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Survival Strategies: Case Study of Retail Hardware SMEs in Shurugwi – Zimbabwe

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Abstract
The study sought to evaluate the effectiveness of the survival strategies employed by the retail hardware sector in Shurugwi, Zimbabwe. The objectives of this study was to establish the challenges faced by SMEs, to establish survival strategies used by SMEs and to establish alternative survival strategies that can be used by SMEs in the retail hardware sector. Descriptive research design was used to provide further insight into the research problem by describing variables of interest. It was so also because of its adaptability across disciplines. A census sampling technique was also used because it was precise, detailed and gave data in great detail for the small domains especially the local areas. The study examined the challenges currently being faced by small businesses for example lack of business experience, owner manager characteristics, knowledge management, stringent procedures to acquire a loan, financial management, lack of ICT, reduced availability of finance, limited information about financing options, political instability, operational space and locational changes, supply chain, Lack of business networks, increasing competition, lack of human resource and lack of customer relationship management systems. The survival strategies were cost reduction, product diversification, payment terms in credits. Pricing strategies, collaboration, buyer-supplier relationship, networking and market segmentation. The alternative strategies were strategic partnership, internationalisation, compliance, temporary closures, promotions, localisation, partnerships, promotions, mergers and advertising. The findings of the study stated that there is a relationship on business experience and performance, business experience and turnover, business age and turnover, respondents' age and performance, education and performance, gender and performance and business review and performance. The challenges which affected SMEs the most was lack of business networks. Survival strategy most implemented is collaboration and the alternative survival strategy implemented is temporary closures. The strategies used yielded negative results and are not effective. This is so because the numbers of retail outlets have decreased and their profits have also decreased. It also shows that survival itself is a struggle in the sector. The recommendations were that Zimbabwean government's economic initiatives to be easily reached and accessible. In addition the government is to provide entrepreneurship training and educational schemes. Ministry of SMEs is to introduce career development schemes and also development female entrepreneurship development models.
Keywords: survival, strategy, small to medium scale enterprises, retail hardware.

1.1 Background to the Study

The Zimbabwean economy experienced its biggest depression in the year 2007 that resulted in a large-scale business downsizing and in some cases closing down or switching product or service offerings. The high mobility of firms caused by the economic depression led to many people being unemployed with current unofficial estimate at 90 percent. A number of people who were retrenched, school leavers and university graduates in an endeavour to survive established their own small businesses as opposed to seeking formal employment. Such small businesses now play the role that was previously played by large organisations.

Small and Medium Enterprises and Co-operative Development Minister Sithembiso Nyoni said SMEs make up 60 percent of the Zimbabwean population. Minister Nyoni said the economy was growing as a result of the contribution of SMEs. An important strand of empirical research into the relation between new-firm start-ups and regional growth suggests that the main impact of new firms on regional growth is indirect and comes with a time lag. Although new firms have a direct impact by employing workers, the more important impact is assumed to be indirect by stimulating incumbent firms to perform better, (www.ondernemerschap.nl)

The smaller firm and the recognition of its centrality as a necessary competitive instrument in the development of a modern, vibrant and progressive economy have undergone a remarkable renaissance in the last quarter century (Beaver and Prince 2004). Small firms are now the focus of political, business management research and are popularly regarded as a preferred vehicle for the generation of the enterprise economy, (Gavron et al,1998;Carr, 2000; Beaver and Carr 2002) and integral to contemporary economic and social regeneration, (Stanworth and Gray,1991). This is indeed seen by the vibrant contribution of SMEs in the economy and an increase in the establishment of the SMEs.

There is a growing recognition worldwide that small and medium enterprises (SMEs) have an important role to play in the present context given their greater resource-use efficiency, capacity for employment generation, technological innovation, promoting inter-sectoral linkages, raising exports and developing entrepreneurial skills. Zimbabwe and the rest of Africa have come up with programmes to assist the development of SMEs for instance in Zimbabwe there is the Indigenisation Act.

