ABSTRACT

FACTORS AFFECTING THE ECONOMIC PERFORMANCE OF SMALL AND MEDIUM ENTERPRISE IN THE NORTH OF HAITI

by

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ABSTRACT OF GRADUATE STUDENT RESEARCH

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Problem

Several studies have indicated that small and medium enterprises play a major role in the economic development and growth of a nation (Edmiston, 2007; Gebremariam & Jackson, 2004). They are considered veritable economic growth (Taiwo, Ayodeji, & Bako, 2013). They influence the economic development in the following areas: (a) increase employment opportunities, (b) reduce poverty, and (c) accelerate economic growth. However, some factors impact the economic performance of small and medium enterprises. Therefore, the underlying assumptions of this study is that infrastructure, managerial competencies, and political stability affect the economic performance of small and medium enterprises in the north of Haiti.

Method

This was a quantitative, explanatory, cross-sectional, descriptive, and field research. The population consisted of 210 participants from various types of small and medium enterprises in the north of Haiti, 128 participants fulfilled the surveys in a very good way. A 76 items questionnaire was used to collect the data for this study. The instrument was delivered and administered in-person to the participants. Descriptive statistics, Cronbach alpha estimates for reliability, factor analysis, correlation analysis, and multiple regression techniques were utilized to examine and analyze the effect of the three variables infrastructure, managerial competencies, and political stability on the economic performance. The substantive statistical process was based on regression analysis, performed in SPSS 22.0.

Results

The model was validated with the sample of the small and medium enterprises' economic performance in the north of Haiti. Managerial competencies and infrastructure resulted good predictors of economic performance, according to the perception of the participants of the small and medium enterprises in the north of Haiti. When analyzing the influence of independent constructs through the standardized beta coefficients, it was found that the best predictor was managerial competencies, followed by infrastructure.

Conclusion

The confirmatory analysis is supported by the empirical evidence that managerial competencies and infrastructure are good predictors of the economic performance

of small and medium enterprises in the north of Haiti, while political stability was not significant. Therefore, it is suggested that businesses, administrators, managers, and politicians alike take into consideration these factors as they lead, plan, and strategize for their businesses and the country as a whole.

Montemorelos University

Faculty of Business and Legal Sciences

FACTORS AFFECTING THE ECONOMIC PERFORMANCE OF SMALL AND MEDIUM ENTERPRISE IN THE NORTH OF HAITI

A dissertation
presented in partial fulfillment
of the requirements for the degree
Doctorate in Business Administration

by

Amstrong Jean-Charles J.

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FACTORS AFFECTING THE ECONOMIC PERFORMANCE
OF SMALL AND MEDIUM ENTERPRISE
IN THE NORTH OF HAITI

Tesis
presentada en cumplimiento parcial
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de Negocios

por

AMSTRONG JOSEPH JEAN CHARLES

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DEDICATION

This doctoral dissertation is dedicated to my mother and father, who first taught me the value of education and critical thinking. You have been a source of inspiration and motivation. I thank you for your unwavering support and unconditional love. I thank you for believing in me and investing in my education at a very young age. I not only owe you a debt of gratitude, but I owe everything that I am today. May this doctoral thesis bring you a sense of pride for your investment.

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CHAPTER I

STATEMENT OF THE PROBLEM

Background

The following sections provide a brief compilation of the variable definitions of this research: (a) Infrastructure, (b) managerial competencies, (c) political stability, and (d) economic performance.

Infrastructure

Defining infrastructure is a daunting task because infrastructure is a broad and complex concept. It includes but is not limited to – transportations, energy, communications, social services, educational services, building facilities, underground activities, people, etc. In light of this study, a brief and concise definition will be provided.

Goel (2003) defines infrastructure as "the physical framework of facilities through which goods and services are provided to the public." Fulmer (2009) understands infrastructure as the basic systems and structures that a country or organization needs to work properly, such as roads, railways, banks, etc. It is the essential commodities and services required to uphold or improve the standards of living.

According to Frischmann (2007), the traditional definition of infrastructure includes roadways, telephone networks, and electricity grids, satisfy this definition, as do a wide range of resources not traditionally considered as infrastructure resources, such as lakes, ideas, and the Internet. He further states that it is challenging to define

infrastructure because it encompasses three dimensions - commercial, public, and social.

Torrance (2009) splits infrastructure into three different categories: (a) transport infrastructure, such as roads, rail tracks, and airports with users fees; (b) regulated infrastructure, such as water-, electricity- and gas distribution networks with regulated service contracts with availability fees; and (c) social infrastructure, such as schools and hospitals, for which governments pay an availability fee over a 20 to 30-year term.

Henckel and McKibbin (2010) summarize different types of infrastructure: internet, telephone (fixed-line and mobile), rail, air, sea and road transportation, energy, and water. Torrisi (2009) states that infrastructure is also a public good in terms of the proper economic sense, that it fulfills the criteria of being not excludable and not rival in consumption.

Romp and de Haan (2005) and Estache and Fay (2010) identify infrastructure as networks that exhibit network externalities and other economic characteristics. Those characteristics result in market imperfections and government interventions.

Nijkamp (2000) speaks about infrastructure as material public capital (roads, railways, airports, pipelines, etc.) and superstructure meaning immaterial public capital (knowledge networks, communication, education, culture, etc.).

Managerial Competencies

Krajcovicova, Caganova, and Cambal (2012) define managerial competencies as “a set of employee behaviors that must be used for the position that the tasks arising from this position competently mastered". Martina, Hana, and Jiri (2012) see managerial competencies as “the identification and development of important human resources

management tools that aim to achieve strategic organizational goals." It is the ability to make business decisions and lead subordinates within a company. Managerial competencies include to the following skills and abilities: (a) human skills - the ability to interact and motivate; (b) technical skills - the knowledge and proficiency in the trade; and (c) conceptual skills - the ability to understand concepts, develop ideas and implement strategies. Competencies include communication ability, response behavior and negotiation tactics. In other words, managerial skills are the individuals' knowledge and ability in a managerial position to fulfill some specific management activities or tasks.

These are the skills or qualities that an organization looks for in a person to assign him or her as a manager, such as technical, conceptual, interpersonal and communication, decision making, diagnostic and analytical skills. Managerial skills are crucial for the success of any enterprise, incredibly small and medium enterprise.

Political Stability

Sottilotta (2013) defines political stability as the capacity of a country's political system to withstand internal or external shocks. Sottilotta (2013) also provides a general definition in which he stated that political stability refers to the absence of domestic civil conflict and widespread violence. Political stability is also equated with government longevity. For Sottilotta (2013), political stability could also mean the absence of internal or external conflict that can help facilitate changes in the basic configuration.

Hussain (2014) understands political stability as "very timely competition that can be applied to everything in a country; political systems, education, business, innovation and even arts." On the other hand, Williams (2018) sees political instability to mean giving an insight on political stability, as the propensity of a government collapse

either because of conflicts or because of rampant competition between various political parties.

Relationship Between Variables

This section describes the relationships between the variables. These relations are as follows: (a) Infrastructure and economic performance, (b) managerial competencies and economic performance, and (c) political stability and economic performance.

Governmental Policies and Economic Performance

Moshi and Kilindo (1999) conducted a study on the impact of governmental policies on economic performance. They discovered that government policies are critical in determining the rate of economic growth, private investment levels, and the magnitude of credit to the private sector. Bryan (2013) corroborated their findings through his own study on the same subject. He found out that government policy has always had a significant influence on economic growth and new business formation. According to Panarmawati (2014), there is a significant relationship between governmental policies and economic growth.

Padda and Akram (2009) contend that governmental policies play a major role in economic performance. Their studies have shown that government policies can affect the transition path's growth to steady-state growth. However, other studies have revealed that governmental policies can have a negative impact on economic performance or growth based on the level of fiscal transparency. For instance, countries with lower fiscal transparency, governmental policies have a positive impact on their economic growth, whereas those with higher fiscal transparence have a negative impact on

their economic growth (Macek, & Janku, 2015).

Brasoveanu (2012) also discovered that the impact could either be negative or positive, depending on the governmental policies. He argued that government policies regarding (a) research and development in the public sector, (b) demand, (c) labor, and (d) investment appear to have a positive impact on economic growth and performance. On the other hand, he further suggested that policies on (a) crowding out effect, (b) opportunity cost, (c) increased taxation, (d) efficiency of resource allocation, and (e) increase the political power of the public sector have a negative impact on the economic performance or growth.

Chinweuba and Sunday (2015) concluded that poor government policies, tariffs and incentives, bribery and corruption, non-existent entrepreneurial development centers, and the poor state of infrastructure act as impediments to the growth and development of small and medium enterprises (SME) in Nigeria.

Infrastructure and Economic Performance

Infrastructure plays a vital role in the sustainability and profitability of small and medium enterprises. It facilitates the transport of goods from one direction to another. It contributes to the distribution aspects of small and medium enterprises. Obokoh and Goldman (2016) conducted a study about the impact of infrastructure on small and medium enterprises in Nigeria. They found out that the deficiency in infrastructure negatively impacts small and medium enterprises' profitability and performance due to the high cost incurred by them in the self-provision of infrastructure and distribution of finished goods.

Akinyele, Akinyele, and Ajagunna (2016) explain that though infrastructure

covers a vast range of dimensions from education to power or electricity, from technology to transportation, however, its impacts remain considerably significant on SMEs. They examined the effect which infrastructures have on SMEs performance of 593 SMEs in Nigeria. The findings showed a significant positive correlation between infrastructure and SME performance; this implies that infrastructure plays a huge role in ensuring SMEs' successful business operation. Consequently, it is suggested that the government should invest in infrastructure to facilitate the economic performance of SMEs.

Various other studies have indicated that infrastructure plays an important role in small and medium enterprises' economic performance. For instance, Egbide, Samuel, and Samuel (2013) conducted a study on factors that impact small and medium businesses. They had discovered that poor infrastructural facilities such as roads and technology are the major obstacles to the development and growth of SMEs.

Managerial Competencies and Economic Performance

Managerial skills deem to be a significant factor that has a tremendous impact on small and medium business enterprises' economic performance. In fact, Olowu and Aliyu (2015) conducted a study on how managerial skills impact small and medium businesses in Nigeria. They found out that managerial skills have a significant impact on Small Scale Business performance. The study concluded that inadequate managerial skills are factors militating against Small Scale Businesses performance. It recommended that government, Non-Government Organizations and Small-Scale Business owners' unions should provide adequate training and development programs to improve Small-Scale Business owners and their managerial skills.

According to Fatoki (2014), managerial skills cover a variety of issues such as previous work experience, education level, etc. He demonstrated that though there is a significant correlation between managerial skills and small and medium economic business performance, however, owners with prior work experience and higher education level perform better than those of lower education level.

On the other hand, Sidek and Mohamed (2014) confirm that entrepreneurs' managerial competencies play a crucial role in small business growth. Their conclusion is consistent with numerous prior findings (Petridou, & Charalambos, 2001; Bailey, & Mitchell, 2006). Technical skills are needed by a business owner, which contribute to the growth of the small business. The findings of this study support a study by Rahman and Rashid (2018), which showed that generic skills helped individuals to perform effectively, and they directly contributed to a firm’s growth. Generic skills are important because they allow learners to be more reflective and self-directed. They also found out that the conceptual skills of the entrepreneur are important in contributing to business growth.

Political Stability and Economic Performance

Adan and Kising´u (2018) show that political stability plays a major role in small and medium enterprises' economic performance.

While several studies have shown that political stability affects small and medium enterprises economic performance, the opposite is also true. In a cross-sectional analysis, Ahmed and Pulok (2014) found that economic growth is affected negatively by political instability as property rights are hardly implemented in an unstable political

situation. Other studies show how political stability is important for the economic performance of small and medium enterprises. In evaluating the impact of political stability on economic growth (Nomor, & Iorember, 2017), the result revealed a positive and significant relationship between political stability and economic growth both in the long run and in the short run. The study concluded that a stable political environment is an indispensable element for the economic growth of a country as well as small and medium enterprises.

Economists regard political instability as a severe malaise harmful to economic performance because it has been widespread in several countries. As a result of its negative impact on economic performance, political instability has arisen several economists (Aisen, & Veiga, 2010). In fact, over the past four decades, academicians and researchers have conducted several empirical studies (Roe, & Siegel, 2011; Tabassam, Hashmi, and Rehman, 2016; Haber, Maurer, & Razo, 2000; Jong-A-Pin, 2009) to assess the extent to which political instability impacts economic development and growth.

According to Zureiqat (2005), empirical research is divided into three schools of thought. The first school of thought argued that political instability causes slower economic development (Campos, & Nugent, 2000). Secondly and Zablotsky (1999), contended that economic performance drives political stability. And finally, the third school of thought argued that casualty runs both ways (Kirmanoglu, 2003). However, most of the scholars embrace the first school of thought. They believe that political instability plays a vital role in the economic development of a country.

For instance, Tabassam, et al. (2016) studied the impact of political instability on the Pakistani economy, and they found out that political instability has a significant negative effect on economic growth. Additionally, Hira (2017) observed that political instability does have a tremendous impact on economic performance. The basic intuition about why political instability can hurt growth is that economic policy uncertainty directly affects private investment. Higher instability not only drives down public investments but also reduces growth (Gupta, 2015). To understand the impact of political instability on economic performance, two things need to be clarified: definition and political instability dimensions.

Definition of Terms

Although most of the above variables have previously been defined during the process of describing them, this section gives a brief definition of key terms that are used in this study:

Infrastructure: Refers to (but not limited to) the basic physical systems of a business that deals with transportation (roads, air, or ports), communication, electricity, water, etc. that contributes to the success of a business.

Managerial competencies: Managerial competencies are the knowledge and ability that individuals in managerial positions possess to efficiently run and operate different aspects, activities, or tasks of the institution.

Political stability: Stable political environment that inspires confidence in both investors and consumers, as well as financial institutions to continue providing financial supports to businesses and business owners.

Economic performance: An organization can achieve its long and short-term

economic objectives, including sustainability, profitability, and development growth.

Problem Statement

Do infrastructure, managerial competencies, and political stability predict economic performance of small and medium enterprises in the north of Haiti?

Figure 1 shows the theoretical model that aims to identify possible relationships between the independent variables to the dependent variable.

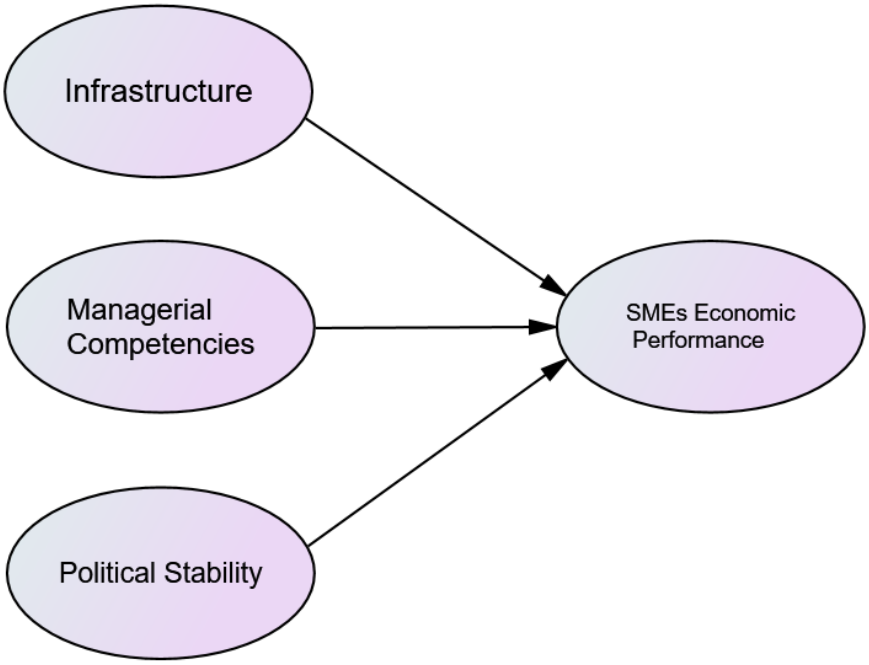


Figure 1. Research Model.

Hypothesis

H_1: Infrastructure, managerial competencies, and political stability predict economic performance of small and medium enterprises in the north of Haiti.

Research objectives

This section presents the objectives of this study.

1. Address if infrastructure, managerial competencies, and political stability predict small and medium enterprises' economic performance in the north of Haiti.

2. Find differences among infrastructure, managerial competencies, and political stability compared with demographics of the population.

3. Design an instrument to measure the perception of SME owners about economic performance.

Justification

The general expectation about the research study would be an attempt to determine if different variables: infrastructure, managerial competencies, and political stability impact on the economic performance of SMEs in the north of Haiti.

There is a general opinion from small and medium entrepreneurs that some causes of the economic performance problem are infrastructure, managerial competencies, political instability, natural disasters, civil protestations, social aggression, corruption, and many others. In this situation, nobody can progress. It is hard to find a way of the whole development.

This problem is not new. Haiti has more than 30 years with this problem that started with a dictator regime. In 1986, Duvalier Jean-Claude “Baby Doc” left the country because of political problems that were generated for his 30 years of president that began with Duvalier Francois, his father.

With this research, small and medium entrepreneurs would be supported by a serious report of their perception, even though many of them do not have concise about this problem, the respective causes, and the possible ways of solution. This

investigation is important because SMEs owners will be informed about the problem complexity. It is going to help in order to know some real possibilities that may help them grow.

Limitations

This study has the following limitations:

1. The research does not attempt to measure entrepreneurial performance or success. It only examines contextual factors among small and medium enterprises' owners in the northern part of Haiti related to ownership and entrepreneurship behavior.

