

Customer Relationship Management, A strategic Tool for Business Sustainability: The case of Small, Medium Enterprises in Ghana

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Abstract

The purpose of this article is to highlight the lack of business sustainability of small and medium enterprises in Ghana and how the trend can be reversed through the adoption of customer relationship management and strategic management practices as a solution for sustainable business that can transcend generations.

Small and medium businesses in Ghana more often either collapse, shuts down or in case owners are sick, the business cease or when owners die, the business dies with them. Those that are able to put structures and systems in place soon become dreary and inward looking and eventually fall into decline, as a result of lack of strategic management and customer relationship management. Failure to build, develop and manage strategic and customer relationships creates complacency stifling growth and profits notwithstanding business expansions, hence the business folds up or shuts down with economic turbulence.

According to Bloomberg, 8 out of 10 small and medium businesses fail within the first 18 months and the reason being that, they simply run out of cash. (Bloomberg 2013). The trend can be reversed if small and medium enterprises embeds the necessary elements including customer and strategic relationship management practices to enable their long-term sustainability.

Implications of the short lives of small and medium businesses in Ghana is an indication of a cycle of stifled economic growth as new businesses keep springing up but without a successful, practical and workable existing business model to emulate or learn from to support their sustainable business practices.

Keywords: customer relationship management, strategic management, service management, business sustainability.

Introduction

Globally, the world's economy is gradually shifting from over dependence on government and conglomerate businesses to emerging dynamic small and medium businesses as a result of inability of most Governments all over the world to absorb the increasing growth of unemployment and Ghana is no exception. Individuals are entering into small scale enterprises and virgin territories trying to create the best out of these territories for survival without going through the hustles and bustles of job seeking or pursuing career development.

By the start of the twenty-first century, one in every three households in the USA had at least one person involved in a new or emerging small business (Economic News 1997). By all definitions, the contribution of small businesses to the economies of every country has begun to be appreciated.

In Ghana, the development of small and medium enterprises have been on past and present Government agenda trying to empower young entrepreneurs with resources and skill development to enable their financial freedoms without depending on the Government for jobs. This call to action is also in line with the one district, one factory agenda of the Government, to establish small scale industries in designated districts to manufacture both for the local market and the West Africa sub-region. This in effect will support government's efforts in poverty alleviation and help with the building and development of the national economy of Ghana.



While some Governments have generally sought to empower some of these small scale and medium enterprises, the question remains as to whether these businesses usually transcend generation or are able to survive beyond the owners. Many at times, the business proposals or business plans these small medium enterprises present to access funding from Angel Investors, Government or Non-Governmental sectors is written by others and not themselves. They usually have ideas or a skeleton plan of what they want to do and sometimes how to go about it, but it generally ends there. The practicalities of managing a business when faced with economic and environmental challenges are what most of the time caps the wings of these business owners to hardly survive. Most of these small and medium enterprises do not think beyond a short to medium term plan as well as the dynamics of the global and business environment that can impact heavily on their business and cause a change in direction, hence there is usually no plan B or alternative plan for survival when the eventuality happens. Small and medium businesses more often than not, either collapse, shuts down, or in case owners are sick, or die, the business dies after them shortly.

Furthermore, some small and medium enterprises that are able to put structures and systems for survival soon become dreary and inward looking and fall into similar traps as afore-mentioned as a result of lack of strategic and customer relationship management that can enable profitability and business sustainability. Their failure to build and manage strategic relationships with their customers creates complacency and causes stagnation in profits disabling business expansion or more profits to enable withstand the trying times during economic turbulence and environmental shifts in business causing them to fold up or shut down too soon.

This article highlights why many small and medium businesses are short lived or barely survive and how Customer Relationship Management can be used as a strategic management tool to turn around the fortunes of these small and medium enterprises in Ghana to enable a profitable and sustainable business that transcends beyond owners or founders. It is pertinent to address this issue because many small and medium enterprises overlook the relevant frameworks and fails to focus and embed the necessary elements that ensures sustainable businesses especially strategic management practices being the major challenge, the absence of which causes the collapse of small and medium enterprises.

The article further highlights the structure of small medium enterprises and their management principles and practices. Predominantly amongst small and medium enterprises in Ghana, is a lack of understanding of customer relationship management and management information systems which can be used to manage relationship equity and customer life-time value as a strategic management concept.