Recently the country launched the ZimAsset economic blueprint. ZimAsset's focus will be on the full exploitation and value addition to the country's own abundant resource. ZimAsset will act towards an empowered society and a growing economy. It is also there to provide an enabling environment for sustainable economic empowerment and social transformation to the people of Zimbabwe .This has an impact on the people of Zimbabwe since it will encourage them to start their own businesses and contribute to employment creation and economic growth.

Zimbabwean statistics (2011) research results also showed that after the economic meltdown between the period 2007 and 2009 most people are now employed by SMEs, this has shown a rapid growth in the number of registered SMEs. The economic transition processes imply an important market selection process by firm creation and destruction affecting both traditional firms and newly established firms (Bojnec and Xavier 2007). With institutional and economic deregulations during the 1990s, the most striking institutional changes in transition economies include increased competition, the hardening of budget constraint for firms and the stipulation of provision of bankruptcy and liquidation of the inefficient enterprises (Bojnec and Xavier 2007).

The increase in numbers has resulted in a high mobility of SME institutions in and out of many industrial sectors in the country. Koster and André van Stel (2012) opined that mobility of firm results in shifts in the composition of the population of incumbent firms. The most competitive entrants and incumbents survive and these businesses grow while the least competitive firms exit the market or are forced to downsize.

In Zimbabwe a record of 75 company closures were recorded last year (2013) amid fears that the trend could escalate this year as the economy continues to shrink (www.zncc.co.zw), with notable worrying trends in the clothing, engineering, furniture, metal, industry, tobacco, textile, chemicals, food, agriculture, catering, pulp and paper industries .(www.zncc.co.zw). According to the 2013 National Social Security Authority Harare Regional Employer Closures and Registrations Report, 711 companies closed shop between July 2011 and July 2013, (News day 23 April 2014). One of the largest and well established SME sector in Zimbabwe is the carpentry industry, and according to statistics compiled by the Ministry of Small to Medium Enterprises, 13 400 people are said to be currently working in the formal carpentry sector countrywide, this is a fall from the 22 132 who worked in the same sector three years ago (News day 23 April 2014).

The result of such a creative destruction process is an ever changing composition of the firm population in an economy where the average quality of the firms continuously increases as the high quality firms survive and grow and the low quality firms decline or exit (Koster and André van Stel 2012) .

Methodology

The study was carried out in Zimbabwe's Midlands Province mining town of Shurugwi. The town's main business activities are driven by gold, chrome and platinum mining activities and have seen the influx and outward mobility of small businesses in the construction hardware retail sector. Descriptive research design was used to provide further insight into the research problem by describing variables of interest. It was so also because of its adaptability across disciplines. A census sampling technique was also used because it was precise, detailed and gave data in great detail for the small domains especially the local areas. A total of 54 respondents from the six (6) construction hardware retail businesses located in Shurugwi participated in the study. Primary data and secondary data were used in this study. Structured questionnaires and structured interviews were used to collect data from employees and management of small businesses in the construction hardware retail sector respectively. Data was analysed through Simple Linear Regression using the Stata 11 statistical package ANOVA variables of T stat analysis and p-values.

Presentation and Discussion of Result

The relationship between business experience and business performance

The research results indicated that 28%, 5% and 5% of the respondents had less than 5years , between 5-10years and above 10 years of business experience respectively. However, majority of these respondents agreed that their businesses were operating at average. This is so because most of the businesses are started by entrepreneurs with little or no experience hence leads business to perform poorly. The research carried out by Beckman and Marks (1996) states that business experience is indeed a factor in the success of small businesses.

