Optimising SME Performance Through Strategic Planning: Models And Applications

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Abstract. Strategic planning is a crucial element for optimising the performance of small and medium-sized enterprises (SMEs) in a highly competitive and dynamic business environment. This study analyses the influence of strategic management practices on the success and annual revenues of SMEs in the province of Santa Elena, Ecuador. Using a quantitative approach, it examines the relationship between firm size and the presence of a strategic plan, the impact of planning methodology on observed profits, the association between plan revision frequency and adaptability, and the combined effect of these practices on perceived success. The results show that larger firms tend to have more frequent strategic plans, and that regular plan review is positively correlated with greater adaptive capacity and higher revenues. In addition, clusters of firms with similar characteristics in terms of strategic practices and performance are identified. The findings underline the importance of adopting a proactive and adaptive strategic approach to achieve success and sustainable financial growth in SMEs.
Keywords: Strategic planning, SMEs, business success, adaptability, competi-tive-ness

1 Objective of the Research

1.1 General Objective

To analyse the influence of strategic management practices on the success and annual revenues of companies in St. Helena.

1.2 Specific Objectives

- Assess the Relationship between Firm Size and the Presence of a Strategic Plan: Determine whether firm size influences the likelihood of implementing a strategic plan.
- Examine the Impact of Strategic Planning Methodology on Observed Profits: Investigate whether different strategic planning methodologies are associated with variations in firms' observed profits.
- Analyse the Correlation between the Frequency of Strategic Plan Review and Adaptability to Change: Determine whether greater frequency of strategic plan review is related to greater adaptability to changes in the business environment.
- Identify Patterns and Clusters through clustering analysis: Use clustering techniques to discover groupings of firms based on their strategic practices and operating characteristics, and explore differences in success and annual revenues among these groups.

INTRODUCTION

In a highly competitive and dynamic business environment, small and medium-sized enterprises (SMEs) face significant challenges in maintaining their competitiveness and ensuring their sustainable growth. In this context, strategic planning emerges as an indispensable tool to optimise the performance of SMEs, enabling them to anticipate and adapt to market changes, efficiently leverage their resources and achieve their long-term objectives (Alde-rete & Gutiérrez, 2012).

Strategic planning is a systematic process that involves the analysis of an organisation's internal and external environment, the definition of strategic objectives, the development

of strategies to achieve them, and the implementation and evaluation of those strategies (David, 2013). This methodology has proven to be crucial for the success of companies, regardless of their size or sector. However, SMEs face specific challenges in implementing strategic planning, such as lack of resources, resistance to change and limited management capacity (Sandada et al., 2014).

In this sense, the present study focuses on analysing the importance of strategic planning in optimising the performance of SMEs in the province of Santa Elena, Ecuador..

Through a comprehensive review of the existing literature, as well as the analysis of case studies and the collection of empirical data, we seek to understand the specific challenges and opportunities faced by SMEs in St. Helena in the implementation of strategic planning. In addition, the most effective models and approaches, adapted to the particular characteristics and needs of these enterprises, will be evaluated.

Ultimately, this study aims to contribute to the economic and social development of the province of Sta Elena by providing SMEs with practical tools to optimise their performance and strengthen their competitiveness in a globalised and highly demanding market.

THEORETICAL FRAMEWORK

1.1Introduction

Strategic planning plays a key role in optimising the performance of small and medium-sized enterprises (SMEs) in an increasingly competitive and dynamic business environment. Numerous studies have demonstrated the importance of adopting proactive and adaptive strategic approaches to achieve success and sustainable financial growth in these organisations (Alderete & Gutiérrez, 2012; Sandada et al., 2014). Strategic planning can be a valuable tool to address specific SME challenges, such as lack of resources, lack of management expertise and financial constraints (Hin et al., 2018).

1.2 Benefits of Strategic Planning for SMEs

The implementation of strategic planning in SMEs can generate a number of benefits, such as increased sales, improved operational efficiency, increased customer satisfaction and expansion into new markets (Chukwuka & Ese, 2022). Strategic planning can optimise performance by facilitating the alignment of innovation strategies with business objectives (Lewan-dowska & Stopa, 2019).

A recent study also suggests that strategic planning can significantly improve the financial performance of SMEs by providing clear direction and better resource allocation (Aremu et al., 2021).

1.3 Key Factors for Successful Strategic Planning

The success of strategic planning in SMEs depends on several key factors, such as the behaviour and commitment of stakeholders during the process (George, 2017). Also, the frequency of revision of the strategic plan and the ability to adapt to significant changes in the market or industry are crucial aspects (Lohana et al., 2023; Makkawi, 2023).

Active employee participation and top management commitment are key elements to ensure effective implementation of the strategic plan (Mengistie, 2022).

1.4 Strategic Planning Models and Approaches

There are various models and approaches that can be used in strategic planning for SMEs, such as SWOT analysis, scenario-based planning and the Business Canvas model (Wang et al., 2009). The choice of the appropriate methodology may depend on factors such as industry, company size and individual preferences. \

However, some authors suggest that more flexible and dynamic approaches, such as agile strategic management, may be more appropriate for SMEs operating in highly uncertain and changing environments (Nair et al., 2022).