Literature review

During the 1960s the world saw a decrease in the importance of small firms, measured in terms of their share of manufacturing employment and output. The proportion of businesses classified as small and medium enterprise was at its lowest point. However, in the early part of the 20th century, the situation saw a reversal. Small and medium enterprises increased in importance, measured in terms of their number and share of employment and turnover and the number of small and medium enterprises continues to rise. Small and medium enterprises in the UK for instance, increased to 4.7 million by 2007 from 2.4 million, an increase of approximately 96% in 28 years and generating 59.2% of employment and 51.5% of turnover out of 2.8 billion pounds. Small and medium enterprises are increasing in number in most advanced and even emerging economies as is their share of employment. In the EU for example, small and medium enterprises contribute 67.1% of employment and employed approximately 4.3 million people making them a vital part of all the EU economies.

Small and medium businesses mostly dominate the service sector including hotels, catering, retailing and wholesaling and construction but averagely, only 50% of these SMEs survive beyond their fifth year. EU report for instance also found that, small and medium enterprises in the USA are larger with fewer micro businesses and expand more rapidly with a higher dispersion of productivity; productive businesses have a stronger tendency to increase in growth. This can be explained more probably because of an enabling economic environment and fewer barriers to growth.

The issue about survival and growth of small and medium businesses pervades much of government policy. Storey and Greene (2010), remain unconvinced by the arguments for government interventions for SMEs. According to them, government cannot justify the creation of an enterprise culture and policy interventions related to provision of finance, advice and assistance for SMEs. Interventions for Research and Development and other business technology support is what they deem appropriate to guarantee a publicly funded loan scheme. Other schools of thought, that is, Bill et al., (2007); and Greene., (2002) have all supported the view that there is little evidence of success in government interventions in supporting small and medium businesses. They feel that the micro economic policies of governments including taxation, regulation, competition, etc., are ineffectual and can have an effect on small and medium businesses. They further purported that, government interventions for small and medium businesses, will simply encourage more start-ups that may be thought about as actually being set up only to fail. On the other hand, a policy of encouraging surviving small and medium enterprises to grow will result in fewer start-ups because of reduced opportunities. SMEs are particularly vulnerable to economic changes because of their frequently precarious financial situation and in times of economic turbulence or recessions, they hardly survive.

A typical example is the Youth Enterprise Support, the “YES” project by the Ghana Government. Beneficiaries were presented with sums of money as reported in the Dailies of August 10, 2015 where the CEO of the YES project called for a change in mind-set as seeing government grants to small and medium enterprises as free money therefore fail to pay back. Although citizens labelled this grant as another mass handout of money for political scores, the CEO proved critics right as she could not outline how monitoring and evaluation would be carried out to ensure efficient and effective utilization of these “free monies”. This may probably confirm the reservations and strong argument put out by the aforementioned schools of thought.

A value added tax (VAT) statistics conducted in the UK in 2008 have been used to show that the most dangerous times for the survival of small and medium enterprise is its first three years of existence, with approximately 50% ceasing to exist as a result of death, retirement of business owners, business not attractive, changes in aspirations and motivations of business owners moving on to other things. Other studies have also provided insights that small and medium enterprises have lower productivity because of lower capital backing. A 2002 study of small and medium businesses also discovered that 50% of small and medium businesses still operate after 3 years; however, 33% fail while 17% shuts down but with some success (Ryan 2014) Research carried out by McGovern et al., (2004), also indicated a disproportionate high number of bad jobs, low training initiatives and poor management practices as reasons for non-sustainability of small and medium businesses.

However, none of the above schools of thought mentioned how start-ups or small and medium businesses can be supported to effectively apply sound business principles and strategically manage their businesses for growth and sustainability or how strategic management practices can push them on to the radar for sustainability if they are not to be financially supported coupled with all the afore-mentioned reasons.

Structure of small and medium enterprises

There is no uniformly acceptable definition of a small and medium enterprise. However, the European Commission coined the widely used term small and medium enterprise (SME) and defined it in 1996 as an organisation employing fewer than 250 people with a turnover of less than 50 million Euros.

However, being a small firm is not just about size but also about satisfying three important criteria as follows:

Market influence – having a small share of the market; usually operate in slim market niches with no clear competition, hence influence price and quantity sold.

Independence – small enterprises are free from outside control in taking principal decisions and therefore independent.

Personal influence – managed in a personalized way and not through formalised management structures.