From the study, 25%, 10%, and 8% had less than 5 years, between 5-10years and above 10 years of business experience respectively and they all opined that their businesses had an average performance. Only 18% of the respondents had less than 5years business experience, this indicated that their businesses were performing above the average whereas there were zero respondents with between 5 – 10years experience. Out of the total respondents only 3% had more than 10 years business experience and had businesses that were experiencing high performance. Those businesses with entrepreneurs with experience a bound to have a favorable business performance. This is seconded by Dyke, Fischer and Reuben (1992) when they state that success or successful performance is due to management experience.

Peake et al (2009) states that experience on entrepreneurial performance has been widely tested. They believe that experience is expected to positively impact performance**.** The study also sort to test the null hypothesis that business experience has no relationship with business performance using the results presented above. They were tested for significance using the Anova simple linear regression model where, values greater than t- stat 2 and less than p-value 0.05 are noted as being significant. The study obtained a t-stat of 5.00 which was greater than 2 and a P-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between business experience and business performance hence the rejection of the null hypothesis. Fatoki (2004) opined that there is relative profits tend to be high when an entrepreneur has more education and experience in the line of business. The results are also supported by Horming et al (2011) who found that managerial competencies as measured by education, managerial experience and knowledge of the industry positively impact performance of SMEs.

The acceptance of the alternate hypothesis is cemented by Mambula, (2002) who noted that most owners or managers are not adequately organized, qualified or trained; this seriously hampers their performance. Bosma et al (2004) argues that an entrepreneur's specific competencies positively impacts on firm performance This shows that the greater level of managerial competency the greater the performance and more likely survival of SMEs.

The relationship between business experience and turnover

The results showed that 30%, 5% and 5% of the respondents had less than 5years, 5-10years and above 10years business experience respectively. Only 25% of the participants had less than 5years business experience, 10% and 8% of the respondents had a business experience of 5-10years and above 10years respectively. Only 15% had a business experience of less than 5years, 0% and 3% of the respondents had a business experience of 5-10years and above 10years business experience respectively. The less the experience the less the turnover. Majority of small businesses have less than 5years business experience and given that resesarch states that business fail within the first 5years.Many small businesses will struggle to survive.

Phillips (2005) cited in Hayes and Miller (2011) denotes that as revenue manager the individual or team responsible for ensuring that a company's prices match a customer's willingness to pay. According to Rouse et al. (2010) income supervision aims at improving an organisation's performance, profitability and cash flows by obtaining the best revenue streams possible from its resources. Revenue is regarded as a lead indicator in understanding business performance, Tsang (1998, 2000) describes that performance drivers can be explained as lead indicators, which have the ability to predict future outcome. The results were then tested for significance using the Anova simple linear regression model where, values greater than T stat 2 and less than p-value 0.05 were noted as being significant. Using simple linear regression the study obtained a T-value of 6.37 which was greater than 2 and a P-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between business experience and business turnover.

The relationship between business age and business performance

The results showed that 13%, 10% and 15% of the participants had businesses ages of less than 2years, 3-4years and above 5years respectively. Majority had businesses that were performing at average. This is so because it is believed by Dun and Bradstreet (1989) that about 51.8% of firms fail during the first 5years. 13%, 13% and only 18% had businesses ages less than 2years, 3-4years and above 5years respectively and 8%, 5% and 8% had businesses ages of less than 2years, 3-4years and above 5years respectively. Bates and Nucci (1989) states that age and size of a firm has an impact on survival and performance. Older firms are more likely to remain in business, the longer the small business has been operating, the better the chance that it will stay in business (Boyle and Desai 1991)

The results were then tested for significance using the Anova simple linear regression model where, values greater than T stat 2 and less than p-value 0.05 were noted as being significant. Using simple linear regression the study obtained a T-value of 6.92 which was greater than 2 and a P-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between business age and business performance.

However they are some other like Arrow (1962), Jovanovic (1982) and Ericson and Pakes (1995) disagree that firms do best when there are young. They revealed that overtime firms discover what they are good at and learn to be more efficient. On balance, it is unclear whether aging helps firms prosper or whether it dooms them.

