourth research objective: To explore the challenges associated with the implementation of strategic planning in small businesses in Ghana.

- It was found that there is not much clarity on the resource availability for strategy implementation. This finding was arrived on since the respondents of the study indicated neutrality in their responses to the statement about the lack of resources in their businesses for strategy implementation. Since the small businesses studied indicated resource constraints in their operations it is assumed the owner-managers were not certain of the resources they allocate for strategy implementation since there was also indication that small businesses did not engage in much of formal strategy activities.
- Another finding of the study is that small business resources are not aligned to strategy implementation. This was arrived through the responses of the respondents of the study showing moderate agreement to the statement that the resources in their businesses are not aligned to strategy. This finding is understandable since formal strategy activities were found not to be undertaken in the businesses and for that matter resources could not be allocated to such activities.
- It was also found that small businesses in Ghana find it difficult to manage change. This finding might be due to the lack of competencies in the managers of small businesses to anticipate possible changes in their business operating environment and effectively put in place measures to avert or manage possible changes. It is believed that if strategic planning is effectively implemented it can improve management of change.
- Another outcome of the study is that small businesses in Ghana were found to have ineffective control of strategy implementation. To effectively implement strategy, it demands the existence of the people with the right competencies and since small businesses were found to lack people with competencies in strategic planning it is not surprising that the small businesses suffer from ineffective control of strategy implementation
- Additionally, it emerged from the study that small businesses in Ghana lack support for strategy from top managers. This finding possibly originates from top managers lack of adequate appreciation for strategic planning importance in their operation. This situation

will not allow enough resources to be allocated for such activities and consequently managers will not support strategic planning activities in their organizations though top managers have the duty to spearhead strategic planning activities in organizations

- A major finding of the study is that small businesses in Ghana lack strategy supportive culture. When the organization culture does not support an organizational strategy, the strategy is bound to fail. Since it was found that small businesses mostly do not engage in formal strategic planning activities it connects that the appropriate supportive cultures might not be in place to engage any deliberate or unintended strategy.
- The last but not the least finding of the study on the challenges facing implementing of strategic planning in small businesses in Ghana is that small businesses tend to be undecided when it comes to the appreciation of strategy in their firm. This finding was arrived at through the respondents of the study indicating neutrality in their responses to the statement about their firms' appreciation of strategy. If the small businesses did not see the benefits to be derived from engaging in strategic planning, then the owner managers are obviously more likely not to have a very concrete appreciation of strategic planning in organizations.

8.2.5 Key findings under the fifth objective

The following are the key finding associated with the fifth research objective: To assess the relationship between management practices applicable to small firms and the growth of small firms in Ghana.

8.2.5.1 Key findings from the relationship between Operation-efficiency-focused management practices and growth of small business indices

The following are the findings from the study.

- A major finding was that small businesses implementing modern management practices alone did not lead to a significant improvement in any of the growth of a firm indicators such as increases in profit, revenue, productivity, employee commitment or sustainability of a firm's operation
- Also, it was found that small businesses engaging in activities and processes that ensure continuous improvement on itself does not lead to significant improvement in the growth of the firm as studied. Thus, it was realized from the responses of the respondents that

their businesses did not attain significant improvement in the growth of the firms when the businesses engaged in activities aimed at continuous improvement. Thus, the operation-efficiency-focused management practices studied were found not to have very significant impact on the growth of the small businesses studied.

8.2.5.2 Key findings from the relationship between monitoring-focused management practices and growth of small business indices

The following are the findings from the study:

- A major finding of the study is that small businesses that review their performances constantly were found to be associated with increase in their employee commitment
- Also, it merged from the study that small businesses that communicate organizational and employee goals were found to be associated with increase in the following growth of business indicators; revenue increase, increase in the customer base, increase in employee commitment
- It was also realized in the study that small businesses that constantly monitor their performances and communicate to employees do not achieve any significant effect on their growth indicators such increase in profit, revenue, employee commitment, customer base, productivity or sustainability.

8.2.5.3 Key finding from the relationship between Targeting-focused management practices and growth of small business indices

The following are the findings from the study:

- It emerged from the study that small businesses that effectively use reinforcement and punishment tend to achieve increase in the level of their revenue generation.
- Another finding of the study is that small businesses that use reinforcement and punishment effectively are more likely to achieve a raise in the sustainability level of their operation.
- The study also found out that small businesses that use reinforcement and punishment effectively tend to have a corresponding increase in the level of productivity in the firm.
- It was also realized from the study that setting both financial and non-financial goals in a business significantly leads to increase in the customer base of a firm.

- The study found that setting financial and non-financial goal tend to have a significant association with the level of employee commitment
- The study also established that those small businesses that set both financial and non-financial goals tend to achieve increases in the level of profitability
- Another finding that emerged from the study is that small businesses that set financial and non-financial goals were also found to have a corresponding increase in the level of their revenue generation.
- The study also established that small businesses that link organizational and employee goals tend to have an increase in the level of their profitability
- Another finding that emerged from the study is that small businesses that link organization end employee goals tend to have increase in the level of the revenue generation.
- Additionally, the study realized that small businesses that link organization and employee goals tend to have increase in their customer base
- It was also found out that linking organization and employee goals leads to increase in the level of employee commitment.
- The study also found a significant connection between linking business and employee goals and the sustainability level of businesses.
- It was also established in the study that small businesses that link organization and employee goals tend to achieve increase in the level of productivity
- The study also found out that when short-term goals influence the achieve of long-term goals it tends to have a significant effect on the level of an organizational profitability.
- Another major finding in the study is that when small businesses align short-term and long-term goals it tends to have a corresponding increase in the following growth indicators; revenue, customer base, employee commitment.
- It also emerged from the study that when small businesses set challenging and exerting goal in their operation it tends to have a significant positive effect on the level of profitability, level of revenue generation, customer base, organizational sustainability and level of productivity.
- The last but not the least major finding in this study under the relationship between targeting-focused management practices and growth of the business is that businesses that

set performance measures and communicate to employees tend to have a corresponding increase in the level of their profitability.

8.2.5.4 Key finding from the relationship between Incentive-focused management practices and growth of small business indices

The following are the findings from the study.

- The study found out that small businesses that sack consistently poor performing employees tend to have a corresponding increase in the following growth indicators; level of profitability, level of revenue generation, level of employee commitment and the level of productivity of the business.
- It also emerged from the study that in small businesses where managers are encouraged to employ talented people and develop their talent, there is no significant effect on the growth of the businesses. This implies that just having talented employees in the organization in itself will not bring progress but the ability to exploit fully the talent of the employees is critical to achieving growth in businesses.
- Another surprising finding of the study is that businesses that pay employees based on performance did not achieve a significant association with the growth of the business indicators.
- The study found out that attracting good and talented people in an organization is not significantly associated with the growth of the business indicators such as profitability, revenue increase, increase in customer base, business sustainability, level of employee commitment. This finding also underscores that having the talent in the organization is not the key for success of a business but how the talented employees are effectively exploited makes the difference.
- It was also realized from the study that doing everything in the business to retain and maintain talented employees is not significantly associated with the growth of the business indices assessed in the study namely; level of profitability, revenue generation, customer base, employee commitment, operational sustainability, level of productivity.

8.2.6 Key findings under the sixth objective

The following are the key objectives associated with the sixth research objective: To assess the relationship between management practices applicable to small businesses and competitive advantages enjoyed by small businesses.

8.2.6.1 Key findings from the relationship between Operation-efficiency-focused management practices and competitive advantages of businesses

The following are the findings from the study:

- The major finding under this subsection is that small businesses that implement modern work practices tend to have the capacity to do the following; Serve customers better, have superior products or services, have customer loyalty and a better cost structure relative to the competitors

8.2.6.2 Key findings from the relationship between monitoring-focused management practices and competitive advantages of businesses

The following are the findings from the study:

- The study found out that businesses where performance is constantly monitored and communicated to employees tend to have the following competitive advantages; serve customers better, have superior products of services.
- It also emerged from the study that small businesses that review performance constantly to ensure continuous improvement tend to have superior products or services than their competitors.
- Another finding from the study is that small businesses where organization and employee performances are communicated to employees and management tend to have the following competitive advantages; serve customers better, have superior products and services and have better cost structure relative to the competitors.

8.2.6.3 Key findings from the relationship between targeting-focused management practices and competitive advantages of businesses

The following are the findings from the study:

- It emerged from the study that small businesses that use reinforcement and punishment effectively tend to have superior product/services, have customer loyalty and have better cost structure relative to competitors
- Another major finding of the study is that small businesses that set both financial and non-financial goals tend to have the capacity to serve customers better and have high customer loyalty.

8.2.6.4 Key findings from the relationship between incentive-focused management practices and competitive advantages of businesses

The following are the findings from the study:

- It was found out in the study that businesses that use performance-based pay system tend to have superior product/services, have high customer loyalty and also have better cost structure relative to the competitors.
- Another finding that emerged from the study is that small businesses that sack consistently poor performing employees tend to have high capacity to serve customers, have superior products/services and also have high customer loyalty.
- The study also established that small businesses that do everything possible to retain and maintain talented employees tend to have superior products/services, have high customer loyalty and also have better cost structure relative to competitors.
- The last but not the least finding that emerged from the study is that, small businesses that do everything possible to attract good and talented people tend to have enhanced capacity to serve customer, have high customer loyalty and also have better cost structure relative to customer.

8.2.6 Key findings under the seventh objective

The following are the key findings associated with the seventh research objective: To propose measures for effective management of small businesses in Ghana.

The proposed measures for the effective management of small businesses in Ghana is centred on the tested framework as depicted in figure 7.1 and the supplementary proposed measures for effective management of small businesses which is based on the other findings in the study depicted in figure 7.2

Proposed measures for effective management of small businesses based on the substantive proposed framework tested in the study:

- Small businesses should adopt and implement operation-efficiency-focused management practices that seeks to improve the level of efficiency of activities in the businesses. To that end small business managers need to be trained on modern work practices available and their implementation. Though the tested hypotheses indicates that there is no significant connection between implementing operation-efficiency-focused management practices and the growth of the business, a significant association was rather established between implementing operation-efficiency-focused practices and competitive advantages of small businesses. Small business must be helped to adopt modern work practices in their operation that can help to enhance the competitive capacities of the businesses
- The proposed framework has confirmed the positive influence of implementing monitoring-focused management practices on the growth of small business and the competitive advantages enjoyed by small businesses. For small businesses to be effectively managed it is proposed based on the finding of this study that businesses should adopt and implement monitoring-focused management practices. Thus small businesses should ensure to constantly review their performances so that underperformances can be identified in time for corrective actions to be taken. This research has indicated that when performance is constantly reviewed it is significantly associated with business growth so there is a gain in engaging in such activity. Also it has been found in this study that communicating organizational and employee performance is positively connected to business growth. Based on this finding it is proposed that for small businesses to be effectively managed effort should be made to communicate to employees how they are doing and also how their performance is influencing the organizational performance. Thus providing this very important feedback to employees on their performance is necessary to contribute to the performance improvement that will ultimately lead to the growth of the firm. Additionally effective reviewing and communication of employee performance is proposed since the study has confirmed the significant positive connection between such practices and the competitive advantages small businesses have such at capacity to create superior product or services and better cost structure.

