



The role of SMEs in a global economy:
A comparative analysis with large corporates

دور الشركات الصغيرة والمتوسطة في الاقتصاد العالمي
مقارنة تحليلية مع الشركات الكبيرة

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يوضح هذا البحث تأثير الشركات الصغيرة والمتوسطة على اقتصاد قطاعاتها حول العالم، ويتناول مدى تأثير بعض الشركات الصغيرة والمتوسطة العاملة في أربع دول من كبار العالم الاقتصادي مثل أميركا وألمانيا والصين والهند، إلى جانب مقارنة نتائجها مع الشركات الكبيرة في الدولة ذاتها. وينفرد تحليل بيانات البحث، بنوعيته حيث يقيس العلاقة بين المؤشرات الاقتصادية الرئيسية، مثل الناتج المحلي الاجتماعي والبطالة والتضخم المالي، مقارنة بأداء أعمال الشركات الصغيرة والمتوسطة إلى جانب الكبيرة منها. كما تشمل طيات البحث مفهوم الشركات الصغيرة والمتوسطة في الخارج ودعم نظرية العولة وكيف غدت إحدى المفاتيح الرئيسية في نجاح قطاع الشركات الصغيرة والمتوسطة إلى جانب انبثاق التقنيات الحديثة. ويظهر أيضاً أن الشركات الصغيرة والمتوسطة أكثر مقاومة للصدمات المالية مقارنة بالشركات الكبيرة من القطاع ذاته.

1. Abstract

This paper reveals the importance of the Small and Medium Enterprises (SMEs) in their economies worldwide. It will illustrate the influences caused by some SMEs operating in four major economies including USA, Germany, China and India, and compare their results with large corporates within the same country. The data analysis in this research is unique as it measures the relationship between major indicators of the economy like GDP, unemployment and inflation, along with the performance of both SMEs and large corporates. A broad understanding to various SME definitions around the world is also presented in this paper. It will support the theory that globalization has been one of the key drivers to the success of the SME sector around the world along with applications of new technologies. It is also established that SMEs were more resilient to systematic financial shocks when compared to larger sized companies.

2. Introduction

SME sector plays a vital role in the organizational structure of any economy in the world. In a way, it acts as a joint part that connects the large corporates with micro companies of the country. If this tie is weakened then it will cause damage to the business cycles and will interrupt any growth plans to the large entities or micro ones.

On its latest review on Small Business activities¹, the World Bank Group stressed how the center role played by the small and medium enterprises (SMEs) sector in fostering economic growth, help in reducing unemployment ratio. Such growing recognition in this sector has also attracted financial institutions and investors to inject more capital to the sector on the account of conventional lending to the large corporates. Despite this, there has not been much research backing the SME sector over large corporates, which was mainly due to lack of data published by the small and medium enterprises.

This search comes up with a new data analysis that helps researchers to observe the rationale for promoting small and medium enterprises.

3. Rationale of the Assignment

The main objective of this research is to measure the impact of SMEs on global economies and compare it with the impact of large corporates. This work is important because it calls for an immediate intervention from politicians and economists to enhance the role of SMEs further, which should in return help in developing the economy and create more jobs in the system.

4. Review of Literature

4.1. Economic Development and Growth Globally

4.1.1. Globalization and its impact

With the advancement that has taken place in the field of information technology, the world has taken shape of the global village, in that a person belonging to one specific corner of the world is able to communicate and coordinate with another person belonging to some other corner of the world directly, and with less effort. In the same manner, companies, firms and organizations belonging to different sectors and industries have taken the advantage of the globalized era of the modernization of the information technology.

Globalization101.org (2013) has defined the globalization as a process of systematic nature, which takes into consideration various aspects relevant to human life. For example, the physical beings interact and communicate with each other, which have been supported further with the power of the information technology. There is an ongoing trade which is necessary for making business around the world successful. For example, now there are aeroplanes, which assist in moving the materials from one place to another easily. Thus, countries and the economies belonging to one specific corner of the world are able to communicate and coordinate with other economies and countries of the world. With the advancement in the information technology it has become possible even for the governments of these economies to communicate with each other easily and quickly. The globalization has thus not only given a boost to the development of the economies around the world; but also to individual connections dependent on the power of the globalization. Bobek and Vide (2005) are of the view that studying and understanding the globalization would assist in learning about the economies of the various nations as to how successful each nation was in their own modes of globalization and connections with others.

Ardalan (2009) argues that from a functionalist perspective the globalization along with the culture of the nations is considered as the phenomenon, which is of the universal nature. Seddon (2008) is of the view that globalization has brought with it various positive changes. For example, it is because of the process of globalization that there is reduction in drug problems prevailing in the society for the past thirty years. Therefore,

it could be argued that globalization has been responsible for the economic development and growth around the world. It is because of the power of the information technology and globalization that is now very much possible to create awareness so anyone could be made aware of anything happening in other sides of the world with the help of this integral process.

Thus, it could be argued that with the advancement in the field of the information technology and the emergence of a globalized world there are various issues which have emerged as well. Globalization has created a positive impact in various segments whereas there are also some of the negative aspects, which could be observed as well. Technology could be regarded as a responsible factor for bringing the world together since it is now very much possible with the help of the technology to minimize the distance prevailing between the various economies of the world. It could be said that globalization has stimulated the economic growth in the world.

Seetana, Ramessur and Rojid (2009) argue that the economic growth could be observed because of the financial development. Thus it could be argued that economic growth of an economy is very much dependent on the financial development.

Raimi and Ogunjirin (2012) are of the view that based on a research study there exists a negative relationship between the gross domestic product and the inflation rate of an economy. There exists a positive relationship between the foreign private investment and the gross domestic product of an economy. There is also a sign of negative relationship between the gross domestic product and the total inflows of an economy and the relationship, which exists between the external reserve and the gross domestic product of an economy is also of the positive nature.

Masoud and Hardaker (2012) argue that the development of the stock market growth is likely to be observed in the economy of a nation. Al-Khoury (2007) also tried to study the relationship between the financial sector and economic growth, however very little evidence had been in the favour of the banking sector and questions whether this particular sector plays an integral role for boosting the economy.