1.5 Integration of Strategic Planning with Other Organisational Practices

Strategic planning can be further optimised when integrated with other organisational practices, such as exploratory and exploitative learning (Junge, 2023), the development of big data analytics capabilities, strategic agility and creativity (Alyahya et al., 2023), and organisational heuristics (Bingham et al., 2007).

Integrating strategic planning with knowledge management practices can significantly improve SME performance by facilitating the effective transfer and application of knowledge throughout the organisation (Oun et al., 2021).

1.6 Sustainability and Corporate Social Responsibility

Strategic planning can also play a key role in aligning business strategies with sustainability and corporate social responsibility objectives (Jansson et al., 2016; Le & Behl, 2022). This can contribute to optimising the performance of SMEs by enhancing their reputation and image, as well as promoting more responsible and sustainable practices.

Furthermore, integrating sustainability into strategic planning can improve operational efficiency and long-term profitability by reducing costs and environmental impacts (Spence & Painter-Morland, 2022).

1.7 Training and Human Resources Development

Training and human resource development are key aspects of improving organisational performance in SMEs (Vasquez-Torres et al., 2020). Strategic planning can further optimise performance by aligning training programmes with the firm's strategic objectives and improving the overall effectiveness of employees. In addition, investing in the development of employee skills and competencies can improve innovation and adaptability of SMEs, which in turn contributes to better long-term performance (Lussier & Sonfield, 2015).

Strategic planning plays a crucial role in optimising SME performance by facilitating the alignment of business strategies with growth, efficiency and sustainability objectives.

However, the success of strategic planning depends on several factors, such as the methodology used, the frequency of plan revision, adaptability and integration with other organisational practices. By addressing these aspects, SMEs can maximise the benefits of strategic planning and improve their competitiveness in an increasingly challenging global marketplace.

1.8 Business context in St. Elena Province

According to the presentation and data of the National Institute of Statistics and Census (INEC) of Ecuador from 2024, the business situation in the province of Santa Elena can be described as follows:

The province of Santa Elena, located on the Ecuadorian coast, has a population of approximately 400,000 inhabitants. The business sector is mainly composed of Small and Medium Enterprises (SMEs), which represent 96.8% of the registered companies in the province, generating around 27,500 direct jobs.

According to INEC (2024), Santa Elena has 8,375 registered SMEs, mainly concentrated in the tourism, services, commerce and manufacturing sectors. However, the business sector in the province faces several significant challenges:

High rate of informality: Around 45% of businesses do not have an official registration, limiting their access to credit and formal markets.

Low technology adoption: Only 28% of enterprises use computers, and 15% have an Internet presence, which can affect their competitiveness.

Low business training: 68% of business owners lack management training, which can hinder the proper management of their businesses.

Limited access to finance: 72% of enterprises do not apply for credit due to high requirements and associated costs.

Despite these challenges, St. Helena province has experienced significant growth in the number of active enterprises and sales generated. In 2022, the province recorded a 46.5 per cent increase in the number of active enterprises and an 11.3 per cent increase in sales compared to the previous year (INEC, 2024).

These data highlight the importance of implementing appropriate management strategies and practices to strengthen the business sector in the province of Santa Elena, promoting formalisation, business training, the adoption of technologies and access to finance, in order to improve its competitiveness and contribute to the economic development of the region.

2 METHODOLOGY

2.1 Research Design

The research adopts a quantitative, descriptive and correlational approach, using statistical analysis to explore relationships between variables and patterns within the data set.

Population and Sample

The study population consists of 712 companies, registered in the province of Santa Elena with the Superintendencia de Compañías del Ecuador (2020), with a sample of 152 companies selected based on the availability of complete data for the variables of interest.

Study Variables

Key variables include:

Independent variables: Firm size, presence of a strategic plan, strategic planning methodology, frequency of strategic plan review, and adaptability.

Dependent variables: Perceived success and annual revenue.

Data Collection Procedure

Data were collected from a dataset provided, including information on strategic practices, operational characteristics, and financial performance of the firms.

2.2 Methods of Analysis

Several methods of statistical analysis were employed, including:

Chi-square tests to explore the relationship between categorical variables.

ANOVA and Kruskal-Wallis to compare means and medians between groups.

Clustering analysis (K-Means) to identify groupings of firms based on selected characteristics.

Principal Component Analysis (PCA) to reduce the dimensionality of data and explore underlying patterns.

Data Visualisation to interpret trends and relationships between variables.

Ethical Considerations

The research was conducted following the ethical principles of confidentiality, anonymity, and responsible use of data, ensuring that no sensitive or identifiable information was disclosed in the analysis process.

2.3 Hypotheses

Hypothesis 1: Relationship between Firm Size and the Presence of a Strategic Plan H0 (Null): There is no relationship between firm size and the presence of a strategic plan. H1 (Alternative): There is a relationship between firm size and the presence of a strategic plan, with larger firms being more likely to have a strategic plan.

