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ENTREPRENEURIAL FACTORS AFFECTING THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN MOMBASA COUNTY, KENYA

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Abstract

Small and Medium Enterprises (SMEs) face unique problems, which ultimately affect their growth and profitability and, hence, diminish their ability to contribute effectively to sustainable development. They have the potential to contribute significantly to the economic growth and poverty reduction of any economy world over through increased production and employment. Their survival and growth mainly depends on how they tackle the challenges they face in the course of operation and their ability to overcome them. In the Kenyan context, this realization led the GOK to carry out the Micro, Small and Medium Establishment (MSME) survey of 2016 whose main objective was to provide comprehensive data at the National and county level on the characteristics, operations, dynamics and the evolving nature of micro, small and medium enterprises. This study therefore attempted to establish entrepreneurial factors affecting the performance of SMEs. A descriptive research design was used for this purpose with a target population of 5,482 SMEs operating within Mombasa county, Kenya. The study settled on a sample size of 373 SMEs which was extracted using Yamane's formula at 95% confidence level. Primary and secondary data was collected using a questionnaire. The study revealed that cash flow management practices, entrepreneurship training, marketing strategy and time management strategy were the major entrepreneurial factors which influenced the *performance of SMEs in Mombasa County, Kenya. Cash flow management practices emerged as the most critical entrepreneurial factor which influenced the performance of SMEs.*

Keywords: Cash Flow Management, Entrepreneurship Training, Marketing Strategy, Time management, Small and Medium Enterprises

INTRODUCTION

The Small and Medium Enterprises (SMEs) play an important economic role in Kenyan economy and are recognized as drivers of socio-economic growth, both in developed and developing economies. This is due to their significant role in creation of new jobs, rise in GDP, entrepreneurship and innovation. The economic survey conducted in 2006 revealed that this sector contributed to over 50 percent of new jobs created in 2005. The Micro Small and Medium Establishment survey of 2016 reported that this sector engaged almost 14.9 million persons and contributed to 28.5% of the total economy. (Kenya National Bureau of Statistics Micro, Small and Medium Establishment Survey 2016). Despite the SMEs significant contribution to the economy of Kenya, past statistics indicate that three out of five businesses fail within the first few months of operation (Kenya National Bureau of Statistics 2007).

However, it is generally recognized that SMEs face unique problems, which affect their growth and profitability and, hence, diminish their ability to contribute effectively to sustainable development. Some of the problems identified include lack of access to credit, inadequate managerial and technical skills, low levels of education, poor market information, inhibitive regulatory environments, and lack of access to technology (Harper 1974; ILO, 1989; House et al. 1991). Infrastructure as it relates to provision of access roads, adequate power, water, sewerage and telecommunication has been a major constraint in the development of SMEs (Bokea, Dondo and Mutiso, 1999).

According to Amyx (2005), one of the most significant challenges is the negative perception towards SMEs. Potential clients perceive small businesses as lacking the ability to provide quality services and are unable to satisfy more than one critical project simultaneously. Lack of planning, improper financing and poor management have been cited as the main causes of failure of small and medium enterprises (Longenecker, et al., 2006).

Despite the positive outlook and growth trends of the sector, SMEs in Kenya, as in most developing economies, are faced with a number of challenges, such as insufficient managerial skills, lack of trained personnel, poor access to financial resources and low utilization of new technologies. As most problems of SMEs have a financial nature (OECD, 2006), poor financial management is a critical and common cause of business failures in SMEs (Jindrichovska, 2013). Particularly lack of financial management knowledge combined with uncertainty of the business environment often leads SMEs to face serious problems regarding financial and overall performances, which can even threaten the survival of the enterprise (Kaya & Alpkan, 2012).

This study sought to investigate the entrepreneurial factors faced by small and medium enterprises operating within Mombasa Island. The strategies formulated by the owners and/or managers of the enterprises is a concept which can show variations among different contexts, as which entrepreneurial practices are more common and important in the overall management of SMEs which can differ from one setting to another, depending on the development of the context of corporate sector (Butt, Hunjra and Rehman, 2010).