2. This research is unable to theoretically test the relationship, together, of all variables in the model.

3. The subjectivity of the answers since the questionnaire was used as a tool for data collection.

4. This study was limited with time constraints because of the number of time respondents required.

5. Some participants did not answer all the items in the questionnaire.

Delimitations

The delimitations of the study are:

1. The study includes small and medium enterprises.

2. The questionnaire was filled out only by the administration of the enterprise.

3. Data was only gathered by small and medium enterprises in the northern part of Haiti.

Assumptions

Below are some scenarios considered in the preparation of this research:

1. It is expected that the participants answered the instruments.

2. The perceptions of the participants regarding their enterprise represent reality.

3. It is also assumed that participants participated in the survey because their identity is preserved.

Philosophical Background

Over the years, the concept of entrepreneurship, management and business have been researched and studied from several perspectives – economic, social and psychological (Casson, 1982). Other researchers tended to take a sociological perspective by evaluating factors that drive entrepreneurs (Baum, & Locke, 2004). They found that factors such as ambition, initiative, motivation, optimism, passion, perseverance, and tenacity are driving forces behind an entrepreneur as well as non-entrepreneurs success.

Furthermore, Ardichvili, Cardozo, and Ray (2003) studied the issue from a different angle. They approach it from the viewpoint of personality traits, social networks and prior knowledge, which they consider as determinants of a successful entrepreneur. Still others tackle the issue from a cultural and environmental poi Barro nt of view (Barro, 1991). So many theories have been developed about entrepreneurship and how to start and build a successful business – such as social cognitive theory, planned behavior theory, personal factors theory, environmental theory, etc. This explains how vast the subject of business and entrepreneurship is.

Numerous resources (books, articles, journals, etc.) address how to build the lead and manage a successful business. Those who have been successful at it, provide tips on how to be successful, and those who have not been so successful give advice and counsels about what to avoid to be a successful businessman or woman. However, Gosnell (2018) states that the best and greatest book that contains all the basic principles, advices and counsels on how to build, lead and manage a successful business is the Bible, the Word of God.

In fact, the Bible is replete with instructions and principles about how to plan and lead a successful business. It is a guarantee that those who follow the biblical principles, whether knowingly or unknowingly, will experience growth, productivity, sustainability and profitability in their firms (Leone, 2015). Among the many fundamental principles that lead to a business's success - recognizing that God creator and owner of everything is foundational. Also, one must acknowledge that God created everything for the human been benefit (Psalms 24:1 and Genesis 1:1). From this perspective, a Christian entrepreneur would approach business differently than a non-Christian. Why? Simply because the Christian entrepreneur and business leader understand that the resources and products are utilizing originate from a source and that source is God Himself. Therefore, he or she approaches it from an attitude of gratitude.

Undoubtedly, God intended for his people to be successful in their enterprises. He promised Joshua if he follows Moses's path, he will be successful in all his endeavors (Joshua 1:6-9). As a nation, the Lord promised the children of Israel that they would be prosperous and successful in all their dealings if they shall follow the way of the Lord. They will be the head and not the tail. They will be on top, not below. Everyone

will borrow from them, and they will not borrow from anyone (Deuteronomy 28:1-15, Malachi 3:7-11).

It can be perceived that all and every enterprise's success rest upon the fact that one must know the Lord and must also follow his teachings and principles established in his word. In other words, the realization of these promises is conditional. Some variables and constructs must be taken into consideration if someone needs to be successful in doing business.

For instance, while talking about factors of a successful business, Gosnell (2018) presents 12 biblical principles that everybody should consider when doing business. Namely – (1) develop a second-mile mentality (Mat. 5:41); (2) practice the golden rule (Luke 6:31); (3) trust God's plan and principles (Prov. 3:5-6); (4) find reliable people (2 Tim. 2:2); (5) be a steward, not an owner (Mat. 25:23); (6) practice excellence (Col. 3:22-23); (7) grow profit with a purpose; (8) listen to many advisors (Prov. 22:15); (9) build on solid ground (Prov. 4:25-27); (10) use the gift of your team (Eph. 2:10); (11) understanding the law of sowing and reaping (2 Corinthians 9:6); finally (12) focus on first things (Mat. 6:33).

God has established man (Adam, & Eve) as steward or manager over all that He had created (Gen. 1:26). He was given dominion over every created thing. Since he was created in the image of God, the man was endowed with the abilities and competencies to manage well God's enterprise – His creation. As a result, he was expected to be successful as he leads and manages God's firm – the earth.

It is worth noting that being a steward is a great honor that comes with great responsibilities, a task that should be carried out with great humility and reverence.

Simply put, having great abilities and competencies is not enough to guarantee success in business – they must be accompanied by the fear of the Lord, which is the beginning of wisdom (Proverbs 9:10). As White (1940) observed, a steward identifies himself with his or her master and owner. In other words, he or she maintains a direct relationship with the master and owner, which is God. Walsh and Middleton (1984) stated that a Christian steward must have the capacity to balance authority with servanthood – that characteristic distinguishes him or her from a non-Christian manager.

Furthermore, in Genesis 2, the Bible states that “the Lord God planted a garden in Eden, in the east, and there he put the man whom he had formed. The Lord God took the man and put him in the garden of Eden to work it and keep it (Genesis 2:8 and 15)”. As can be observed through these texts, Adam and Eve had a partnership with the Lord. They were given the responsibility to manage God’s enterprise with clear and precise instructions on how to go about it.

Contrarily to popular belief, even before the fallen man was expected to work, paradise was not a life of leisured unemployment. Issler (2012) observed that work is a permanent feature of humankind’s design and destiny, not the result of the fall into sin. Additionally, Mathews (1996) indicated that “in the garden, God gives the man a purposeful existence that includes overseeing his environment. Work is a God-given assignment and not a cursed condition”. Adam and Eve were to work and care for the enterprise. These two words (*work and keep*) are very significant when understanding this verse, particularly from a managerial and entrepreneurial business perspective.

According to Wenham (1988), the word for *work* derives from a Hebrew verb (avad – transliteration), which means to serve. Though it can be translated as to till and

work the ground or the soil, it also carries a cultic connotation. It is often used in cultic settings with the sense of serving God. It was intended by God as Adam and Eve work into the garden they were to put Him first in everything that they do as stewards of His creation (Johnson, Craig, & Hildebrand, 2006).

The other word used in the same text, which also has great importance, is 'samar' which means to keep, guard, preserve, take care of, and "be in charge of." Guarding in the context of keep intruders from coming inside - to keep from a hostile environment. Preserve means to embellish so that it can be more attractive in the sight of customers. To take care indicates a level of commitment to excellence. To be in charge of signifies leadership—the ability to rely on others around you as you influence them to accomplish a task. If Adam and Eve were to follow these principles with great care, success and prosperity were going to clothe their daily endeavors. But as the story unfolds, we discover that Adam and Eve did not follow the instructions given to them by the owner – God. They mismanaged the business; thus, they lost their position as managers and were kicked out of the garden – God's enterprise.

Jack and Anderson (1999) point out that as a result of his relationship with God, the Christian leader and entrepreneur are empowered by God's vision. What motivates them to move forward in accomplishing their task even when their surroundings misunderstand them. Noah demonstrated that to his contemporaries. As a good leader, Noah possessed the ability to motivate, mobilize, and galvanize people for action. As a result, he was able to rally the community behind him to accomplish the task – the building of the ark. The task was completed; unfortunately, those who helped achieve the plan did not accept the reality of a future flood. Consequently, they were left behind, and they

were destroyed. Only Noah and his family escaped this global catastrophe.

Adam and Eve were given the best opportunity with every resource at their disposal. Unfortunately, their lack of dedication, devotion, and commitment to the task handled them to mismanage the enterprise. Thus, they lost their right to lead that enterprise. Consequently, they were kicked out of the garden and lost everything, their privileges and the opportunity to make a difference. On the other hand, Noah was not privileged enough to inherit a perfect environment with a good infrastructure. However, he was still able to be successful in accomplishing his task because he had great managerial competencies and skills. He used the resources that he could find and make them to his advantage.

The biblical account shows that a successful businessman or woman must have a fear of the Lord (Prov. 9:10). Secondly, he or she must be guided by God's Spirit in all his or her business decisions and dealings. Thirdly, he or she must follow the biblical principles by putting God first (Gen. 1:1; Mat. 6:33). Fourthly, he or she must learn to trust God instead of his own instinct (Prov. 1:3-5). Finally, he must possess managerial competencies and abilities to lead others, cast vision, and calculate the cost before investment (Luke 14:28-30).

Organization of the Study

This study aimed to examine the causal relationship between three independent variables and one dependent variable.

Chapter I presents a general context of the research. It contains the problem statement. The chapter also included the research objectives, hypothesis, and an overview of the literature review supporting the variables identified.

Chapter II is the actual literature review, which is a thorough investigation of all the variables identified. These are infrastructure, managerial competencies, political stability, and economic performance. The importance of each variable will be presented as it pertains to the dependent variable, which is economic performance. Important dimensions will be presented along with the relationships between the variables. The main objective of this chapter is to establish the development of a comprehensive methodology in Chapter III.

Chapter III includes the methodology of the study and the justification for following a multivariate regression model. This chapter plunged into the identifying of the population and a determining of a sampling framework. In Chapter III, the procedure for approaching each participant to obtain information is clearly explained. The instrument used for data collection is identified and explained along with the measures of validity and reliability.

Chapter IV provides a very clear review of the data collected and the multivariate regression model used. A detailed analysis is provided from which conclusions were drawn.

Chapter V concludes with the findings and presents the new stock of theory based on the research conducted. It will reference the research objectives and research hypothesis laid in chapter I. Strong references will be made to existing literature and comparisons will be made to establish the relationship with the findings. Gaps in this study will be identified to show potential for future research. Finally, the chapter concludes with implications and recommendations for the various targets.

CHAPTER II

LITERATURE REVIEW

Introduction

This chapter is a review of the literature on the variables considered in this study and which were introduced in chapter I. The purpose of the review is for the researcher to establish the existing literature on the variables in order to identify any existing gaps upon which to base this study and inform the research. This chapter starts by providing some brief introduction of the economic performance of small and medium enterprises and then seeks to investigate each variable individually. This will be followed by a thorough overview of any existing relationships among the constructs. Included here will also be references made to previous research on the various constructs and the relationships among them.

Infrastructure

The concept of infrastructure is very broad because it includes several aspects. World Bank (1994) divided infrastructure into four categories: transportation, power (or energy), telecommunication and water, and sanitation. In general, most scholars coincide with this categorization of infrastructure. In this study, the infrastructure concept will mostly focus on transportation, energy (power), and telecommunication. It has been observed that businesses and commerce depend heavily upon roadways, waterways, pipelines, electricity lines, and broadband connections to transport goods and raw

materials, gain access to and provide services, communicate, and function (Oswald, Li, McNeil, & Trimbath, 2011). As a result, businesses make their daily operation decision based on infrastructure. Increased costs and decreased efficiency for businesses can be attributed to deteriorating infrastructure (Cambridge Systematics, 2012).

Importance

Infrastructure as a concept is quite significant. Its significance can be seen on many levels. For instance, Limi (2011) notes that public infrastructure is an important determinant of economic growth. Not only access to but also the quality of infrastructure affects firm productivity and people's livelihood. Additionally, infrastructure is an important driving force for economic development because it reduces the production and transaction costs of firms and improves people's living standards. Also, it must be noticed that good quality infrastructure is important not only for faster economic growth but also to ensure inclusive growth. According to Limão and Venables (2001), Shirley and Winston (2004), good road infrastructure will help lower the distribution and inventory costs of businesses.

Others have observed that "quality infrastructure is also important to attract foreign direct investment and enhance exports. With cheap access to public infrastructure services and good connectivity to the markets, more enterprises would be induced to invest in the economy. Proximity to motorways is preferable to manufacturers (Holl, 2004).

The World Bank (2008) stated that infrastructure helps determine the success of manufacturing and agricultural activities. In other words, good quality infrastructure is important not only for faster economic growth but also to ensure inclusive

growth. Additionally, the infrastructure helps farmers and owners of processing industries get their requirements of raw materials, fertilizers, and other inputs at a cheap rate and help them bring their products to the markets located in big towns and cities. Infrastructure contributes to reducing costs and increases agricultural production.

The expansion in infrastructure in terms of irrigation, rural electrification, roads, and road transport will help farmers be more productive. Sojoodi, Zonuzi, and Nia (2012) observed that lack of infrastructure is considered as one of the key obstacles to growth and development in most low-income countries.

Various studies have indicated that infrastructure significantly impacts economic growth. For instance, Easterly and Rebelo (1993) surveyed how transportation and communications affect economic growth, and they found out that public expenditure on transport and communications significantly raises growth. Also, Kularatne (2006) found that investment in economic infrastructure, directly and indirectly, affects economic growth via private investment. Additionally, in urban areas, it can be shown that infrastructure contributes to enlarge the effective size of the labor market and the goods or ideas markets, thus increasing productivity and output (Prud'Homme, 2004).

Alonso and Sanchez (2012) conducted a study on infrastructure and argued that infrastructure is critical and fundamental for development. They concurred that infrastructure does not only improve the quality of business, but it also leads to profound changes in the standard of living of the population as it facilitates access to health, education, other social services, and the labor market. Their study's conclusion showed that the importance of infrastructure would not bring much reward if it is not aligned with

the population's needs. It can trigger social tension and conflict by inciting or exacerbating structural violence in the affected territories.

Furthermore, other studies have revealed that the lack of connectivity or poor maintenance of secondary and tertiary road networks can cause temporary losses in connectivity or substantial increases in travel times, which end up hindering access to basic education or health services or the labor market (Duque, Medina, & Saade Hazin, 2017). For instance, due to poor road connectivity, some small and medium-sized coal mining companies in Columbia found themselves spending a considerable amount of money to transport their products, which has a significant impact on their production. In Columbia, the small and medium-sized mining coal companies found themselves spend a significant amount of money to transport their products that impact both production and competitiveness.

This is evident in the infrastructure, particularly transport infrastructure, play a key role in Adam Smith's vision of economic development that roads infrastructure is considered a *sine qua non* of social and economic development of any country. Road infrastructure affects the workforce's flexibility and mobility, which is reflected in the employment level (Ivanova, & Masarova, 2013). As mentioned in the World Development Report, a study conducted by World Bank (1994), "the adequacy of infrastructure helps determine one country's success and another's failure to diversify production, expand trade, and cope with population growth reducing poverty, or improving environmental conditions."

Several studies have revealed that investors tend to prefer to open their businesses in countries with good infrastructure. In fact, it has been shown that Japanese

foreign direct investors tend to prefer to locate their factories in countries with good transport infrastructure (Cies´lik, & Ryan, 2004; Milner, Reed, & Talerngsri, 2006). Road availability is a significant determinant of investment in Hungary (Boudier-Bensebaa, 2005). The presence of good port facilities is also essential for foreign investors (Belderbos, & Carree, 2002; Deichmann, Kaiser, & Shalizi, 2005). On the trade side, telephone networks seem important to facilitate bilateral trade (Qureshi, 2017). As for Shepherd and Wilson (2008), upgrading roads could lead to a 50% increase in regional trade, along with other institutional developments, such as trade liberalization.

Dimensions

Infrastructure is considered a very complex concept because it covers several different and distinct categories and sectors from energy power to telecommunication to road transportation, water, sanitation, etc. Therefore, when measuring infrastructure, all these factors must be taken into consideration.

For instance, Calderón, Cantú, and Chuhan-Pole (2018) measured three infrastructure sectors – telecommunication, power energy, and road transportation. They studied telecommunication from five dimensions, namely: (a) telecommunication density, (b) internet density, (c) fixed broadband, (d) international internet bandwidth, and (e) number of secure servers. They also studied power energy infrastructure from four dimensions; they are as follows: (a) electricity generating capacity, (b) energy quality, (c) quality of power supplies, and (d) access to electricity. Finally, they studied road transportation infrastructure from five dimensions: (a) total road length, (b) total railroad length, (c) paved roads, (d) quality of roads, and (e) quality of railroads.

Oswald, Li, McNeil, and Trimbath (2011) explored the dimension of infrastructure in three categories, which are as follows: (a) efficiency, (b) effectiveness, and (c) cost. The Inter-American Development Bank conducted a study on infrastructure and investigated the concept from four dimensions, namely: (a) economic and financial sustainability, (b) social sustainability, (c) environmental sustainability, and (d) institutional sustainability.

Additionally, Timmermans and Beroggi (2000) studied the concept of infrastructure and determined that it can be explained in five dimensions: (a) economic sustainability, (b) social sustainability, (c) technological safety, (d) attractiveness for living, and (e) attractiveness for businesses. Whereas, Brown and Sovacool (2007) proposed four dimensions, namely: (a) electricity reliability, (b) oil security, (c) energy efficiency, and (d) environmental quality. On the other hand, Shen, Wu, and Zhang (2011) explored infrastructure from three dimensions: (a) economical, (b) social and (c) environmental.

The dimensions of infrastructure mentioned above can fall into three categories: road transportation, power energy, and telecommunication. All three categories or sectors seem to interrelate. They affect one another. If one is neglected, the other two will also be affected. For better and long-lasting results on the economy, a country will benefit tremendously by investing in all three categories or sectors. The research revealed that when infrastructure is well developed and well maintained, it is profitable for both countries and businesses. It improves the quality of life of its citizenship as well.

Relationship Between Infrastructure and Economic Growth/Performance

Several empirical studies have demonstrated that countries that have fast-growing economic growth and performance have a well-established infrastructure. In other words, they attribute their economic growth and performance to good infrastructure. The inverse is also true - countries of low economic performance – generally have poor infrastructure. For instance, Agenor and Moreno-Dodson (2006) agree that infrastructure impacts productivity indirectly. They argue that better transport infrastructure would help employees to get to work on time. As a result, they will not be late in performing their task. Seethepalli, Bramati, and Veradas (2008) conducted a pooled regression study on the physical indicators of infrastructure, and it revealed that all infrastructure variables significantly affect GDP per capita. Calderon and Serven (2010) show that the quality of infrastructure also has an important effect on the Gross Domestic Product (GDP) growth, the conclusion that Loayza and Odawara (2010) also embrace. They agreed that infrastructure quality significantly affects economic growth.

Bougheas, Panicos, and Morgenroth (2000) argue that infrastructure and economic growth display an inverted U relationship, and most of the countries are on the upward sloping part of the curve. Canning and Benhattan (2000) observe that middle-income countries have a shortage of electricity generating capacity and paved roads. Other studies revealed that infrastructure shortages are one of the consistent factors in low- and middle-income countries. Also, Hulten, Bennathan, and Sylaja (2006), and Straub (2008), contend that a good telecommunication infrastructure allows both

workers and managers to organize their work schedules better, which increases productivity and economic performance.