Hypothesis 2: Influence of Strategic Planning Methodology on Observed Benefits H0 (Null): The strategic planning methodology used does not influence the type of benefits observed by firms. H1 (Alternative): The strategic planning methodology used has a significant influence on the observed profits....

Hypothesis 3: Relationship between the Frequency of Strategic Plan Review and the Capacity to Adapt to Change H0 (Null): The frequency of strategic plan review is not related

to the ability to adapt to change. H1 (Alternative): Firms that review their strategic plan more frequently show greater adaptability.

Hypothesis 4: Combination of Strategic Practices and Perceived Success Null Hypothesis (H0): The combination of strategic practices (having a strategic plan, the planning methodology used, and the frequency of plan review) does not have a significant impact on firms' perceived success.

3 Development

3.1 Analysis of Hypothesis 1

In relation to hypothesis 1, a chi-square test was applied and yielded the following results:
Chi-square value: 28.75
p-value: 5.71e-07
Degrees of freedom: 2
Observed:
Large: 1 (No), 37 (Yes)
Medium: 17 (No), 48 (Yes)
Small: 43 (No), 43 (Yes)

Since the p-value is much less than 0.05, the null hypothesis is rejected. This indicates that there is a significant relationship between firm size and the presence of a strategic plan, supporting the alternative hypothesis that larger firms are more likely to have a strategic plan.

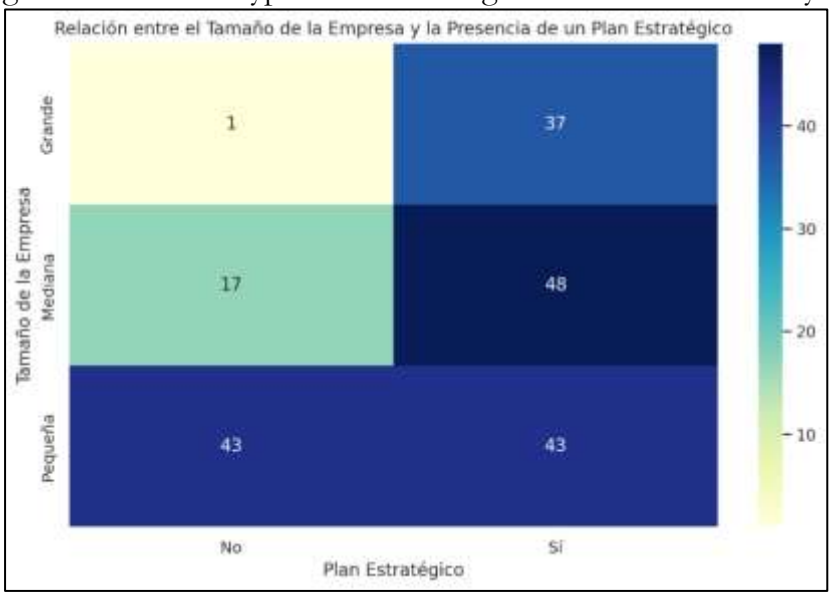

Fig. 1. Relationship between company size and the presence of a strategic plan

Figure 1 shows the relationship between company size and the presence of a strategic plan. It shows the distribution of firms with and without a strategic plan according to their size. This visualisation complements the results of the Chi-square test, highlighting how large firms tend to have a strategic plan more often than small and medium-sized firms.

3.2 Analysis of Hypothesis 2.

For Hypothesis 2, the influence of the strategic planning methodology used on firms' observed profits was assessed. Since both are categorical variables, a Chi-square test was used to analyse their relationship.

The Chi-square test for Hypothesis 2 yields the following results:
Chi-square value: 8.80
p-value: 0.72
Degrees of freedom: 12

Since the p-value is significantly greater than 0.05, the null hypothesis is not rejected. This suggests that, based on the available data, there is insufficient evidence to claim that the

strategic planning methodology used significantly influences the type of profits observed by firms. In other words, the strategic planning methodology does not seem to have a significant relationship with observed profits, according to our analysis.