Problem Statement

The Micro, Small and Medium enterprises are a key component of the economies throughout the world. In Kenya, MSME's have the potential to contribute significantly to economic growth and poverty reduction through increased production and employment. This role has long been recognized by the Government of Kenya. The Vision 2030, Kenya's long-term development plan, places a strong emphasis in this sector. One of the pillars in vision 2030 that was defined to spur growth of SME's is the Trade pillar that led the government to set up the Micro and Small Enterprises Authority in 2012. However according to Micro, Small and Medium Establishment survey of 2016 by the Government of Kenya, a total of 2.2 million MSMEs were closed in the last five years, the year 2016 inclusive. This is a significant number owing to the fact that this sector employs over 57.8 per cent of the Kenyan population hence the need to identify what ails the SME sector.

While MSME's face many constraints, the lack of appropriate business skills invariably appears in surveys and analysis as the leading hurdle to realizing growth. This study, therefore, sought to establish whether cash flow management practices, entrepreneurship training, marketing strategy and time management strategies may be the entrepreneurial factors affecting the performance of SME's in Mombasa County, Kenya.

Research Objectives

General Objective

The general objective of this study was to investigate the entrepreneurial factors affecting the performance of SMEs operating within Mombasa county, Kenya.

Specific Objectives

The specific objectives of the study were:

1. To determine the influence of cash flow management practices on the performance of SMEs.
2. To investigate the effect of entrepreneurship training on the performance of SMEs.
3. To find out the effect of marketing strategy on the performance of SMEs.
4. To explore how time management strategies affects the performance of SMEs.

THEORETICAL REVIEW

This study bases its arguments on innovative theory, signaling theory, cognitive theory and Macan's Process model theory.

Innovative Theory

The innovative theory is one of the most famous theories of entrepreneurship used all around the world. The theory was advanced by one famous scholar, Schumpeter, in 1991. Schumpeter analyzed the theory proposed by Marshall, and he concluded that the theory was wrong. The theory is on the notion of the principle of 'two-sided transactions' which holds that any financial transactions involve two parties, both acting in their own best interests, but with different expectations.

Schumpeter believes that creativity or innovation is the key factor in any entrepreneur's field of specialization. He argued that knowledge can only go a long way in helping an entrepreneur to become successful. However, Schumpeter viewed innovation along with knowledge as the main catalysts of successful entrepreneurship. He believed that creativity was necessary if an entrepreneur was to accumulate a lot of profits in a heavily competitive market. Many business people support this theory, and hence its popularity over other theories of entrepreneurship

Joseph Schumpeter's innovation theory of entrepreneurship (1949) holds an entrepreneur as one having three major characteristics: innovation, foresight, and creativity. Entrepreneurship takes place when the entrepreneur; creates a new product, introduces a new way to make a product, discovers a new market for a product, finds a new source of raw material and finds new way of making things or organization. Schumpeter's innovation theory however ignores the entrepreneur's risk taking ability and organizational skills, and place undue importance on innovation. This theory applies to large-scale businesses, but economic conditions force small entrepreneurs to imitate rather than innovate.

Other economists have added a dimension to imitating and adapting to innovation. This entails successful imitation by adapting a product to a niche in a better way than the original product innovators innovation

Nevertheless, the theory provides useful knowledge into many matters in SMEs financial management and shows considerable avenues as to how SMEs financial management should be practiced and perceived. It also enables academic and practitioners to pursue strategies that could help sustain the growth of SMEs.

