

Chapter 3: Research Methodology

This chapter identifies and discusses the research methodology that was utilised for the study and this encompasses the procedures, objectives and shortcomings that were considered critical to the design of the research. Specifically, the population, sampling frame, sampling methods, data collection techniques, synthesis, analysis and interpretation of the data and the appropriate justification were looked at. Hakim (2004) asserts that a research methodology refers to the approach and methods used to plan and collect the data.

The researcher adopted a quantitative approach which sought to establish the proposed six factors of strategic planning and how they relate to and impact on SMEs performance. Quantitative methods involve collecting data which can be quantified and analysed using statistical methods (Kothari, 2004). The quantitative approach enabled the researcher to test and confirm objectively the hypotheses of the study and to determine in the end the impact of strategic planning on the performance of the SMEs in Zimbabwe. Furthermore, quantitative approach is more structured than the qualitative approach and it also is based on the self-response questionnaires which consist of the structured format of responding (Saunders *et al.*, 2012) hence the researcher considered using the quantitative method.

The research philosophy selected for this research is positivism. This research philosophy reflects the principles of positivism where the philosophical stance to be adopted is similar to that of the natural scientist. In that case it entailed working with an observable social reality within the SME sector and that the end product of such research was aimed at generalizations as posited by Remenyi *et al.* (1998).

According to Denscombe (2004), the word research paradigm has come to refer very often now to a thought pattern in any scientific discipline or

other epistemological context. The Merriam-Webster Online dictionary defines this usage as "a philosophical and theoretical framework of a scientific school or discipline within which theories, laws, and generalizations and the experiments performed in support of them are formulated; broadly: a philosophical or theoretical framework of any kind". Puttergill (2000) agreed with the above assertion and goes on to say that, a paradigm is a fundamental image of the subject matter within science, it serves to define what should be studied, what questions should be asked, how they should be asked and what rules should be followed in interpreting the answers obtained. The definition used here is that, a paradigm is a way of examining social phenomena from which particular understandings of these phenomena can be gained and explanations attempted (Creswell, 1994). The researcher used the quantitative approach in collecting data on SMEs in Harare.

The study used the survey method research design to investigate the link between strategic planning and performance of SMEs in Zimbabwe. Yin (1989) indicates that a research design refers to "the logic that links the data to be collected to the initial questions of the study". Owing to the complex interrelationships that were studied (Mouton, 1996), at a deeper level of understanding to acquire greater knowledge about the phenomenon of planning activities by SMEs in Zimbabwe. A survey research design is unique as it gathers information which is not readily available from other sources and it gives true representation of information from the population of interest since data are collected from every respondent (Owens, 2002). Sekeran (2004) determines that a survey is an efficient method for establishing the relationship between variables and in the study the researcher sought to establish the relationship between strategic planning and organisational performance.

The researcher reviewed secondary data available from journals, case studies, and internet and published books relevant to strategic planning and organisational performance. The researcher sought to learn as much

as possible about the concept of strategic planning, factors of strategic planning and its importance on the performance of an organisation.

The researcher constructed draft questionnaires using information obtained from secondary data sources which was already available and less costly to acquire and the questionnaires were piloted.

After the preparation of the questionnaire in draft form, it was then pilot-tested. Pilot testing was carried out in each sector targeting the owner/manager. Pilot test helps to “refine the questionnaire so that respondents will have no difficulty in answering the questions and there will be no problems in collecting the data” (Saunders *et al.*, 1997:269). The pilot test assisted the researcher in assessing some of the question’s validity and reliability of the data collected. The pilot test minimised the chances of the questionnaire being misunderstood, containing errors and having inadequate responses hence avoiding waste of time and resources before finalization. Final questionnaires to be used on the research participants were developed after the necessary modification.

The target population considered by the researcher was 10 000 registered SMEs in Harare alone as estimated by The Ministry of SMEs and was regarded to be reasonably representative of all the SMEs in Zimbabwe and this justified why data collection was done in Harare. The population is the entirety of the people or items being considered (Francis, 1998).

Sampling is defined as a selection of a sub-group or representative of a population to be examined to obtain statistical data or information about the whole population (Saunders *et al.*, 2007). A subset of the population on which observations are made or measurements taken is referred to as a sample. A sample should be drawn in such a way that it is representative of all the members of the population (Denscombe, 2004). Wegner (2002), states that not every member of the population is

observable or measurable for reasons of, mainly, cost, time and possibly unit destruction.

The researcher applied a two-stage sampling method which consisted of first splitting up the population into clusters making up the cluster sampling based on the data held by the SME Association of Zimbabwe. The second stage entailed a convenience approach in which the questionnaire was administered to the respondent who was easily available, easy to locate or who was the first one to be met for each of the identified clusters.