- From the findings of this study, it is proposed that small businesses invest in the adoption and implementation of targeting-focused management practices because of their confirmed significant influence on growth of the firm. Firstly, it is proposed that small businesses should create a system where goals are effectively set. It has been confirmed that setting financial and non-financial goal in the organization influence positively the growth of the organization in the following ways; increase in revenue generation; increase in the number of customers and the level of employee commitment. It is also proposed that to make goal setting more effective employees should be involved in the process of setting the goals. Additionally, on goal setting it is proposed that employees' goals be aligned with organizational goals since the study has confirmed its positive influence on the growth of the firm. It is also proposed that small businesses create a system where there is always a consequence to the outcomes of the set goals. This is important because of the confirmed connection between effective use of reinforcement and punishment and the growth of the firm. Finally, it is proposed that small businesses should invest in setting challenging and exerting goals since it was confirmed that doing that influence significantly the growth of the firm. And it should be underscored that such challenging goals should be properly communicated to the employees that are expected to work toward achieving the goals.
- From the findings of the study, it is proposed that small businesses effectively adopt incentive-focused management practices since the study confirmed its significant influence on the growth of the firm. Specifically small businesses should create a system where consistently poor performing employees are removed from the businesses. The study has confirmed that such a practice influence positively the growth of the firm. It is also proposed that small businesses should apply performance-based pay systems in their businesses because of the confirmed association in this study between the usage of performance-based pay system and the competitive advantages small businesses enjoy such as capacity to produce superior products or services; high customer loyalty and better cost structure. It is also proposed that small businesses should institute policies and practices that retain and maintain talented employees because of the confirmed connection in this study between engaging in such practices and competitive advantages small

businesses enjoy such as capacity to produce superior products; high customer loyalty and better cost structure.

Additionally, the following are proposed measures for effective management of small businesses based on the other findings of the study as depicted in figure 7.2:

- Small businesses should be helped to develop their capacity in management and effective decision making. The support can be provided by government agencies and private agencies responsible for assisting small businesses.
- Small businesses should be assisted to secure finance for their operations since a lot of the problems faced by small businesses were attributed to lack of finance.
- Small businesses should be helped to access and leverage on technology in their businesses since technology is an enabler
- Small firm owners and managers should be assisted to improve their capacity for strategic planning and this can be done through tailored capacity building programmes.
- Small businesses should be helped to improve the capacity of their human resource and helped also to retain and maintain them.
- Small business should be helped to adopt and implement modern work practices. The findings indicate that implementing effectively modern work practices help in the growth of the businesses and also make them more competitive.

The next section addresses the limitations of the research and also makes suggestion for future research.

8.3 Limitations and suggestions for further research

Since the investigation adopted the case study strategy in data collection it is very difficult to generalize the finding of the study to cover all the regions in Ghana since the data gathering was limited to the Kumasi area in the Ashanti region of Ghana. Future studies should sample more small businesses from the other regions of Ghana so that the results of the research can be more generalized.

Another limitation of the study has to do with the type of mixed methods approach that was applied in the study. In the study only ten small business owners took part in the qualitative

research while in the quantitative research the sample consisted of five-hundred small firm owners. The function of the qualitative research was to provide confirmation and support for the quantitative study outcomes. In the research not all the quantitative findings were confirmed by the qualitative study findings, which could be attributed to the type of mixed methods approached used.

To improve the alignment of the quantitative and the qualitative study findings it is recommended that future studies should embed the qualitative studies in the quantitative studies so that all the research participants take part in both the quantitative and qualitative studies. It is believed that such an approach will help to produce more reliable and aligned results.

Another observed limitation of the study is that the study sought to measure the perception of respondents on various issues and that might inherently carry with it high level of subjectivity and bias. It is recommended that future researchers should seek to empirically measure actual growth of businesses and the other variables focused on in this study.

The current study looked at the challenges facing the management of small firms in Ghana. It is suggested that, future studies look at the totality of the small firm sector ecosystem in order to better understand the challenges small businesses in Ghana face. Also, future studies should look at the various institutions established to support small businesses and how the institutions can better be coordinated to bring about effectiveness in their output in terms of promoting small business development.

Since it was realized through the interviews that political patronage play a critical role in small businesses securing financial support from public institution, it is suggested that future, studies research into the work of public institutions for small business development and how they can be made politically neutral.

8.4 Conclusions

The study objectives were attained through the analysis of the data collected in the research. Both quantitative and qualitative data were collected in the research. The mixed method used was intended to help collect data to achieve a confirmatory purpose and also make the data collection as comprehensive as possible. The following conclusions can be made from the upshots of the study.

8.4.1 Conclusion 1

The first conclusion is connected to the first study objective which focused on the management practices applicable to small businesses in Ghana. This sub-section concludes on each of the four categories of management practices studied in this research and their application in small businesses based on the findings of the study.

Generally, it is believed that businesses will implement practices that will make them more productive by improving the efficiency of their operations. The findings of the study on the application of the operation-efficiency-focused management practices in small businesses established that small businesses in Ghana implement modern work practices and that there is also more focus on cost and quality improvement. The qualitative aspect of the study though asserted that small businesses are mostly interested in improving the efficiency of their operation, the businesses mostly do not have access to current modern techniques and practices. This indicates that small businesses are hampered by this challenge and their operational efficiency can further improve when they are assisted to access and implement up to date modern practices and techniques. This study through its finding has thrown light on this deficiency and it is believed that the challenge can be properly addressed to improve the performance of small businesses.

On the implementation of monitoring-focused management practices the belief is that well managed businesses track the individual performances of their employees and that there is consequence to the performance of employees. In this study it has been established that small businesses highly practice monitoring-focused management practices and that performances of employees are monitored, reviewed and communicated to the relevant stakeholders. The researcher believes that performance of small businesses can be better monitored, reviewed and communicated if small businesses adopt and implement modern practices for doing such activities.

In the literatures it has been asserted that well managed firms also set effective targets that directs the behavior of employees to the right direction. This study has also established that small businesses moderately implement targeting-focused management practices and that specifically small business set both financial and non-financial goals and that there is alignment between individual employees and business goal. Also it was agreed by the owner-managers that their business set performance measures and communicate them to employees. In general there was

agreement at least from the quantitative findings of the study that small businesses are doing what should be done in term of setting target. The qualitative aspect of the study indicated on the other hand that owner-managers set targets but the target setting is not mostly done using current or modern target-setting techniques or practices. It is concluded that small businesses should be encouraged to adopt modern practices to target-setting activities in their operation which will improve the level of their effectiveness and efficiency thereby improving performance.

On the implementation of incentive-focused management practices the position of the existing literatures is that best managed firms tend to highly reward employees with the right talent and put in the required effort leading to the achievement of organizational performance. This study has established that there is high application of incentive-focused management practices in small businesses in Ghana. Specifically, the study has established through the responses of the owner-managers that talented people are attracted, rewarded and promotion is done based on performance. Also, it was indicated that consistently poor performing employees are eliminated from small businesses in Ghana. The qualitative findings also established that modern practices and techniques are mostly not applied. The researchers believe that small businesses in implementing incentive-focused management practices and activities should leverage on current best practices to achieve enhanced outcome.

Finally, conclusion can be drawn from the findings from the quantitative and qualitative aspects of the study. Though the qualitative aspect of the study was intended to confirm the data gathered through the quantitative aspect of the study some of the results of the qualitative research did not confirm the findings made through the quantitative research. To ensure a better alignment of the findings of the quantitative and the qualitative studies in future research it is suggested that future studies should embed qualitative studies in the quantitative study so that all the participants will take part in each of the studies instead of only a few participants taking part in the qualitative study.

8.4.2 Conclusion 2

The second conclusion is connected to the second study objective which sought to examine the challenges facing the management of small firms in Ghana. The study indicated the difficulty small businesses go through in raising funds for their operation and also the lack of enough management skills for managing small businesses in Ghana. This study finding aligns with the

existing literature that small businesses have difficulty in raising funds and also have deficiency in managing their operations. The researcher believes that for small businesses in Ghana to do well their capacity to raise funds and also their capacity for effective management should be improved by addressing the bottlenecks identified in this study for accounting for the problems.

Also, the study has indicated that there is not enough capacity on the part of small businesses to recruit competent employees to work for their organizations thus influencing negatively the performance of small firms in Ghana. On the usage of technology in small firms in Ghana it was found out that greater part of small businesses are uncertain about technology usage or do not use technology to a larger extent in their operation. The existing literature have already asserted to such problems in small businesses and this study confirming demands action to avert the situation

With respect to the second objective of the study, it can be realized that, there were more alignment between the findings of the quantitative and qualitative studies. It is suggested that future studies should embed qualitative studies in the quantitative studies. This, it is expected can produce more aligned findings since all the participants will take part in all the two studies

8.4.3 Conclusion 3

The third conclusion is connected to the third research objective which assessed the extent of strategic planning implementation in small businesses in Ghana. It has been established in the study that small business in Ghana have established long-term direction and undertake external environmental analysis which give better appreciation of the business environment.

Also, it has been established that, small businesses have formal systems for tracking business performance and that of competitors and that there are also systems in place that analyze customer preferences and demands for strategy improvement. The small businesses in Ghana were also found to have the capacity to engage in internal analysis to ascertain their strengths and weaknesses. Additionally, small businesses in Ghana have been found to undertake consistent strategy reviews to ensure operational effectiveness.

Though the quantitative aspect of the study portrayed a small business sector where the players engaged in strategic planning at an appreciable level, the findings from the qualitative aspect of the research provided some of its finding that did not conform to some aspect of the findings of the quantitative study. As has been stressed, the qualitative aspect of the study was expected to perform a confirmatory function on the findings of the quantitative aspect of the study. An example of where there was misalignment in the findings of the studies has to do with the issue of small businesses establishing the long-term direction for their firms. The findings of the quantitative research indicated that, majority of small firms had established their long-term direction, which means they engaged in long term planning. The finding from the qualitative research conversely specified that, small businesses largely do not engage in long term planning. To prevent such a situation from reoccurring, it is suggested that, future studies when using mixed methods approach should just include qualitative question in the quantitative study so that, all the participants would be included in both studies. The conclusion that can be made from the findings of the research is that, though small businesses engage in practices that mimic strategic planning activities, it was confirmed that, small businesses in Ghana do not employ formal strategic planning tools and for that, they tend to have deficiency in implementing strategic plans and that tend to affect the performance of small firms in Ghana.

8.4.4 Conclusion 4

The fourth conclusion is associated with the fourth study objective, which explored the challenges associated with the implementation of strategic planning in small businesses in Ghana. Focusing on the outcomes of the quantitative study, the following conclusions can be made: Greater number of small businesses in Ghana do not understand issues or believe to have enough resources for strategy implementation. It has been established from the study that a lot of small business owner/manager were indecisive when it came to their appreciation of strategic planning. Additionally, Small business owner/managers in Ghana were also found to be uncertain of their capacity to manage change and support strategic planning in their organizations

. With respect to the fourth objective most of the quantitative findings were not confirmed by the qualitative study findings. For instance, in the qualitative study, it was found that resources are lacking for strategic planning and also the human resource in small businesses were also found not to be developed to support strategic planning. The conclusion that can be made with respect to objective four of this study is that, small businesses in Ghana do not have much understanding on strategic planning and for that have limited capacity to engage in strategic planning. To improve future research, it is suggested that qualitative studies be embedded in quantitative research so that all the participants take part in both studies thereby improving the possibilities of the findings aligning with each other.

8.4.5 Conclusion 5

The fifth conclusion is related to the fifth objective of the study which focused on assessing the relationship between management practices applicable to small firms and the growth of small firms in Ghana.

Generally, it is believed that implementing operation-efficiency-focused management practices will make organizations more productive leading to the growth of the firm. Notwithstanding this general believe this study established that as a whole there is no significant association between implementing operation-efficiency-focused management practices and the growth of the firm. Specifically this study has established that the mere implementation of modern practices does not influence positively the growth of the firm. The conclusion that can be drawn on the application of operation-efficiency-focused management practices in small businesses is that the appropriateness of certain practices in small businesses should be assessed and there should not be the general assumption that since some practices work well in large organizations they are bound to have the same effect in small businesses.

