

Factors That Affect The Permanence Of Smes In The Municipality Of Tampico, Tamaulipas, Mexico

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Abstract

Many studies of Small and medium enterprises, have been generated focused on permanence in the market, which is currently very dynamic and with a lot of uncertainty; companies that do not prepare or adapt to changes will be vulnerable.

The present study aims to show the factors that affect the permanence of the Small and medium enterprises in the municipality of Tampico, for which an instrument of 25 items was applied. The result shows that factors such as strategic planning, competitiveness, innovation affect the permanence of the Small and medium enterprises in the municipality of Tampico.

Small and medium enterprises they represent, within the international context, more than 90% of the economic units (2019 INEGI economic censuses), also providing 70% of employment in Mexico, increase the rate of economically active population through the generation of jobs and manage to satisfy product or service needs. . Due to the above, it is necessary to support so that companies continue to open, remain, and grow those that already exist.

KEY WORDS: *permanence, strategic planning, Small and medium enterprises.*

Introduction

The need of organizations to survive in globalized markets has led companies to investigate the causes of their main problems, in this article research on strategic planning, competitiveness, innovation, internal control, as factors that affect the permanence of Small and Medium Enterprises in the municipality of Tampico, Tamaulipas, which has been developed considering the fundamental importance of these organizations in the economies of the world, where Mexico is no exception. Small and Medium-sized Enterprises (hereinafter referred to as SMEs) is the most dynamic sector and a real source of wealth, new jobs, ideas and products; also representing, within the international context, 90% of the total economic units (National Institute of Statistics, Geography and Informatics, 2019). This has generated a strong interest in knowing the way in which they operate, their particular characteristics and the factors that contribute to their permanence and competitiveness in order to provide knowledge that allows the establishment of effective strategies that contribute to business success within an environment framed in a process of economic openness and globalization. In this context, the contribution of this study is to demonstrate the relationship between the

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permanence of SMEs and the factors of strategic planning, innovation, and competitiveness in SMEs in the municipality of Tampico.

Methodology

The research carried out with the Permanence of SMEs continues to be presented, addressing the problem from different perspectives and different variables, the present study is presented with the Dependent Variable Permanence and the Independent Variables, Strategic Planning, Competitiveness, Innovation, Internal Control

When reviewing the literature, it is found that most of the research does not provide empirical evidence, so we proceed to investigate the factors that affect permanence by means of a questionnaire and/or discussion of results, to point out the main contributions to knowledge in relation to this topic.

Research Hypothesis Proposal

The research problem is to:

To demonstrate the factors that affect the permanence of SMEs in the municipality of Tampico.

Therefore, the following hypothesis is expressed:

Strategic planning, innovation, competitiveness, and internal control are factors that have a positive impact on the permanence of SMEs in the municipality of Tampico

General Objective:

To demonstrate what factors affect the permanence of SMEs in the municipality of Tampico

Specific objectives:

- Strategic planning has a positive impact on the permanence of SMEs in the municipality of Tampico
- Innovation has a positive impact on the permanence of SMEs in the municipality of Tampico
- Competitiveness has a positive impact on the permanence of SMEs in the municipality of Tampico
- Internal control has a positive impact on the permanence of SMEs in the municipality of Tampico

The research approach is quantitative, as data are integrated to contextualize a sample of companies in the SME sector. The research is exploratory because it inquires about the companies, it is descriptive because it specifies the elements.

The work is based on a sample of a population where the data are statistically analyzed (Ollivier Fierro, 2010), it was carried out in the municipality of Tampico during 2022, the population considered were companies of the SME sector that is located in the urban area of the municipality.

The sample size was 30 companies, the independent variables were:

- X1 Strategic Planning
- X2 Innovation
- X3 Competitiveness
- X4 Internal Control

And the dependent variable
And Permanence in the market

The data collection technique was through the questionnaire method sent electronically to the business owners with 13 multiple-choice questions composed of different variables, the answers were coded in Excel and then passed to the Statistical Package for the Social Sciences (SPSS) software for analysis.

The questionnaire made it possible to have proposed dimensions for the analysis of the information by the surveyed SMEs, with which the data were filtered to correct

In the event of inconsistencies, with the help of the SPSS, the analysis is carried out and the information is interpreted to demonstrate the factors related to the permanence of SMEs in the market.

