

Business strategy as determinant of growth among high technology small medium enterprises

Abstract

Growth is a concept that has been used in all areas of human knowledge to 'express changes in size, magnitude, and relationships over time' (Tuene, 1988). According to Tuene, the main preoccupation of growth during the past three or four centuries has been economic. Growth is important for generating national wealth and creating jobs (Oakey, 1981; Markusen et al., 1986; Reid and Garnsey, 1996; Barkham et al., 1996a). Economists and public policy makers are more interested in growth than the financial performance of firms (Barkham et al., 1996b). Growth indicates the ability of a firm to develop a critical base of sales to withstand adverse economic effects in future (Woo et al., 1989). Furthermore, the study of growth can assist policy makers in targeting resources and effort (Bridge et al., 1998). A popular target for support is High Technology Small and Medium Enterprises (HTSMEs). Such enterprises play a critical role in the business and economic life of a nation. They represent an elite group in the manufacturing and service sectors. As a consequence, potential entrepreneurs, and most governments, have strong interest in discovering the characteristics of growth HTSMEs.