On the relationship between monitoring-focused management practices and growth of the firm the general believe in the literature is that engaging in such practices should positively influence the growth of the firm. The finding of this study established significant positive connection between implementing monitoring-focused management practices and the growth of the firm. Specifically the study has indicated that reviewing and communicating employee performances influence positively the growth of small business. The conclusion that can be drawn

here is that techniques involved in reviewing and communicating employees' performances should be improved leveraging on modern more effective techniques and practices.

On the targeting-focused management practices the general agreement in the literatures is that effective target-setting in businesses lead to improved performance enhancing the growth of businesses. This study has established and confirmed the significant association between implementing targeting-focused management practices and the growth of the firm. Specifically, the study has established that the effective use of reinforcement and punishment in small businesses influence positively the growth of the firm. Also, the setting of financial and non-financial goals were also found to be productive. The linking of employee and business goals were found to improve business growth. The conclusion that can be drawn is that more effective techniques and practices should be applied in small businesses in Ghana so that their influence on the performance and growth of the businesses would be remarkable.

The general believe in the literature is that incentive-focused management practices lead to enhance business performance leading to growth of the firm. The finding of this study has established a significant connection between implementation of incentive-focused management practices and the growth of small businesses. The conclusion that can be drawn here is that since small businesses are already found to be implementing the practices, they should be helped to adopt the best practices that will help to improve further the performance of small businesses leading to exponential growth in small businesses.

8.4.6 Conclusion

The fifth conclusion is related to the sixth objective of the study which focused on assessing the relationship between management practices applicable to small firms and the competitive advantages of small firms in Ghana.

It was established that small businesses that implement modern work practices tend to have the capacity to serve customers better, have high customer loyalty, have better cost structure and have the capacity to produce superior product or service. The conclusion that can be drawn here is that the capacity of small businesses can be further improved if they are helped to adopt even more effective modern practices that are appropriate for small businesses.

The existing literature has established that implementing monitoring-focused practices improves the performances of businesses since the businesses tend to be well managed. The study has also established a significant link between engaging in monitoring focused management practices and competitive advantages of small businesses. Specifically it has been established that small businesses where performance is monitored, reviewed and effectively communicated tend to have increased capacity to serve customers, produce superior products or services and have better cost structure. The researcher believes that since small businesses are found to implement monitoring-focused management practices they should be helped to adopt best practices in order to have an even enhanced capacities leading to enhanced performance.

The study has also established a positive significant association between implementing targeting-focused management practices and competitive advantages of small firms. This finding confirms the existing idea in the literature that well managed firms set effective targets that improves the competitive edge of the firm. Specifically the study has established that firms that set both financial and non-financial goals tend to have increased capacity for producing superior products or services, better cost structure and higher customer loyalty. The same finding was made on small businesses that effectively use reinforcement and punishment in their operation. The conclusion that can be drawn from the findings is that since the practices are found to improve the competitive edge of small businesses the firms should find better ways of adopting and implementing the practices in order to further enhance the outcomes of such practices.

Finally, the existing literature indicates that the application of performance-based pay systems improves the performance of businesses. This study has also established a positive connection

between implementing incentive-focused management practices and the competitive capacities of firms. The researcher believes that small businesses can further improve their capacity if they invest in adopting and implementing modern incentive-focused management practices that are conducive to the context of small businesses.

8.4.7 Conclusion 7

The seventh conclusion is related to the seventh objective of the research which was to propose measure for effective management of small firms. From the substantive proposed framework for the effective management of small businesses it is indicated that on the whole with the exception of operation-efficiency-focused management practices all the other management practices are significantly associated with the growth of the firm. Also, another observation from the substantive proposed framework is that on the whole all the management practices are significantly associated with the competitive advantages of small. From the findings of the study it can be concluded that small businesses are trying hard to improve their management capacity. Consequently the businesses should be helped to adopt and implement modern more effective techniques and practices that will improve the management capacities in the small businesses leading to improved performance and consequently the growth of the businesses.

Finally, from the supplementary proposed measures for effective management depicted in Figure 7.2 which was derived from the other finding of the study the following observations and conclusions can be made:

Generally, for effective management of small businesses to be achieved in Ghana, the current study has additionally proposed that effort should be made to strengthen the Institutions and agencies responsible for small business development and supported to be effective in delivering their mandate. When such is achieved, they will be in the position to address the challenges faced by small firms in Ghana. It is believed that, when the challenges faced by small firms are addressed, it will lead to effective management of small firms in Ghana. Focusing on the findings of the research it is further believed that the performance in small businesses would be enhanced in terms of their growth and competitiveness if the following measures are put in place: Thus small businesses should be helped to develop their capacity in implementing modern work practices; helped to enhance the capacity in effective decision making and management; build the capacity of the human resource in small firms; help small firms to access finance, improve the capacity of small businesses to access and use technology in their operations. It is believed that, if the

proposed measures are implemented, small business growth would be enhanced and will also be more competitive.

The next section covers recommendations made to improve management of small businesses that are hinged on the findings of the study.

8.5 Recommendations

From the results of the research, the investigator proffers the following recommendations to facilitate the management and development of small businesses in Ghana.

8.5.1 Recommendation 1

Small businesses in Ghana should be helped to develop their capacities to implement current and up to date management practices since competition now has taken on a global dimension. For this reason, institution like the National Board for Small Scale Industries should be resourced to help in building the capacity of small businesses to access and implement modern work practices. Generally, small business owners should be helped to develop their management acumen and that will help to improve the success rate of the small firm sector.

8.5.2 Recommendation 2

The government of Ghana has to streamline the operations of public institutions such as MASLOC that is tasked with providing small businesses access to finance. Also, the banks should be motivated to provide finance to small businesses that are mostly seen as too risky to lend to. The management capacity of small business owners should be improved and with that the contribution of institutions like the National board for small scale industries (NBSSI) and the National Entrepreneurship and Innovation Programme (NEIP) cannot be over-emphasized. It should also be emphasized that, the government of Ghana should help to improve the business environment in Ghana which will go a long way to improve the management of small firms. Also, the government of Ghana's current policy of supplying unemployed graduates to small businesses in Ghana is recommendable and should be continued since it can go a long way to enhance the human resource base of small firms leading to improvement in their operation.

8.5.3 Recommendation 3

There is the need to improve the capacity of small firm owners and managers in strategic planning so that they can effectively adopt to change and improve the future sustainability of their

businesses. Also, small businesses would be managed better if they are fully engaged in strategic planning. It is recommended that, government and private agencies responsible for small business promotion and development should continue to train operators of small businesses to effectively engage in strategic planning.

8.5.4 Recommendation 4

It is recommended that the government of Ghana put in measures to enhance the business milieu in Ghana so that, the required impetus can be created for the setting up and management of small businesses in Ghana. Also, more resources should be provided to small businesses to improve their capacity in strategic planning, thereby helping to address the challenges that small firms face in their operations. It is also recommended that, managers and the human resource in small firms should be developed to help create strategy supportive cultures and also generally help support strategic planning in small businesses.

8.5.5 Recommendation 5

It is recommended that, the capacity of small firms should be developed so that, they can effectively access and implement effective management practices. This is critical because, the findings of the study came out that certain management practices are connected to the growth of small businesses and without knowledge of the effective management practices and the capacity to implement them, the required growth in small firms cannot be achieved.

8.5.6 Recommendation 6

It is recommended that, small businesses should be helped to develop their capacity to implement effective management practices since the findings of the research indicated that, certain management practices are associated with competitiveness of small firms.

8.6 Summary

This chapter concluded with the study on the management practices and implementation of strategic planning among small businesses in Ghana. Under this chapter, key findings in the research were enumerated based on the research objectives of the study. Focusing on the findings of the research recommendations are proffered to help address some of the challenges that affect effective management of small firms in Ghana. The chapter also presented conclusions to the study.

REFERENCE LIST

- Abor, J. and Quartey, P. (2010). Issues of SME Development in Ghana and South Africa. *International Research Journal of Finance and Economics*, 39, pp, 218-22
- Ahmad, K. and Abodunde, S.M. (2020) Strategic Planning and Performance of Small Medium Enterprises: Evidence From Lagos State, Nigeria. *European Journal of Business and Management*. Vol.12, No.8, 2020. ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online). www.iiste.org
- Zabri, S.M. (2016). The effect of Non-financial Performance Measurement System on Firm Performance. *International Journal of Economics and Financial Issues*. 6(S6), 50-54.
- Ahiawodzi, A.K. and Adade, T.C. (2012). Access to credit and growth of small and medium scale enterprises in the Ho Municipality of Ghana. *British Journal of Economics, Finance and Management Sciences*, 6(2): 34–51.
- Agarwal, R., Brown, P. J., Green, R., Randhawa, K., & Tan, H. (2014). Management practices of Australian manufacturing firms: why are some firms more innovative? *International Journal of Production Research*, 52(21), 6496-6517. <http://dx.doi.org/10.1080/00207543.2014.949362>
- Agbim, K.C, Oriarewo, G.O and Zever, T.A (2014), Relationship between Emotional intelligence and Entrepreneurial Performance: The mediating effect of Managerial Competence. *International Journal of Economics, Commerce and Management*. Vol. 10(2)
- Agwu, E. (2018). Analysis of the Impact of Strategic Management on the Business Performance of SMEs in Nigeria. *Academy of Strategic Management Journal*. Vol. 17(1).
- Ahmad, N.H. (2009) “Dissecting behavior associated with business failures: a qualitative study of SME owners in Malaysia and Australia” *Asia Social Science*, Vol. 5 No. 9, pp. 98-104.
- Akinyele, S. T., & Fasogbon, O. I. (2010). Impact of strategic planning on organizational performance and survival. *Research Journal of Business Management*, 4(1), 73-82.

- Ali Kasha, A. (2017) Relationship between SHRM and Organizational among Iraqi Oil Companies. *J Glob Econ* 5: 421. doi: 10.4172/2375-4389.1000241
- Alkalha, Z.S., Al-Zubi, Z.M.F., Al-Dmour, H., Alshurideh, M. and Masa'deh, R. (2012). Investigating the effect of Human Resources Policies on organizational Performance: An empirical study on commercial banks operating in Jordan. *European Journal of Economics. Finance and Administrative Sciences*. (51), 44-64
- Amoah, S.K. and Amoah, A.K. (2018). The Role of Small and Medium Enterprises (SMEs) to Employment in Ghana. *International Journal of Business and Economics Research*. Vol. 7, No. 5, pp 151-157. doi: 10.11648/ijber.20180705.14
- Anesta. E., Caceda, A. & Michalka, S. (2004), "Development of woodcarving small and medium-sized enterprises in Okahandja, Namibia " , unpublished BSc thesis , Worcester Polytechnic , Worcester , M.A.
- Ansoff, H. I. 1965. *Corporate strategy*. New York: McGraw Hill.
- Armstrong, J.S. (1982). The value of formal planning for strategic decisions; Review of empirical research. *Strategic Management Journal*, 3: 197-211.
- Appelbaum, S.H., and Kamal, R. (2000). An analysis of the utilization and effectiveness of non-financial incentives in small businesses. *Journal of Management Development*, 19, 733-763.
- Arasti, Z., Zandi, F. and Bahmani, N. (2014). Business failure factors in Iranian SMEs. Do successful and unsuccessful entrepreneurs have different viewpoints? *Journal of Global Entrepreneurship Research*, 10(4). From: <http://www.journal-jger.com/content/4/1/10>. .
- Asia Productivity Organization. (2015). *Innovation and SME financing in selected Asian Economies*, Japan: Asian Productivity Organization
- Avecedo, G.L. and Tinajero, M. (2010). Impact evaluation of SME programs in Mexico using panel firm data. *The World Bank Policy Research Working Paper* 5186, Washington DC, USA.