Results

Reliability analysis was performed with the following results:

Table 1 Reliability Statistics

Cronbach's Alpha	No. Of Elements
0.934	13

FD. Own elaboration based on SPSS results

Results of the regression analysis:

Table 2 Summary of the Model, Dependent Variable Permanence in the Market and Strategic Planning, Innovation, Internal Control and Competitiveness.

R	R-squared	Standard Error	Durbin-Watson
0.997	0.994	0.08857	1.642

FD. Own elaboration based on SPSS results

Even when the result of R is favorable, there is one variable that is not significant.

The Internal Control variable is not significant, the results show that the correlation between the dependent variable and the independent variable is weak, this does not mean that you should not work with Internal Control, but in this case it is weak.

Tabla 3 Resumen del modelo de variable dependiente y variable Control Interno.

R	R cuadrado	Error estándar	Durbin-Watson
0.219	0.048	0.95092	1.776

FD. Elaboración propia con base en resultados del SPSS

According to what has been shown in the studies, permanence in the market is related to strategic planning, innovation, competitiveness and, to a lesser extent, to Internal Control.

On the basis of the above, the following is summarized:

The dependent variable, permanence in the market, is related to:

Hypothesis of the Independent Strategic Planning variable, if significant

Hypothesis of the Independent Innovation variable, if significant

Hypothesis of the Independent variable Competitiveness, if significant

Hypothesis of the Independent Internal Control variable is not significant

Some graphs of the responses obtained by each independent variable and their relationship with the dependent variable are presented.

STRATEGIC PLANNING

Figure 1. Analyze the economic environment that negatively impacts the business



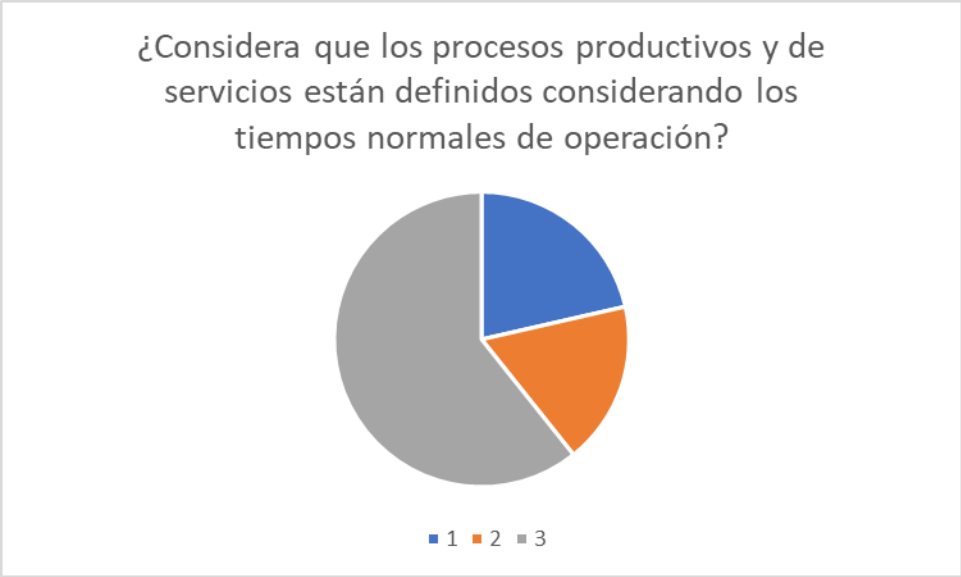
33% of respondents say Yes they analyze the economic environment, which negatively impacts their business, while 17% say No and 50% say they sometimes analyze the environment.

Figure 2. Has a complete view of the company's resources



Thirty-five percent of respondents say they don't have a complete view of the company's resources, while 39 percent say they do and 26 percent say they have that view only sometimes.

Figure 3. It considers that the production and service processes are defined considering the normal operating times



61% of respondents say Yes they consider that production and service processes are defined considering normal operating times, while 21% of respondents say No and only 18% say they consider them only sometimes.