Following from the above, the questions to ask are - do the above criteria contribute to their non-survival? The fact that many of these small and medium enterprises do not have a formalised management structure makes them jack of all trade as they are sometimes involved in all facets of the business; many of them are their own Accountants, Human Resource, Marketing and Sales, Procurement, and other functionaries within the business, although the business can be managed by someone else other than themselves and may or may not include family members.

Another question to ask is – do the dynamics of the external environment affect them in times of economic turbulence? The answer is very much so and the reason why many of these small and medium enterprises do not survive. It is however worth noting that, even large corporate organisations are merging their businesses under one “blog” or “cartel” so they can better compete and survive the turbulent times.

Banks in Ghana for example are merging to be able to meet the financial capital requirements demanded by the regulations and requirements of Ghana Government to be eligible to operate.

The final question to ask on the criteria is – how do these small and medium enterprises grow or expand their businesses for survival or sustainability if they operate in a slim niche market and with no clear competition? The high interest rates from banks in Ghana hover between 28 – 35% and obviously not meant for small medium enterprises, therefore injecting financial capital for expansion can only be done through other non-formalized or conventional ways which is finance from friends and family or angel investors. However, the state of the economy coupled with fraudulent micro financiers has also made it impossible for informal sources of finance as individuals mistrust their own friends to lend them money for their business.

The above leaves small and medium enterprises with no better options than to rigorously pursue customer relationship management (CRM) to create customer equity that generates consistent cash flow to run the business. This can also lead to customer lifetime value (CLV), in order to survive or build a sustainable business in the ever changing and dynamic environment.

The Bolton Committee’s (Bolton 1971) criteria for a small and medium enterprise that disregards practical application does not portray or define the important characteristics of small and medium enterprises that can survive the dynamics of a twenty-first century environment to enable its sustainable and transcend beyond the owners.

A focus on the management practices of small and medium enterprises that contributes to its sustainability and how similar or different this is from the practices of large organizations also requires due consideration.

Small medium enterprise business management practices

Small and medium enterprises operate their businesses in fundamentally different ways from large organisations. The personality and behavioural characteristics of the owner may impact on how the business is run and how decisions are made; these underpin their approach to strategic management of the business. While large organisations can easily access finance, small and medium enterprises cannot easily raise capital and are usually short of cash and this has strategic implications on their operations as it constraints the strategies they can adopt to market and create visibility for their products and services, hence a wisely use of their time must be spent on building, developing and enhancing relationships with existing and prospective customers than adopting expensive advertising and promotional campaigns to create awareness and generate desired revenues.

Whereas large organisations are able to operate in global markets expanding their offerings to other customers to generate more revenue, small and medium enterprises usually operate in a single market which also has strategic implications on their income as they offer limited products and difficult to diversify their business risk.

As a result of their small nature, it is difficult to deploy economies of scale with its inherent benefits, thus impacts on their financial evaluation. They do not have formalised and structured way of doing things as compared to large organisations and they do not employ many staff. According to Atkinson and Storey (2016), small and medium enterprises only begin to make some managerial staff appointments to support with strategic management decisions when they have been able to employ about 10 – 20 people, many of who will usually be their relatives. Taking on staff is in itself a major strategic decision involving an increase in costs.

Wynarczyk et al (1993), also identified business evolution and uncertainties in small and medium enterprises than large organisations. The high degree of uncertainty forces small and medium enterprises to make short term decisions and their management style considerably change as the business evolves. They are less concerned with formal systems and structures and strategic decisions are more judgemental and quicker, responding to changes in the market place but with less influence on the developments of the environment.

Whereas large organisations involve in Strategic management practices, small and medium businesses do not usually practice strategic management. The Strategy making process involves thinking strategically about the future direction of the business and making changes in the product, market, customer, or technology to improve current market position and future prospects of the business.

Prof. Azhar Kazmi (2008) indicated that, the strategic decision must focus on few alternatives and the alternatives must be evaluated against certain criteria to make the actual choice, but small and medium businesses already have challenges making strategic decisions, left alone choices.