- Arasa, R., & K'Obonyo, P. (2012). The relationship between strategic planning and firm performance. *International Journal of Humanities and Social Science*, 2(Special Issue), 201-213.
- Aryeetey, E.A, Baah-Nuakoh, A., Duggleby, T., Hettige H., & Steel, W.F.(1994). Supply and Demand for Finance of Small Enterprise in Ghana, Discussion Paper No. 251, Technical Department, Africa Region. Washington, D.C., World Bank.
- Ates, A., Garengo, P., Cocca, P., and Bititci, U. (2013). The development of SME managerial practice for effective performance management. *Journal of Small Business and Enterprise Development*, 20(1), 28-54
- Ayyagari, M., Demircuc-Kunt, A. and Maksimovic, V. (2007). Firm innovation in emerging markets: The roles of governance and finance: The World Bank.
- Ayers, R.S. (2015). Aligning individual and Organizational Performance. *Public Personnel Management*, 44(2), 169-191.doi:10.1177/0091026015575178
- Babafemi, I. D. (2015, June). Corporate strategy, planning and performance evaluation: A survey of literature. *Journal of Management Policies and Practices*, 3(1), 43-49.
- Boal, K. B., & Hooijberg, R. (2001). Strategic Leadership Research: Moving On. *Leadership Quarterly*, 11 (4), 515 – 549
- Barnard, C. I. (1938). *The functions of the executive*. Cambridge, MA: Harvard University Press.
- Barney, J.B. (1991) Firm resources and sustained competitive advantage. *Journal of Management*, 9: 99-120.
- Barney, J.B. (2001). Resource-based theories of competitive advantage: A ten-year retrospective study of the resource-based view. *Journal of Management* 27 (6) , 643-650
- Baron, R.A., Mueller, B.A & Wolfe, M. T.(2016). Self-efficacy and entrepreneurs' adoption of unattainable goals: The restraining effects of self-control. *Journal of Business Venturing*, 31(1), 55-71. Doi: 10. 1016 / jbusvent. 2016. 08.002
- Bass, B. M. (2007). Executive and Strategic Leadership. *International Journal of Business*, 12(1), 33 – 52

- Beaver, G.(2002). “Firm resources and Sustained competitive advantage” *Journal of Management*, Vol. 17 No. 1, pp.99-120.
- Bern, M.A, Townend, Z., Khayat, B., Balagopal, M., Reeves, M.S., Hopkins, A. and Kruschwitz,N.(2009).Sustainability and competitive advantage. *MIT Sloan Management Review*. Vol. 51 No. 1, pp. 19-26
- Bhattacharjee,A.(2012).“SocialSciencesResearch: Principles,methods and Practices”.Textbooks collection 3.http://scholarcommons.usf.edu/oa_textbook
- Bititci, U.S., Turner, T. and Begemann, C.(2000), “Dynamics of Performance Measurement systems”, *International Journal of Operations and Production Management*, Vol. 20 No.6, pp. 692-704.
- Black, S. E. and Lynch, L. M. (2001). How to compete: the impact of workplace practices and information technology on productivity. *Review of Economics and Statistics*, 83 (3), 434-445.
- Bloom, N., & Van Reenen, J. (2007). Measuring and explaining management practices across firms and countries. *Quarterly Journal of Economics*, 122(4), 1351–1408.
- Bloom, N., Propper, C., Seiler, S., & Van Reenen, J. (2010). The impact of competition on management quality: Evidence from public hospitals. *National Bureau of Economic Research Working Paper Series*, No. 16032.
- Bloom, N., Kretschmer, T., & Van Reenen, J. (2011). Are family-friendly workplace practices a valuable firm resource? *Strategic Management Journal*, 32(4), 343– 367.
- Bloom, N., & Van Reenen, J. (2011) “Human Resource Management and Productivity”, *Handbook of Labor Economics Volume 4B* in Orley Ashenfelter and David Card (eds), Chapter 19 1697-1769.
- Bloom, N., Liang, J., Roberts., J and Ying, Z. (2011). Can IT improve work-life balance? Evidence from a Chinese field experiment. *Stanford mime*

- Bloom, N., Genakos, C., Sadun, R., & Reenen, J., van (2012). Management practices across firms and countries. *Academy of Management Perspectives*, 26(1), 12-34. <http://dx.doi.org/10.5465/amp.2011.0077>
- Bloom N., Eifert B., Mahajan A., McKenzie D., Roberts J. (2013), Does Management Matter? Evidence from India, *The Quarterly Journal of Economics* 128 (1), 1-51.
- Bloom N, Sadun R and Van Reenen J (2016a) “Management as technology”, CEP Discussion Paper No. 1433, London: Centre for Economic Performance.
- Bloom N, Brynjolfsson E, Foster L, Jarmin R, Patnaik M, Saporta-Eksten I and Van Reenen J (2017) “What drives differences in management?”, CEP Discussion Paper No. 1470, London: Centre for Economic Performance.
- Broszeit S, Fritsch U, G r g H and Marie-Christine Liabe (2016) “Management practices and productivity in Germany”, IAB Discussion Paper No. 32/2016, Nuremberg: Institute for Employment Research
- Brynjolfsson E and McElheran K (2016a) “Data in action: data-driven management in US manufacturing”, CES Working Paper 16-06, Washington DC: Centre for Economic Studies.
- Bussin, M.H.R., and Thabethe, N.N (2018). Reward preferences in South Africa’s media industry.S.AJournal of Human Resources Management. 16. doi: 10.4102/sajhrm.v16i0.1010
- Byukusenge, E., Munene, J. A. and Orobia, L. (2016).Knowledge Management and Business Performance: Mediating Effect of Innovation. *Journal of Business and Management Sciences*. Vol.4 No. 4, pp.82-92. Doi: 10. 12691/jbms- 4-4-2
- Carney, M., Van Essen, M., Gedajlovic, E. R., & Heugens, P. P. M. A. R. (2015). What do we know about private family firms? A meta-analytical review. *Entrepreneurship Theory and Practice*, 39(3), 513-544. <http://dx.doi.org/10.1111/etap.12054>
- Carter., Garter, w., and Reynold, P. (1996), “Exploring start up event sequences”, *Journal of Business Venturing*, Vol. 11 pp. 151-161.

- Carter, S. M., & Greer, C. R. (2013). Strategic Leadership: Values, Styles, and Organizational Performance. *Journal of Leadership & Organizational Studies*, 20 (4), 375 –393
- Chandler, A. D. 1962. *Strategy and structure*. Cambridge, MA: MIT Press.
- Chi, N.-W., & Lin, C. Y. (2011). Beyond high-performance paradigm: exploring the curvilinear relationship between high-performance work systems and organizational performance in taiwanese manufacturing firms. *British Journal of Industrial Relations*, 49(3), 486-514. <http://dx.doi.org/10.1111/j.1467-8543.2010.00778.x>
- Chingwaru, T. (2014). Impact of trade and economic liberalization policy reforms on the operations of selected small to medium enterprises (SMEs) in Zimbabwe. A comparative study with South African experiences. Unpublished PhD thesis, Durban University of Technology, South Africa.
- Creswell, J.W. and Plano Clark, V.L. (2011) *Designing and conducting Mixed Methods Research*. 2nd ed. Thousand Oaks, CA: Sage Publications.
- Crowe, M. Inder, M., Porter, R. (2015). Conducting qualitative research in mental health; Thematic and Content analysis .Australia and New Zealand Journal of Psychiatry, 49(7), 616-623.
- Crusoe, E.E. (2000), Planning in Small firms: Extent and Effect. Conference on Business and Economic Research. 3rd ICBER Proceeding. Indonesia Bandung.
- Davis, M. (2011). *Study Skills for international postgraduate students*, UK: Palgrave, Macmillan Publishers
- DeNisi, A., Hitt, M. and Jackson, S. (2003). The Knowledge-Based Approach to Sustainable Competitive Advantage. In Jackson, Hitt and DeNisi (Eds.) *Managing Knowledge for Sustained Competitive Advantage*, San Francisco: Jossey-Bass, pp. 3-33.
- Deschamps, C. and Mattijs, J. (2017), “Sustainable goal setting: a large-scale case in management practice“, *International Journal of Productivity and Performance Management*, Vol.66 No. 8, pp. 1087-1104.

- Dlodlo, N. and Mafini, C. (2014). The relationship between internet paybacks and firm productivity: Perspectives from Zimbabwe SMEs. *Mediterranean Journal of Social Sciences*, 5(8), 21–31.
- Doellgast, V., & Marsden, D. (2018). Institutions as constraints and resources: Explaining cross-national divergence in performance management .Human Resource Management Journal. doi: 10. 1111/ 1748 – 8583. 12214
- Dube, T., Chitura, T and Runyowa, L.(2010).Electronic commerce benefits and adoption barriers in small and medium enterprises in Gweru , Zimbabwe. *Journal of Internet Banking and Commerce*, 15(1), 1-17.
- Dyer, L.M. & Ross, C.A. (2008), Seeking advice in dynamic and complex business environment: Impact on the success of Small firms. *Journal of Development Entrepreneurship*, Vol. 13(2) , 133-149.
- Edwards, T., Battisti, G. and Neely, A. (2004). Value creation and the UK economy: a review of strategic options. *International Journal of Management Reviews*, 5/6 (3/4), 191-213.
- Ehinomen, C. and Adeleke, N. (2012).Strategies for repositioning small and medium-scale enterprises for global competitiveness. *Journal of Business Management and Economics*, 3(7), 266–274.
- Eketu, C.A. and Ogbu, E.F.(2017). Human Resource Planning and Organizational Sustainability: A study of selected telecommunication firms in River State. *International Journal of Social Sciences and Management Research*, 3(3), 37-46.
- Elo, S. and Kyngas, H. (2008).The qualitative content analysis process. *Journal of Advanced Nursing*, 62(1), 107-115.
- Farquhar. C.H. (2012).What is case study research? Case study research for business.London: Sage Publications.
- Fening F.A., Pesakovic, G., and Amaria, P. (2008), “Relationship between quality management practices and the performance of small and medium size enterprise (SMEs) in Ghana. *International Journal of quality and Reliability Management*. Vol. 25 No. 25 pp. 694-708

- Flammer, C. and Bansal, P. (2017). Does a long-term orientation create value? Evidence from a regression discontinuity. *Strategic Management Journal*, 38(9), 1827-1847. Doi: 10.1002./smj.2629
- Fitza, M. (2017). How Much Do Ceos Really Matter? Reaffirming That the Ceo Effect is Mostly Due to Chance. *Strategic Management Journal*, 38 (3), 802–811
- Fischler, A.S.(2010).Mixed methods. Nova south Education University: School of Education. From: http://www.fischlerschool.nova.edu/resources/uploads/app/35/files/arc_doc/mixed-methods.pdf.
- Forth, J., Bewley, H., Bryson, A. (2006) *Small and Medium-sized Enterprises: Findings From the 2004 Workplace Employment Relations Survey*. London: Department of Trade and Industry.
- French, S. J., Kelly, S. J. & Harrison, J. L. (2004). ‘‘The role of strategic planning in the Performance of small, professional service firms – a research note’’. *Journal of Management Development*, Vol. 23 No. 9, pp. 765-76.
- Gagnon, Y.C. Sicotte, H. and Posada, E. (2000). ‘‘Impact of SME Managers behavior or the adoption of technology’’. *Entrepreneurship Theory and Practice*, Vol. 25 No 2 pp.43- 57.
- Galpin, T., Whittington, J.L., & Bell, G. (2015).Is your sustainability strategy sustainable? Creating a culture of sustainability. *Corporate Governance: The International Journal of Business in Society*, 15 (1), 1-17. Doi: 10.1108 /cg-01- 2013- 0004
- Georgiadis, A., and Pitelis, C.N. (2012). Human resources and SME performance in services: Empirical evidence from the UK. *International Journal of Human Resources Management*, 23, 808-825. doi: 10. 10. 1080/ 09585192. 2011. 561236
- GSS (2016). Integrated Business Establishment Survey, Regional Spatial Business Report, Ghana Statistical Service, Accra,
- Gibbons R., Henderson R. (2013), What Do Managers Do? Exploring Persistent Performance Differences among Seemingly Similar Enterprises, in R. Gibbons, J. Roberts (eds.), *The*

Handbook of Organizational Economics, Ch. 17, 680-731, Princeton and Oxford, Princeton University Press.