INNOVATION

Figure 4. It has a fundamental objective in the company



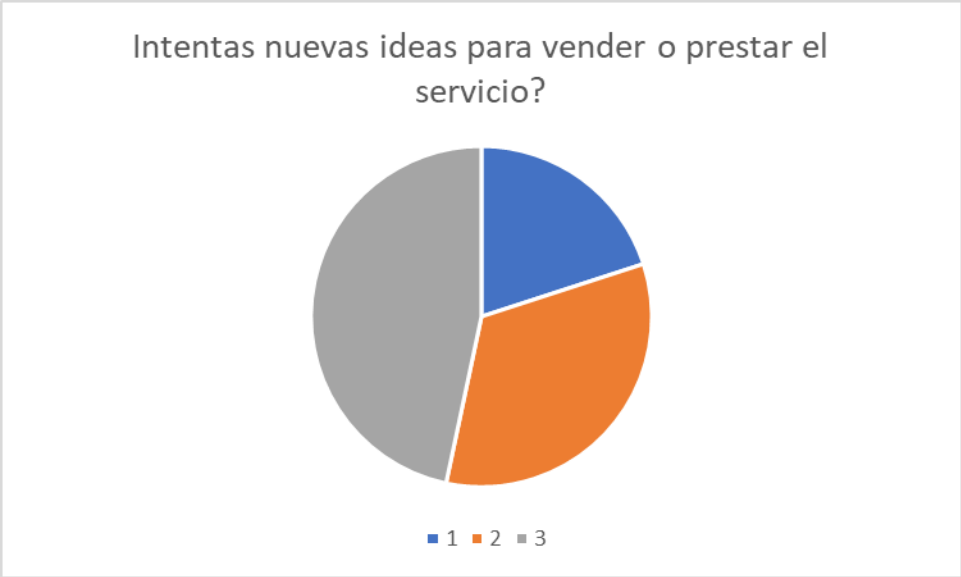
Forty-seven percent of respondents say they have a fundamental goal in the company, while 37% say they don't have one and only 17% answered that they only sometimes have a fundamental goal in the company.

Figure 5. You have a product or service that your competitors don't have



37% of those surveyed say they have a product or service that their competitors do not have, as well as 37% say that they only have a different product or service than their competitors and only 27% say they do not have it.

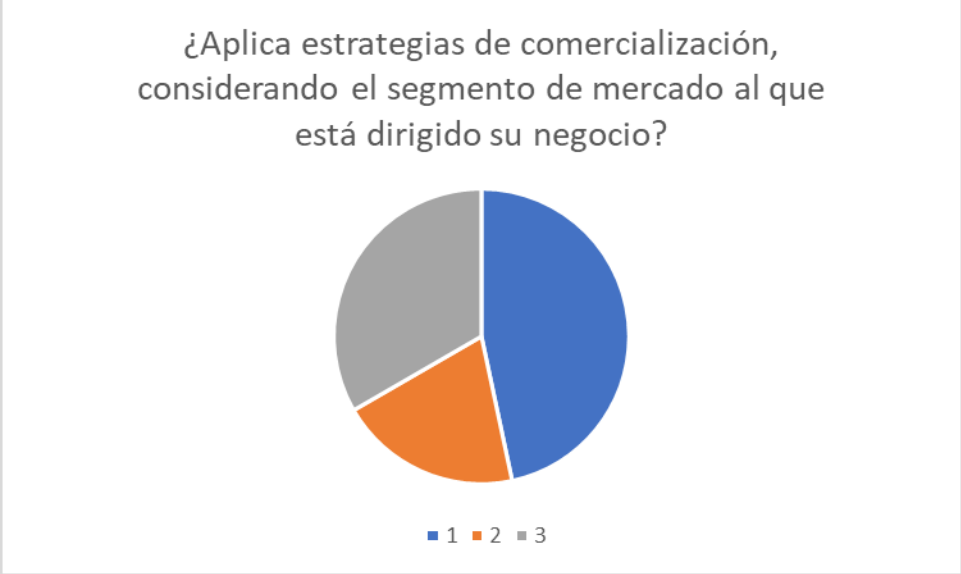
Figure 6. You try new ideas to sell or provide the service.



47% of respondents answered Yes to try new ideas to sell or provide their service, while 33% answered only some occasions and only 20% answered that they do not try.

COMPETITIVENESS

Figure 7. Apply marketing strategies considering the market segment you are targeting



47% of respondents say they do not apply marketing strategies considering the market segment to which their business is directed, while 33% answer that they do, and only 20% answered that only sometimes.

Figure 8. Invest resources in researching market trends



El 37% de los encuestados respondió que Sí invierte recursos en investigar las tendencias mercado, al igual que otro 37% que respondió que solo algunas veces las investigaba y el 26% respondió que No.