Saab (2007) has argued that there are various issues in economic growth and development, which need to be highlighted. Qureshi (2009) is of the view that levels of expenditures, which are carried on for the human development are likely to create an impact on the economic development, which could be low.

Dhakal, Pradhan, and Upadhyaya (2009) have carried out a research study by keeping in view the economic growth and they have researched Nepal and Bhutan as part of the study. Findings of the research study, through their analysis at Nepal, indicated that the domestic capital had been a source of the economic growth, however on the other hand the foreign capital does not seem to be playing an integral role for the growth of the economy. Contrasting results have been attained for Bhutan that is, the domestic capital does not seem to be playing an integral role for the economic growth whereas on the other hand the foreign capital seem to be playing an integral role for the growth of the economy.

Roy (2005) examines the historical patterns of the economic growth in India, which was low till 1980. However, later there had been an improvement, which could be observed in the economy of the country. However, the economic growth attained by the country has not eliminated poverty from the economy of the country.

Khorasgani (2008) has argued that there had been the economic growth, which could be observed in Iran mainly because higher education in the country has played an integral role in the growth of the economy. Hu, Wang and Yu (2007) have argued that economic growth could also be observed in China because of a large focus at R&D in small and medium enterprises.

Rautela (2006) is of the view that risk management is integral for economic growth. Hye and Dolgoplova (2011) are of the view that in China there had been a negative relationship between the interest rate and growth of the economy in the last two decades. Hye (2011) has carried out a research study according to which in India there appears to be a negative relationship between the financial development index (FDI) and the economic growth.

Xavier and Ahmad (2012) are of the view that there is enough social development and the economic growth, which could be observed in the country of Malaysia. However, Malaysia is striving to become even better in terms of the economic growth. Gurtoo (2008) is of the view that in India there is a need to focus on policies, rules and regulations for the laborers since it could play an integral role in the economic growth as well as the social development. Porath (2006) is of the view that legal mechanisms also play an integral role for the economic growth and development.

Volkman (2006) is of the view that despite the fact that globalization has brought various changes in the economies of the world belonging to different regions, it could be said that globalization is not likely to make the entire world homogenized. There is economic development because of the globalization but there is no homogeneity, which could be observed. The countries belonging to different regions of the world are working hard in order to bring an enhancement and improvement in their economies and this is very much possible because of the globalization.

Antonelli and Fassio (2011) have argued that globalization has brought changes in the various industries and this has been possible mainly because of the technological advancement. These industries rely on innovation, which are capital enhancing in their nature.

Walby (2011) is of the view that while studying the economy from the global perspective and defining the various multiple inequalities it is necessary to take into consideration the gender differences as well. Roukis (2006) has argued that despite technological advancements having led to globalization, there is also an emergence of the crime as well.

The Small and Medium sized Enterprises (SMEs)

4.2. Definitions

According to Ward (2013), SME actually means the Small and Medium Enterprises however; giving one specific definition to small and medium enterprises is not possible since it depends on who is actually providing the definition for the term. Ammenberg and Hjelm (2003) are of the view that the small and medium sized enterprises form an environmental network.

Abraham (2005) has argued that SMEs which are the small and the medium sized enterprises could be defined from various perspectives. There are many definitions available for the SMEs or the small and medium sized enterprises. The small and medium sized enterprises could be defined from the perspective of the revenue, such as, how much revenue is earned by which company, firm or organization belonging to any sector or industry. The SMEs or the small and medium sized enterprises could be defined from the perspective of the number of employees in a particular company, firm or organization belonging to any sector or industry. Abraham (2005) is of the view that SMEs could also be defined from the perspective of the capital employed by a particular company. In the same manner the SMEs could be defined from the perspective of the firm's age and the volume of the sales earned. These firms could be also categorized as small or medium size from the perspective of number of computers used and it could also be categorized on the basis of the use of internet-network size. Or SMEs could be categorized from the financial assistance perspective sought by the companies to run their core operations.

OECD, European Training Foundation, European Bank for Reconstruction and Development, European Union (2012) are of the view that the main criteria for defining SMEs could be the number of full-time employees, their overall sales turnover and also the size of assets owned by them. It has also been argued that different countries have different definitions for the small and the medium sized enterprises.

Having said that, OECD, European Training Foundation, European Bank for Reconstruction and Development, European Union (2012) are of the view that firms or organizations having annual turnover equivalent or less than fifty million Euros are regarded as "Medium-size" companies, while if the annual turnover was equivalent to or less than 10 million Euros then those firms are to be regarded as "Small-size" enterprises, and finally, if the turnover was less than two million Euros, then those are the ones considered as the Micro Enterprises. However, on the other hand if the total balance sheet of any company worth to 43 million Euros, it would be regarded as a medium sized firm. While if the total balance sheet size is within the 10 million Euros cap then the same would be regarded as a small sized and if it falls below 2 million Euros then it would be looked at as a micro sized enterprise.

Ward (2013) argues that Canada has regarded its firms as either small sized or medium sized if their work force was around five hundred employees. However, if this number was exceeded then the firm will be considered as a large corporate.

European Union (2011) has provided different classifications for the small and medium sized enterprises from the perspective of the countries. Germany perceives the firms as either of the small or medium size if the number of employees comprise of around two hundred and fifty employees, which makes it difficult to unify the metrics used to define SMEs within Europe.

Small Business Administration (2013) also argued that there is also a set of criterion used by the United States of America, which classifies the company as either a small or medium sized enterprise. The firms, companies and the organizations are segregated on the basis of ownership structure and also the number of employees working for that firm. The number of employees working for Small and Medium enterprises in the United States could be as much as 1500; however, the standard number of employees is regarded as 500.

Ministry of Agro and Rural Industries (2007) has also argued that India is also distinguishing the companies, firms and the organizations belonging to different sectors and industries as either the small sized or the me-

dium sized enterprises based on their number of employees or annual turnover.

Lubatkin, Simsek, Ling and Veiga (2006) have argued that there are little research on the small and the medium sized enterprises specifically on the classification basis due to different set of criteria used by every economy. There is also a need to understand the role played by the top management in giving their firms the look of an either SME or large corporate enterprise.