Gibbons, P.T., and O'Connor, T. (2005) "Influence on Strategic Planning processes among Irish SMEs" *Journal of Small Business Management*, Vol 43, No 2, pp 170-186.

Gibson, B. and Cassar, G. (2005). "Longitudinal analysis of relationships between planning and Performance in Small Firms". *Small Business Economics*, Vol. 25 No. 3, pp. 207-22.

Global Entrepreneurship Monitor (GEM) (2013) , GEM 2013 Global Report , Babson College and London Business School , London.

Global Entrepreneurship Monitor (GEM). (2010). GEM Annual Report. From <http://www.gsb.uct.ac.za/files/GEM2010Report.pdf>.

Gockel, A.G. and Akoena, S. K. (2002). "*Financial intermediation for poor credit Demand by Micro-Small and Medium Scale enterprise in Ghana*". A further Assignment for Financial Sector, IFLIP, Research paper 02-6, International labour organization, Geneva.

Govindaraja M. & Natarajan S. (2005) *Principles of Management*. Published by Prentice Hall Limited, New Delhi.

Grinyer, P., Al-Bassaz, S., and Yassai-Ardekani, M.(1986).Towards a contingency of theory of corporate planning: Findings in 48. UK. Companies. *Strategic Management Journal* , 7(1) , 3-28.

Gruber, M. (2007), "Uncovering the value of planning in new venture creation: a process and contingency perspective; *Journal of Business Venturing*, Vol 22, pp782-807

Guest D, Michie J, Conway N and Sheehan M (2003) "Human resource management and corporate performance in the UK", *British Journal of Industrial Relations*, 41, 2: 291-314.

Ha, D.M. (2011).Analysis of the prevailing research paradigms in education. *Top Chikhoa hoc va cong nghe dai Hoc da nang-so*, 4(45), 189-198

Hambrick, D. C., & Mason, P. A.(1984). Upper Echelons: The Organization as a Reflection of Its Top Managers. *The Academy of Management Review*, 9 (2), 193- 206

- Hambrick, D. C., & Quigley, T. J.(2014). Toward more Accurate Contextualization of the Ceo Effect on Firm Performance. *Strategic Management Journal*, 35 (4), 473– 491
- Hamid, M., Maheen S., Cheem A., Yaseen R.(2017) Impact of Human Resource Management on Organizational Performance.J Account Mark 6:213.doi : 10. 4172 /2168 – 9601. 1000213
- Harding, J.(2013).Qualitative data analysis from start to finish.London:Sage Publications
- Hashi, I. and Krasniqi, B.A. (2010). Entrepreneurship and SME growth: Evidence from advanced and laggard transition economies. *International Journal of Entrepreneurial Behaviour and Research*, 17(5), 456–487.
- Hawawini, G., Subramanian V., and Verdin, P. (2005) Is Performance driven by industry or Firm-Specific factors? A reply to McNamara, Aime, and Vaher, *Strategic Management Journal*, 26(11), 1083-1086.
- Hitt, M., Bierman, L., Shimizu, K. and Kockhar, R. (2001). Direct and moderate effects of human capital on strategy and performance in professional service firms: a resource-based perspective. *Academy of Management Review*, 44 (1), 13-28.
- Hodgetts, R.M. and Kuratko, D. F. (2001).*Effective Small Business Management*. Dryden, Fort Worth, TX.
- Honig, B., and Samuelson, M. (2012), “Planning and the entrepreneur: a longitudinal examination of nascent entrepreneurs in Sweden” *Journal of small Business Management*, Vol 50, No 3, pp. 365-388
- Horak, S. and Yang, I. (2017). Whither seniority? Career progression and performance orientation in South Korea. *The International Journal of Human Resource Management*, 1-29. Doi: 10. 1080 /09585192. 2017. 1362659
- Huggins, J. (2005).The radical statistician: A beginner’s guide to unleashing the power of applied statistics in the real world (5th edition). Jim Higgins Publishing.
- Ihwa, U.B. (2009), “SMEs key failure factors: a comparison between the United Kingdom and Nigeria” *Journal of Social Science*, Vol. 8 No 3, pp. 199-207.

- India Ministry of Micro, Small and Medium Enterprises (IMMSME). (2015). Micro, Small and Medium Enterprise Market Development assistance (MDA).India: Government publication. From: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=118348>.
- Jacobides, M.G., and Winter, S.G. (2007). Entrepreneurship and firm Boundaries: The Theory of A firm. *Journal of Management Studies*, 44(7), 1213-1241
- James A. F, Freeman R. E. And Dawel R. G. (Jr) (2000), *Management*. 6th Edition Prentice Hall of India, New Delhi
- Jansson, J., Nilsson, J., Modig, F., and Hed Vall, G. (2015). Commitment to Sustainability in Small and Medium-Sized Enterprises: The Influence of Strategic Orientation and Management Values. *Business Strategy and the Environment*, 26 (1), 69-83. doi: 10.1002/bse.1901
- Jessica Hwang, L. & Lockwood, A. (2006). Understanding the challenges of implementing best practices in hospitality and tourism SMEs. *Benchmarking: An International Journal*, 13 (3), 337-354. doi: 10.1108 / 14635770610668820
- Kalogiannidis, S. (2020). Impact of Effective Business Communication on Employee Performance. *European Journal of Business and Management Research*, 5(6). <https://doi.org/10.24018/ejbmr.2020.5.6.631>
- Kayanula, D. and Quartey, P. (2000). "The policy environment for promoting small and medium-Sized enterprise in Ghana and Malawi." Working series paper, Institute for Development Policy and Management, University of Manchester, Manchester.
- Karedza, G., Sikwila, M.N., Mpofu, T. and Makurumidze, S. (2014). An analysis of the obstacle to the success of SMEs in Chinhoyi, Zimbabwe. *European Journal of Business Management*.
- Kerdpitak, C. and Jermstittiparsert, K. (2020). The Impact of Human Resource Management Practices on Competitive Advantage: Mediating Role of Employee Engagement in Thailand. *Systematic Review Pharmacy: A multifaceted review Journal in the Field of Pharmacy*. 11(1): 443-452.

- King-Kauanui, S., Ngoc, S.D., and Ashley-Cotleur, C. (2006). Impact of human resources management: SME performance in Vietnam. *Journal of Developmental Entrepreneurship*, 11, 79-95. doi: 10.1142 / S1084946706000271
- Kitching J and Marlow S (2013) “HR practice and small firm growth: balancing informality and formality”, in Saridakis G and Cooper C (eds) *How Can HR Drive Growth?*, Cheltenham: Edward Elgar.
- Kinyua, J., and Ali, A.I. (2016). The role of strategic management factors in managing the growth of small and medium enterprises: A survey of small and medium enterprises in Mombasa County. *International Journal of Business & Management*, 4, 129-156. Retrieved from: [http:// www.theijbm.com](http://www.theijbm.com)
- Kleiner, M. M., Leonard, J. S. and Pilarski, A. M. (2002). How industrial relations affects plant performance: the case of commercial aircraft manufacturing. *Industrial & Labor Relations Review*, 55 (2), 195-219.
- Dorgan, S. J. and Dowdy, J. J. (2004). When IT lifts productivity. *McKinsey Quarterly*, 4.
- Kor, Y.Y., Mahoney, J.T., and Michael, S.C. (2007) Resources, Capabilities and Entrepreneurial Perceptions. *Journal of Management Studies*, 44(7), 1187-1212.
- Kogut, B., & Zander, U. (1992). Knowledge of the firm, combinative capabilities, and the replication of technology. *Organization Science*, 3(3), 383-397. <http://dx.doi.org/10.1287/orsc.3.3.383>
- Kotlar, J., and De Massis, A. (2013). Goal Setting in Family Firms: Goal Diversity, Social Interaction, and Collective Commitments to Family-Centered Goals. *Entrepreneurship Theory and Practice*, 37(6), 1263-1288. Doi: 10. 1111 / etap. 12065
- Kraus, S., Kauranen, I., and Reschke, C.H. (2011),” Strategic entrepreneurship: Identifying domains in a developmental configuration approach ‘*Management Research Review* (Formerly *Management Review News*), Vol. 34.
- Krishnan, A. and Ramasamy, R. (2011). Accessing the construct and content validity of uncertainty using SEM approach: An exploratory study of manufacturing business firms. *Global Journal of Management and Business Research*, 11(12), 1-9

- Kukalis, S. (1989). The Relationship among firm characteristics and Design of Strategic Planning Systems in large Organizations. *Journal of Management*, 14(4), 565-579.
- Kumar, R., Singh, R.K., & Shankar, R. (2015). Critical success factors for implementation of supply chain management in Indian small and medium enterprises and their impact on performance. *IIMB Management Review*, 27(2), 92-104. doi: 10. 1016/ j.iimb. 2015. 03 .001
- Lee, V.H., Foo, A.T.L., Leong, L.Y., and Ooi, K.B. (2016). Can competitive advantage be achieved through knowledge management? A case study on SMEs. *Expert Systems with Applications*, 65, 136-151. doi: 10.1016/j. eswa. 2016.08. 042
- Lerner, M. and Almor, T. (2002). “Relationship among Strategic Capabilities and the Performance of Women-Owned Small Ventures”, *Journal of Small Business Management*, 40(2), pp. 109-125.
- Lines, B.C., Sullivan, K.T., Smithwick, J.B., and Mischung, J. (2015). Overcoming resistance to change in engineering and construction: Change management factors for owner organizations. *International Journal of Project Management*, 33(5), 1170- 1179. Doi : 10. 1016/j.ijproman, 2015. 01. 008
- Li,J., Zhou, K. and Shao, A. (2009). Competitive position, management ties, and profitability of foreign firms in China: an interactive perspective .*Journal of International Business Studies*, 40, 339-352.
- Locket,A. andThompson, S. (2001).The resource-based view and economics. *Journal of Management*, 27(6), 723-754. Doi: 10.1177/1014920630102700608
- Marr, B. (2004). Is It Impossible to Benchmark Intellectual Capital? In Bart, Bontis and Head (Eds.) *Conference Proceedings of the 25th McMaster World Congress*, Janeiro de 2004, Hamilton, Canada: MWC.
- Macmillan, J.H and Schumacher S.(2010).*Research in Education : Evidence-based enquiry* (7th edition). BostonPearson Education. /

- Maes, J. and Sels, L. (2014). SMEs' radical product innovation: The role of internally and externally oriented knowledge capabilities. *Journal of Small Business Management*, 52(1) , 141- 163.
- Mahoney, J. (1995). The management of resources and the resource of management. *Journal of Business Research*, 33 (2), 91-101.
- Manyuhi, M.M. (2013). Women in engineering for economic recovery in Zimbabwe. *Asian Journal of Business and Management*, 1(3), 93–98.
- Maunganidze, F. (2013). The role of government in the establishment and development of SMEs in Zimbabwe: Virtues and vices. *Journal of Business Administration and Education*, 4(1), 1- 16.
- Masakure, O., Henson, S. and Cransfield, J.,(2009) , “Performance of microenterprises in Ghana: a resource-based view” *Journal of Small Business and Enterprise Development* , Vol.16 No. 3, pp.466-484
- Maurya, V.N., Arora, D.K and Maurya, A.K. (2013).A survey report on non-parametric hypothesis testing including Kruskal-Wallis ANOVA and Kolmogorov-Smirnov goodness of fit test. *International Journal of Information Technology and Operations Management*, 1(2) , 29-40.
- Mbonyane, B, and Ladzani, W., (2011) “Factors that hinder the growth of small businesses in South Africa townships” *European Business Review*, Vol. 23, No 6 pp.550-560.
- McDowell, W.C., Peake, W.O, Coder, L., and Harris, M.L. (2018). Building small firms performance through intellectual capital development: Exploring innovation as the “black box. “ *Journal of Business Research*, 88, 321-327. doi: 10. 1016/ jbusres . 2018.01.02
- Morse, J.M., and Niehaus, L. (2009).Mixed method design: Principles and procedures. Walnut Creek, CA: Left Coast Press, Inc.
- Muir, I. and Landford, D. (1994). “Managerial behavior in two small construction Organizations”. *International Journal of Project Management*, Vol.12 No.4, pp. 244 -53.