Signaling Theory

Signaling theory rests on the transfer and interpretation of information at hand about a business enterprise to the capital market, and the impounding of the resulting perceptions into the terms on which finance is made available to the enterprise. In other words, flows of funds between an enterprise and the capital market are dependent on the flow of information between them (Emery et al, 1991). For example management's decision to make an acquisition or divest; repurchase outstanding shares; as well as decisions by outsiders like for example an institutional investor deciding to withhold a certain amount of equity or debt finance. The emerging evidence on the relevance of signaling theory to small enterprise financial management is mixed. Until recently, there has been no substantial and reliable empirical evidence that signaling theory accurately represents particular situations in SME financial management, or that it adds insights that are not provided by modern theory (Emery et al, 1991).

Keasey et al (1992) noted that the ability of small enterprises to signal their value to potential investors, only the signal of the disclosure of an earnings forecast were found to be positively and significantly related to enterprise value amongst the following: percentage of equity retained by owners, the net proceeds raised by an equity issue, the choice of financial advisor to an issue (presuming that a more reputable accountant, banker or auditor may cause greater faith to be placed in the prospectus for the float), and the level of under pricing of an issue. Signaling theory is now considered to be more insightful for some aspects of small enterprise financial management than others (Emery et al 1991).

Cognitive Theory

Mukokoma, (2008) noted that behaviorism cannot easily explain the natural curiosity that individuals have the great desire to learn, to make sense of the environment and to feel competent in activities. Thus cognitive factors have to be taken into account to understand how people learn not only by association rewards but by having knowledge of their results and by receiving feedback. So cognitive learning is about the change in what the learner knows rather than what he/she does. According to Ormord, (1999) cognitive theory focuses on an observable change in mental knowledge. While Braton et al, (2007) noted that the origins of the cognitive approach to learning can be traced back to research by three prominent European psychologists Max Wertheimer, Wolf gang Kohlar and Kurt Lewin, known as the Gestalt theorists, proposing that human consciousness cannot be investigated adequately by unscrambling its component but only by investigating its overall shape or pattern. (McKenna, 2006) identified that insight learning and latent learning are the two components of cognitive learning. Braton et al, (2007) suggested that mental process of (trial and error) gives the insight learning, as individual evaluates results compose it with logical alternatives and chooses option that is likely to aid decision making. To Hartley, (1998) cognitive learning results from inferences expectation and making connections instead of acquiring habits, furthermore learners acquires plans, strategies and their prior knowledge is also important. Hartley, (1998) identified some principles of learning associated with cognitive psychology like instruction should be well organized and clearly structured, perceptual features of the task and prior knowledge is important, difference between individuals and cognitive feedback about success or failure of task. Ormord (1999) found cognitivism is about to study of how learning occurs from a change in mental state cognitive psychologist contend that learning cannot be described in terms of a change in behaviour learning occurs whether or not there is an observable change in the learner like behaviourists, congnitivists also believe in reinforcing they (cognitivists) reinforce the learner through a process of retrieving existing knowledge, and presentation of new information, through out learning process the instruction is initiated through a kind of mental stimulation , not behaviour modification. Gagne, Briggs and Wagger, (1992) found a number of some educational implications produced by cognitive theory like cognitive process influences learning, as children grow they become capable of increasingly more sophisticated thought, people organize the things they learn new information is most easily acquired when people can associated it with things they have already learned and people can control their own learning.

Macan's Process Model

Macan's (1994) process model identifies three main factors which contribute to effective time management: setting goals and priorities; mechanics (including making lists and task time estimation); and preference for organisation. These three factors all contribute to a person's perceived control of time. The important part of this model is that it is perceived control of time (as opposed to some objective time usage type of measure) that results in the positive outcomes. The three types of time management behaviours described in Macan's model can be utilised to contribute to successful completion of the business gestation period as discussed below:

Goal setting and prioritizing

Effective time management involves identifying goals and objectives, ranking them in regard to importance or priority, and then allocating time and resources accordingly (Landy, Rastegary, Thayer, & Colvin, 1991; Macan, Shahani, Dipboye, & Phillips, 1990). By effectively setting goals and prioritising, the person could clarify which aspects of which role are most important and when. This prioritising and goal setting should result in the person having a lesser sense of being pulled in multiple directions at one time.