Abraham (2005) also agrees that companies could be classified as SME or not on the basis of the size of their labor strength. For example, firms being run by a number of employees as nine or below are regarded as the micro enterprise. The firms, which operate by a number of employees ranging from ten to forty nine, are regarded as the small enterprise. And those, which have employees ranging from fifty to four hundred and ninety nine, are regarded as medium size enterprises. However, if the number of employees is between five hundred and nine hundred and ninety nine are regarded as the large enterprise whereas the firms with one thousand and above employees could be regarded as very large enterprises.

SMEs and the economy

Abraham (2005) has argued that the small and medium sized enterprises could be regarded as an integral part of the economy all around the world. Various studies and researches have been carried out which signifies that around 90% of the world's enterprises are regarded as SMEs and these firms are not large. These SMEs mainly sell goods and services to different parts of the world. Around 85% of SMEs in Asia are from the manufacturing business; whereas in Australia 97% of the business belong to the small and the medium sized enterprises. 98% of the business in Asia Pacific is related to the small and the medium sized enterprises and 99% of the business in Canada is relevant to the SMEs. 99.9% of the business in Spain and 99.8% of the business generated in the UK is relevant to the SMEs. The small and the medium sized enterprises are not only regarded as the fastest growing sector in the economy but also as dominating all other contributors to business.

OECD, European Training Foundation, European Bank for Reconstruction and Development, European Union (2012) is of the view that small and the medium sized enterprises are highly beneficial from the economic perspective and they also play an integral role with respect to the size of the country.

According to the European Commission (2013) the small and medium sized enterprises are around more than twenty million entities in the European Union. This represents around ninety nine percent of total company base, thus they form a key driver in the growth of the economy. SMEs have also been accommodating innovations in their industries, as well as playing a central role in the employment levels in securing more jobs and have reduced unemployment in economies. The small and the medium sized enterprises are thus one of the most key drivers to the success of economies.

Drabner (2003) argues that, with the advancement that has taken place in the world, there has been an increase in the level of the competition, which prevail among the companies, firms and the organizations belonging to different sectors and the industries. This increase in the level of the competition has given rise to the level of the pressure on the small and medium sized enterprises in term of profitability. There is an increase in the demand for the international activities for the small and the medium sized enterprises. In Germany 97.3% of all the enterprises are regarded as the small and medium sized enterprises and they have the growth of about 45% in terms of the revenue on a year-to-year basis. Thus, it could be argued that small and the medium sized enterprises could be regarded as the most integral part of any economy.

AME info (2013) also stresses on the point that the small and medium sized enterprises are integral part of various economies in the world. The small and the medium sized enterprises are regarded as the segment, which is of the fastest growing nature in the GCC. The small and the medium sized enterprises are regarded as the main contributor to the economic improvement of the United Arab Emirates since they make up to around sixty percent of the gross domestic product of the United Arab Emirates. These small and medium size firms also contribute to the economy of Saudi Arabia since they represent around 93% of the enterprises of Saudi Arabia. These also compose the total employment equivalent to about twenty four point seven percent. Kuwait has also adopted the measures in order to make the small and the medium enterprises stronger by providing them with financial support. Thus in conclusion it could be affirmed that the small and medium sized firms present one of the strongest pillars that any economy of the world relies on. With the help of the small and medium size enterprises these particular economies have flourished and progressed to a large extent.

Czarnitzki (2006) discusses the comparison, which had been carried out between the western and the eastern region of Germany in term of SMEs performance. It highlighted that small and medium sized enterprises belong to the western Germany are financially constraint however the eastern region SMEs had not been sensitive to the same constraints, which are of the external nature. Nevertheless, it was confirmed that the contribution of these firms to the overall economy of the country is vital and has helped in improving the financial situation there.

Chen (2006) establishes that the economy of China is also largely dependent on small and medium sized enterprises, and this sector has always drawn the attention of politicians of the country.

Abraham (2005) argues that SMEs are regarded as the agents working for the betterment of the economies of the world. With the help of the SMEs, equilibrium could be maintained within the economy and businesses can be more diversified and resilient. With the help of the new firms various changes are likely to be brought to the economy of any nation. The new firms are based on the power of information technology and they make best use of the technological advancement in order to attain the success and the growth. They carry out various experiments in order to achieve the higher levels of the growth and success. With the help of the SMEs, innovation and development become clearly evident in most developed and emerging economies.

4.3. SMEs and the globalization

Lloyd-Reason and Sear (2007) are of the view that small and medium sized enterprises have played an essential role in curbing the globalization. However, this has come with some drawbacks. That is, these small and medium sized firms have become partner in some strategic alliances, these small and the medium sized enterprises have taken an active part in the acquisitions and mergers which again made them somehow governed by bigger players in the markets. Some of the small and medium size enterprises have also played an integral role in being specialized suppliers to many large corporates around the world and in some cases having official representation to these large corporates in some regions. However, they have become an effective member in the global business networking and supported the creation of that platform. They have also been an active participant of the electronic network and were the first to introduce the e-commerce concept to business.

Cull, Davis, Lamoreaux and Rosenthal (2005) are of the view that the era of the 19th and 20th century has

been emerging for small and the medium sized enterprises as they were flourishing gradually and have played an important role in the various economies of the nations around the world. SMEs had also been integral for the economy of the North Atlantic.

Love, Iranib and Edwards (2004) are of the view that the advancement that has taken place in the field of information technology has assisted the small and medium sized enterprises to attain the level of competitive edge in the market. With the increase in the level of the competition among various companies, firms and the organizations classified as either of the small or medium sized - they require necessary funds in order to keep a pace with the fast changing era since they need to adopt modern technology measures. The research was based on a questionnaire targeting the small and the medium sized enterprises of specific industry in Australia. The research study highlighted that small and medium sized enterprises belonging to the Australian industry had been investing in information technology but this particular investment for the technological advancement was not based on the turnover or the revenues which were earned by those specific companies. The research had also highlighted that the strategic factors were different for those SME companies.

Levy and Powell (2004) are of the view that globalization has brought in more challenges to the system in the form of intense competition. There is an increase in the use of information and information systems (IS) in the small and medium enterprises, which was mainly witnessed in the large firms. This was mainly due to valuable role of those SME firms in the economy. The level of knowledge and IS strategic planning in SMEs has grown drastically which helped in overcoming major issues presented in former theories and developing new models.

