

THE DETERMINANTS OF SMALL ENTERPRISES GROWTH PERFORMANCE IN MANUFACTURE AND SERVICE SECTORS IN YEMEN

ABDULNASIR ALHAMMADI¹

National University of Malaysia, Selangor, MALAYSIA

Email: abdulnaseralhammadi@gmail.com

FARIDAH SHAHADAN²

MADLINE BERMA³

SHAMSUBARIDAH RAMLEE⁴

National University of Malaysia, Selangor, MALAYSIA

Abstract

The objective of this study was to examine the factors affecting the growth performance of small enterprises in manufacture and service sector in Yemen; it detected three variables that can influence the performance growth of these firms, and first off it mentioned management capabilities determinants (including financial operations, Access to Credit, lack of capital, firm management, firm marketing, social networks, Ease of doing business), as well as business environment determinants (including macroeconomic determinants, lack of capital, competition, government policy toward SMEs) and lastly it added firm resources (including personal traits, firm characteristics, owner characteristics) . A theoretical framework was drawn out, and a questionnaire was designed according to the previously mentioned factors .The data was collected based on 389 selected samples from two cities in Yemen, namely Sana'a and Taiz which were analysed through the use of SPSS program. Then, the structural equation modeling was used, the entire hypotheses were successfully tested with AMOS software, and six hypotheses were accepted. However, the findings from this study proved the efficiency of management capabilities determinants, business environment determinants, and firm resources on the growth of SEMSSs in Yemen.

¹ PhD candidate in school of economics University Kebangsaan Malaysia (UKM)

² Prof. Faridah Shahadan professor on Faculty of Economics and Management Universiti Kebangsaan Malaysia 43600 UKM Bangi, Selangor D.E., Malaysia

³ Madeline Berma professor on Faculty of Economics and Management Universiti Kebangsaan Malaysia 43600 UKM Bangi, Selangor D.E., Malaysia

⁴ Shamsubaridah Ramlee professor on Faculty of Economics and Management Universiti Kebangsaan Malaysia 43600 UKM Bangi, Selangor D.E., Malaysia

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