However, other studies indicated that there is no significant relationship between infrastructure and economic growth and performance. For instance, Sanchez-Robles (1998) conducted a study on the impact of infrastructure on economic growth and found a negative growth impact of infrastructure when using public capital to represent the value in a calculation for infrastructure. At the same time, when she used physical indicators, she found a positive impact. Also, studies conducted by Holtz-Eakin (1994), Garcia-Mila, McGuire, and Porter (1996), and Ford and Poret (1991) could not find a significant effect of infrastructure on growth or any evidence of the impact of infrastructure on growth. However, it must be understood that these studies use the public capital and public expenditure to represent the value in the calculation for infrastructure. Therefore, it becomes evident why their findings are not congruent with other findings mentioned in this study.

Based on these findings, it is concluded that there is a direct and indirect relationship between infrastructure and economic growth and the performance of a country. That relationship is determined not only by infrastructure but by quality infrastructure as well. Additionally, infrastructure seems that have a domino effect. Since quality infrastructure increases economic growth and performance, therefore, investment in infrastructure becomes paramount for the continued growth of the country.

Managerial Competencies

Concept

Managerial competencies have become a subject of great interest recently. This

fact is corroborated with the huge number of publications on the topic throughout the world. This is because of the role that managerial competencies play in the effective management of organizations. Several empirical studies have established the relationship between managerial competencies and job performance (Lakshminarayanan, Pai, & Ramaprasad, 2016).

Managerial competencies and competencies are characteristics that enable one to perform his or her job. They consist of numerous forms and combinations of knowledge, skills, abilities, motives and traits. Competencies are qualities the individual can use to perform activities in an exemplary and successful manner (Dubois, & Rothwell, 2000).

Managerial competencies are seen as a tool that helps identify, assure, assess, and develop necessary competencies required for a given or specific managerial position. In fact, Masłyk-Musiał (2005) notes that the objective of managerial competencies in the enterprise is to determine which of them are demanded in the post of manager and prevent the loss of competencies. Due to its role and economic development, managerial competencies are very significant for the success and survival of small and medium crisis.

This research developed the following way to show how important managerial competencies are for small and medium enterprises. It has been observed that small and medium enterprises play a vital role in every country's economic development. They create employment opportunities, improve the living standards, and provide more sustainable products and materials on the market. They contribute to the faster development of society because, as they grow, so does the nation (Olowu, & Aliyu, 2015).

Despite their contribution to a nation's economic development, the U.S. Small Business Administration has observed that 95% of small and medium enterprises fail during the first five years of their startup date (Gerber, 2001). This trend can be reversed through proper managerial skills.

In fact, it has been observed that basic knowledge in management is not only needed at the initial stage of running a business, but it is also important during the development stage. According to Ladzani and Van Vuuren (2002), unfamiliarity with the main skills of entrepreneurship is the most important reason for the failure of small businesses. The first step in the development of entrepreneurship is to identify the skills required by entrepreneurs. In other words, managerial skills are foundational on small and medium enterprises' survival.

Importance

Javadin, Tehrani, and Ramezani (2010) understand managerial skills as specialized technical knowledge in specific jobs that managers should possess to perform their duties and roles. On the other hand, Sutevski (2009) defines managerial skills as the individuals' knowledge and ability in a managerial position to fulfill some specific management activities or tasks. Put merely, managerial skills are a set of tools that one acquired through academic training and work performance experiences that prepared one to lead effectively, plan accordingly, and execute efficiently on time. In other words, managerial skills are qualities that one must possess to lead an enterprise successfully. Zahra, Fakhrisadat, and Narges (2014) believe that entrepreneurs require various skills to manage an enterprise successfully.

Lazear (2005) states that in order to be successful, an entrepreneur must be sufficiently skilled in various areas to put together the many ingredients required to create a successful business. Smilor (1997) points out that managerial skills include those activities or operational knowledge required to establish or manage an economically successful business. Nnodim (2012) and Olowu and Aliyu (2015) point out that poor management is the number cause of small business failure. Meissner and Radford (2015) found out that communication skills, self-awareness, change management, conflict resolution, and leadership skills are necessary for managers to be efficient in carrying out their responsibilities.

Dimensions

According to Lakshminarayanan, et al. (2016), managerial competencies consist of numerous forms and combinations of knowledge, skills, abilities, motives, and traits. Managerial competencies are measured from at least three different and distinct sets of technical, social, or conceptual competencies. In fact, several authors have suggested that it must be divided into categories, groups, or types when it comes to managerial competencies.

Additionally, Lakshminarayanan, et al. (2016) have identified six main competency categories which are as follows: (a) analytic skills, (b) self-management, (c) relationship management, (d) self-awareness, (e) goal and action management, and (f) social awareness. They provided a list of dimensions for each category.

Analytic skills can be measured through the following eight indicators: (a) Appropriate use of concepts, (b) Systems thinking, (c) Recognizing patterns in assorted data, (d) Building theory for process improvement and trouble -shooting, (e) Using

advanced technologies, (f) Analyzing data quantitatively, (g) Social objectivity, and (f) Clearly communicating important aspects of tasks and responsibilities. On the other hand, self-management is measured by six dimensions: (a) demonstrate self-control, (b) behavior-driven by achievement and motivation, (c) display adaptability in a dynamic work environment, (d) showcase transparency in all work-related issues, (e) taking initiative, and (f) evince optimism in all situations.

Additionally, relationship management is studied from the following dimensions namely: (a) lead by example, (b) positively influence and motivate co-workers, (c) effectively manage conflicts, (d) be a catalyst to change, (e) develop others, and (f) promote teamwork and collaboration. furthermore, self-awareness is measured by three dimensions: (a) strive to understand oneself, (b) accurately assessing the self, and (c) exhibit self-confidence in all situations.

Whereas, goal and action management are measured by four dimensions: (a) plan each task meticulously, (b) continuously strive to achieve efficiency, (c) pay attention to minutest details, and (d) exhibit flexibility with regards to process and solutions. finally, social awareness is measured by three indicators, which are as follows: (a) show empathy, (b) display continuous orientation towards service, and (c) be aware of the organization's processes, policies, and rules.

On the other hand, Pocztowski (2003) proposes two sets of managerial competencies: threshold competencies and differentiating competencies. Threshold competencies are indispensable for the appropriate performance of certain jobs, such as job and knowledge skills. However, for managers, it requires problem-solving, communicating, professional knowledge, forming relationships, and using consultants

(Tyrańska, 2016).

The differentiating competencies deal with the effectiveness and efficiencies to which an employee performs his or her tasks. It includes but is not limited to attitudes, motives, and values. However, when it deals with managers differentiating competencies include leadership, empathy, willingness to learn, tolerance for ambiguity, a focus on creativity, orientation on the future, and awareness of value.

Filipowicz (2004) notes that managers must possess the following skills and competencies to carry out their responsibilities efficaciously. He identified these competencies as indicators of managerial competencies. He listed the following as essential managerial competencies and indicators as well: (a) team building, (b) taking care of subordinates, (c) delegating, (d) motivating, (e) managerial courage, (f) leadership, (g) organizing, (h) planning, (i) process management, (j) project management, (k) strategic (l) thinking, and (m) change management.

Also, Oleksyn (2006) states that people in high-level management are expected to possess at least three competencies: knowledge and skills in strategic management, personal, and social. They are significant competencies for a higher level of management because they elevate them above the average managers. Knowledge and skills in the area of strategic management can be measured through seven indicators: (1) knowledge of the various types of strategy, (2) ability to give proper direction for the enterprise's development, (3) ability to make decisions of key importance relating to mergers and acquisitions, restructuring, outsourcing, purchase, or sale of shares, (4) proceed in accordance with the principles of business ethics, (5) imagination and the ability to anticipate, (6) oriented on system management, and (7) ability to generate

profits. As far as personal competencies are concerned, they are measured through 7 dimensions as well, which are as follows: (1) responsibility, (2) reliability, (3) kindness, (4) magnanimity, (5) self-criticism and modesty, (6) communication skills, and (7) ease of establishing contacts. Finally, social competencies are measured by five dimensions, namely: (1) ability to recognize common interests on organizational scale, (2) empathy, (3) ability to cooperate with people and have an effective influence on them, (4) serving its interests and dignified representing the organization outside, and (5) ability to choose people for key positions in the organization.

Casimiro (2003) studied managerial skills in four dimensions which are: (a) technical skills, (b) social skills, (c) tool skills, and (d) management skills. According to Casimiro (2003), management skills include organizing skills, human resources management skills, and financial and commercial activities.

On the other hand, Lichtenstein and Lyons (1996) categorized managerial skills in four groups, namely: (a) technical skills, (b) managerial skills, (c) entrepreneurial skills, and (d) personal maturity skills. Contrarily to Casimiro (2003), for Lichtenstein and Lyons, the components of managerial skills include management, marketing, financial, legal, administrative, and higher-order skills.

Furthermore, Hisrich and Peters (2002) classified the concept of managerial skills in three dimensions which are: (a) technical, (b) personal, and (c) management skills. The components of management skills include planning and goal setting, decision-making, human relations, marketing, venture launch, financial and accounting skills, management, control, negotiation and growth management.

Finally, Katz (1955) investigated the concept of managerial skills from three

dimensions, which are as follows: (a) technical, (b) human, and (c) conceptual. He further elaborated on each dimension. He believed that technical skills had to do with knowledge about and proficiency in a specific type of work or activity. It includes competencies in a specialized area, analytical ability, and the ability to use appropriate tools and techniques. Human skills refer to the knowledge about and ability to work with people. Human skills must not be confused with technical skills. The former deals with people while the latter deals with things. Finally, conceptual skills address the ability to work with ideas and concepts. Whereas technical skills deal with things and human skills deal with people, conceptual skills involve working with ideas. A leader with conceptual skills works easily with abstractions and hypothetical notions.

Political Stability

It has been observed that political stability is recognized for being an essential ingredient in the process of economic development of any country (Ramadhan, Jian, & Henry, 2016). Younis, Lin, Yahya, and Santhirasegaram (2008) have identified political stability as a factor that affects economic growth in Asia.

According to Cox and Weingast (2015), political stability plays a preponderant role in the economic development of a country. Altun (2016) conducted a study on the role of political stability on the economic growth of 157 countries during a ten-years period. The study's conclusion revealed that political stability plays a dominant role in the economic performance of these nations. Radu conducted a survey of the benefits of political stability, and she found out that political stability has a domino effect. It does produce low level of economic growth and poor economic development (Radu, 2015).

Nomor and Iorember (2017) have observed that the importance of political

stability to any country's economic development has become a topic of a continuous debate among economists, political scientists, and politicians. Various scholars believe that political stability positively correlates with economic growth (Alesina, Ozler, Roubini, & Swagel, 1996; Nomor, & Iorember, 2017).

Georgiou, Kyriazis, and Economou (2015) conducted a study on the importance of political stability on economic freedom in Japan, covering a twelve years period starting from 2000 and end in 2012. The results were astounding because they indicated that political stability has a positive correlation on economic freedom, consequences that influence financial crises. This can easily be justified since economic freedom influences investment and economic growth. On the other hand, financial crises, leads to austerity policies, which again lead to recession-depression, which increases the dissatisfaction of citizens with the working of democracy.

Nomor and Iorember (2017) studied the relationship between political stability and economic growth in Nigeria during a 15 years-period (1999-2014), the result showed that there could not be economic growth without political stability. In other words, there is a positive and significant relationship binding economic growth and political stability together. One does not exist without the other. Political stability has a short- and long-term impact on the economy.

Dimensions

Political stability and political instability are a coin of two sides. Both have significant economic growth, while political stability positively influences economic growth and development, political instability, on the other hand, negatively impacts economic performance. Hence, it is considering the dimensions of political instability before

exploring the measurements of political stability. This will provide a balanced approach to the subject under study.

The literature indicates that Jong-A-Pin (2009) has provided the most acceptable tools that measure political instability. This conclusion is because his study on political instability was conducted in the light of economic growth and performance. Using an exploratory factor analysis approach, Jong-A-Pin (2009) identified four dimensions of political instability, namely: (a) mass civil protest, (b) politically motivated aggression, (c) instability within the political regime, and (d) instability of the political regime.

Paldam (1998) identified four dimensions for political stability: (a) stable government, (b) stable political systems, (c) internal law and order, and (d) external stability. These keys dimensions have a great impact on the economy. They provide an opportunity for growth and sustainability. They are indicators that determine the outcome of the short-term and long-term economic growth of any nation.

Radu (2015) studied the importance of political stability in three dimensions, which are as follows: (a) the rule of law, (b) durable index, and (c) political stability index. These dimensions are crucial for sustainability. They impact three important sectors, economy, environmental, and social. Economic sustainability will produce goods and services regularly and continuously, which will help avoid sectorial imbalances in terms of agricultural and industrial production.

Economic Performance of Small and Medium Enterprise

Small and medium enterprises have emerged as an engine of growth in several developed and developing economies of the world (Asghar, Nawaser,

Paghaleh, & Khaksar, 2011). They are considered a vibrant and dynamic component of the economy of every country. It is so because of their significant contribution to GDP, industrial production and exports. Leutkenhorst (2004) and Karnataka (2010) pointed out that the most important and significant contribution of small and medium enterprises is employment.

They enumerated several ways that small and medium enterprises contribute to employment: (a) tend to use more labor-intensive production processes than large enterprises, boosting employment and leading to more equitable income distribution, (b) provide livelihood opportunities through simple, value-adding processing activities in agriculturally based economies, (c) nurture entrepreneurship, and (d) support the building up of systemic productive capacities and the creation of resilient economic systems through linkages between small and large enterprise.

Additionally, Mbugua and Moronge (2016), conducted a study on small and medium enterprises in Kenya. They found out that small and medium enterprises' contribution to the Kenyan economy is widely acknowledged; they cut across all sectors of the economy and provide many employment opportunities and generate widespread economic benefits. Beck, Demirgüc-Kunt, and Maksimovic (2005) hold that the growth of local and state economic systems depends upon the importance giving to the small and medium enterprises sector. Despite their contribution to economic growth, small and medium enterprises still face enormous challenges that hinder their growth. World Bank (2008) observed that even with the availability of financial public assistance programs to small and medium enterprises, they are not growing. They have difficulties in exporting due to higher transaction costs.

Concept and Importance

According to the encyclopedia, economic performance is the process by which a nation's or business' wealth increases over time. An organization's economic performance is fundamental to understanding the organization and its basis for sustainability. It is the efficient use of available resources to increase the capacity of production of a business or a country (Haller, 2012). In other words, economic performance addresses the direct economic impacts of the organization's activities and the economic value added by these activities.

The focus of this study is to analyze and explore factors that affect the economic performance of small and medium enterprises in the northern part of Haiti. The limited resources on Haiti's economic performance suggest that the concept is not well developed in the academic area. However, that does not dismiss its importance for both individual and business development and growth. On an individual level, economic performance helps investors to determine the appropriate time to (a) invest in real assets, (b) make changes to the asset allocation of investments, (c) facilitate changes to retirement saving, and (d) invest in additional education. Additionally, it helps businesses in determining (a) wage increases, (b) investing in new projects, and (c) making important decisions regarding the efficient allocation of capital and labor (Khramov, & Lee, 2013). In other words, economic performance constitutes the tools that help investors to make well-informed financial decisions.

According to Chan and Lynn (1991), performance should include profitability, productivity, marketing effectiveness, customer satisfaction, as well as employee morale. Simply put, economic performance addresses the issue of growth from the

perspective of sustainability, resiliency and efficiency. Growth is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another. It can be measured in nominal or real terms, the latter of which is adjusted for inflation. In simplest terms, economic growth means an increase in aggregate productivity. Usually, aggregate gains in productivity correlate with increased average marginal productivity. This means the average worker in a given economy becomes more productive. It is also possible to achieve economic growth without an increased average marginal productivity through extra immigration or higher birth rates. Traditionally, aggregate economic growth is measured in terms of Gross National Product (GNP) or Gross Domestic Product (GDP), although alternative metrics are sometimes used.

Dimensions

Previous literature has enumerated several approaches on how to measure the economic performance of an organization or institution. Mahmudova and Kovács (2018) provided a non-exhaustive list of the different approaches to economic performance measurement: (a) financial approach, (b) non-financial perspective, (c) managerial approach, (d) customer's perspective, (f) shareholders' viewpoint, and (g) service delivery perspective.

Wood (2006) notes that the financial approach could be measured from three perspectives, namely: (a) return on profits, (b) investment, and (c) turnover or number of customers. On the other hand, (Reijonen, & Komppula, 2007) maintained that economic performance from the financial perspective could be measured from the following indicators: (a) efficiency, (b) growth, and (c) profit. However, some scholars have stated

that this approach is considered relatively subjective due to its short-term nature and in compliance with the strategy.

Furthermore, some scholars have argued that the non-financial indicators have a better index of forthcoming economic performance than accounting measures because they are useful in appraising and encouraging managerial performance. According to Ruiz-Carrillo and Fernández-Ortiz (2005), the non-financial approach economic performance can be studied and measured from two perspectives, namely: a) the viewpoint of the reviewer, and b) the shareholder's viewpoint. Mahmudova and Kovács (2018) note that one of the benefits of the non-financial approach indicator is that it provides each industry the latitude of having its own set of definitions for performance. Additionally, Lee, Kim, Seo, and Hight (2015) point out that indicators that provide the most comprehensive understanding of non-financial performance are the following perspective: (a) customer satisfaction, (b) employee satisfaction, and (c) franchisee's satisfaction.

It is also considered the delivery service approach, which measures the performance of services. The result of the delivery approach will produce customer satisfaction which in return will trigger customer loyalty and improve financial performance of the firm. According to Wilden, Gudergan, Akaka, Averdung, and Teichert (2018), the indicators of service delivery are as follows: (a) profitability, (b) sales growth, (c) growth in market share, (d) Return on Capital Employed (ROCE), (e) position in the market, and (f) market share figures.