Enderle (2004) is of the view that the advancement that has taken place in the field of the information technology has turned the world into a global village and this globalized era presented numerous challenges for the small and medium sized enterprises. The small and medium sized enterprises are likely to stay constant or lead to failure if they don't follow the modern techniques and keep a pace with the fast changing era. Enderle (2004) is also of the view that in order to keep a pace with the change, ethics are to be followed by the small and medium sized enterprises belonging to any sector or industry. They should follow the rules and the regulations in order to attain growth and success legally.

Lloyd-Reason and Sear (2007) have also argued that the small and medium sized firms have also been involved in the processes of globalization; for example, the SMEs have been involved in the exports which for some were of an indirect nature and were direct exports for some others. Thus, this research agrees with previous others that the small and medium sized enterprises are playing an integral role in the global economy.

4.4. Differences between SMEs and large firms

Biztechafrica (2013) is of the view that the small and the medium sized enterprises could be regarded as beneficial to the economy when compared to the large enterprises, especially when it comes to the size of inputs. This paper establishes that an integral role is played by small and medium sized enterprises. It could be argued that small and medium sized enterprises care more about their customers maybe because the number of customers dealing with the small and the medium sized enterprises are less as compared to the large enterprises.

The customers of the small and the medium sized enterprises have a major contribution in the revenue which is earned by these particular SMEs and the revenue is what classify these specific firms as either of the small sized or the medium sized. It is also established that since the number of employees which are hired by the small and medium sized enterprises are small as compared to the number of employees who are hired by the large companies; it could be argued that these small and medium sized enterprises may follow stricter conditions in their hiring process and always bring in the best mind sets in the market of labor. With the help of highly competent employees a company would be able to provide a higher level of satisfaction to the customers and thus drive the outcome to new highs.

Abraham (2005) is of the view that the SMEs differ from the large companies. There is a concept relevant to small and medium sized enterprises that they behave in the very same fashion just like the larger companies but they do so by selecting a scale which is of the smaller nature. However, the SMEs are not the little form of the big business. The SMEs usually lack the financial resources and they also lack resources, which are relevant to the expertise. The small and the medium sized firms also lack the time resources and apart from all this since they lack the financial resources they are usually not in a position to hire more employees. The SMEs are different from the larger companies also because of the amount of pressure on them. They have to deal with greater pressure and they have more operational activities to carry out on a day-to-day basis. These small and the medium sized enterprises are also bound to adapt with the changing environment as compared to large companies and they have less amount of the capital along with the small number of employees, compared to the large firms which comprise of more capital and larger number of employees.

4.5. Issues and Challenges faced by the SMEs and ways to overcome them

Nwankwo and Gbadamosi (2010) are of the view that SMEs have become an integral and a dominant part of the market in various economies of the world. These small and medium sized enterprises are present in almost every market of the world. However, it has been found that there are various small enterprises, which have suffered from any drop in the market to which they belong to. The drop is usually because of lack of marketing activities, which requires additional funding. It could be argued that marketing is crucial for making small and the medium sized enterprises strong and successful. Without adoption of the appropriate marketing strategies and techniques it would be really difficult for these small and medium sized enterprises to operate efficiently in the market to which they belong. Thus, it could be argued that the significance and the importance of the small and the medium sized enterprises could not be denied. With the help of the best marketing strategies the small enterprises could be able to stand headstrong and would thus be able to compete strongly with other larger firms of the same industry or business line. Thus the small and the medium sized enterprises would be able to provide a higher level of the satisfaction to its customers.

Berthon, Ewing and Napoli (2008) are of the view that research has not been carried out in the sector of brand management in respect to the small and medium sized enterprises. However, there is an association of brand management with business practices, which are being adopted by the various small and the medium sized enterprises. There is a lot of research, which has been carried out on the significance of brand management but

the association of it within the SMEs needs to be highlighted. Understanding all these issues is vital since any one of these can help in promoting SME segment and help it dominate among other segments.

Yapp and Fairman (2006) study the role of small and medium size enterprises in the food sector. Apparently, SMEs belonging to this sector are facing various issues like the lack of consumer trust, this can be addressed by adopting new marketing strategies and direct the focus of their R&D departments towards customer satisfaction. Only then can those SMEs prove their ability to compete with larger firms and grab a bigger market share.

Stephens (2013) has argued the environment of the modern era is very complex and challenging. The small and medium sized enterprises in the United Kingdom are finding it quite challenging to carry on their business. Roxburgh (2013) has also argued that it is becoming difficult for the small and medium sized firms to get an access to the funds.

According to Irish Times (2013) there is a need for small and medium sized firms to become more innovative. These small and the medium sized firms are required to make the plans, which are of the strategic nature so that these particular small and medium sized firms could survive in the long term. A meeting was held at the castle of Dublin, which was attended by many entrepreneurs and some policy makers to discuss challenges faced by the SME sector and discuss ways to overcome those challenges.

According to Roxburgh (2012) there is a need for small and medium sized enterprises to focus more on their survival and growth in order to overcome the difficulties. Doherty (2013) has argued that the government should make use of tax breaks in order to bring down the estimated funding gaps, which are relevant to small and medium sized enterprises.

According to the *Economia* (2013) the small and medium sized firms should be of the innovative nature to stay in the race with other big firms. They stand a greater chance to improve on results and the impact of innovation is faster on SMEs than other large corporates. Li, Li. and Dalgic (2004) are of the view that the internalization of small and medium sized firms could be understood with the help of various models. Therefore, it could be argued that there are various means, which could be adopted in order to get an insight of the processes, which are adopted by the SMEs and thus underlying challenges could be overcome. One such model is the hybrid model. Edwards, Delbridge and Munday (2005) have also presented a similar view for understanding the innovation for small and medium sized firms.

Jenkins (2009) is of the view that the companies, firms and organizations belonging to any sector or industry should take the help of corporate social responsibility in order to attain success and growth and in the same manner of other large corporates. This should help those SMEs to overcome the various issues and challenges faced by them. Sarbutts (2003) has also presented a similar review highlighting the significance of the corporate social responsibility but has also argued that the small and the medium sized enterprises does not possess the large funds like large companies to carry out the corporate social responsibility however, it is integral for attaining the growth and the success. Jansson and Sandberg (2008) has however, highlighted the internationalization of small and medium sized firms.