The relationship between number of outlets and turnover

The results showed only 35% of the respondents with outlets from 1-2, 5% and 0% of the respondents had outlets from 3-4 and above 4 respectively. 25%, 18% and 0% of the participants had outlets from 1-2, 3-4 and above 4 respectively. 5%, 3% and only 10% of the respondent had outlets from 1-2, 3-4 and above 4 respectively. Failure to anticipate or understand changes in the market has the potential to lead an organisation to fail. In the current competitive business environment the market dynamic keeps on changing and as such there is wide call for enhanced distribution.

Chung (2001) postulated that it does not matter how well the product meets the demand of the market nor how high the quality of neither the product nor how well the promotion is designed the product must be delivered to the right people at the right time and at the right place. For the long-term survival businesses may need to enhance their distribution by increasing the number of distribution outlets as shown by the respondent's opinions above.

Beckham's (1974) view is that distribution is a customer - satisfying process in response to a marketing initiative, or a consumer demand. In view of these sentiments shared by researches on distribution the research sort to test the null hypothesis that business performance is not influenced by the number of distribution outlets. Using simple linear regression the study obtained a t-stat of 4.15 which was greater than 2 and a p-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between number of outlets and turnover. Effective and efficient channels of distribution are always considered necessary tools for competing successfully in highly competitive markets. (Rosenbloom, 1999)**.**

Relationship between age and business performance

The results showed that 23%, 8% and 8% of the respondents had an age below 30years, 31-50years and above 50years. 20%, 23% and 0% of the participants had an age below 30years, 31-50years and above 50years. 8%, 5% and 8% of participants had an age below 30years, 31-50years and above 50years. Majority of the respondents below 30years have higher sales. According to Yearta and Warr (1995) "it became clear that younger applicants were believed to have greater sales potential than older ones. It was felt that younger applicants would be more energetic and more willing to adhere to the organization′s standard selling procedure. Burns (2008) states that the age which is associated with the growth and performance of the business is the middle aged. It brings experience, credibility and financial resources. Middle aged entrepreneurs dedicate more time and resources to the organisation.

The above results were then tested for significance using the Anova simple linear regression model where, values greater than T stat 2 and less than p-value 0.05 were noted as being significant. Using simple linear regression the study obtained a T-value of 5.14 which was greater than 2 and a P-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between owner or manager's age and business performance.

Selectors expressed the view that some limited previous experience of selling was desirable, but that older and more experienced people would tend to be ineffective in the special conditions of the company" Nyamwanza et al (2012) in a research on financial management by women entrepreneurs concluded that age does determine asset acquisition "54% of the women entrepreneurs who are less than 30 years old acquired home furniture and other things whilst only 46% acquired business furniture and equipment. We found that 15% of the respondents, who are between 30-39 years old bought home furniture and other commodities whilst 85% bought business vehicle, furniture and equipment. Of those who are between the ages of 40-49 only 14% group bought home furniture whilst 86% bought business equipment. 100% of the 50+ age group bought business furniture and equipment".

However, old age may make knowledge, abilities, and skills obsolete and induce organizational decay (Agarwal and Gort 1996, 2002). This performance and ability to survive in retail hardware SMEs could truly be influenced by the kind of assets that the owners decide to invest in where personal assets not usable in business may lead to failure or business assets my lead to survival.

Relationship between education and business performance

The results showed that 13%, 18%, 3%, 5%, and 0% of the respondents had secondary education, certificate, A'level, undergraduate or postgraduate respectively. From the study 8%, 13%, 13%, 5% and 0% had secondary education, certificate, A'level, undergraduate or postgraduate respectively. Only 8% of the respondents had secondary education and the business performance is high. 3%, 5%, 3% and 3% had certificate, A'level, undergraduate or postgraduate respectively. Beaundry et al (2006) cited in Doms et al (2009) are in agreement when they states that highly educated metropolitan areas generally posted above average wage growth over the past decades.