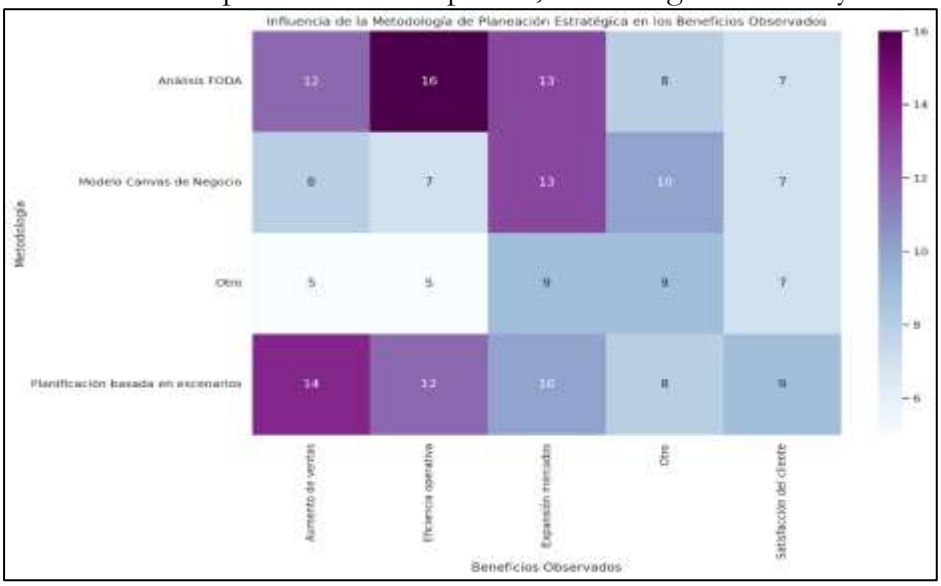

Fig. 2. Influence of strategic planning methodology on observed benefits

Figure 2 shows how each strategic planning methodology is related to the different benefits observed by the companies. This visualisation helps to understand the distribution of profits according to the methodology used, although, as the results of the Chi-square test indicate, there is no statistically significant relationship between these variables.

3.3 Analysis of hypothesis 3

For Hypothesis 3, the relationship between the frequency of revision of the strategic plan and the ability to adapt to change was analysed. Both variables are categorical, so we will again use a Chi-square test to investigate their relationship.

The Chi-square test for Hypothesis 3 yielded the following results:

Chi-square value: 230.68

p-value: 1.18e-44

Degrees of freedom: 9

These results indicate a p-value significantly less than 0.05, which leads us to reject the null hypothesis. This suggests that there is a significant relationship between the frequency of reviewing the strategic plan and the ability to adapt to change. Firms that review their strategic plan more frequently show greater adaptability, supporting the alternative hypothesis.

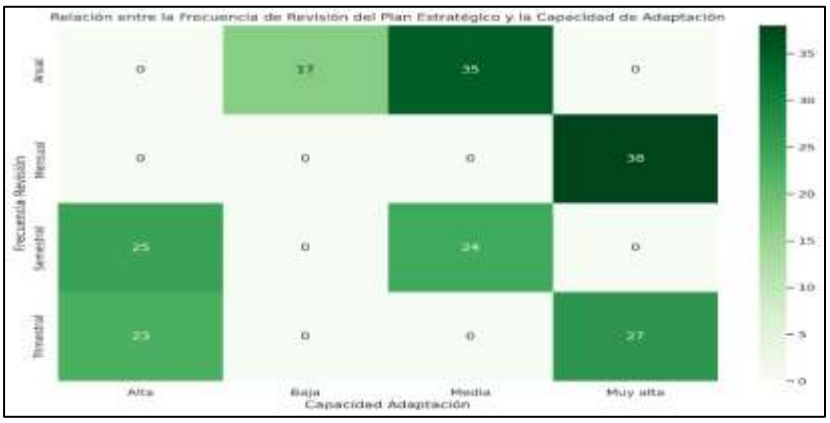

Fig. 3. Relationship between the frequency of revision of the strategic plan and adaptability

Figure 3 clearly shows how the frequency of revision of the strategic plan is related to the firms' ability to adapt to change. We observe a significant correlation indicating that higher

revision frequency is associated with higher adaptability, as reflected in the extremely low p-value obtained in the analysis.

3.4 Analysis of the hypothesis 4

For Hypothesis 4, we need to assess the impact of a combination of strategic practices on firms' perceived success. Since 'Perceived Success' is an ordinal variable and we are considering multiple independent variables (having a strategic plan, the methodology used, and the frequency of revisiting the plan), an ordinal regression model might be the most appropriate approach for this analysis.
The ANOVA result for the variable 'Strategic Plan' is as follows:
F-statistic: 0.447
p-value: 0.505
This result indicates that there is no statistically significant difference in perceived success between companies that have a strategic plan and those that do not, with a p-value significantly greater than 0.05. This suggests that, in this data set, the presence of a strategic plan alone does not have a significant impact on perceived success.
ANOVA was then conducted to assess the impact of the 'Strategic Planning Methodology' used and the 'Frequency of Strategic Plan Review' on perceived success.
The ANOVA analysis for the variable 'Strategic Planning Methodology' shows the following:
F-statistic: 0.651
p-value: 0.584
This result suggests that there are no statistically significant differences in perceived success between the different strategic planning methodologies used by the companies. The p-value, being greater than 0.05, indicates that we cannot reject the null hypothesis of equality of means between the groups.
We then proceeded with the ANOVA analysis for the 'Frequency of Strategic Plan Review'.
The ANOVA analysis for 'Frequency of Strategic Plan Review' yields the following results:
F-statistic: 3.034
p-value: 0.031
This result indicates that there are statistically significant differences in perceived success between the groups as defined by the frequency of strategic plan review, with a p-value of less than 0.05. This suggests that the frequency with which firms review their strategic plan has a significant impact on perceived success.