Wiklund and Shepherd (2003) have argued that the small and medium sized enterprises are positively associated with knowledge-based resources. Thus, it could be argued that with the help of the knowledge-based resources, the small and medium sized firms could overcome the issues and the difficulties faced by them.

Lewis, Pun and Lalla (2006) are of the view that small and medium sized enterprises can make use of the implementation of the total quality management in order to attain success and growth. Pangarkar (2008) has carried out research in order to study the relationship between internationalization and the performance of small and medium sized enterprises. It appears from the results that there seems to be a positive association and a relationship between the internationalization and the performance of these specific small and medium sized firms.

4.6. Summary, Comments and criticisms

This particular section of the research study is based on the work of previous researchers who have given their thoughts and insights on the dynamics of small and medium size enterprises, along with an intensive comparison with large corporates. It was generally accepted throughout the review of subject literatures that SME business has dominated the markets due to so many reasons like, being more resilient, cost effective and with less capital requirement when compared to the large corporates. One of the major challenges faced by researchers doing their research on SMEs was finding a unified definition for small and medium size enterprises across the world. As countries, and mainly regulators of those different countries are using different criteria to segregate companies under their economies, and even within the same criteria, the range has also differed. For instance, some countries are using the number of employees working for the company as a main criterion for defining an SME company, but yet again, the cap or the upper and lower limits varied from country to another, though a majority of them are using the 500-cap of employees to classify a firm as a SME.

Some more challenges can also be extracted from above literature review such as, lack of funding and advertising strategies, absence of R&D in some enterprises, and less focus on branding concept. Those are some of the main challenges that were highlighted by researchers to have disrupted the growth of SME sector. However, SMEs can still overcome such challenges as advised by researchers by adopting some measures like, bringing in more focus on innovation and integrating a customer orientation culture which should increase consumer satisfaction. Also, a big part of this sector's development is dependent on regulators and policy makers to ease the competition with large corporates by giving SMEs more advantages especially with taxes. Also, those SMEs should have greater focus in information technology as it is one way that could help them in expanding customer reach more efficiently and effectively especially during the globalized era that economies are currently living through. This particular research study could be regarded as integral with the work of the other researchers since it takes into consideration the small and the medium sized enterprises, with the perspective of their importance and the role played by them in economic growth and the development globally. In this study, globalization has also been considered since it plays an integral role in bringing the economies of the various countries together. It could also be said that this specific research study is integral since the small and the medium sized companies belonging to the east region for example are likely to create an impact on firms in the western region since each and every organization either being small or medium sized are linked with each other. This section of the literature review has highlighted the globalization and its impact, the role played by SMEs in encouraging the economic growth around the world in general from the perspective of various researchers and the small and the medium sized companies from various perspectives.

5. Research Methodology

5.1. Research Model

Various research models are available to a researcher for carrying out a research study however; the research model which has been selected for carrying out this specific research study is the research onion model which is suggested by Saunders, Lewis and Thornhill (2009). This specific research model provides a systematic platform for carrying out the entire research study effectively. As the data used in this research will be of the quantitative nature then there are various statistical tools like SPSS, Microsoft, Excel, etc. that could be utilized for carrying out the research study in a systematic manner.

5.2. Data Collection and Analysis

Since this particular research study is of the cross sectional nature based on the quantitative approach, the data collection for the research study will be of the secondary nature. That is, data for the completion of this specific research study would be extracted from the official websites of the chosen companies, books, research articles etc. Information about selected companies for the study would be extracted from their official websites and other trusted financial websites.

6. Presentation, Analysis and Interpretation of the Results

6.1. Introduction

The research topic of this dissertation is to evaluate the impact of small and medium Enterprise (SMEs) and large organizations on the development of the economy. In this regard, this chapter of the dissertation is based on announcing the results and findings related to the problem under study. For that matter, this chapter broadly sets out the profile of the data which is used for achieving results and findings of the study, the dependent and independent variables that are used, the regression analysis using the dependent and independent variables and the interpretation of the analysis which can be used to provide the justification required for the research, aim and objective which is to evaluate the impact of the SME and large organization on the development of the economy. By nature, this is a comparative study where the main aim is to find out that which has more pronounced impact on the economy - SMEs or large organizations.

6.2. Significance of the Result Section

Before moving on to present and interpret the results and findings of this study, here, we will look at the purpose of the result section. Creswell (2013) stated that the results section of any dissertation is the most critical part as it provides findings of the dissertation, which can be used to provide justification for the research objective and questions. It compares the results of the study with the findings set out by previous scholars and

research in order to fill the gaps in literature and to address the discrepancies. It may not be necessary that the results and findings obtained are accurate however, here the role of the researcher is the most critical as it is his/her responsibility to extract the data from reliable sources and interpret the results, accordingly. To summarize, the overall objective behind setting out the result and findings section is to look at the findings of this particular dissertation and then compare it with results in the available literature to highlight the potential gaps which can be then be researched by future researchers.

The conclusion and recommendations of this research study are made keeping in view the results and findings. Therefore writing down the results and findings is also referred to as the “brainstorming phase” (Kumar, 2010). This is due to the fact that researcher will ponder over the findings, relate it with the literature review, accept or reject the hypotheses and then based on the analysis will provide recommendations to the reader. The importance of this section is that it will provide a fair idea on the role played by the organization belonging to either the SME sector or large corporate on the major indicators of the economy and which one has a greater impact on the development of the economy where the data used is explained in the following section.