An organization's vision can be re-constructed to reflect new structure, culture and systems that better responds to the dynamics of the changing and new environment. Small and Medium Enterprises do not have a Strategic Vision which is the road map that shows the route to take in developing and strengthening their business and therefore do not make any strategic choices; this is an identified factor among others why small and medium businesses are not usually sustainable. Another feature of management practise in small and medium enterprise is that, although they mostly have a vertical structure which is dominant to achieve control and coordination unlike the tall bureaucratic structure which has disadvantages usually synonymous of large corporate organisations, they do not still seem to achieve the benefits and advantages of a vertical structure. This is because they are usually and mostly a one-man decision maker or has the final say in almost all subjects of concern even when they have other management staff. Characteristics of a vertical structure include centralised strategic decision making, specialized tasks, rigid culture, vertical communication and reporting systems, few teams and task forces which enable a business to run efficiently.

Small and medium businesses focusing on a single business or set of capabilities do perform well in the short run but when viewed from a long term perspective may not perform well or even cease to exist. Small and medium enterprises can sustain its growth through vertical or horizontal integration; by new product introductions at in-home market or other geographical locations but they usually do not have the capacity to do that because of scarce resources and therefore has a slim chance of survival in case of economic turbulence or turmoil.

An organization's plan for its existing business allows it to project total sales and profits, so that, if there is a gap between future desired sales and projected sales, management can develop new businesses to fill it. According to Igor Ansoff, three options are available.

The first is to identify opportunities to achieve further growth within current businesses (intensive growth opportunities) but small and medium businesses in Ghana barely think about this neither do they practise it.

The second is to identify opportunities to build or acquire businesses that are related to current businesses (integrative growth opportunities) but small and medium enterprises do not have the capabilities or capacities for this. They are usually complacent and content with the few customers they have without exploring opportunities for further growth or expansion. One may ask whether the difficulty in accessing finance is what causes these businesses into this state of thought.

The third is through diversification. Independent businesses with the right focus and corporate strategy can grow and become market leaders through integration or diversification. This can enable its growth and sustainability for the foreseeable future while achieving its corporate vision.

In this modern century, although businesses whose concentration is on customer satisfaction, quality, innovation and performance will be rewarded more than businesses whose focus is just on figures, efficiency and meeting budgets, small and medium enterprises can only do one of this very well, which is customer satisfaction through excellent customer service and relationship management, with the necessary systems and tools to support their efforts to sustain those relationships as seen with large corporates. In considering how large corporate organisations are able to sustain their businesses over the years, small and medium businesses can emulate the intrinsic values and strategic management practices of these large organisations.

According to Henry Mintzberg, no matter how well an organization plans its strategy, a different strategy is likely to emerge possibly due to environmental conditions. These can be intended or deliberate. A deliberate strategy according to Mintzberg is an intended strategy that is realised and an emergent strategy is realised strategies that were never intended. If large corporate organisations practised or adopted any of these strategies, then small and medium businesses can also consider at least practising strategic planning and make strategic decisions that can propel the sustainability of their business. The absence of strategic planning, strategic decisions and choices is also an identified factor that causes small and medium businesses in Ghana to fail to exist for a long time.

Mergers and acquisitions are frequently used by organizations as a means of achieving rapid expansion, but this is obviously not in the language of most small and medium businesses as their businesses are usually one-man or to the higher extent, partnership. The thought patterns of “my own”, command and control syndrome, challenges associated with human relationship management among others are a deterrent to small and medium business owners in Ghana. Hence the issue of sustainable growth is a challenging concern.

Introducing strategic management practices in small and medium enterprises in ghana

Strategic Management has been defined as a set of managerial decisions and actions that determines the long run performance of a business. It involves the formulation and implementation of goals and initiatives based on consideration of resources and an assessment of internal and external environments in which the business operates. (Wikipedia) The concept includes four phases namely;

- Basic Financial Planning
- Forecast-Based Planning
- Externally-Oriented Planning and
- Strategic Management

Benefits of the strategic management concepts emanates from a clearer sense of strategic vision, sharper focus of strategic importance and improved understanding of the changing environment. The question is do small and medium businesses care about these concepts and inherent benefits? Have they at any point of their business embedded any of these concepts? Do they have a purpose for existence? Do they think about where they want to carry their businesses to in the medium to long term? And even if so, do they ever consider the strategic choices that can carry them into the medium and long term. Do they conduct a SWOT and develop long range plans for effective management of opportunities and threats? These are pertinent questions that require credible responses to determine the future of small and medium businesses.