- Mensah, S. (2004).A review of SME financing schemes in Ghana. Presented at the UNIDO Regional Workshop of Financing Small and Medium Scale Enterprises, Accra, Ghana, and 5-6 March 2004.
- Mensah, S. (2004).A Review of SME Financing Schemes in Ghana. A Presentation at the UNIDO Regional Workshop of Financing SMEs, Accra, Ghana, March 15-16.
- Mensah, J.V., Tribe, M., and Weiss, J. (2009). The small-scale manufacturing sector in Ghana: A source of dynamism or of subsistence income? *Journal of International Development*, 19(2), 253-273.
- Mintzberg, H. (1968). “The management work-deter his activities, roles and programs by *Structured observation*”. Doctoral thesis, Sloan School of Management, MIT, Cambridge, MA.
- Mintzberg, H. 1973. The nature of managerial work. New York: Harper and Row.
- Miller, C.C., and Cardinal, L.B. (1994). Strategic planning and firm performance; a synthesis of more than two decades of research; *Academy of Management Journal*, vol. 37, NO 6, pp. 1649-1665
- Monday, J.U, Akinola, G.O., Ologbenla, P., and Aladeraji, O.K.(2015) . Strategic Management and Firm Performance: A Study of Selected Manufacturing Companies in Nigeria. *European Journal of Business and Management*, 7(2) , 161-168
- Moritz, L. and Howard, D. (2019): The European Investment Bank as Policy Entrepreneur and the Promotion of Public-Private Partnerships, *New Political Economy*.
- Musa, H. and Chinniah, M. (2016). Malaysian SMEs Development: Future and challenges on Going Green. *Procedia-Social and Behavioral Sciences*, vol.224, pp. 254-262.
- Nafziger, D.W. andKuratko, D.F. (1991). “An investigation into the prevalence of planning in *Small Business*”. *Journal of Business and Entrepreneurship*, Vol. 3 No. 2, pp. 99-110.
- Nani, G.V. (2011).Challenges faced by urban Zimbabwean women entrepreneurs. PhD Thesis. University of the Free State, South Africa.

- Newbert, S.L.(2006). Empirical research on the resource-based view of the firm: an assessment and suggestions for future research. *Strategic Management for future research. Strategic Management Journal*, 28 (2), 121-146.
- Nieuwenhuizen, C. (ed.) (2011). *Business management for entrepreneurs*, 2nd edition, Kenwyn, Juta
- Nomsa , S.M and Tebogo , I.T.M (2017), *Strategic planning in small and medium enterprises (SMEs) : A Case Study of Botswana SMEs*, *Journal of Management and Strategy* , 8(1) : 74-103.
- Nonaka, I. (1991). *The Knowledge-Creating Company*. *Harvard Business Review*, November-December, 96-104.
- Nyanga, T., Mupani, H., Chifamba, E and Mashavira, N. (2013). Survival of the vulnerable: Strategies employed by SMEs in Zimbabwe to survive an economic crisis. *Journal of Sustainable Development in Africa*, 15(6), 142-152.
- Obeidat, B.Y., Al-Hadidi, A. Tarhini, A., and Masa'deh, R. (2017). Factors affecting strategy implementation. *Review of International Business and Strategy*, 27(3), 386-408. doi: 10.1108/ribs – 10 – 2016 -0065
- Ogunyomi, P. and Bruning, N.S. (2015). Human resource management and organizational performance of small and medium enterprises (SMEs) in Nigeria. *The International Journal of Human Resource Management*, 27(6), 612-634. doi: 10.1080/0985191.2015.1033640
- Olayinka, O., Wynn, M.G. and Bechkoum, K., “E-business Adoption in Nigeria Small Business Enterprises”, *International Journal on Advances in Systems and Measurement*, vol. 9, no.3/4, pp. 230-241.
- Olawale, F. and Garwe, D. (2010). Obstacles to the growth of new SMEs in South Africa: A principle component analysis approach. *African Journal of Business Management*, 4(5), 729–738.
- Orser, B.J., Hogarth-Scott and Riding, A, L (2000), “Performance, firm size and management problem solving “*Journal of Small Business Management*, Vol.38 No. 4 pp. 43-58.

- Ortega, M.J.R. (2010). Competitive strategies and firm performance: Technological capabilities moderating roles. *Journal of Business Research*, 63(12), 1273-1281.
- Overseas Development Institute.(2010). Review of the most recent literature on entrepreneurship and SMEs. Inputs to DFID's wealth creation agenda
- Owolabi, S.A., Makinde, O.G. (2012). The effects of strategic planning on corporate performance in University education: The study of Babcock University. Kuwait chapter of the Arabian *Journal of Business and Management Review*, 12(4h), 27.
- Obeng, B.A. and Blundel, R.K. (2015) Evaluating Enterprise Policy Intervention in Africa: A Critical Review of Ghanaian Small Business Support Services, *Journal of Small Business Management*, 53(2) 416-435, Doi : 10.1111/jsbm.12072
- Oppong, M., Owiredun, A. and Churchill, R.O. (2014). Micro and small scale enterprises development in Ghana. *European Journal of Accounting, Auditing and Finance Research*, 2 (6) :84-97.
- Porter, M. E. 1980. *Competitive strategy*. New York: Free Press.
- Porter, M. E. (1985). *The competitive advantage: Creating and sustaining superior performance*. New York: Free Press.
- Porter, M. E. (1996, November/December). What is Strategy? *Harvard Business Review*, 61-78.
- Pandya, V.M. (2012). Comparative analysis of development of SMEs in developed and developing countries. *The 2012 International Conference on Business and Management*, 6-7 September 2012, pp426-433. Phuket, Thailand.
- Patel, P.C, and Jayaram, J. (2014). The antecedents and consequences of product variety in new ventures: An empirical study. *Journal of operations Management*. 32 (1) , 34-50.
- Penrose, E.T. (1959). *The Theory of the Growth of the Firm*, Basil Blackwell, Oxford.
- Peters, M.D., Wieder, B., Sutton, S.G., and Wakefield, J. (2016). Business intelligence systems use in performance measurement capabilities: Implications for enhanced competitive advantage. *International Journal of Accounting Information Systems*, 21, 1-17. doi : 10. 1016/ j.accinf.2016 03.001

Quigley, T. J., & Graffin, S.D. (2017). Reaffirming the CEO effect is significant and much larger than chance: A comment on Fitza (2014). *Strategic Management Journal*, 38 (3), 793– 801.

Prajogo, D., Oke, A., & Olhager, J. (2016). Supply chain processes linking supply logistics integration, supply performance, lean processes and competitive performance. *International Journal of Operations & Production Management*, 36(2), 220-238. <http://dx.doi.org/10.1108/IJOPM-03-2014-0129>

Quigley, T. J., & Hambrick, D. C.(2015). Has the “Ceo Effect” Increased in Recent Decades? A New Explanation For The Great Rise in America’s Attention To Corporate Leaders. *Strategic Management Journal*, 36 (6), 821–830

Raduan , C.R., Jegak, U.,Haslinda, A.and Alimin, I.I.(2009).Management , Strategic management theories and the linkage with organizational competitive advantage from the resource-based view. *European Journal of Social Sciences*, 11(3), 402-415.

Raosoft Sample size calculator (2010).Sample size calculation. From: [http:// www. raosoft. com// sample size. Html.](http://www.raosoft.com/sample_size.html)

Reijonen, H, and Komppula, R. (2007).Perception of Success and its effect on small firm performance, *Journal of Small Business and Enterprise development*.14 No. 4, pp.689-701.

Robbins, D.K., Pantuosco, L.J., Parker, D.F. and Fuller, B.K. (2000): Am empirical assessment of the contribution of small business employment to US state economic performance” *Small Business Economics*, Vol. 15 No 4, pp. 293-302.

Roos, G., Bainbridge, A. and Jacobsen, K. (2001). Intellectual capital as a strategic tool. *Strategy and Leadership Journal*, July/Aug 2001.

Roper S and Hart M (2013) “Supporting sustained growth among SMEs – policy models and guidelines”, ERC White Paper No. 7, Warwick: Enterprise Research Centre.

Rowley, J. (2014).”Designing and using questionnaires” *Managing Research Review* , Vol.37 ,NO 3 , PP.308.

Rwanda Ministry of Trade and Industry (RMTI).(2010). Small and Medium Enterprises (SMEs) Development Policy. Rwanda: Government publication

- Salkind, N.J. (2010). Parametric tests.From:<http://dx.doi.org/10.4115/9781412961288>.
- Santouridis, I., and Veraki, A. (2017). Customer relationship management and customer satisfaction: the mediating role of relationship quality. *Total Quality Management & Business Excellence*, 28(9-10), 1122-1133. doi: 10.1080/14783363.2017.1303889
- Sapford, R. (2011).Survey research (2ndedition).London: SagePublication, Inc.
- Saridakis, G., Munoz Torres, R., and Johnstone , S. (2012). Do Human Resource Practices Enhance Organizational Commitment in SMEs with Low Employee Satisfaction? *British Journal of Management*. 24(3), 445-458. doi:10.1111/j.1467-8551.2012.00814.x
- Saunders, M., Lewis, P., Thornhill, A. (2009).Research Methods for Business Students, 5th edition, Prentice Hall.
- Sels, L., De Winne, S., Maes, J., Delmotte, J., Faems, D. and Forrier, A. (2006). Linking HRM and small business performance. An examination of the impact of human resource management practices on the productivity and financial performance of small business. *Small Business Economics*, 26 (1), 83-101.
- Selznick, P. 1957. Leadership in administration: A sociological interpretation. New York: Harper & Row.
- Shafique M.R., Rizwan, M., Jahangir, M.M., Mansoor, A., Akram, S. and Hussain, A. (2010). Determinants of entrepreneurial success or failure from SMEs perspective. *Journal of Business and Management*, 8-92.
- Shane, S. and Delma, F. (2004) “Planning for the market: Business planning before marketing and the continuation of organizing effort”, *Journal of Business Venturing*, Vol. 19, pp. 767-785.
- Shao, Z. (2019). Interaction effect of strategic leadership behaviour and organizational culture on IS-Business strategic alignment and Enterprise Systems assimilation. *International Journal of Information Management*, 44, 96-108. Doi: 10.1016/ j.ijinfomgt.2018.09.010

- Shechan M (2014) “Human resource management performance: evidence from small and medium-sized firms”, *International Small Business Journal*, 32, 5: 545-570.
- Sheraz, S.K., Iqbal, M.Z., Asif, M., Rehman, K. and Shah, S.S.H. (2013). Obstacle to SMEs in Pakistan. Principal component analysis approach. Middle East Journal of Scientific Research, 13(10), 1325-1334
- Shukla, P.(2010).Essentials of marketing research Part 11:Measurement, questionnaire, analysis and reporting.Indian:Paurav Shukla and Ventus Publishing Aps.
- Simon, M.K. & Goes, J.(2013).Dissertation and Scholarly research: Recipes for success (2013 Ed.).Seattle, W.A, Dissertation Success, LLC.
- Simonova, E.V., Lyapina, I.R., Kovanova, E.S., andSibirskaya, E.V. (2017). Characteristics of Interaction between Small Innovational and Large Businesses for the Purpose of Increased of their Competitiveness. Russia and the European Union, 407-413. Doi: 10.1007/978-3-319-55257-6_53
- Simonsson, M., Johnson, P., Ekstedt, M. (2010). The Effect of IT Governance Maturity on IT Governance Performance. Information Systems Management, 27(1), 10-24.
- Sitharam, S. and Hoque, M. (2016). Factors affecting the performance of small and medium enterprises in KwaZulu-Natal, South Africa. Problems and Perspectives in Management. Vol. 14, pp.277-288
- Smallbone, D. and Wyer, P. (2000) “Growth and development in the Small firm” in Carter, S. and Janes-Evans, D. (Eds), Enterprise and Small Business, Prentice Hall, Harlow.
- Smit, Y., Watkins, J.A. (2012), A literature review of Small and medium enterprises (SME) risk management practices in South Africa. Africa Journal of Business Management, 6(21), 6324- 6330.
- Stonehouse, G andPerberton, J. (2002). “Strategic planning in SMEs – some empirical Findings”. Management Decision, Vol. 40 No. 9, pp. 853-61.