Likewise, if a person is appropriately organised it will be more likely that the demands of both family and work will be met.

Mechanics

Whether they are referred to as lists, schedules, diaries, calendars, planners or schedulers, their usage is an important part of many people's workday, and in many professions it is a ubiquitous personal tool (Kelley & Chapanis, 1982; Payne, 1993). Planning and scheduling devices typically require activity duration/time estimates and activity sequencing – enabling the person to manage their time, and other important information and facts. Benefits such as 'being able to use your head for more important things', and stress reduction are widely proclaimed (Burger, 1974; Hegarty, 1976; Mackenzie, 1990).

Additionally, it should be noted that Information and Communication Technology developments such as the Internet make it possible to organize time and work tasks with less value placed on temporal order, accepting events as they arise, and engaging in multiple activities simultaneously (Lee and Liebenau, 2000b).

Working within your preferences for organization

Although many 'self-help' books and corporate trainers would have you think otherwise, it is argued that there is no one 'correct' way in which to organise yourself in respect to time. Rather, we need to understand and work within the constraints of our personality.

For example, take the management of our email 'in-box' as a prototypical case in point. Typically self-help books (e.g., Lamb & Peek, 1995; Langford-Wood & Salter, 1999; Tunstall, 2000; Whalen, 2000) prescribe one preferred way to do things, in the present case it is to utilise clearly labelled folders in which all (or nearly all) new 'in-box' messages should be shifted once read. However a study by Forsyth & Chen (2004) suggests that there is no one right way to handle our email. 'No filers' (people who do not tend to use folders and therefore have very large inboxes) exhibited equally high scores in all time management factors, including perceived control of time, as 'frequent filers' (characterised by few messages in the inbox and extensive use of folders or deletion). It appears that not filing, for these individuals, may be considered effective time management behaviour.

The use of scheduling materials provides another example. It is likely that the type/form of scheduling materials which will provide most utility in increasing perceptions of time control in home-based workers will be dependent on their preference for organisation. For one person this may mean scheduling the completion of all of the day's tasks (both work and non-work related) in a diary or electronic scheduler, whereas for another all of the day's requirements will be 'held in their heads'.

Conceptual Framework

The schematic diagram below represents the various entrepreneurial factors that affect the performance of SMEs.