Most small and medium businesses in Ghana do not have a corporate, business or functional strategy as they operate by the day as events unfold, therefore do not think about growth or resource utilization for return on equity or investment. Corporate strategy ensures stability, growth and retrenchment; business strategy enables competitiveness and cooperativeness while functional strategy instils technological leadership and followership. All these are relevant in defining the course of direction and the life cycle of a business but most small and medium enterprises do not have and practice any of these. Strategic decisions

are rare, consequential and directive and these comprise substantial resource commitments and enterprise level thinking. The strategic decisions are made from strategic choices which can enable the long-term existence based on the objectives of the business.

Strategic management process involves the development of a strategic vision, setting objectives and crafting and implementing strategies that can enable achieve the objectives and vision while monitoring and evaluating performance to embed necessary corrective measures and ensure the business is on course to achieve the set objectives and vision.

Strategic vision involves thinking strategically about the future direction of the company, and introducing necessary changes to improve on market and future prospects. It concerns the company's future and how to get there. John W. Teets (2011) indicated that, "management's job is not to see the company as it is but as it can become" but the future existence of most small and medium businesses is unknown as they don't think along this direction. Most small and medium enterprises in Ghana only focus on the current business activities, "the mission", and not the vision therefore do not have any clear strategic choice and plans to follow for a sustainable future. The purpose of setting objectives is to convert vision into specific performance targets and track the performances guarding against complacency and status quo performance. However, it is clear that small and medium enterprises are more interested in objectives that will achieve current profits, "financial objectives", than in future performance, more often geared towards entrepreneurship, searching for opportunities to do new things or improve on existing. The exigencies of strategy implementation cannot be mentioned with small and medium businesses as this involves building a capable business and allocating resources to strategy-critical activities; establishing strategy supportive policies, instituting best practices for continuous improvement, installing information, communication and operating systems, creating a strategy supportive corporate culture and motivating people to pursue the target objectives. These are not a one-time exercise as it involves evaluation and making necessary corrections and adjustments. The process may even involve altering the vision, changing objectives, or modifying and improving strategy.

Strategy is all about making choices; developing goals and means to achieve those goals including resource commitments. The surest path to sustained future profitability is to relentlessly pursue strategic outcomes that strengthen a company's business position and gives it a growing competitive advantage. Since this is not practical with most small and medium businesses, the other option to consider is Customer Relationship Management to enable its growth and sustainability.

Using customer relationship management as a strategic tool to deliver quality service and customer value for growth and sustainability

Small and medium enterprises can use customer relationship management as a strategic management tool to deliver quality service and customer value and this can lead to business sustainability.

The key asset that lies at the centre of every business is the Customer. As the economic environment continues to destabilize, many businesses focus on strategies they can pursue to bring tangible business benefits. In a growth economy, businesses will work hard to expand their customer base to strengthen the growth engine while in an emerging economy, where money is tight, existing customer relations grow in importance to seek a cost-effective way of sustaining the business. Customer Relationship Management solutions can provide the foundation for sustainable growth and enable businesses to survive and thrive in uncertain times. By protecting and investing in customers, businesses can establish the foundation for a sustainable business.

Customer Relationship Management uses a technology that allows businesses to track and leverage every customer interaction to maximise revenue and leverage on other opportunities to improve customer loyalty. Customer Relationship enables to build and track detailed information on customer including details of purchases made by customer, communication preference, demographic and psychographic information among others. This customer information enables to build meaningful relationship with them and enhances sales opportunities, affinity and relationship equity. When the relationship is well managed, it develops into

customer loyalty where customers become ambassadors for the company and support with increased sales and business growth freely through diverse direct marketing opportunities. Customer relationship management can even generate into customer lifetime value (CLV). It is pertinent to note that, customer relationship management is becoming increasingly relevant for business profitability and growth as customers now buy relationship and not just quality of products per se. The quality of relationship with customers through improved and best services enables them to overlook minor product quality flaws at certain times and still keep loyal with the company other than switch to other similar competitor product offerings.

However, to appropriately and effectively manage relationships with customers, the company must deploy effective customer relationship management tools or enterprise resource planning tools. This management software creates tables of data relationships by using parts of the data from several tables. Technology has made it possible for automatic updates that has created enormous shifts in the way companies do business. Strategic planning can be well done by deploying some of these useful information technology tools to enable bring more meaning, lively and achievable strategies. A business simulation software combining a variety of developments, trends and environmental factors can aid small and medium enterprises in anticipating the future demands on their businesses and forward plan to respond to future needs. This practise can enable a sustainable business.