Rorbert et al (2013) opined that education levels of business owners have of been shown to have a positive association with business performance and growth. In addition, Kangasharju pointed out that higher education and advanced training of small business owners/managers increased the likelihood of achieving business growth. The above relationship was then analyzed through regression analysis and the researcher sought to establish the impact of education on the survival of the business.

The relationship was tested using the linear regression where T stat values are suppose to be greater than 2 to be significant and P values are suppose to be less than 0,05 to be significant. The research results obtained a T stat of 3, 72 and a P value of 0,001. This shows that there is a strong relationship between education and business performance.Van Der Sluis et al (2003) carried out a research of empirical studies exploring the impact of education on entrepreneurs in industrialised countries. One of the most informative conclusions of their research indicated the education positively and significantly influences overall performance. Fairlie and Robb (2008) agreed when they acknowledged that businesses with more educated owners have higher sale and profits and are more likely to survive.

Relationship between gender and business performance

From the study 10% of women owned businesses have a low business performance given the total figures most businesses are male dominated, there are 27 male and 13 are female. Male dominated businesses have 28% business performance at average and 13% business performance at high level. It seems that females are struggling to survive as compared to those of male counterparts for example there are more males than females from average business performance to high business performance.

Fischer (1992) study found that businesses owned by women tended to perform less well in terms of sales and growth**.** There is a relationship between gender and performance. The study also aimed to test the above results to see if there is a relationship between the two variable as noted by Hisrich et al (1990) who postulates that there is an empirical evidence that suggests that women owned businesses earn less money and do not grow as rapidly as male owned businesses, (Klleberg and Leicht 1991). The above results were then tested for significance using the Anova simple linear regression model where, values greater than T stat 2 and less than p-value 0.05 were noted as being significant.

Using simple linear regression the study obtained a T-value of 8.83which was greater than 2 and a P-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between gender and business performance. Thus the alternate hypthosis that gender has an impact on business performance was accepted whereas the null hypothesis was rejected. These results are supported by Olm et al (1988) who states that it is that women have difficulty penetrating informal financial networks due to lack of experience and skills hence this the affects business performance.

Research on the goals of men- and women-led ventures finds that woman business owners frequently pursue both economic and social goals, which may detract from economic performance or growth (Bird and Brush 2002). Nyamwanza et al (2012) seem to confirm the above statement that women business are not generally well managed as evidenced by the way the money generated by the business were applied mostly to social causes rather than re-investment in the business.

Relationship between business review and business performance

The results showed that 28%, 8% and 3% of the participants reviewed their businesses monthly, quarterly and half yearly respectively. Only 28% of the participants review their businesses monthly and the business performance is average, 13% and 3% of the participants review their businesses quarterly and half yearly respectively. 5%, 15% and 0% of the participants reviewed their businesses monthly, quarterly and half yearly respectively. From the above results it seem that most businesses are being reviewed monthly which could be a reflection of the volatility of the business environment which affect business performance. It could also mean that the owner and managers in the sector view business survival as an important aspect as their businesses are reporting marginal sales.

The evaluation of corporate performance is a subject of crucial concern to the managers of an organization, to its shareholders and investors, and, increasingly, to a whole range of other stakeholders of that organization, not least of which are its employees and the com- munity within which it is operating (Crowther 1996). Performance evaluation according to Ferreira and Otley (2009), identify the key success factors and illustrate how they can be brought to the attention of managers and employees. Given the above assertions the study tested the null hypothesis that business review did not influence business performance. The hypothesis testing through regression analysis obtained a t-stat of 4.45 which was greater than 2 and a p-value of 0.000 which was less than 0.05 as such this was an indication that there is a strong relationship between business review and business performance hence the rejection of the null hypothesis.