6.3. Dependent and Independent Variables

This is based on the research topic, which is to examine the impact of SME or large corporations on the development of the economy where data for the explanation of the dependent and independent variables are as follows;

6.3.1. Independent Variable

As proposed by the research topic, which is to examine the impact of SME or large corporations on the economic development of different countries, the independent variables used in the study are part of the financial information related to SMEs or large corporation. First of all, the companies selected in the analysis are taken from different countries including US, Germany, China and India. The idea is to evaluate the impact of different corporation on the overall economic development and not just to study the impact on a specific country. Further, the SME companies chosen for the analysis include;

- 1) Buffalo Wild Wings, which is regarded as one of the best SMEs in the United States of America, with annual turnover of approximately nine hundred and eight million US dollars. The growth in sales according to Forbes (2012) was 23% and return on earning was 16%.
- 2) Lego Group, also one of most successful SME business in Germany, which employs around two hundred and eight employees. The business belongs to the retail industry with annual turnover of DKK 23,405 million.
- 3) Magic Holdings International Limited, is among the top 100 best SMEs in China dealing in cosmetics. Its annual turnover is recorded at one hundred and eighty million US dollars.
- 4) DFM Foods Limited trades in snack foods market in India and had reported an annual turnover of almost USD 10.8 million.

While, from the large corporations side, the chosen companies are Valero Energy- US, Metro AG- Germany, Adani Enterprises Ltd.- India and Esprit Holdings- China. The variables selected for independent variables include net profit margin and revenues. Initially, the idea was to use share price as well as share price being used as an indicator representing the maximization in shareholder's wealth (Damodaran, 2001) but due to unavailability of share price information for Lego, the variables could not be taken in the regression analysis. Net profit margin and revenues are important financial information, which indicates the health of a company along with the wealth created by them and may benefit the business continuity, along with all other stake holders. Most of the financial information is extracted from the annual reports of the company, Yahoo! Finance, Morningstar and Business-week.

6.3.2. Dependent Variable

Since, the study aims at evaluating the impact of SMEs or large corporations on the economic development, the dependent variables used are economic indicators. The chosen economic indicators for this study include GDP, unemployment and inflation. Mainly, GDP is the most important economic indicator, which is used to evaluate growth in the economy as it estimates the total amount of output produced by an economy. However, other variables such as unemployment and inflation rates are used to assess the trend in the standard of living and disposable , which in turn influences the economic growth and development of any country. The data related to the economic indicators is mainly extracted from the World Data Bank website however in case of missing values; other web sources were also referred.

6.4. Findings of the Research Study

The results and findings of this study are obtained using regression analysis, which is used to find out the association between the dependent and independent variable. The regression analysis table below will provide the degree and nature of association between the financial information extracted for SME or large organizations on the economic indicators of countries. The results are presented and interpreted as follows;

6.4.1. Gross Domestic Product (GDP)-SME

The regression analysis provides the results for the hypothesis that enquire whether SMEs have an impact on the economic development of any country where GDP is taken as a proxy for economic development. The data is extracted for the last ten years, i.e., 2002-2012; however, for companies that do not have the data for the observed period, the available data is taken for the analysis. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.247696632
R Square	0.061353622
Adjusted R Square	0.007716686
Standard Error	0.040137325
Observations	38

Table 1 Regression Statistics

Table 1 displays the regression statistics where the R (correlation coefficient) has a value of 0.247, which implies that there is a weak but positive association between the variables. The R-square which reflects the goodness of the fit of the regression model is 0.061, which is very low and means that only 6.13% of the variability in the GDP of the countries is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.051451526	0.00736	6.99381	3.9E-08	0.036516586	0.06639
Revenue	5.81404E-08	2.3E-07	0.25422	0.80081	-4.06151E-07	5.2E-07
Net Profit	-1.58449E-06	3.6E-06	-0.4444	0.65947	-8.82232E-06	5.7E-06

Table 2 Coefficient Statistics

Table 2 above shows that revenues have a positive impact on the GDP which means that when revenue of SMEs increases by 1%, GDP of the country also increases however net profit margin has a negative impact on the economic development represented by a negative coefficient but both have a very minimal impact on the economic development. Furthermore, the Sig value for the coefficients is more than 0.05, which means that no independent variable has a statistically significant relationship with the dependent variable.

6.4.2. Unemployment –SME

The regression analysis provides the results for the hypothesis that enquire whether SMEs have an impact on the unemployment level of the country. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.22425302
R Square	0.05028942
Adjusted R Square	-0.00397976
Standard Error	0.02871093
Observations	38

Table 3 Regression Statistics

Table 3 shows the regression results, which provide that R has a value of 0.224 and implies that there is a weak but positive association between the financial information of SME and unemployment. The R-square is 0.050 which means that only 5.02% of the variability in the unemployment of the countries is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.05946283	0.00526	11.2996	3.2E-13	0.048779603	0.07015

Revenue	-4.6713E-08	1.6E-07	-0.2855	0.77691	-3.78829E-07	2.9E-07
Net Profit	1.16E-06	2.6E-06	0.45486	0.65202	-4.01733E-06	6.3E-06

Table 4 Coefficient Statistics

Table 4 above shows that revenues of SMEs has a negative impact on unemployment which means that when revenue of SMEs increases by 1%, unemployment of the country decreases. However net profit margin has a positive impact on the unemployment levels but both have a negligible impact on the economic development. Furthermore, the Sig value for the coefficients is more than 0.05, which means that no independent variable has a statistically significant relationship with the dependent variable.

6.4.3. Inflation –SME

The regression analysis provides results for the hypothesis that enquire whether SMEs have an impact on the inflation rate of the country. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.234945395
R Square	0.055199338
Adjusted R Square	0.001210729
Standard Error	0.028313038
Observations	38

Table 5 Regression Statistics

Table 5 shows the regression results, which provide that R has a value of 0.234, which implies that there is a weak but positive association between the financial information of SME and inflation rate. The R-square is 0.055 which means that only 5.51% of the variability in the inflation rate of the countries is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.038650733	0.005189463	7.44793	1.0189E-08	0.028115564	0.04919
Revenue	7.96649E-08	1.61328E-07	0.49381	0.62452717	-2.47848E-07	4.1E-07
Net Profit	-1.66689E-06	2.51494E-06	-0.6628	0.51180398	-6.77248E-06	3.4E-06

Table 6 Coefficient Statistics

Table 6 shows that revenues of SMEs have positive impact on the inflation rate which means that when revenue of SMEs increases by 1%, inflation rate of the country increases, however net profit margin has a negative impact on the inflation rate but both have a negligible impact on the economic development. Furthermore, the Sig value for the coefficients is more than 0.05, which means that no independent variable has a statistically significant relationship with the dependent variable.