Stiglitz (2017) explore economic performance from three dimensions – namely (a) measurement of wealth, (b) measurement of equality of opportunity, and (c) measurement of economic security. By measurement of wealth, it means the importance of

assessing economic and environmental sustainability and consequences of short-run macro-policies for long-run growth. It also considers the decrease in growth potential in the aftermath of the Great Recession and the result of the large unmeasured loss of human capital. In the measurement of equality of opportunity, they seek to establish programs that can create equal opportunities for everyone.

Balcerowicz (2001) studied economic development into four dimensions which are: (a) The initial level of development (reflected, for instance, by the income per capita) or the level existing when the rhythm of development starts being determined, (b) the human capital or the people's level of education and professional training, (c) the internal economic condition or the economy's structures, and (d) the external economic circumstances.

As can be observed in the above paragraphs, the indicators or measurements - dimensions of economic performance is varied based on which perspective is considered. Among the dimensions above, profitability, growth, and efficiency seem to be the most commonly used measurements under the financial perspective. Other dimensions mentioned above are also used to measure economic performance from different perspectives, such as cash flow, liquidity, sales margin, growth, ROE, pre-tax profit growth, total gross profit, gross profit per room, stock performance, CAPEX, leverage, and autonomy.

Relationship Between Managerial Competencies and Economic Performance

Managerial skills deem to be a significant factor that has a tremendous impact on small and medium business enterprises' economic performance. In fact, Olowu and

Aliyu (2015) conducted a study on how managerial skills impact small and medium businesses in Nigeria. They found out that managerial skills have a significant impact on small scale businesses performance. The study concluded that inadequate managerial skills are factors militating against small scale businesses performance and recommended that government, Non-Government Organizations and Small-Scale Business owners' unions should provide adequate training and development programs to improve the managerial skills of small-scale businesses owners and their management.

According to Fatoki (2014), managerial skills cover various issues such as previous work experience, education level, etc. He demonstrated that though there is a significant correlation between managerial skills and small and medium economic business performance, however, owners with prior work experience and higher education level perform better than those of lower education level.

On the other hand, Sidek and Mohamed (2014) confirm that managerial competencies among entrepreneurs play a crucial role in small business growth. Their conclusion is consistent with numerous prior findings (examples, Petridou, & Charalambos, 2001; Bailey, & Mitchell, 2006). Technical skills are needed by a business owner, which contribute to the growth of small businesses. The findings of this study support a study by Rahman, and Rashid (2018), which showed that generic skills helped individuals to perform effectively, and they directly contributed to a firm's growth. Generic skills are important because they help learners to be more reflective and self-directed. They also found out that the conceptual skills of the entrepreneur are important in contributing to business growth.

Zahra, et al. (2014) point out that managerial skills are essential for successful

(economic) business development. Also, Olowu and Aliyu (2015) notice that small-scale businesses are sources of economic growth and development for every nation. In fact, Baptista and Thurik (2007) observed that small business is the most appropriate business scale for the economic development of Nigeria. Their contribution to the economic performance and growth of the nation is due to their managerial expertise. Also, Ghalandari (2012) shows a significant relationship and a positive correlation between managerial skills and economic performance and growth.

Ihua (2009) observed that one of the serious constraints that impede the growth of small and medium enterprises, poor managerial decisions and skills of the owners appear to be very significant. In the same vein, Ahmad and Seet (2009) argues that the lack of managerial abilities and skills are among the top factors that hinder small and medium enterprises' growth. In fact, the literature revealed that 54% of people who manage small and medium enterprises have no training or possess limited knowledge or skills in project management. Business owners have no intention of providing management training to employees and managerial staff (Wawire, & Nafukho, 2010; Mbonyane, & Ladzani, 2011). According to Cheung (2008), small business owners often lack experience and training in their businesses' management. A previous study by Wawire and Nafukho (2010) showed that poor management is the second most cause of MSEs' failure after lack of enough funds.

Relationship Between Political Stability and Economic Performance

The past decades have seen the rise of great discussions among scholars concerning the impact of political stability on economic growth. Most scholars agree that

political stability is instrumental for economic growth. The reverse is also true – the lack of political stability is detrimental to economic development. For instance, Goldsmith (1987) believes that political stability is a necessity for growth and prosperity. He stated that one of the prerequisites of economic growth, which has been discussed in the economic literature from the classical economists' time, is that government must maintain law, order, and a modicum of security. In other words, political stability is *sine quo non* for economic growth, development, and performance.

Younis, et al. (2008) investigate the relationship between political stability and economic growth of ten Asian economies during 15 years from 1990-2005. Their results indicated that there is a significant relationship between political stability and economic performance. In fact, the study revealed that political stability plays a predominant role in determining economic growth. Also, it is considered a source of capital accumulation.

Also, Ahmed and Pulok (2014) studied the impact of political stability on economic growth and development in Bangladesh from 1984 to 2009. Two different cointegrated approaches were utilized to determine the short- and long-term impact of political stability on economic performance, namely the Engle-Granger and Bound Testing methods. The results indicated that political stability has a negative impact on economic performance in the long term, while the short-term impact is positive.

Baklouti and Boujelbene (2018) explored the impact of political stability on 17 Middle East and North African (MENA) countries during 13 years – from 1998 to 2011. This study's primary objective was to find out to what degree political stability affects the democracy and economic performance of these 17 countries.

The results showed a bidirectional causal relationship, which means democracy

affects economic performance, while political stability affects democracy. They also found out that political stability is a key determinant factor of economic growth and development. Therefore, when considering two, democracy and political stability have a positive and statistically significant impact on the economic growth of these 17 countries of the Middle East and North Africa.

As can be observed in the above literature review, political stability plays a vital role in economic growth, development and performance. For a country to experience consistent, sustainable and durable economic growth, it first needs to establish a stable government. In other words, political stability is essential for investment because it inspires investor confidence, which propels them to invest.

CHAPTER III

METHODOLOGY

Introduction

This section of the study describes the methodology, which includes (a) the type of research, (b) population, (c) sampling, (d) instrumentation, (e) the null hypotheses, (f) the data collection, and (g) the data analysis. It also investigates the causal relationship that may exist between infrastructure, managerial competencies, political stability, and economic performance.

Type of Research

This study makes use of cross-sectional survey design. Based on Hernández Sampieri, et al. (2014), the data was collected in a single moment to describe the variables based upon interpretation from the analysis. The instrument's administration was in a single moment from September to November during the year of 2019.

As expressed by Bernard and Bernard (2012) and Hernandez Sampieri, et al. (2014), any research that uses data collection to test the hypothesis considers numerical measurement and statistical analysis to establish a pattern of behavior and test the theory is known to be quantitative. This method of investigating a phenomenon involves the collection and analysis of quantitative data. Quantitative data is any data that is in a numerical form. Quantitative research is, therefore, an empirical investigation of observable phenomena using statistical, mathematical and computational techniques.

The research is also explanatory. According to Hernandez Sampieri, et al. (2014), explanatory research attempts to identify the causal relationships between variables, both directly and indirectly, by explaining the different variables' interrelationships. It is an effort to connect ideas, to understand the cause and effect, in order to determine what variables explain the level of the economic performance of small and medium enterprises in the northern part of Haiti. As a result, the author understands what drives economic performance or growth of small and medium enterprises in the northern part of Haiti.

The main objective of this study was the description of a phenomenon. Therefore, the research is descriptive (Malhotra, 2004) because descriptive research is the type of conclusive research whose main objective is to generally describe the characteristics or functions of the problem in question. The research seeks to find differences between the groups of variables for gender, age, type of profession, level of education, and years of service in the enterprise. Finally, the investigation is field research because the data was collected among the employees of small and medium enterprises in the northern part of Haiti.

Population

According to Grissemann, Plank, and Brunner-Sperdin (2013), obtaining satisfactory research results rests heavily upon two factors – namely, the importance of population and the sample size. Axinn, Link, and Groves (2011) added that careful and meticulous planning helped identify the demographic aspect of survey data. Furthermore, Hernandez Sampieri, et al. (2014) ascertain that the population or universe is a set of all the cases that agree with certain specifications. The population that was used

in this research consisted of eight types of organizations (banking, doctor's clinic, private schools, gas stations, supermarket, building tools and equipment, transportation, and hotels) in the northern part of Haiti with a total of 65 institutions.

Sample

Eight types of organizations in the northern part of Haiti were identified as the target population for this study. A simple random sampling technique was used to select businesses from the target population to participate in this study. A convenient sampling method was used to determine the respondents for this study. This sampling technique involves non-random sampling, where the population for the study is chosen based on a criterion that is relevant to the research's objectives (Saunders, Lewis, & Thornhill, 2012).

And the rationale for this sampling is that the respondents may not be available to participate, or not enough respondents. The researcher had to find more in other organizations until the sample size for the study is completed. This choice is supported by Saunders, et al. (2012), who agree that in some cases, random sampling methods may present some difficulties for business research.

This sampling technique involves non-random sampling, where the population for the study is chosen based on a particular criterion that is relevant to the research's objectives (Saunders, et al., 2012). The sample size for this study was 430 employees of the population who are working in the organizations, out of which 210 respondents returned their fulfilled surveys, which is 47% of the sample size. However, after "cleaning" the data, the researcher found that only 128 surveys were fulfilled in the right way.

Instrument Development

Dawn and Lovemore (2001) ascertain that for a researcher to be effective in developing an instrument, he must take into consideration several things: (1) a clear understanding about the exact nature of the problem and (2) the objectives of the research before he or she can develop the questionnaire systematically as he or she takes into consideration the issues of validity and reliability.

According to Hernández Sampieri, et al. (2014), a measurement instrument is any tool that a researcher has at his disposal when approaching a study or a phenomenon and getting information from it. In fact, the instrument is a combination of all previous research work and the encapsulation of the theoretical market's contributions by selecting data in relation to the used concepts. The following paragraphs present a description of the way that the instrument used in this present study has been elaborated.

The instrument that was applied for the implementation of this study to collect data was a survey questionnaire. Most of the items were adapted and modified, while others were developed based on previous theories and studies. Upon completing the instrument, it was then submitted to six experts in the field (two university professors in business and marketing, two administrators, one psychologist, and one theologist) for content validity. The instrument makes use of a multi-item scales base on five-point Likert scale to measure the constructs from 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*.

The questionnaire comprises six sections. The first section presents general instruction and demographic profiles such as age, gender, profession, education level,

and work line. The second section presents economic performance with 15 statements. The third section, infrastructure with 21 statements. The fourth section, managerial competencies with 20 statements. The sixth section, political stability with 20 statements. A total of 76 items measured all the variables for the questionnaire. Once the instruments were approved by the committee and the advisor, permission for distributing the instruments was requested and obtained from the business owners, managers, and supervisors of various commercial enterprises in the northern part of Haiti. The instruments were then distributed to those enterprises' employees and staff, and the data was collected. See Appendix A for a copy of the instrument.

Validity of the Constructs

The factorial analysis procedure was utilized to assess and evaluate the validity of the constructs of infrastructure, managerial competencies, political stability, and economic performance, presented in this section. The results of the validation of each variable are presented in Appendix B. Next, the statistical tests of the factor analysis for the constructs are presented.

Economic Performance

The instrument of the economic performance consisted of three dimensions: (a) sustainability (PEC1 to PEC6), (b) competence of human skills (PEC7 to PEC10), and (c) entrepreneurial and investment (PEC11 to PEC15).

The factorial analysis procedure was used to evaluate the validity of the performance economic construct. In the analysis of the correlation matrix, it was found that 15 of the statements have a positive correlation coefficient greater than .3. Regarding

the sample adequacy measure KMO, a value very close to the unit (KMO = .908) was found. For the Bartlett sphericity test, it was found that the results (X^2 = 1052.169; *df* = 105; *p* = .000) are significant.

When analyzing the anti-image covariance matrix, it was verified that the main diagonal values are significantly greater than zero. For the extraction statistics by main components, it was found that the commonality values (Com_{min} = .509; Com_{max} = .828), the 15 items are superior to the extraction criteria (Com =.300) this means that there is sufficient communality between the items of the construct. In relation to the total variance explained, a confirmatory analysis was carried out with three factors explaining 63.68% of the total variance; this value is higher than 50%, which is established as a criterion. The three factors explained 64% of the construct.

As for the rotated factorial solution, the Varimax method was used (see Table 1) and the indicators have been regrouped.

The first factor constituted ten indicators and was assigned the name "sustainability". The indicators were the following: “Institution has difficulties in paying employees due to lack of income (PEC4)”, “Employees are rewarded base on their performance (PEC7)”, “The institution invests in employee development for better performance (PEC8)”, “Expenses are higher than income (PEC2)”, “Institution is short on staff because of lack of funds (PEC5)”, “The employees are loyal to the institution (PEC10)”, “Our assets are greater than our liability (PEC3)”, “Purchasing power influences our ability to buy certain products (PEC12)”, “Institution has enough financial resources to survive during economic crises (PEC6)”, and “Products have a high turnover in our institution (PEC11)”.

The second factor constituted three indicators and was assigned the name "competence of human resources". The indicators were the following: "The firm diversifies its investments (PEC15)", "The firm's investment reflects its objectives (PEC14)", and "National economy impacts our institution long-term financial plan (PEC13)".

Table 1

Rotated Component Matrix of Economic Performance

Items	Factors		
	1	2	3
Institution has difficulties in paying employees due to lack of income (PEC4)	.800		
Employees are rewarded base on their performance (PEC7)	.768		
The institution invests in employee development for better performance (PEC8)	.718		
Expenses are higher than income (PEC2)	.679		
Institution is short on staff because of lack of funds (PEC5)	.675		
The employees are loyal to the institution (PEC10)	.674		
Our assets are greater than our liability (PEC3)	.669		
Purchasing power influences our ability to buy certain products (PEC12)	.656		
Institution has enough financial resources to survive during economic crises (PEC6)	.645		
Products have a high turnover in our institution (PEC11)	.589	.578	
The firm diversifies its investments (PEC15)		.837	
The firm's investment reflects its objectives (PEC14)		.836	
National economy impacts our institution long-term financial plan (PEC13)		.647	
Institution has a steady short-term financial growth (PEC1)			.783
The employee receives fair compensation and bonus (PEC9)			.556

The third factor constituted two indicators and was assigned the name "entrepreneurial and investment". The indicators were the following: "Institution has a steady short-term financial growth (PEC1)", and "The employee receives fair compensation and bonus (PEC9)".

Infrastructure

The instrument infrastructure was made up of four dimensions: (a) sustainability (INF1 to INF7), (b) resiliency (INF8 to INF13), and (c) efficiency (INF14 to INF21).

The factorial analysis procedure was used to evaluate the validity of the infrastructure construct. In the analysis of the correlation matrix, it was found that all 21 statements have a positive correlation coefficient greater than .3. Regarding the sample adequacy measure KMO, a value very close to the unit (KMO = .908) was found. For the Bartlett sphericity test, it was found that the results (X^2 = 1532.061, *df* = 210, *p* = .000) are significant.

When analyzing the anti-image covariance matrix, it was verified that the values of the main diagonal are significantly greater than zero. For the extraction statistics by main components, it was found that the commonality values (Com_{min} = .540; Com_{max} = .804), the 21 items are superior to the extraction criteria (Com =.300) this means that there is sufficient communality between the items of the construct. In relation to the total variance explained, a confirmatory analysis was carried out with four factors explaining 64.48% of the total variance; this value is higher than 50%, which is established as a criterion. The four factors explained 64% of the construct.

As for the rotated factorial solution, the Varimax method was used (See Table 2), and the indicators have been regrouped.

The first factor constituted sixteen indicators and was assigned the name "sustainability". The indicators were the following: “Information flows in this institution is effective (INF21)”, “Community oriented social programs are part of our regular activities (INF4)”, “Our products are environmentally friendly (INF2)”, “Our business is located in

a safe neighborhood (INF3)", "Employees are satisfied the way they are treated (INF19)", "The poor communication system in our area impacts our business tremendously (INF5)", "We are not concerned about the negative events that transpire in our community (INF7)", "We are equipped to deal with natural disaster (INF9)", "Our facility is equipped with modern technology (INF16)", "We have a good communication system in place to facilitate transition in time of emergency (INF11)", "Our facility is equipped with the proper equipment (fire extinguishers, medical kit, fire alarm, etc.) to handle natural disaster (INF13)", "Our business is able to operate during hurricane season (INF8)", "Management provides adequate training for the staff (INF17)", "There is an evacuation plan in place to help in the exiting process in time of emergency (INF14)", "We have a backup energy system (generator, solar panel, etc.) to continue operation in time of need (INF12)", and "Customers are treated with care and respect (INF20)".

The second factor constituted three indicators and was assigned the name "sustainability". The indicators were the following: "We have enough cash flow on hand to continue operation if an emergency occurs (INF10)", "Our staff are well trained and equipped to perform service right the first time (INF18)", and "Leadership changes do not affect operation (INF6)".

The third factor constituted one indicator and was assigned the name "efficiency". The indicator was the following: "The management team is highly qualified to lead this business (INF15)".

Table 2

Rotated Component Matrix for Infrastructure

Items	Factors			
	1	2	3	4
Information flows in this institution is effective (INF21)	.765			
Community oriented social programs are part of our regular activities (INF4)	.764			
Our products are environmentally friendly (INF2)	.764			
Our business is located in a safe neighborhood (INF3)	.762			
Employees are satisfied with the way they are treated (INF19)	.761			
The poor communication system in our area impacts our business tremendously INF5)	.739			
We aren't concerned about the negative events that transpire in our community (INF7)	.710			
We are equipped to deal with natural disaster (INF9)	.696			
Our facility is equipped with modern technology (INF16)	.689	.408		
We have a good communication system in place to facilitate transition in time of emergency (INF11)	.688			
Our facility is equipped with the proper equipment (fire extinguishers, medical kit, fire alarm, etc.) to handle natural disaster (INF13)	.643	.534		
Our business is able to operate during hurricane season (INF8)	.638	.400		
Management provides adequate training for the staff (INF17)	.636	.513		
There is an evacuation plan in place to help in the exiting process in time of emergency (INF14)	.597	.456		
We have a backup energy system (generator, solar panel, inventor) to continue operation in time of need (INF12)	.584	.458		
Customers are treated with care and respect (INF20)	.524			.503
We have enough cash flow on hand to continue operation if an emergency occurs INF10)		.793		
Our staff are well trained and equipped to perform service right the first time (INF18)		.659		
Leadership changes do not affect operation (INF6)		.577		
The management team is highly qualified to lead this business (INF15)			.804	
Intra and interregional trade is costly because of the condition of the road (INF1)				-.883

Managerial Competencies

The instrument of managerial competencies was comprised of four dimensions: (a) technical skills (MAC1 to MAC5), (b) leadership skills (MAC6 to MAC13), (c) human skills (MAC14 to MAC18), and (d) conceptual skills (MAC19 to MAC20).