3.5 Descriptive statistical analysis

Summary table of the descriptive statistical analysis carried out for the numerical and categorical variables:

#	Variable	Description
1	Years of Operation	Average: 15.74 years, Min: 1, Max: 29
2	Plan Implementation Time (years)	Average: 2.62 years, Min: 1, Max: 4
3	Annual Revenues (USD)	Average: 2.79M USD, Min: 125,388, Max: 4.99M
4	New Products/Services	Average: 4.30, Min: 0, Max: 9
5	Numerical Success	Average: 2.5 (scale 1-4)
6	Company Size	Majority: Small (72 out of 152)
7	Industry Sector	Most common: Food (35 companies)

#	Variable	Description
8	Strategic Plan	Have plan: 105 out of 152
9	Methodology	Most used: SWOT analysis (45 companies)
10	Frequency Review	Most common: Quarterly (44 companies)
11	Capacity Adaptation	Most frequent: Very high (53 companies)
12	Observed Benefits	Most observed: Market expansion (35 companies)
13	Perceived Success	Most frequent: Unsatisfactory (44 companies)

The table provides a clear overview of the main characteristics and trends within the analysed dataset.

3.6 Statistical Correlational Analysis

For a more advanced and exploratory statistical analysis of the data, we can focus on two different analyses: the Kruskal-Wallis test to compare medians between groups and the Principal Component Analysis (PCA) to explore the structure of the data in a lower dimensional space.

Kruskal-Wallis test.

We will apply the Kruskal-Wallis test to assess whether there are significant differences in annual earnings between different industrial sectors, since this test is useful for comparing more than two groups when the data do not necessarily follow a normal distribution.

2. Principal Component Analysis (PCA)

We will perform PCA on the numerical variables to reduce the dimensionality of the data and to visualise possible clusters or patterns.

Let's start with the Kruskal-Wallis test.

The Kruskal-Wallis test to assess the differences in annual income between the different industry sectors yields the following results:

Kruskal-Wallis statistic: 0.864

p-value: 0.930

Since the p-value is much larger than 0.05, there is insufficient evidence to reject the null hypothesis. This means that no significant differences in annual earnings were found between the different industrial sectors, according to the available data.

Next, we proceed with the Principal Component Analysis (PCA) for the numerical variables in the dataset.

The Principal Component Analysis (PCA) applied to the selected numerical variables has reduced the dimensionality of the data to two principal components (PC1 and PC2). The variance explained by these first two components is approximately 47.27% of the total, which indicates the amount of information (variance) that has been captured by this reduction.

Next, we will visualise the PCA results to visually explore possible patterns or clusters in the reduced data.

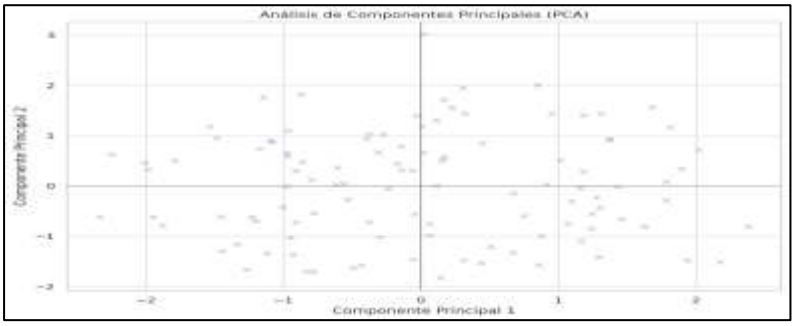

Fig. 4. Principal components analysis - PCA

Figure 4 shows the results of the principal component analysis (PCA) with two principal components. Although the variance explained by these two components is approximately 47.27%, which does not capture most of the variance in the data, it provides a simplified view to identify patterns or clusters.

No clear clusters are observed in this visualisation, which may indicate that the variables selected for the PCA do not strongly differentiate between groups of firms in this dataset, or that more detailed analysis is needed to understand the relationships between variables. These advanced analyses provide insight into how the different numerical variables relate to each other and how firms are distributed in terms of annual revenues and perceived success across sectors.

3.7 Clustering analysis,

To perform a clustering analysis, we used the K-Means method, which is a popular approach to group data into a predefined number of clusters based on the similarity of data characteristics. This method can help us identify patterns and clusters that are not observable to the naked eye in the data set.

First, we will need to decide on the number of clusters. A common way to do this is by using the elbow method, which involves plotting the explained variance (or inertia) as a function of the number of clusters and looking for the point where the improvement in explained variance is no longer significant, which is usually seen as an 'elbow' in the plot.

We will start by standardising the numerical variables and then apply the elbow method to determine the appropriate number of clusters.