- Swamidass, P. M. and Winch, G.W. (2002). Exploratory study of the adoption of manufacturing technology, innovations in the USA and the UK. *International Journal of Production Research*, 40 (12), 2677-2703.
- Tadesse, A. (2009). A perspective on SME financing in Africa: SME financing in Sub-Saharan Africa. *Private Sector Development, PROPACO'S Magazine*, Issue 1 of May 2009, pp. 16- 18.
- Tapinos, E., Dyson, R.G. & Meadows, M. (2005). ‘*The impact of performance measurement in strategic planning*’. *International Journal of Productivity and Performance Management*, Vol. 54 No. 5/6, pp. 370-84.
- Taneja, S., Pryor, M.G. and Hayek, M. (2016). Leaping innovation barrier to small business longevity. *Journal of Business Strategy*, 37(3), 44-51. doi:10.1108/jbs-12-2014-0145
- Terrel, S.R. (2012). Mixed methods research methodologies. *The Qualitative Report*, 17 (1): 254- 280.
- Thornhill, S. and Amit, R (2003), “Learning about failure: bankruptcy firm’s age and the resource-based view”, *Organizational Science*, Vol.14 No.5, pp. 497 -509.
- Tlhomola, S.J., Rankhumise, E.M. and Van Niekerk, B.J. (2010). Perception of small, medium, micro enterprise entrepreneurs regarding factors contributing to failure: A case of Tshwane metropolitan. In: *Proceedings of the African international Business Management conference (ALBUMA)*, 2010.
- Tonge, R., Larsen, P. and Roberts, M. (2000),” Information systems investment within high-growth medium-sized enterprises”, *Management Decision*, Vol. 38 NO 7, pp. 489- 502.
- Trautrim, A., Grant, D.B., Cunliffe, A.L., and Wong, C.Y. (2013). Using the documentary method to analyse data in logistics research. *Nottingham University Business School. Research Papers Series No2013/09*
- Tsikirayi, C.M.R., Muchenje, B. and Katsidzira, Z.(2013). Impact of integrated marketing communication mix(IMCM) in small to medium enterprises in Zimbabwe as a marketing tool. *Research in Business and Economic Journal*, 3(7), 167-178.

- United Nations (UN). (2010). Third Outline Perspective Plan of Malaysia. Chapter 5: Developing Malaysia into a knowledge-based economy. From: <http://unpins/un.Org/intradoc/groups/public/documents/APCITY/UNPAN003661.pdf>.
- Valmohammadi, C., & Roshanzamir, S. (2015). The guidelines of improvement: relations among organizational culture, TQM and performance. *International Journal of Production Economics*, 164, 167-178. <http://dx.doi.org/10.1016/j.ijpe.2014.12.028>
- Wang, C., Walker, E.A., and Redmond, J. (2006), Explaining the lack of Strategic planning in SMEs: The importance of Owner motivation. *International Journal of Organizational Behaviour*, 12(1), 1-16.
- Wahyuni, Dina (2012). The Research Design Maze: Understanding Paradigms, cases, methods and methodologies. *Journal of Applied Management Accounting Research*, Vol. 10. No.1, pp. 69-80
- Wall, T. D. and Wood, S. J. (2005). Romance of human resource management and business performance, and the case for big science. *Human Relations*, 58 (5), 429-462.
- Waller, J.L. & Johnson, M.H. (2013). Chi-square and T-test using SAS : Performance and interpretation. *Statistics and data analysis. SAS Global forum*, Georgia Regents University, Augusta, Georgia
- Walker, R.M., Damanpour, F., and Devece, C.A. (2010), Management Innovation and organizational Performance: The Mediating Effect of Performance Management. *Journal of Public Administrative Research and Theory*, 21(2), 367-386.
- Wijaya, P.Y., and Suasih, N.N.R. (2020). The Effect of Knowledge Management on competitive Advantage and Business Performance: A Study of Silver Craft SMEs. *Entrepreneurial Business and Economics Review*, 8 (4), 105-121, <https://doi.org/10.1015678/EBER.200.080406>
- Wiklund, J. and Shepherd, D. (2003). Knowledge-Based Resources, Entrepreneurial Orientation, and the Performance of Small and Medium-sized Businesses. *Strategic Management Journal*, 24, 1307-1314.

- Wikhamn, W. (2019). Innovation, sustainable HRM and customer satisfaction. *International Journal of Hospitality Management*, 76, 102-110. doi: 10.1016/j.ijhm.2018.04.009
- and firm performance: A moderated mediation model. *Personnel Review*, Vol.46 No. 7m pp. 1335-1357. <https://doi.org/10.1108/PR-09-2016-0252>
- Wu, N., Hoque, K., Bacon, N., Llusar, B. and Carlos, J. (2015) "High-performance work systems and workplace performance in small, medium-sized and large firms", *Human Resource Management Journal*, 25(4), pp.408-423.
- Yin R.K. (2013). Validity and generalization in future case study evaluations. *Evaluation*, 19 (3) , 321- 332
- Zotorvie, J.S.T. (2017). A Study of Financial Accounting Practices of Small and Medium Scale Enterprises (SMEs) in Ho Municipality, Ghana. *International Journal of Academic Research in Business and Social Sciences*. 7 (7) 29-39. <http://dx.doi.org/10.6007/IJARBS/v7-17/3075>

APPENDICES

Appendix A: Research Questionnaire



School of Management, IT and Governance
Westville Campus. Westville
South Africa

RESEARCH QUESTIONNAIRE

Dear Sir/Madam,

This questionnaire is for academic purpose and intended to solicit data for a study titled:
Management practices and implementation of strategic planning among small Businesses in Ghana.

All information you provide will be kept confidential and not made available to any third party except with your expressed permission. Participation in this study is voluntary and you are free to exit the study anytime.

I am highly grateful to you for agreeing to take part in this research and completing this questionnaire. I hope your effort will contribute immensely to the success and advancement of the small business sub-sector of the Ghanaian economy.

Thank you

Egya Gyanzah Eshun (Researcher)

+233275658360

gyanzah@yahoo.co.uk

QUESTIONNAIRE CODE NO

INSTRUCTION:

- a. For the sake of confidentiality DO NOT provide your name anywhere in the questionnaire.
- b. Please provide honest responses as possible.
- c. Select the boxes that rightly suit your views per the statements and questions posed.

SECTION A

- 1. How old are you? 18-25 [] 26-33 [] 34-41 [] 42-49 [] 50and above []
- 2. Gender Male [] Female []
- 3. What is your level of Education? No education [] Primary [] JHS [] SHS [] Tertiary []
- 4. How long has your organization been in Business? Below 5years [] 5-10years []
Above 10years []
- 5. Is this your first Business you are operating? Yes [] No []
- 6. Have you received any entrepreneurship or management training? Yes [] No []
- 7. What is the nature of your business? Sole Proprietorship [] Limited liability Company []
Partnership []
- 8. What is the number of employees in the organization? 0-5 [] 6-29 [] 30-99 []
- 9. Why was the business started?
There was a business idea and opportunity to exploit []
I needed work and had to start something []
The government encouraged us to start our own business []
I was tired of working for others []
- 10. What is the nature of activity the organization is into?
Manufacturing [] Construction [] Trading [] Education [] Services [] Catering []
- 11. Is this business operating with a written strategic plan? Yes [] No []

SECTION B: MANAGEMENT PRACTICES

Instruction: On the scale of 1 to 5 choose (circle) the most appropriate response concerning the extent to which you agree your business engage in the following management practices:

Where: 1 = Strongly Disagree, 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

No	Statements (Management practices)	1	2	3	4	5
	OPERATION-EFFICIENCY-FOCUSED MANAGEMENT PRACTICES					
12	This business implements modern work practices that improves work processes	1	2	3	4	5
13	Business practices and techniques are mostly aimed at achieving cost improvement and improve quality	1	2	3	4	5
14	Business activities and processes are such that they ensure continuous improvement.	1	2	3	4	5
	MONITORING-FOCUSED MNAGEMENT PRACTICES					
15	Business performance is constantly monitored and communicated to employees	1	2	3	4	5
16	This Business reviews its performance constantly to ensure that there is continuous improvement	1	2	3	4	5
17	Organizational and employee performances are communicated to employees and management	1	2	3	4	5
	TARGETING-FOCUSED MANAGEMENT PRACTICES					
18	This Business punishes bad performers and Reward good performers effectively.	1	2	3	4	5
19	This Business set both financial and non-financial goal.	1	2	3	4	5
20	Business goals are linked with individual employee goals	1	2	3	4	5
21	In this Business short-term goals inform/influence the achievement of long-term goals.	1	2	3	4	5
22	In this Business challenging and exerting goal are set.	1	2	3	4	5
23	This Business set well defined performance measures and communicate them to employees	1	2	3	4	5
	INCENTIVE-FOCUSED MANAGEMENT PRACTICES					

24	This Business encourage managers to employ talented people and develop their talents to a high level	1	2	3	4	5
25	In this Business employees are paid and rewarded mostly based on their performance in the Organization.	1	2	3	4	5
26	The Business removes/sacks consistently poor performing employees	1	2	3	4	5
27	This Business promotes employees based mostly on their performance.	1	2	3	4	5
28	This Business does everything possible to attract good and talented people	1	2	3	4	5
29	This Business does everything possible to retain and maintain talented employees.	1	2	3	4	5

SECTION C : CHALLENGES FACING MANAGEMENT OF SMALL BUSINESS

On the scale of 1 to 5 choose (circle) the most appropriate response concerning the extent your business face the following challenges in managing the small business.