The factorial analysis procedure was used to evaluate the validity of the managerial competencies construct. In the correlation matrix analysis, it was found that all 20 statements have a positive correlation coefficient greater than .3. Regarding the sample adequacy measure KMO, a value very close to the unit (KMO = .875) was found. For the Bartlett sphericity test, it was found that the results (X^2 = 1442.388, *df* = 190, *p* = .000) are significant.

When analyzing the anti-image covariance matrix, it was verified that the values of the main diagonal are significantly greater than zero. For the extraction statistics by main components, it was found that the commonality values (Com_{min} = .530; Com_{max} = .782), the 20 items are superior to the extraction criteria (Com =.300) this means that there is sufficient communality between the items of the construct. In relation to the total variance explained, a confirmatory analysis was carried out with four factors explaining 64.95% of the total variance; this value is higher than 50%, which is established as a criterion. The four factors explained 65% of the construct.

As for the rotated factorial solution, the Varimax method was used (see Table 3), and the indicators have been regrouped.

The first factor constituted ten indicators and was assigned the name "technical skills". The indicators were the following: “I know how to use technology to enhance my work production (MAC1)”, “I am intrigued by complex organizational problems” (MAC19)”, “Leadership communicates a clear vision, plans and goals of the future of the organization (MAC12)”, “Leadership communicates a clear vision, plans and goals of the future of the organization (MAC5)”, “I trust the leadership of this organization (MAC18)”, “Leadership promotes open communication and sharing of information

(MAC7)", "I use different types of technology to communicate with my staff (MAC4)", "I can use technology to do seminars, and workshops presentation (MAC2)", "I can use technology tools to process data and report results (MAC3)", and "I would enjoy working out strategies for my organization's growth (MAC20)".

The second factor constituted six indicators and was assigned the name "leadership skills". The indicators were the following: "Leadership creates an environment that encourages learning (MAC10)", "Getting all parties to work together is a challenge I enjoy (MAC17)", "Understanding the social fabric of the organization is important to me (MAC16)", "Leadership provides the support and resources needed to help workers meet their goals (MAC9)", "Leadership gives workers the power to make important decisions (MAC8)", and "Leadership doesn't hesitate to provide the leadership that is needed (MAC6)".

The third factor constituted three indicators and was assigned the name "human skills". The indicators were the following: "Being able to understand others is the most important part of my work (MAC14)", "I am respected by those above me in the organization (MAC13)", and "My main concern is to have a supportive communication climate (MAC15)".

The fourth factor constituted one indicator and was assigned the name "conceptual skills". The indicator was the following: "I feel appreciated by my supervisor for what I contribute (MAC11)".

Table 3

Rotated Component Matrix of Managerial Competencies

	Factors			
	1	2	3	4
I know how to use technology to enhance my work production (MAC1)	.775			
I am intrigued by complex organizational problems (MAC19)	.749			
I trust the leadership of this organization (MAC12)	.730			
Leadership communicates a clear vision, plans and goals of the future of the organization (MAC5)	.721			
I am concerned with how my decisions affect the lives of others (MAC18)	.680			
Leadership promotes open communication and sharing of information (MAC7)	.653	.470		
I use different types of technology to communicate with my staff (MAC4)	.634			-.415
I can use technology to do seminars and workshops presentation (MAC2)	.586	.526		
I can use technology tools to process data and report results. (MAC3)	.565			.416
I would enjoy working out strategies for my organization's growth (MAC20)	.562			
Leadership creates an environment that encourages learning (MAC10)		.806		
Getting all parties to work together is a challenge I enjoy (MAC17)		.778		
Understanding the social fabric of the organization is important to me (MAC16)		.709		
Leadership provides the support and resources needed to help workers meet their goals (MAC9)	.459	.645		
Leadership gives workers the power to make important decisions (MAC8)	.521	.643		
Leadership doesn't hesitate to provide the leadership that is needed (MAC6)	.463	.613		
Being able to understand others is the most important part of my work (MAC14)			-.848	
I am respected by those above me in the organization (MAC13)			.836	
My main concern is to have a supportive communication climate (MAC15)			.700	
I feel appreciated by my supervisor for what I contribute (MAC11)				-.823

Political Stability

The instrument of political stability was comprised of four dimensions: (a) civil protests (PIN1 to PIN6), (b) political motivated aggression (PIN7 to PIN8), (c) Stability within the political regime (PIN9 to PIN15), and (d) stability of the political regime (PIN16 to PIN20).

The factorial analysis procedure was used to evaluate the validity of the political stability construct. In the correlation matrix analysis, it was found that all 20 statements

have a positive correlation coefficient greater than .3. Regarding the sample adequacy measure KMO, a value very close to the unit (KMO = .862) was found. For the Bartlett sphericity test, it was found that the results (X^2 = 1334.599, *df* = 190, *p* = .000) are significant.

When analyzing the anti-image covariance matrix, it was verified that the main diagonal values are significantly greater than zero. For the extraction statistics by main components, it was found that the commonality values (Com_{min} = .400; Com_{max} = .805), the 20 items are superior to the extraction criteria (Com =.300) this means that there is sufficient communality between the items of the construct. In relation to the total variance explained, a confirmatory analysis was carried out with four factors explaining 63.01% of the total variance; this value is higher than 50% which is established as a criterion. The four factors explained 63% of the construct.

As for the rotated factorial solution, the Varimax method was used (see Table 4), and the indicators have been regrouped.

Reliability of the Instruments

The instruments were subjected to reliability analysis to determine their internal consistency by obtaining the Cronbach alpha coefficient for each scale. The Cronbach alpha coefficients obtained for the variables were the following: (a) economic performance = .921, (b) infrastructure = .881, and (c) managerial competencies = .899, and (d) political stability = .790. All Cronbach's alpha values were considered as corresponding to acceptable reliability measures for each of the variables.

Table 4

Rotated Matrix of Political Stability

	Factors			
	1	2	3	4
Institution incurs reparation cost after civil protests (PIN5)	.793			
During Coup d'état, the country cries for political changes, and the economy is highjacked hindering the rise of new businesses (PIN17)	.723			
Cabinet changes call for government rebirth and solution to businesses uncertainty (PIN20)	.687			
Religious persecution forces some to leave the country and go to establish their businesses elsewhere (PIN19)	.670			
With every strike, the government loses good revenues because businesses suffer employees' rebellion (PIN3)	.643			
Too frequent elections show great political instability which affects investments and government revenue (PIN13)	.640			
Government crisis, uncertainty and malfunction are major predictors of small businesses negative performance (PIN14)	.632			
The classic way of bringing profit down in business and in a country is to organize a successful strike (PIN4)	-.602			
Political instability provokes market crash, inflation and ultimately recession (PIN15)		.767		
The executive changes create a platform for instability in the government policies, which ultimately affects the business operating system (PIN9)		.704		
When a country or government is too fractionalized, business must finance all fractions for survival (PIN10)		-.683		
Polarization can create both competition and inter-businesses conflicts that slow the national economic progress (PIN12)		.667		
Competitors use riots to affect other institution's businesses (PIN6)		-.644		
Constitutional changes foster opportunities that boost the economy through small businesses' booming (PIN16)		.621		
Politically motivated aggression creates a lack of respect for human lives (PIN8)		.565		
Politicians use different forms of aggression to force the government to make policies that satisfy their economic agenda (PIN7)		-.552		
Riots are ways people manifest their dissatisfaction against the government's economic policies and the businesses exploitation (PIN2)			.780	
When riots break in the country, the economy pays the price and businesses drop (PIN1)			.780	
The government long term Leadership can be a handicap for those who oppose its political agenda (PIN11)				.815
Regime changes are the greatest help to enhance the country economy and small businesses (PIN18)				.699

Operationalization of the Variables

Table 5 shows, as an example, the operationalization of the economic performance variable, in which its conceptual definitions are included as instrumental and operational; in the first column, the name of the variable can be seen; in the second column, the conceptual definition appears; in the third one, the instrumental definition that specifies how the variable will be observed, and in the last column, each variable is codified. The full operationalization is found in Appendix C.

Table 5

Operationalization of the Variable Economic Performance

Variables	Conceptual Definition	Instrumental Definition	Operational Definition
Economic Performance	The ability of a firm to achieve its long and short term economic objectives, which includes goals such as sustainability, profitability and development growth	To measure the degree of economic performance, data was collected from managers, supervisors and employees from various commercial enterprises in the northern part of Haiti through the measured of 15 items, under the scale: 1 = Strongly disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree	To measure the degree of economic performance, data was obtained from employees, managers supervisors of various commercial enterprises in the northern part of Haiti through the measurement of 15 items. The variable was considered as metric.

Null Hypothesis

Hernández Sampieri, et al. (2014) ascertain that null hypotheses are propositions about the relationship between variables, which serve to deny what the research hypothesis affirms. In this study, the following null hypothesis was formulated:

H_0: Infrastructure, managerial competencies, and political stability do not predict the economic performance of small and medium enterprises in the northern part of Haiti.

Table 6 shows the operationalization of the null hypothesis of this investigation.

Operationalization of Null Hypothesis

Table 6 shows the operationalization of the null hypothesis.

Table 6

Operationalization of Null Hypothesis

Hypothesis	Variables	Level of measurement	Statistical test
H_0: Infrastructure, managerial competencies, and political stability do not predict the economic performance of small and medium enterprises in the North of Haiti.	Independent: Infrastructure Managerial competencies Political stability Dependent: Economic Performance	Metrics Metrics Metrics Metrics Metrics	For the analysis of this hypothesis, the statistical technique of multiple linear regression was used by the method of successive steps. The rejection criterion of the null hypothesis was for values of significance $p \leq .05$.

Data Collection

The data collection was carried out in the following way:

1. A letter was sent to various commercial enterprises' owners, supervisors, managers, and staff in Haiti's northern part. The letter requested permission for the researcher to apply the instrument to the employees and staff.

2. The instrument was then distributed to employees, managers, supervisors, and staff.

3. The survey was applied in physical form during work hours so that employees would be motivated to complete the instrument. A person was designated in each enterprise to collect the data upon completion, and the researcher collected the survey from the designated person within two days.

Data Analysis

The database was formed in the SPSS for Windows in version 22, in order to perform the analysis of the variables in that program. Subsequently, the scores for each of the variables were obtained, following the process indicated in the variables' operationalization. After the completion of the database, descriptive statistics (measures of central tendency, variability, normality, and detection of atypical and absent data) were used to clean the database and obtain demographic information, as well as to evaluate the behavior of the main variables.

CHAPTER IV

ANALYSIS OF RESULTS

Introduction

This study's main objective was to explore whether infrastructure, managerial competencies, and political stability can predict economic performance in the north part of Haiti according to the model identified in chapter one.

The research was quantitative, cross-sectional, descriptive, explanatory, and correlational. The demographic variables were the following: age, gender, level of education, profession, and ethnicity.

The chapter is outlined as follows: (a) population and sample, (b) demographic description of the subjects, (c) cross tables, (d) arithmetic means, (e) null hypothesis, and (f) summary of the chapter.

Population and Sample

This study was directed through the intentional solicitation of participants who work in different SMEs in the northern part of Haiti.

This research used cluster sampling because the population was known, but it was not possible to have an exhaustive list of the target population's elements. One hundred twenty-eight surveys resulted in correctly fulfilled in the study.

Demographic Description

This section contains demographic information regarding the subjects for this research. The results presented are for the variables age, gender, education, and line of work (see Appendix D).

Age

It can be observed in Appendix D that most SMEs (43.8%) are in the 25-35 age range, followed by the next larger group (38.3%) within the 36-46 age range. The third larger group (16.4%) is the 47-57 age range.

Gender

There are more females (55.5%) than male (44.5%) persons as the sample of this study.

Level of Education

More SMEs workers (76.6%) are at the bachelor education level, followed by a number (15.6%) at the associate education level. Fewer young people (5.5%) are at the High School education level.

Line of Work

Most of the participants are prepared in Administration (38.3%); the second larger group comprises people prepared in Management (32%). A third group is prepared for Healthcare (11.7%), and Financial is the fourth group (10.2%) of people who work in SMEs.

Cross-tables

Gender and Age of Participants

There is a difference between gender groups. In the 25-35 age bracket, more (30.5%) female and less (13.3%) female work in SMEs. A different pattern was seen in the 36-46 age bracket, which showed a large number (21.1%) male to a lesser of female (17.2%) who are working in SMEs. It means that the young generation has more women working in SMEs in the northern part of Haiti.

Gender and Education of Participants

There were more females (41.4%) at the bachelor's degree rather than the male group (35.2%). In the same way, in all the groups, females are most prepared than the males.

Arithmetic Means

This section presents the results of the two highest arithmetic means, the two lowest arithmetic means, and the arithmetic means of each construct (see Appendix E).

Infrastructure

As shown in Table 7, the highest arithmetic means of infrastructure correspond to the statements of "We have enough cash flow on hand to continue operation if an emergency occurs" (INF10 = 3.57) and "Our staff is well trained and equipped to perform service right the first time" (INF18 = 3.47). The lowest results were "Our business is located in a safe neighborhood" (INF3 = 1.85), and "Intra and interregional trade are costly because of the condition of the road" (INF1 = 1.63). The total arithmetic means for this variable was 2.83. It is indicated that the infrastructure is not developed and

kept in good condition. Despite this situation, they perceived that their organizations have the minimum infrastructure and are ready to respond to a contingency.

Managerial Competencies

As shown in Table 8, the highest arithmetic means of managerial competencies correspond to the statements of “I feel appreciated by my supervisor for what I contribute” (MAC11 = 4.02), and “I am respected by those above me in the organization” (MAC13 = 3.71). The lowest results were “I know how to use technology to enhance my work production” (MAC1 = 2.26), and “Being able to understand others is the most important part of my work” (MAC14 = 2.26). The total arithmetic means for managerial competencies was 2.85. It is shown that there are problems in the quality of professionalism; in specific terms of soft managerial competencies, the willingness to serve people is relegated.

Table 7

Infrastructure

Declaration	*M*	*SD*
INF10	3.57	1.00
INF18	3.47	1.09
INF3	1.85	0.94
INF1	1.63	0.90
Total	2.83	

Table 8

Managerial Competencies

Declaration	*M*	*SD*
MAC11	4.02	0.95
MAC13	3.71	1.15
MAC1	2.26	1.22
MAC14	2.26	1.10
Total	2.85	

Political Stability

As shown in Table 9, the highest arithmetic means of political stability correspond to the statements of “Regime changes are the greatest help to enhance the country economy and small businesses” (PS18 = 4.46), and “Politicians use different forms of aggression to force the government to make policies that satisfy their economic agenda” (PS7 = 4.27). The lowest results were “Constitutional changes foster opportunities that boost the economy through small businesses´ booming” (PS16 = 2.53), and “Political instability provokes market crash, inflation and ultimately recession” (PS15 = 2.48). The total arithmetic means for this variable was 3.16. It is specified that there is the possibility that there are bad public officials who dictate unfair policies, which damages the general population in the medium and long term.

Economic Performance

Table 10 showed the highest arithmetic means of this economic performance that correspond to the statements of “The institution has a steady short-term financial growth” (ECP1 = 4.20), “National economy impacts our institution long-term financial plan” (ECP13 = 3.16). The lowest results were “Employees are rewarded based on

their performance" (ECP7 = 2.41), and "The institution has enough financial resources to survive during economic crises" (ECP6 = 2.20). The total arithmetic means for economic performance was 2.82. It is shown that the economic situation is not the best for growing SMEs and other important conditions that could help improve the whole economy. Even organizations cannot act immediately against a hard situation.

Table 9

Political Stability

Declaration	*M*	*SD*
PS18	4.46	0.72
PS7	4.27	0.76
PS16	2.53	0.99
PS15	2.48	1.09
Total	3.16	

Table 10

Economic Performance

Declaration	*M*	*SD*
ECP1	4.20	1.00
ECP13	3.16	1.03
ECP7	2.41	1.23
ECP6	2.20	1.01
Total	2.82	

Multiple Regression Assumptions

The analysis of the model starts with testing the multiple regression assumptions. The assumption that no outlier is in the data is normally distributed, there is no collinearity among independent variables. The data is linear, and there is

homoscedasticity (See table and figure about typified forecast value and regression value in Appendix F).

For this research, the first criterion that was analyzed was the linearity through the graphs. The second criterion that was tested was the normality of the errors with the Kolmogorov-Smirnov statistic (p = .200). In the third criterion, the independence of the errors was prven, using the Durbin-Watson test (DW = 1.991), which is very close to the value 2, and indicates that the errors are not correlated and are independent. The fourth assumption analyzed was the collinearity of the variables, and it was observed that the variance inflation factor (VIF) of managerial competencies was 1.000 when only use this variable for regression. In model two, according to Hair, Anderson, Tatham, and Black (2007), when VIF values are high, they describe higher collinearity, a threshold that corresponds to values greater than ten can be set. In this research, the VIF value of the variable managerial competencies was 6.255, and the infrastructure was 6.255 as well as the previous one. Thus, results were less than ten for which it is concluded that the foregoing mentioned variables present a certain degree of collinearity, but less than the proposed threshold (ten). Finally, the homoscedasticity was analyzed, and it was verified that the errors have equal variances (see Appendix F).

Null Hypothesis

This section presents the results from statistical tests of the main null hypothesis for this investigation. The hypothesis was subjected to selected indicators. The null hypothesis (H_0) states that the empirical model, in which infrastructure, managerial competencies, and political stability are not predictors of small and medium enterprises' economic performance in the north of Haiti.