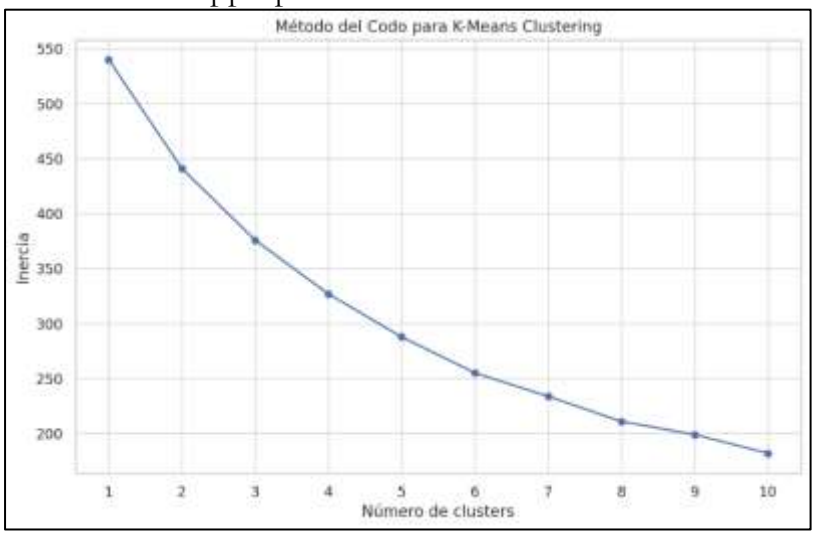

Fig. 5. K-means clustering model

Figure 5 of the elbow method shows how the inertia (a measure of how cohesive the clusters are) changes as the number of clusters increases. We look for a point where the decrease in inertia stabilises and stops decreasing as rapidly, which usually indicates an adequate number of clusters.

In this figure, the 'kink' is not extremely pronounced, but there appears to be a change in the rate of decline around 4. This suggests that four might be a reasonable number of clusters for this data set.
Now, we will apply K-Means 4 clusters to the data and then visualise the results to see how the firms are grouped according to the variables selected for the PCA.

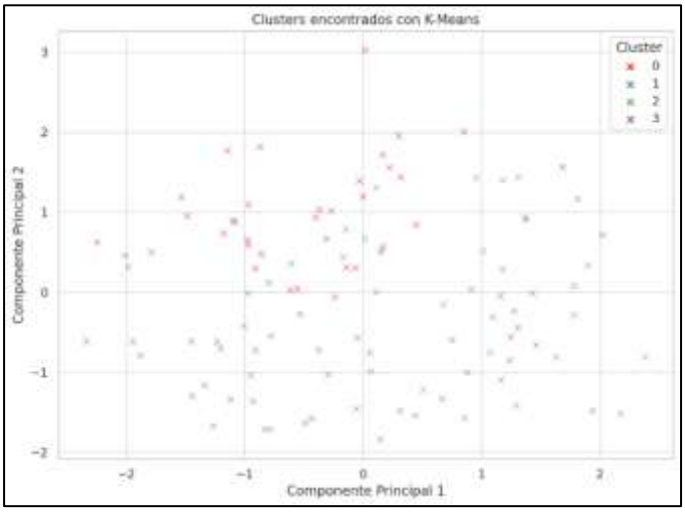

Fig. 6. Clusters found with K-Means

Figure 6 indicates the clusters found by the K-Means algorithm applied to the PCA transformed data, with a total of 4 distinct clusters. Each point represents a company, coloured according to the cluster to which it has been assigned. This allows us to observe how the firms are distributed in the space defined by the first two principal components, which are linear combinations of the original variables.
Through this clustering analysis, we can begin to identify groups of firms that share similar characteristics in terms of the numerical variables considered (years of operation, time of plan implementation, annual revenues, new products/services, perceived success). Each cluster may represent a different pattern in these aspects, which could be of interest for a more detailed analysis of the particularities of each group.

3.8 Trend analysis

To analyse trends in this dataset, we can examine how certain company characteristics, such as annual revenues, have changed over time based on other factors, such as the size of the company or the presence of a strategic plan. Since the dataset does not include a specific timestamp that would allow us to analyse year-over-year changes, we will focus on general trends based on available characteristics, such as 'Years of Operation', which can serve as a proxy to examine how certain practices or characteristics have influenced perceived success or revenues over time.
Trend 1: Perceived Success vs. Years of Operation
We will examine how perceived success varies with companies' years of operation. This may indicate whether more established companies tend to report different levels of success compared to newer companies.
Trend 2: Annual Revenue vs. Strategic Plan
We will analyse the relationship between the presence of a strategic plan and annual revenues to see if there is a clear trend suggesting that companies with a strategic plan tend to have higher revenues.
In relation to Trend 1.