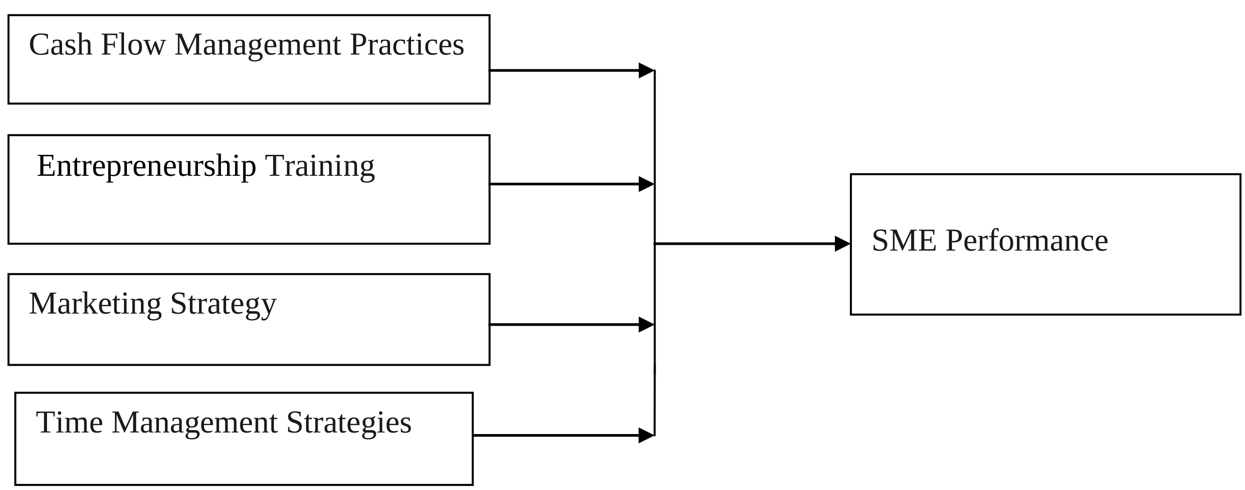

Figure 1: Conceptual Framework

Research Gaps

According to the economic survey of 2006, the SME sector acts as a booster for the Kenyan economy. Additionally the same report indicates that SMEs employ over 30% of the Kenyan population hence is the leading source of employment in the country. Moreover, according to the same report, over 50% of new jobs created in 2005 were SMEs. However, despite the vital roles that SMEs play in the Kenyan economy, few studies have been done locally to identify the specific entrepreneurial challenges the business owners face. This study therefore seeks to fill this gap by identifying entrepreneurial factors faced by SMEs operating within Mombasa Island.

RESEARCH METHODOLOGY

The study adopted descriptive research design. The researcher focused on entrepreneurial factors affecting the performance of SMEs. The target population was the 5,482 licensed SMEs operating within Mombasa Island. To constitute a structured sample, the researcher used stratified random sampling method as recommended by Kothari (2004) because it is accurate, easily accessible, divisible into relevant strata and it enhances better comparison; hence representation across strata. A sample size of 373 was arrived at through use of Yamane's formula. The study population was divided into three strata which included commercial and trade, light manufacturing and service SMEs.

Table 1. Sample Size

Commercial and Trade	152
Light Manufacturing	45
Service	176
Total	**373**

During the pilot study validity and reliability of the research instrument were tested. A pilot study was done on 37 SMEs with the same characteristics as the sample. The research had a multiple-item measure in which the answer to each question was aggregated to form an overall score which was then used to check on reliability which gave a Cronbach alpha figure of 0.762, confirming high internal reliability. On the other hand, validity was tested through use of content analysis. A questionnaire with both closed and open ended questions was developed and administered to the respondents.

Quantitative data collected was analyzed using Statistical package for Social Sciences software. The results were represented as percentages and frequencies. The information was displayed by use of bar charts, tables and pie charts. Correlation analysis and multiple regression analysis was carried out to test the relationship between the variables.

ANALYSIS AND FINDINGS

The study targeted a sample size of 373 SMEs out of which 313 filled in and returned the questionnaires translating to a response rate of 84%, this response rate was considered satisfactory to make conclusions for the study as Mugenda and Mugenda (2003) states that a response rate of 50-70% of the total population can be used to represent the opinion of the entire population. The researcher conducted correlation and regression analysis to establish the entrepreneurial factors affecting the performance of SMEs.

Relationship between Cash flow management practices and SME Performance

The study sought to examine the relationship between cash flow management practices and performance of SMEs in Mombasa county.

Table 2. Correlation between cash flow management practices and SME performance

		SME Performance
Cash flow management	Pearson's Correlation	.797**
	Sig. (2-tailed)	.000
	N 313	

**. Correlation is significant at the 0.01 level (2-tailed)

The study found out that the relationship between cash flow management practices and SME performance in Mombasa County is positive, strong and significant ($r=0.797$; $p<0.01$). The results imply that cash flow management practices have a direct impact on the performance of SMEs. This therefore means that SMEs must maintain books of accounts in order to see improved business performance. These results conformed to the findings of an earlier study which revealed that there is a positive relationship between efficient management of cash flows (the cash conversion cycle) and working capital and the firms' profitability (Yazdanfar & Ohman, 2014; Mazzarol et al, 2015)

Relationship between Entrepreneurship Training and SME Performance

This study sought to establish the relationship between business skills training and the performance of the SMEs in Mombasa county. The results were as detailed in the table below.