Schalfke et al (2013) declared that performance management (review) is the extensive use of data and analytical methods to understand relevant business dynamics, to effectively control key performance drivers, and to actively increase organizational performance. They further noted that, as a consequence of increased competition, performance management (review) can be a potential success factor (Schalfke et al (2013). The frequency of review is of importance to the survival of the business as campaigned for by Schalfke et al (2013), Crowther 1996 and Ferreira and Otley (2009), as it allows a business to quickly identify current and future challenges of the business and to take corrective as well as preventive measures to facilitate business survival.

Responses on the challenges affecting retail hardware sector

The study results indicate that with a total descriptive statistics frequency distribution of 110 and a confidence interval of 93% lack of business networks are predominantly affecting small businesses in the construction retail hardware sector. Furthermore, Parida and Kumar (2006), Parida and Chattopadhyay (2007) have discussed a number of performance killers, which are unavailability of resources, materials, spares, personnel, IT support, project support, time, etc., i.e. a performance killer can be non-availability of resources. Most studies have found that SMEs that are led by educated managers perform better than other firms in all business aspects including exporting and niche marketing, (Goetez,1992, Key et al 2000, Matungul et al 2001). Majority of the SMEs are started when individuals realize there are good at something and they think they can start a business without considering the aspect of experience and managerial skills, (Myles 2010).

This hence contributes to the challenge having highest responses in the retail hardware sector. Majority of the small businesses which are involved with owner managers who lack skills, knowledge and experience fail and also those who cannot separate being an owner and a manager at the same time are bound to affect the business performance. Knowledge contributes to one making the right decisions for the growth and survival of the business. If this lacks thus affects the business performance.

Networks are essential in business. It can increase demand and increase volume. Involvement of networking in business contributes to business continuity, (Miller et al 2010). Networking according to Carson et a (1995),p 201 is when entrepreneurs or owners of business build relationships with other individuals who surrounds them. This process allows these individuals to share various details, processes and information that contribute a positive business performance.

Responses to strategies enhancing survival on retail hardware sectors

According to (Ibrahim, 1993), there is a strong relationship between the types of strategies adopted and corporate business performance. The study results indicate that with a total descriptive statistics frequency distribution of 96 and a confidence interval of 80% collaborative networks are predominantly being utilized by small businesses in the construction retail hardware sector. For instance interviews with 100% of the owners and managers indicated that they had signed a memorandums of understanding with one or two of their main distributors of related stocks who are now buying from the manufacturer and delivering right into their warehouses but still paying the wholesale price. Alonso and Bressan (2014), state that collaboration among businesses, particularly in the current global economic downturn, can be a key strategy contributing to their survival.

Numerous studies have emphasised the importance of collaboration and cooperation, including among SMEs (de Jong and Freel, 2010; Nieto and Santamarı´a, 2010; Ogawa and Tanaka, 2012; Pal et al., 2013; Phillipson et al., 2006; Polenske, 2004; Smith et al.1991). Collaboration, co-operation and alliances involving, for example, complementary activities, are also crucial factors because interaction with other small businesses in order to pool and share resources, facilitates the development of new products and enables small businesses to compete with larger counterparts (Shaw, 1999, p. 25) and other small businesses.

Shone and Gulbro (1998) believes that age, gender, race, strategic issues and owner characteristics are the categories for success to emerge. These authors believe that in any business there is no one set of reliable variables that will always time and again promote success, hence the different outcomes collected by the researcher. Hand, Sineath and Howle (1987) concurred when they stated that victorious strategies used in one business may not be the best for another, as business and people are different.

Main Conclusion

The conclusion of the research on the evaluation of the survival strategies by small businesses in the retail hardware sectors in Zimbabwe yielded negative results and are not effective. This is so because of the number of small businesses operating in the sector and a decrease in profits. In addition it is so because there are less retail hardware, showing that survival is itself a struggle in the sector.