Figure 9. Identify competitive advantages in the market



37% of respondents answered that they do not identify competitive advantages in the market, as did another 37% who answered that only sometimes and only 27% answered Yes.

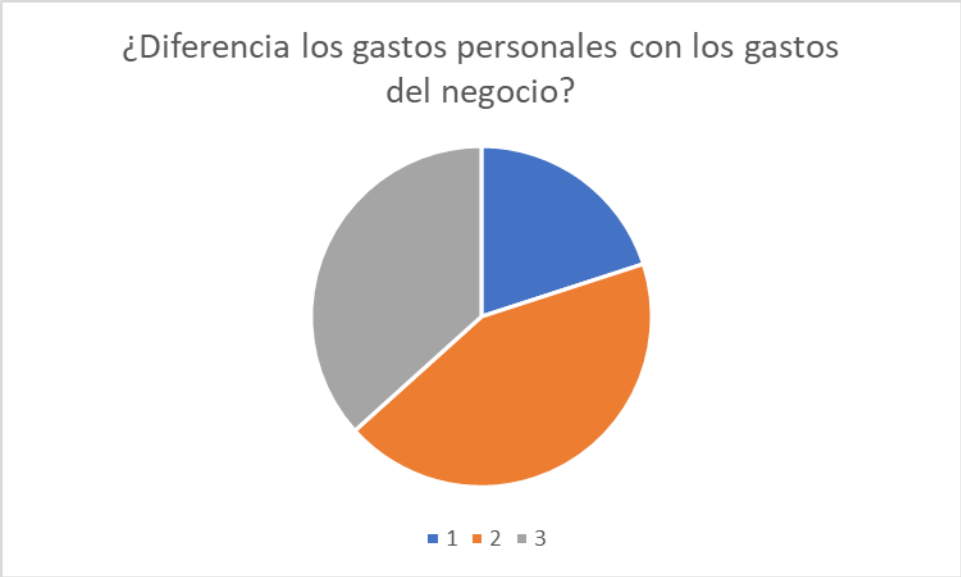
INERT CONTROL

Figure 10. Keeps formal control of business operations



60% of those surveyed answered that they do not have formal control of the operations they carry out in the business, while 27% answered that they only sometimes have that control and only 13% answered that they do.

Figure 11. Differentiate personal expenses from business expenses



43% of those surveyed answered that they only sometimes differentiate personal expenses from business expenses, while 37% answered that they do differentiate between them and only 20% answered that they do not carry out this practice.

Figure 12. You have an assigned salary within the company



40% of respondents say they do have an assigned salary within the company, while 37% say they do not have one and only 23% say they sometimes have one.

Conclusions

According to the results obtained in this research work, it can be concluded that strategic planning, innovation and competitiveness are factors that affect the permanence of SMEs in the municipality of Tampico.

The lack of strategic planning in SMEs can stop their development, since they lack clarity when it comes to proposing a vision or a plan, most of these companies are part of a family structure, where those who make decisions do not have formal studies for it, but their skills are acquired through experience. Trial and error, sometimes the help of a specialist is required, which is not considered by SMEs. Based on the above, it is important to share experiences and make the decision to implement those strategies that favor permanence in the market.

Every day the demand of customers is increasing, so plans and strategies are an important factor for an organization as it guarantees stability over time. Competitiveness shows the capabilities that the company has to meet the needs of the market, and it is necessary to be aware of the changes at the national and international level, since in some way all companies compete with national and international environments.

The variables studied in relation to innovation have different effects, however, it must be considered that innovation is not only the creation of a new product, service or management system, but also an innovation is considered a change or improvement that is made to them, so SMEs have to adopt significant changes or improvements in their products, processes or management systems so that they are in a position to survive and compete in the highly globalized and competitive market since they will take greater risks than those who do make changes or improvements.

It is necessary to mention the limitations of this study, since limited factors were shown in terms of strategic planning, innovation and competitiveness, and a result could also be presented that does not reflect the reality of what the companies responded. However, the results indicate that, if SMEs carry out above-mentioned activities, they are more likely to face challenges and better conditions of permanence than those who do not.

In relation to Internal Control, it is necessary to establish plans and policies for the care of assets. With the understanding that companies work "as a family", they do not consider the

implementation of rules and policies that must be respected and that could break the stability of the company.

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