Where: 1 – Strongly Disagree, 2- Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree

No	Statements	1	2	3	4	5
30	It is difficult to raise money to finance the operation of the business	1	2	3	4	5
31	There is not enough management skills to effectively manage this business	1	2	3	4	5
32	There is not enough support for this business from the government.	1	2	3	4	5
33	The Business environment is not friendly for this business.	1	2	3	4	5
34	The Business does not have enough resources to employ qualified employees	1	2	3	4	5
35	Technology usage in this organization is limited	1	2	3	4	5

SECTION D: IMPLEMENTATION OF STRATEGIC PLANNING AMONG SMALL BUSINESSES

On the scale of 1 to 5 choose (circle) the most appropriate response concerning the extent to which your business engages in the following strategic planning activities

Where: 1 =Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

No	Statement	1	2	3	4	5
36	This business has established its long-term direction for at least the next three years	1	2	3	4	5
37	This business analysis the external business environment to identify opportunities and threats	1	2	3	4	5
38	This business analyzes the operation and strategies of competitors within its industry.	1	2	3	4	5
39	The business analyzes customer preferences and demands for strategy improvement.	1	2	3	4	5
40	This business analyzes its internal capabilities to establish its strengths and weaknesses	1	2	3	4	5
41	This business devises strategies to ensure achievement of long term goals	1	2	3	4	5
42	This business assesses daily operations against long term plans	1	2	3	4	5
43	This business continuously assesses factors essential for its sustainability.	1	2	3	4	5
44	This business has a formal system for tracking its performance and that of its competitors.	1	2	3	4	5
45	The business undertakes consistent strategy reviews to ensure operational effectiveness.	1	2	3	4	5

SECTION E : CHALLENGES FACING STRATEGIC PLANNING IN SMALL BUSINESSES

On the scale of 1 to 5 choose (circle) the most appropriate response concerning the challenges faced by your Business in implementing strategic planning.

Where 1 – Strongly Disagree, 2- Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree

No	Statements	1	2	3	4	5
46	There is not enough resources for strategy implementation.	1	2	3	4	5
47	Resources are not properly aligned to strategy implementation.	1	2	3	4	5
48	The business finds it difficult to manage change	1	2	3	4	5

49	The business has ineffective control of strategy implementation	1	2	3	4	5
50	Top managers do not provide enough support for strategy	1	2	3	4	5
51	The human capital of this business is not effectively developed to support strategy	1	2	3	4	5
52	There is lack of strategy supportive culture in this organization.	1	2	3	4	5
53	Managers' lack of appreciation for strategic planning	1	2	3	4	5

SECTION F: COMPETITIVE ADVANTAGE OF THE BUSINESS

On the scale of 1 to 5 choose (circle) the most appropriate response concerning the extent to which you believe your organization has advantage over its competitors indicating the extent of their agreement with the statements provided below:

Where: 1 = Strongly Disagree, 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

No	Statements	1	2	3	4	5
54	This business serves its customers better than other business (competitors)	1	2	3	4	5
55	The products/services of this organization are superior to that of the competitors	1	2	3	4	5
56	Generally, customers prefer to deal with this organization than competitors	1	2	3	4	5
57	The cost structure of the business is comparatively better than that of competitors	1	2	3	4	5

SECTION G: GROWTH OF THE BUSINESS

On the scale of 1 to 5 choose (circle) the most appropriate response concerning the extent to which you believe your organization is experiencing growth by indicating the extent to which you agree with the following statements provided.

Where : 1 = Strongly Disagree , 2= Disagree , 3=Neutral , 4=Agree , 5=Strongly Agree

No	Statement	1	2	3	4	5
58	The profit of this organization been increasing desirably as expected	1	2	3	4	5
59	The revenue of this organization has increased desirably as expected.	1	2	3	4	5
60	There has been increased customer base of this business as expected.	1	2	3	4	5

61	There is increased employee commitment to the organization	1	2	3	4	5
62	The level of sustainability of this business has increased	1	2	3	4	5
63	The level of productivity/efficiency of this business has increased	1	2	3	4	5

Appendix B: Interview Guide for small business owners/managers



**UNIVERSITY OF
KWAZULU-NATALTM**
**INYUVESI
YAKWAZULU-NATALI**

School of Management, IT and Governance

Westville Campus. Westville

South Africa

INTERVIEW GUIDE QUESTIONS

Small Business Owners/ Key Managers

Research topic: Management practices and implementation of strategic planning among small businesses in Ghana.

Researcher: Egya Gyanzah Eshun

SECTION A: Management Practices in the small business

Main question: What is the day to day management of your business like?

Probes:

- i. Do you implement modern work practices
- ii. How do you employ your workers?
- iii. How do you ensure that employees work as expected and follow the laid down procedures?
- iv. How do you ensure that your personal finances are separated from that of the business?
- v. Do you keep books and how do you do it?
- vi. How do you finance the growth of your business?
- vii. In case you are not around how would the business go on with respect to decision
- viii. How are standards set and who is responsible for setting standards?
- ix. How are employees' performance measured and who is responsible for that?

- x. What is done when targets are not consistently met?
- xi. How do you motivate your employees to behave as expected?
- xii. Are there performance-based pay systems in your business?
- xiii. How do you deal with consistent negative behavior of employees?
- xiv. How do you assess and reward high performers?
- xv. How often would you sack a non-performing employee?
- xvi. What do you think motivate your employees most and how do you go about motivating them?
- xvii. To what extent do you use technology in your business?

SECTION B: Strategic planning implementation

Main question: Do you engage in strategic planning in your business?

Probe:

- i. Do you plan for the short and long term for your business?
- ii. How do you develop your plans if any and why no formal plan if none?
- iii. How do you get to know the strengths and weaknesses of your business?
- iv. How do you get to know of the opportunities and the threats your business is exposed to?
- v. What affect implementation of your plans positively or negatively?
- vi. What challenges do you face in implementing strategic planning in your business?
- vii. How do you ensure that customers are aware of your business and choose you above others?
- viii. How do you ensure that the cost component of your business is down?

SECTION C: Improving Management practices in Small business

Main question: How do you think your business can be effectively management?

Probes:

- i. How do you ensure your employees are well?
- ii. How should your business be helped to effectively implement strategic planning?
- iii. What challenge affect your business and how do you propose should be helped to deal with them?
- iv. How do you think you can be helped to improve your Management skills?

Appendix C: Informed consent for Research Participants



School of Management, IT and Governance
Westville Campus. Westville
South Africa

Informed Consent Document

My name is Egya Gyanzah Eshun a PhD student from the School of Management, IT and Governance. The contact details of myself, supervisor and the research office is provided below:

Researcher : 233(27)5658360 (216076370@stu.ukzn.ac.za/gyanzah@yahoo.co.uk)
Supervisor : 0722566626
Research office : +27312604557

You are being invited to consider participating in a study entitled: **Management practices and Implementation of Strategic planning among Small businesses in Ghana**. The study focuses on how small businesses are managed in Ghana and to what extent small business owners utilize strategic planning principles in their day to day operations.

The aim of this research is to explore and investigate the Management practices applicable and the extent of strategic planning among small businesses in Ghana in order to propose measures for effective management of small businesses in Ghana.

The study is expected to include 500 small businesses in total and the focus of data collection will be the owner-managers or key managers of the identified small businesses. The study will be conducted in Kumasi and will include all the four sub-metro namely: Subin, Bantama, Nhyiayeso and Suame. The participants in the study will be expected to complete questionnaires aimed at soliciting their opinions on how their small businesses are managed

and the extent of their businesses engaging in strategic planning. Beyond the survey, 10 owner managers will also be purposively selected to be interviewed.

The duration of your participation if you choose to participate and remain in the study is expected to be 30 minutes if you are completing a questionnaire and approximately one hour if you are interviewed. The study is funded by the researcher.

The study does not involve any identifiable risk. The study will provide no direct benefits to the participants but it is expected that findings of this study and the measures that will be proposed will help small businesses to be effectively managed.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (HSSREC/00000376/2019).

In the event of any problems or concerns/questions you may contact the researcher using the details provided above or the UKZN Humanities & Social Sciences Research Ethics Committee, contact details as follows:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001 Durban 4000 KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557- Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

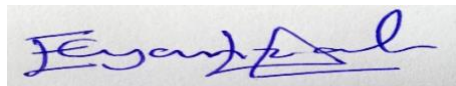
Your participation in the study is voluntary and by participating, you are granting the researcher permission to use your responses. You may refuse to participate or withdraw from the study at any time with no negative consequence. There will be no monetary gain from participating in the study. Your anonymity will be maintained by the researcher and the School of Management, I.T. & Governance and your responses will not be used for any purposes outside of this study.

All data, both electronic and hard copy, will be securely stored during the study and archived for 5 years. After this time, all data will be destroyed.

If you have any questions or concerns about participating in the study, please contact me or my research supervisor at the numbers listed above.

Sincerely

(Egya Gyanzah Eshun)

A handwritten signature in blue ink, appearing to read 'Egya Gyanzah Eshun', is shown within a rectangular frame.

UNIVERSITY OF KWAZULU NATAL
School of Management, IT and Governance

CONSENT TO PARTICIPATE

I have been informed about the study entitled **Management practices and Implementation of strategic planning among small businesses in Ghana** by Egya Gyanzah Eshun.

I understand that the purpose of the study is to explore and investigate the Management practices applicable and the extent of strategic planning among small businesses in Ghana in order to propose measures for effective management of small businesses in Ghana. I also understand that the procedure for this study involve participants completing questionnaires and additionally ten participants will be selected to be interviewed.

I have been given an opportunity to ask questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

I have been informed that there is no compensation for participating in this study.

If I have any further questions/concerns or queries related to the study I understand that I may contact the researcher at (+233-275658360 / gyanzah@yahoo.co.uk).

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researchers then I may contact:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X54001

Durban

4000

KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557 - Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

Additional consent, where applicable

I hereby provide consent to:

Audio-record my interview / focus group discussion YES / NO

Signature of Participant

Date

Appendix D: Ethical Clearance



20 September 2019

Mr Egya Gyanzah Eshun (216076370)
School Of Man Info Tech & Gov
Westville Campus

Dear Mr Eshun,

Protocol reference number: HSSREC/00000376/2019

Project title: Management Practices and Implementation of Strategic Planning among small businesses in Ghana.

Full Approval – Expedited Application

This letter serves to notify you that your application received on 05 September 2019 in connection with the above, was reviewed by the Humanities and Social Sciences Research Ethics Committee (HSSREC) and the protocol has been granted **FULL APPROVAL**

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number. PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

This approval is valid for one year from 20 September 2019.

To ensure uninterrupted approval of this study beyond the approval expiry date, a progress report must be submitted to the Research Office on the appropriate form 2 - 3 months before the expiry date. A close-out report to be submitted when study is finished.

Yours sincerely,

Dr Rosemary Sibanda (Chair)

/spm

Humanities & Social Sciences Research Ethics Committee
Dr Rosemary Sibanda (Chair)
UKZN Research Ethics Office Westville Campus, Govan Mbeki Building
Postal Address: Private Bag X54001, Durban 4000
Website: <http://research.ukzn.ac.za/Research-Ethics/>

Founding Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville

INSPIRING GREATNESS

Appendix E: Gate keeper letter from the Kumasi Metropolitan Assembly



Plot No: Ota 87,
Harper Road Adum,
P. O. Box 1916,
Kumasi, Ghana-West Africa
Tel: +233 (0) 3220 26361-5
Hotlines: 0241905656, 0209999599
Fax: +233 (0) 3220 23707
www.kma.gov.gh
email: info@kma.gov.gh

Kumasi Metropolitan Assembly

OUR REF.: ZA 36/104/02N/188

13TH AUGUST, 2019

RE: REQUEST FOR PERMISSION TO CONDUCT STUDY WITHIN THE KUMASI METROPOLITAN AREA

Your letter dated 2nd August, 2019 dealing with the above stated subject refers.

I have been directed by the Hon. Metro Chief Executive to inform you that approval has been granted for you to conduct your study titled: **Management Practices and Implementation of Strategic Planning among Small Businesses in Ghana**

Kumasi Metropolitan Assembly also assures you of our support when the need arises.

Thank you.

**FOR: METRO CHIEF EXECUTIVE
(YVONNE NABOO)
DEPUTY DIRECTOR**

**MR. EGYA GYANZAH ESHUN
POST OFFICE BOX 125
ASAWASI - KUMASI**

"Where Ghana Happens"