For the analysis of this hypothesis, the statistical technique of multiple linear regression was used; infrastructure, managerial competencies, and political stability were considered as independent variables and economic performance as the dependent variable.

When applying the stepwise method in the regression analysis, it was seen that the variable political stability did not explain the dependent variable; therefore, it has been deleted. In the Model 1, it was observed that the variable managerial competencies was the best predictor. The adjusted R^2 value was .714, explaining 71.4% of economic performance (see Model 1, Figure 2).

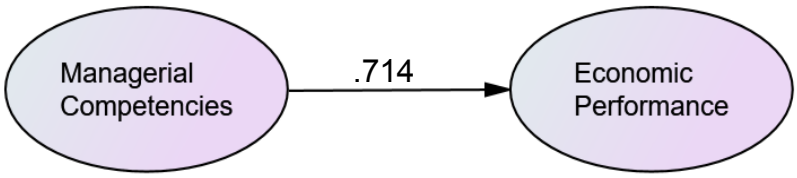


Figure 2. Model 1.

It was also noticed that the variables managerial competencies and infrastructure resulted in good predictors. They explain that adjusted R2 was .735. It can be interpreted that these two variables explain 73.5% of economic performance (see Model 2, Table 11).

It was observed in the two models that the *F* is significant. The value of *F* equals 176.688 was obtained, and the *p*-value equals .000. Based on the foregoing, the null hypothesis was rejected.

The values of the model non-standardized coefficients B_k were as follows: B_1

equals to .602; and B_2 equals to .468 (see Appendix F).

The B_0 value was not statistically significant. Thus, the regression line is the following:

Economic performance = .602 (managerial competencies) + .468 (infrastructure)

Based on the standardized beta obtained, the best predictor was managerial competencies (B_1 = .504); then infrastructure (B_2 = .373), see Figure 3, Model 2.

Table 11

Resume Model

Model	Regressors	*R*	R Square	Adjusted *R* Square
1	Managerial competencies	.846	.716	.714
2	Managerial competencies, infrastructure	.859	.739	.735

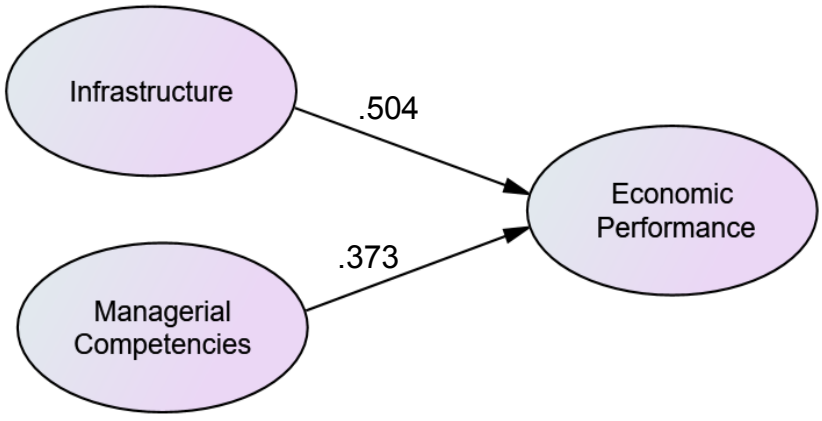


Figure 3. Model 2.

Summary of Chapter

The purpose of this chapter was to present the results following statistical data

analysis. Findings were presented based on each of the variables and hypotheses. In the next chapter, an in-depth discussion of these findings relating to the research question will be presented. Whether new or expanded, the issues that have emerged from the study will be synthesized based on the current literature. Additionally, conclusions will be provided to summarize the investigation.

CHAPTER V

DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS

Introduction

The first part of this section summarizes the study's purpose and findings based on empirical analyses and discussion regarding the findings' implications. The second part presents conclusions and recommendations to the study.

The exogenous variables were managerial competencies, infrastructure, and political stability, while the endogenous variable was economic performance. The demographic variables consisted of age, gender, education, and line of work.

The study sample consisted of 128 respondents from different small and medium enterprises (SMEs) in the northern part of Haiti.

Discussion

In this section, the results are discussed, and initial objectives of the research by construct are presented.

Infrastructure

The items with the highest arithmetic means are: “We have enough cash flow on hand to continue operation if an emergency occurs”, “Our staff are well trained and equipped to perform service right the first time,” and “We have a backup energy system (generator, solar panel, inventor) to continue operation in time of need”. On the other

hand, the items with the three lowest arithmetic means for the infrastructure construct are: “Intra and interregional trade is costly because of the condition of the road”, “Our business is located in a safe neighborhood”, and “Employees are satisfied the way they are treated”.

This result is in harmony with previous literature and findings. Naazie, Canacoo, and Mwinbong (2007) observed intra and interregional trade are greatly impacted by bad road conditions. They indicated that “roads link towns and villages and enable the people to communicate at different places”. Additionally, other studies pointed out that infrastructure is a key factor in small and medium enterprises' success. Its importance can be seen in specialization, allowing production and consumption of products to occur at different locations. In other words, “better transport allows more trade and a greater spread of people.” The opposite is also true bad roads signifies frequent break down of vehicles and increased maintenance cost for businesses (Young, Wolffing, & Tomasini, 2005).

The total arithmetic mean for the infrastructure variable was 2.83, indicating that the participants are indifferent or not satisfied with the current infrastructure. From the results, the participants believe that both the transportation infrastructure and business infrastructure are average. In other words, the country's quality of infrastructure does not contribute to small and medium enterprises' success in the northern part of Haiti. On the other hand, the participants believe the small and medium enterprises' current infrastructure provides very little opportunities for career advancement and promotion. Climbing the administration ladder seems to be quite insurmountable to say the least. The results also indicate that participants are not satisfied with the current intra and

interregional roads. The issues impact both the location of the small and medium enterprises and product deliveries. As a result, small and medium enterprises are not as profitable and productive as they would want to. They have limited access to merchandise, which poses a fundamental problem for their growth and challenges their continued survival.

Managerial Competencies

Papulova and Mokros (2007) indicated that small and medium enterprises' development requires people with vital managerial skills and management knowledge. An arithmetic mean of 2.85 indicates the participants are *somewhat dissatisfied* with the small and medium enterprises' managerial competencies in the northern part of Haiti.

The items with the highest arithmetic means were: “I am respected by those above me in the organization”, “My main concern is to have a supportive communication climate”, and “I feel appreciated by my supervisor for what I contribute”. These items suggest the participants are seeking recognition and appreciation for their contribution into the organization. On the other hand, the three lowest means correspond to the following statements: “I know how to use technology to enhance my work production”, “Being able to understand others is the most important part of my work”, and “I trust the leadership of this organization”.

As can be seen from the items with the lowest arithmetic mean, the participants in the small and medium enterprises in the northern part of Haiti feel like they need to be more equipped with modern technology in order to be effective and efficient in performing their assigned tasks. It also indicates that the leadership needs improvement because they possess inadequate managerial competencies, which can be seen

through the lowest arithmetic means. This would also suggest that the administration needs to invest resources in providing adequate quality leadership training for staff and employees.

Papulova and Mokros (2007) suggest that competencies that help determine the success of small and medium enterprises range from communication skills, team-working, proactiveness, vision, self-management, result-orientation, strategic-orientation, ambition, persistence, decision making, risk-taking, creativity, to leadership, problem-solving, strategic competency, and the customer focus. Those are commonly possessed skills, abilities, and competencies by successful managers.

Economic Performance

As indicated by the arithmetic means, the participants of small and medium enterprises are concerned about the financial stability and economic performance of their firms. Manh, Ha, and Ngoc (2014) identified several factors that affect employment in Vietnam; economic performance is considered as the number cause of employment in agriculture, manufacturing, and service sectors. This finding is consistent with the results of this study. This study revealed that organizations are short on staff because of a lack of funds.

Additionally, the small and medium enterprises in the northern part of Haiti are also affected by the national economy. The performance of the national economy determines how they perform financially. Taiwo, et al. (2013) indicated that lack of financial support, poor management, corruption, lack of training and experience, poor infrastructure, insufficient profits, and low demand for products and services might impact economic growth and performance.

As indicated by the results, one of the challenges small and medium enterprises in the northern part of Haiti face is the fact that they are short on staff due to financial constraints, which means one person several hats, as results, they are not performing at a competitive level. Pillay and Singh (2018) revealed that organizational performance is affected when tasks are not distributed equally.

Conclusions

This section of the study documented the conclusions made on the arithmetic means and the null hypothesis.

Arithmetic Means

This section shows the conclusions concerning the arithmetic means.

Infrastructure

The three highest arithmetic means correspond to the following statements from the infrastructure: “We have enough cash flow on hand to continue operation if an emergency occurs”, “Our staff are well trained and equipped to perform service right the first time”, and “We have a backup energy system (generator, solar panel, inventor) to continue operation in time of need”. On the other hand, the items with the three lowest arithmetic means for the infrastructure construct are: “Intra and interregional trade is costly because of the condition of the road”, “Our business is located in a safe neighborhood”, and “Employees are satisfied the way they are treated”. The total arithmetic mean for the infrastructure variable was 2.83, indicating that the participants are *indifferent* to their infrastructure.

Managerial Competencies

The highest arithmetic means correspond to the following statements from the managerial competencies construct: “I am respected by those above me in the organization”, “My main concern is to have a supportive communication climate”, and “I feel appreciated by my supervisor for what I contribute”. On the other hand, the three lowest means correspond to the following statements: “I know how to use technology to enhance my work production”, “Being able to understand others is the most important part of my work”, and “I trust the leadership of this organization”. The total mean for the construct was 2.85; this means that the participants are *indifferent* to the managerial competencies.

Political Stability

The highest arithmetic means corresponds to the following statements from the political stability construct: “Competitors use riots to affect others institution’s businesses”, “Politicians use different forms of aggressions to force the government to make policies that satisfy their economic agenda”, and “Regime changes are the greatest help to enhance the country economy and small businesses”. Alternatively, the three lowest means correspond to the following statements: “Political instability provokes market crash, inflation and ultimately recession”, “Constitutional changes foster opportunities that boost the economy through small businesses’ booming”, and “The executive changes create a platform for instability in the government policies which ultimately affects the business operating system”. The total mean for the construct was 3.16; this means that the participants are *somewhat* satisfied with the political stability

construct.

Main Hypothesis

The results of the model are described below in this section.

The declaration of the complementary null hypothesis was expressed as follows: infrastructure, managerial competencies, and political stability are not predictors of economic performance of the small and medium enterprises in the northern part of Haiti.

Linear regression was used by the method of stepwise regression. This revealed that these two variables, infrastructure, and managerial competencies account for 73.50% of the variance of the dependent variable, economic performance. It can therefore be concluded and affirmed that the management and administration of the small and medium enterprises in the northern part of Haiti must pay attention to infrastructure, and managerial competencies when evaluating the economic performance of the small and medium enterprises in the northern part of Haiti. The empirical evidence, therefore, supports the confirmatory hypothesis in that infrastructure, and managerial competencies are predictors of the economic performance of the small and medium enterprises.

Recommendations

The results of the investigation lead to some recommendations:

For Political Leaders

1. Must increase investment in the education of the inhabitants at all levels.
2. Must generate policies that allow increasing the competitiveness of the workforce in various economic sectors.
3. Must invest in the transportation infrastructure

4. Must build roads that are interconnected to facilitate the transportation of goods and products from one city to another.

5. Must stimulate the external capital investment in Information technology to modernize different economic sectors.

6. Must formulate rules and regulations that benefit everyone across the spectrum.

For Managers and Administrators

1. Must invest in quality training, workshops, and seminars on modern technologies to equip both staff and employees to be more efficient in operating modern tools.

2. Must create an organization whereby employees can feel expected and appreciated.

3. Must establish an open line of communication between managerial staff and employees.

4. Should create a climate and environment where everyone is free to express themselves without the fear of being penalized.

5. Need to work on the trust factor between managerial staff and employees so that the organization can operate smoothly.

For Future Research

This section presents recommendations for future studies.

1. Venture into new research to create new models by utilizing other populations (such as SME in the south and central part of Haiti or similar economies) to compare with this study's results.

2. Formulate new models, with other constructs that test SME's longevity in relation to their economic performance.

APPENDIX A

INSTRUMENTAL BATTERY

Instrumental Battery

General Instructions

Survey Questionnaire

Dear Participant,

My name is Amstrong Jean Charles, a PhD student in the Business department at the **Montemorelos University of the Seventh-day Adventist.** I am currently writing my doctoral dissertation entitled, "Small & Medium Economic Performance in the northern part of Haiti." The purpose of this data

…
The purpose of this survey is to suggest a predictive model for small and medium business owners as well as managers and supervisors.

In order to collect data for my research study, I have selected small and medium businesses in the northern part of Haiti. This survey is designed to solicit your perception about how infrastructure, managerial competencies, and political instability may influence small and medium enterprises' economic performance in the northern part of Haiti. As such, it is my privilege to humbly request you to participate in this study by completing the questionnaire below. Your participation is very important for this study without any kind of obligation, be it presently or later. I hope that you will feel comfortable answering these questions and that you are not in any way harmed. The questionnaire will take some minutes of your time to complete but will be very useful for the economic performance of the small and medium business in the northern part of Haiti.

For this survey to be helpful and accurate in describing your business, it is important that you answer each question as honestly as possible. Please do not sign your name. Your responses to this survey will be kept completely anonymous and confidential and will only be presented as part of the overall organizational profile to the survey participants.

Thank you for your input. It will contribute tremendously to the success of this study.

Sincerely,

Amstrong Jean-Charles J.

Email amstrongjc@yahoo.com

phone : (509)37650958

Demographics

INSTRUCTIONS: Please place an **"X"** in the box of the response that applies to you

Age	**<u>Select</u> the information that applies to you** [ ] 25-35 [ ] 36-46 [ ] 47-57 [ ] others
Gender	[ ] Male [ ] Female
Education	[ ] High School [ ] Associate [ ]Bachelor [ ] Master [ ] Doctorate [ ] Other
Line of Work	[ ] Financial [ ] Administration [ ] Management [ ] Healthcare [ ] Construction [ ] Others

PLEASE BE SURE TO RESPOND TO ALL ITEMS

ECONOMIC PERFORMANCE

Please use the following scale								
Strongly disagree	**Disagree**	**Neither agree nor disagree**	**Agree**	**Strongly agree**				
1	**2**	**3**	**4**	**5**				
Statement				**Rate**				
How much do I agree with the following statement?				1	2	3	4	5
1	The institution has a steady short-term financial growth			1	2	3	4	5
2	Expenses are higher than income			1	2	3	4	5
3	Our assets are greater than our liability			1	2	3	4	5
4	The institution has difficulties in paying employees due to lack of income			1	2	3	4	5
5	The institution is short on staff because of a lack of funds			1	2	3	4	5
6	The institution has enough financial resources to survive during economic crises			1	2	3	4	5
7	Employees are rewarded based on their performance			1	2	3	4	5
8	The institution invests in employee development for better performance			1	2	3	4	5
9	The employee receives fair compensation and bonus			1	2	3	4	5
10	The employees are loyal to the institution			1	2	3	4	5
11	Products have a high turnover in our institution			1	2	3	4	5
12	Purchasing power influences our ability to buy certain products			1	2	3	4	5
13	National economy impacts our institution long-term financial plan			1	2	3	4	5
14	The firm's investment reflects its objectives			1	2	3	4	5
15	The firm diversifies its investments			1	2	3	4	5

INFRASTRUCTURE

Please use the following scale								
Strongly disagree	**Disagree**	**Neither agree nor disagree**	**Agree**	**Strongly agree**				
1	**2**	**3**	**4**	**5**				
Statement				**Rate**				
How much do I agree with the following statement?				1	2	3	4	5
1	Intra and interregional trade is costly because of the condition of the road			1	2	3	4	5
2	Our products are environmentally friendly			1	2	3	4	5
3	Our business is located in a safe neighborhood			1	2	3	4	5
4	Community-oriented social programs are part of our regular activities			1	2	3	4	5
5	The poor communication system in our area impacts our business tremendously			1	2	3	4	5

6	Leadership changes do not affect the operation	1	2	3	4	5
7	We are not concerned about the negative events that transpire in our community	1	2	3	4	5
8	Our business is able to operate during hurricane season	1	2	3	4	5
9	We are equipped to deal with natural disaster	1	2	3	4	5
10	We have enough cash flow on hand to continue operation if an emergency occurs	1	2	3	4	5
11	We have a good communication system in place to facilitate the transition in a time of emergency	1	2	3	4	5
12	We have a backup energy system (generator, solar panel, inventor) to continue operation in time of need	1	2	3	4	5
13	Our facility is equipped with the proper equipment (fire extinguishers, medical kit, fire alarm, etc.) to handle a natural disaster	1	2	3	4	5
14	There is an evacuation plan in place to help in the exiting process in time of emergency	1	2	3	4	5
15	The management team is highly qualified to lead this business	1	2	3	4	5
16	Our facility is equipped with modern technology	1	2	3	4	5
17	Management provides adequate training for the staff	1	2	3	4	5
18	Our staff is well trained and equipped to perform service right the first time	1	2	3	4	5
19	Employees are satisfied with the way they are treated	1	2	3	4	5
20	Customers are treated with care and respect	1	2	3	4	5
21	Information flows in this institution is effective	1	2	3	4	5

MANAGERIAL COMPETENCIES

Please use the following scale								
Strongly disagree	**Disagree**	**Neither agree nor disagree**	**Agree**	**Strongly agree**				
1	**2**	**3**	**4**	**5**				
Statement				**Rate**				
How much do I agree with the following statement?				1	2	3	4	5
1	I know how to use technology to enhance my work production			1	2	3	4	5
2	I can use technology to do seminars and workshops presentation			1	2	3	4	5
3	I can use technology tools to process data and report results.			1	2	3	4	5
4	I use different types of technology to communicate with my staff			1	2	3	4	5
5	Leadership communicates a clear vision, plans and goals of the future of the organization			1	2	3	4	5
6	Leadership doesn't hesitate to provide the leadership that is needed			1	2	3	4	5
7	Leadership promotes open communication and sharing of information			1	2	3	4	5