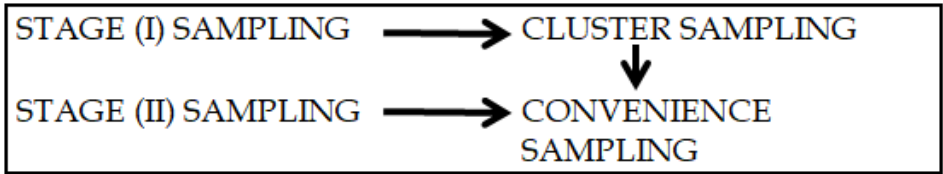


Figure 3.1: Sampling Stage (Own)

The sampling frame consisted of the SMEs within Harare and particularly registered by their associations or by the Ministry of SMEs. The consideration took the form of clusters (Retail, Manufacturing, Agriculture, Construction, and Transport) and the 1000 members in the sampling frame were extracted from that whole population of SMEs in Harare. Harare has been chosen for the study because of its high economic activities as compared to other cities and this can be used to measure the general outlook across the country. The researcher administered structured questionnaires to 390 respondents out of the 10000 SMEs in Harare according to their sectors and also as registered by the Ministry of SMEs or by their sector association. The researcher employed Krejcie and Morgan (1970) model in calculating the sample size; Population Size: 10 000 then Sample Size: 370. In terms of representativeness, 370 out of the possible sampling frame of 1000 could be sampled and this yielded a 37% which Yin (2009) regards as representative and acceptable. The researcher however administered an

extra 20 questionnaires to cater for the possibility on non -returns and errors. Table 3.2 shows the sample frame and size.

Table 3.2: Sampling Frame and Sample Size (*Own*)

NO.	SECTOR/CLUSTER	SAMPLING FRAME	SAMPLE SIZE
1	Retail	150	65
2	Manufacturing	150	65
3	Transport	150	65
4	Agriculture	150	60
5	Construction	150	65
6	Other	250	70
TOTAL		1000	390

The research instrument used for the study was a structured questionnaire. Research instruments are the tools or means used to collect data (Gwimbi & Dirwai, 2003). The methodological approach that one uses is determined by, among other things, the type of data to be investigated and the tools to be used.

A self-administered structured questionnaire was used as the data collection instrument targeting the respondents. The researcher preferred questionnaires because of their simplicity in their administration, item scoring and analysis (Nachmias & Nachimias, 2008). A total of 370 self-administered questionnaires were sent to owner/managers and their employees occupying decision making positions. The researcher administered the questionnaires and collected them after filling-in by the respondents. A response rate of at least 95% from the 370 respondents was achieved due to constant follow ups made by the researcher.

The questionnaire contained a Demographic Section (A) soliciting for information about designation, gender, age, years with the organisation and level of education, Section (B) containing close ended questions

soliciting for information related to factors of strategic planning and Section (C) organisational performance metrics. The respondent had the choice of either agreeing or disagreeing at a certain level with the statements made within the range.

Different variables pertinent to the study were measured as given below:

Section B

- ☐ Organisational objectives and performance;
- ☐ Resource allocation and organisation performance;
- ☐ Organisation structure and performance;
- ☐ Implementation plan and organisational performance;
- ☐ Employee participation and firm performance;
- ☐ Use of Environmental scanning and performance.

Section C

- ☐ Performance of the Organisation
- ☐ The researcher noted much advantages and challenges in using questionnaires for the study and has been discussed as below:
 - ☐ The researcher was able to leave the questionnaires and collect them later after completion by the respondent at their convenience without pressurising;
 - ☐ The questionnaire minimised the element of bias that is commonly prevalent in interviews emanating from differences in race, sex, social class, age and educational level (Gillham, 2000);
 - ☐ The standardisation of information and questions for all respondents made the data gathered more reliable for the researcher.

Babbie (1992) states that a major advantage of a questionnaire is that respondents enjoy anonymity and thus feel free to express views they may consider restricted making the information obtained more reliable. The researcher benefited from this advantage and information obtained was not contaminated with elements of fear.

Many respondents questioned the issue of personal relevance which this researcher had to explain at length to the participants citing collective beneficiation for all SMEs from the results of the study. The researcher might have missed on the benefit of other information obtainable without limitation from the close-ended questions for possible expansion of answers; however, answers obtained were sufficient to address the purpose of the study. Another challenge the researcher encountered was the non- return of some of the administered questionnaires, however this could not generally affect the validity of the study as non-returns only amounted to 5% of the administered questionnaires.