The next section will look at the impact of large corporations on the economic development of countries;

6.4.4. GDP –Large Companies

The regression analysis provides the results for the hypothesis that looks at the impact of large corporations on the economic development of any country. The data is extracted for the last ten years, i.e., 2002-2012. However, for companies that do not have the data for the observed period, the available data is taken for the analysis. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.267216718
R Square	0.071404775
Adjusted R Square	0.01834219
Standard Error	0.039921848
Observations	38

Table 7 Regression Statistics

Table 7 shows the regression results for large corporations, which provided that R has a value of 0.267, which implies that there is a weak but positive association between the financial information of large corporations and GDP rate. The R-square is .071, which is higher compared to SMEs but implies that only 7.14% of the variability in the GDP growth rate is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.048153004	0.010444533	4.61035	5.2E-05	0.026949474	0.06936
Revenue	-1.04294E-07	1.17608E-07	-0.8868	0.38124	-3.4305E-07	1.3E-07
Net Profit	2.68299E-06	1.68349E-06	1.5937	0.11999	-7.34681E-07	6.1E-06

Table 8 Coefficient Statistics

Table 8 shows that revenues of large organizations have a negative impact on the GDP rate which means that when revenue of large corporations increases by 1%, GDP growth rate decreases however the net profit margin has a positive impact on the GDP growth rate. Furthermore, the Sig value for the coefficients is more than 0.05, which means that no independent variable has a statistically significant relationship with the dependent variable.

6.4.5. Unemployment –Large Companies

The regression analysis provides the results for the hypothesis that enquire whether large organizations have an impact on the unemployment level of the country. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.364007077
R Square	0.132501152
Adjusted R Square	0.082929789
Standard Error	0.027440122
Observations	38

Table 9 Regression Statistics

Table 9 shows the regression results, which provided that Multiple R has a value of 0.364, which implies that there is a weak but positive association between the net profit and revenue and unemployment. The R-square is 0.132, which means that 13.2% of the variability in the unemployment of the countries is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.056888543	0.007179008	7.92429005	2.5549E-09	0.042314382	0.071462704
Revenue	1.46636E-07	8.08371E-08	1.81397097	0.07826306	-1.7472E-08	3.10744E-07
Net Profit	-2.66428E-06	1.15714E-06	-2.30246888	0.02737309	-5.0134E-06	-3.1516E-07

Table 10 Coefficient Statistics

Table 10 shows that revenues of large companies such as Valero Energy in US and Esprit Holdings in China has a positive impact on the unemployment level of their respective country which means that when revenue of these companies increases by 1%, unemployment of the country increases however net profit margin has a negative impact on the unemployment levels. Furthermore, the Sig value for the net profit margin is less than the alpha value of 0.05, which means that net profit margin has a statistically significant relationship with the unemployment level of the country.

6.4.6. Inflation –Large Companies

The regression analysis provides the results for the hypothesis that enquire whether large corporations have an impact on the inflation rate of the country. The results for the regression analysis are provided as follows;

<i>Regression Statistics</i>	
Multiple R	0.591465236
R Square	0.349831125
Adjusted R Square	0.312678618
Standard Error	0.023487104
Observations	38

Table 11 Regression Statistics

Table 11 shows the regression results, which provided that R has a value of 0.591, which implies that there is an above average but positive association between the financial information of large company and inflation rate. The R-square is 0.349, which means that 34.9% of the variability in the inflation rate of the countries is explained by the independent variables.

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.02065309	0.006144802	3.361067	0.001888624	0.008178479	0.033127701
Revenue	1.0221E-07	6.91917E-08	1.477206	0.148562734	-3.82562E-08	2.42677E-07
Net Profit	1.72453E-06	9.90443E-07	1.741175	0.090437881	-2.86172E-07	3.73524E-06

Table 12 Regression Statistics

Table 12 shows that revenues of large corporations have a positive impact on the inflation rate, which means that when revenue increases by 1%, the inflation rate of the country increases. Similarly, net profit margin also has a positive impact on the inflation rate. Furthermore, the Sig value for the coefficients is more than 0.05, which means that no independent variable has a statistically significant relationship with the dependent variable.

6.5. Conclusion

Although the above analysis provides comparisons to SMEs, the large corporations could be seen to have more pronounced impact on the economic indicators of the country where statistically significant association is found. However, this impact was negative on some indicators like GDP and unemployment when compared with SMEs, which had given a positive impact on those variables.

Apparently, when revenues of SMEs increases it pushes the GDP growth upwards and calls the need for business expansion, followed by an increased need for human resources - unlike the large corporate firms where spending could be more focused on R&D with lesser need to additional head count.

7. Summary, findings and conclusion

7.1. Introduction

This last chapter of the dissertation is based on providing a summary on the overall dissertation where the

main objective is to provide justification for the research aim and questions under the summary of the research. In addition, this chapter also provides recommendations to the policy makers and economists. Based on the gaps and discrepancies found in the current findings and results, suggestions are provided in the chapter for future researchers and finally the conclusion is provided at the end along with a personal reflection statement that highlights the skills and abilities learnt during the research work.

7.2. Summary for the Research Study

Over the recent decade, it has been observed that experts from the field of economic developments are abandoning the traditional measures and approaches related to economic development, which are based on employing policies in the context of a large organization. Such policies included the introduction of tax breaks, government funding programs, financial incentives and other incentives. However, the recent shift is towards building business from the foundations enhancing the growth and development of enterprises (Paskaleva & Shapira, 2006). As a result of this transformation, there are two features that came into being; first, the development of the small and medium size enterprises, while, second is the development and enhancement in the existing infrastructure and recruitment process followed by organizations. Saleh and Ndubisi (2006) asserted that both of the above mentioned features will contribute towards the standard of living and expanding business activities which in turn will have a positive impact on the economic development and growth.

Saleh and Ndubisi (2006) explained that looking at previous government funding programs and policies introduced by economists, it can be said that strategies introduced in the past were mainly based on large firms and therefore proved to be unsuccessful in enhancing the economic growth. This became evident during the Global Financial Crisis 2007-2009 where it could be seen that large organizations were highly influenced by the impact of crisis or were successful but at a high cost. Moreover, Edmiston and Turnbull (2007) proposed that the creative and innovative nature of entrepreneurs has been able, not only create benefits for themselves but for the economy as well including job creation and enhancing standard of living.