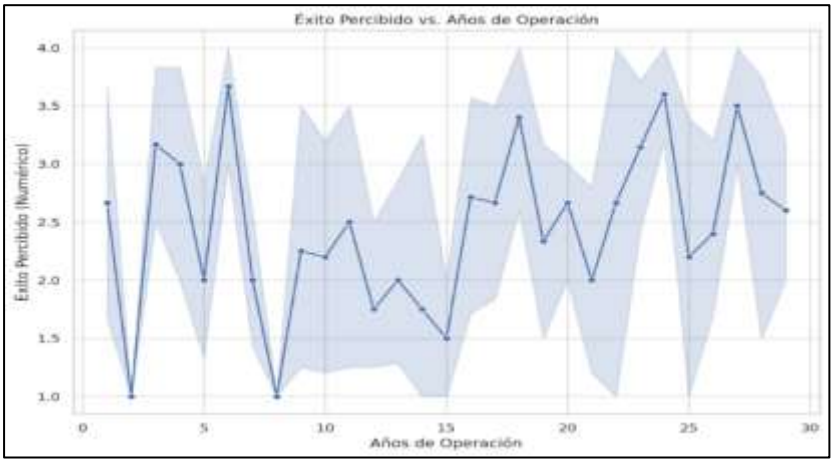

Fig. 7. Perceived success vs. years of operation

Figure 7 'Perceived Success vs. Years of Operation' shows the relationship between the number of years a company has been operating and its perceived success, represented numerically. There is no clear linear trend indicating that older or newer firms consistently have higher perceived success. This suggests that the perceived success of a company does not depend solely on its age, but is likely to be influenced by a combination of factors.
We now proceed to Trend 2, and analyse the relationship between the presence of a strategic plan and annual revenues.

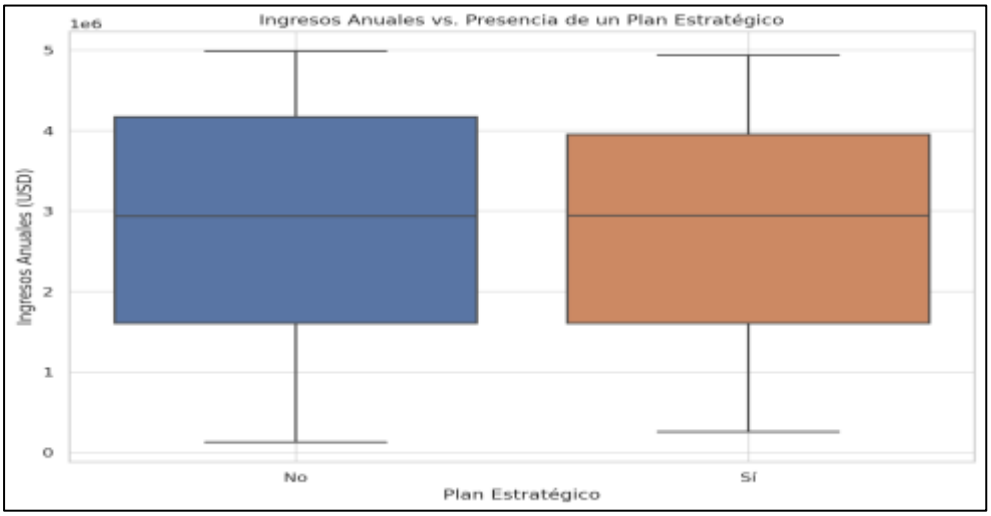

Fig. 8. Annual revenues vs. presence of a strategic plan

Figure 8 of 'Annual Revenues vs. Presence of a Strategic Plan' compares the annual revenues of companies that have a strategic plan with those that do not. It is observed that, in general, companies with a strategic plan tend to have higher median annual revenues compared to companies without one. In addition, revenue variability appears to be higher among firms with a strategic plan, suggesting that while having a strategic plan may be associated with higher revenues, the range of outcomes is wide.
Adaptive Capacity vs. Perceived Success: To analyse whether firms that rate themselves as more adaptive also report higher levels of perceived success.
Frequency of Strategic Plan Review vs. Annual Revenues: To investigate whether there is a correlation between the frequency with which companies review their strategic plan and their annual revenues, which might suggest that more dynamic and responsive management translates into better financial results.

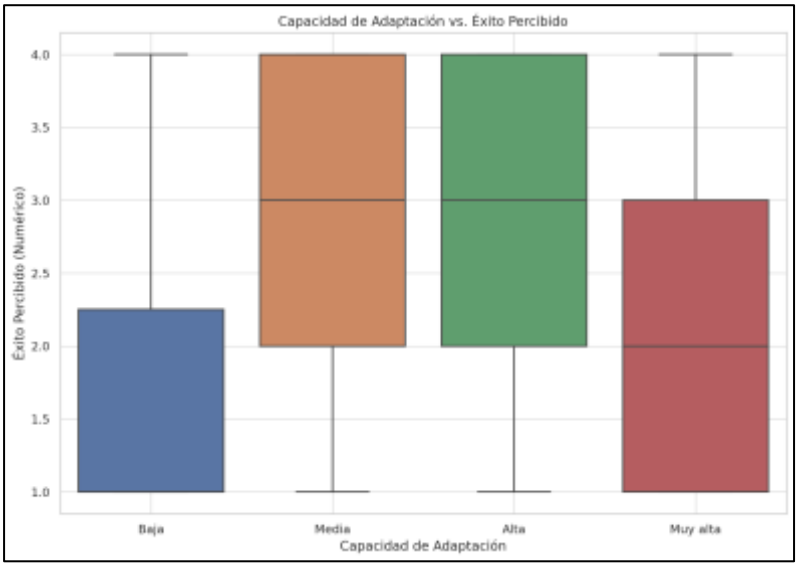

Fig. 9. Adaptive Capacity vs. Perceived Success mov

Figure 9 Adaptive Capacity vs. Perceived Success looks at how perceived success varies between firms with different levels of adaptive capacity. We observe a trend suggesting that firms with higher adaptive capacity tend to report higher perceived success. Specifically, firms classified as 'Very High' in adaptive capacity have a higher median perceived success rate than those in lower categories. This could indicate that being able to adapt efficiently to change is a factor that contributes positively to a firm's perceived success.