8	Leadership gives workers the power to make important decisions	1	2	3	4	5
9	Leadership provides the support and resources needed to help workers meet their goals	1	2	3	4	5
10	Leadership creates an environment that encourages learning	1	2	3	4	5
11	I feel appreciated by my supervisor for what I contribute	1	2	3	4	5
12	I trust the leadership of this organization	1	2	3	4	5
13	I am respected by those above me in the organization	1	2	3	4	5
14	Being able to understand others is the most important part of my work	1	2	3	4	5
15	My main concern is to have a supportive communication climate	1	2	3	4	5
16	Understanding the social fabric of the organization is important to me	1	2	3	4	5
17	Getting all parties to work together is a challenge I enjoy	1	2	3	4	5
18	I am concerned with how my decisions affect the lives of others	1	2	3	4	5
19	I am intrigued by complex organizational problems	1	2	3	4	5
20	I would enjoy working out strategies for my organization's growth	1	2	3	4	5

POLITICAL STABILITY

Please use the following scale								
Strongly disagree	**Disagree**	**Neither agree nor disagree**	**Agree**	**Strongly agree**				
1	**2**	**3**	**4**	**5**				
Statement				**Rate**				
How much do I agree with the following statement?				1	2	3	4	5
1	When riots break in the country, the economy pays the price and businesses drop			1	2	3	4	5
2	Riots are ways people manifest their dissatisfaction against the government's economic policies and business exploitation.			1	2	3	4	5
3	With every strike, the government loses good revenues because businesses suffer employees' rebellion.			1	2	3	4	5
4	The classic way of bringing profit down in business and in a country is to organ-ize a successful strike			1	2	3	4	5
5	Institution incurs reparation cost after civil protests.			1	2	3	4	5
6	Competitors use riots to affect others institution's businesses			1	2	3	4	5
7	Politicians use different forms of aggression to force the government to make policies that satisfy their economic agenda							
8	Politically motivated aggression creates a lack of respect for human lives.			1	2	3	4	5
9	The executive changes create platforms for instability in government policies, which ultimately affect the business operating system.			1	2	3	4	5

10	When a country or government is too fractionalized, the business must finance all fractions for survival.	1	2	3	4	5
11	The government's long term leadership can be a handicap for those who oppose its political agenda.	1	2	3	4	5
12	Polarization can create both competition and inter-businesses conflicts that slow the national economic progress	1	2	3	4	5
13	Too frequent elections show great political instability, which affects investments and government revenue.	1	2	3	4	5
14	Government crisis, uncertainty and malfunction are major predictors of small businesses' negative performance.	1	2	3	4	5
15	Political instability provokes market crash, inflation, and ultimately recession	1	2	3	4	5
16	Constitutional changes foster opportunities that boost the economy through small businesses' booming	1	2	3	4	5
17	During Coup d'état, the country cries for political changes; the economy is high-jacked, hindering new businesses' rise.	1	2	3	4	5
18	Regime changes are the greatest help to enhance the country economy and small businesses	1	2	3	4	5
19	Religious persecution forces some to leave the country and go to establish their businesses elsewhere.	1	2	3	4	5
20	Cabinet changes call for government rebirth and solution to businesses' uncer-tainty.	1	2	3	4	5

ANALYSIS OF THE CONSTRUCTS

INTERNAL CONSISTENCY MATRIX

BY: Amstrong Jean-Charles

Factors affecting the economic performance of small and medium enterprise in the north of Haiti.

PROBLEM	OBJECTIVES	HYPOTHESIS	TYPE AND DESIGN	VARIABLES AND OTHERS
Do infrastructure, managerial competencies, and political stability predict the economic performance of small and medium enterprises in the north of Haiti?	1.Address if infrastructure, managerial competencies, and political stability predict the economic performance of small and medium enterprises (SME) in the north of Haiti. 2.Find differences among infrastructure, managerial competencies, and political stability compared with demographics of the population. 3.Design an instrument to measure the perception of SMEs owners about economic performance.	H1: Infrastructure, managerial competencies, and political stability predict the economic performance of small and medium enterprises in the north of Haiti.	Type Quantitative, explanatory, cross-sectional, descriptive, and field research. Population: 200 SME in Cap Haitian. Sample: Convenience sampling (128) Statistics: SPSS v. 22	Independent Variables: -Infrastructure -Managerial competencies -Political stability Dependent Variables: -Economic performance Demographic Variables: -Age -Gender -Education -Line of work

APPENDIX B

FACTORIAL ANALYSIS

Economic Performance

KMO y prueba de Bartlett

Medida de adecuación muestral de Kaiser-Meyer-Olkin.		.908
Prueba de esfericidad de Bartlett	Chi-cuadrado aproximado	1052.169
	gl	105
	Sig.	.000

Comunalidades

	Inicial	Extracción
PEC1	1.000	.649
PEC2	1.000	.590
PEC3	1.000	.545
PEC4	1.000	.718
PEC5	1.000	.597
PEC6	1.000	.612
PEC7	1.000	.685
PEC8	1.000	.685
PEC9	1.000	.611
PEC10	1.000	.516
PEC11	1.000	.682
PEC12	1.000	.509
PEC13	1.000	.565
PEC14	1.000	.828
PEC15	1.000	.761

Método de extracción: Análisis de Componentes principales.

Matriz de 93omponents rotados[a]

	Componente

Varianza total explicada

Componente	Autovalores iniciales			Sumas de las saturaciones al cuadrado de la extracción			Suma de las saturaciones al cuadrado de la rotación		
	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado
1	7.365	49.101	49.101	7.365	49.101	49.101	5.350	35.664	35.664
2	1.106	7.371	56.472	1.106	7.371	56.472	2.909	19.396	55.060
3	1.081	7.209	63.681	1.081	7.209	63.681	1.293	8.621	63.681
4	.967	6.447	70.128						
5	.717	4.777	74.905						
6	.630	4.203	79.108						
7	.514	3.429	82.537						
8	.489	3.261	85.798						
9	.439	2.930	88.728						
10	.387	2.581	91.309						
11	.352	2.346	93.655						
12	.292	1.945	95.600						
13	.278	1.855	97.455						
14	.212	1.412	98.867						
15	.170	1.133	100.000						

Método de extracción: Análisis de Componentes principales.

	1	2	3
PEC4	.800		
PEC7	.768		
PEC8	.718		
PEC2	.679		
PEC5	.675		
PEC10	.674		
PEC3	.669		
PEC12	.656		
PEC6	.645		
PEC11	.589	.578	
PEC15		.837	
PEC14		.836	
PEC13		.647	
PEC1			.783
PEC9	.549		.556

Método de extracción: Análisis de componentes principales.

Método de rotación: Normalización Varimax con Kaiser.

a. La rotación ha convergido en 6 iteraciones.

Infrastructure

KMO y prueba de Bartlett

Medida de adecuación muestral de Kaiser-Meyer-Olkin.		.908
Prueba de esfericidad de Bartlett	Chi-cuadrado aproximado	1532.061
	gl	210
	Sig.	.000

Comunalidades

	Inicial	Extracción
INF1	1.000	.804
INF2	1.000	.604
INF3	1.000	.618
INF4	1.000	.670
INF5	1.000	.708
INF6	1.000	.540
INF7	1.000	.542
INF8	1.000	.642
INF9	1.000	.627
INF10	1.000	.680
INF11	1.000	.618
INF12	1.000	.655
INF13	1.000	.705
INF14	1.000	.671
INF15	1.000	.661
INF16	1.000	.654
INF17	1.000	.686
INF18	1.000	.592
INF19	1.000	.596
INF20	1.000	.572
INF21	1.000	.695

Método de extracción: Análisis de Componentes principales.

Varianza total explicada

Compo-nente	Autovalores iniciales			Sumas de las saturaciones al cuadrado de la extracción			Suma de las saturaciones al cuadrado de la rotación		
	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado
1	9.234	43.972	43.972	9.234	43.972	43.972	7.753	36.920	36.920
2	1.807	8.605	52.577	1.807	8.605	52.577	3.005	14.310	51.230
3	1.443	6.870	59.447	1.443	6.870	59.447	1.479	7.043	58.273
4	1.057	5.033	64.480	1.057	5.033	64.480	1.303	6.207	64.480
5	.894	4.258	68.738						
6	.811	3.863	72.601						
7	.729	3.471	76.071						
8	.606	2.887	78.958						
9	.568	2.705	81.663						
10	.543	2.584	84.247						
11	.463	2.205	86.452						
12	.410	1.952	88.404						
13	.400	1.904	90.308						
14	.383	1.824	92.131						
15	.366	1.745	93.876						
16	.300	1.428	95.304						
17	.272	1.295	96.599						
18	.229	1.092	97.692						
19	.178	.849	98.541						
20	.157	.747	99.287						
21	.150	.713	100.000						

Método de extracción: Análisis de Componentes principales.

Matriz de componentes rotados[a]

	Componente			
	1	2	3	4
INF21	.765			
INF4	.764			
INF2	.764			
INF3	.762			
INF19	.761			
INF5	-.739			
INF7	.710			
INF9	.696			
INF16	.689	.408		
INF11	.688			
INF13	.643	.534		
INF8	.638	.400		
INF17	.636	.513		
INF14	.597	.456		
INF12	.584	.458		
INF20	.524			.503
INF10		.793		
INF18		.659		
INF6		.577		
INF15			.804	
INF1				-.883

Método de extracción: Análisis de componentes principales.

Método de rotación: Normalización Varimax con Kaiser.

a. La rotación ha convergido en 5 iteraciones.

Managerial Competencies

KMO y prueba de Bartlett

Medida de adecuación muestral de Kaiser-Meyer-Olkin.		.875
Prueba de esfericidad de Bartlett	Chi-cuadrado aproximado	1442.388
	gl	190
	Sig.	.000

Comunalidades

	Inicial	Extracción
MAC1	1.000	.678
MAC2	1.000	.658
MAC3	1.000	.600
MAC4	1.000	.643
MAC5	1.000	.672
MAC6	1.000	.616
MAC7	1.000	.680
MAC8	1.000	.691
MAC9	1.000	.641
MAC10	1.000	.709
MAC11	1.000	.730
MAC12	1.000	.580
MAC13	1.000	.704
MAC14	1.000	.782
MAC15	1.000	.539
MAC16	1.000	.632
MAC17	1.000	.626
MAC18	1.000	.582
MAC19	1.000	.699
MAC20	1.000	.530

Método de extracción: Análisis de Componentes principales.

Varianza total explicada

Componente	Autovalores iniciales			Sumas de las saturaciones al cuadrado de la extracción			Suma de las saturaciones al cuadrado de la rotación		
	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado	Total	% de la varianza	% acumulado
1	8.191	40.955	40.955	8.191	40.955	40.955	5.379	26.894	26.894
2	2.368	11.839	52.794	2.368	11.839	52.794	4.120	20.601	47.495
3	1.403	7.017	59.811	1.403	7.017	59.811	2.100	10.499	57.993
4	1.028	5.138	64.948	1.028	5.138	64.948	1.391	6.955	64.948
5	.938	4.690	69.638						
6	.749	3.745	73.383						
7	.672	3.360	76.743						
8	.649	3.243	79.987						
9	.581	2.906	82.893						
10	.537	2.685	85.578						
11	.467	2.334	87.912						
12	.430	2.148	90.059						
13	.391	1.954	92.013						
14	.299	1.497	93.510						
15	.272	1.360	94.870						
16	.245	1.224	96.094						
17	.231	1.156	97.251						
18	.214	1.072	98.322						
19	.190	.948	99.270						
20	.146	.730	100.000						

Método de extracción: Análisis de Componentes principales.

Matriz de componentes rotados[a]

	Componente			
	1	2	3	4
MAC1	.775			
MAC19	.749			
MAC12	.730			
MAC5	.721			
MAC18	.680			
MAC7	.653	.470		
MAC4	.634			-.415
MAC2	.586	.526		
MAC3	.565			.416
MAC20	.562			
MAC10		.806		
MAC17		.778		
MAC16		.709		
MAC9	.459	.645		
MAC8	.521	.643		
MAC6	.463	.613		
MAC14			-.848	
MAC13			.836	
MAC15			.700	
MAC11				-.823

Método de extracción: Análisis de componentes principales.

Método de rotación: Normalización Varimax con Kaiser.

a. La rotación ha convergido en 6 iteraciones.

Political Stability

Prueba de KMO y Bartlett

Medida Kaiser-Meyer-Olkin de adecuación de muestreo		.862
Prueba de esfericidad de Bartlett	Aprox. Chi-cuadrado	1334.599
	gl	190
	Sig.	.000

Comunalidades

	Inicial	Extracción
PIN1	1.000	.770
PIN2	1.000	.761
PIN3	1.000	.537
PIN4	1.000	.400
PIN5	1.000	.705
PIN6	1.000	.624
PIN7	1.000	.643
PIN8	1.000	.638
PIN9	1.000	.690
PIN10	1.000	.549
PIN11	1.000	.666
PIN12	1.000	.549
PIN13	1.000	.581
PIN14	1.000	.805
PIN15	1.000	.695
PIN16	1.000	.636
PIN17	1.000	.616
PIN18	1.000	.561
PIN19	1.000	.545
PIN20	1.000	.632

Método de extracción: análisis de componentes principales.

Varianza total explicada

Componente	Autovalores iniciales			Sumas de extracción de cargas al cuadrado			Sumas de rotación de cargas al cuadrado		
	Total	% de varianza	% acumulado	Total	% de varianza	% acumulado	Total	% de varianza	% acumulado
1	7.425	37.123	37.123	7.425	37.123	37.123	4.738	23.690	23.690
2	2.007	10.036	47.159	2.007	10.036	47.159	4.246	21.229	44.919
3	1.833	9.164	56.323	1.833	9.164	56.323	2.051	10.253	55.172
4	1.338	6.690	63.013	1.338	6.690	63.013	1.568	7.841	63.013
5	.913	4.566	67.579						
6	.839	4.195	71.773						
7	.769	3.843	75.617						
8	.726	3.630	79.247						
9	.628	3.138	82.385						
10	.556	2.782	85.167						
11	.502	2.510	87.676						
12	.466	2.331	90.008						
13	.364	1.820	91.828						
14	.304	1.519	93.347						
15	.291	1.453	94.800						
16	.270	1.349	96.149						
17	.238	1.188	97.338						
18	.202	1.010	98.348						
19	.193	.963	99.311						
20	.138	.689	100.000						

Método de extracción: análisis de componentes principales.

Matriz de componente rotado[a]

	Componente			
	1	2	3	4
PIN5	.793			
PIN17	.723			
PIN20	.687			
PIN19	.670			
PIN3	.643			
PIN13	.640			
PIN14	.632			
PIN4	-.602			
PIN15		.767		
PIN9		.704		
PIN10		-.683		
PIN12		.667		
PIN6		-.644		
PIN16		.621		
PIN8		.565		
PIN7		-.552		
PIN2			.780	
PIN1			.780	
PIN11				.815
PIN18				.699

Método de extracción: análisis de componentes principales.

Método de rotación: Varimax con normalización Kaiser.

a. La rotación ha convergido en 8 iteraciones.

Economic Performance

Reliability Statistics

Cronbach's Alpha	N of Items
.921	15

Infrastructure

Reliability Statistics

Cronbach's Alpha	N of Items
.881	21

Managerial Competencies

Reliability Statistics

Cronbach's Alpha	N of Items
.899	20

Political Stability

Reliability Statistics

Cronbach's Alpha	N of Items
.790	20

APPENDIX C

OPERATIONALIZATION OF THE VARIABLES

Operationalization of the Variable Economic Performance

Variables	Conceptual Definition	Instrumental Definition	Operational Definition
Economic Performance	The ability of a firm to achieve its long and short term economic objectives, which includes goals such as sustainability, profitability and development growth	To measure the degree of economic performance, data was collected from managers, supervisors and employees from various commercial enterprises, in the northern part of Haiti through the measured of 15 items, under the scale: 1 = Strongly disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree 1. Institution has steady short-term financial growth. 2. Expenses are higher than income. 3.Our Assets are greater than our liability. 4. Institution has difficulties in paying employees due to a lack of income. 5. Institution is short of staff because of a lack of funds. 6.Institution has enough financial resources to survive during economic crises.	To measure the degree of economic performance, data was obtained from employees, managers supervisors of various commercial enterprises in the northern part of Haiti through the measurement of 15 items. The variable was considered as metric.

7.Employees are rewarded based on their performance.

8. The institution invests in employee development for better performance.

9. The employee receives fair compensation and bonus.

10.The employees are loyal to the institution.

11.Products have a high turnover in our institution.

12. Purchasing power influences our ability to buy certain products.

13. National economy impacts our institution's long-term financial plan.

14. The firm’s investment reflects its objectives.

15. The firm diversifies its investments.

Operationalization of the Variable Infrastructure

Variables	Conceptual Definition	Instrumental Definition	Operational Definition
Infrastructure	refers to (but not limited to) the basic physical systems of a business that deals with transportation (roads, air or ports), communication, electricity, water, etc. that contributes to the success of a business	To measure the degree of infrastructure, data was collected from managers, supervisors and employees from various commercial enterprises in the northern part of Haiti through the measured of 21 items, under the scale: 1 = Strongly disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree 1. Intra and interregional trade is costly because of the condition of the road 2. Our products are environmentally friendly 3. Our business is located in a safe neighborhood 4. Community-oriented social programs are part of our regular activities 5. The poor communication system in our area impacts our business tremendously 6. Leadership changes do not affect the operation 7. We are not concerned about the negative events	To measure the degree of infrastructure, data was obtained from employees, managers supervisors of various commercial enterprises in the northern part of Haiti through the measurement of 21 items. The variable was considered as metric.

that transpire in our community

8. Our business is able to operate during hurricane season

9. We are equipped to deal with natural disaster

10. We have enough cash flow on hand to continue operation if an emergency occurs

11. We have a good communication system in place to facilitate the transition in a time of emergency

12. We have a backup energy system (generator, solar panel, inventor) to continue operation in time of need

13. Our facility is equipped with the proper equipment (fire extinguishers, medical kit, fire alarm, etc.) to handle a natural disaster

14. There is an evacuation plan in place to help in the exiting process in time of emergency

15. The management team is highly qualified to lead this business

16. Our facility is equipped with modern technology

		17. Management provides adequate training for the staff 18. Our staff are well trained and equipped to perform service right the first time 19. Employees are satisfied with the way they are treated 20. Customers are treated with care and respect 21. Information flows in this institution are effective. The institution has a steady short-term financial growth.	