Edmiston (2004) discussed that there are different fields and things in which large organizations are experts while there are other things where SMEs are better. However, the topic relates to whether SMEs or large companies have a higher influence on the economic development and growth and therefore this topic remained a hot topic among the economists and experts. The author mentioned that if we look at the impact of large organizations and SMEs on the economic development and growth, it is impossible to separate the impact of SMEs from the large organizations. Looking at the growth and development of emerging economies such as Taiwan, Korea and Malaysia which have been focusing on the development of SMEs, there has been a shift to the point where large corporation contribute more towards economic development through job creation and direct investment.

Keeping in mind, the importance of economic development, this research study examines the impact of SMEs or large corporations on the economic development of countries. The main aim and objective of the research study is to find out whether SMEs or large corporations have a stronger influence on the economic development and growth. For that matter, the methodology chosen in this research is to use secondary information where the data is extracted for the chosen companies from the annual reports and other web sources. The data is analyzed using statistical tests where regression analysis is applied to find out the association between the dependent and independent variables.

The results and findings of the research study provided justification for the research aim and objectives. In response to the aim of the study, which is to examine the impact of SMEs or large corporations on the economic development and growth - although the research study provides that large corporations have a greater impact on major economies studied in the sample - the impact was found negative on some indicators like unemployment levels within those economies, unlike SMEs which has helped in affecting this harmful indicator adversely and reducing its levels when their revenues increase over time. This could be explained by the need of more feet-on-street to SMEs in order to further expand their sales and revenues unlike large firms where they tend to invest more on new technologies, research and development, which will help them in possessing advanced positions among competitors. Also, the statistical test implies that there has been a negative correlation between revenues of large corporates and GDP growth of their companies, unlike the case of SMEs where a positive correlation was found, which has been also the view of much previous research through the role of large corporates in the recent financial crisis in 2006. Other than this, it was found that other independent variables do not have a statistically significant relationship with the dependent variables which implies that revenues of both small and medium enterprises, and large corporates are not the most significant variables affecting the performance of subject economic indicators. However, for the sake of comparison between both sectors, it could be urged that the development of SMEs could be of a stronger help to the global economies over the large firms, which could cause more systematic risk and less improvement to the economy. Moreover, due to simplified competition in SMEs, they can always have retention plans to their employees and increase their workforce to more than those of a larger size.

7.3. Recommendations to Policy markers

The findings and results of the study provided some key aspects, which include that compared to large organizations, SMEs play an important role in job creation and economic development. The research study provided that the welfare of an economy can be enhanced when both large organizations and SMEs collaborate and work with each other. This is due to the fact that large organizations are created and developed from the grass root levels, which implies that growth of SMEs are critical for the success of large organizations. Looking at the results and findings, it can be said that if policy makers think that only large organizations are important then they must know that small and medium size enterprises play a key role in providing resources and materials to large corporations, therefore the development of SMEs is also important. It can further be recommended that large organizations and SMEs can only benefit the economy when they share their profits with people and invest in the society but if they keep it with themselves then the economy will not develop and remain

stagnated. Thus, it is recommended that policies should be made to strengthen the recruitment process so that different sectors of the economy can be developed.

Also it has been proven by a lot of research that the SME sector has been less risky when compared to large corporate sector. Knowing that any collapse happens to a large entity will definitely have an impact on the overall economy of the country. We can still remember what has happened to the economies subsequent to corporate scandals like; AIG USA 2008 and Lehman Brothers in the same year. However, the contribution of SME sector to the crisis was relatively insignificant.

7.4. Suggestions for future researchers

The results and findings of the research study provided that the small and medium enterprises have better influence on the economic development of the countries. However, SMEs are found to have minor impact on the economic development. Looking at the results, it can be suggested that a similar study can be carried out by future researchers but the researchers should focus on the impact of SMEs on the economic development where SMEs should be selected from different sectors and impact should be evaluated using GDP as a proxy for economic development. In addition, future researchers can evaluate the impact of SMEs on the economic development of developed countries to find whether they contribute in development among the presence of large organizations. Moreover, future researchers need to assess the corporate social responsibility policy adopted by SMEs, which are likely to play a strong role in the development of the country.

7.5. Conclusion

Based on the above analysis, it has been found that compared to large corporations, SMEs are likely to have a strong impact on the development of the economy. The results and findings showed that SMEs, when profitable, result in reducing the unemployment rates among economies. Also, the results reveal the fact that SMEs revenues have positive correlation with GDP of their countries unlike large corporates where the relationship was found adverse. This may be due to the fact that the data is taken for different companies having different sizes and a different date of establishment. Despite this, the research study provides justification for the results and findings.

It can be also concluded that SMEs have become an integral element not only for the economy as whole, but also for the survival of most large corporations, in a way that, most of the large corporates have started to accept the idea of competing with some SMEs working within the same industry and not only other large firms, which have encouraged directors and business owners of these big firms to have an indirect alliance with some SMEs that should bring in more strength to their businesses and expand it to reach far corners, which could never have been reached without the help of some SMEs with minimum capital requirement for such expansion.

7.6. Personal Reflection Statement

The results and findings of the study helped in learning a number of skills and abilities. First and foremost, the study helped in enhancing research where it was learnt how a research study is carried out starting from developing research objectives and questions to deciding on the research methodology. Furthermore, it was learnt how data can be extracted from different sources related to the dependent and independent variables. Finally, the research study assisted in gaining knowledge about the different organizations and its impact on the economic development.

7.7. Limitations

The limitations of this study that can affect the quality of the dissertation where the data related to the independent variables is extracted from specific countries that is US, Germany, India and China and therefore the results cannot be applied to other countries. Similarly, specific SMEs and large corporations are chosen for this study, which implies that the results of the study cannot be generalized to other companies. In addition, the data is only extracted for three economic variables however there are other variables that can be used as a proxy for economic development. Moreover, the financial information related to companies does not take into account social responsibility actions adopted, which could have also improved the quality of the results.

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