The researcher evaluated the challenges faced by small businesses and they had different frequency distribution. Previous literature has clearly shown that there are indeed different factors affecting the performance and survival ability of firms. It has been acknowledged that sustainability practices are fundamental and can contribute to the success of business in the long term (Perrini&Tencati, 2006). The challenge which had the highest frequency was lack of networks and the least was operational strategies. Some of the current survival strategies used by small businesses were very effective and some were not this might be due to management not properly imposing the strategies. The most effective one being used is collaboration which had 96 frequency distribution and the least was networking which had 70 frequency distribution. Alternative survival strategies used by small businesses in the retail hardware sector had different impact on different businesses. The one with the highest frequency distribution was temporary closure and the least was strategic procurement.

The different small business in the retail sector encounters different challenges, survival strategies and alternative survival strategies. The challenges encountered are as follows: lack of business networks, lack of finance, lack of Human Resource, lack of ICT, lack of customer relationship management systems, supply chain, political instability, competition, high taxation, operational challenges. Survival strategies used are as follows:

Recommendations

There are a number of policies that affect small businesses hence the Zimbabwean government's economic initiatives must be easily reached and accessible to all SMEs in policy formulation for the small sector since they are key stakeholders. Discussing issues with owners and managers of small businesses which affect small businesses in their operations and the challenges they encounter could be influential in their survival.

Due to lack of business management skills in small businesses Zimbabwean government should provide entrepreneurship training and education to potential and existing entrepreneurs. Davies, Hides and Powel (2002) in their annual Global Entrepreneurship Monitor (GEM) reported that there is an overall lack of entrepreneurship elements in the education system in most countries. Small businesses to survive and to remain competitive there is need for continuous development and empowerment through equipping the group with relevant information, (Gray 2006). Msipa et al (2013) state that the ability for small businesses to adapt to training and development would allow owners and managers to gain the requisite skills needed for development.

To enhance survival in small businesses education is of importance. Most of the businesses managed or owned by those who are not highly educated have a poor performance. Only 8% of the respondents had secondary education and the business performance is high. Beaundry et al (2006) cited in Doms et al (2009) states that highly educated metropolitan areas generally posted above average wage growth over the past decades. Ministry of small businesses should train entrepreneurs by introducing career development schemes which enhance on their business know-how and business experience.

Financial management is deficient in small business hence there is need for financial management practices. It has also been known for many years that financial management in small enterprises plays a vital role in their success and survival, (Bolton, 1971, Birley and Niktari, 1995, Jarvis et al, 1996). Financial management is a problem in the retil hardware sector because of ignorance of keeping records of the businesses.

Mboko and Hunter (2009) states that women entrepreneurs are strong entrepreneurs but face a number of obstacles that cause their businesses not to grow or perform well. Male businesses are the one which are dominant. Ministry of small to medium enterprises and the corporate business world should introduce female entrepreneurship development models. The government can establish policies that enhance or supports women entrepreneurs businesses. Individuals who work with women entrepreneurs should teach them how to access information and educate them on how to operate their businesses. In addition women entrepreneurs should seek training in those areas they do not perform well.

Small business are faced be stringent requirements from banks where they want to borrow from them. Banks require collaterals which small businesses do not have. When they have collateral the amount of fund disbursed is not enough to recapitalise their operations. To help small businesses the government should act on behalf of the small businesses and act as a guarantee to credit institutions in the same way that they have been doing for Youth Projects. The banks are assured that failure of small businesses to pay back the government will pay back the owing.

SMEs in the retail hardware sector are also recommended to establish collaborative networks with their suppliers in order to have supply chain benefits such as supply guarantee, and special discounts that big retailers are already enjoying. In addition given their small size, SMEs in construction retail hardware sector can also collaborate with their fellow competitors of the same size in order to avoid unhealthy competition amongst them and to be able to sustain their operations in the face of cheap imports. For instance they can share premises to reduce rental costs, share distribution systems in order to reduce distribution costs amongst other benefits.

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