Table 3. Correlation between entrepreneurship training and SME performance

		SME Performance
Training	Pearson's Correlation	.649**
	Sig. (2-tailed)	.000
	N 313	

**. Correlation is significant at the 0.01 level (2-tailed)

The study revealed that the relationship between business skills training and performance of SMEs in Mombasa county is strong, positive and significant ($r=0.649$; $p<0.01$). The result showed that with entrepreneurship training, business performance improves. Thus in order for SME owners to improve the performance their firms, they need to undertake entrepreneurship training. The study is in agreement with Mwangi (2017) who found out that entrepreneurship education has a positive impact on the management of business enterprise.

Relationship between Marketing Strategy and SME performance

The study evaluated the effect of marketing strategy on the performance of SMEs in Mombasa county and the result was as shown in the table below.

Table 4. Correlation between Marketing Strategy and SME performance

		SME Performance
Marketing Strategy	Pearson's Correlation	.318**
	Sig. (2-tailed)	.000
	N 313	

**. Correlation is significant at the 0.01 level (2-tailed)

Results from the above table show that the relationship between marketing strategy and SME performance is positive, moderately strong and significant ($r=0.318$; $p<0.05$). The result implies that for SMEs in Mombasa county, marketing strategy has a bearing on the performance of the business. Therefore in order for the SMEs to see improved performance, they need to consider the marketing strategies adopted. The findings of the study tallied with that of Naikuru (2017) who found out that firms that execute proper marketing strategy adds excellence to a firm's activities and strengthens the competitiveness and market share of the firm leading to better performance.

Relationship between Time Management strategies and SME performance

This study also analyzed the relationship between time management strategies and SME performance for SMEs in Mombasa county. The findings are illustrated in the table below:

Table 5. Correlation between Time Management Strategies and SME performance

		SME Performance
Time Management	Pearson's Correlation	.562**
	Sig. (2-tailed)	.000
	N 313	

**. Correlation is significant at the 0.01 level (2-tailed)

The study found out that the relationship between time management strategies and SME performance for SMEs in Mombasa county is moderately strongly, positive and significant(r=0.562; p<0.01). This implies that the time management is a key factor in the performance of the SMEs. Thus it is prudent for SMEs to manage their time well in order improve the performance of their businesses. The study agreed with the findings of Chirchir (2017) who indicated that how a firm spends and allocates time in its daily operations has a direct bearing on the customer loyalty and in turn its turnover.

Influence of Entrepreneurial factors on SME performance

The study evaluated how entrepreneurial factors (Cash flow management practices, entrepreneurship training, marketing strategy and time management strategies) affected the performance of SMEs in Mombasa county. The foregoing was achieved through multiple regression analysis and the results are as shown below in tables 5, 6 and 7.

Table 6. Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.726[a]	.526	.246	.50555

a. Predictors: (Constant), Cash flow management practices, Entrepreneurship Training, Marketing Strategy, Time management strategies,

As illustrated in table 5, the relationship between entrepreneurial factors under investigation and SME performance was positive and strong. The R^2 is the proportion of variance in the dependent variable which can be explained by the independent variables. The R^2 in this study was 0.526 which shows that the four independent variables (Cash flow management practices, entrepreneurship training, marketing strategy and time management strategies) can explain 52.6% of the performance of SMEs in Mombasa county whereas other factors explain 47.4%.

Table 7. ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	37.061	4	7.403	31.097	.000[b]
	Residual	17.379	308	.238		
	Total	54.440	312			

a. Dependent Variable: SME performance

b. Predictors: (Constant), Cash flow management practices, Entrepreneurship Training, Marketing Strategy, Time management strategies, The findings in Table 6 above show that the relationship between entrepreneurial factors and SME performance was positive and statistically significant ($F=31.097$; $p<0.05$). Hence the entrepreneurial factors investigated were fundamental in performance of SMEs in Mombasa county. This model also indicates that the model was statistically significant.