Operationalization of the variable Managerial Competencies

Variables	Conceptual Definition	Instrumental Definition	Operational Definition
Managerial Competencies	managerial skills are the knowledge and ability that individuals in managerial positions possess to efficiently run and operate different aspects, activities or tasks of the institution.	To measure the degree of managerial competencies, data was collected from managers, supervisors and employees from various commercial enterprises, in the northern part of Haiti through the measured of 20 items, under the scale: 1 = Strongly disagree 2 = Disagree 3 = Uncertain 4 = Agree 5 = Strongly Agree	To measure the degree of managerial competencies, data was obtained from employees, managers supervisors of various commercial enterprises in the northern part of Haiti through the measurement of 20 items. The variable was considered as metric.

1. I know how to use technology to enhance my work production

2. I can use technology to do seminars, and workshops presentation

3. I can use technology tools to process data and report results.

4. I use different types of technology to communicate with my staff

5. Leadership communicates a clear vision, plans and goals of the future of the organization

6. Leadership doesn't hesitate to provide the leadership that is needed

7. Leadership promotes open communication and sharing of information

8. Leadership gives workers the power to make important decisions

9. Leadership provides the support and resources needed to help workers meet their goals

10. Leadership creates an environment that encourages learning

11. I feel appreciated by my supervisor for what I contribute

12. I trust the leadership of this organization

13. I am respected by those above me in the organization

14. Being able to understand others is the most important part of my work

15. My main concern is to have a supportive communication climate

16. Understanding the social fabric of the organization is important to me

17. Getting all parties to work together is a challenge I enjoy

18. I am concerned with how my decisions affect the lives of others

19. I am intrigued by complex organizational problems

20. I would enjoy working out strategies for my organization's growth Intra and inter-regional trade is costly because of the condition of the road

APPENDIX D

DEMOGRAPHIC DESCRIPTION

Age

		Frecuencia	Porcentaje	Porcentaje válido	Porcentaje acumulado
Válidos	25-35	56	43.8	43.8	43.8
	36-46	49	38.3	38.3	82.0
	47-57	21	16.4	16.4	98.4
	Others	2	1.6	1.6	100.0
	Total	128	100.0	100.0	

Gender

		Frecuencia	Porcentaje	Porcentaje válido	Porcentaje acumulado
Válidos	Male	57	44.5	44.5	44.5
	Female	71	55.5	55.5	100.0
	Total	128	100.0	100.0	

Education

		Frecuencia	Porcentaje	Porcentaje válido	Porcentaje acumulado
Válidos	High School	7	5.5	5.5	5.5
	Associate	20	15.6	15.6	21.1
	Bachelor	98	76.6	76.6	97.7
	Master	3	2.3	2.3	100.0
	Total	128	100.0	100.0	

Profession

		Frecuencia	Porcentaje	Porcentaje válido	Porcentaje acumulado
Válidos	Financial	13	10.2	10.2	10.2
	Administration	49	38.3	38.3	48.4
	Management	41	32.0	32.0	80.5
	Healthcare	15	11.7	11.7	92.2
	Construction	5	3.9	3.9	96.1
	Others	5	3.9	3.9	100.0
	Total	128	100.0	100.0	

APPENDIX E

ARITHMETIC MEANS

Estadísticos descriptivos

	N	Mínimo	Máximo	Media	Desv. típ.
INF1	128	1.00	5.00	1.6250	.90493
INF2	128	1.00	5.00	3.0938	1.48185
INF3	127	1.00	4.00	1.8504	.93502
INF4	128	1.00	5.00	2.6719	1.17794
INF5	128	1.00	5.00	2.9844	1.15004
INF6	128	1.00	5.00	2.8203	1.02284
INF7	128	1.00	5.00	2.3750	1.20367
INF8	128	1.00	5.00	2.8359	1.18904
INF9	128	1.00	5.00	2.9922	1.20037
INF10	128	1.00	5.00	3.5703	1.00144
INF11	128	1.00	5.00	2.8281	1.09479
INF12	128	1.00	5.00	3.2266	1.26873
INF13	128	1.00	5.00	3.0547	1.13851
INF14	127	1.00	5.00	2.8110	1.00579
INF15	128	1.00	5.00	3.2109	1.01681
INF16	128	1.00	5.00	2.9297	1.05877
INF17	128	1.00	5.00	2.9688	1.12199
INF18	128	1.00	5.00	3.4688	1.08633
INF19	128	1.00	5.00	2.3359	1.11735
INF20	128	1.00	5.00	2.9688	1.01901
INF21	128	1.00	5.00	2.7813	1.12898
INFtotal	128	1.48	4.00	2.8290	.60589
N válido (según lista)	126				

Estadísticos descriptivos

	N	Mínimo	Máximo	Media	Desv. típ.
MAC1	128	1.00	5.00	2.2578	1.22472
MAC2	128	1.00	5.00	2.8672	1.05271
MAC3	128	1.00	5.00	2.3516	1.05435
MAC4	128	1.00	5.00	2.6016	1.02979
MAC5	128	1.00	5.00	2.6016	1.35936
MAC6	128	1.00	5.00	3.0000	1.08679
MAC7	128	1.00	5.00	2.5469	1.18295
MAC8	128	1.00	5.00	2.8594	1.07024
MAC9	128	1.00	5.00	2.9375	.97002
MAC10	128	1.00	5.00	3.2656	1.03851
MAC11	128	1.00	5.00	4.0156	.94731
MAC12	128	1.00	5.00	2.3359	1.20548
MAC13	128	1.00	5.00	3.7109	1.15119
MAC14	128	1.00	5.00	2.2578	1.10294
MAC15	128	1.00	5.00	3.7109	.92347
MAC16	128	1.00	4.00	2.8906	.94105
MAC17	128	1.00	5.00	2.7500	1.03483
MAC18	128	1.00	5.00	3.0625	1.06298
MAC19	128	1.00	5.00	2.6094	1.19865
MAC20	128	1.00	5.00	2.3750	1.01950
MACtotal	128	1.40	4.30	2.8504	.63626
N válido (según lista)	128				

Estadísticos descriptivos

	N	Mínimo	Máximo	Media	Desv. típ.
PIN1	128	1.00	4.00	3.0859	.92240
PIN2	128	1.00	5.00	2.9766	.97581
PIN3	128	1.00	5.00	3.2969	.91668
PIN4	128	1.00	5.00	3.0313	1.04194
PIN5	128	1.00	5.00	3.0625	1.17554
PIN6	128	1.00	5.00	4.2188	.85054
PIN7	128	1.00	5.00	4.2734	.76039
PIN8	128	1.00	5.00	2.6328	1.29122
PIN9	128	1.00	5.00	2.5703	.98559
PIN10	128	1.00	5.00	3.6406	1.08486
PIN11	128	1.00	5.00	4.1094	.99791
PIN12	128	1.00	5.00	2.6250	.98012
PIN13	128	1.00	5.00	3.0391	1.15290
PIN14	128	1.00	5.00	2.6797	.98759
PIN15	128	1.00	5.00	2.4766	1.09375
PIN16	128	1.00	5.00	2.5313	.98762
PIN17	128	1.00	5.00	2.9922	1.03099
PIN18	128	1.00	5.00	4.4609	.71982
PIN19	128	1.00	5.00	2.6797	1.05691
PIN20	128	1.00	5.00	2.7266	1.20180
PINtotal	128	2.10	4.60	3.1555	.45693
N válido (según lista)	128				

Estadísticos descriptivos

	N	Mínimo	Máximo	Media	Desv. típ.
PEC1	128	1.00	5.00	4.1953	1.00439
PEC2	128	1.00	5.00	2.5469	1.07116
PEC3	128	1.00	5.00	2.4688	1.16333
PEC4	128	1.00	5.00	2.7500	1.12942
PEC5	128	1.00	5.00	3.1563	1.28245
PEC6	128	1.00	5.00	2.2031	1.01454
PEC7	128	1.00	5.00	2.4063	1.22595
PEC8	128	1.00	5.00	2.5313	1.19010
PEC9	128	1.00	5.00	2.6406	1.00184
PEC10	128	1.00	5.00	2.8828	1.02428
PEC11	128	1.00	5.00	3.0625	1.11362
PEC12	128	1.00	5.00	3.0078	1.08313
PEC13	128	1.00	5.00	3.1641	1.03313
PEC14	128	1.00	5.00	2.5859	1.10494
PEC15	128	1.00	5.00	2.7031	1.05263
PECtotal	128	1.27	4.40	2.8203	.76023
N válido (según lista)	128				

APPENDIX F

MULTIPLE REGRESSION ANALYSIS

Regresión por pasos sucesivos

Supuestos de regresión

Normalidad

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Standardized Residual	.049	128	.200*	.987	128	.290

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Independencia de los errores

Model Summary[c]

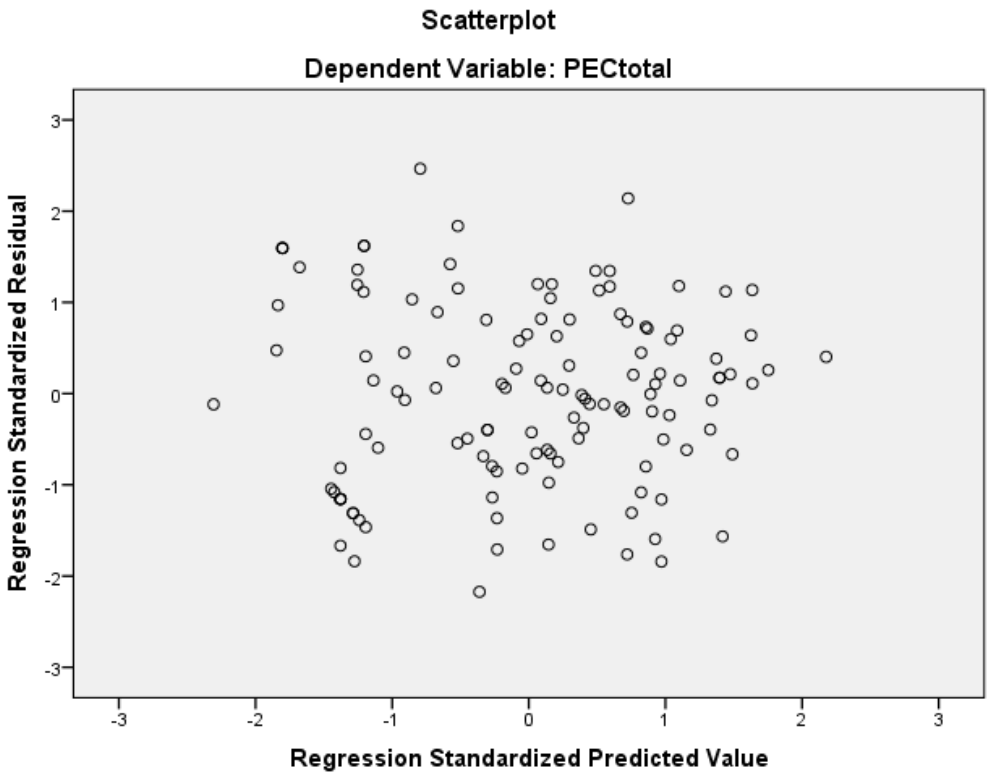
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.846[a]	.716	.714	.40645	
2	.859[b]	.739	.735	.39171	1.991

a. Predictors: (Constant), MACtotal

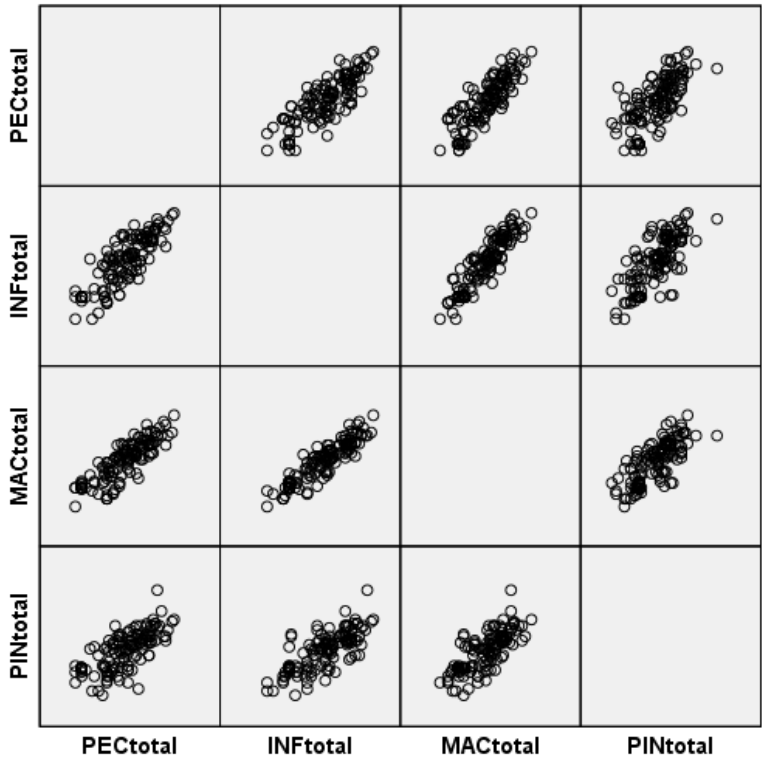
b. Predictors: (Constant), MACtotal, INFtotal

c. Dependent Variable: PECtotal

Errores constantes



Linealidad



Resultados de regresión pasos sucesivos

Model Summary[c]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.846[a]	.716	.714	.40645	
2	.859[b]	.739	.735	.39171	1.991

a. Predictors: (Constant), MACtotal

b. Predictors: (Constant), MACtotal, INFtotal

c. Dependent Variable: PECtotal

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	52.585	1	52.585	318.316	.000[b]
	Residual	20.815	126	.165		
	Total	73.401	127			
2	Regression	54.221	2	27.110	176.688	.000[c]
	Residual	19.180	125	.153		
	Total	73.401	127			

a. Dependent Variable: PECtotal

b. Predictors: (Constant), MACtotal

c. Predictors: (Constant), MACtotal, INFtotal

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.062	.166		-.377	.707		
	MACtotal	1.011	.057	.846	17.841	.000	1.000	1.000
2	(Constant)	-.222	.167		-1.332	.185		
	MACtotal	.602	.137	.504	4.410	.000	.160	6.255
	INFtotal	.468	.143	.373	3.265	.001	.160	6.255

a. Dependent Variable: PECtotal

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CURRICULUM VITAE

Amstrong Joseph Jean Charles
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OBJECTIVE: To advance my professional career with an organization that will utilize my management, supervision & administrative skills to benefit mutual growth and success.

HIGHLIGHTS OF QUALIFICATIONS

- Genuinely interested in people's ideas and thoughts
- Enthusiastic and energetic
- Take commitment very seriously
- Fair- Minded and interested in doing the Right Thing
- Very good with money
- Extremely direct and straightforward
- Fluent in French, Creole and English
- Enhance and encourage knowledge and self-growth in all aspects of life
- Able to turn conflict situations into positive lessons
- Extremely high standard and expectations
- Able to dole out discipline

EDUCATION

PhD in Business Administration emphasis on Management — **July 2016 to present**
Montemorelos University — Montemorelos, Mexico

Master in Sociology — **April 2006**
University of Ottawa — Ottawa, Canada

Bachelor in Sociology — **April 2005**
University of Ottawa — Ottawa, Canada

Bachelor in Political Science — **April 2003**
University of Ottawa — Ottawa, Canada

Bachelor in Business Administration & Commerce — **August 1994**
Adventist University of Haiti — Diquini, Haiti

ADMINISTRATIVE EXPERIENCE

CEO **June 2015 to Present**
ASEBED Hospital *Morne Rouge, Cap-Haitian*

Program Director **July 2014 - to - Dec. 2018**
School Canteen Project *Port-au-Prince, Haiti*

Providing nourishment for over 25,000 students to almost 100 schools in the southern part of Haiti.

CEO **June 2014 to Present**
ASEBED Construction Firm *Cap-Haitian, Haiti*

Project Director **January 2009 to Dec. 2018**
Partnership with World Bank *Artibonite, Haiti*

Project Manager **April 2008 - to - Dec. 2018**
Health/ nutrition with the World Food Program *Port-au-Prince, Haiti*

ASEBED directed, in partnership with WFP, school canteen projects that benefited more than 44,000 students, in all the corners of the North Department.

CEO **March 2003 to April 2019**
ASEBED Organization *Morne Rouge, Cap-Haitian*

Supervisor **April 1997 - to Dec. 2000**
United Nations, World Food Program *Cap-Haitien, Haiti*

- Managed the Education Project for the World Food Program (WFP).
- Coordinated and supervised staff.
- Conducted research and proposed appropriate plan of action for school principals and directors.
- Provided analysis and project report evaluations.
- Prepared cost/benefit and risk assessments for projects.
- Controlled the petty cash for six project budgets.
- Facilitated seminars targeted towards parents and school administrators.
- Represented (WFP) in events organized by community groups and parents.

- Established and maintained contacts with private, governmental and non-governmental organizations to facilitate partnerships and cooperation.

Chief Accounting **Oct. 1994 -to- March 1997**
INGASSA Construction Firm *Port-au-Prince, Haiti*

- Managed the provision of financial services.
- Managed the development, implementation and monitoring of INGASSA-Construction's accounts to ensure the effective classification of expenditures for purposes of control.
- Provided interpretation, advice and recommendations on financial policies and systems.
- Reviewed complex accounting operation situations.
- Managed an operating budget and controlled the budget allocations.
- Managed accounts payable and receivable processes.

REFERENCES

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