The process of defining an overall frame of scenario-based strategic plan using the “framing checklist” tool that specifies the goals, individuals involved and other characteristics enables to drive the strategic process of small and medium enterprises through three main goals as follows:

The first goal is to establish a list of factors that can potentially influence the future of the company. The second is to evaluate the factors according to performance impact and degree of uncertainty and the third is to match the perspectives of stakeholder groups concerning the influencing factors, in this case, the customer groups. A typical example is the 360-degree customer feedback that poses open and closed questions on factors that has the tendency to influence the future of the business. The comprehensive knowledge gathered from the customer groups can provide a scenario to be used to compare the perspectives on the future of the company. Trends and uncertainties have potential impact on the future of a company; the uncertainty grid serves as a tool that helps to visualize and structure the list of factors which potentially have an influence on the future development of the company. The uncertainty grid allows for the positioning of identified factors according to their potential performance and degree of uncertainty for the future. The uncertainties identified in the scenario-based approach to strategic planning serves as a dimension for which the customer value can be defined. (Wulf, Meissner and Stubner, 2010)

This approach requires some distinct future based scenarios that must be described based on cause and effect. The existing strategy can be tested against the scenarios to build a bridge from thinking about the future to deriving concrete strategic alternatives and action plans that can ultimately lead to the future sustenance of the company. This approach also shows the integration of the opposing views of the planning school and process school of strategy that can be used by small and medium enterprises to achieve sustainable businesses.

Customer Relationship Management enables to optimize operations and standardize best practices. Ultimately, it allows businesses to better acquire, manage, serve, and extract value from their customers while improving operational efficiency. It further provides real business benefits that can be employed for sustainability using the five main strategies below.

- Focus on Existing Customers
- Maximise Revenue Opportunities
- Reduce Operational Costs
- Do More with Less and
- Optimize Existing Assets

Customer relationships will at its inception emanate from perceived value from consistent quality service and how that provides solution to the hidden or emotional needs of the customer. Continuous service quality

is as a result of continuous improvement; that is, bringing improvement in all business functions and processes including leadership and service culture, technological systems, service oriented people leading to customer value and relationship equity which I call the “QUADROLE” model per the illustration below. (All the elements in the square has critical roles to play in SME business sustainability)

The quadrole model

High			
High	LEADERSHIP AND SERVICE CULTURE	TECHNOLOGY AND SYSTEMS	Low
Low	SERVICE ORIENTED PEOPLE	CUSTOMER VALUE AND RELATIONSHIP EQUITY	High

Source: A. Babah-Alargi, (2015) Low

The three elements of Leadership and Service Culture, Service Oriented People, Technology and Systems will lead to Customer Value and Relationship Equity. Each one of the quadrants cannot do without the other. Customer Value and Relationship Equity starts with Leadership that develops and enforces a culture of Service Orientation and effective technology and systems to achieve customer value and relationship equity. Where there is high leadership and service culture, this infiltrates automatically into the DNA of the service delivery people.

Businesses thrives on the loyalty of their customers who perceives value for monies expend and are motivated by the desired service expectations which keeps them coming back. Excellent Customer Service and Relationship Management is not a one or few times practice but a consistent practice of all the elements playing together to provide that flawless and desired service experience, that eventually develops customer loyalty and generates customer equity leading to customer lifetime value. Excellent Customer Service and Relationship Management is done with mindfulness and ownership of the service but must also come naturally as part of business culture when consistently practiced.

Making reference to the Quadrole Model, where there is a lack of leadership and service culture, there is an automatic breakdown of systems and service orientation leading to low customer value and relationship equity. However, when there is high leadership and service culture, there is also an automatic high service orientation, technological processes and systems work and the result is a high customer value and relationship equity which can enable business sustainability.

The design of a customer relationship management tool enables to build, develop and maintain meaningful and relevant customer relationships. The numerous customer data enables to know the customer inside out and segment them according to their needs and their value to the business. The implementation of targeted and relevant customer activities enables a better appreciation between the business, its service and customers thereby creating this triad affinity. The triad affinity creates enormous opportunities for the business and its products or services leading to a sustainable business.