Now, let us see how the Frequency of Review of the Strategic Plan might be related to Annual Revenues.

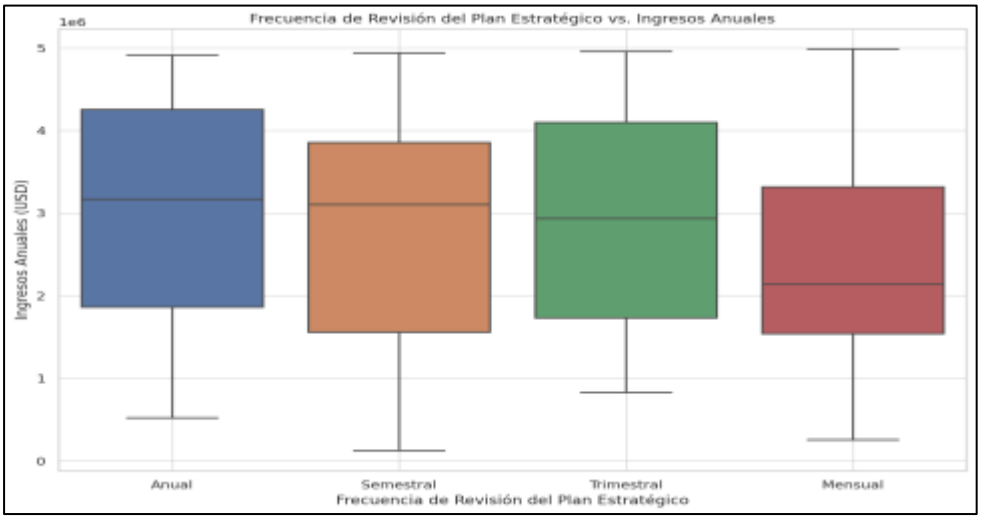

Fig. 10. Frequency of review of strategic plan vs. annual revenues

Figure 10 details the relationship between Strategic Plan Review Frequency and Annual Revenues suggests that companies that review their strategic plan more frequently (monthly or quarterly) tend to have higher median annual revenues compared to those that conduct less frequent reviews (annually or semi-annually). This could be interpreted as an indication that more dynamic management, including regular review of the strategic plan, may be associated with better financial performance.

These analyses suggest that both high adaptability and frequent revisiting of the strategic plan may be valuable characteristics for the success and financial performance of a company. It should be noted that these findings are observational and would benefit from further exploration with additional causal analysis and data.

4 RESULTS

4.1 Relationship between Company Size and the Presence of a Strategic Plan:

There is a significant relationship between company size and the presence of a strategic plan. Larger companies are more likely to have a strategic plan compared to small and medium-sized companies.

4.2 Influence of the strategic planning methodology on Observed Benefits:

No evidence was found that the strategic planning methodology significantly influences the observed benefits. Differences in reported benefits do not seem to depend on the specific methodology used.

4.3 Relationship between the Frequency of Review of the Strategic Plan and the Capacity to Adapt to Change:

Companies that review their strategic plan more frequently show a greater ability to adapt to change, suggesting that regular review of the strategic plan can contribute to better adaptability.

4.4 Impact of Strategic Practices on Perceived Success:

The frequency of review of the strategic plan has a significant impact on perceived success, while the presence of a strategic plan and the planning methodology used did not show a significant impact on their own.

4.5 Clustering analysis:

Clustering analysis revealed the existence of groups of companies with similar characteristics in terms of perceived success and annual revenues, although no clear groupings were identified based solely on the variables analysed.

4.6 Trends:

Adaptive Capacity vs. Perceived Success: Companies with a higher adaptive capacity tend to report higher perceived success.

Frequency of Strategic Plan Review vs. Annual Revenues: Companies that review their strategic plan more frequently tend to have higher annual revenues.

5 CONCLUSIONS

Analysis suggests that certain strategic management practices, such as frequent review of the strategic plan and maintaining high adaptability, are associated with positive indicators of success and financial performance. The relationship between firm size and the presence of a strategic plan indicates that planning strategies can vary significantly by firm size, possibly due to the different resources and challenges faced by firms of different sizes.

However, the specific strategic planning methodology used does not appear to significantly influence the observed benefits, suggesting that the choice of methodology may be based more on individual preferences or firm culture than on its perceived effectiveness in achieving specific outcomes.

These findings highlight the importance of proactive and adaptive strategic management practices for the success and financial growth of firms. Future studies could further explore the causality behind these relationships and how firms can effectively implement these practices in different contexts and stages of development.

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