

Impact of Strategic Planning on Small and Medium-Sized Enterprises' (SMEs) Performance: The Role of Employee Participation, Implementation Incentives and Evaluation and Control

J. Dubihlela¹ and M. Sandada²

*¹Faculty of Management Sciences, ²Department of Marketing and Retail Management, Vaal University of Technology, Private Bag X021, Vanderbijlpark 1900 South Africa
¹Phone: +27731916802*

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ABSTRACT The importance of strategic planning to small- and medium-sized enterprises (SMEs) is widely acknowledged by many practitioners and academicians in South Africa and the world over, yet there seems to be a paucity of research in this field. To address this dearth of published studies, the current study attempts to examine the influence of strategic planning aspects, namely employee participation, implementation incentives, and evaluation and control on business performance. The conceptualised model and three hypotheses are empirically validated using a sample of 200 SMEs in Gauteng, South Africa. The findings indicate that strategic planning, in the form of employee participation, implementation incentives, and its evaluation and control, influences business performance in a significant way. In addition, managerial implications of the research findings and avenues for future research are provided.