Questionnaires have a limitation of respondents in some cases not being able to read the questions and respond to them but in the study, the researcher made sure all the limitations were corrected through pilot testing. The researcher also noted that questionnaires have the same problems relating to question construction and wording that exist in other types of opinion polls.

Both primary and secondary data were sourced and utilised in addressing research objectives. Data were collected from SMEs operating in Harare, the capital city of Zimbabwe where most of the commercial and industrial activities are happening. The targeted SMEs information was obtained from the SMEs Associations and The SMEs Government Ministry. The researcher targeted SMEs Owners, managers and any worker holding a position deemed to be of strategic nature in the organogram of the organisation. The participants were carefully targeted on the basis of the respondent's awareness in issues that relate to strategic planning and organisational performance.

The results of the study should be read and interpreted in view of limitations encountered. The SMEs sector being vast and big, offered a big challenge for the study relating to availability of time and other resources. As a result, the research was limited to SMEs operating in

greater Harare and the study could not accommodate all sectors of the economy. The sample size chosen was another limitation. The results of the study were also affected by the limitation offered by the data collection instrument used. The study used the questionnaire only. In the study, SMEs were only defined based on number of employees. The researcher can concur that there are various factors of strategic planning factors which can affect organisational performance but for the purposes of the study, the researcher considered only six. These limitations nevertheless in my own view do not outclass the importance of the findings the study.

The presentation of the data is also considered to be important by Charles (1995). Data were recorded, coded and tabulated capturing various responses. Results of the data analysis was captured in percentages and numerical frequencies. Statistical Package for Social Science (SPSS) program was used to analyse and present obtained data. Data were presented in tables, graphs and other suitable diagrammatic or pictorial presentation with the aim of making it clear on relationships, trends and if general models can be extracted out of that data. Research findings were presented under cover title of the concepts underlying each and every research question contained in the questionnaire in the form of charts, tables, figures and narrative explanation. This was then followed by a quantitative analysis. Where possible this was discussed with reference to the results of the desk research as presented in the literature review as outlined in the literature review section. The researcher used the data analysis process adopted from Punch (2005) to guide in analysing the data and writing the report which entailed thematic coding which was applied to analyse and identify the themes of the data. Regarding coding, the researcher used the data codes A to E to denote the questionnaires as distributed to the respondents'. The SPSS analytical tool was used to assist with the analysis.

The researcher made sure the data collection techniques used was in line with the research ethics on information access. The researcher was

careful to ensure that researching procedures used did not cause emotional or physical harm. The following mechanisms were put in place by the researcher;

- Seeking of appropriate permission, authority or consent prior to the beginning of the study.
- Observation of certain cultural values, traditional and taboos.
- Protection of information's rights to privacy
- Establishing good rapport between the researcher and the participant.

Charles (1995) adheres to the notions that consistency with which questionnaire [test] items are answered or individual's scores remain relatively the same can be determined through the test-retest method at two different times. This attribute of the instrument is actually referred to as stability. If we are dealing with a stable measure, then the results should be similar. A high degree of stability indicates a high degree of reliability that means the results are repeatable. A research instrument must be reliable and valid. Trochim (2008) defines reliability as the consistency or repeatability of one's measures, that is, the quality of measurement. On the other hand, Leedy (1993) defines reliability as a matter of whether a particular technique applied repeatedly to the same results each time it deals with accuracy.

Leedy (1993) argues that validity is the quality of a data gathering instrument or procedure that enables it to measure what it is supposed to measure. The researcher used the questionnaire as the instrument for data collection with the intention of achieving validity and reliability. Though the instrument's application is limited in terms of response rate and lack of opportunities to clarify issues, it is without doubt that the instrument provided the researcher with accurate answers on issues solicited as a result of its clarity, clear layout, the sequence employed and the interactive nature of the questions / statements. A questionnaire, being a predetermined set of questions or statements

used to collect data, accommodates consistency on the standard of scores captioned by the respondents carried a definitive purpose that was related to the objectives of the study. Miller (2015) refers to reliability as an extent to which any measurement procedure produces the same results on repeated trials or is the stability or consistency of scores over time or across raters. The researcher established the reliability of the questionnaire by subjecting it to a pilot test where data were collected from 25 subjects not included in the sample and measured using the Cronbach's alpha for internal consistency reliability. A reliability coefficient of 0.8 was obtained using the SPSS and this is considered an acceptable reliability.

The research design and philosophy has been postulated and the research methodology has also been explained in detail in this chapter. The research gathering and analysis techniques applied in the study were also discussed at length. For the purposes of this research study, the quantitative approach. As for data collection techniques mostly the survey approaches which consisted of interviews and questionnaires were employed. Whereas the chapter gave details on the research methodology, the next one gives presentation of findings, analysis and interpretation of results.