Conclusion

The work of small and medium enterprises is hard without guaranteed results, but many more people explore this territory every year around the world. There are always new entrants and an expected post-entry profitability generally related to the growth of the industry they choose. SMEs form the foundation of free-market economies. However, entry barriers such as capital requirements, expensive interest rates (especially in most emerging markets), restricted access to inputs and whether economies of scale exist are all challenges that these small and medium enterprises face. The personal characteristics of managers and owners and the environment in which they operate can be shaped by antecedent influences like experiences, personal situation, character traits, family, social groups and culture as much as economic influences such as unemployment, or even opportunities that pull them into the self-employment, but these can also determine the success of failure of the business. It is not all small and medium business owners who are

entrepreneurial and since it takes time for entrepreneurs to prove that the business is in fact a growth business, is the business then built on aspirations or reality at its inception. This is why decision making is therefore short term and incremental strategies evolve on a step by step basis. The options are open because of all the uncertainties and they reduce and keep investment and fixed costs as low as possible to minimise risks and these are some reasons why there is absence of growth and sustainability.

In effect, small and medium business owners exploit change for profits by seeking out opportunities to make money mindful of the uncertainties, while large corporates with opportunities and calculated risks use strategic management principles to ensure they are achieving their goals and sustaining their business. However, this can also be possible with small and medium businesses as it can be argued that the Nestles', Toyotas', Unilever', General Electrics', Microsoft', Proctor and Gamble, etc., all started as small and medium enterprises but applied elements consistent with the Quadrole Model and in tandem with strategic management practices and with clear vision and goals. The variations of the business environment enable a number of changes and paradigm shifts, sometimes, changes even in mission and vision and re-direction of strategies, most often diversion into other non-core areas that equally generate revenue. Corporate organizations change with the times, they predict and predetermine the environment and competition, they invest into people and infrastructure, most of all, they drive and move their customers along valuing the customer relationships and keeping to the great service value for a sustainable business; and small and medium businesses in Ghana can tread this path also to achieve sustainability.

Recommendations

In Ghana, customer relationship management is almost non-existent with small and medium businesses, hence they do not have data on their customers, and do not even know who their customers are in some cases. In the large corporates, the know-your-customer (KYC) is developed and enterprise software tools including customer relationship management is used to partner the customer though the voice-of-the-customer mechanisms as well as other relationship management activities deployed to engage and keep the customers for a longer period. This can be emulated by the small and medium businesses as well.

Many customer relationship management tools are available and can be affordable for the small and medium enterprises to build meaningful relationships with their customers. For example, how can a hairdresser keep their customers coming back if all they know and care about is that, "today they got 2 or 3 people, visiting their salon"; not referring to them as customers or even prospects. These prospects can choose to visit any other hairdressing salon the next time they want such service because the previous one they visited obviously did not make any concerted effort to know them, let alone, contact them subsequently to provide relevant information such as their due date for next hair re-touch or hair wash. Small and medium businesses do not take any pain to build meaningful relationship with customers, they do not even know how to receive, treat and appreciate customers for their custom in the first place. Hence their survival leaves much to be desired.

It is pertinent for government to support small and medium enterprises through practical implementation of their business ideas using business incubators to make them ready to take off on a better foot. Knowledge and business skill development must be the foremost on the agenda before handing out "free monies" as Government subventions for small and medium enterprises.

The knowledge builds up and business incubators coupled with practical experiences from successful entrepreneurs sharing their business models can help small and medium enterprises in Ghana. The "my own" and "one-man" business syndrome has to be disabused in the minds of small and medium enterprises to take up the challenge of strategic partnerships to grow and develop their businesses.

Great attention and extra focus must be made on providing excellent customer service and developing excellent customer relationships. Customer service skills are very pertinent in running and managing a business without which customers have choices to take their business elsewhere. Unfortunately, in Ghana, most small and medium businesses think that they are doing the customer a favour by serving them. The business owners themselves who employ other people to work for them do not ensure that these are suitable

people who can drive customer traffic. Complacency makes them lay back and watch as the service employees help to drive visitors and prospective customers away during their first service call. The service orientation is non-existent and not embedded in the behaviours and characteristics of most employees in small and medium enterprises.

The high risk of small and medium businesses does not encourage investors or the banks besides their own friends and families to invest, so many struggles with their little saved capital or look for government subventions to help them start and continue. Small and medium businesses must be able to scan the environment and ascertain customer needs and trends to help position their businesses better to serve the customer.

If for nothing at all, small and medium business must have a goal, a strategic intent and must be able to take risks and initiatives that can propel them to achieve the goal. Customer relationship management application tools can be deployed at the small and medium business level to build meaningful relationship with customers. This will also enable access to customer feedback for product, service and relationship improvement, thereby creating more opportunities for customer engagement, relationship and partnership for sustainability.

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