Table 8. Regression Coefficients[a]

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	**2.**156	.132		6.784	.000
	Cash flow Management	.314	.054	.311	9.961	.000
	Entrepreneurship Training	.218	.039	.247	4.845	.001
	Marketing Strategy	.235	.036	**.288**	5.640	.000
	Time Management	.187	.046	**.243**	4.162	.019

a. Dependent Variable: SME performance

The above table shows the overall significant test results for the hypothesized research model. The interpretation of the findings indicated follows the regression model below:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu_i}$$

Therefore from the regression findings, the research model becomes;

$$\mathbf{Y = 2.156 + 0.311X_1 + 0.247X_2 + 0.288X_3 + 0.243X_4}$$

The above model shows that holding the four factors (cash flow management practices, entrepreneurship training, marketing strategy and time management practices) constant at zero the average performance for the SMEs in Mombasa will be 2.156. However a unit positive change in cash flow management practices would result to 31.1% increase in the performance of the firm ($\beta_1=0.311$, Sig.=0.000), a unit positive in entrepreneurship training would result to 24.7% ($\beta_2=0.247$, Sig.=0.001) increase in the performance of the firm, a unit positive change in marketing strategy would result to 28.8% ($\beta_3=0.288$, Sig.=0.000) increase in the performance of the business while a unit positive change in time management strategies would result to 24.3% ($\beta=0.243$, Sig.=0.019) increase in the performance of the firm. The study also revealed that cash flow management practices at 31.1% was the most important factor that ought to have been considered by SMEs in Mombasa county in order to enhance their performance, followed by marketing strategy at 28.8%, entrepreneurship training at 24.7% and the least is time management strategies at 24.3%.

CONCLUSIONS

From the findings above, the study concludes that cash flow management practices, entrepreneurship training, marketing strategy and time management strategies are important entrepreneurial factors that influence the performance of SMEs.

Cash flow management practices was identified as the most important entrepreneurial factor in enhancing the performance of the SMEs. The study concluded that there existed a positive relationship between cash flow management practices and SME performance. It was concluded that there was direct relationship between books of accounts kept and the health of the business, control of business expenses, access to bank credit and managing debts of the business.

The study concluded that entrepreneurship training had a positive effect on the SME performance. It was concluded that training enhanced communication skills, improved employee relations and ensured that there was succession in place for the business.

It was also concluded that in choosing the media for advertising, the most important factors most SMEs consider is cost, demographics and geographical area to be covered. The study concluded that most SMEs prefer to use family and friends in marketing their products compared to other media. The research also concluded that marketing increases the sales volume hence increases profit of the business.

The study further concluded that most SMEs had schedule of operating hours. It was also concluded that planning for SMEs was important since it ensured that there was no business failure and that distractions would be avoided.

RECOMMENDATIONS

The following recommendations are made in line with the conclusions of this study:

1. The SMEs should be trained on simple book keeping concepts in order to tell the financial position of their business at any given time.
2. The national government, county government and private sector players should organize for entrepreneurship training courses for the SMEs so that they can gain necessary business skills.

3. The SMEs should choose the most affordable medium that covers a wider area and aims at reaching the targeted demographic audience in choosing the medium of advertising.
4. It is recommended that SMEs should have scheduled working hours that they should adhere to. They should also have daily planners which they should consistently use in their business.

SUGGESTIONS FOR FURTHER RESEARCH

The study looked at entrepreneurial factors affecting the performance of small and medium enterprises in Mombasa county. The researcher would recommend similar research to be conducted in different counties within Kenya and compare the results.

Further research should also be done to establish the relationship between entrepreneurial competencies and the level of education of an entrepreneur.

From the findings of the study, 52.6% of the performance of the SMEs was explained by a combined influence of cash flow management practices, entrepreneurship training, marketing strategy and time management strategies. This means that there are other factors which can be explored including technology adoption, government policies and access to information which could also have a significant influence on the performance of the SMEs.

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